

Annual Report and Action Plan

Company Name: **UNIVERSAL STORE HOLDINGS LIMITED**

Trading As: **Universal Store**

ABN: **94628836484**

About APCO

Australian Packaging Covenant Organisation (APCO) is a co-regulatory not-for-profit organisation leading the development of a circular economy for packaging in Australia. APCO's vision is a packaging value chain that collaborates to keep packaging materials out of landfill and retains the maximum value of the materials, energy and labour within the local economy.

Each year, APCO Brand Owner Members are required to submit an APCO Annual Report and an APCO Action Plan. This document is the Annual Report and Action Plan output for the organisation listed above. This document provides the overall performance level of the organisation, as well as any commitments they have made to work towards on their packaging sustainability journey. This document may also include additional information provided by the Member in their report.

Overall Performance **Advanced**

The chart below indicates the overall performance level of this organisation listed above in the 2023 APCO Annual Report. The organisation's reporting period was **July, 2021 - June, 2022**



Understanding APCO Annual Reporting performance levels:

- 1 Getting Started:** You are at the start of your packaging sustainability journey.
- 2 Good Progress:** You have made some first steps on your packaging sustainability journey.
- 3 Advanced:** You have taken tangible action on your packaging sustainability journey.
- 4 Leading:** You have made significant progress on your packaging sustainability journey.
- 5 Beyond Best Practice:** You have received the highest performance level and have made significant progress on your packaging sustainability journey.

Contact

A: Suite 1102, Level 11, 55 Clarence Street, Sydney, NSW, 2000
E: apco@apco.org.au

Additional Information

The information below indicates additional information that the organisation included in their APCO Annual Report.

Describe initiatives, processes or practices that you have implemented during your chosen reporting period that have improved packaging sustainability

Over the past 12 months, Universal Store has initiated a number of activities in relation to our packaging practices that have significantly contributed to establishing a clear commitment to sustainable packaging internally and with external partners.

- Universal Store submitted its initial voluntary APCO report and used the lessons learned from this submission to inform our approach to packaging improvements during the year.
- Universal Store drafted its own Sustainable Packaging Commitment outlining our packaging strategy, key initiatives and partnerships to contribute to the National Packaging Targets, and our own waste and packaging targets and transition towards more sustainable packaging. This commitment was formally approved and widely communicated internally.
- Based on the data collected for our initial voluntary APCO report, we reviewed the volumes of packaging used across the business with the aim of setting priorities for formal reviews of various types of packaging used across the business.
- Universal Store engaged with our key suppliers (direct and 3rd party brands), sharing and outlining our expectations in alignment with our Sustainable Packaging Commitment. We also conducted spot audits of stock received and suggested improvements to suppliers to reduce unnecessary packaging and encourage bulk items packaging where possible.
- We initiated a tender process to identify new packaging suppliers that would support the transition to alternative packaging solutions. The tender referenced the recommendations from the Sustainable Packaging Guidelines (SPGs). We considered APCO membership and familiarity with the SPGs in our supplier selection criteria and evaluation.
- We reviewed the use of single use plastic bags in shops using the SPGs principles and considered steps to transition to an alternative packaging solution.
- Universal Store included commentary on packaging targets, initiatives, and performance in our FY22 annual sustainability report and associated public disclosures.
- We used the PREP tool to assess the recyclability of swing tags and hang tags to inform packaging design decisions and customer recyclability information.

Describe any opportunities or constraints that affected performance within your chosen reporting period

One of the key positive drivers of performance was teamwork and the willingness of the team to collaborate to find better solutions. We will continue to work with our internal teams across the business to identify opportunities as part of packaging reviews, assess alternatives and implement alternative packaging solutions.

Whilst we can influence and control outcomes in regards to packaging in our own direct supply chains for private brands, Universal Store - as a retailer of brands - sometimes has limited control on the packaging choices made by other brands. Our Sustainable Packaging Commitment is a valuable tool to reinforce our commitment with our suppliers. We will continue to use as communication mechanism and standard for our packaging engagement activities.

Whilst compostable packaging is preferable for stock packaging from an environmental point of view, we realised that our Distribution team awareness of end-of-life disposal options needed upskilling and also that our current waste disposal equipment and infrastructure would require upgrades in order to accommodate compostable packaging alongside traditional soft plastic packaging. We will continue develop our internal capability and consider alternative packaging solutions and strive for the optimum environmental outcome within the constraints of our business. With compostable online mailers for our online business, shelf life was a limitation for continued use of this packaging solution.

Please use the space below to provide examples or case studies of exemplary packaging sustainability conducted by your organisation.

Case Study 1 - Ethical Sourcing and Sustainability Coordinator role

From January 2022, Universal Store resourced the Product Ethical Sourcing and Sustainability coordinator role with key responsibilities related to monitoring performance against our sustainability goals and targets (including waste and packaging) and identify opportunities for improvement on packaging practices. This role is crucial in communicating our packaging expectations to third party brand suppliers, rolling out our Sustainable Packaging Commitment and keeping suppliers accountable for improvements towards more sustainable packaging solutions.

Case Study 2 - Transition to recycled online mailers.

As part of our APCO commitment and our target to achieve 100% of bags and online mailers being reusable, recyclable or compostable by 2025 we opted for a 95% recycled plastic online mailer packaging solution for Universal Store online shipments. This is an improvement in comparison to the previous period as our online mailer packaging solution did not comprise recycled materials.

APCO Action Plan Commitments

For each of the Packaging Sustainability Framework criteria listed below, a description is provided along with the commitments made by the organisation in their APCO Action Plan.

Criteria 1:

Governance & Strategy:

This criteria considers actions to integrate packaging sustainability into business strategies.

- Develop a strategy that includes goals (objectives) and targets for packaging sustainability that addresses the Sustainable Packaging Guidelines (SPGs) or equivalent.
- Include a commitment to achieving the 2025 National Packaging Targets in our strategy.
- Have our executive or board of directors review our strategy and have the strategy integrated within our business processes.
- Regularly communicate and promote packaging sustainability objectives and targets within our organisation.
- Regularly engage or communicate with our external stakeholders about the environmental impacts of our packaging.
- Actively participate in initiatives to promote packaging sustainability outside of our organisation.

Criteria 2:

Design & Procurement:

This criteria considers actions taken to ensure that sustainability principles are considered in the design or procurement of both new and existing packaging through use of the Sustainable Packaging Guidelines (SPGs).

- Review **100%** of our packaging against the Sustainable Packaging Guidelines (or equivalent).
- Improve the accuracy of our data regarding reviews of packaging using the Sustainable Packaging Guidelines (or equivalent).
- Incorporate the Sustainable Packaging Guidelines (or equivalent) into procurement processes.
- Consider the following Sustainable Packaging Principles in our packaging reviews:
 - Design for recovery
 - Optimise material efficiency
 - Eliminate hazardous materials
 - Use of renewable materials
 - Use recycled materials
 - Design to minimise litter
 - Provide consumer information on environmental sustainability
- **100%** of our packaging to be optimised for material efficiency.
- Improve the accuracy of our data regarding packaging material efficiency.

Criteria 3:

Recycled Content:

This criteria considers actions taken to increase or optimise the amount of recycled material used by your organisation.

- Develop a policy or procedure to buy products and/or packaging made from recycled materials.
- Use recycled content in:
 - Our products
 - Primary packaging that we use to sell our products
 - Secondary packaging that we use to sell our products
 - Tertiary packaging that we use to sell our products
- **55%** of our packaging to be made using some level of recycled material
- Improve the accuracy of our data regarding use of recycled materials.

Criteria 4:

Recoverability:

This criteria considers actions taken to improve the recovery of packaging at end-of-life and increase use of reusable packaging.

- **64%** of our packaging to be designed to have all packaging components be recoverable at end-of-life.
- Improve the accuracy of our data regarding recoverability.
- Use PREP to assess the recyclability of our packaging through kerbside collection in Australia and/or

New Zealand.

- Investigate opportunities to use reusable packaging.
- **15%** of our packaging to have all packaging components that are reusable.
- Improve the accuracy of our data regarding reuse.

Criteria 5:

Disposal Labelling:

This criteria considers the extent to which packaging has been labelled to help consumers determine what to do with packaging at end-of-life.

- **71%** of our packaging to have on-pack labelling to inform correct disposal.

Criteria 6:

On-site Waste:

This criteria considers progress in increasing the amount of on-site solid waste being diverted from landfill.

- Have recycling programs for the following materials:
 - Paper/cardboard
 - Soft plastics
 - Rigid plastics
 - Timber
 - Textiles
 - Glass
 - Metals
- Aim for **58%** of our on-site waste to be diverted from landfill.
- Improve the accuracy of our data regarding on-site waste.

Criteria 7:

Problematic Materials:

This criteria considers the extent to which organisations are actively phasing out problematic and unnecessary single-use plastic packaging and preventing/reducing litter.

- Help reduce litter by:
 - Collect Containers for Change and direct funds to civil society organisations conducting clean ups.
- Phase-out the following problematic and unnecessary single-use plastic items:
 - Fragmentable (e.g. oxo-degradable) plastics