

# Annual Report and Action Plan

Company Name: **BAT Australia Limited**

Trading As: **British American Tobacco Australia**

ABN: **96000151100**

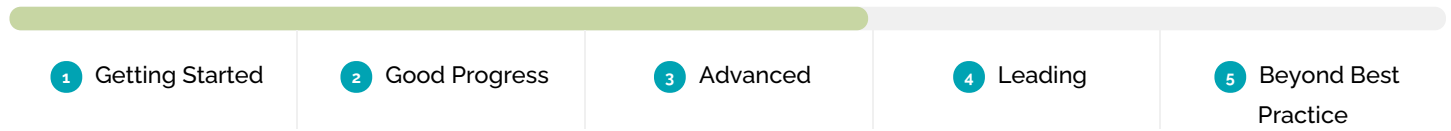
## About APCO

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 2026 APCO Annual Report. The organisation's reporting period was **January, 2025 - December, 2025**.



### 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

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## 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 12-month reporting period that have improved packaging sustainability**

In 2025, over 200 tonnes of recycled content paper fibre was sold into the Australian market by BATA, with all cigarette shippers containing 100% recycled content while all roll-your-own and filter shippers contained 81% recycled content. The inner cardboard for filter products was 100% recycled content and for rolling paper products a minimum 50% recycled content, both Forest Stewardship Certified (FSC). During business-to-business distribution, a number of shippers are reused to forward product on to large retailers, and cartons used contained 70% recycled content, FSC from mixed sources. Air pockets used in cartons contained a minimum 50% recycled content plastic, and our logistics contractor used CHEP pallets which are reusable.

**Describe any opportunities or constraints that affected performance within your 12-month reporting period**

Whilst BATA is a committed signatory to the Australian Packaging Covenant, there are limiting factors which impede our influence on packaging design for combustible products:

1. The Public Health (Tobacco and Other Products) Act 2023 prescribes the design, appearance and format of all tobacco packaging sold within Australia, including materials to be used, physical features and restrictions for on-pack messaging. Commencing July 2025 it also required the mass, volume or number of units in retail packaging to be standardised so that each retail package contains the same nominal quantity i.e. cigarette packs must contain 20 cigarettes, cartons must contain 10 cigarette packs, loose processed tobacco must contain 30g of loose tobacco; and this must not include any product accessories
2. Global packaging decisions are made above market by our parent company including packaging supplier selection, procurement and specifications. Furthermore, some brand portfolios are managed globally and therefore packaging specifications are pre-determined above market. As a result, minimal changes are influenced locally.

In addition, BATA's ability to communicate directly to consumers in relation to our combustible products is restricted by the Public Health (Tobacco and Other Products) Act 2023. As a result, BATA is only allowed to communicate with consumers in very limited circumstances, for example in relation to a product recall. All other communication directly with consumers or via advertising, social media, or events is prohibited. This therefore limits our ability to engage directly with consumers regarding recycling or sustainability initiatives for these products.

**Describe any examples or case studies of exemplary packaging sustainability conducted by your organisation during your 12-month reporting period.**

BATA also maintained our best practice recycling systems at head office for commingled containers, paper and cardboard and food waste, achieving an on-site recycling rate of at least 75%.

## 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.

Criterion 1:

### **Governance & Strategy:**

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

- Regularly communicate and promote packaging sustainability objectives and targets within our organisation.

Criterion 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 **95%** 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).
- Consider the following Sustainable Packaging Principles in our packaging reviews:
  - Design for recovery
  - Optimise material efficiency
  - Design to reduce product waste
  - Eliminate hazardous materials
  - Use of renewable materials
  - Use recycled materials
  - Design to minimise litter
  - Design for transport efficiency
  - Design for accessibility
  - Provide consumer information on environmental sustainability
- **93%** of our packaging to be optimised for material efficiency.
- Improve the accuracy of our data regarding packaging material efficiency.

Criterion 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 content.
- Use recycled content in:
  - Secondary packaging that we use to sell our products
  - Tertiary packaging that we use to sell our products
  - Other items which we purchase (e.g. office stationary and suppliers etc.)

- 100% of our packaging to be made using some level of recycled content
- Improve the accuracy of our data regarding use of recycled content.

## Criterion 4:

**Recoverability:**

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

- 30% 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.
- Improve the accuracy of our data regarding reuse.

## Criterion 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.

- Improve the accuracy of our data regarding labelling.

## Criterion 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
  - Rigid plastics
  - Glass
  - Metals
  - Batteries
- Aim for 85% of our on-site waste to be diverted from landfill.
- Improve the accuracy of our data regarding on-site waste.

## Criterion 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:
  - Conducting regular clean ups on-site
  - Participating in a planned Business Clean Up Day