



## Signatory Name: Mattel Pty Ltd

*The question numbers in this report refer to the numbers in the report template. Not all questions are displayed in this report.*

Status: Complete

The content in this APC Annual Report is hereby endorsed by the Chief Executive Officer, or equivalent officer of the organisation.

Yes

**5. Industry sector** (please select 1 only):

- Brand Owner / Wholesaler / Retailer
- Packaging Manufacturer
- Waste Management
- Other - Commercial Organisation
- Community Group
- Industry Association
- Government
- Raw Material Supplier
- Other:

**6. Industry type** (please select 1 only):

- Food & Beverage
- Pharmaceutical / Personal Care / Medical
- Hardware
- Homewares
- Communications / Electronics
- Clothing / Footwear / Fashion
- Chemicals / Agriculture
- Fuel
- Large Retailer
- Tobacco
- Shipping Company
- Airline
- Other: Toy and Games

**7. Please indicate your organisation's reporting period:**

- Financial Year: 1 July 2015 – 30 June 2016
- Calendar Year: 1 January 2016 – 31 December 2016

**Goal 1: Design**

**KPI 1: % of signatories with documented policies and procedures for evaluating and procuring packaging using the SPGs or equivalent.**

9. Does your company have documented policies and procedures for evaluating and procuring packaging using the SPGs or equivalent?

- Yes  No

Provide details of policies and procedures

Sustainable Sourcing Principles  
Packaging Guidebook

10. Of the types of packaging **existing at the beginning of the reporting period**, what percentage had been reviewed using the Sustainable Packaging Guidelines (SPG) by the end of the reporting period?

%

11. Have any new types of packaging been introduced during the reporting period?

- Yes  No

12. If yes, of the **new types of packaging introduced during the reporting period**, what percentage have been reviewed using the Sustainable Packaging Guidelines (SPG) by the end of the reporting

%

13. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 1

	Target: According to your Action Plan, what did you set out to do?	Actual: What did you achieve?
1.	Refine packaging guidance on sustainability and improve methodology for review.	<p>Packaging Guidance revised in 2016 to include new advancements in sustainability and packaging innovation. Mattel has made improvements in the design of our packaging including the elimination of PVC in our packaging that is meant to be discarded in March 2016.</p> <p>Additionally, Mattel has a head of "Packaging and Innovation" who supports the various brands and continues to review improvements in sustainability and technology for packaging.</p>
2.	Complete 2 gap assessments to determine potential future opportunities	Mattel is currently developing corporate facing objectives under the header of Inspired Design, which include product quality and environmental sustainability. As part of this process, we are evaluating the impacts of our packaging and product to determine gaps in our program and identify future program enhancements.
3.	Create a set of common KPIs across all packaging types and brands	Our redeveloped packaging guidelines provided insight as to key KPIs to track, but these require further evaluation. Additionally, we are working to establish a new set of corporate objectives for Citizenship and plan to include packaging KPIs among these new goals. Goals will be formed by the end of 2017.

4.	Conduct sessions on packaging review every 2 years	Our Global Development and Product Supply organization conducted a "Packaging Innovation Showcase" in 2016 to introduce design and marketing teams to new technologies and variations of packaging. This showcase highlighted enhanced sustainability in packaging and was lead by our head of "Packaging and Innovation". This showcase received positive reviews by attendees and there are plans in place to extend the showcase beyond our main corporate campus.
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**14. Describe any constraints or opportunities that affected performance under this KPI**

The high turnover in SKUs year over year allow for frequent reconsideration of the packaging options, however with fast time line and a high volume, it is difficult to apply our principles efficiently across a high percentage. Instead we focus on packaging types as potential sources for innovation. With many of highest volume package types, we have already made these very efficient from a material usage and type standpoint, which leads to difficulties furthering improvement.

**Goal 2: Recycling**

**KPI 3: % signatories applying on-site recovery systems for used packaging.**

**15. Do you have on-site recovery systems for recycling used packaging?**

- Yes at all facilities/ sites
- Yes at some, but not all facilities/ sites
- No

**16. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 3**

	Target: According to your Action Plan, what did you set out to do?	Actual: What did you achieve?
1.	Recycle all used paper and cardboard on site and identify additional opportunities to reuse or recycle materials.	We have now moved to a 3rd party logistics supplier for our warehouse and they are handling the recycling on that site site. Recycling for Richmond Corporate office continues and totalled 50 cubic meters.

**17. Describe any constraints or opportunities that affected performance under this KPI**

We have continued with the project at Richmond office to reduce the amount of plastic liners and encourage recycling by having general waste bins and recycle bins located in the kitchen area only. This has become a part of the culture in the office.

**KPI 4: Signatories implement formal policy of buying products made from recycled packaging.**

18. Does your company have a formal policy of buying products made from recycled packaging?

- Yes  No

Provide details of policies and procedures (including names of policies/ procedures)

Mattel's Sustainable Sourcing Principles outline our efforts to increase the amount of post-consumer recycled content used in paper packaging and Mattel Australia has implemented a Buy Recycled Policy.

19. Is this policy actively used?

- Yes  No

20. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 4

	Target: According to your Action Plan, what did you set out to do?	Actual: What did you achieve?
1.	Ensure 100% of post pack use has recycled content	Our Richmond Corporate office continues to use "Australia Post" post packs (A4 & A5 envelopes) that are made using 30% recyclable content for 90% of our post pack usage. The remaining 10% of post pack usage is Australia Post Express which is sourced from sustainable forests in Australia.
2.	Increase the recycled content of paper supplies	Our Richmond corporate office continues to source stationary that is PEFC certified and copy paper that is carbon neutral with 20% recycled content.

21. Describe any constraints or opportunities that affected performance under this KPI

We are continuously working with our packaging partners to find opportunities to increase the amount of post-consumer recycled content.

**Goal 3: Product Stewardship**

**KPI 6: % signatories with formal processes to work collaboratively on packaging design and / or recycling.**

22. Does your company have formal processes in place for collaborating with other companies or organisations on improved packaging designs and/or recycling which aims to reduce or eliminate waste?

- Yes  No

Provide details of policies and procedures (including names of policies/ procedures)

Mattel's Sustainable Sourcing Principles  
Disney's SmartPackaging Initiative

23. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 6

	Target: According to your Action Plan, what did you set out to do?	Actual: What did you achieve?
1.	Continue relationship with service providers to maximize collection and recycling	Corporate Office waste management contracts have been continued. Cardboard and paper is collected for recycling.

2.	Conduct regular meetings with suppliers, customers and licensors to discuss packaging sustainability priorities	<p>Mattel works closely with our packaging and product suppliers to implement our Sustainable Sourcing Principles. We have started building these principles into our supplier purchase agreements and have expanded the use of our online data collection system in partnership with Rainforest Alliance to include wood fibre based products in addition to packaging. The tool asks for suppliers to report on and show documentation for the sustainability of their packaging and products. We held multiple trainings including in person and webinars to explain our principles, requirements, and encourage best practices. We also provided feedback on previous years responses and areas for improvement in supplier performance. In 2015 we achieved a 92% compliance with our sustainable sourcing principles, indicating that 92% of our packing has either FSC certification is made of recycled content. We continue to drive to our ultimate goal of 95% by 2020.</p> <p>Mattel is a member of Disney's SmartPackaging Initiative which is a sustainable packaging measurement and design tool that aims to reduce packaging waste, increase packaging recyclability, optimize on-shelf performance, and reduce costs. As an active member Mattel regularly invites Disney to discuss our progress and makes suggestions for improvement.</p> <p>Mattel also continues to evaluate the guidance put in place by our largest customers and implement programs that are of high priority to these companies.</p>
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**24. Describe any constraints or opportunities that affected performance under this KPI**

We continue to work with our suppliers, licensors, retailers, and other third parties to improve packaging design and recyclability. We continuously seek out these partnerships and forums for the sharing of best practices.

**KPI 7: % signatories showing other Product Stewardship outcomes.**

**25. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 7**

	Target: According to your Action Plan, what did you set out to do?	Actual: What did you achieve?
1.	95% of packaging materials sustainably sourced or recycled content	In progress: in 2015 we achieved 92% of sustainable sourced or recycled content in our packaging. We are currently in the process of collecting and validating our data from 2016.
2.	Demonstrate Mattel sustainability initiatives in annual APC report	Achieved. Please see question 26.

26. Since the beginning of the reporting period, has your company had any other outcomes related to product stewardship?

Yes

No

If yes, please give examples of other product stewardship outcomes

In 2016 Mattel implemented the use of Sustainability Action Plans in its owned and operated manufacturing locations. These plans are tailored to each site and focus on energy reduction within the operations. This directly effects the life cycle impact of our products by removing GHGs from the overall carbon footprint. These plans have already yielded positive results and we anticipate this will further support our product reduction measures.

Mattel has also worked recently to streamline our distribution processes which decreases the miles travelled per item. This decrease also positively effects the overall GHG life cycle footprint of our products.

27. Describe any constraints or opportunities that affected performance under this KPI

Current constraints exist around the availability and cost of materials with lower environmental impacts. However, with evolving technologies, there is opportunity to identify and implement new processes and materials as practicable. We are actively seeking and studying the availability of these materials.

**KPI 8: Reductions in packaging items in the litter stream.**

28. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 8

	Target: According to your Action Plan, what did you set out to do?	Actual: What did you achieve?
1.	Encourage responsible disposal and work to reduce litter	We continue to explore opportunities for labelling of packaging to support proper recycling with the anticipation that we will select a system within the year.
2.	Impact litter mitigation in local community	We have continually encouraged the team to ensure litter is not accumulated around the office, however we have not participated this year in any community events.

29. Describe any constraints or opportunities that affected performance under this KPI

Due to our large corporate footprint, it is hard to identify the appropriate labelling for our packaging that is applicable in multiple jurisdictions. Change in personnel has made it difficult this year to implement programs required to support litter mitigation in the community.

**Your Experiences**

This section lets you share with us any achievements, good news stories and areas of difficulties in making progress against your plan and the Covenant goals and KPIs.

30. Key achievements or good news stories

The project introduced last year in our Richmond office to increase recycling has been embedded as part of the day to day and has been successful in creating continuous awareness on correct disposal of our waste.

31. Areas of difficulties in making progress against your plan, Covenant goals or KPIs