For the 2021 APCO Annual Report, Microsoft Ireland Operations Limited has achieved Level 5 (Beyond Best Practice) for the core criteria. All seven core criteria were answered and six out of six recommended criteria were answered.

This Annual Report shows the organisation's performance against the APCO Packaging Sustainability Framework.

**CORE:** All core criteria.

**RECOMMENDED:** All answered recommended criteria.

**TOTAL:** Sum of all core and answered recommended criteria.

**LEADERSHIP:** All criteria that defines leadership on packaging sustainability.

**OUTCOMES:** All criteria that lead to direct improvement in packaging sustainability.

**OPERATIONS:** All criteria related to business operations for improving packaging sustainability.
2021 Annual Report & Action Plan
Microsoft Ireland Operations Limited

REPORTING FRAMEWORK

1. LEADERSHIP
   - 1.1 Packaging sustainability strategy
   - 1.2 Closed loop collaboration
   - 1.3 Consumer engagement
   - 1.4 Industry leadership

2. OUTCOMES
   - 2.1 Packaging design & procurement
   - 2.2 Packaging materials efficiency
   - 2.3 Recycled & renewable materials
   - 2.4 Post-consumer recovery
   - 2.5 Consumer labeling
   - 2.6 Product packaging innovation

3. OPERATIONS
   - 3.1 Business to business packaging
   - 3.2 On-site waste diversion
   - 3.3 Supply chain influence

LEVEL DESCRIPTION

- LEVEL 0: NOT YET STARTED
  - The organisation does not have a plan and has not started investigating options for action under the relevant criteria.

- LEVEL 1: GETTING STARTED
  - The organisation is developing a plan or is investigating options for action under that criteria (e.g. agreeing on goals and targets).

- LEVEL 2: GOOD PROGRESS
  - There are documented procedures in place (e.g. to implement the Sustainable Packaging Guidelines) or some progress has been achieved, data tracking shows up to 20% of products have achieved the desired outcome.

- LEVEL 3: ADVANCED
  - The organisation has specific, measurable targets in place, or data tracking shows that >20% of products have achieved the desired outcome.

- LEVEL 4: LEADING
  - The organisation has more rigorous procedures in place, or an ambitious target has been met e.g. >50% of products have achieved the desired outcome.

- LEVEL 5: BEYOND BEST PRACTICE
  - The organisation has more rigorous procedures in place, or an ambitious target has been met e.g. 100% of products have achieved the desired outcome.

ABOUT THE APCO FRAMEWORK

The APCO Packaging Sustainability Framework (the Framework) aims to provide a consistent and transparent framework for assessing and tracking packaging sustainability across organisations. The Framework consists of thirteen independent criteria that belong to three separate categories. These categories are (i) Leadership, (ii) Packaging Outcomes and (iii) Operations. The diagram above shows the different criteria included within each of these three categories.

There are two types of criteria within the Framework:
- **Core criteria** are mandatory and must be answered by all Members when completing the Annual Reporting Tool.
- **Recommended criteria** are not mandatory, but Members are encouraged to complete as many recommended criteria as possible.

Each criteria is divided into five levels of performance ranging from ‘getting started’ to ‘beyond best practice’. The diagram above illustrates the key differences between performance levels. Please see www.packagingcovenant.org.au for more information.

ABOUT APCO

APCO is a co-regulatory, not for profit organisation that partners with government and industry to reduce the harmful impact of packaging on the Australian environment. APCO promotes sustainable design and recycling initiatives, waste to landfill reduction activities and circular economy projects. APCO Annual Reports are a key Membership obligation, providing Member organisations with a transparent method to track their packaging sustainability performance. Annual reporting also supplies APCO with valuable data and information to identify industry trends and advancements.
## COMMITMENTS

The Action Plan detailed below, is a public commitment to advancing packaging sustainability outcomes as a Member of APCO. Members are encouraged to have a comprehensive internal plan with the steps they will take to fulfill their commitments.

### Criteria 1.1 PACKAGING SUSTAINABILITY STRATEGY (core)

**5. Beyond best practice**

*Your organisation is committed to:* Publicly reporting progress towards packaging sustainability.

### Criteria 1.2 CLOSED-LOOP COLLABORATION (core)

**2. Good progress**

*Your organisation is committed to:* Joining a collaborative initiative to address a shared packaging sustainability problem, or working with others to set one up.

### Criteria 1.3 CONSUMER ENGAGEMENT (recommended)

**5. Beyond best practice**

*Your organisation is committed to engaging consumers about packaging sustainability by:* (1) Including packaging information on your website or other publications. (2) Applying on-pack claims or labels. (3) Applying labels that encourage active consumer engagement. (4) Designing packaging to reduce the impacts of consumption. (5) Running a marketing campaign.

### Criteria 1.4 INDUSTRY LEADERSHIP (recommended)

**4. Leading**

*Your organisation is committed to:* (1) Investigating collaborative or industry leadership actions to improve packaging sustainability. (2) Being involved in a program or initiative to improve packaging sustainability through collaboration and leadership. (3) Being involved in multiple programs or initiatives to improve packaging sustainability through collaboration and industry leadership. (4) Actively engaging with peers and/or the community to promote packaging sustainability, and sharing sustainability knowledge for non-commercial purposes.

### Criteria 2.1 PACKAGING DESIGN & PROCUREMENT (core)

**5. Beyond best practice**

*Your organisation is committed to:* Evaluating all packaging using a rigorous Life Cycle Assessment (LCA) approach.
COMMITMENTS

Criteria 2.2 PACKAGING MATERIALS EFFICIENCY (core)

4. Leading

Your organisation is committed to: Reducing packaging weight or optimising packaging material efficiency in more than 50% of products.

Criteria 2.3 RECYCLED & RENEWABLE MATERIALS (core)

4. Leading

Your organisation is committed to: Incorporating or optimising recycled and/or renewable content in more than 50% of products.

Criteria 2.4 POST-CONSUMER RECOVERY (core)

4. Leading

Your organisation is committed to: Having more than 50% of primary packaging be recoverable through existing post-consumer recovery systems and achieving the highest potential environmental value.

Criteria 2.5 CONSUMER LABELLING (recommended)

5. Beyond best practice

Your organisation is committed to: Labelling all products with disposal or recovery information that complies with the principles in ISO/AS 14021: Environmental labels and declarations.

Criteria 2.6 PRODUCT-PACKAGING INNOVATION (recommended)

5. Beyond best practice

Your organisation is committed to: Evaluating and optimising all product-packaging systems using Life Cycle Assessment (LCA) or similar.

Criteria 3.1 BUSINESS-TO-BUSINESS PACKAGING (core)

4. Leading

Your organisation is committed to: Reducing consumption of single use business-to-business (B2B) packaging by more than 50% or optimising more than 50% of B2B packaging for efficiency and reuse.
COMMITMENTS

Criteria 3.2 ON-SITE WASTE DIVERSION (recommended)

4. Leading

Your organisation is committed to: Investigating opportunities to divert more than 50% of solid waste generated at facilities (factories, warehouses, offices, retail stores etc.) from landfill.

Criteria 3.3 SUPPLY CHAIN INFLUENCE (recommended)

5. Beyond best practice

Your organisation is committed to engaging its supply chain about packaging sustainability by: (1) Communicating goals and guidelines. (2) Providing support to suppliers to improve their understanding of goals and strategies. (3) Collaborating with key suppliers to share knowledge. (4) Having processes to evaluate risks and opportunities for influence. (5) Having business processes to monitor supplier compliance.

SIGN OFF

Ranjit Gannamani
VP, DEVICES RELIABILITY
Saturday, 1 May 2021

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