

Annual Report and Action Plan

Company Name: **Smith & Nephew Pty Ltd**

Trading As: **Smith & Nephew Pty Ltd**

ABN: **68000087507**

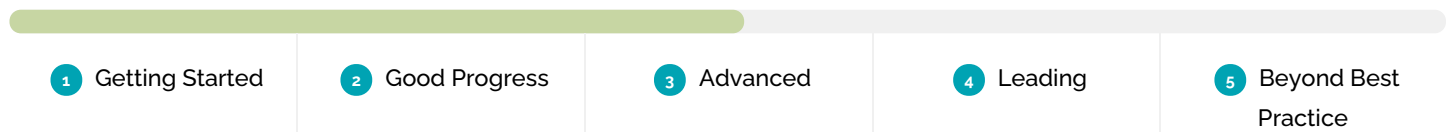
About APCO

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

From 2024 to 2025, we focused on SKU packaging material reduction, increasing sustainable sourcing of packaging materials and improving data availability to better track sustainable packaging attributes. In 2025, 300+ SKUs were converted to using sustainably-sourced Forest Stewardship Council (FSC)-certified materials in their Instructions for Use (IFUs).

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

As part of our ongoing commitment to sustainable product innovation, Smith+Nephew has undertaken a comprehensive redesign of the sterile screw packaging system used in EVOS Plating System sterile screws and other orthopaedic and sports product lines. The highlight of this initiative was the reduction of the 80mm sterile screw packaging size by approximately 50%, significantly lowering the volume of material for each unit, while maintaining 'double barrier' sterility improvements that support operating room safety. The packaging redesign supports healthcare facilities' needs for space-efficient medical device storage and delivers a meaningful reduction in material use and waste. The removal of the outer shrink wrap further cut the amount of single-use plastic in the system. Usability was also improved through a refined peel-edge design informed by human factors research, enabling faster opening in surgical settings and helping to streamline clinical workflows. Logistics and storage efficiency also benefited from the redesign because more compact cartons require less space during transport and in hospital storage areas. The initiative advances circularity by considering the full lifecycle of the packaging materials and their impact on the healthcare system.

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.

- Develop a strategy that includes goals (objectives) and targets for packaging sustainability that addresses the Sustainable Packaging Guidelines (SPGs) or equivalent.
- Have our executive or board of directors review our strategy and have the strategy integrated within our organisation 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.

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 **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).
- 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
- **9%** of our packaging to be optimised for material efficiency.

Criterion 3:

Recycled Content:

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

- 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.)
- **7%** of our packaging to be made using some level 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.

- Investigate opportunities to use reusable packaging.
- 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.

- 9% of our packaging to have on-pack labelling to inform correct disposal.
- 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
 - Soft plastics
 - Glass
 - Metals
- Aim for **95%** 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:
 - Sponsoring a clean up day
 - Providing each employee with eight hours of annual paid volunteer time off, which can be used for individual initiatives or as part of a Smith+Nephew-organised group activity.