



29 April 2022

Dear Beverage Manufacturer

Re: Notification of Change to Scheme Price

As the Product Responsibility Organisation for Queensland's Beverage Container Refund Scheme, Container Exchange (QLD) Limited (**COEX**) is committed to ensuring ongoing, efficient and effective arrangements are available in Queensland for your empty beverage containers to be collected, sorted and recycled.

With your support, COEX has made meaningful change and impact in Queensland, notably the Scheme has created 800 full time equivalent jobs, collected and recycled over 5 billion containers and paid \$500m in refunds to Queensland customers, charities, councils and waste operators.

Setting the Scheme Price

COEX sets the amounts payable by you to fund the scheme (**Scheme Prices**) we may amend the Scheme Prices applying to a particular month pursuant to Schedule 2, Clause 4(c) of your Container Recovery Agreement.

COEX reviews the Scheme Prices bi-annually. The purpose of the review is to set the Scheme Prices so that your aggregate contributions are (1) approximately equal to the aggregate costs of the Scheme, (2) the Scheme remains liquid at all times, and (3) any excess cash reserves are drawn to fund future Scheme costs. We also consider the Scheme's statutory objectives, the forecast average costs to be incurred in respect of the Scheme's operation per beverage product sold of each material type and COEX's current and forecast capital reserves.

We have endeavoured to listen to your feedback and adopt it into our framework along the way. You will be pleased to know that COEX has recently engaged a leading Australian economics and strategy consulting firm to review our approach and develop a pricing framework document that outlines the key elements of the approach that COEX will take in relation to the setting of future prices for beverage manufacturers. This process will include an opportunity for industry input and we expect the pricing framework document will be publicly available in the second half of 2022.

New Scheme Prices

Finally, the purpose of this letter is to advise you that there will be a change to the scheme prices applicable to all eligible beverage products sold in Queensland from 1 August 2022.¹

¹ COEX is responsible for determining the Scheme Manufacturer's contributions to the costs of the Scheme and may amend the Scheme Prices applying to a particular month pursuant to Schedule 2, Clause 4(c) of your Container Recovery Agreement.



The new scheme prices, which are published on our website, are as follows:

Material Type	Current Scheme Price 1 Aug 2021 to 31 July 2022	New Scheme Price* 1 Aug 2022 →
Aluminium	11.4c	12.8c
Glass	12.6c	13.9c
PET/HDPE	12.2c	13.5c
LPB/Steel/Other	12.5c	13.9c
Weighted Average**	12.0c	13.3c
*This is the price manufacturers contribute for each beverage product sold by material type into QLD after 1 August 2022		
** The weighted average is for illustrative purposes only.		

The increased pricing for each material type is attributable to COEX's current and proposed initiatives to further improve the Queensland scheme's collection rate, and meet our target of recovering and recycling 85% of beverage containers sold in Queensland.

In the meantime, please be assured that COEX continues to deliver on our objective of keeping the scheme price as low and as stable as possible.

Yours sincerely

Ken Noye
Chief Executive Officer
Container Exchange (QLD) Limited

