

Redesign Reduce Reuse Recycle

National Packaging Covenant



Amcor Limited ABN 62 000 017 372

Amcor's Year 5 Action Plan Report

July 2004 to June 2005

The National Packaging Covenant, Amcor's Year 5 Action Plan Report

INTRODUCTION

The National Packaging Covenant, supported by the Environmental Code of Practice for Packaging, endeavours to minimise the adverse environmental impacts of consumer packaging.

This is Amcor's fifth National Packaging Covenant Action Plan Report. It covers a range of specific actions undertaken across Amcor's Australian businesses during 2004-05.

In Australia, Amcor produces a broad range of fibre, metal, plastic and glass packaging products, primarily used in the food and beverage sector. The main material inputs used by Amcor are:

- Paper and cardboard to produce corrugated boxes and folding cartons,
- Aluminium and tinplate steel to produce beverage, food and aerosol cans,
- PET, polyethylene and polypropylene to produce plastic containers, film and bottles, and
- Glass to produce wine bottles.

Amcor is also involved in extensive recycling of used packaging materials as part of its manufacturing operations. Each year, the company collects approximately 870,000 tonnes of secondary packaging materials for processing in its Australian manufacturing plants.


Amcor's 2004-05 report, outlined a range of activities and outcomes associated with the following Company undertakings:

1. Support for Recycling
2. Education
3. Product Development and Research
4. Resource Utilisation
5. Support Systems


ROLLING ACTION PLAN

ACTION: SUPPORT FOR RECYCLING	TARGET	OUTCOME
Maintain high level of wastepaper recovery.	June 2005	Achieved
Continue to implement initiatives to increase recovery of kerbside recycling volumes.	June 2005	Achieved
Encourage, support, and make positive contributions to programs that increase demand for recycled products by developing secondary markets.	Aug 2005	Achieved
Work with fibre box customers to identify and implement opportunities to increase use of recycled fibre in finished products.	June 2005	Achieved
Maximise recovery of white wastepaper from industrial and commercial sources.	June 2005	Achieved
Assist and positively support initiatives to develop white wastepaper recovery strategies, programs and extended producer responsibility initiatives.	July 2005	Achieved
Conduct waste audits to identify opportunities for landfill diversion for major customers and suppliers.	July 2005	Achieved
Provide recycling data to all relevant Government authorities, industry groups and academia.	As & when required	Achieved
Review the opportunity for Amcor to broaden its recycling activities.	Aug 2005	Achieved
Maximise recovery of secondary plastic, particularly plastic shopping bags.	June 2005	Achieved
Ensure ongoing stability of the recycled fibre market by managing the supply / demand equilibrium	As & when required	Achieved
Maximise the sustainable recovery and utilisation of glass.	June 2005	Achieved
Open new state of the art materials recovery facility to support kerbside recycling.	Oct 2005	Achieved
Roll out and expand new recycling collection vehicles with enhanced OH&S, environmental and efficiency characteristics.	June 2005	Achieved


ROLLING ACTION PLAN

ACTION: EDUCATION	TARGET '04 / '05	 OUTCOME
Upgrade customer support programs that assist customers meet their obligations in regard to the NPC MK II, Environmental Code of Practice for Packaging and the associated NEPMs for Used Packaging Materials.	June 2005	Not achieved
Encourage suppliers to improve their environmental performance of packaging used on their products.	July 2005	Achieved
Update Amcor website to assist in raising the awareness about the National Packaging Covenant and the role that Amcor is playing in creating a sustainable packaging chain.	Jan 2005	Achieved
Conduct environmental awareness training and update training modules to include reference to principles and objectives of the National Packaging Covenant and the Environmental Code of Practice for Packaging. Place all training material, including templates on the intranet site so that all regional staff can gain access.	June 2005	Achieved
Ensure all employees involved with product design and developments are familiar with the Environmental Code of Practice for Packaging. Include placement of training materials on Amcor's Intranet site.	June 2005	Not achieved
Promote the benefits to customers of labelling which highlights the environmental credentials of the packaging.	June 2005	Achieved
Maintain awareness of international systems and processes that may advance Amcor's environmental performance.	July 2005	Achieved
Work with customers to promote the use of appropriate litter and recycling signage on all packaging design.	July 2005	Achieved
Continued support, promotion and sponsorship of ARC campaign including the supply of merchandising materials and presentations to customers.	July 2005	Achieved
Develop another activity card for the Amcor World Environment Day Kit which highlights the environmental issues associated with Packaging.	May 2005	Achieved
Update intranet site to include copies of the NPC, the Environmental Code of Practice for Packaging, and all Action Plans and Reports.	April 2005	Achieved
Provide a review and update to Amcor senior executives in regard to all relevant matters relating to the NPC.	Jan 2005	Achieved
Ensure all Product Leadership Teams and Managers are familiar with the Environmental Code of Practice for Packaging and the NPC.	Mar 2005	Achieved


ROLLING ACTION PLAN

ACTION: EDUCATION	TARGET	 OUTCOME
Use internal magazines and newsletters to promote product designs that give environmental benefits.	Aug 2005	Achieved
Actively promote paper mills public drop off centres for recyclable materials.	June 2005	Achieved
Promote the National Packaging Covenant throughout Amcor's European operations as an effective way to manage environmental issues.	June 2005	Achieved
Meet with Government and other relevant stakeholders in regard to the potential threat presented by some alternative waste technologies to the ongoing success of kerbside recycling.	June 2005	Achieved
Update and distribute Amcor's Sustainability Report for internal and external stakeholders.	Feb 2005	Achieved
Assist in educating the Socially Responsible Investment (SRI) community on the benefits of the National Packaging Covenant and other related voluntary acts relating to the packaging industry.	June 2005	Achieved


ROLLING ACTION PLAN

ACTION: PRODUCT DEVELOPMENT & RESEARCH	TARGET '04 / '05	 OUTCOME
Use state of the art software applications to assist in reducing unnecessary PET packaging.	June 2005	Achieved
Continue to focus on light weighting materials to achieve incremental continuous improvements in fibre boxes plus food, steel, aluminium, aerosol cans and PET bottles while still satisfying customer and ASA requirements.	July 2005	Achieved
Maximise environmental transport benefits by identifying opportunities to promote PET as a lightweight, non-breakable, recyclable option for food bottles and jars.	July 2005	Achieved
Continue to promote the concept of using lightweight flexible refill pouches as an alternative to heavier packaging to maximise environmental transport and HACCP benefits.	July 2005	Achieved
Further rationalisation of plastic resin blends and melt mixes to convert more 25 kg bags to bulk delivery (500 t pa).	July 2005	Achieved
Expand the product leadership and innovation model globally including the introduction of a recognition program that acknowledges environmental innovation.	June 2005	Achieved
Increase secondary fibre utilisation at Petrie Mill.	June 2005	Achieved
Progress a new bulk milk powder sack that is manufactured from less raw material and has improved transport utilisation to commercialisation.	June 2005	Achieved
Expand for internal use the Environmental Code of Practice for Packaging to better reflect both Amcor's role in the packaging chain and enable its sphere of influence.	June 2005	Achieved

ROLLING ACTION PLAN

ACTION: RESOURCE UTILISATION	TARGET '04 / '05	 OUTCOME
Implement solutions to reduce the amount of waste sent to landfill from the Amcor production facilities.	July 2005	Achieved
Improve recycling of internal plastic packaging waste at various manufacturing plants.	July 2005	Not achieved
Reduce energy use per unit of product.	July 2005	Achieved
Implement projects at both Botany and Fairfield paper mills to reduce the amount of water consumed to a level less than the previous year.	June 2005	Achieved
Commercialise new fuel efficient vehicles.	Aug 2005	Achieved
Implement hot press technology on paper machines that deliver significant resource utilisation benefits.	June 2005	Achieved
Commission a new design systems that reduces over engineering of cartons by reliably predicting fibre behaviour in high humidity conditions.	Aug 2005	Achieved
Down gauge fibre sacks to reduce storage and shipping and improve palletising efficiency by 10%.	Dec 2004	Achieved
Double the utilisation of post consumer film such as shopping bags in building film and other non-critical food contact applications at Amcor's Kewdale plant.	June 2005	Achieved
Source lower gauge tin plate for aerosol can production.	June 2005	Achieved

ROLLING ACTION PLAN

ACTION: SUPPORT SYATEMS	TARGET '04 / '05	 OUTCOME
Maintain a NPC review committee that will meet to oversee, initiate, prioritise and review environmental activities.	Aug 2005	Achieved
Continue leading roles held with major associations within the packaging industry to advance the uptake of the NPC and environmental issues in the wider community. Associations include: PCA, BIEC, AFGC, AIG, BRBA, PRAGA and ACOR.	July 2005	Achieved
Conduct audits with customers of their packaging, produced by Amcor, to determine opportunities to reduce its environmental impact.	June 2005	Achieved
When reviewing all major capital projects, ensure that the principles of the NPC are taken into consideration during the planning process.	July 2005	Achieved
Provide data to Government groups and Industry Associations to support the monitoring of waste reduction and recycling programs.	July 2005	Achieved
Implement internal benchmarking and key performance indicators to measure the Packaging Covenant performance across each division.	July 2005	Achieved
Work through the World Business Council for Sustainable Development and the Dow Jones Sustainability Index to highlight the benefits of the Packaging Covenant approach to sustainability.	July 2005	Not achieved
Actively contribute to discussions around the globe in respect to packaging and environmental issues.	June 2005	Achieved
Continuously improve Amcor's internal network to capture and coordinate the company's global environmental initiatives.	June 2005	Achieved
Continuously improve environmental reporting system and integrate into other management systems.	Aug 2005	Achieved
Expand stakeholder dialogue to encompass more NGO's, employees and suppliers in order to continuously improve Amcor's focus on key environmental issues.	Aug 2005	Achieved

CONCLUSION

The National Packaging Covenant has achieved considerable success over its six-year history in increasing the focus of the packaging supply chain on the environmental impacts of packaging by promoting a range of reduce, reuse, redesign and recycle initiatives.

Amcor is a founding member of the National Packaging Covenant, which it believes provided a useful framework to promote environmental responsibility and product stewardship.

Amcor was closely involved in the formal review of the National Packaging Covenant over the past 12 to 18 months. It provided input on the provisions of the proposed new Covenant and participated in a tripartite Working Group to revise the Environmental Code of Practice for Packaging.

The Company broadly supports the thrust of the new Covenant agreed by Federal, State and Territory Environment Ministers on 1 July 2005. There will continue to be extensive consultation across Amcor's businesses about the new Covenant requirements on signatories in relation to new Key Performance Indicators, revised reporting arrangements and implementation of the new Environmental Code of Practice for Packaging in its product development processes.

Amcor is in the process of modifying and expanding its data collection, product design and development systems to meet the new National Packaging Covenant requirements.

Amcor looks forward to developing and submitting a new three-year Action Plan in accordance with the new National Packaging Covenant principles and guidelines.

