



Australian Packaging Covenant

Action Plan

July 2010 - June 2015





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Executive Summary

Patties Foods Limited became a signatory of the National Packaging Covenant in 2001.

Patties Foods Limited fully supports the achievement of the Australian Packaging Covenant's Initiatives, by the actions, processes and commitments outlined below and within our Action Plan:

1. Optimising packaging throughout the Design process to reduce environmental impact whilst ensuring that product efficiency quality, safety and integrity is maintained at all times to ensure it is "fit for purpose."
2. Continuously improve our procedures, documentation and processes to increase our recycled packaging material content and "full-life cycle approach" to product design and creation without affecting product quality, safety and integrity.
3. Driving adherence to the Packaging Covenants initiatives and sustainable packaging principles and strategies throughout our full supply chain process, i.e:
 - Supplier selection and management process especially with the Patties Foods Limited R & D Supplier Technical Review process
 - New Product Design with our packaging suppliers
 - Working with our recycling partners to create, implement and drive resource recovery initiatives :
 - i. Internally within the Bairnsdale facility
 - ii. Externally with the East Gippsland Shire Council (including improved use of packaging recycling waste management recovery systems such as: kerbside management)

Patties Foods Limited Five Year Action Plan, focuses on the embedment of processes to achieve the key objectives and performance indicators outlined by the Australian Packaging Covenant.

A note from the Managing Director

“Patties Foods has been a signatory and keen participant of the National Packaging Covenant since August 2001.”

“Patties Foods environmental policy reinforces our resolute commitment to *protect our environment.*”

“The Australian Packaging Covenant's new Initiatives, Goals and Objectives are a good fit with our everyday business practices, targets and environmental objectives.”

“On behalf of Patties Foods, I fully support this 2010-2015 Covenant Action plan that reconfirms our on-going initiatives to optimise and improve packaging design and reduce waste in the packaging supply chain for the benefit of the environment.”

A handwritten signature in blue ink, appearing to read "G Bourke", with a long horizontal flourish extending to the right.

GREG BOURKE
Managing Director
Patties Foods Limited



Company Summary

Patties Foods Limited is the leading food manufacturer in savoury and sweet pastry's and IQF frozen berry fruits market segment.

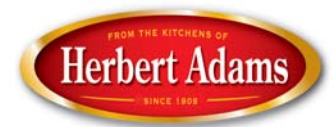
Patties Foods was founded by the Rijs family in Lakes Entrance in 1966 and moved to its current manufacturing facility in 1975. Patties Foods Limited was publicly listed on the Australian Stock Exchange in 2006. Our 2009/10 turnover was \$197 million.

Our Brands consist of Australian icons such as, "Four n Twenty", "Patties", "Herbert Adams", "Nanna's", "Snowy River", and "Wedgwood" in our pastry product range, and "Creative Gourmet", and "Chef's Pride" in our premium Individually Quick Frozen fruit. These Brands cover the full breadth of the Australian FMCG market segments particularly in Retail, Petrol and Convenience, Stadiums and Food Service.

Patties Foods Limited manufactures and sources finished products from a variety of local and overseas sources covering a broad supply chain process. As a result, Patties Foods Limited influences suppliers, wholesalers and retailers to support the achievement of Patties Foods Limited Australian Packaging Covenant action plan key objectives & goals.

Patties Foods Limited employs approximately 616 staff located out of its manufacturing site in Bairnsdale, its Mentone Corporate office in Melbourne and throughout every state in Australia.

If you would like to know more about Patties and its history please do not hesitate to visit our website www.patties.com.au.



Scope and Approach

Patties Foods Limited is a manufacturer and importer of Savoury/ Sweet pastry, Frozen Fruit and other various products which it produces and receives for sale in the Out Of Home (Foodservice, Petrol and Convenience) and In-Home (Retail) markets.

The range of packaging materials that are used to sell products under the Patties Foods Limited brands into both these markets consist of the 5 packaging material categories below.

- Corrugated Fibre Cartons
- Folding Cardboard Tray's
- Aluminum Foil
- Rigid Plastics Packaging (e.g. trays, tubs, Lids & bottles etc)
- Flexible Plastics Packaging (e.g. wrap, bags & stretch wrap etc)

Our Action Plan will define and support the creation of future processes that will drive adherence to the guidelines outlined by the Australian Packaging Covenant.

Patties Foods Limited will continue to utilize its packaging supplier selection process and existing supplier base, on partnering and developing processes that agglomerate and streamline the reporting and documentation required to ensure a robust adherence to all new and existing product development during our Five Year Plan.

We believe that this is critical for a “full life-cycle” approach.

These will be the key focus areas for evaluation and implementation to achieve the applicable Sustainable Packaging Guidelines goals and key performance indicators as outlined within the Action Plan.

Action Plan Summary Table

Goal 1 – Design – Packaging optimised to achieve resource efficiency & reduce environmental impact without compromising product quality & safety

KPI 1 – Proportion of signatories in the supply chain implementing the Sustainable Packaging Guidelines for design or procurement of packaging

Action	Responsibility	Baseline Data	Timeframe	Target	Evidence
Implementing the Sustainable Packaging Guidelines into the NPD gate process for 100% all new product packaging designs	Packaging Covenant Steering Committee	None	December 2015	Reviewing all NPD products through the NPD gate process against the SPG	NPD gate process & Sustainable Packaging Guideline specification database Folder
Assess existing range of Corrugated Fibre Cartons by dimensions & board grade against the Sustainable Packaging Guidelines	Packaging Covenant Steering Committee	None	June 2015	Reviewed all existing Outer Cartons against the SPG	Sustainable Packaging Guideline specification database Folder
Assess existing range of Folding Cardboard Tray's by dimensions & board grade against the Sustainable Packaging Guidelines	Packaging Covenant Steering Committee	None		Reviewed all existing Folding Cartons against the SPG	Sustainable Packaging Guideline specification database Folder
Assess existing range of Aluminum Foils against the Sustainable Packaging Guidelines	Packaging Covenant Steering Committee	None		Reviewed all existing Aluminum Foils against the SPG	Sustainable Packaging Guideline specification database Folder
Assess existing range of Rigid Plastics Packaging against the Sustainable Packaging	Packaging Covenant Steering Committee	None		Reviewed all existing Rigid Plastic Packaging against the SPG	Sustainable Packaging Guideline specification database Folder
Assess existing range of Flexible Plastics Packaging by dimensions & material gauge against the Sustainable Packaging Guidelines	Packaging Covenant Steering Committee	None		Reviewed all existing Flexible Plastic Packaging against the SPG	Sustainable Packaging Guideline specification database Folder



Goal 2 – Recycling – The efficient collection and recycling of packaging

KPI 3 – Proportion of signatories with on site recovery systems for recycling of used packaging

Action	Responsibility	Baseline Data	Timeframe	Target	Evidence
On site recovery system in place for recycled packaging materials from manufacturing plant	Manufacturing & Logistics	Refer to Recycling Waste figures document on qty's recycled monthly	Completed 2009	Continue to recycle Cardboard & Flexible Plastics out of Manufacturing plant	Packaging Recycling Waste Document & Recycling Waste figures document

KPI 4 – Proportion of signatories with a policy to buy products made from recycled packaging

Develop an appropriate and acceptable procurement process document to buy recycled packaging for both the Manufacturing and Administration facilities	Procurement	None	December 2012	To buy Recycled packaging where appropriate without compromising product quality, safety & integrity	Standard Operating Procedure Document
Look to increase current recycled content in any of our existing folding cardboard cartons	Packaging Technologist, Procurement, Manufacturing & QA	Artcote Kraft 85% Artcote Grey 95%	December 2014	Increase recycled content for folding cartons without compromising product quality, safety & integrity	Packaging Specification Document
Set up packaging supply agreements with context about buying recycled packaging	Procurement	Packaging Supplier Agreement Contracts	December 2013	Buy Recycled packaging where appropriate without compromising product quality, safety & integrity	Packaging Supply Agreement Contracts



Goal 3 – Product Stewardship – A demonstrated commitment to product stewardship by the supply chain and other signatories

KPI 6 – Proportion of signatories that have formal processes for working with others to improve design and recycling of packaging

Action	Responsibility	Baseline Data	Timeframe	Target	Evidence
Set up recycling waste management contract with recycling partner	Procurement, Manufacturing & Logistics	Recycling partner on board – No contract in place	December 2011	A documented recycling contract in place	Recycling waste management contract document
Set up a documented policy for reviewing packaging new or existing against the SPG	Packaging Covenant Steering Committee	NPD gate process for new packaging	December 2012	A formal documented policy for reviewing against SPG	Formal policy for reviewing against SPG
Set up a Supplier Questionnaire in relation to answering questions relating to the SPG	Packaging Covenant Steering Committee	None	July 2011	Document which suppliers can answer questions in relation to SPG	Standard Operating Procedure document for supplier questions relating to SPG
Process that requires suppliers to submit packaging improvements	Procurement & Packaging Technologist	R & D Supplier Technical Reviews	January 2011	A formal quarterly supplier reviews in progress	Documented R & D Supplier Technical Reviews

KPI 7 – Proportion of signatories demonstrating other product stewardship outcomes

Eliminate water usage in the printing process for a majority of our Folding Cartons	Packaging Technologist & Marketing	Water used in current printing process	December 2012	Remove 14 000 litres water from printing process Folding Cartons	Specification
Increase Pallet optimisation across the sku ranges	Logistics, Manufacturing & Packaging Technologist	Current Pallet configurations for each sku	June 2015	Reduction of 3000 pallets	Current Configs vs. New Configs v.s Annual Sales Volumes

KPI 8 – Reduction in the number of packaging items in the litter stream

Provide appropriate education on all packaging for responsible disposal or recycling	Marketing, QA & Packaging Technologist	Some logos applied currently but not succinct across all packaging sku's	December 2014	All packaging with the appropriate logos applied to communicate to consumers	A formal policy for appropriate logos to be applied to packaging through the design process
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Patties Foods Limited Covenant Contact Officer

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