



***AUSTRALIAN PACKAGING
COVENANT***

ACTION PLAN

July 2010-July 2014

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EXECUTIVE SUMMARY.

As Fisher & Paykel Australia Pty Ltd now imports all the products that they sell and market in Australia, our capability to significantly influence packaging design has been slightly diminished. However it should be noted that our company core values closely align with and are compatible with the Australian Packaging Covenant goals. As one of the core values of Fisher & Paykel is care and respect for the environment, we will continue to strive to achieve the goals of the Australian Packaging Covenant.

While we believe that Fisher & Paykel have already put into practice many of the APC goals, the formalisation of the Sustainable Packaging Guidelines has not been optimal. Therefore you will see that the major emphasis of this action plan is on integrating the Sustainable Packaging Guidelines (SPG) into our business process for products manufactured in our factories. This will take time as while our product development team are both innovative and pragmatic, they are culturally averse to restrictive bureaucracy that inhibits design with no discernable environmental benefit. However we commit to achieving this goal of integrating the SPG into our business structure within three years.

Once the SPG has been established in our business processes we will then focus our work on further influencing original equipment manufactured in non Fisher & Paykel factories.

The second priority is consistently collating the data for the collection of recycling material from our office and warehouse facilities in Australia. This will be finalised within the first 2 years of the action plan.

Endorsed:



M. Church
Chief Operating Officer
Fisher & Paykel Australia

Organisation Description

Name: Fisher & Paykel Australia Pty Ltd.

Scope of Activities:

Fisher & Paykel Australia Pty Ltd import, market and sell whitegoods into the Australian market. We import washing machines, clothes dryers, refrigerators, freezers, dishwashers and cooking appliances. We sell under the Fisher & Paykel, Elba and Izona brand names. These products are imported from our global manufacturing facilities in New Zealand, Thailand, Mexico, Italy and from global OEM suppliers. The products are marketed, sold and delivered through sales offices and warehouses in five locations throughout Australia.

Fisher & Paykel as a company are guided by 4 core values which we refer to as the DNA of the company. They are;

Style

Style is about desirability, it reflects the way in which we do things. It's not only the way we design our products; it's the way in which we evolve in response to change.

Integrity

Integrity is about building relationships with our customers, it reflects the way we go about our business; the trust behind our reputation; the way in which we build our values.

Care

Care reflects how we look after all with whom we come in contact; our respect for the environment; and the way in which our people go about their roles.

Innovation

Innovation is our heart; we are innovative in all that we do, from big ideas through to the detail.

Packaging Covenant Contact

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CURRENT ACHIEVEMENTS.

The strengthened Packaging Covenant has reaffirmed the long term policy of Fisher & Paykel to design its packaging to fully protect the product while at the same time minimising the net impact on the environment. This commitment to the environment is already ingrained in the culture of Fisher & Paykel. For example listed below are some of the current achievements.

- We re-use 100% of our process waste and off cuts from our plastic sheet extrusion used in refrigerator manufacture.
- Our packaging is made using 100%-recycled paper.
- Our products are designed to be amongst the most energy efficient in the marketplace.
- We are active participants in the Standards Australia committees for establishing repeatable and reproducible performance tests for washing machines, refrigerators, clothes dryers and dishwashers.
- When executing a home delivery of our appliances we always offer to remove and responsibly dispose of the packaging at no cost to the consumer.
- We have processes in place at our manufacturing facilities to recover or recycle all of our scrap steel, stainless steel, aluminium, copper, paper and cardboard waste.
- We have in place an office paperwork recycling system.
- We actively work with suppliers to re-use or reduce packaging of components supplied to the factories.
- We are members of the Australian Industry Group and an active participant in the Environmental Policy Working Group for the Home Appliances and Accessories forum. We have represented the Australian Industry Group at various meetings with both state and federal governments on the re-cycling of e-waste.

Action plan 2010/2011.

The packaging used by Fisher & Paykel for the transport of their appliances is predominantly recycled cardboard. Some plastics type 6, type 4 and type 5 are also used. A small amount of wood is used on some of the larger or heavier products where additional packaging strength is required.

Fisher & Paykel will set up an Australian Packaging Covenant (APC) team for laundry product produced in Fisher & Paykel manufacturing facilities. The team will have the task of integrating the Sustainable Packaging Guidelines into the F&P design process. This will require travel to Auckland where the laundry product development team is located and conducting an internal workshop with the APC team. The target is to use the SPG for all new packaging within the first year. See attached template action plan.

Then over the following two years all existing laundry packaging would be reviewed against the SPG.

Currently on-site used packaging recovery exists in all our warehouse and office facilities in Australia. However provision of the data is variable by some of these service providers. The focus will be working with these service providers to ensure that they provide the necessary data. This will take some time as existing contracts may need to be renegotiated.

Also all warehouse agreements with third party providers will be reviewed to ensure that reliable data is provided back to Fisher & Paykel about the amount of used packaging that is being recycled. This will be ongoing as each agreement comes up for renewal.

Action Plan 2011/2012

The major focus for 2011/2012 will be setting up an Australian Packaging Covenant team for cooking products produced in the global Fisher & Paykel manufacturing facilities. This team will be responsible for the integration of the Sustainable Packaging Guidelines into the F&P design systems. This will require travel to the Dunedin facility where the cooking products development team is located and conducting an internal workshop with the APC team. The plan is for the SPG to be used for all new packaging projects by July 2012.

Then for the following two years all the existing cooking products packaging would be reviewed against the SPG.

Work will be ongoing for the collection of information from the service providers of used packaging recycling. As well warehouse agreements will continue to be reviewed.

Action Plan 2012/2013

Continuing our long term strategy, 2012/2013 will focus on the final product category of refrigeration. Once again we will set up an APC team for refrigeration products. This team will have the task of integrating the SPG into the F&P design structure. The refrigeration product development team is located in Auckland and this will require us to conduct an internal workshop with the APC team in Auckland. The project goal is to utilise the SPG for all new packaging introduced in the 2012/2013 period. This will be followed up by a systematic review of all existing refrigeration packaging.

Action Plan 2013/2014

The focus for 2013/2014 will be building on our experience of embedding the SPG into the Fisher & Paykel product development structure across all product categories and then introducing the SPG to our OEM suppliers for products not sourced from Fisher & Paykel manufacturing facilities.

Fisher & Paykel Appliances Action Plan KPI summary table

Covenant performance goals and KPIs	Actions	Responsibility	Baseline data	Target or performance goal	Timeline/ milestones (MM/YY)
<p><i>Goal 1, Design – optimise packaging to achieve resource efficiency and reduce environmental impact without compromising product quality and safety</i></p> <p><i>Target: 70% of Covenant signatories with documented policies and procedures for evaluating and procuring packaging using the SPG or equivalent</i></p> <p><i>Target: 70% of Covenant signatories assessing 100% of new packaging and 50% of existing packaging against the guidelines</i></p>					
KPI 1 Proportion of signatories in the supply chain implementing the SPG for design or procurement of packaging	Introduce the SPG formally into the laundry product development process.	Technical Compliance manager and the laundry product development team.	Formal process not yet begun.	Introduce the SPG for all new laundry product releases by 2012 and then to review existing packaging over 2 years.	New product by 2012 and complete the review of existing packaging by 2014.
<p><i>Goal 2, Recycling – the efficient collection and recycling of packaging</i></p>					
KPI 3 Proportion of signatories with on-site recovery systems for recycling used packaging	F&P already have on-site recovery systems in place on all sites.	Warehouse managers and state sales managers.	Current data is not complete.	To ensure all recycling quantities are better documented.	June 2012
KPI 4 Proportion of signatories with a policy to buy products made from recycled packaging	F&P already have a policy to purchase recycled packaging where applicable.	Product Development.		Maintain current policy.	Continual.
<p><i>Goal 3, Product stewardship – a demonstrated commitment to product stewardship by the supply chain and other signatories (Target: 70% of Covenant signatories are implementing formal policies and procedures in working with others to improve design, procurement and recovery of packaging)</i></p>					
KPI 6 Proportion of signatories that have formal processes for working with others to improve design and recycling of packaging	F&P have existing contracts with warehouse and transport companies requiring recycling of packaging.	Logistics manager and Technical Compliance manager.	Existing contracts.	Maintain current policy.	Continual.
KPI 7 Proportion of signatories demonstrating other product stewardship outcomes	Continue active involvement in standards development.	Technical Compliance manager.	Existing involvement.	Contribute to appliance energy efficiency standards and product stewardship standards.	Continual.
KPI 8 Reduction in the number of packaging items in litter.	Improve recycling information on laundry product packaging.	Laundry product development team and Technical Compliance manager.	Safety warnings only at present.	Add recycling logo and anti litter logo to new laundry packaging.	12/2011

ACTION FRAMEWORK

Goal 1 - optimise packaging to achieve resource efficiency and reduce environmental impact without compromising product quality and safety

KPI	Action	Responsibility	Timeframe	Baseline data	Target	Evidence
Integration of the SPG in design or procurement systems	Establish APC team to review existing packaging against SPG	APC Champion	Q2 2011	No team in place	Terms of reference adopted by APC team	Meeting minutes
	Implement process to review all new packaging via a packaging decision checklist consistent with the SPG	Packaging Technologist (APC team)	June 2014	Existing Fisher & Paykel product development process	100% of new packaging being reviewed	Revised procedures requiring mandatory reviews against checklist
	Review all current packaging against SPG	APC Contractor / APC Team	2014	No review system	33% existing packaging reviewed annually 100% existing packaging reviews completed by 2014	Register of all packaging reviews undertaken showing the percentage of existing packaging reviewed to date