



Australian Packaging Covenant

Action Plan

March 2012 to March 2015

**Key-Sun Laboratories Pty Ltd
16 Jubilee Avenue, Warriewood NSW 2102
ABN: 73 080 150 312**



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1. Executive Summary

Key-Sun Laboratories Pty Ltd became a signatory to the Packaging Covenant in July 2012 and has continued to support the Australian Packaging Covenant in its efforts to reduce the amount of packaging waste entering the environment through disposal via landfill.

Key-Sun supports and encourages the shared responsibility of all participants in the marketing, packaging, supply chain to become active in conserving resources through improved product design, reuse and recycling of packaging materials and the use of recyclable materials where possible.

This Action Plan covers the aim of Key-Sun to address key performance indicators relating in particular to distributors and brand owners. The Plan will be to introduce a formal SPG review in the NPD's Design and review opportunities for improvement of the existing product design and operational packaging and distribution practices. This will be done by comparing any planned and current activities against established baseline data for packaging material throughout, enabling Key-Sun to achieve and maintain measurable progress in its recycling targets and minimize environmental impacts in its operations.

Key-Sun regards its support of the Australian Packaging Covenant as an important contribution to the environment and to the nation.

Christopher Logan
Managing Director



2. Company Overview

Key-Sun Laboratories was established in 1997 following the purchase of a small range of Sun care products.

The product range and customer base has expanded considerably since then and we now market and distribute beauty, toiletry and health care products, throughout Australia and its neighbouring countries. In the toiletry and beauty markets, our products are selected from some of the most prestigious international brand names. In the health category, our commitment to excellence can be seen in the range of top quality medicines which are manufactured by the most respected laboratories in Australia and beyond.

We are based in Warriewood with state-of-the-art admin and warehouse facilities and we distribute all our products from here.

Our Major Brands:

All Natural Kids
Arthro Aid
Blue Stratos
Boiron
Brush Buddies
Clear
Dynamiclear
Hairdressers Formula
Hollywood Fashion Tape
Key-Sun Zinke
Kiss Nail Art and Products
Michel Mercier
Pretorious
Protec
Snore Stop
Summer's Eve
Sweet Sweat
U Little Beauty

Most of these brands are found in more than 4,200 pharmacies and health-food stores nationwide, Priceline, Big W and Target, as well as major supermarket outlets.



3. Location of Operational Premises

Our Head Office and Warehouse is located in Sydney at
16 Jubilee Avenue
Warriewood
New South Wales 2102

4. Types of Packaging Materials used for Key-Sun

Material	Used In	Destination
Polyethylene Terephthalate (PET)	Jars & Bottles	Consumer
High Density Polyethylene (HDPE)	Jars & Bottles	Consumer
Polyvinyl Chloride (PVC)	Tubes	Consumer
Low Density Polyethylene (LDPE)	Shrink-wrap	Key-Sun/Retailer
Glass	Vials & Bottles	Consumer
Laminated Sachets	Sachets	Consumer
Aluminum	Aerosol Cans	Consumer
Composites	Blister Packs	Consumer
Paper	Office Paper	Key-Sun
Cardboard - Standard	Shipping Cartons	Key-Sun/Retailer
Cardboard - High Wet Strength	Shipping Cartons	Key-Sun
Air-bags	Shipping Cartons	Consumer

Key-Sun currently recycles all solid packaging waste (e.g. paper, cardboard, LDPE, shrink-wrap) and has a policy of reuse for shipping cartons.

5. Covenant Contact Officer

Mr. Andrew Gunn

Warehouse, Logistics and Purchasing Manager

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Key-Sun Laboratories Pty Ltd

16 Jubilee Avenue

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6. Summary of Initiatives

Key-Sun has worked to raise awareness of its responsibilities to ensure on-going environmental benefits in all its packaging requirements.

As a signatory to the Australian Packaging Covenant, Key-Sun has undertaken a number of initiatives, designed to conserve resources, and to reduce the amount of landfill as a consequence of improved packaging and waste management. Key-Sun now sends all solid packaging waste to recycling facilities. We have improved the recovery system of recyclable material to reduce the landfill waste down to 0.1% by weight.

We have reviewed the design elements and construction of our cardboard shippers, with a view to determine if any improvements could be made. We determined that 100% of our cardboard shippers were either re-used to pack and re-distribute product to pharmacies, supermarkets and health-food stores, or recycled through recycle bin collection.

We have investigated and initiated the use of puff-wheat as void filler in our shippers to ensure environmentally sustainability and bio-degradability. This has been a success, as we now use this material exclusively in preference to polystyrene void. All shippers, which require void filling from Key Sun, use this material.

We will also investigate the use of air-bags, for retailers who refuse to accept puff-wheat fill.

Key Sun has also initiated the use of recycling bins for collection and recycling of all possible materials. Currently, waste paper, cardboard, plastics and toner cartridges from printers and photocopiers in our facility are collected for recycling as well as small quantities of glass and metal.)

7. Product Stewardship

Key-Sun recognises its responsibility and commitment to the following areas of product stewardship:

- a. *Design:* We will continue to work towards achieving sustainable packaging in our design and supply sources, ensuring that we utilise material which is minimal in its size in production, and which is recyclable or re-usable and or purchase recycled material wherever possible, in order to minimise the final landfill.
- b. *Production:* We commit to the goals of minimising materials used. To achieve this we will undertake a comparison of product volume to container volume and work with our packaging suppliers to find ways in which to reduce unused space in our packaging.
- c. *Distribution:* We will continue to research ways to reduce the impact of materials used in the distribution of our products and to increase the amount

of product shipped per unit volume.

- d. *Disposal*: Recognising our responsibility in the final disposal of our packaging materials, we will initiate an assessment of all materials, with a view to ensuring that recyclable materials are used wherever possible and readily identified as such by consumers.
- e. *Education*: Key-Sun conveys messages to its staff and consumers, promoting the recycling and conservation of valuable resources.
- f. *Labelling*: Inclusion of logos and messages encouraging recycling and its benefits for the environment will serve to raise awareness in the community, especially amongst the younger generation.
- g. *Wholesaling and Retailing*: Key-Sun generates point-of-sale and promotional material, which reaches many wholesalers and retailers. Better use of design in this material, for instance the supply of shelf ready packaging to large retail chains and incorporation of recycle logos and messages can be utilised to great effect to reduce the amount of packaging going to landfill.

8. Sustainable Packaging Guide Line

Key-Sun has aligned its policy with the objectives and principles of the Sustainable Packaging Guidelines. We recognise that the Guidelines are intended to guide the packaging supply and recovery chains in minimising overall life cycle environmental impacts of packaging and packaged products.

9. Action Plan

Products & Packaging Descriptions

Categorizing the SKU's based on the type of packaging:

1. HDPE bottle, Carton, Shrink wrap, Shipper, Pallet & film wrap.
2. PET bottle, Shrink wrap, Shipper, Pallet & film wrap.
3. Blister Pack, Carton, Shrink wrap, Shipper, Pallet & film wrap.
4. PP tube, Tray, Shrink wrap, Shipper, Pallet & film wrap.
5. HDPE jar, Shrink wrap, Shipper, Pallet & film wrap.
6. HDPE 3 tubs, Shipper, Pallet & film wrap.
7. Laminated sachets, Carton, Shrink wrap, Shipper, Pallet & film wrap.
8. HDPE pump bottle, Shrink wrap, Shipper, Pallet & film wrap.
9. HDPE bottle, Shrink wrap, Shipper, Pallet & film wrap.
10. Aluminium spray cans, shrink wrap, Shipper, Pallet & film wrap.
11. Deodorant sticks, Shrink wrap, Shipper, Pallet & film wrap.

The SKU's will be reviewed according to the Brand and based on the type. Our action plan is detailed in Table 1 below and is structured according to the Key Performance Indicators as specified in Schedule 2 of the Covenant.

In committing to the Covenant Action Plan, Key-Sun pledges to make available all the resources needed and put in place the necessary arrangements required to address those Key Performance Indicators that apply to it.

10. Action Plan Committee

APC Team Members and Positions

Christopher Logan
Grant McMahon
Adrian Curtis
Andrew Gunn
Andrew Gunn
Hans Hill

Managing Director
General Manager
Finance Manager
Warehouse Manager
Logistics & Purchasing Mgr
Technical Support & Service

Group Manager
Technical
Finance & Admin
Warehousing
Supply Chain
IT

KPI #	Key Performance Indicator	Company Initiatives	Responsibility	Baseline Data	Target	Timeframe	Evidence
1. DESIGN - Optimise packaging to achieve resource efficiency and reduce environmental impact							
KPI 1	Implementation of the SPG's for design or procurement of packaging	Review all existing packaging materials	Brand Managers, Technical Manager, Supply Chain Manager, Packaging Coordinator	No baseline data	25% of Current Packaging reviewed	2013	SOP's & Reviews.
					50% of Current Packaging reviewed	2014	
					75% of Current Packaging reviewed	2015	
					100% of Current Packaging reviewed	2016	
	Develop new products based on the Sustainable Packaging Guidelines review	Brand Managers, Technical Manager, Supply Chain Manager, Packaging Coordinator	No baseline data	Development and documentation of formal process that will ensure improvements are considered as they are identified in the reviews above.	2013	SOP's	
2. RECYCLING - the efficient collection and recycling of packaging							
KPI 3	On site recovery systems for recycling used packaging	Review existing system and identify opportunities for improvement with the aim of increasing the quantity of unusable material being recycled	Warehouse Manager, Technical Manager, Supply Chain Manager, Packaging Coordinator	Cozens, SITA and Doyle's are contracted for sorting, segregating and recycling the packaging waste. Last recorded onsite collection over 3 years is: Cozens: 2,059.2 m ³ (paper) Cozens: 118.8 m ³ (plastic) Doyle's: 936.0 m ³ (general)	Review and increase the quantity of unusable packaging materials for recycling	Reviewed annually and actions / volumes recovered reported	Quantitative details of substantial improvements will be provided where available e.g. tons of packaging avoided, increased recyclability etc.
KPI 4	Implementation of policy to buy materials made from recycled packaging	Review the current procurement process to identify where purchasing recycled packaging materials is commercially feasible	Brand Managers, Technical Manager, Supply Chain Manager, Packaging Coordinator	Policy in operation, No baseline data	Undertake review, develop and document formal internal procurement process if identified to be commercially feasible	2013	Reporting of recyclable and non-recyclable quantities of packaging sold by brand source and type
		Develop policy based on feasibility assessment above	Brand Managers, Technical Manager, Supply Chain Manager, Packaging Coordinator	Policy in operation, No baseline data	Policy in place and in use. Products containing recycled content identified and reported annually	2014 Annually post 2014	

3. PRODUCT STEWARDSHIP - Demonstrated commitment to product stewardship

KPI 6	Formal process for working with others to improve design and recycling of packaging	Develop a system that ensures all suppliers use recycled materials and identify improved environmental solutions where possible	Brand Managers, Technical Manager, Supply Chain Manager, Packaging Coordinator	No baseline data	25% of Current Suppliers reviewed	2014	SOP's
					50% of Current Suppliers reviewed	2015	
					75% of Current Suppliers reviewed	2016	
					100% of Current Suppliers reviewed	2017	
		Continue to re-use cardboard shippers	Brand Managers, Technical Manager, Supply Chain Manager, Packaging Coordinator	We determined that 100% of our cardboard shippers were either re-used to pack and re-distribute product to pharmacies, supermarkets and health-food stores, or recycled through recycle bin collection.	Shippers re-used and volumes of cardboard saved documented and reported annually with an aim to develop metrics to measure performance	Annually	
KPI 7	Demonstrating other product stewardship outcomes	Commence scanning and electronic storage of frequently used documents on the IT network resulting in the reduced amount of printed paper in circulation	Managing Director, General Manager, Finance Manager, Warehouse Manager, Logistics & Purchasing Manager, Technical Manager, Brand Manager, Supply Chain Manager, Packaging Coordinator	No baseline data	Develop and document a process for all staff to scan and electronically store frequently used documents on the IT network	2013	SOP's
		Educate all staff of the recyclability of all packaging and components to ensure a reduction in waste going to landfill	Brand Managers, Technical Manager, Supply Chain Manager, Packaging Coordinator	No baseline data	Undertake review, develop and document formal internal process	2014	SOP's
KPI 8	Reduction in the number of packaging items in litter	Maintain the use of puff-wheat void filler and investigate the use of air-bags, for retailers who refuse to accept puff-wheat fill.	Brand Managers, Technical Manager, Supply Chain Manager, Packaging Coordinator	We have investigated and initiated the use of puff-wheat as void filler in our shippers to ensure environmental sustainability and bio-degradability. This has been a success, as we now use this material exclusively in preference to polystyrene void. All shippers, which require void filling from Key Sun, use this material.	Report volumes of puff-wheat filler used and progress re: the use of air-bags.	Annual reporting of volumes	SOPs
						Air-bags reviewed in 2014	
		All company and brand websites to include recycling awareness message and correct disposal information for expired product				No baseline data	
		Develop process that ensures appropriate disposal information is considered in the development of new artwork		No baseline data	Process in place and changes reported	2015	

11. Table 1 - Action Plan – 2012 to 2015

Sustainable Packaging Guideline Review Check list for the New Product Launches

Product Code : _____ Brand : _____ Product Name : _____

Check list	Consumer Packaging	Secondary Packaging	Tertiary Packaging	Opportunities for Review and Improve	Evidence
1. Is the Packaging Necessary ?					
2. Has the Package been designed to serve the minimum amount of material to serve necessary safety and packaging requirement as per TGO and Marketing requirement ?					
3. Number of Layers					
4. Light Weighting of packaging					
5. Minimal Head Space					
6. Alternatives to shrink wrap					
7. Other alternative packaging (PET, HDPE, PP etc)					
8. Design of Package easy to open, Child safety Lock, tamper proofing					
9. Use of recyclable material					
10. Are the materials/product sourced from suppliers engaged in a sustainability program					
11. Does the design of packaging /product maximise the efficiency of secondary or tertiary packaging					
12. Is the Product Recyclable					
13. Does the Product carry the awareness symbol for the Recycling & litter reduction the tidy man symbol					
14. Is the package reusable to the end user					
15. Is packaging of this type recycled by kerbside recycling					
16. How many separate or are easily separable component's that could end up as litter (Lid, tub, tube, tamper seal)					

