ARDEX Australia Pty Ltd

Australian Packaging Covenant

Action Plan

September 2012 – December 2015

INDEX:

Amendment Register

Page	Date	Details	Authorised
N/A	19/11/12	Final approved for issue	Ian Forster

Executive Summary

ARDEX Australia Pty Ltd (ARDEX) is a supplier of high-quality specialist building materials for substrate preparation, floor levelling, fixing of natural stones & ceramic tiles and other surfacing materials.

ARDEX became a signatory in the Australian Packaging Covenant (the Covenant) on 5 September 2012. ARDEX is committed to meeting its obligations under the Covenant. We have developed this Action Plan to identify the key performance outcomes for our business to support the overarching targets and goals of the Covenant.

Our key commitments under the Action Plan include:

- Establishment an APC Team
- Adoption and implementation the Sustainable Packaging Guidelines
- Continue and strengthen our efforts with respect to recycling
- Proactively work with members of our supply chain to minimise the environmental impacts arising from disposal of used packaging materials

1. COMPANY PROFILE

1.1. Company Overview

ARDEX Australia Pty Ltd (ARDEX) is part of the worldwide ARDEX Group which comprises of 36 subsidiaries and 1,800 employees in over 50 countries.

ARDEX Group is one of the world's leading suppliers of high-quality specialist building materials, supplying materials for:

- Substrate preparation
- Floor levelling
- Fixing of natural stones & ceramic tiles
- Other surfacing materials

The ARDEX Group was first established in Germany in 1949.

1.2. Operations in Australia

ARDEX Group acquired Norcros Building Products (NBP) Australia in December 2001 and established ARDEX Australia Pty Ltd. NBP was a well-established tile adhesives supplier, with over 30 years of operation experience in the Australasian market.

In 2002, Vibro Products Pty Ltd, manufacturers under licence of ARDEX floor levelling and adhesives, was also acquired and integrated into ARDEX Australia.

Today, ARDEX's Australian Head Office is located at Seven Hills in New South Wales. ARDEX operates manufacturing facilities and Sales Offices located throughout Australia. Details of the sites are shown in **Table 1**.

The typical processes undertaken at ARDEX manufacturing sites are:

- Powders
  - o Dry blending of pre-sized raw materials and additives
- Liquids

o Batch blending of raw liquids materials and additives

Table 1: ARDEX – Australian Site Locations

State	Location	Activity
New South Wales	20 Powers Road, Seven Hills	• Head Office • Research and Development Laboratory • Warehousing • NSW Sales Office
	32 Prince William Drive, Seven Hills	• Manufacturing
Victoria	27 Dennis Street, Campbellfield	• Manufacturing • Warehousing • Victoria / Tasmania Sales Office
Queensland	30 Kenworth Place, Brendale	• Manufacturing • Warehousing • Queensland Sales Office
Western Australia	69 Vulcan Road, Canning Vale	• Manufacturing • Western Australian Sales Office
South Australia	13 Toogood Avenue, Beverley	• Manufacturing • South Australia/ Northern Territory Sales Office

1.3. Brand Ownership

ARDEX markets its products under a number of different brand names in Australia. **Table 2** provides a summary ARDEX's brand names and products.

Table 2: ARDEX – Australian Brands
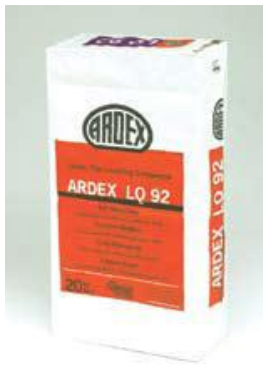
Brand	Products
	• Adhesives • Floor leveling • Wall smoothing • General construction materials
	• Adhesives • Under tile waterproofing

	• Tile adhesives • Grouts • Silicones • Waterproofing membranes • Floor levelers • Renders • Repair products
	• Premixed sand/cement screed • Tile adhesive
	• Decorative Surface Finishes
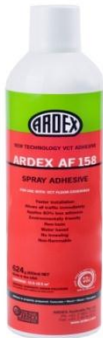
1.4. Packaging Materials and Formats

ARDEX uses a range of packaging materials that directly contain products (i.e. primary packaging) as summarized in **Table 3**.

Table 3: ARDEX – Primary Packaging Materials and Formats

Packaging Type	Formats Used	Example
Paper	• Paper sacks	
Cardboard	• Cartons	

Packaging Type	Formats Used	Example
Plastic	• Pails and lids	
	• Cartridges	
	• Bottle and lids	
	• Films	

Packaging Type	Formats Used	Example
Steel	• Can and lids	
Aluminum	• Spray bottle	

ARDEX also use a range of packaging materials which are used for shipping and transport of products including:

- Cardboard – carton and dividers
- Plastic – films, wraps and strapping
- Wooden – pallets

2. ACTION PLAN MANAGEMENT

2.1.   Covenant Contact Officer

Name: Beatrice Fernandez

Position: Quality, Work Health and Safety Coordinator

Phone: 02 9851 9137

Email: Beatrice.Fernandez@ArdexAustralia.com

Postal address: PO Box 796, SEVEN HILLS NSW 1730

2.2.   Our Approach

ARDEX became a signatory in the Australian Packaging Covenant (the Covenant) on 5 September 2012 (refer to Certification of Registration in **Appendix A**). ARDEX is BRAND OWNER as defined under the Covenant.

This Action Plan sets out how ARDEX will contribute to the Covenant's key objectives and goals of:

- Design – Optimise packaging to use resources efficiently and reduce environmental impact without compromising product quality and safety
- Recycling – Efficiently collect and recycle packaging
- Product Stewardship – Demonstrate commitment of all signatories

2.3. Management Endorsement

ARDEX is committed to meeting its obligations under the Covenant. We have developed this Action Plan to identify the key performance outcomes for our business to support the overarching targets and goals.

Our key commitments for the period of September 2012 through to July 2015 include:

- Establishment an APC Team
- Adoption and implementation the Sustainable Packaging Guidelines
- Continue and strengthen our efforts with respect to recycling
- Proactively work with members of our supply chain to minimise the environmental impacts arising from disposal of used packaging materials

A team of personnel from key departments will be established to address the Action Plan. The team will assist the Covenant Contact Officer to develop, implement and review actions proposed actions in this document.

We look forward to working with our supply chain partners to implement our commitments under the Covenant.

Ian Forster
Regional Managing Director
ARDEX Australia Pty Ltd

3. Action Plan

Under this Action Plan, we will work with its supply chain including packaging manufacturers, suppliers and customers to:

- Avoid or minimise the use of materials and other resources through optimisation of packaging design
- Optimise the recyclability and recycled content of packaging
- Reduce litter impacts associated with packaging materials

3.1. Goal 1 – Design

The design of sustainable packaging is a complex challenge, which balances a range of needs such as technical performance and quality requirements, with resource efficiency and recovery optimisation. We aims to achieve the Covenant goals through the actions detailed in **Table 4**.

Table 4: Action Plan Goal 1 – Design

GOAL 1: Design – Optimise packaging to achieve resource efficiency and reduce environmental impact without compromising product quality and safety						
KPI 1 – Proportion of signatories in the supply chain implementing the Sustainable Packaging Guidelines (SPG) for design or procurement of packaging						
KPI	Actions	Responsibility	Target	Baseline	Evidence	Milestones
1	Establish an APC Team	Operations Director	Team to be established by December 2012	No existing team	APC Team established	31/12/12

KPI	Actions	Responsibility	Target	Baseline	Evidence	Milestones
			Hold quarterly APC Team meetings		APC Team meeting minutes	On-going
1	Group existing product packaging into categories for review against SPG	Purchasing Manager	Packaging grouped for purposes of review	No baseline data	Packaging groups defined	31/3/13
1	Develop a template for review of packaging against SPG	Purchasing Manager	Template developed for implementation of SPG reviews	No baseline data	Template developed	31/3/13
1	Conduct trial review of SPG utilising templates with one packaging group	Purchasing Manager & NSW Manufacturing Manager	Trial completed by June 2013	No baseline data	Review completed and documented	30/6/13
1	Review existing product packaging types against SPG	Purchasing Manager	Review at least two packaging groups per year	No baseline data	Reviews completed and documented	On-going
			50% of existing product packaging reviewed by end of 2015			30/6/15

KPI	Actions	Responsibility	Target	Baseline	Evidence	Milestones
1	Incorporate SPG reviews into product development and procurement procedures to evaluate packaging of new products	Quality & WHS Coordinator	All new product packaging reviewed from December 2013	No baseline data	Reviews completed and documented	31/12/13

3.2. Goal 2 – Recycling

We receive raw materials to our manufacturing sites in bulk tanker deliveries and a range of packaging formats including:

- Intermediate bulk containers (IBCs)
- Paper and plastics bags
- Metals and plastics pails

Large containers (e.g. IBCs and drums) sourced from Australian raw materials are typically returned to the suppliers for re-use.   We have established programs for recycling cardboard / paper / plastic films are our large volume manufacturing sites in New South Wales, Victoria and South Australia. We also contribute to the use of recovered materials through tour purchasing decisions.

We aim to continue and strengthen our efforts with respect to recycling through the following actions detailed in **Table 5**.

Table 5: Action Plan Goal 2 – Recycling

GOAL 2: Recycling – The efficient collection and recycling of packaging						
KPI 3 – Proportion of signatories with on-site recovery systems for recycling used packaging						
KPI 4 – Proportion of signatories with a policy to buy products made from recycled packaging						
KPI	**Actions**	**Responsibility**	**Target**	**Baseline**	**Evidence**	**Milestones**
3	Conduct waste audit to establish baseline data for waste disposal and identify opportunities to improve packaging recycling rates	NSW Manufacturing Manager & Quality&WHS Coordinator	Waste audit conducted at Prince William Drive, Seven Hills by June 2013	No baseline data	Waste audit results	30/6/13
3	Establish mechanism for monitoring and reporting waste and recycling data from NSW Factory	NSW Manufacturing Manager	Monitoring and reporting scheme established by July 2013	No baseline data	Waste disposal / recycling data	1/7/13
3	Establish mechanism for monitoring and reporting waste and recycling data from all sites	Quality & WHS Coordinator	Monitoring and reporting scheme established by December 2014	No baseline data	Waste disposal / recycling data	1/12/14
3	Establish mechanisms for monitoring and reporting of returnable packaging i.e. pallets	Operations Director	Monitoring and reporting scheme established by March 2013	No baseline data	Recycling data	1/03/13

KPI	Actions	Responsibility	Target	Baseline	Evidence	Milestones
3	Prepare quarterly report	Quality & WHS Coordinator	Site data reported and consolidated for quarterly reporting to APC Team	No baseline data	Quarterly reports	On-going starting 1/7/13
3	Conduct spot visual waste audits across NSW sites	Quality & WHS Coordinator	2 visual audits per site per year	No baseline data	Visual audits completed and documented	On-going starting 1/1/13
3	Conduct spot visual waste audits across all other sites	Quality & WHS Coordinator	2 visual audits per site per year	No baseline data	Visual audits completed and documented	On-going starting 1/1/14
4	Review existing Supplier Assessment and Selection Policy (PRO1)	Purchasing Manager	Revise policy as required to align with buy recycled objectives	Existing policy likely to require modification	Implement policy which includes bu recycled objectives	31/3/13
4	Continue commitment to use recycled rubber in place of sand	Operations Director	Track use of recycled rubber and quantity of sand saved	Approx. 250,000 used tyres recycled per year Approx. 3500 tonnes of sand saved per year (*ARDEX 2010 Tiling Product Brochure*)	Data records	On-going starting 1/1/13

3.3. Goal 3 – Product Stewardship

We are committed to proactively working with members of our supply chain, both at the supplier and customer interfaces, through the following actions detailed in **Table 6**.

Table 6: Action Plan Goal 3 – Product Stewardship

GOAL 3: Product Stewardship – Demonstrated commitment to product stewardship
KPI 6 – Proportion of signatories that have formal processes for working with others to improve design and recycling of packaging
KPI 7 – Proportion of signatories demonstrating other product stewardship outcomes
KPI 8 – Reduction in the number of packaging items in litter

KPI	Actions	Responsibility	Target	Baseline	Evidence	Milestones
6	Investigate the standing of existing suppliers under the APC	Purchasing Manager	Contact suppliers to ascertain if they are APC signatories by March 2013	No baseline data	Correspondence with suppliers	31/3/13
6	Establish relationships with APC contact officers at suppliers	Purchasing Manager & Quality&WHS Coordinator	Establish network of APC contact officers within supply chain	No baseline data	Database of APC contacts established	On-going starting 31/3/13
6	Review raw materials packaging requirements with key suppliers	Purchasing Manager	Establish packaging take-back schemes with key raw material suppliers	No baseline data	Number of raw material suppliers with take-back schemed	On-going starting 31/6/13

KPI	Actions	Responsibility	Target	Baseline	Evidence	Milestones
7	Product certification for some adhesives products to Good Environmental Choice Australia (GECA) 01-2007 standard	Marketing Director	Maintain GECA Certification	Certification currently held	Environmental Choice Australia Licence	On-going
7	Increase staff awareness of APC	Quality & WHS Coordinator	Communicate with existing staff about APC commitments and activities	No baseline data	Staff newsletters, communication records, toolbox meeting records	Six-monthly APC communications
		Quality & WHS Coordinator	Provide APC training to new staff during induction	No baseline data	Induction and training records	On-going starting 1/1/13
8	Promote 'no litter' policy within site boundary at NSW sites	NSW Manufacturing Manager	Conduct regular site inspections across all sites to ensure no litter escaping from sites. If identified, litter cleaned up promptly	No inspections currently	Inspections completed and documented	Inspections commence by 1/1/13

KPI	Actions	Responsibility	Target	Baseline	Evidence	Milestones
8	Promote 'no litter' policy within site boundary at across all other sites	Operations Director	Conduct regular site inspections across all sites to ensure no litter escaping from sites. If identified, litter cleaned up promptly	No inspections currently	Inspections completed and documented	Inspections commence by 1/1/14
8	Provide customer education material to encourage responsible disposal or recycling of product and delivery packaging	Marketing Director	One customer education campaign per year	No education currently provided	Campaign materials	On-going starting 1/1/13

Appendix A – APC Certificate of Registration

Certificate of
REGISTRATION

This is to certify that

ARDEX Australia Pty Limited

is a signatory to the

Australian Packaging Covenant

The Australian Packaging Covenant is an agreement between companies in the supply chain and all levels of government to reduce the environmental impacts of consumer packaging. This will be achieved by:

- designing packaging that is more resource efficient and more recyclable;
- increasing the recovery and recycling of used packaging from households and away-from-home sources; and
- taking action to reduce the incidence and impacts of litter.

Date: 5 September 2012   Signatory: Mr Christopher Ballauff, Finance Director

Mr Stan Moore
Chief Executive Officer
Australian Packaging Covenant

This certification remains the property of the Packaging Covenant and must not be displayed if registration is withdrawn.