

Master Distributors Pty. Ltd.

Australian Packaging Covenant Action Plan

October 2013 - October 2018





Contents

1.0	COMPANY SUMMARY	3
1	1.1 Company profile	3
1	1.2 Commitment to APC	3
2.0	COVENANT CONTACT OFFICER	4
3.0	PACKAGING STYLES	5
3	3.1 Australian manufactured product packaging styles –	5
3	3.2 Internationally manufactured product packaging styles	5
	3.2.1 International represented brands	5
	3.2.2 Internationally sourced and manufactured brands	5
4.0	SCHEDULE FOR PACKAGING REVIEW	6
4	4.1 Australian manufactured product packaging styles –	6
4	4.2 Internationally manufactured product packaging styles	6
	4.2.1 International represented brands	6
	4.2.2 Internationally sourced and manufactured brands	6
5.0	O ACTION PLAN KPI TABLE	7
5	5.1 Design	7
5	5.2 Recycling	8
5	5.3 Product Stewardship	9

1.0 COMPANY SUMMARY

1.1 Company profile

Master Distributors Pty. Ltd is an Australian owned importer and wholesaler of a wide range of hardware and home ware products. The company was established in 1998 and is acknowledged as a leader in the hardware and home ware categories in Australia.

The company represents well known quality local and international brands and works with quality international suppliers to distribute market appropriate products for sale in major hardware, mass market consumer goods, and specialist retailers.

Master Distributors Pty. Ltd has become one of the nations largest and most respected names in the hardware and home ware industry and ranges over 2400 items. The business is associated with a national merchandising network and distributes out of a major facility in Melbournes south east.

Master Distributors Pty. Ltd product is either made in Australia or sourced from overseas suppliers and distributed through major retail chains in Australia.

Product is supplied to a wide range of customers including major hardware and home ware retailers, grocery retailers and independent retail stores throughout Australia, New Zealand and Asia.

Product sourced from overseas suppliers is either designed and packaged by the companies that Master Distributors represents or is manufactured by international suppliers to the companyon specifications.

Master Distributors locally manufactured product and company owned brands will be the focus of this action plan as this is the area that the company is most able to influence. Master Distributors will maintain its current audit of international represented brands and influence where possible our overseas principles in the implementation of SPGs.

1.2 Commitment to APC

Master Distributors Pty. Ltd is a long standing signatory to the Australian Packaging Covenant and is committed to environmental preservation through minimising the amount of waste generated in the course of business and encourages the recycling of packaging materials.

Master Distributors Pty. Ltd embraces the principles of the Australian Packaging Covenant and will continue to establish and maintain data to enable effective reporting each year and work to achieve the APC key performance indicators as required by the covenant.

The purpose of this Action Plan is to show how Master Distributors Pty. Ltd intends to contribute to the achievement of the Covenant Goals and to meet Master Distributors Pty. Ltd Gobligations under the Covenant. The three main performance goals of the Covenant are:

- 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.

Our primary concern is to reduce the impact the packaging of our products has on the environment. We also seek to improve the use and disposal pathways for our products by the end consumer.

We recognise that a greater focus on the minimising of our packaging and a review of workflow efficiencies has the potential to both reduce our environmental impact and to strengthen our business

efficiency. As many of our products compete in extremely price-sensitive segments, much of this work has already been done, but we look forward to uncovering further improvements.

Key departments have been identified that will drive and implement the actions outlined to meet the requirements of the Australian Packaging Covenant.

As part of an on-going product and packaging development process, we see opportunities to also assist the consumer in making environmentally responsible purchasing, ownership and disposal decisions. Results of the action plans will be processed and calculated internally although some information will not be made publicly available due to the commercial sensitivity.

We commit to:

- "Continuing to reduce shipping and retail packaging where possible
- "Continuing the use of recyclable materials where possible
- Maximising the use of recycled materials in both our manufacturing and business operations
- Continued improvement of retail level packaging and implementation of a range of online resources with the aim of assisting more informed consumer decision-making
- Continue our low energy/green policy in the business with the aim of further reducing power use, paper and water consumption
- "Set up a measurement tool to accurately gauge our use of packaging materials over the three years of our Action Plan

Sandra Dobbin

CEO

2013-2018

2.0 COVENANT CONTACT OFFICER

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3.0 PACKAGING STYLES

3.1 Australian manufactured product packaging styles –

Category	Retail Packaging	Inner Packaging	Outer Packaging Styles	
	Styles	Styles		
Home Ware products	Self-Adhesive label	Poly bag	Corrugated box with	
	Wrapped Cardboard	Corrugated box with	label	
	label	label		
	Blister pack			
Garden products	Self-Adhesive label	Poly Bag	Corrugated box with	
		Twine	label	
		Corrugated box with		
		label		

3.2 Internationally manufactured product packaging styles

3.2.1 International represented brands

Category	Retail Packaging	Inner Packaging Styles	Outer Packaging Styles	
	Styles			
Hardware	Colour Box	Corrugated Box with	Corrugated box	
	Blister pack	label	Printed corrugated Box	
Home ware	Colour Box	Corrugated Box with		
	Blister Pack	label		
	Clamshell blister packs			
	Cardboard wraps			
	Wrapped Cardboard			
	Label			
	Printed corrugated			
box				
Garden	Garden Wrapped cardboard		Corrugated box with	
		label	label	

3.2.2 Internationally sourced and manufactured brands

Category	Retail Packaging Styles	Inner Packaging Styles	Outer Packaging Styles
Hardware	Self-adhesive labels Moulded hang tabs Colour Box Blister Pack Backing card with cable ties Poly bag with header card Resealable snap lock bags	Corrugated box with label	Corrugated box

4.0 SCHEDULE FOR PACKAGING REVIEW

4.1 Australian manufactured product packaging styles –

Category	Brand	Date
Home ware	Trend	4 th Quarter 2014
Home ware	Store Max	4 th Quarter 2014
Garden products	Reko	2 nd Quarter 2015
Garden products	WaterSaver	3 th Quarter 2014
Garden products	Surface Saver	2 nd Quarter 2014
Garden products	Replicotta	4 th Quarter 2015
Garden products	Planterra	2 nd Quarter 2015
Garden products	Plantopia	3 rd Quarter 2015
Garden products	Country Style	3 rd Quarter 2015
Garden products	Maranello	1 st Quarter 2015
Garden products	Ezykneel	4 th Quarter 2014

4.2 Internationally manufactured product packaging styles

4.2.1 International represented brands

Category	Brand	Date
Hardware	Arrow	Ongoing
Home ware	Blomus	Ongoing
Home ware	Casabella	Ongoing
Home ware	Eco Concepts	Ongoing
Garden	Hudson	Ongoing
Hardware	Madico	Ongoing
Home ware	Neat Freak	Ongoing
Home ware	Orphea	Ongoing
Home ware	Papstar	Ongoing
Home ware	Spectrum	Ongoing
Garden	Suncast	Ongoing
Hardware	Tommyco	Ongoing
Hardware	Wagner	Ongoing
Home ware	Wenko	Ongoing

A tool has been developed and integrated into the product development process that assesses international client packaging against the SPG's. This is an ongoing rolling process.

4.2.2 Internationally sourced and manufactured brands

Category	Brand	Date
Hardware	Family First	Ongoing
Hardware	Hookz	Ongoing
Hardware	Leggz	Ongoing

5.0 ACTION PLAN KPI TABLE

5.1 Design

Performance Goals & KPIos	Actions	Responsibility	Baseline Data	Targets	Milestones		
DESIGN - Optimise packaging to achieve resource efficiency and reduce environmental impact							
KPI 1. Proportion of signatories in the supply chain implementing the Sustainable Packaging Guidelines for	Formerly document procedure for evaluating existing product packaging against the SPGs.	Compliance and Brand Manager	IN PROCESS	Add procedure to company operations and procedures manuals	February 2014		
design or procurement of packaging.	Tool developed for assessing products against the SPGos	Compliance and Brand Manager	COMPLETE	Consistency and efficiency in assessing product against SPGs throughout the company	Ongoing		
	Communicate product packaging assessment procedure to Product Management Team	Compliance and Brand Manager	COMPLETED REINFORCEMENT REQUIRED	Product team to have working knowledge of APC, SPGs, procedures and assessment tools	January 2014		
	Assessment of locally manufactured brands	Product Manager Compliance and Brand Manager	BASELINE DATA TO BE RE- ESTABLISHED	Quantification of packaging materials used	As per schedule for packaging review		
	Assessment of client brands	Product Manager Compliance and Brand Manager	IN PROCESS	Assessment of packaging styles	Ongoing		
	Assessment of company owned internationally manufactured brands	Product Manager Compliance and Brand Manager	BASELINE DATA TO BE RE- ESTABLISHED	Quantification of packaging materials used	As per schedule for packaging review		
	Integrate consideration of SPGs with internal new product development and design process.	Product Manager Compliance and Brand Manager Graphic Designer	PROCESS TO BE FORMALISED	Add procedure to company operations and procedures manuals	March 2014		
	Develop audit tool for new product development and design process.	Compliance and Brand Manager	TOOL TO BE DEVELOPED	Complete development of tool	March 2014		

5.2 Recycling

Performance Goals & KPIqs	Actions	Responsibility	Baseline Data	Targets	Milestones			
2. Recycling	2. Recycling							
KPI 3. Proportion of signatories with on-site recovery systems for recycling used packaging.	An existing recovery system is in place for internal and external recycling of outer cartons, packaging and fill material.	Distribution Manager Compliance and Brand Manager	BASE LINE DATA TO BE RE- ESTABLISHED	Quantify cardboard and plastic packaging	1st Quarter 2014			
	The existing recovery system will be maintained and reviewed with a view to improving where possible	Distribution Manager Compliance and Brand Manager	EXAMINE EFFICIENCY OF CURRENT SYSTEM	Determine what percentage of waste material is recycled	1 st Quarter 2014			
	Report volume of packaging materials recovered/diverted annually	Distribution Manager Compliance and Brand Manager	VERIFY BASE LINE DATA	Quantify volume of packaging material recovered/diverted from landfill.	1st Quarter 2014			
KPI 4. Proportion of signatories with a recycle policy to buy products made from recycled packaging. All Covenant signatories will have a formal,	There is a policy of buying recycled packaging products and materials where this does not affect marketability of product	Procurement Manager Distribution Manager Compliance and Brand Manager	POLICY IS DOCUMENTED THROUGHOUT OPERATIONS AND PROCEDURES MANUALS	Centralise Policy under its own category	1st Quarter 2014			
documented policy of buying recycled products or materials.	Track and report recycled content purchases	Procurement Manager Compliance and Brand Manager Purchasing Manager	ESTABLISH BASE LINE DATA	Develop tool for tracking raw material purchases and track and report	1st Quarter 2014			

5.3 Product Stewardship

Performance Goals & KPIos	Actions	Responsibility	Baseline Data	Targets	Milestone		
2. Product Stewardship							
KPI 6. Proportion of signatories that have formal processes for working with others to improve design and recycling of packaging.	Assess packaging suppliers in relation to materials and packaging products sustainability	Compliance and Brand Manager Procurement Manager Graphic Designer Product Managers	BASE LINE DATA TO BE RE- ESTABLISHED	Develop formalised program List suppliers and determine whether they are APC signatories	2 nd Quarter 2014		
KPI 7. Proportion of signatories demonstrating other product stewardship outcomes.	Continue resource consumption minimization procedures throughout the administration, manufacturing and distribution facilities.	Compliance and Brand Manager Procurement Manager Distribution Manager Customer Service and HR Manager	DOCUMENT EXISTING PROGRAM TO ESTABLISH BASELINE	Document existing program	2 nd Quarter 2014		
	Review further actions for consumption minimisation throughout the business	Compliance and Brand Manager Procurement Manager Distribution Manager Customer Service and HR Manager	BASE LINE DATA TO BE RE- ESTABLISHED	Identify opportunities for waste minimisation	3 rd Quarter 2014		
KPI 8. Reduction in the number of packaging items in litter	Implement co-ordinated program to educate end users about correct recycling and disposal of packaging materials	Compliance and Brand Manager Graphic Designer Product Managers	RANGE OF MESSAGES AND SYMBOLS ACROSS CURRENT PACKAGING	Develop programs to educate end users Co-ordinate messages on company Australian and International manufactured packaging Influence messages on client brands	4th Quarter 2014		
	Act on findings of SPG evaluation to refine and reduce packaging where it does not adversely affect marketability of product	Compliance and Brand Manager Graphic Designer Product Managers	SPG EVALUATION DOCUMENTATION	Implement findings of SPG evaluation into ongoing packaging	Ongoing		