

Secretary-General  
United Nations  
New York, NY 10017  
USA

16<sup>th</sup> June 2010

Dear Mr Secretary-General,

This is our first Communication on Progress (COP) for PlasPak. We recognise that a key requirement for participation in the Global Compact is the annual submission of a COP that describes our company's efforts in implementing the ten principles.

I am pleased to confirm that PlasPak continues to support the ten principles of the United Nations Global Compact in respect to human rights, labour rights, the environment and anti-corruption. With this communication, we express our intent to continue supporting and advancing these principles within our sphere of influence.

We continue to commit to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company and undertake to make a clear statement – to our employees, partners, customers and to the public – of this commitment.

We support public accountability and transparency, and therefore commit to report on progress every year according to the Global Compact COP policy.

Attached please find a copy of our 2009 PlasPak Sustainability Report, which will also be linked to our website [www.plaspak.com.au](http://www.plaspak.com.au).

Sincerely yours,



**Raphael Geminder**  
Chairman



PLASPAK

# SUSTAINABILITY REPORT MAKE A MARK 2009



# INTRODUCTION

PlasPak is the preferred plastic packaging partner of many leading multinational brands. Operating from sites in New South Wales and Victoria, PlasPak prides itself on its comprehensive stock range of products including plastic bottles and containers, closures, spray and aerosol devices and other packaging accessories.

PlasPak has a strong focus on sustainable packaging, recovery programs and investment in our manufacturing platforms and people. To support this, PlasPak's Make a Mark program was launched in September 2008 to provide a framework for our team to understand and engage with our sustainability platform.

The Make a Mark program guides our approach to corporate responsibility in the areas where we believe we can make a difference.

Corporate responsibility is the general term used to describe PlasPak's response to internal issues like workplace safety and ethical governance and external challenges such as environmental management and community involvement. By operating in a responsible manner, PlasPak aims to be a sustainable company with a strong and responsible future.

Within PlasPak, we acknowledge that sustainability is largely about moving us towards a place where, as a business, we can successfully and consistently meet the needs of today without compromising the needs of future generations. Wherever our activities have a suspected risk of causing harm to the public or the environment, we take all reasonable steps to eliminate these risks, so that our operations and products comply to the highest standards.



## MAKE A MARK

PlasPak's Make a Mark program has three key pillars: **workplace**, **community** and **environment**.

### Make a Mark at your workplace

Working safely, ethically and with the highest level of customer satisfaction is our goal. To achieve this we:

- Maintain a focus on health and safety performance, training and awareness;
- Celebrate diversity and uphold equal opportunity for all our people;
- Focus on customer satisfaction and safe, innovative packaging solutions; and
- Uphold the principles of corporate responsibility, which we view as essential to the success of our business.

### Make a Mark in your community

Engaging and supporting our stakeholders, meeting our social responsibilities and maintaining a responsible supply chain is our goal. To achieve this we:

- Undertake stakeholder engagement and address the impacts of our business;
- Support investment and involvement in the community;
- Adhere to relevant legal frameworks and maintain organisational accountability; and
- Address responsibilities up and down our supply chain as a sustainable packaging partner.

### Make a Mark for your environment

Addressing the impacts of our operations and products, and improving our environmental performance for the benefit of our business and our community is our goal. To achieve this we:

- Identify and minimise the environmental impacts of our operations including responsible natural resource use and pollution prevention;
- Develop recyclable products and consider lifecycle impacts during packaging design and development;
- Implement an environmental management system to document, monitor and continuously minimise our environmental footprint; and
- Contribute to a sustainable future and meet the environmental expectations of our people, customers and communities.





MAKE A MARK

# AT YOUR WORKPLACE

## Health & Safety

PlasPak is committed to training our people in safety practices with a key focus on the role that we all play in maintaining safe places to work. We work together to create a safety culture that emphasises training and awareness, continuous improvement and total workforce participation for our employees, contractors and visitors.

You can read our Occupational Health & Safety Policy at [www.plaspak.com.au/ohspolicy](http://www.plaspak.com.au/ohspolicy)

### Health & Safety Management

In order to control risk, PlasPak sites are required to maintain a comprehensive and integrated Safety Management System which is audited annually, based on the standard AS/NZS 4801:2001. This system must be accessible to all employees. It describes the site's safety objectives and the systems, processes and procedures intended to achieve them. The audit result is an Executive Key Performance Indicator used to reinforce safety performance as a critical responsibility.

Our Safety Management System requires all injuries to be reported as they occur. We continue to drive improved reporting and we remain committed to eliminating incidents that result in injury or occupational illness through processes of training, monitoring, audit processes and corrective actions.

### Employee Wellbeing Service

Through PPC Worldwide (formerly called the OSA Group), we provide an Employee Assistance Program to give our people and immediate family members access to counselling and support services. PPC Worldwide counsellors are professionally qualified psychologists or social workers who provide services throughout metropolitan and regional Australia. Counsellors help employees manage a variety of issues including relationship and family concerns, work-life balance, depression and stress.

## Training & Awareness

### Employee Training

Employee training and development is managed at a site level by direct managers, with Corporate Compliance Programs being managed by head office. These programs cover training across safety, equal employment opportunities and lean manufacturing initiatives.

### Safety Awareness Program

PlasPak's Safety Awareness Program is a training process designed and run to ensure that each employee learns a consistent message on safety and our responsibilities for maintaining safe workplaces. The program continues to be run across the sites every year.

### Equal Opportunity & Diversity Awareness

Last year, PlasPak launched an Equal Employment Opportunity awareness campaign. The program addresses legal compliance and policy breaches and advises our people on taking action and seeking advice about issues relating to equal opportunity.

### Reporting

The Equal Opportunity for Women in the Workplace Agency (EOWA) is a statutory authority located within the portfolio of the Australian Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs. EOWA's role is to administer the Equal Opportunity for Women in the Workplace Act 1999 (Commonwealth) and through education, assist organisations to achieve equal opportunity for women. We submit a report to the EOWA each year and we have maintained compliance status throughout.

## Customers & Suppliers

At PlasPak we are committed to working with our customers and suppliers to develop safe, economical and environmentally conscious packaging solutions. We do this through a collaborative approach that engages our suppliers, whilst meeting the needs of our other stakeholders.

### Research & Development

PlasPak is able to offer its customers a variety of packaging choices as a result of its diverse manufacturing capabilities and design innovation services.

PlasPak's design engineers use state of the art CAD/CAM software to deliver sophisticated packaging solutions.

To be a world class supplier, technical excellence must be a priority. We have a team of professional and experienced tradesmen and mechanical, industrial and electrical engineers to support the design and manufacture of our products.

### CSR Pour & Store

Sugar Australia identified an opportunity to enhance the brand value of CSR through product line extension into a new 'pour & store' option for existing consumer packaging. The line extension offers innovation and convenience to the sugar category while promoting the values of reusability and recyclability. Where sugar packaging has traditionally been limited to paper and film packs, the new PVC, easy pouring container, manufactured by our site in Dandenong, provides improved handling, storage and visibility for the consumer.



# AT YOUR WORKPLACE

## Responsible Growth & Governance

The longevity and success of PlasPak is dependent on a continuing commitment to ethical governance, responsible employment and investment and the provision of safe, quality packaging solutions.

You can read our Quality Policy at [www.plaspak.com.au/qualitypolicy](http://www.plaspak.com.au/qualitypolicy)

As part of our commitment to operating sustainably, PlasPak recognises the need to practice strong leadership and communication, including organisational transparency, corporate governance, compliance, risk management and ethical conduct.

PlasPak is a privately owned company, operating from two manufacturing sites and supported by head office and sales functions. General Managers meet quarterly to address economic, environmental and social performance. A balanced scorecard issued weekly and circulated amongst general and site managers covers safety, environment and customer delivery performance in addition to financial indicators.

### Trade Practices Act Compliance Training

As part of our ongoing competition law training program, employees with responsibilities relevant to the Trade Practices Act are required to complete face to face and online Self Administered Legal Training (SALT™). New employees with relevant employment positions are required to complete SALT™ training within three months of commencing employment and all employees will be required to refresh their face to face training every two years or more frequently when there are major changes to the law.

Legal governance is also key to the ethical business practices of PlasPak. We are pleased to disclose that no legal actions took place in the financial year F09 for anti-competitive behaviour, anti-trust or monopoly practices.

## Labour Relations

PlasPak is committed to the principles of fair and equitable labour relations, as demonstrated by the diversity of our teams, sites and operations. Our human resources team is responsible for protecting employment rights. No prosecutions related to equal opportunity have been recorded against PlasPak.

The right to freedom of association and collective bargaining are upheld in all of our operations with 45% of our permanent workforce covered by these agreements. Contractual agreements observe statutory minimums in relation to termination and redundancy processes and, in some cases, exceed these provisions.

## Human Rights

PlasPak seeks to uphold universal human rights including accessibility, discrimination and labour rights across its sites. This is reinforced through our commitment to the United Nations Global Compact (UNGC) and the Supplier Ethical Data Exchange (Sedex). Our Code of Conduct requires the fair and equitable treatment of all employees, contractors and customers and establishes the responsibilities of all employees in this regard.

### United Nations Global Compact

PlasPak is a signatory to the UNGC – a voluntary, international, corporate citizenship initiative that brings companies together with UN agencies, labour and civil society groups to support universal human rights, labour, environmental and anti-corruption principles. Through the power of collective action, the UNGC seeks to promote responsible corporate citizenship so business can effectively meet the challenges of social and environmental sustainability. You can read more about these principles at [www.unglobalcompact.org](http://www.unglobalcompact.org)



### Sedex

In 2008, PlasPak's Dandenong site became a member of Sedex. Sedex is a membership organisation for businesses committed to continuous improvement of the ethical performance of their supply chains. Sedex is a not-for-profit organisation that aims to provide a secure database for companies to store and share ethical data. In addition to Sedex, we participate in other ethical supplier surveys with our customers. To find out more visit [www.sedex.org.uk](http://www.sedex.org.uk)



# MAKE A MARK IN YOUR COMMUNITY

## Community Involvement

An area of planned development for PlasPak and its employees is community involvement.

### The Smith Family

For the last three years, PlasPak employees have donated new toys and books to The Smith Family's Toy & Book Appeal. These donations are distributed by The Smith Family to disadvantaged Australian children at Christmas. Our enthusiastic participation is always appreciated by The Smith Family.

### Victorian Bushfire Appeal

PlasPak employees were generous in their donations to the Victorian Bushfire Appeal following the devastating effects of the fires in Victoria in February 2009. Employees donated or salary sacrificed over AUD\$3,630 which was matched by the company and donated to the Victorian Bushfire Appeal. The Red Cross raised more than AUD\$379 million which has been allocated to survivors to rebuild their lives in the wake of the fires.



MAKE A MARK

# FOR YOUR ENVIRONMENT

## Environmental Management & Awareness

At PlasPak, we work hard to conserve energy, minimise waste, prevent pollution, save water, use raw materials wisely and monitor our transport fleet in line with our Environment Policy.

You can read about this at [www.plaspak.com.au/environmentpolicy](http://www.plaspak.com.au/environmentpolicy)

PlasPak sites adhere to an Environmental Management System (EMS) based on the international standard ISO14001:2004. Every year, actions and targets for improving eco-efficiency are set for all sites with a view to continuously reduce our environmental impact.

Sites are audited against the requirements of the system annually and these results are an Executive Key Performance Indicator. The quarterly EScorecard communicates these audit results as well as sites' progress on meeting key eco-efficiency targets.

## Training & Awareness

The continuous improvement of our environmental performance depends on the ongoing commitment of each member of the PlasPak team. To assist our employees in being environmentally aware, we regularly co-ordinate training and awareness programs.

In addition to featuring prominently in system requirements, training and awareness is promoted through environmental awareness weeks. These awareness weeks are supported by training materials such as presentations and competitions and cover key environmental issues and initiatives. During F09, we held Climate Change Week, Recycling Week, Sustainable Packaging Week and Water and Energy Efficiency Week.



## Environmental Footprint

Environmental data in Table 1 shows that our greenhouse gas emissions decreased in F09. This is in part due to a reduction in energy consumption from some energy efficiency activities undertaken but is also due to a decrease in production at some sites as operations were consolidated geographically. Solid waste to landfill is also down in F09 as a result of continued focus on waste avoidance, recycling and reduced production at some sites compared to F08.

Table 1: PlasPak\* Greenhouse Gas Emissions by Source

	F08 tCO2-e	F09 tCO2-e
Fleet transport	67	132
LPG	77	146
Diesel	n/a	1
Electricity	21,389	18,850
Waste	952	298
Purchased offsets	(67)	(139)
<b>Total</b>	<b>22,418</b>	<b>19,288</b>

\* Emissions are for PlasPak sites in Arndell Park, Dandenong, Kirrawee and Virginia only.

### Green Cars

PlasPak has provided operating leases for dedicated LPG and approved hybrid and diesel vehicles instead of unleaded petrol vehicles since June 2007. Additionally, our entire Australian vehicle fleet uses BP supplied fuels through its Global Choice™ program. PlasPak pays a premium on its fuel which BP invests in projects that offset life cycle greenhouse gas emissions associated with fuel usage.



# FOR YOUR ENVIRONMENT

## Climate Change

Climate change is the biggest global challenge of the 21st century. Australia is at risk of climate change impacts and has a role to play in the global action to mitigate these risks. There is much political debate around climate change policy in Australia and the regulatory uncertainty around emissions trading schemes and voluntary action makes it difficult for business to develop robust carbon strategies. However, PlasPak has committed to reducing its Scope 1 and 2 greenhouse gas emissions\* by 20% below F08 levels by 2020 to reduce our impact on climate change.

You can read our Carbon Reduction Policy at [www.plaspak.com.au/carbonreductionpolicy](http://www.plaspak.com.au/carbonreductionpolicy)

\*Scope 1 greenhouse gas emissions are direct emissions and Scope 2 are indirect emissions from consumption of purchased electricity, heat or steam.



Key components of our Carbon Reduction Policy include:

- Implementing online electricity monitoring at sites to monitor our consumption in real time;
- Minimising the waste of compressed air;
- Upgrading inefficient compressors and chilled water systems;
- Reviewing and improving lighting requirements;
- Expanding recycling programs at our sites; and
- Off-setting all of our car fleet emissions.

As the majority of PlasPak's greenhouse gas emissions are due to stationary electricity consumption, our Carbon Reduction Policy focuses on the reduction of this type of consumption.

We have provided compressed air ultrasonic leak detectors and training to our sites and have reviewed and compiled a database of our compressors and chilled water systems. This is in line with our requirements under the Energy Efficiency Opportunities Act 2006 (Australia).

### Carbon Disclosure Project

PlasPak Dandenong participated in the 2008 Carbon Disclosure Project (CDP) Supply Chain Questionnaire at the request of our customer Cadbury Schweppes. The CDP is an independent not-for-profit organisation holding the largest database of primary corporate climate change information in the world. The project was launched in 2000 to collect and distribute high quality information that motivates investors, corporations and governments to take action to prevent dangerous climate change. To find out more visit [www.cdproject.net](http://www.cdproject.net)

### Reporting

PlasPak's holding company is required to report under the National Greenhouse and Energy Reporting Act 2007 (Australia). We have also submitted our National Packaging Covenant Annual Report for F09, and our F09 Public Report in line with the Energy Efficiency Opportunities Act 2006 (Australia).

## Product Life Cycle

### National Packaging Covenant



PlasPak is a signatory to the National Packaging Covenant in Australia and we have made great progress towards meeting the targets of our 2008-2010 Action Plan. We support the extension of the Covenant beyond 2010 with a renewed focus on the whole-of-life environmental impacts of packaging.

### Life Cycle Assessment

Life Cycle Assessment (LCA) is an internationally recognised approach to assessing the environmental impact of products and services across all phases of their life cycle. Environmental impacts can include greenhouse gas emissions, energy and water consumption, waste generation and smog generation. PlasPak has access to the services of sustainable packaging consultants, SustainaPac, to perform LCAs on key packaging products. LCAs help PlasPak's designers and customers identify specific areas on which to focus to reduce the environmental impacts of a package.

PlasPak also has access to the software package, PIQET (Packaging Impact Quick Evaluation Tool). PIQET is a quick, online tool which uses standard industry life cycle assessment data to compare the environmental impact of different packages.

### Packaging End of Life & Recycling

At PlasPak we focus on the collection, re-use and recycling of packaging to divert waste from landfill and the re-use of existing resources.

The majority of packaging manufactured by PlasPak is technically recyclable as we use materials that can be reprocessed into other products using existing technologies. However, used packaging cannot be recycled unless collection and sorting processes and infrastructure are in place to deliver it to recyclers.

The primary materials used in PlasPak's manufacturing processes are high density polyethylene (HDPE), polyvinyl chloride (PVC), polyethylene terephthalate (PET) and some low density polyethylene (LDPE) and polypropylene (PP).

### Product Stewardship



As a responsible manufacturer of PVC, PlasPak's Dandenong site is a signatory to and continues to support and finance the Vinyl Cycle program – a PVC bottle recycling initiative within Australia.

Vinyl Cycle is an industry funded, not for profit project, run by the industry organisation, the Vinyl Council of Australia. Vinyl Cycle converts clear PVC bottles such as cordial bottles, various edible oil bottles, rice, sugar and similar clear handled bottles, into long life applications of vinyl flooring and pipe fittings.

Over 90% of metropolitan and large regional councils nominate PVC for collection and more than 50% of all PVC bottles produced in Australia are returned via the kerbside to end up at recovery facilities for recycling.



## THE REPORT

This is PlasPak's first annual Sustainability Report on our corporate responsibility performance. All information in the report refers to our performance and activities during the financial year ended 30 June 2009 (F09), unless otherwise stated.

This report covers the performance of all sites comprising PlasPak during F09. PlasPak is the trading name of:

PlasPak Peteron Pty Ltd ABN 48 119 389 196  
PlasPak Pty Ltd ABN 93 119 394 679

All references to 'PlasPak', 'we', 'our business' and 'the company' refer to PlasPak. The PlasPak Virginia site in Queensland ceased operations in February 2009. Other than this site closure, there have been no material changes to PlasPak's size, structure or ownership during F09.

The report is structured around the three themes of Workplace, Community and Environment. In this report we cover only those issues that we believe are most material to our business and our stakeholders. We will continue to monitor existing and emerging issues and engage in dialogue with our stakeholders into the future.

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