HALLY LABELS

AUSTRALIAN PACKAGING COVENANT ACTION PLAN

MARCH 2013 – MARCH 2018

EXECUTIVE SUMMARY

Hally Labels acknowledges the adverse impacts that human activity can have on the environment. We recognise that acting in a responsible and sustainable manner is compatible with being a successful business; creating new opportunities, enhancing profitability, and improving environmental outcomes.

To achieve this, Hally Labels has chosen to commit to the Australian Packaging Covenant. In support of this we have implemented a cross functional team to unite the business in our pursuit of the goals and commitments of the APC.

We will develop departmental sustainability champions who will help us shape the culture of Hally Labels. These champions will assist in implementing our Action Plan, the key areas of which are improving our internal packaging, the manufacturing processes to produce the labels we supply to our customers, and other associated business activities to improve our sustainability.

I commit Hally Labels to complying with the principles, policies and procedures of the APC, and the achievement of goals and objectives. I task all staff across Hally Labels with contributing to these commitments. I have ultimate responsibility for reviewing and monitoring the achievement of objectives through regular performance reporting.

Authorised by:

Anne-Marie Sutton

Group General Manager

Organisational overview/history

Name of the organisation
Hally Labels Pty Ltd

Nature of the organisation
Hally Labels is an Australasian self adhesive label manufacturer. We have four manufacturing plants plus one additional sales office, and have approximately 110 employees in Australia and 210 company wide.

Plants:
Brisbane - 28 Limestone Street, Darra QLD 4076, Australia
Sydney - Units 40-52 132 Hassall Street, Wetherill Park NSW 2164, Australia
Auckland - 24 Hannigan Drive, Glen Innes 1072, New Zealand
Christchurch - 48 Waterloo Road, Sockburn 8042, New Zealand

This plan covers our operations in Australia. We have also joined the Packaging Council of New Zealand's Packaging Product Stewardship Scheme, for which a separate but complementary plan is being developed.

Brands owned by the organisation that are subject to the requirements of the Covenant
Not applicable

The place of the organisation in the supply chain
Hally Labels is a packaging manufacturer, supplying labels to customers in sectors such as retail supermarkets, meat, poultry, beverage, chilled foods, shelf stable foods and logistics. We source label materials from self adhesive label material manufacturers who, in turn source their components from mills, chemical manufacturers and extruders. We print, die-cut and finish these labels into roll form and ship these to customers to apply to their packaging. Our customers typically determine the specification of the labels they require.

See next page for a diagram of our supply chain.

Packaging materials and formats used by the organisation
Hally Labels uses a variety of materials to package our labels to ensure safe delivery to our customers. These include:
- Cartons
- Cores
- Shrink wrap
- Carton labels
- Seal off labels
- Pallet stretch wrap

We also provide a range of labels to our customers, which can be broken into two main categories:
- Paper
- Film

START
HERE

BYPASS HERE

The recycled packaging is converted into PCW materials which are returned to the materials supply chain e.g. PCW Paper and RPET plastic film.

PAPER TO PCW
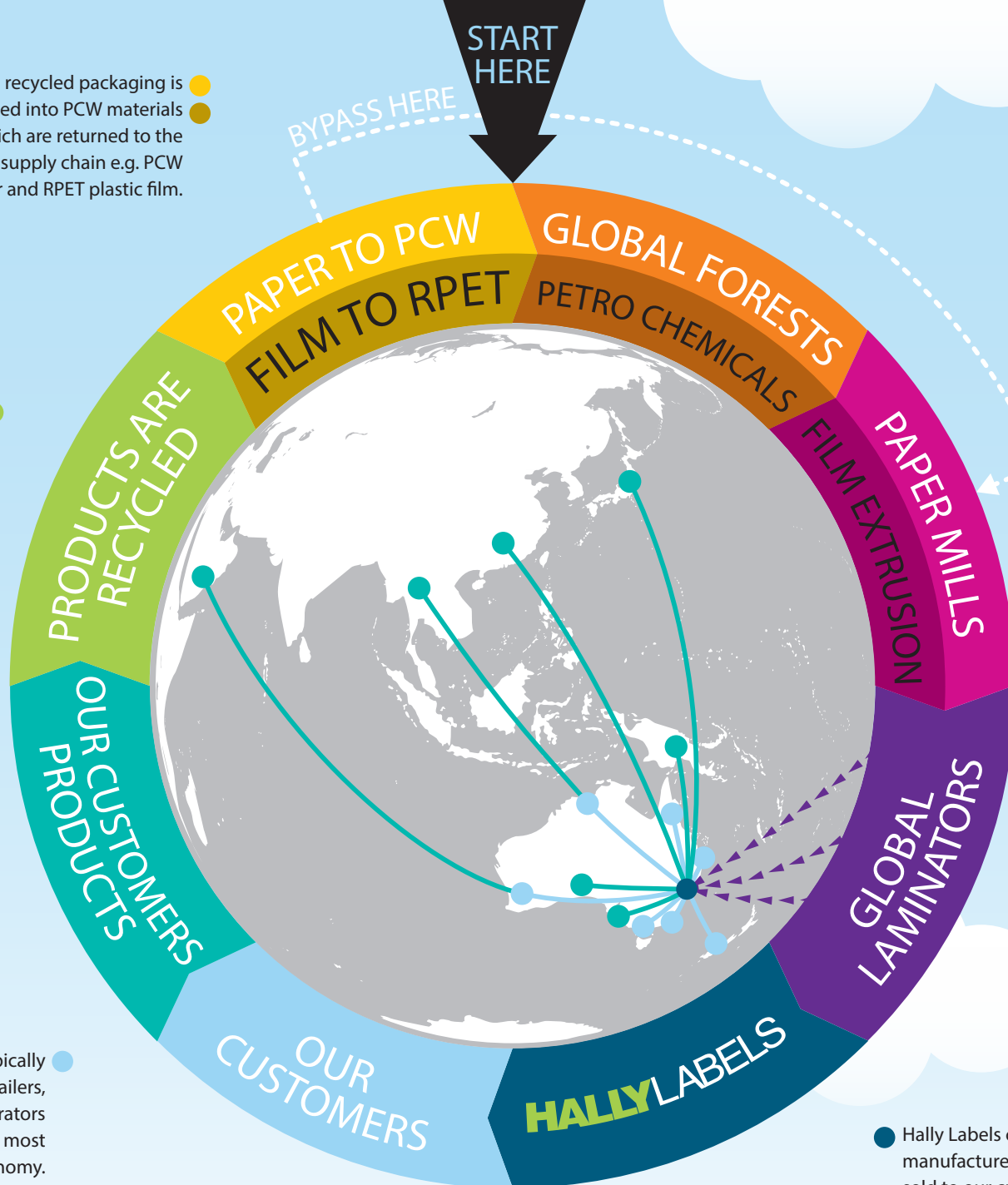
GLOBAL FORESTS

FILM TO RPET

PETRO CHEMICALS

HALLY
LABELS

The labels we manufacture are used to decorate or identify packaging e.g. bottles, cartons, which can then be recycled by consumers.

PRODUCTS ARE RECYCLED

PAPER MILLS

FILM EXTRUSION

Pulp and Paper Mills (often vertically integrated) source lumber from Global Forests, some of which are sustainably managed and certified.

The synthetic plastic films we purchase are extruded polymers which are manufactured from petro chemicals by-products, produced during the refining of crude oil.

OUR CUSTOMERS PRODUCTS

GLOBAL LAMINATORS

The products and services provided by our customers are consumed globally.

OUR CUSTOMERS

Hally Labels works directly with the paper and film "laminators" from across the globe and purchases a range of self adhesive and non self adhesive materials which are both off-the-shelf and constructed to our specifications.

Our customers are typically manufacturers, retailers, logistics and service operators who participate in most sectors of the economy.

HALLY LABELS

HALLY
LABELS

Hally Labels converts these materials and manufactures billions of labels per annum which are sold to our customers for decoration, identification and visual communication of their products.

Packaging groups and schedule for packaging reviews:

Group	Products included in this group	Assessment Scheduled
Carton Labels	Labels applied to the cartons that provide information on the contents e.g. item code, description, job number	October 2013
Seal-Off Labels	Labels that perform the function of sealing the roll of labels from unwinding, and also provide information on that product e.g. item code, job number, quality control information	October 2013
Cores	Cardboard cores that label rolls are wrapped around. Diameters include 25mm, 38mm, 41mm, 76mm, 152mm	January 2014
Cartons	A range of different sized cardboard cartons, some printed and some plain	January 2014
Packaging Tape	Plastic packaging tape used to seal cartons of product	July 2014
Plastic bags	LDPE plastic bags used to protect label rolls inside the carton	January 2015
Shrink Film	Polyolefin film used to wrap label rolls	July 2015
Pallets	Wood and plastic pallets	January 2016
Pallet wrapping film	PE film used to wrap pallets of cartons to ensure safe transit to customers	June 2016
Pallet Protector Mats	Cardboard mats to prevent slippage of cartons on pallets	January 2017

Covenant Contact Officer

Nigal Tutty, Group Technical & Marketing Manager
DDI 07 3712 9901
Mobile 0413 126 165
nigal.tutty@hally.com.au
28 Limestone Street, Darra QLD 4076

Hally Labels has created a cross-functional team to develop and oversee implementation our commitments to the Covenant.

Action plan KPI table

Performance Goals and KPI's	Actions	Responsibility	Baseline Data	Target	Milestones
1. 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 (SPGs) for design or procurement of packaging	1.1 Develop customised SPG template to review existing internal packaging and for use in procuring new internal packaging	TPIM	No baseline data	Custom template developed and in use for reviews	Oct 2013
	1.2 Review all existing internal packaging against the SPGs as per the timetable above using the custom SPG template	Procurement	No baseline data	100% of existing internal packaging reviewed as per assessment schedule	As per assessment schedule above
	1.3 Use custom SPG template for procuring new internal packaging	Procurement	No baseline data	100% of new internal packaging reviewed	Oct 2013 to Mar 2018
	1.4 Integrate the SPGs within the Edge process for new product innovation, to ensure all new packaging projects are assessed during development	TPIM	No baseline data	All projects run through our Edge process to be reviewed	Dec 2013
	1.5 Create an SPGs checklist to provide to customers for new labels	TPIM	No baseline data	SPGs checklist is available on our website and given to customers by Account Managers	Dec 2014

2. Recycling - the efficient collection and recycling of packaging					
KPI 3 Proportion of signatories with on-site recovery systems for recycling used packaging	3.1 Implement onsite recycling for paper and office goods	Operations	No baseline data	Develop on-site recycling capabilities	Dec 2013
	3.2 Implement onsite recycling in the lunchroom	Operations	No baseline data	Develop on-site recycling capabilities	Dec 2013
	3.3 Develop recycling systems for internal packaging (not labels)	Procurement/ Operations	No baseline data	Recycling systems in place	Dec 2013
KPI 4 Proportion of signatories with a policy to buy products made from recycled packaging. All Covenant signatories will have a formal, documented policy of buying recycled products or materials	4.1 Develop a formal policy/procedure to buy recycled products and materials that is used by the Procurement team for purchasing decisions.	Procurement	We currently do not have an existing policy or procedure	Policy in place and in use	Dec 2013
	4.2 Review current packaging for opportunities to increase use of recycled products.	Procurement	No baseline data	100% of all existing internal packaging reviewed	As per assessment schedule above
	4.3 Develop product range for customers of recycled content label materials.	TPIM/ Procurement	No baseline data	Range commercially available for customers	Mar 2014
	4.4 Review office products and marketing collateral for recycled content opportunities	Marketing/ Admin	No baseline data	Audit completed	Dec 2013
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	6.1 Review waste management contracts that require collection and recycling of packaging	Operations	No baseline data	Review completed Opportunities to improve implemented	Dec 2013 Dec 2014

	6.2 Include in tender questionnaires whether suppliers have implemented APC or similar so that better partnerships for sustainability can be achieved using common goals.	Procurement	No baseline data	Incorporated into procurement policy	Dec 2013
	6.3 Put in place a requirement in the procurement process that suppliers have regular meetings or product reviews to reduce/reuse/recycle packaging/materials and for suppliers to share their own sustainable learning's	Procurement	No baseline data	In place as part of the procurement process	Dec 2013
	6.4 Work with suppliers to improve the design of materials and optimise efficiency	Procurement/ TPIM	No baseline data	Improvement opportunities identified Implementation	Dec 2014 Dec 2015
KPI 7 Proportion of signatories demonstrating other product stewardship outcomes	7.1 Investigate new options for label waste recycling or more sustainable disposal	TPIM/ Operations	We currently compact all our waste product to reduce the impact on landfill. Currently incineration with Energy Recovery	Complete the investigation Implement findings of the investigation	Dec 2014 Mar 2016

			is the most environmentally efficient recovery route; the product can also be burned in an incinerator with normal refuse or can be buried as a relatively inert material in a landfill.		
	7.2 Investigate ways to convert waste into new products. E.g. contact Replas to determine recycling opportunity at their new Logan plant	TPIM/ Procurement	No baseline data	Complete the investigation	Dec 2015
	7.3 Gain FSC/PEFC certification	Quality	No baseline data	Certification approved	Dec 2013
	7.4 Investigate benefits of installing rainwater tanks	Operations	No baseline data	Investigation completed	Dec 2014
	7.5 Investigate benefits of gaining ISO 14001 certification	Quality	No baseline data	Investigation completed	Dec 2015
	7.6 Develop a formal Environmental Sustainability Policy	TPIM	No baseline data	Policy implemented	May 2013

	7.7 Develop regular communication materials to keep all staff informed of activities and progress	Marketing	No baseline data	First communication update provided Regular ongoing updates provided	Apr 2013 Through to Mar 2018
	7.8 Review use and type of company vehicles	Sales	No baseline data	Analysis completed Recommendations implemented	Dec 2013 Ongoing, linked to lease renewal
	7.9 Investigate ways to minimise production waste and optimise efficiency e.g. reduce set up metres, reduce aged inventory, reduce ink waste, optimise web widths, manage butt rolls	Operations	No baseline data	Analysis completed Recommendations implemented	Dec 2014 Dec 2017
	7.10 Audit current energy use and identify opportunities for improvement	Operations	No baseline data	Audit Completed Opportunities implemented	Dec 2013 Dec 2014
	7.11 Implement group training workshops for printers to minimise waste when introducing new materials	Operations	No baseline data	Workshops in place	Dec 2014
	7.12 Comply with AS/NZS 5377:2013 regarding disposal of e-waste	Admin/IT	No baseline data	Policy implemented	Jul 2014

	7.13 Audit paper processes and move to paperless workflow where possible	Admin/CAT/ Prepress/ Operations	No baseline data	Complete audit of Admin, CAT, Prepress and Operations	Dec 2014
				Implement recommendations from the audit	Dec 2016
	7.14 Review solvent and chemical use in operations and identify new environmentally friendly options	Operations	No baseline data	Complete review of current solvents and chemicals in use	Dec 2013
				Identify and implement new options	Jun 2014
KPI 8 Reduction in the number of packaging items in litter	Participate in Business Clean-Up Day to address litter on site	TPIM	No baseline data	Annual participation in Business Clean-Up Day	Participate in the 2014 event and each year thereafter
	Develop customer education material as to the best waste disposal methods for our products	TPIM	No baseline data	Materials in place	Dec 2014
	Develop information for customers on choosing products that are recyclable	TPIM	No baseline data	Tools in place	Dec 2014