



# **Frucor Beverages Australia Pty Limited**

## **Australian Packaging Covenant**

### **Action Plan**

**March 2011 – February 2014**

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# 1. Company Profile

## Introduction

Frucor has been in New Zealand since the early 1960's, growing out of the Apple and Pear Board with the iconic Just Juice and Fresh Up brands. Since then it has expanded its product range considerably, launching into the Australian business in 1999. Frucor is now owned by Suntory, one of the world's leading Beverage companies, based in Japan.

Frucor Beverages Australia is an importer, marketer and distributor of a range of non-alcoholic cold beverages into the Australian market. Frucor's brand portfolio includes fruit juices, fruit drinks, energy drinks, waters and soft drinks, suitable for every drinking occasion. Most of Frucor's brands are household favourites throughout New Zealand, and increasingly Australia.

Frucor's brand range in Australia includes; Mizone, V, Protein Revival, Rock Star, Angostura, GForce, h2go spring water. Mizone, some of the V range, and GForce are manufactured in New Zealand, by Frucor Beverages New Zealand Limited then imported to Australia. By end of 2011 all V 500mL cans and Rockstar 500mL will be made in New Zealand.

The Group's head office and main manufacturing plant is based in Auckland, New Zealand, Australia's head office is based in Sydney with state Sales offices in Sydney, Brisbane, Adelaide, Perth and Melbourne. Frucor also has three contract packers in Australia – Cotton Wood (H2Go), CPB (Angostura, Rock Star and V) and Independent Distillers (V glass).

## **Background of Environmental Performance**

1. Frucor became a signatory of the National Packaging Covenant in 2003.
2. Frucor has been a member of the Packaging Council of Australia since 2002.
3. This action plan outlines our demonstrated commitment to the Australian Packaging Covenant. It also outlines a series of measurable actions we will undertake to make demonstrated improvements to our part in the effective lifecycle management of packaging goods in the coming 3-year period.
4. Frucor has been a signatory to the New Zealand Packaging Accord (finished in 2009) and has recently become a member of the Packaging Product Stewardship Scheme through the New Zealand Packaging Council.
5. Frucor is a Committee member of the Glass Packaging Forum, which as the only sector specific packaging stewardship scheme in NZ.
6. This report demonstrates Frucor Beverages Ltd is working cooperatively with other sectors in the packaging supply chain, and governments.

## **Action Plan baseline data (July 2009- June 2010)**

- Tonnes of packaging material **10,740 tonnes**
- Tonnes of Product Sold **60,000 tonnes**
- Ratio of product to packaging used **5.59**
- Tonnes of non-recyclable packaging material sold **249 tonnes**
- % Of non-recyclable packaging sold of total packaging. **2.3%**
- Estimated tonnage of packaging sent to recycling from onsite activities **620 tonnes**
- Estimated tonnage of packaging sent to landfill from onsite activities. **85 tonnes**

## 2. Environmental Policy

Frucor Beverages Group is all about being straight up while producing great tasting innovative products. This policy reflects these values in that the commitments represent a healthy 'stretch' that will ensure on going and significant improvements in respect to the environment. Frucor reviews this policy every year to ensure it reflects our growing knowledge of how we interact with our environment. Put simply, Frucor commits to producing beverages in the most environmentally responsible manner possible, and to keep working on how we can improve our performance.

### **Frucor shall:**

- Comply with all relevant environmental laws and regulations
- Ensure that there is effective governance of all environmental initiatives so that continual improvement can be incorporated into existing business systems and measured
- Prevent or minimise all onsite environmental hazards
- Implement an effective and measurable recycling system at all Frucor managed sites with the goal of attaining at least an 80% recycling rate. Where this has been achieved, focus will extend to initiatives to reduce total weight, including recycled material, of all solid waste
- Annually challenge current practices to improve our energy and water efficiency in all areas of the business and make changes where there will be greatest impact. The assessment of 'greatest impact' will include a cost/benefit analysis, response to current or near future legislation and consumer trends
- Work with key stakeholders to reduce the environmental impact of packaging throughout the lifecycle of the product. Key stakeholders include; all main packaging suppliers, industry product stewardship groups, Australian Packaging Covenant (Au) and Packaging Council (NZ)
- Provide information and training to enable staff and contractors to meet their environmental goals

*Note: As part of the sixth bullet point of this policy, Frucor commits to implementing strategies and actions in line with the Sustainable Packaging Guidelines.*

### **3. Scope of Action Plan**

There are a wide range of materials used for packaging Frucor products. These are:

- Primary: glass, aluminium cans, PET, Liquid Paper Board and PP (caps)
- Secondary: cardboard packaging, tray shrink wrap (LDPE)
- Tertiary: Shrink film pallet wrap (LDPE), pallets.

Frucor Beverages Action Plan aims to establish processes where we adopt and improve our performance regarding the use of good product stewardship principles for the above packaging materials. By redesigning our packaging and reducing our waste, Frucor not only makes a commitment to the environment, but is also likely to see economic benefits from lower costs through greater efficiency, lower packaging costs and lower disposal costs. This has already been demonstrated by the work completed that was undertaken during previous action plans.

Frucor Beverages has read and understood the requirements of fulfilling good product stewardship management as outlined in the Packaging Covenant and Sustainable Packaging Guide. These guides will be used to determine the impact of our product range throughout the product lifecycle of the materials we use for products used in the Australian market.

Frucor Beverages is committed to the principles outlined in the Australian Packaging Covenant and Sustainable Packaging Guide and will aim for continuous improvement in its environmental performance.

**This action plan covers three years from end of March, 2011 to beginning of March 2014.**

#### 4. Nominated Covenant Contact Officer

Alistair Sayers  
Packaging Manager  
Frucor Beverages Ltd  
PO Box 76202  
WIRI  
Manukau  
New Zealand  
+64 9 250 0130  
+64 21 376 409  
[Alistair.sayers@frucor.com](mailto:Alistair.sayers@frucor.com)

#### **Authorisation**

Jonathan Moss  
CEO Australia  
For: Frucor Beverages Ltd

Signed  \_\_\_\_\_

Date \_\_\_\_\_ 4<sup>th</sup> of July 2011 \_\_\_\_\_

## **5a. Action Plan – Overview**

### **KPI 1 - Proportion of Signatories in the supply chain implementing the sustainable packaging guidelines for design or procurement of packaging**

The main focus of Frucor will be:

- Establish APC Team to conduct reviews.
- Establish the most effective mechanism for review of packaging.
- Update and set template for packaging reviews consistent with sustainable packaging guidelines.
- Implement the review process for new packaging and new product development.
- Review all current packaging using the review template.

### **KPI 3 – Proportion of Signatories with on-site recovery systems for recycling used packaging.**

- All Frucor manufacturing sites have onsite recovery systems.

### **KPI 4 – Proportion of Signatories with a policy to buy products made from recycled packaging**

- Frucor does not have a buy recycled policy.
- Establish a measurement template for recycled content of packaging used.
- Include in annual supplier self-assessment criteria - recycled content.

### **KPI 6 – Proportion of Signatories that have formal processes for working with others to improve packaging design and recycling of packaging.**

- Frucor does not have a formal supplier consultation process in the design/development of packaging design. However supplier

consultation is normally an integral part of the packaging development process.

- Where appropriate Frucor will use the review mechanism in KPI 1 to trigger and/or influence decisions and actions on optimum recycle content levels.
- Work with suppliers to increase recycled content, reuse and design. Use as part of the annual packaging supplier evaluation tool.

#### **KPI 7 – Proportion of signatories demonstrating other stewardship outcomes**

- Frucor will continue to work with major packaging suppliers and Covenant co-signatories on light weighting, materials changes and participate in industry initiatives around product stewardship.

#### **KPI 8 – Reduction in the number of packaging items in the litter stream**

- As part of KPI 1 assess potential reduction of packaging components.
- Continued involvement in the glass packaging forum and “Love NZ” programme and other initiatives. Assess and review new initiatives and sponsorship opportunities.

## 5b. Action Plan

**Goal 1 – Optimise packaging to achieve resource efficiency and reduce environmental impact without compromising product quality and safety**

KPI	Action	Responsibility	Timeframe	Baseline Data	Target	Evidence
<b>1. Proportion of signatories in the supply chain implementing the sustainable packaging guidelines for design or procurement of packaging</b>	Establish APC Team to conduct packaging reviews.	Packaging team, Purchasing Manager, Environment Manager, Marketing Manager	August 2011	Currently a formal review is undertaken at Packaging Level Only	Team in place	Meeting Minutes
	Update and set template for packaging reviews consistent with sustainable packaging guidelines.	APC Team	September 2011	Completed packaging reviews (pre 2011)	Template agreed	See appendix 4 (old template)
	Implement the review process for new packaging and new product development.	APC Team	October 2011	Existing Intranet NPD Documentation and Management System.	All new packaging to be reviewed after this date.	Updated and NPD system and portal. Automatic generation of packaging review reports.
	Establish the most effective mechanism for review of packaging. Review all current packaging using the review template.	APC Team	July 2014	No formal review system in place. excluding – ISO 14001 initiatives	33% of current packaging reviewed annually from October 2011	Register of completed reviews. Updates to checklist as improvements are made.

## Goal 2 – The efficient collection and recycling of packaging

KPI	Action	Responsibility	Timeframe	Baseline Data	Target	Evidence
<b>3. Proportion of signatories with on-site recovery systems for recycling used packaging.</b>	Recycling and waste data (tonnes) for main production and logistics sites in NZ and AU (for products sold in AU market) will be collected.	Environmental Manager, Logistics Team	Done: report annually for NZ production only.	See appendix 3.	Implementation of a national arrangement.	See appendix 3
	Assess packaging wastage levels and/or recycling rates that are poor and address problematic packaging and/or processes as needed.	Environment Manager, AU Logistics team, Purchasing team, Packaging Team	October 2011	No formal review undertaken.	Report annually in October for the previous 12 months from July-June	Meeting Minutes
<b>4. Proportion of signatories with a policy to buy products made from recycled packaging.</b>	Work with procurement team to develop a purchasing policy where materials that have a high recycled material percentage have a favourable rating against those that don't.	APC Team	July 2012	No policy in place.	Policy Developed	Policy Published. - include a copy in the Annual Report and report on progress.
	Establish a measurement template for recycled content of packaging used.  Include in annual supplier self-assessment criteria - recycled content.	APC team	December 2011	As at 2010. Locally sourced glass 60%, Aluminium Cans 58%, Corrugated Fibreboard 100%.	Template agreed	Summary report Issued.

**Goal 3 – A demonstrated commitment to product stewardship by the supply chain and other signatories.**

KPI	Action	Responsibility	Timeframe	Baseline Data	Target	Evidence
<b>6. Proportion of signatories that have formal processes for working with other to improve packaging design and recycling of packaging.</b>	Formally discuss and work with suppliers on opportunities to increase recycling rate and content, minimise packaging waste, and substitute materials for more recyclable ones or reuse of packaging. This will include secondary packaging.	APC Team	June 2012	All major packaging suppliers have at least 6 monthly reviews. Currently reviews take place but specific agenda items need to be added.	Specific agenda items to be added supplier reviews. Annual reviews of suppliers targeted for review. Ongoing reporting in Annual Supplier Review.	Trial Notes and Meeting Minutes.
<b>7. Proportion of signatories demonstrating other stewardship outcomes.</b>	Work with major packaging suppliers and Covenant co-signatories with regard to light weighting and material changes.	APC, Technical Director	July 2012	Current Packaging weights and Materials used.	At least one light weighting trial to be completed per annum	Trial results and meeting minutes. New packaging weights and materials.
	Participate in industry initiatives around product stewardship.	APC, Technical Director	July 2012	Frucor is a member of the PAC NZ, Glass Packaging, AFGC and NZ FCG.	Maintain NZ membership status. Involvement in an AU Industry PS programme.	Meeting minutes and Research Notes.
<b>8. Reduction in the number of packaging items in the litter stream.</b>	Develop a group a policy that all sponsorship contracts incorporate recycling and/waste management KPIs focussed on reducing litter and maximising recycling rates	APC and Managing Director	June 2012	Frucor is a member of the PAC NZ, Glass Packaging, AFGC and NZ FCG. No sponsorship in place.	Develop policy. Propose a sponsorship with "Love NZ"	Documented Policy presented to Frucor Management Team. Stewardship Proposal documents.
	Ensure recycling logos and messages (including website) are accurate and prominent on all primary packaging.	Packaging Manager	October 2011	All primary packs since 2005 have appropriate recycle statements & logos.	As per KPI 1	Website Information Packaging Review
	As part of KPI 1 – review of existing packaging – identify opportunities for	APC Team	July 2014	No formal review system in place.	33% of current packaging reviewed	Register of completed

KPI	Action	Responsibility	Timeframe	Baseline Data	Target	Evidence
	reduction of packaging items.			excluding – ISO 14001 initiatives	annually from October 2011	reviews. Updates to checklist as improvements are made.

**Appendix 1 Total weight of consumer packaging year product sold in Australia only (2009-10)**

name of product *	weight for a consumer unit, in g					Units sold	Total weight (tonnes)			
	pack I*	pack II*	pack III*	total for consumer pack weight*	product weight		Total product	Packaging only	Product to packaging ratio	Packaging to product ratio
V 250mL Can	13.00	3.92	0.52	17.44						0.065
V 250mL Can 4 pack	13.00	4.74	0.52	18.26						0.068
V 250mL Can 6 pack	13.00	4.74	0.52	18.26						0.068
V 500ml Can	18.00	16.67	0.95	35.61						0.066
V 500ml Can 4 pack	18.00	16.67	0.95	35.61						0.066
V Isokinetic (600ml)	39.90	16.00	1.96	57.86						0.088
V 350mL Glass	211.50	11.35	1.16	224.01						0.390
V 350mL Glass 4 pack	211.50	17.60	1.16	230.26						0.397
V Shots (60ml) singles	18.00	2.42	0.46	20.88						0.258
V Shots (60ml) 4 pack	18.00	2.42	0.46	20.88						0.258
Rockstar 710ml	34.50	16.90	1.33	52.73						0.069
Rockstar 500ml	18.00	16.67	0.95	35.62						0.066
Samedi 500ml	18.00	16.67	0.95	35.62						0.066
Mizone 750ml	48.80	29.17	2.38	80.35						0.097
Mizone IsoPower	48.80	29.17	2.38	80.35						0.097
Moccona 250ml	176.00	15.00	0.95	191.95						0.434
Protein Revival	40.00	12.92	1.04	53.96						0.178
Angostura 330ml	214.10	11.00	1.23	226.33						0.407
Angostura 750ml	438.20	17.50	2.98	458.68						0.582
h2go 750ml	33.90	27.33	2.08	63.32						0.078
h2go 600ml	27.40	16.15	1.67	45.22						0.070
Evian 500	31.25	12.50	1.70	45.45						0.070
Evian 1.0L	43.75	26.67	1.70	72.12						0.126
Evian 1.5L	47.65	29.17	2.98	79.79						0.051
GForce 650ml	44.60	17.51	2.05	64.16						0.090
Aqua 600ml	19.60	9.17	1.04	29.81						0.047
										<b>0.179</b>
										<b>0.075</b>
						<b>Without glass</b>				<b>0.075</b>

**Appendix 2 Total weight of non-recyclable consumer packaging product sold in Australia only (2009-10)**

Products	weight for a consumer unit, in g					%	total weights (t)	
	total for consumer pack weight*	unrecyclable plastic 5 (PP)	unrecyclable paperboard	unrecyclable/composite packaging	total unrecyclable		unrecyclable	pack
V 250mL Can	17.44				0.00	0.00%	0.00	687.3
V 250mL Can 4 pack	18.26		0.83		0.83	4.52%	17.38	384.8
V 250mL Can 6 pack	18.26		0.83		0.83	4.52%	3.33	73.8
V 500ml Can	35.61				0.00	0.00%	0.00	509.9
V 500ml Can 4 pack	38.95		3.33		3.33	8.56%	6.00	70.1
V Isokinetic (600ml)	57.86	4.9			4.90	8.47%	7.76	91.6
V 350mL Glass	224.01				0.00	0.00%	0.00	5,944.1
V 350mL Glass 4 pack	230.26		6.25		6.25	2.71%	8.24	303.8
V Shots (60ml) singles	20.88	3.10			3.10	14.85%	1.99	13.4
V Shots (60ml) 4 pack	20.88	3.10			3.10	14.85%	0.97	6.5
Rockstar 710ml	52.73				0.00	0.00%	0.00	3.6
Rockstar 500ml	35.62				0.00	0.00%	0.00	36.4
Samedi 500ml	35.62				0.00	0.00%	0.00	36.7
Mizone 750ml	80.35	8.80			8.80	10.95%	55.21	504.1
Mizone IsoPower	80.35	8.80			8.80	10.95%	0.01	0.1
Moccona 250ml	191.95				0.00	0.00%	0.00	268.3
Protein Revival	53.96			40.00	40.00	74.13%	99.22	133.8
Angostura 330ml	226.33				0.00	0.00%	0.00	1,013.2
Angostura 750ml	458.68				0.00	0.00%	0.00	167.4
h2go 750ml	63.32	5.60			5.60	8.84%	14.94	168.9
h2go 600ml	45.22	5.60			5.60	12.38%	7.88	63.6
Evian 500	45.45	2.95			2.95	6.49%	3.72	57.3
Evian 1.0L	72.12	2.95			2.95	4.09%	0.68	16.6
Evian 1.5L	79.79	2.95			2.95	3.70%	1.61	43.4
GForce 650ml	64.16	8.80			8.80	13.71%	20.24	147.5
Aqua 600ml	29.81	2.60			2.60	8.72%	0.11	1.3
						<b>Total</b>	<b>249.3</b>	<b>10,748</b>

<b>Total percentage unrecyclable</b>	<b>2.3%</b>
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### Appendix 3 Total weight of packaging recycled

location		Recycled materials by facilities and weight (tonnes)										Recycled Total	general waste, tonnes (compactor)
		office paper	Cardboard	mixed recyclables	PET	glass	cans	steel drums	LDPE	HDPE	Liquid Paper board		
Mfg/Admin	Plunket and Orb Ave, NZ	15.5	221.1	4.1	45.0	3.7	18.2	217.0	40.3	15.0	34.0	613.90	84.30
Mfg	Water plant, Kaiapoi, NZ	0.0	1.7	0.6	0.4	0.0	0.0	0.0	1.5	0.0	0.0	4.20	0.30
<b>Totals</b>		<b>15.5</b>	<b>222.8</b>	<b>4.7</b>	<b>45.4</b>	<b>3.7</b>	<b>18.2</b>	<b>217.0</b>	<b>41.8</b>	<b>15.0</b>	<b>34.0</b>	<b>618.10</b>	<b>84.60</b>
<b>Total waste and recyclables</b>												<b>702.70</b>	

## Appendix 4 Current (2010) Packaging Development Checklist

PACKAGING DEVELOPMENT CHECKLIST - ENVIRONMENT									
Project Name:			Your name:			Intended Market:		Authorising manager:	
Date: / / 2007						New Zealand			
						Australia		Date: / / 2007	
<b>Y</b>	<b>N</b>	<b>A</b>				<b>Y</b>	<b>N</b>	<b>SHIPPER</b>	
			Packaging type and purpose conform to requirements in ACOR's Recycling Materials Manual (Au) or RONZ (if NZ)?					Quotes received (%age recycled content?)& supplier selected	
			Reuse and/or reconditioning options for packaging has been considered					Confirmation from reuse supply chain that reuse option is safe and effective option	
			Consideration of the amount of recycled material used in packaging (pre/post consumer?)					Reuse and/or reconditioning options for shipper has been considered	
			Consideration of alternative materials that incorporate recycled material (if not selected, why not - see Notes below?)					Packaging type and purpose conform to requirements in ACOR's Recycling Materials Manual (Au) or RONZ (NZ)?	
			Distribution efficiency of packaging considered (quantity on pallet/ truck or container is maximised when compared against other options)?					Consideration of alternative materials that incorporate recycled material (if not selected, why not?)	
			Recycle symbol on bottle?					Approval of pallet configuration - maximise efficiency compared with other options, if any (PM, PT, Distribution, ENG)	
			Plastics identification code clearly visible					Recycle symbol on sipper?	
			<b>OVERCAP</b>						
			Consideration of the amount of recycled material used in packaging (pre/post consumer?)					<b>GENERAL</b>	
			Packaging type and purpose conform to requirements in ACOR's Recycling Materials Manual (Au) or RONZ (NZ)?					Consideration of whether packaging is part of a closed, open, or hybrid loop system regarding reuse	
			Consideration of alternative materials that incorporate recycled material (if not selected, why not?)					Filled out Environment Specifications Sheet (see next worksheet)	
								Has there been a comparison between environmental impacts of standard	
			<b>LABEL DEVELOPMENT</b>					Consideration of amount (itemised per unit) of packaging that cannot/will not be reused or recycled	
			Ability of consumer to dispense close to 100% of product?					Recognition of the availability of a collection system for the packaging	
			Reuse and/or reconditioning options for label has been considered					Availability of a market for the recycled packaging	
			Packaging type and purpose conform to requirements in the Recycling Materials Manual (ACOR)?					Recognition of the number of different types of materials used for packaging and potential contamination issues	
			Consideration of the amount of recycled material used in label					Have components of packaging been minimised to reduce contamination issues	
			Consideration of alternative materials that incorporate recycled material (if not selected, why not?)					Consultation with collectors and reprocessors during early stages of product development	
			Will packaging include any environmental claims (use of recycled material)?					Consideration of the amount of recycled material used in tertiary packaging	
			Appropriate labelling on packaging to encourage consumers to recycle					Contacted recycling operators (RONZ) to discuss packaing concept	
			<b>MULTI PACK FILM/Carton</b>					Contacted packaging manufacturers to discuss reuse/reduction/recycle options?	
			Confirmation from reuse supply chain that reuse option is safe and effective					Recyclability assessed against 'Danone Eco Design'	
			Recycle symbol or 'please dispose thoughtfully' where appropriate on bottle?					Ability of consumer to dispense close to 100% of product?	
<b>Comments</b>					<b>Reference list and location</b>				
This checklist does not include any food safety, hygiene, or hazard/toxicity considerations as these are considered under other regulations					<i>Danone Eco Design</i> - in 'Q' Drive - 'Danone' - 'Environment' (note areas highlighted in yellow where different from above checklist)				
All primary beverage packaging is not designed for reuse considerations due to hygiene. All reuse considerations above are focussed on secondary packaging					<i>ACOR (Australian Council of Recycling)</i> - <a href="http://www.acor.org.au/main.html">http://www.acor.org.au/main.html</a> (hard copy of Manual in my office under 'Packaging Covenant' box on bookshelf)				
Primary packaging is recycled according to consumer and local government funded kerbside collections					<i>ECOPP (Environmental Code of Practice for Packaging)</i> - in 'Q' drive - Packaging - Au National Packaging Covenant - 'Covenant' (see page 33 in schedules)				
Secondary packaging used on site is a hybrid loop system (using external companies) for most plastics and aluminium					<i>RONZ (Recycling Operators of NZ)</i> - website is <a href="http://www.ronz.org.nz/">http://www.ronz.org.nz/</a>				
					<i>Recyclability index</i>				
<b>Questions to add to Launch Review</b>									
1. Are there source reduction options (less plastic/glass/aluminium) that could be									
2. Are these options (for Q1) equally usable for the consumer?									
3. Environmental issues considered during marketing strategy for product									
<b>Notes:</b>					<b>Follow up actions:</b>				