



ABN: 32 978 420 802

Site Address: 22-26 Buckland Street, Clayton, Vic, 3168

Mailing Address: PO BOX 1096, Clayton South, 3168

Phone No: 03 9541 1500

## **Australian Packaging Covenant**

### **Action Plan**

**1 February 2012 – 1 February 2015**

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## Executive Summary

Tibaldi Australasia is a leading supplier of Ham, Bacon and Continental smallgoods to the Australian Retail market. Product distribution also extends to the food service and route trade segments.

Tibaldi Australasia is positioned in the packaging supply chain as a “Brand Owner” as defined by the Australian Packaging Covenant.

Tibaldi Australasia is committed to support environmental initiatives such as the Australian Packaging Covenant (APC) as well as ensuring all our employees are educated to ensure full compliance to environmental laws and regulations.

A number of recent initiatives relevant the Covenant are reported in this document as well as a summary of how Tibaldi Australasia aims to contribute to achieving the goals of the Australian Packaging Covenant (2011 to 2015) as a key stakeholder in the Australian Retail Industry.

The Tibaldi Australasia Action Plan will focus on the following areas:

### Design:

- Reduction in the quantity of primary packaging material per unit and introduction of “acceptability gateway” in product development approval process
- Reduction of waste from secondary packaging materials through redesign.
- Process Improvement strategies to minimise waste generated by internal rework of packaged materials through the manufacturing process.

### Recycling

- Increasing on site recycling of packaging material waste streams.
- Diverting packaging material waste streams to more environmentally favourable treatment (shredding to reduce landfill etc)

## **Product Stewardship**

- Applications of Plastic ID codes to all applicable plastic packaging materials
- Sourcing secondary packaging materials made with recycled components.
- Introducing a “buy recycled” policy.
- Conversion of non-biodegradable packaging film to a biodegradable format where possible.

I am committed to the achievement of this plan.

**Peter Giddy**

**Chief Executive Officer**

**Tibaldi Australasia**

## **Tibaldi Australasia:**

Tibaldi Australasia has manufactured smallgoods at its Clayton site for in excess of 20 years. It holds licences for the production of both domestic and export product.

Tibaldi Australasia employs over 200 people across two sites with approx. 120 working at Clayton over 2 shifts mainly working 5 days per week. It manufactures a wide range of ham, bacon, sausage (fresh & cooked), salami and other continental smallgoods.

As of 1<sup>st</sup> March 2013 the business will trade under one business entity - Tibaldi

It services all major supermarkets, food service, industrial and route customers

The plant manufactures in excess of 10 million kg of meat products per annum.

Additional Information can be found on the company websites:

[www.tibaldi.com.au](http://www.tibaldi.com.au)

## **The Brands:**

Tibaldi Australasia produces products under the "Tibaldi" brand.

A significant volume of product is produced for all major supermarkets under their own generic brands.

## **Packaging Materials / Formats:**

Tibaldi Australasia uses a diverse range of packaging materials.

Each type of packaging has been grouped to enable an assessment against Sustainable Packaging Guidelines (SPG) for material of similar attributes.

Group	Products Included	Assessment Scheduled
Non Biodegradable Film	Sliced Ham Packs / Bacon Packs etc	2 <sup>nd</sup> Q 2013
Biodegradable Film	Sliced Ham, Chicken Packs	3 <sup>rd</sup> Q 2013
Plastic Bags	Ham, Hock, Beef Bags	4 <sup>th</sup> Q 2013
Plastic Film	Pallet Wrap, Stretch Film	1 <sup>st</sup> Q 2014
Shipper Corrugated Cartons	Brown Board Shippers, Partitions	2 <sup>nd</sup> Q 2014
Labels	Paper, Plastic Labels	3 <sup>rd</sup> Q 2014

## **Covenant Contact Officer:**

Michael Murphy

Quality Assurance Manager

Ph: 03 9541 1500

Fax: 03 9541 1599

Email: [mmurphy@tibaldi.com.au](mailto:mmurphy@tibaldi.com.au)

## STRATEGY

Tibaldi Australasia is currently in the process of drafting an Environmental Policy which will be presented to Tibaldi Australasia Board for consideration/ endorsement.

The key components of this policy:

### **Tibaldi Australasia:**

- Accepts their responsibility to the environment as a good corporate citizen
- Conducts activities in a way that reduces environmental impact
- Complies to environmental laws and regulations
- Supports objectives of National Packaging Covenant.
- Investigates best practice principles via staff education and training.
- Introduction of “environmental gateway” into approval process for product development.
- Recognises the concept of Product Stewardship and the responsibilities associated with this concept.
- Educates employees, customers, consumers in their responsibility to the environment and requirements to support the Tibaldi Australasia Policy
- Develops a Waste Management Improvement Process.

### Waste Management Improvement Process

The Waste Management Improvement Process assumes that once the design aspects have been considered prior to introduction of packing material to the process, then strategies to ensure efficient use of this material maximised.

The key components of this process are:

### Efficiency

Waste minimisation

Raw material utilisation

Reduction of rework (packaging rejects internally / offcuts)

Measurement / Tracking/ Reporting

Waste Audits (introduced on Internal Audit Schedule)

Education of Employee, Customers, Consumers

### **Waste Management**

Reduce waste generated (efficient processing)

Reduce / Eliminate internal rejected packaging

Improve routine maintenance program to ensure better machine performance and reduction of internal defective packaging.

Shredding of waste to reduce land fill

### **Recycle**

Use of recycled materials (shippers/ cardboard)

### **Supply Chain**

Recycle – encourage behaviour / employees, customers , consumers

Establish supplier relationships with common environmental objectives

Symbols – use of Plastic ID codes to assist consumer education



## **Action Plan Summary**

This plan outlines the specific actions for implementing the commitments under the Covenant and supporting the achievement of the Covenant's objectives and goals:

## Action Plan KPI Table

Performance goals and KPIs	Actions	Responsibility	Baseline data	Target	Milestones
<b>1. Design - optimise packaging to achieve resource efficiency and reduce environmental impact</b>					
<p>KPI 1 – Proportion of signatories in the supply chain implementing the SPGs for design or procurement of packaging</p> <p>Target: 70% of Covenant signatories with documented policies and procedures for evaluating and procuring packaging using the SPGs or equivalent</p>	<p>Assess existing packaging against Sustainable Packaging Guidelines.</p> <ul style="list-style-type: none"> <li>• Education of staff</li> <li>• Develop assessment template against SPG guidelines</li> <li>• Develop timetable for assessment</li> </ul>	Operations Team	<p>Trained all New Product Development Team.</p> <p>Template developed to assess all packaging.</p> <p>Timetable for assessment developed.</p>	Achieve timelines for review as set out in the packaging review schedule	End 2013
	<p>Target: 70% of Covenant signatories assessing 100% of new packaging and 50% of existing packaging against the guidelines</p>	<p>Assess all new packaging against Sustainable Packaging Guidelines.</p> <p>Introduce acceptability hurdle in approval process for packaging associated with new product development.</p>	Product Development Team	<p>Trained all New Product Development Team in the assessment of new packaging.</p> <p>Developing procedure for introduction of new packaging</p>	Establish procedure using assessment template by May 2013 and introduce for all new packaging by July 2013

Performance goals and KPIs	Actions	Responsibility	Baseline data	Target	Milestones
<b>2. Recycling - the efficient collection and recycling of packaging</b>					
KPI 3 – Proportion of signatories with on-site recovery systems for recycling used packaging	<b>Recovery Systems; Conduct full audit of recovery systems for recycling product throughout the site.</b> <b>Develop plan for improvement.</b>	Quality Assurance team	We receive \$1500 for paper recycling per month. We receive \$430 for metal recycling per month.	Develop action plan for the breakdown of recovery systems by May 2013.	End 2013
	<b>Training. Conduct training sessions with all employees to outline company responsibilities to environmental / recycling.</b> <b>Customer Focus.</b> . Introduce (with customer approval) Plastic ID codes to inform end users of recycling options	Sales Team	Trained all employees in company responsibilities to environment / recycling.  Draft formed for customer approval of plastic ID codes.	Further develop company responsibilities to environment / recycling by Jan 2013.  Distribute and collect forms from customers By may 2013 for approval of plastic ID codes.	
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	Introduce an approval gateway into the procurement process to signoff evaluation of recycled options.)	Sales Team	Letter / form drafted for approval by board.	Approve and implement by May 2013	End2013

Performance goals and KPIs	Actions	Responsibility	Baseline data	Target	Milestones
<b>3. Product Stewardship - demonstrated commitment to product stewardship</b>					
KPI 6 – Proportion of signatories that have formal processes for working with others to improve design and recycling of packaging  Target: 70% of Covenant signatories implementing formal policies and procedures in working with others to improve design, procurement and recovery of packaging	Develop a “complete supply chain “ relationship with suppliers / establish relationships with environmentally friendly suppliers by assessing our supply chain via a survey or and identifying environmentally preferable suppliers	Procurement Team	Draft letter to suppliers developed.	Access supplier responses and develop approved suppliers list by July 2013	end 2013
	Formulate an Environmental Policy which is endorsed by the Board and embedded as policy for Tibaldi Australasia.	CEO – P.Giddy?	Environmental Policy will be presented to the board at board meeting in Feb 2013	An endorsed policy which directs employees on the accepted environmental direction for Tibaldi Australasia employees)	end 2013
KPI 7 – Proportion of signatories demonstrating other product stewardship outcomes	Convert packaging film to biodegradable options where possible.)	Product Development	11% of Film used is biodegradable.	A template which outlines current products / existing film/ potential suitability to biodegradable film & timetable for conversion	Initial timetable – end 2012 / completed document end 2014
KPI 8 – Reduction in the number of packaging items in litter	Introduce (with customer approval ) Plastic ID codes and correct disposal information on all packaging where applicable.	Sales Team	Draft letter to customers has been prepared.	Forward letter to key customers by Feb 2013	End 2014