

ASSA ABLOY Three Year National Packaging Covenant Action Plan 2009-2011



ASSA ABLOY

The global leader in
door opening solutions

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1. Executive Commitment

ASSA ABLOY Australia first became a signatory to the National Packaging Covenant in January 2003 and we confirm our commitment to it through the submission of this latest Three Year Action Plan covering the years 2009 to 2011. We support the collaborative approach between industry and government through the National Packaging Covenant and will continue to share responsibility for packaging over its lifecycle from design to disposal.

ASSA ABLOY Australia has completed a number of packaging initiatives such as good on-site recycling collection facilities and the use of re-usable containers for inter-company transfer of product. We recognise that more improvements can be made and look forward to making a further contribution to the goals of the National Packaging Covenant.

As a brand owner, ASSA ABLOY Australia is in a position to drive further rationalisation of its packaging to try to reduce the total weight of packaging sold into the Australian market each year. We will also endeavour to expand the use of re-usable packaging where appropriate.

The activities outlined in this Three Year Plan show our commitment to the National Packaging Covenant and our Environment Policy in Australia.



Tom Devine
General Manager
ASSA ABLOY Australia Pty Ltd.

2. Company Details

In Australia ASSA ABLOY manufactures, imports and exports a complete range of residential and commercial locking solutions. ASSA ABLOY Australia Pty Ltd is part of the ASSA ABLOY Asia Pacific division which also has companies in New Zealand, China, Korea and South East Asia.

ASSA ABLOY Australia's customer base includes retail, trade, industrial, architectural hardware distributors, locksmiths and security dealers. This customer base covers the residential housing, commercial building and industrial application markets. ASSA ABLOY brands in Australia include Lockwood, Whitco, Interlock and ABLOY.

ASSA ABLOY Australia Pty Ltd (formerly Lockwood Security Products Pty Limited) employs 703 people nationally and now operates one major manufacturing site located in Oakleigh, Melbourne.

Distribution warehouses are located in Melbourne (Vic), Brisbane (Qld) and Perth (WA). Two assembly sites are located in Sydney (Taren Point and Chatswood). Sales offices operate out of every state capital city, whilst Townsville (Nth Qld) is covered by a sales agent.

The types of packaging materials used by ASSA ABLOY in Australia are cardboard boxes, cardboard cartons, plastic blister packs and re-usable plastic boxes for inter-company transfers.

ASSA ABLOY Australia is part of the ASSA ABLOY Group, the global leader in door opening solutions meeting end-user needs for safety, security and convenience. The Group has approximately 30,000 employees and annual sales of AUD \$6 billion.

3. Contact Person

For further information about this ASSA ABLOY Australia National Packaging Covenant Three Year Action Plan, please contact:

Mark Solari
Packaging & Materials Handling Manager
ASSA ABLOY Australia Pty Ltd.
235 Huntingdale Road, Oakleigh. VIC. 3166.
Ph: (03) 8574 3499
Fax: (03) 8574 3572
Email: mark.solari@assaabloyasiapacific.com

4. ASSA ABLOY Australia and the Environment

ASSA ABLOY Australia Pty Limited has adopted AS/NZS ISO 14001:2004 as its benchmark for Environmental Management and is committed to due diligence in protection of human health and the management of its environmental activities.

The company will continue to be responsive to the ongoing needs of communities in which it operates and will develop technical and financially responsible solutions to issues of environmental concern, consistent with its business goals.

Regarding packaging, ASSA ABLOY Australia has in place:

- On-site recycling collection facilities for cardboard, paper, plastic, wood and metal waste at the Oakleigh manufacturing, warehouse and office site. (The Brisbane Manufacturing site has now been closed and partially integrated into the Oakleigh site).
- Low level use of non-recyclable packaging.
- Significant use of re-usable packaging (plastic containers) for inter-company part and product transfers.
- Re-use of plastic trays and cartons from imported components.
- Packaging and product weight data for all the product family groups.
- A product to packaging weight ratio of 16:1
- Recycling messages being added to printed cardboard packaging and the plastic recycling code to blister packs.
- Cardboard, paper and commingled recycling rate of 23.1% of total waste.
- Screening of all new or modified packaging for environmental and NPC requirements.
- A packaging rationalisation program.

5. Action Plan Initiatives

ASSA ABLOY Australia remains committed to the product stewardship approach for packaging. Our intended efforts over the next three years to support the goals of the National Packaging Covenant are described below in each of the ten elements of the product stewardship framework.

5a. Design

ASSA ABLOY Australia will continuously review new and existing packaging using the ECoPP with the aim of further reducing the packaging to product weight ratio. Where appropriate, we will endeavour to introduce re-usable packaging such as for OEM customers.

5b. Production

ASSA ABLOY Australia directly manufactures and packs products at the Oakleigh site as well as importing packaged product. ASSA ABLOY Australia will endeavour to reduce the material, energy and water required in the production of this packaging by working with local and overseas suppliers and through the design of the packaging.

5c. Distribution

ASSA ABLOY Australia has a more centralised warehouse now on the Oakleigh site which makes it easier to assess the distribution packaging for reduction and/or rationalisation. The objective once again is to try to reduce the weight of distribution packaging and rationalise where possible to allow longer production runs of each packaging type to gain waste efficiencies at the packaging supplier.

5d. Disposal

ASSA ABLOY Australia aims to make recycling on-site easy and convenient for both manufacturing and general office waste. Once again, ASSA ABLOY Australia will endeavour to use re-usable packaging where applicable.

5e. Research

Identifying suitable re-usable packaging will require research of what is currently available in the packaging industry and may require some customisation development. ASSA ABLOY Australia will endeavour to work with others in the packaging supply chain to learn and share knowledge.

5f. Market Development

ASSA ABLOY Australia intends to implement a formal 'buy recycled' policy for the Oakleigh site so that materials with recycled content are considered for purchase to support the recycling industry.

5g. Education

ASSA ABLOY Australia will continue to promote re-use and recycling amongst its employees to ensure performance in this area is maintained or improved. If required, relevant ASSA ABLOY Australia staff will attend training sessions or workshops regarding the National Packaging Covenant.

5h. Labelling

ASSA ABLOY Australia applies a recycling message to packaging as well as the plastic recycling code to encourage and help the recycling of these packaging materials.

5i. Wholesaling and Retailing

ASSA ABLOY Australia will endeavour to minimise the amount of packaging at the point of sale and encourage re-use where possible.

5j. Recycling and Reprocessing

ASSA ABLOY Australia aims to make its packaging easy to recycle and tries to avoid all forms of composite packaging.

6. Action Plan Table

The Action Plan table below outlines the actions ASSA ABLOY Australia plans to undertake over the next three years. The National Packaging Covenant KPI number is shown in the far right column.

<i>Action</i>	<i>Responsibility and Timeframe</i>	<i>Target and Measure</i>	<i>KPI</i>
1) Update the database of product and packaging weight as changes occur	Packaging & Materials Handling Manager Ongoing	All product families up-to-date	1
2) Report the total weight by source of packaging and the weight of product	Packaging & Materials Handling Manager In each Annual Report & annually into IDAS	Complete before the due date each year	1
3) Research the availability of suitable re-usable packaging and adopt where appropriate	Packaging & Materials Handling Manager/suppliers/OEM customer 2009	Trial with major OEM customer and adopt if appropriate and successful	3
4) Continue to improve on the product to packaging weight ratio	Packaging & Materials Handling Manager/Product Managers Ongoing	17:1 or better	3
5) Continue with the carton rationalisation program	Packaging & Materials Handling Manager/Purchasing Manager 2009	Reduce number of inner/outer cartons to a maximum of 30 to increase production volumes and reduce waste %	4
6) Monitor latest trends in packaging and assess for use with ASSA ABLOY Australia products	Packaging & Materials Handling Manager Ongoing	Any changes which help achieve NPC targets adopted	4
7) Develop packaging which can hold multiple skus with reduced overall packaging weight	Product Development/Packaging & Materials Handling Manager/Suppliers 2010	Increased weight ratio of product to packaging	4
8) Report the total weight of non-recyclable packaging sold per annum into the Australian market	Packaging & Materials Handling Manager In each Annual Report & annually into IDAS	Complete before the due date each year	6
9) Continue to minimise the use of non-recyclable packaging by applying the ECoPP to new or modified packaging	Packaging & Materials Handling Manager/Product Managers Ongoing	Keep it below 0.3% of total packaging weight	6
10) Continue the use of all recycling facilities onsite and encourage staff to use them effectively	All Management Ongoing	Maintain or improve on the current recycling rate	16

<i>Action</i>	<i>Responsibility and Timeframe</i>	<i>Target and Measure</i>	<i>KPI</i>
11) Report the weight of consumer packaging recycled and sent to landfill respectively from onsite collection facilities	Packaging & Materials Handling Manager In each Annual Report & annually into IDAS	Complete before the due date each year	21
12) Continue to use the ECoPP through the 4 Phase Product Development program and ensure that all new or modified packaging is assessed against this code	Packaging & Materials Handling Manager/Product Managers/Product Development Manager & Engineers For all new or modified packaging	Full compliance with the intent of the code	22
13) Implement a "buy recycled" purchasing policy for the Oakleigh site	Purchasing Management 2009	Policy in place	26
14) Continue to improve and report performance against the baseline data	Packaging & Materials Handling Manager/Product Managers In each Annual Report and into IDAS	Complete before the due date each year	27
15) Lodge Annual Report against Action Plan	Packaging & Materials Handling Manager Annually	Submit before the due date each year	28
16) Demonstrate continuous improvement and performance against Action Plan in the annual report	Packaging & Materials Handling Manager In each Annual Report	Significant improvements achieved annually	29
17) Ensure that recycling on the Oakleigh site is made easy and convenient	Site Engineer 2009	Recycling facilities available where required	16
18) Assess and report on the effectiveness of recycling at the smaller ASSA ABLOY Australia sites	Site Managers 2009	Assessments conducted and reported	16
19) Assess current packaging for rationalisation to reduce weight, reduce packaging skus and increase production run lengths for our suppliers.	Packaging & Materials Handling Manager/Purchasing Manager 2009/2010	Annual order volumes for packaging skus	4