

APC Sustainable Packaging Guidelines

Moffat Pty Ltd

2012 – 2014 Action Plan



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Corporate Profile

Company Overview

The Moffat Group head office is located in Melbourne Australia, with sales and service offices located in Sydney, Melbourne, Brisbane, Perth and Adelaide in Australia, Christchurch and Auckland in New Zealand, Birmingham in the United Kingdom and Winston Salem, North Carolina in the United States.

Moffat has a well-developed global distribution strategy with the Moffat group exporting to over 50 countries globally. We are close to our customers and use our products and outstanding after sales warranty and support to meet the unique needs of our clients. Our manufacturing facilities are located in Christchurch New Zealand and Brisbane Australia.

The Moffat group designs, develops, manufactures and markets a comprehensive range of Cooking, Bakery, Meal Distribution and Ice Cream & Gelato equipment and products.

Brands

At Moffat, we manufacture and market a comprehensive range of commercial food service & catering equipment from leading brands such as Waldorf, Washtech, Turbofan, Convotherm, Cobra, Carpigiani, Rotel, Pani Clima and more, all available as part of our industry leading global distribution strategy. We supply dishwashing, cooking, bakery, refrigeration, meal distribution products and more.

Our extensive product range for your baking, cooking, healthcare, refrigeration, warewashing and ice cream needs are carefully selected, manufactured and continually updated by our very own in-house research and development engineering department.

Packaging

Commercial food service and catering equipment is relatively fragile and is exposed to a high level of damage risk when transported. As part of our action plan in 2013 and 2014 Moffat will fully review the way we package our products in order to reduce the impact on our carbon footprint, reduce wastage and increase resource efficiency without compromising on the high quality and safety standards of the products.



Environmental Statement

Moffat is committed to environmental leadership, instilling the highest environmental values in all employees and subcontractors. Utilising the best environmental practices in all we do and by focusing on sustainable growth, we ensure the safe removal of waste and the prevention of pollution as an integral part of our environmental maintenance activities.

We are committed to drive down the environmental and health impact of waste pollution to our organisation and its employees by:

- Conserving energy, water, paper, plastic, and other resources while still providing a safe and comfortable working environment
- Reducing waste by recycling and using recycled products and materials where such alternatives are effectively suitable

Our environmental maintenance performance is realised through the following measures:

- Developing and promoting relevant technological innovations within our equipment that helps reduce adverse environmental impacts
- Computers and other electrical appliances/equipment are switched off when not in use or at end of business day
- Scrapped equipment is sold to commercial metal recyclers
- Recycling of cardboard boxes which are used for the packaging of spares parts
- Recycling of waste paper, with Visy waste bins strategically placed throughout the office area for the containment and disposal of waste paper
- Employing Visy Recycling for the collection of office waste paper
- Industrial waste paper and cardboard recycled through specific paper/cardboard collection by JJ Richards
- All used print toner cartridges and unrepairable mobile phones recycled through regular collection by the "Close The Loop" organisation
- Washdown from maintenance of demonstrator ovens or other soiled equipment is contained within a tank and emptied/cleaned by an effluent removal contractor as required
- Spill kits are strategically place throughout our warehouse sites, to contain spills or leakage of hazardous substances
- Complying with all relevant legal and other regulatory environmental legislation

Moffat fully supports the intent of the Australian Packaging Covenant. Our policy of continual improvement will ensure that in the future product, packaging design and efficiencies in product distribution will encompass the objectives and values of the Australian Packaging Covenant.

Greg O'Connell

Managing Director

Moffat Pty Ltd



Sustainable Packaging Guidelines

More than 50% of Moffat's imports are manufactured and supplied by our factory in Christchurch, New Zealand under our exclusive commercial brands Waldorf and Blue Seal. We also import various warewashing products from associate company Wastech in Auckland, New Zealand.

In addition we have a small manufacturing operation in Narangba, Qld, which solely produces bakery equipment like bread slicers, moulders, baking ovens, etc.

All remaining brands of equipment we market are sourced from multiple suppliers in Italy, Germany, USA, Canada, China and Taiwan.

Design/Fitness for Purpose:

Other than through our own company manufacturing facilities in New Zealand, we have no control over energy and water consumption used in the production of packaging materials in foreign countries. The design and materials used in our packaging is determined by functionality and cost and not by market appeal and social demand. Our suppliers use a variety of packaging materials, such as:

- Cardboard
- Pine Timbers
- MDF
- Plastics; LDPE, EPS

Importation of our equipment utilising multi modal cartage by sea, air and road requires our packaging be solely designed and fabricated to ensure the safe and secure transportation of our equipment while in transit from the manufacturer to Moffat and ultimately to the end customer. The single determining factor for our packaging design is to mitigate any risk of damage to equipment while in transit.

The design, functionality and materials used for packaging of existing products have been tested and proven over many years of importing our equipment range. Over this time, we have conducted light weighting and minimalist packaging programs, with varying degrees of success. Suffice to say, our existing packaging designs/materials are cost effective and perform at a high degree of safe and secure functionality. The source and specifications of our packaging materials are largely determined by the fragility and level of damage risk to our products while in transit from our suppliers.

The fragile nature of a tall upright refrigerated cabinet with glass doors requires special and unique consideration of timber packaging, when compared to a low/broad based oven that can be packaged in a more environmental efficient cardboard carton. Both require special packaging needs to ensure, safe/secure and cost effective road, air and sea transportation.



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Trade off decisions, of a less desirable environmental packaging nature are sometimes made to effectively maximise the use of available space within a single shipping container.

Timber and MDF crates provide a strong and stable platform as a base layer, to enable consolidation of lighter products packed in cardboard packaging to occupy the top layer within the container. This consolidated packing of container, enables the complete utilisation of space within the container and prevents damage occurring due to heavyweight timber crates atop of lighter cardboard packed items. Consolidation within a single container is also considered when there is equipment available from multiple suppliers within the same region or country.

Our procurement and logistics team constantly and consistently apply these criteria and considerations to every order and shipment of goods.

Resource Efficiency:

Due to the comparative small volume of packaging our purchases represent to our suppliers, Moffat has little or no effective means to influence the packaging supply decision of our vendors.

Many of our larger foreign vendors may already source their packaging materials through accredited packaging manufacturers, compliant to the European Packaging Directive (2004/12/EC2). This broad sustainable packaging directive initially involved, Germany, France, Italy, Belgium and Austria has since become PRO EUROPE (Packaging Recovery Organisation Europe).

Individually our Italian suppliers represent the largest number of single independent suppliers to Moffat. While Italy is a member of the PRO EUROPE organisation, Italy also has its own nationally recognised waste packaging/recycling scheme, CONAI.

CONAI has similar objectives of sustainable and efficient waste packaging management to that of PRO EUROPE and the Australian Packaging Covenant.

Our Action Plan will include identifying those suppliers, sourcing sustainable packaging through PRO EUROPE compliant companies, or compliance with an alternate national sustainable packaging scheme.

Low-Impact Materials:

Moffat is confident the packaging materials used by our own factory in New Zealand and our European suppliers would be considered as environmentally Low-Impact. Cardboard, LDPE, MDF constitute the greatest volume of our total packing materials by weight. Each of these materials complies with the sustainable packaging strategies described in the APC guidelines.

We will specifically identify the nature of the compliance and sustainable/recycling accreditation of the packaging and the supplier, within our Action Plan.

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Resource Recovery:

As outlined previously, the packaging materials used to protect Moffat products are intrinsically, recoverable/recyclable and minimise litter pollution. Only consumer environmental messaging information (recycling logo or other environment message) is not currently displayed on many of our packaging materials.

We will aim to identify and comply with all Principals and Strategies for Sustainable Packaging, within the Moffat Action Plan.



Action Plan

Design:

- Moffat Pty Ltd has a very small manufacturing facility in Australia
- The majority of equipment and product lines are imported from our New Zealand, Christchurch factory, associated companies within the Ali Group and other independent manufacturers in Asia and the USA.
- All Moffat packaging is designed for the purpose of protection to Equipment from damage while in transit within the supply chain from manufacture to end customer. It is not designed to attract consumer attention or other sales or marketing benefit
- As existing packaging designs have been robustly tested over many years, it is therefore challenging to make direct packaging design changes, without risk of damage to equipment while transit from Europe to Australia
- We are currently working with our NZ factory to replace our use of MDF with cardboard packaging

Recycling:

- We will aim to obtain and collate the Environment/Recycling policy of major foreign suppliers and Moffat's major dealers and customers
- We will discuss recycling/environmental disposal opportunities of packaging or materials generated by Moffat Equipment, with our major customers/dealers

Product Stewardship:

- We aim to improve the sustainability of our major packaging components from suppliers and work with them to:
 - Improve the Sustainability of existing and future packaging to Moffat
 - Seek suppliers accredited by European packaging/recycling organisation or other national (country based scheme)
 - Include recognisable Logo's of Recycling or other Sustainable packaging images/text on cartons or other packaging where applicable
- Review office stationary and sales/marketing point of sale for recycled/recycling opportunities
- Investigate sea, air and local transport for load optimisation in order to reduce number of freight movements with the aim to reduce fuel usage, thereby reducing carbon emissions and other environmental impacts resulting from the transportation of goods

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- <i>Proportion of signatories in the supply chain implementing the SPG's for design or procurement of packaging</i>	Prepare Sustainable Packaging Guideline template to allow existing packaging and alternative materials to be assessed against each of the four principles of the guideline.	Moffat NZ	No existing review system	Document completed Dec 2012	First Draft ready for review Nov 2012
	Determine volumes and weight of all packaging materials currently used by Moffat NZ to determine usage applicable to Australian market.	Moffat NZ	No current system	100% completed	April 2013
	Review each of the existing packaging materials using the Sustainable Packaging Guideline template.	Moffat NZ	No current guidelines	MDF (fibreboard) Polystyrene Timber Cardboard Polyethylene PET strapping	May 2013 June 2013 July 2013 Aug 2013 Sept 2013 Oct 2013
	Identify and assess other packaging materials using the Sustainable Packaging Guideline template.			Others	Dec 2013
	Identify opportunities to Reduce usage or replace materials with others that have reduced environmental impact, without compromising product quality or safety.	Moffat NZ	No current system	100% completed	Feb 2014
	Trial alternative packaging systems to determine how effective in protecting the contents to customers satisfaction. Monitor packaging failures.	Moffat NZ	No current trials in action	First production trial shipment to Australia	Dec 2013

Performance Goals and KPI's	Actions	Responsibility	Baseline Data	Target	Milestones
2. Recycling – The efficient collection and recycling of packaging					
KPI 3- <i>Proportion of signatories with on-site recovery systems for recycling used packaging</i>	Ensure all incoming recyclable packaging is recovered and segregated for recycling through contracted recycling providers.	Warehousing	Currently 40% of recyclable packing segregated through industry recyclers.	80%	Dec 2013
KPI 4 – <i>Proportion of signatories with a policy to buy products made from recycled packaging.</i> <i>All Covenants signatories will have a formal, documented policy of buying recycled products or materials</i>	Develop policy to always consider buying products with packaging of recycled materials or of least environmental impact.	Procurement	No current policy	Policy Completed	Dec 2013
	Review Office Stationary for opportunity to use recycled paper products	Procurement	No current review	100% completed	Dec 2013
	Investigate use of recycled and or plantation pulp as paper source, in manufacture of company sales brochures.	Procurement	No current review	100% completed	Dec 2013

Performance Goals and KPI's	Actions	Responsibility	Baseline Data	Target	Milestones
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.	Identify major foreign suppliers to Moffat that source packaging through manufacturers accredited with PRO EUROPE or other environmental packaging authority	Procurement	No current review	- 50% completed - 100% completed	June 2013 Dec 2013
KPI 7 – Proportion of signatories demonstrating other product stewardship outcomes	Investigate environmental optimisation of local transportation, ie, Greater consolidation of local loads, Increase direct deliveries from overseas suppliers to specific Aust states	Distribution/ Procurement	No current review	Seek to have 10% of imported freight volume direct delivered Increase target to 20%	Dec 2013 Dec 2014
KPI 8 – Reduction in the number of packaging items in litter.	Investigate recycled packing material blends, environmentally degrading or other more environmentally friendly packaging materials for use with distribution warehouse.	Procurement	No current review	Seek to maximise use of recycled and or reduced litter volume for plastic wrap and cardboard.	Dec 2013
	Identify where/which, if at all, those packaging components that are likely to become litter as part of the reviews under KPI 1.	Distribution/ Procurement	No current review	Review and provide a list of criteria to avoid litter impacts being created.	May 2013 June 2013 July 2013 Aug 2013 Sept 2013 Oct 2013 Nov 2013 Dec 2013
	Identify opportunities to improve litter management within Moffat facilities (particularly in staff amenity areas) and develop actions to manage	Distribution/ Procurement	Bins currently exist in staff amenity areas	Review undertaken and actions implemented as identified	Dec 2013