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## **PENRITE'S PACKAGING SUSTAINABILITY STRATEGY**

### **1. PURPOSE**

The Sustainable Packaging Strategy ("SPS") in conjunction with the Australian Packaging Covenant Sustainable Packaging Guidelines assists Penrite to review and optimize consumer packaging to make efficient use of resources and reduce the environmental impact without compromising product quality and safety.

### **2. COMMITMENT**

The Sustainable Packaging Strategy ("**SPS**") commits Penrite to using the Australian Packaging Covenant Sustainable Packaging Guidelines ("**SPGs**") when reviewing existing primary, secondary and tertiary packaging or introducing new primary, secondary and tertiary packaging.

### **3. RESPONSIBILITIES AS A SIGNATORY**

Penrite as a signatory to the Australian Packaging Covenant has responsibilities to:

- adopt the Australian Packaging Covenant Guidelines
- apply the Sustainable Packaging Guidelines to all new packaging
- review all existing consumer packaging within a reasonable timeframe in accordance with the guidelines
- implement procedures to meet sustainable packaging targets
- work with other signatories to implement and promote the principle of product stewardship for packaging
- ensure the environmental impacts of packaging are shared through Penrite's packaging supply chain (raw material suppliers, packaging manufacturers and suppliers, brand owners and retailers), consumers, waste service providers, recyclers and all levels of government— Australian, state, territory and local.



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#### 4. DEFINITION

The SPGs explain the definition and principles of sustainable packaging.

Sustainable packaging is defined as:

- Fit-for-purpose
- Resource efficient
- Made from low impact materials
- Re-usable or recyclable at the end of its useful life

#### 5. PRINCIPLES AND STRATEGIES FOR SUSTAINABLE PACKAGING

Penrite applies four key principles in the design or procurement of packaging to improve its sustainability. The table below outlines strategies that Penrite pursues to achieve each principle as outlined in clause 4 above.

Principles	Potential Strategies
<b>1. Fit-for purpose:</b> Packaging should be designed to meet market and consumer needs, while minimising net impact in a cost-effective way.	<ul style="list-style-type: none"><li>• Meet technical performance requirements</li><li>• Minimise supply chain costs</li><li>• Meet consumer needs and expectations</li></ul>
<b>2. Resource efficiency:</b> Packaging should be designed to minimize the use of materials and other resources without compromising product quality and safety.	<ul style="list-style-type: none"><li>• Minimise materials</li><li>• Use recycled materials</li><li>• Minimise transport impacts</li><li>• Maximise water and energy efficiency</li></ul>
<b>3. Low-impact materials:</b> Packaging should be designed to minimise the environmental and social impact of materials and components. Materials should be selected on science and incorporate a whole-of- lifecycle approach.	<ul style="list-style-type: none"><li>• Minimise risks associated with potentially toxic and hazardous materials</li><li>• Use renewable or recyclable materials</li><li>• Use materials from responsible suppliers</li></ul>
<b>4. Resource recovery:</b> Packaging should be designed to maximise its potential for recovery and recycling, and to minimise the environmental and social impacts of its disposal.	<ul style="list-style-type: none"><li>• Design for reuse where appropriate</li><li>• Design for recovery</li><li>• Design for litter reduction</li><li>• Inform consumers about appropriate disposal</li></ul>



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## 6. SUSTAINABLE DESIGN STRATEGIES

Penrite has committed to minimise the adverse environmental impacts of its packaging across the packaging and recovery chains.

As part of that minimisation Penrite has adopted the following strategies where it is practicable to do and does not diminishing the ability of its packaging to perform its primary functions.

The sustainable design strategies built into all primary, secondary and tertiary packaging decisions by Penrite are:

- maximise water and energy efficiency – energy and water consumption reduced by minimizing the amount of material used for packaging, taking steps to make production more efficient and the usage of renewable energy. Energy efficiency is the most cost-effective way to reduce greenhouse gas emissions.
- minimise materials (source reduction) – minimize packaging by using the optimal combination of primary, secondary and tertiary packaging by eliminating unnecessary materials in packaging design, reducing the size, weight or thickness of packaging and optimizing void space within the design. Source reduction reduces the environmental impacts of Penrite's packaging throughout its life cycle.
- use recycled materials – maximise the use of recycled material where it is not detrimental to the function of the packaging and does not violate applicable health and safety standards. The use of recycled materials in packaging creates sustainable markets for packaging recovered from household and other sources, recycled materials generally use less energy and water to manufacture and generate lower greenhouse emissions than virgin materials.
- use renewable materials – if possible use renewable materials such as paper, cardboard and biopolymers (a polymeric substance occurring in living organisms) as reduces demand for non-renewable virgin materials. Raw materials grown using sustainable farming and forestry practices are likely to have a lower environmental impact than those generated by the extraction and processing of non-renewable materials.
- minimise risks associated with potentially toxic and hazardous materials - assess packaging for toxic and hazardous substances that may pose risks to ecosystems and human health. Avoiding or minimizing their use may reduce the costs associated with their disposal.



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- use materials from responsible suppliers – purchase packaging from companies that have a commitment to environmental sustainability and documented environmental management system (EMS). Penrite gives preference to suppliers who are signatories to the Australian Packaging Covenant.
- design for transport – design packaging to maximise the efficiency of transport through light weighting, fully utilizing shipping space and using bulk packaging for distribution where appropriate. More efficient distribution packaging, secondary and tertiary, can result in energy, water, material and cost savings.
- design for reuse – consider whether reuse is practical and environmentally beneficial. Reusable packaging increases the material's useful life, and gives greater return from the energy, materials and water used to manufacture the package initially.
- design for recovery – packaging should maximise recovery and recycling at end-of-life by using recyclable materials and informing consumers about appropriate disposal. The benefits are in reducing the environmental impacts and costs of disposal and conserves non-renewable resources.
- design for litter reduction –advise consumers on appropriate disposal or recovery.
- design for consumer accessibility- design packaging so it is easy for consumers to open, have legible labelling and not compromise safety or quality.
- provide consumer information – provide information about recycled content of packaging, recyclability or degradability. Consumer understanding, awareness and behaviour have a large impact on resource recovery and recycling of used packaging materials for example ensure all plastic packs have the mobius loop



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## **7. SPECIFIC TARGETS – effective 29 January 2019**

Specific targets set by Penrite in its 2019 Annual Plan are:

- to review 100% of all new products against the Australian Packaging Covenant Sustainable Packaging guidelines (SPGs).
- to re-review 100% of all existing product packaging in HDPE and PVC annually.
- to reduce plastic resin in 5 litre HDPE packs by 1% June 2021.
- to improve reuse and recycling by substituting 20 litre plastic pails with recyclable cardboard and bladders target 20% of total yearly sales by December 2020.
- to use 100% renewable and recyclable materials in packaging of all 205 litre and 1,000 litre products.
- to ensure that 80% of packaging suppliers are Australian Packaging Covenant signatories.