



A Better Class of Oil

Proudly Australian *Since 1926*



Penrite Oil Co Pty Ltd

APC Action Plan

September 2013- June 2017



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1. EXECUTIVE SUMMARY

Penrite Oil Co Pty Ltd has outlined in this Action Plan the processes and procedures it will utilise to implement its commitments under the Australian Packaging Covenant. The Plan also outlines how Penrite will measure and report on each performance goal and their associated key performance indicators.

The Penrite Action Plan will focus on the following goals under the APC:

1. **DESIGN** – optimise packaging to achieve resource efficiency and reduce environmental impact without compromising product quality and safety.
2. **RECYCLING** - the efficient collection and recycling of packaging
3. **PRODUCT STEWARDSHIP** – a demonstrated commitment to product stewardship by organisations in the supply chain and other signatories.

As a responsible corporate citizen with a strong desire to protect the environment Penrite has made a commitment to reduce the amount of packaging waste entering the waste stream in Australia.

An annual report will be produced to report on Penrite's progress and milestones in meeting its commitments under the Australian Packaging Covenant.

This Action Plan will supersede Penrite's previous Action Plan which expired 30 June 2016 and is operational from 1 July 2016 to 30 June 2017.

As a signatory to the Australian Packaging Covenant Penrite has demonstrated that it can reduce its environmental footprint through recycling and reuse of packaging in production and sales and distribution of its products to customers. Penrite again is making a commitment to reduce the amount of waste in all areas of the business.

These commitments are a high priority to Penrite General Managers of Penrite and will be re-enforced and echoed across all sectors of the Penrite business.



Toby Dymond
General Manager
Sales & Marketing



Nigel Dymond
General Manager
Operations

2. OVERVIEW

2.1 Penrite – The Company

Penrite Oil Co Pty Ltd is today one of the largest independent oil blenders and marketers in Australia. It is a 100% Australian, family owned business with nearly 90 years of industry experience.

Established in 1926 in Melbourne, Penrite originally manufactured high quality lubricants for the Australian market. Today, Penrite manufactures and supplies lubricants to customers across the globe in Australia, the United Kingdom, New Zealand, Europe, Asia and America.

The Penrite logo has become synonymous with high quality lubricants. Over the last 90 years and especially in the past 25 years, Penrite has built a reputation for reliable products that meet the latest industry specifications.

2.2 Company Statistics

- Number of Employees: 127+
- Number of Customers: 3000+
- Three (3) Blending Plants: Australia (Brisbane & Melbourne) and the United Kingdom
- Exports to Europe, North America, New Zealand and Asia
- Over 150 product lines
- Toll Blending Capability – Currently producing Australasia’s largest private label contract
- Equipment Manufacturer Approvals
- ISO 9001 Accredited Company

2.3 Product Range and Applications

Penrite blends and markets a wide range of lubricants and continually develops its range which allows us to offer products to suit most applications.

Penrite’s range includes:

- Engine Oils
- Automatic Transmission Fluids
- Manual Gear & Differential Oils
- Heavy Duty Engine & Transmission Oils
- Small Engine & Garden Equipment Oils
- Greases
- Engine Coolants
- Motorcycle Oils
- Vintage, Veteran & Classic
- Industrial & Hydraulic Oils
- Leisure Marine Oils
- Power Steering & Suspension Fluids

- Fuel & Engine System Treatments
- Brake Fluids
- Farm & Construction Machinery Oils
- Metal Working Fluids

Penrite's products are used in a wide variety of industries including:

- Automotive
- Forestry
- High Performance Racing
- Marine
- Agriculture
- Mining
- Construction
- Transport

3. ENVIRONMENTAL COMMITMENT

Penrite Oil Co Pty Ltd is committed to conduct its world-wide business in a manner that is environmentally responsible. Penrite's ultimate aspiration is to minimise the environmental impact of its manufacturing and sales and distribution operations.

Penrite strives to minimise this environmental impact by reducing emissions and developing safe and sustainable, production, storage and distribution methodologies.

The key parts of this environmental commitment and as a signatory to the Australian Packaging Covenant include:

- using recyclable packaging
- recycling product packaging
- compliance with environmental laws, regulations and licences
- ensure environmentally responsible behaviour is practiced within Penrite
- minimise waste and conserve resources
- explore opportunities for waste recycling and recovery

4. PACKAGING AT PENRITE

Penrite is focused on the reduction, reuse and recycle of packaging used in its supply chain as a signatory under the Australian Packaging Covenant. Penrite is currently faced with two major sources of packaging in its supply chain.

The first major source is in the manufacturing process where packaging waste results from the supply of raw materials. Packaging waste generated is :

- wooden pallets
- shrink wrap
- 205 litre metal drums and plastic IBCs.

Penrite currently has a recycling program in place to deal with 205 litre metal drums and 1,000 litre plastic containers. Both packaging containers are cleaned by a recycler and used to package finished goods manufactured at Penrite's sites.

Second source of packaging waste is in Penrite's sales and distribution processes. Penrite currently has an active program to encourage customers to bulk purchase by supplying onsite tanks which significantly reduces packaging waste.

Waste produced in Penrite's operations is reused where it is practical to reduce the amount of waste going to landfill. Products sold to customers in 205 l metal drums and 1,000 litre containers are packed into recycled 205 l metal drums and 1,000 l plastic containers. In addition, Penrite has an active recycling program where empty 205 litre drums and 1,000 litre plastic containers are collected when new product deliveries are made.

5. ACTION PLAN

| KPIs | Actions | Responsibility | Baseline Date | Target | Timeline (MM/YY) |
|---|---|--------------------------|--|---|---|
| Goal 1: Design – To optimise packaging to achieve resource efficiency and reduce environmental impact without compromising product quality and safety. | | | | | |
| KPI 1: Integration of the Sustainable Packaging Guidelines (SPG) in design or procurement of packaging | KPI 1.1: Maintain existing Penrite branded packaging against the Sustainable Packaging Guidelines. | Penrite's Packaging Team | Reviewed 100% of current packaging | Re-review existing process for: - HDPE packs - PVC packs - Labels - Closures - Cartons - Plastic Film | Jan 2017 Feb 2017 Mar 2017 April 2017 May 2017 June 2017 |
| | KPI 1.2: Review opportunities identified in previous packaging assessment | Penrite's Packaging Team | Reduction of plastic resin in 5L and 6L HDPE packaging | 2% reduction in resin across 5L and 6L HDPE packs (if possible) | June 2017 |

5. ACTION PLAN (continued)

| KPIs | Actions | Responsibility | Baseline Date | Target | Timeline (MM/YY) |
|--|--|-----------------|---------------------------|--|------------------|
| Goal 2: Recycling – the efficient collection and recycling of packaging | | | | | |
| KPI 3: On-site recovery systems for recycling used packaging | KPI 3.1: Ensure both production/warehouse sites (Victoria and Queensland). | Quality Manager | 100% recycling in place | Ensure 100% recycling is maintained. | December 2016 |
| | Ensure the three (3) warehouse sites across Australia have processes and procedures to recycle | Quality Manager | No existing data collated | Ensure 50% recycling of used packaging. Ensure 100% | Mar 2017 |

| | | | | | |
|--|---|--------------------------|------------------------|--|------------|
| | used packaging | | | recycling of used packaging | June 2017 |
| | KPI 3.2: Record amount of waste paper/cardboard collected for recycling at each warehouse site | Penrite's Packaging Team | Not currently recorded | Record number of waste bin collections per month | March 2017 |

| KPIs | Actions | Responsibility | Baseline Date | Target | Timeline (MM/YY) |
|---|--|----------------|----------------------------------|-----------------|------------------|
| Goal 2: Recycling – the efficient collection and recycling of packaging | | | | | |
| KPI 4: Policy to buy products made from recycled packaging where possible | KPI 4.1 Continual monitoring and review of production sites for recycled content of packaging | Quality Manger | Policy developed and implemented | 100% compliance | Ongoing |

5. ACTION PLAN (continued)

| KPIs | Actions | Responsibility | Baseline Date | Target | Timeline (MM/YY) |
|--|---|--------------------------|--|-------------------------------------|------------------------|
| Goal 3: Product Stewardship – a demonstrated commitment to product stewardship by organisations in the supply chain and other signatories | | | | | |
| KPI 6: Establish formal processes to work with others to improve design and recycling of packaging | KPI 6.1: Ensure current and new suppliers are signatories to APC | Quality Manager | Main packaging suppliers are signatories to APC | 80% of suppliers signatories to APC | June 2017 |
| | KPI 6.2: Promote the use of recycled packaging with suppliers | Penrite's Packaging Team | 205L and 1000L currently recycled in metro areas | 25% of 205L 50% of 1,000L | June 2017 June 2017 |

| KPIs | Actions | Responsibility | Baseline Date | Target | Timeline (MM/YY) |
|--|---|--------------------------|--------------------------|--------------------------|------------------|
| Goal 3: Product Stewardship – a demonstrated commitment to product stewardship by organisations in the supply chain and other signatories | | | | | |
| KPI 7: Demonstrate other product stewardship outcomes | KPI 7.1: Ongoing program to ensure phrase "Please Recycle" is shown on all secondary packaging (cardboard cartons) | Penrite's Packaging Team | 25% of cardboard cartons | 50% of cardboard cartons | June 2017 |

5. ACTION PLAN (continued)

| | Actions | Responsibility | Baseline Date | Target | Timeline (MM/YY) |
|--|--|-----------------------------|-------------------------|---|------------------------|
| Goal 3: Product Stewardship – a demonstrated commitment to product stewardship by organisations in the supply chain and other signatories | | | | | |
| KPI 8: Reduction in number of packaging items in the litter stream | KPI 8.1: Ensure that packaging material used in production process is disposed of correctly | National Production Manager | Warehouse bins in place | 100% of packaging material is disposed of correctly. Warehouse bin lids are closed when not in use | Ongoing Ongoing |
| | | | | | |

6. CONTACT PENRITE

Penrite's Australian Packaging Covenant contact officer is:

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