



Australian Packaging Covenant

Action Plan

April 2011 – April 2016

Reference Date: (31 March 2011)



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a) Company Profile

Oriental Merchant Pty Ltd is the leading importer and distributor of authentic Asian grocery products in the South Pacific Region. It employs 232 people across Australia, New Zealand and Europe.

Oriental Merchant Pty Ltd, formed as a result of a merger between Hong Oriental and China Merchants in March 1990, imports and distributes packaged and frozen Asian foods, such as rice, sauces, noodles, spice pastes, canned fruits and vegetables, coconut milk, frozen prawns and seafood.

Oriental Merchant Pty Ltd is based in Laverton North, Victoria, Australia. It has offices and warehouses in Sydney (Kingsgrove), Brisbane (Carole Park), Perth (Welshpool), and New Zealand (Auckland).

Oriental Merchant (Europe) Ltd, a subsidiary of Oriental Merchant Pty Ltd, has overseas offices in Leeds, United Kingdom, and Rosmalen, The Netherlands. Oriental Merchant Holdings Pty Ltd and Oriental Distributors Pty Ltd are two other fully owned subsidiaries of Oriental Merchant Pty Ltd.

The majority of products imported by Oriental Merchant are packaged in cardboard cartons and trays.

Oriental Merchant Pty Ltd supplies both chain and independent supermarkets such as Woolworths, Coles and Metcash as well as Asian grocery retailers and Foodservice distributors in Australia.

Oriental Merchant Pty Ltd owned brands include Thai Moon, Chef's World, Obento, Hanabi, Dragon, Double Phoenix, Jade Phoenix and Yoosh. In addition, Oriental Merchant Pty Ltd also markets, distributes and sells products of brands owned by other companies based both in Australia and overseas. These brands include:

Australia	–	Hakubaku, Kong Foo
Hong Kong	–	Lee Kum Kee, Nissin
China	–	Ma Ling, Heng Shun
Japan	–	S&B, Mitsukan, Mizkan
Malaysia	–	Jeeny's, Dragon & Phoenix, Lingham
Indonesia	–	Indomie, ABC
Singapore	–	Ong's, Brands, Yeo's
Thailand	–	Golden Phoenix, Erawan, Smiling Fish, Koh Kae, Poonsin, Tiparos, TCC, Chaokoh, Wai Wai, UFC, Valcom, Mae Ploy



b) Oriental Merchant Pty Ltd's Commitment

Oriental Merchant Pty Ltd is committed to reducing packaging, recycling packaging after use and to balancing the needs of the environment with the requirements of its customers.

For these reasons, Oriental Merchant Pty Ltd has committed to the Australian Packaging Covenant (it has been a signatory to the Packaging Covenant since August 2007) and the packaging initiatives detailed in the action plan.

Oriental Merchant Pty Ltd will pursue the following three performance goals specified by the Packaging Covenant:

1. Design
2. Recycling
3. Product Stewardship

Oriental Merchant Pty Ltd is committed to working with its suppliers to achieve the set targets and will endeavour to build on the initiatives and processes to achieve the desired results.

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c) Goals and Action Plans

Being a signatory to the Australian Packaging Covenant, Oriental Merchant has the full support of its senior management to take all necessary action to pursue the goals and key performance indicators that it has committed to.

There will be 3 goals, as stipulated by the Australian Packaging Covenant, that Oriental Merchant Pty Ltd will strive to achieve within the next 5 years.

Goal 1: Design – optimise packaging to achieve resource efficiency and reduced environmental impact without compromising product quality and safety.

Goal 2: Recycling – the efficient collection and recycling of packaging.

Goal 3: Product Stewardship – signatures in the supply chain working with others to ‘improve packaging design and recovery’ and ‘reduction in litter’

Goal 1: Design – optimise packaging to achieve resource efficiency and reduce environmental impact without compromising product quality and safety.

Oriental Merchant has categorized its products into 4 packaging types for review:

- a. Glass
- b. Cans/Tins
- c. Plastics
- d. Paper

Oriental Merchant has developed a packaging design review template, based on the twelve strategies in the design process, to review its products in each of these segments. As set out in the Australian Packaging Covenant Handbook for Signatories, the twelve strategies to be considered in the design process are:

- 1) Maximise water and energy efficiency
- 2) Minimise materials (source reduction)
- 3) Use recycled materials
- 4) Use renewable materials
- 5) Minimise risks association with toxic and hazardous materials
- 6) Use materials from responsible suppliers
- 7) Design for transport
- 8) Design for reuse
- 9) Design for recovery
- 10) Design for litter reduction
- 11) Design for consumer accessibility
- 12) Provide consumer information on sustainability



Oriental Merchant has separated the packaging review for new products and existing products in terms of the time commitment and next steps within the timelines.

The product designs are also to varying degrees dictated by the product type suitability (e.g. instant noodles, rice, etc.), supplier's manufacturing capabilities and shelf ready packaging policies stipulated by its customers Woolworths and Coles.

The action and timeline is as per below.

Action	Purpose	Goal	Whom	When
Product Design Review Review of product designs	<i>New Products:</i>	Identify at least + 3% improvement of packaging (based on the 12 strategic points) by 2012; +5% improvement of packaging (based on the 12 strategic points) by 2015	Sourcing	Starting April 2011 - 2015
	100% of all new products to be reviewed based on the Packaging Review Template			
	<i>Existing Products:</i>	Identify at least + 3% improvement of packaging (based on the 12 strategic points) by 2012; +5% improvement of packaging (based on the 12 strategic points) by 2015	Sourcing	5% of existing products to be reviewed in 2011 20% of existing products to be reviewed in 2012 20% of existing products to be reviewed in 2013 30% of existing products to be reviewed in 2014 25% of existing products to be reviewed in 2015
	x% of existing products to be reviewed each year for the next 5 years			
	Creation of database system in Oriental Merchant with the Packaging Review Template	Creation of 100% product records	Sourcing	As per timeline stated above



Goal 2: Recycling – the efficient collection and recycling of packaging.

a) On-site recovery systems for recycling used packaging

All excess packaging discarded after shipping, or not required for further distribution will be recycled, wherever possible. Oriental Merchant currently recycles product cardboards, pallets and office paper by various means.

There are programs currently in place for this initiative:

1. ‘Coles Collect’ program and ‘Primary Freight’ program for Coles and Woolworths respectively.
 - a. Oriental Merchant has signed up with the ‘Coles Collect’ program, run by Coles Supermarkets and the ‘Primary Freight’ program, run by Woolworths Supermarkets. These are our two biggest customers in Australia. The programs involve Coles and Woolworths utilising their empty trucks returning to their depots from stores, to pick up goods from suppliers on their return journey. This in turn saves Oriental Merchant from sending its delivery trucks to the supermarket depots and having them return to its warehouses in all Australian states empty.
2. Packaging Reusability (Workplace recycling).
 - a. Oriental Merchant uses recycled corrugated cartons (outer cartons which are not being used for deliveries to customers) in its office as storage boxes for files or documents.
 - b. Oriental Merchant also uses shredded paper from packaging or other sources for hamper wrapping or courier purposes.
3. Pallet Recycling Program
 - a. Oriental Merchant has programs with Cheps and Loscam to recycle the pallets
 - b. Pallets other than Cheps and Loscam are sold to local pallet companies in the individual states where Oriental Merchant has warehouse sites.

Although Oriental Merchant already has these processes in place, it will continue to search for ways to further improve its on-site recovery systems for recycling used packaging.

The action step and timeline is:

Action	Purpose	Goal	Whom
On-site recovery systems for recycling used packaging	Review whether the current system is effective in terms of the implementation of the initiatives (current & new)	1. Implementation of the current initiatives. 2. Any new initiatives derived from the review	Sourcing/Logistics



b) *Policy to buy products made from recycled packaging*

Although there is no documented existing policy, Oriental Merchant Pty Ltd generally gives preference to suppliers who use recyclable materials in their production of products.

The action and timeline is as per below.

Action	Purpose	Goal	Whom	When
Policy to buy products made from recycled packaging	Determining & Educating new and current suppliers to use recycled materials for their product / packaging. New Products Existing Products	Identify whether OM can source more products from manufacturers who use recyclable materials for their products	Sourcing	Starting April 2011 - 2015 5% of existing suppliers to be reviewed in 2011 20% of existing suppliers to be reviewed in 2012 20% of existing suppliers to be reviewed in 2013 30% of existing suppliers to be reviewed in 2014 25% of existing suppliers to be reviewed in 2015



Goal 3: Product Stewardship – signatures in the supply chain working with others to improve packaging design and recovery, and reduction in litter.

1. Oriental Merchant currently has the following programs:

a) Waste management that requires recycling packaging.

Oriental Merchant engages third party waste collection and management contractors to recycle the cardboard and paper in each state that it has an office in.

Victoria

Cardboard / Paper: Collection for recycling is currently done by VISY, as required by request.

New South Wales

Cardboard / Paper: A separate bin for cardboard and paper for recycling is collected on a weekly basis by JJ Richards.

Western Australia

Cardboard / Paper: A separate bin for cardboard and paper for recycling is collected on a fortnightly basis by SITA.

Queensland

Cardboard / Paper: A separate bin for cardboard and paper for recycling is collected on a fortnightly basis by VISY.

b) Participation in workshops or seminars organized by the Australian Packaging Covenant to gather and share knowledge of industry initiatives so that they can be applied in the organization.

2. Oriental Merchant will take action to establish the following initiatives:

- a) Questionnaires to request information from manufacturers/suppliers on the key criteria against the Sustainable Packaging Guidelines.
- b) Plan to have anti-litter and recycling education programs in OM offices and branches
- c) Plan to have the Australian Packaging Covenant logo in Oriental Merchant's website to inform consumers, customers and suppliers that Oriental Merchant is a signatory to Australian Packaging Covenant to show its commitment to improving packaging waste and improving environment health.



The timelines for each of the initiatives are:

Action	Purpose	Goal	Whom	When
Product Stewardship:				
Waste Management that requires recycling packaging		All Oriental Merchant premises to have recycling facilities for unwanted cardboard/paper		
- Oriental Merchant to engage 3rd party contractors/suppliers to recycle cardboard/paper in each state	Ensure there is a process of having unwanted cardboard/paper for recycling, rather than go to waste / litter.	cardboard/paper	Warehouse	2011 - 2015
Attend APC workshops/seminars to gather/apply learning in Oriental Merchant	Learn and share knowledge on improving packaging & recycling.	100% participation in all relevant seminars	Marketing	As & when organized by APC
Request information from manufacturers/suppliers on all key criteria on packaging against the SPG.	Determine the suppliers/product level of compliance to SPG.	100% of suppliers reviewed by the stated timeline	Sourcing	5% of manufacturers to be reviewed in 2011 20% of manufacturers to be reviewed in 2012 30% of manufacturers to be reviewed in 2014 25% of manufacturers to be reviewed in 2015
Initiate Anti-Litter and Recycling Campaign Program in Oriental Merchant offices.	Educate all staff in Oriental Merchant about the importance of recycling and the commitment which the management has made as a signatory of the APC.	100% of employees are briefed	Human Resources	July 2011; July 2012; July 2013; July 2014; July 2015
Update the Oriental Merchant website to have an additional Australian Packaging Covenant signatory logo.	Highlight or inform Oriental Merchant's consumers, customers, and suppliers that OM is a signatory of the APC, and that OM is committed to improve packaging waste.	APC Signatory logo in Oriental Merchant's website	Marketing	December 2011

