



National Packaging Covenant MkII

Annual Report

July 2006 – June 2007

Prepared by:

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Solutions-in-Store Pty Ltd

EXECUTIVE SUMMARY

Funtastic markets and distributes consumer branded lifestyle merchandise including children's toys, educational equipment, apparel and footwear, publishing, sporting goods and homewares.

Funtastic Limited became a Public Company on September 14, 2000, grossing sales of \$35.63 million in the first year. Since listing, Funtastic continues to operate in a constantly changing and rapidly expanding environment, through organic growth and strategic acquisitions such as JNH Australia, Toy & Hobby, Judius, Australian Horizons, Madman Entertainment and Dorcy Irwin.

Funtastic is committed to the National Packaging Covenant (NPC), signing NPC Mk1 and submitting our first Action Plan on 17 December 2003 (until 30 June 2005).

Funtastic has re signed NPC MkII and is committed to the Covenant's ethos. This commitment is demonstrated by locating the daily responsibility for the NPC within our Compliance and Technical Services.

Funtastic regards compliance and safety as core to business. The National Packaging Covenant fits within this portfolio along with governances such as product safety.

Funtastic's have established an Environmental Committee represented by key employees across business areas and business types to ensure Covenant actions become main stream within business.

Funtastic presents its first Annual Report for the NPC Mk II for the period July 2006 – June 2007. This new Plan continues its dedication to quality and innovative improvements in marketing, distribution processes and on site practices to reduce packaging wastes, while recognising the diverse cultures, methods, suppliers and customers across the various aspects of the organisation.

It reports against actions nominated in the Action Plan linked to the NPC key performance indicators (KPIs).

This Annual Report continues Funtastic's commitment to establishing reporting processes linked to financial year reporting structures enabling the provision of timely and appropriate data.

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COMPANY OVERVIEW

Company Name	Funtastic
Australian Head Office	635 Waverley Rd Glen Waverley Vic 3150
Business Type	Markets and distributes branded lifestyle products eg children's toys, educational equipment, apparel, footwear, publishing, sporting goods and homewares
NPC Signatory	Colin Caulfield Chief Operations Officer
NPC Contact	Robert Wise Business Manager Quality Assurance & Customer Service Burbank Business Park Unit 3 No. 36 Aberdeen Road Altona VIC 3018 Email: Rob.Wise@funtastic.com.au Phone: 03 9250 8900
Website	www.funtastic.com.au
Packaging Chain Role	Brand Owner
Turnover pa	approximately \$400 million
Primary Packaging	Cardboard, Plastics, aluminium
Secondary Packaging	Cardboard shippers, cellophane, aluminium, PVC, steel film canisters,
Tertiary Packaging	LDPE Stretch wrap, plastic strapping, paper label, plastic invoice pouches

BUSINESSES & LOCATIONS

Table 1: Businesses & Locations

Company	Location	Product	Activity
Australian Horizons	96 Herbert St Northcote VIC	<ul style="list-style-type: none"> Apparel, footwear Homewares & fashion accessories 	<ul style="list-style-type: none"> Warehouse Retail outlet
Dorcy Irwin	Unit 318, 5 Celebration Dr Baulkham Hills NSW 2153	<ul style="list-style-type: none"> Dorcy Irwin Pacific 	<ul style="list-style-type: none"> Sydney Sales Office
Funtastic	635 Waverley Rd Glen Waverley VIC 3150	<ul style="list-style-type: none"> Sporting JNH Toys Toy & Hobby Brands Funtastic Toys 	<ul style="list-style-type: none"> Head office Warehouse
Funtastic	800 Wellington Rd Rowville VIC 3178	<ul style="list-style-type: none"> Funtastic confectionery Mike & Jack Nursery Dorcy Irwin Pacific 	<ul style="list-style-type: none"> Warehouse Office
Funtastic Distribution Centre	3 Myer Pl Rowville VIC 3178	<ul style="list-style-type: none"> Most products 	<ul style="list-style-type: none"> Warehouse
Funtastic QA	Unit 3, 36 Aberdeen Rd Altona VIC 3018	<ul style="list-style-type: none"> All products 	<ul style="list-style-type: none"> Compliance testing
Judius	7/65 Ashmore St Erskineville NSW 2043	<ul style="list-style-type: none"> Educational toys & equipment 	<ul style="list-style-type: none"> Office Warehouse
	Virginia Brisbane		<ul style="list-style-type: none"> 3rd party warehouse
Madman	1–35 Wellington St Collingwood VIC 3066	<ul style="list-style-type: none"> Entertainment Funtastic Publishing 	<ul style="list-style-type: none"> Office
Planet Fun	13/286 Whitehorse Rd Nunawading VIC 3131	<ul style="list-style-type: none"> Products 	<ul style="list-style-type: none"> Retail Outlet

SUMMARY OF COVENANT ACHIEVEMENTS

Funtastic's achievements include:

- »» Developed and Implemented Environmental Policy
- »» Developed and Implemented Responsible Packaging Policy
- »» Notified suppliers and employees of NPC commitment and willingness to use recycled packaging where possible
- »» Encourage product development and graphic design teams to include the recycling symbol on all new and recyclable packaging
- »» Design and use of a Product Development Briefing Form to help assess new products against the Responsible Packaging Policy
- »» Where possible converted from using polystyrene packaging to cardboard
- »» Conducted an audit identifying packaging percentages from site going to landfill.
- »» Set targets to reduce above landfill quantities and increase recycling component
- »» Reviewed and measured stock returns, reducing returns to landfill from 100% down to 50% by returning non damaged stock to retailers and repairing and reselling other stock as seconds where possible
- »» Conduct unpacking and recycling process for returns. Recycle unsaleable DVDs, cardboard, stretchwrap, paper and reusing polystyrene noodles and bubblewrap
- »» Donate suitable returns to local charities and overseas
- »» Staff sales are regularly held to move unsaleable stock
- »» Place information on recycling and the NPC into the monthly staff bulletin
- »» Removed stretch wrap from electrical display items reducing volumes to landfill of over 327,012 per annum
- »» Operate a stretchwrap recycling service at most sites using 1100 litre wheelie bins that are strategically positioned around warehouse as required
- »» Operate cardboard and paper recycling at all sites
- »» Judicious reuse and purchase only second hand cartons
- »» Operate toner cartridge recycling at most sites
- »» Most sites repair pallets for reuse

KEY PERFORMANCE INDICATORS

Funtastic reports against the following KPIs under its brand owner requirements.

Table 2: Key Performance Indicators

KPI	Key Performance Indicators
1	Total weight of consumer packaging (domestic & imported) sold per annum into the Australian market and the total weight of products packaged.
3	Improvements in design, manufacture, marketing and distribution to minimise the environmental impacts of packaging.
4	Changes to protection, safety, hygiene, shelf-life or supply chain considerations affecting amount & type of packaging used.
6	Total weight, by type, of "non-recyclable" consumer packaging sold per annum into the Australian market.
16	Percentage of signatories providing recycling collection facilities for post-consumer packaging generated on-site.
21	Estimated tonnage of consumer packaging sent (a) for recycling and (b) to landfill from on-site collection facilities.
22	Number of signatories who have formally adopted the ECoPP and developed systems for its implementation.
26	Implementation of Buy Recycled purchasing policy or practices.
27	Establishment of baseline performance data.
28	Annual Reporting against Action Plan.
29	Demonstrated improvement and achievements against individual targets & milestones.

KEY PERFORMANCE INDICATORS

KPI 1

Table 3: KPI 1.1a Tonnes of packaging by material type and source

Material Type	Sub Type	Tier	Packaging Role	Recyclable	Source	Quantity
					Local or Imported	(Tonnes)
Plastics	Film	Primary	Protect books, dvds, cds	No	Local / Imported	DNYA
	N/A	Primary	DVD, CD cases	No	Local / Imported	DNYA
	N/A	Primary	Blister & gift packs, clamshells	No	Local / Imported	DNYA
	N/A	Primary	Confectionery wrappers	No	Local / Imported	DNYA
	HDPE (2)	Secondary	Garment bags	Yes	Local	DNYA
	N/A	Secondary	Garment hangers	Reusable	Local	DNYA
	PS (6)	Secondary	Sample protection	No	Local / Imported	DNYA
	Bubblewrap	Secondary	Sample protection	No	Local / Imported	DNYA
	LDPE (4)	Tertiary	Stretchwrap	No	Local / Imported	DNYA
	N/A	Tertiary	Plastic strapping	No	Local / Imported	DNYA
	LDPE (4)	Tertiary	Fill Air Plastic pouches	No	Local	DNYA
	N/A	Tertiary	Plastic invoice pouches	No	Local / Imported	DNYA
N/A	Tertiary	Plastic packing tape	No	Local / Imported	DNYA	
Paper / Cardboard	Cardboard	Primary	Window gift boxes, blister packs, tags, DVD/CD covers, cartons	Yes	Local / Imported	DNYA
	Paper	Primary	DVD/CD books, information leaflets, pattern and design drafts	Yes	Local / Imported	DNYA
	Cardboard	Secondary	Distribution	Yes	Local / Imported	DNYA
	Paper	Tertiary	Invoices, picking slips	Yes	Local / Imported	DNYA
	Paper	Tertiary	Waxed delivery stickers	No	Local / Imported	DNYA
	Cardboard	Tertiary	Pallet corners and tops	Yes	Imported	DNYA
	Cardboard	Tertiary	Stretchwrap rolls	Yes	Local	DNYA
Metals	Steel	Primary	Film cartridges, Gift buckets, boxes, tins	Yes	Local / Imported	DNYA
Other	Cellophane	Primary	Confectionery wrappers	No	Local / Imported	DNYA
	Cellophane	Primary	Gift pack filling and wrapping	No	Local / Imported	DNYA
	Composite	Secondary	Paper / PE plastic dunnage bags	No	Imported	DNYA
	Composite	Secondary	Padded postage bags	No	Local	DNYA

DNYA - Data not yet available

KEY PERFORMANCE INDICATORS

Table 4 provides a figure of total product packaged and sold into the Australian market in FY2006/07.

Funtastic is still implementing processes that formalise this data across all of the business.

Table 4: KPI 1.1b Tonnes of Packaged Product Sold

Tonnes of Packaged Product Sold
Data not yet available

Table 5: KPI 1.1c Ratio of product to packaging (by weight)

Table 5 provides the current available ratio of product to packaging.

Ratio of Product to Packaging
Data not yet available

KEY PERFORMANCE INDICATORS

KPI 3

KPI 3a **Improvements made to packaging and their effect on minimising the environmental impacts of the packaging**

- ▶▶ Replaced plastic Air Cell interior distribution padding with recyclable recycled paper.

KPI 3b **Quantitative details of substantial improvements to packaging**

- ▶▶ Quantities not available – Air Cell was a trial product

KPI 4

KPI 4a **Changes to protection, safety, hygiene, shelf life or supply chain considerations affecting amount and type of packaging use**

- ▶▶ Replaced plastic Air Cell interior distribution padding with recyclable recycled paper.

KPI 4b **Quantitative details of changes as per KPI 4a**

- ▶▶ Refer Action Plan Table for more information

KEY PERFORMANCE INDICATORS

KPI 6

Funtastic is still working towards formalised reporting processes to gather and record relevant data.

Table 6 provides estimated available to-date figures.

Table 6: KPI 6a Tonnes of non recyclable packaging sold by material type

Material Type	Sub Type	Non Recyclable Packaging sold by material type	Tonnes
Plastics	PVC	Gift packs, toy packaging,	DNYA
	LDPE	Stretchwrap, Fill Air sachets, film	DNYA
	PS	Small elements in toy packaging	DNYA
	PP	Gift packs, toy packaging, DVD cases,	DNYA
Other	Cellophane	Gift packs	DNYA
Total			DNYA

DNYA -Data not yet available

Table 7: KPI 6b Total non recyclable packaging / % total packaging sold

Total Non Recyclable Packaging / % of Total Packaging Sold
Data not yet available

KEY PERFORMANCE INDICATORS


KPI 16


Table 8: KPI 16a

On-site Recycling Facilities
Yes

Table 9: KPI 16b: Onsite Recycling Details

Funtastic businesses currently have the following onsite recycling systems:

Site	Paper	Cardboard	Stretchwrap	Toner	Beverage	Metals	Coathangers
Altona	✓	✓		✓		N/A	N/A
Australian Horizons	✓	✓	✓	✓		N/A	✓ 
Dorcy Irwin Sydney			N/A			N/A	N/A
Glen Waverley Warehouse / Office	✓	✓	✓	✓		N/A	N/A
Judius	✓	✓		✓		N/A	N/A
Madman	✓	✓	✓	✓	✓	N/A	N/A
Myer PI Warehouse	✓	✓	✓	✓		N/A	N/A
Wellington Rd Warehouse / Office	✓	✓	✓	✓		N/A	N/A

 Reverse Logistics process of returning hangers from supplier to retailer and back again

KEY PERFORMANCE INDICATORS

KPI 21

- ▶▶ Funtastic estimates its two main sites' total wastes are about 933 tonnes pa.
- ▶▶ Table 10 gives the current best volumes to-date. This data is achieved by estimating volumes and tonnages from current paper and cardboard recycling and general waste collections.
- ▶▶ Funtastic are developing and implementing systems to gather more comprehensive data from all sites for future reports.
- ▶▶ Funtastic is also working with recycling and waste contractors to get improved reporting data.

Table 10: KPI 21a Consumer packaging recycled or landfilled

		2006/07			
Material Type	Sub Type	Recycling		Landfill	
		Tonnes	%	Tonnes	%
Cardboard / paper	Office paper, cartons, film rolls + other mixed paper/ cardboard	512	54.9	DNYA	DNYA
Stretchwrap	Spent stretchwrap from incoming pallets and onsite wastage	130	13.9	DNYA	DNYA
Toner cartridges	Spent cartridges from photo copies and fax machines	DNYA	DNYA	N/A	N/A
Non Segregated wastes	Items from kitchens, bathrooms, warehouses, offices and retail outlets that are placed in on-site waste to landfill bins	N/A	N/A	291	31.2
Total Quantity of packaging recycled or sent to landfill		642	68.8%	291	31.2%

KPI 22

KPI 22a Environmental Code of Practice for Packaging (ECoPP) formally adopted?

- ▶▶ Funtastic has developed ECoPP summary checklists and is working towards integrating them into their processes

KPI 22b Actions and commitments that demonstrate the implementation of ECoPP

- ▶▶ Developed ECoPP summary checklists.
- ▶▶ Management team is reviewing for integration to Funtastic processes

KPI 26

KPI 26A Implemented Buy Recycled Purchasing Policy

- ▶▶ A policy is still to be drafted and adopted
- ▶▶ Funtastic have determined to provide NPC training for Product Development Managers

KPI 26b Quantitative details related to KPI 26a

- ▶▶ Refer KPI 26A

KPI 27

KPI 27a Report indicative baseline data

- ▶▶ Where available baseline data for the FY2006/07 was provided in the Action Plan.
- ▶▶ Some formalised processes are still being incorporated into Funtastic's systems and therefore other data will be reported annually as is required and available.

KPI 27b Report established baseline data by 31 October 2006

- ▶▶ Funtastic have included updated data in this Annual Report.
- ▶▶ N.B The Action Plan was only submitted in June 2007.

KPIs 28 and 29

- ▶▶ Funtastic's Annual Report progress against individual undertakings for 1 July 2006 to 30 June 2007 is provided in the following Action Updates.
- ▶▶ Actions are itemised by relevant product stewardship category, as well as aligned to relevant Covenant goals and KPIs.
- ▶▶ Any changes to our Action Plan are also highlighted.

ACTION PLAN

In its commitment to the principle of product stewardship, Phoenix has made the following improvements to its processes to enable further reduction of its environmental footprint.

Table 11: Action Plan Production

	No	Action	Company Measure	KPI	Responsibility	Due	Status
Production	1	Advise all suppliers in writing of Funtastic's commitment to the NPC MKII and provide a copy of the ECoPP	Letters written to all existing suppliers and continue to new suppliers	3,4,16, 22,26	MD / GM Marketing	30/06/08 & ongoing	GM Marketing drafting appropriate communication to suppliers & customers for review & approval by MD
	2	Work with all suppliers to reduce unnecessary packaging from products	Report annually on progress	3,4,16, 22,26	Business Mgrs / Product Develop Mgrs	Annually ongoing	Writing to suppliers & developing training for Product Mgrs.

Table 12: Action Plan Design

No	Action	Company Measure	KPI	Responsibility	Due	Status
1	Develop Funtastic's Packaging Guidelines that incorporate & address the Environmental Code of Practice for Packaging (ECoPP) to increase the potential for reuse &/or recycling through current systems & the ability to incorporate recycled content	Guidelines developed & implemented & reporting of ECoPP implemented in annual NPC reports using case studies to demonstrate achievements & outcomes	3,4,22	GM Marketing / Brand Mgrs	30/6/08	Funastic have summarised ECoPP tables & are implementing training for Product Mgrs
2	Establish a NPC committee representing each brand / business & activity to oversee & monitor the implementation of NPC actions	Representative of each brand / business / activity resourced to the committee & a meeting and reporting process established	3,4,22	Business Mgr – QA / CS	31/7/07	Completed. First meeting held Sept 07.
3	Work with brand & purchasing managers to ensure that new packaging meets NPC & ECoPP requirements.	Produce an overview of ECoPP & develop a standard process & 'pro forma' checklist to assist new packaging design. Embed these into new product development processes.	3,4,22	GM Marketing	30/10/08 & ongoing	In progress
4	Assess use & need of office paper & research availability of recycled high grade options for use by design teams where relevant	Design teams approached & other options researched & trialled	22,26	GM HR	30/04/08 & ongoing	Under investigation
5	Work with suppliers & product development teams to reduce unnecessary primary packaging eg film on DVD covers	Report annually on progress	3,4, 22,26	Business Mgrs/ Product Dev. Mgrs	30/12/08 then annually	In progress
6	Work with suppliers where possible to use plastic grades (or alternatives) that are more recyclable in household collection systems eg PET, HDPE	Report annually on progress	3,4, 22,26	Business Mgrs/ Product Dev. Mgrs	30/10/08 then annually	Will link with Product Development process
7	Work with suppliers where possible to increase recycled content packaging	Report annually on progress	3,4, 22,26	Business Mgrs/ Product Dev. Mgrs	30/10/08 then annually	Will link with Product Development process

Table 13: Action Plan Design cont

Design	No	Action	Company Measure	KPI	Responsibility	Due	Status
	8	Evaluate purchasing to ensure accurate order quantities on short life products avoiding excess goods	Order review conducted	22	Supply Chain Mgr / Business Mgr Confectionery	30/06/08 then annually	Implemented a purchase order placement system linked to turnover
	9	Reduce unnecessary packaging from gift pack ranges	Unnecessary packaging removed	22	Business & Product Development Mgrs	30/4/08 then annually	Mainly confectionary lines. Outcomes will link with Product Development process.
	10	Ensure all gift pack & promotional items are presented in reusable or recyclable packaging	Gift pack & promotional items in reusable or recyclable packaging	22	Business Mgrs/ Product Dev. Mgrs	30/12/2008 & ongoing	Will link with Product Development process
	11	Build environmental aspects of packaging, NPC requirements & ECoPP into Funtastic's product compliance checklist	Review compliance modelling to include environmental aspects of packaging	22,26, 27	QA Mgr - Hardgoods	30/06/2008 & ongoing	Reviewing entire compliance recording & reporting process & the NPC requirements will fit into this area

Table 14: Action Plan Distribution

No.	Action	Company Measure	KPI	Responsibility	Due	Status
1	Work with major customers to review stretch wrapping requirements	Report on performance & opportunities	16,21,22	GM Ops	30/6/09 then ongoing	New position of GM Ops setup to review & implement supply chain opportunities
2	Evaluate distribution carton purchase, carton recycling & carton usage activity to increase usage of good seconds	Review conducted & where possible Funtastic branded cartons reused for storage & distribution	16,21,22	GM Ops	30/6/09 then ongoing	New position of GM Ops setup to review & implement supply chain opportunities
3	Work with garment pressers & other 3rd party contractors to determine they return or recycle distribution packaging	Report on performance & opportunities	16,21,22	AH Sewing & Cutting Mgr / Prod. Coordinator	30/9/08 then ongoing	Under review
4	Meet with customers to discuss options for reducing volume of distribution packaging such as stretchwrap, repacks etc	Meetings conducted & results reported	3,4,16, 21,22	GM Ops	30/6/08 then ongoing	New position of GM Ops setup to review & implement supply chain opportunities
5	Work with suppliers to reduce unnecessary distribution packaging eg sofas	Report on performance & opportunities	3,4,16, 21,22	Business Mgr - Homewares	30/4/08 then ongoing	New position of GM Ops setup to review & implement supply chain opportunities
6	Evaluate child care centre set-up process & recovery of related packaging processes	Process reviewed & recovered packaging recycled	16,21,22	GM Judius	30/6/09 then ongoing	Process under review
7	Review Judius returns' process to maximise recycling of primary packaging	Standardise returns process	16,21,22	GM Judius	30/10/08 then ongoing	Process under review
8	Continue to review & where relevant implement paperless systems for Judius ordering & delivery processes	Report on performance & opportunities	16,21,22	GM Judius	30/12/08 then ongoing	Process under review
9	Monitor catalogue & ordering processes & assess viable alternate less paper options	Report on performance & opportunities	16,21,22	GM Judius	30/6/08 then ongoing	Process under review

Table 15: Action Plan Disposal

No	Action	Company Measure	KPI	Responsibility	Due	Status
1	Maintain current onsite cardboard & paper recycling service & ensure recycling contractor provides weight data & number of pickups on monthly invoices	1. Paper & cardboard recycling retained 2. Monitor frequency of contractor's collections & invoicing	1,3,4,21, 22	GM Ops	30/06/08 & ongoing	Letter drafted to suppliers requesting data
2	Streamline recycling systems across materials & sites eg stretch wrap, electronic equipment, toner cartridges	Review opportunities, identify collection areas, inform all staff, monitor outcomes & report data	1,3,4,6,16, 21,22	GM Ops	30/12/08 & ongoing	Process under review
3	Research need & opportunity to establish beverage & food container recycling at each site such as exists at Madman	Research conducted & systems implemented as required	21	GM HR / Site Mgrs	30/12/07	Commenced review of opportunities
4	Assess cleaning services across the business to determine current practices	Ensure recycling is being happening correctly & specific requirements are built into cleaners' agreement	1,3,4,16, 21,22	GM HR	30/06/08	Assessing service provider's performance & adjusting as contracts permit. Altona's cleaner taking recyclables to Madman site for diversion
5	Ensure all personnel have relevant & sufficient receptacles to maximise paper recycling suited to each business & key areas' operations	Desk, warehouse, photocopiers, printer & floor receptacles located to maximise recovery	1,3,4,16, 21,22	GM HR / Site Mgrs	30/06/08	Most sites have desk & IT storage eg reusing cartons or recycler provided cartons
6	Determine activity & need for shredding recycling bins are at each site eg finance sections, Judius ordering	Shredding recycling service implemented where required	21	GM HR / Site Mgrs	30/12/07	Under review
7	Check e-waste processes across the business & manage as relevant	Report on performance & opportunities	21	GM IT	30/12/08	All sites recycle toner cartridges. Appointed new GM IT to review & implement IT supply chain opportunities.
8	Verify options to provide fabric & paper off cuts to educational centres for craft use	Report on performance & opportunities	21	Business Mgr QA / CS	30/09/07	More information pending

Table 16: Action Plan Market Development

No	Action	Company Measure	KPI	Responsibility	Due	Status
1	Review current purchasing to incorporate recycled content into site purchases such as office paper, business cards, letterhead, envelopes, toilet paper, paper towels, tissues	Write a purchasing policy that provides criteria for purchasing decision making & train staff on new policy	26	COO / GM HR	30/06/08	Reviewing centralised purchasing model. Altona providing test site for reviewing purchasing eg moved to using Australian 80% recycled content office paper.
2	Develop supplier selection criteria inventory based on ECoPP principles & organisations that can support Funtastic's NPC commitments	Establish a supplier register of NPC signatories to use when sourcing new supply contacts	22,26	GM Marketing / Business Mgrs	30/12/08	Not begun
3	Continue to support "buy recycled" when reviewing supply contracts with packaging & raw material suppliers	Report on performance & opportunities	26	GM Marketing / Business Mgrs	30/06/09	Occurring adhoc in some areas but requires a formalised process
4	Contribute to NPC funding processes to encourage programs that enhance markets for recyclable materials	Make annual contributions	28	COO / CFO	July 07 then annually	Continuing
5	Provide training, information & incentives for staff regarding purchasing criteria	All purchases include consideration to minimise environmental harm & inclusion where possible of recycled content	1,3,4,6, 16,21,22,26, 27,28,29	GM HR	30/12/08 & ongoing	Will begin initially with Product Development process
6	Assess the shopping bags Funtastic retail outlets provide to customers & determine if better environmental options are warranted eg Planet Fun bag model	Report on performance & opportunities	21,22	Prod. Coordinator	30/04/08	Under review. Requires follow-up from Production Coordinator

Table 17: Action Plan Research

No.	Action	Company Measure	KPI	Responsibility	Due	Status
1	Establish spreadsheet of products & associated packaging, detail against each item of packaging whether it is recyclable, contains recycled content, detail specific type eg plastic grade & if it is imported or sourced locally	Spreadsheet developed	1,3,4,6,21 27,28,29	Business Mgrs / Product Develop Mgrs	31/07/07 & ongoing	Completed
2	Research & establish quantitative data on tonnages of packaging across the business & add to above spreadsheet to enable NPC annual reporting	Baseline data researched & supplied	1,3,4,6,21, 27,28,29	GM Ops / Business Mgrs	31/12/07 & ongoing	Data reporting processes have commenced. Longer time frame required to achieve real data. Meeting set Dec 07 to plan further
3	Following from above action determine what other options are available & equitable that contain recycled content &/or are able to be recycled eg recycled content PET	Report on performance & opportunities	1,3,4,6,21, 27,28,29	GM Logistics / Business Mgrs	30/10/09	Will link with Product Development process
4	Review use of stretchwrap across the business & assess & implement alternate options where relevant for pallet storage use or RLO options eg envirowrapper	Report on performance & opportunities	16, 22	GM Ops	30/10/08	New position of GM Ops setup to review & implement supply chain opportunities
5	Research current carton supplies to determine usage of recycled content	Report on performance & opportunities	16,22	GM Ops	30/06/08	New position of GM Ops setup to review & implement supply chain opportunities

Table 18: Action Plan Wholesaling & Retailing

Wholesaling & Retail	No	Action	Company Measure	KPI	Responsibility	Due	Status
	1	Measure percentage of POS materials & catalogues printed on recycled paper & cardboard	Report on performance & opportunities	1,3,4,6, 21,26	GM Marketing	30/06/09	Not yet begun
	2	Ensure all POS materials & brochures are recyclable	Discuss with printer & supplier about implementing and report the findings	3,4	GM Marketing	30/10/09	Not yet begun
	3	Measure total amount of recyclable materials as a ratio of total packaging	Implementation of a data reporting system into Funtastic's processes	6	GM Marketing / Business Mgrs	31/12/07 ongoing	Will link to data gathering process See Research Item 2 (Table 17)

Table 19: Action Plan Recycling & Reprocessing

Recycling & Reprocessing	No	Action	Company Measure	KPI	Responsibility	Due	Status
	1	Incorporate NPC KPI required data into monthly monitoring & reporting processes to enable ease of annual reporting data	Implementation of a data reporting system into Funtastic's processes	1,3,4,6, 21,27,29	COO / GM HR	31/12/07 ongoing	Will link to data gathering process See Research Item 2 (Table 17)
	2	Ensure reliable baseline data for relevant KPIs is made available & that appropriate processes, practices & resources are developed & implemented to maintain & build upon database as required	Baseline data developed and practices & processes implemented to enable regular upkeep of data with appropriate allocation of resources	1,3,4,6, 21,27,29	COO / GM HR	31/12/07 ongoing	Will link to data gathering process See Research Item 2 (Table 17)

Table 20: Action Plan Education

No	Action	Company Measure	KPI	Responsibility	Due	Status
1	Conduct training for staff on NPC & ECoPP requirements	Train all current staff & add to induction program	1,3,4,6,16,21,22,26,27,28,29	GM HR	30/06/08 & ongoing	Under development
2	Include environmental aspects in employee accountabilities as applicable	Position descriptions contain environmental & NPC obligations as relevant	22	GM HR	30/06/08 & ongoing	Will link to staff training process
3	Continue to raise staff awareness of NPC at meetings & provide updates to packaging ratios. Include in induction program	Record & report on current & new activities, successes or opportunities for improvements	22	MD / GMs	31/07/07 & ongoing	Ongoing
4	Provide to customers a letter outlining Funtastic's commitment to NPC	Draft & send letter	3,4,21,22	MD / GM Marketing	30/06/08	Drafting appropriate communication to suppliers & customers for review & approval by MD
5	Place NPC action plan, annual reports & copies of ECoPP guidelines on website	Plans & reports put on sites & feedback monitored	22	MD / GM Marketing	31/07/07	Drafting appropriate communication for review & approval by MD
6	Provide information on the capabilities, environmental aspects & recyclability of plastic grades to all relevant employees to inform their purchasing decisions	Provide material data sheet for all relevant employees	3,4,22	GM HR / GM Operations	30/10/09	Will link to Product Development process
7	Promote environmental successes & activity in retail outlets, website, catalogues etc	Promote & report on performance & opportunities	22	GM Marketing	1/07/09 ongoing	Timeframe reviewed to enable information collection
8	Develop staff education program linked to intranet, newsletters, signage, bins & recycling containers & build to inductions	Campaign implemented & progress reported annually	22	GM HR / GM Marketing	30/06/08	Will link to staff training program
9	Consider staff incentive program to encourage awareness & participation	Report on performance & opportunities	22	MD / GM HR	30/06/08	Will link to staff training program

Table 21: Action Plan Labelling

	No	Action	Company Measure	KPI	Responsibility	Due	Status
Labelling	1	Ensure where relevant that mobius recycling logo & plastic codes are located on all primary & secondary packaging items	All primary plastic packaging bears code & recycling information	3,22,26	GM Marketing/ Brand Mgrs/ Bus. Mgrs/ Prod Dev Mgrs	30/12/08	Will link to Product Development & Staff Training programs
	2	Where possible, provide information on products to inform customers about the recyclability or disposal	Liaise with suppliers & marketing & assess options during new product evaluation	3,22,26	GM Marketing/ Brand Mgrs/ Bus. Mgrs/ Prod Dev Mgrs	30/12/08	Will link to Product Development & Staff Training programs

Table 22: Action Plan General

No	Action	Company Measure	KPI	Responsibility	Due	Status
1	Centralise purchasing across the Funtastic chain to achieve efficiencies in product & purchasing power & include areas such as stationery, office paper, waste collection services, recycling services, cleaning services	Central purchasing options assessed, purchasing policy developed & implemented & updates included in annual reports	3,4,16,21,22,26	GM HRs	30/06/08	See previous
2	Convert all sites to using office paper for general use that contains maximum volume of recycled content & reduced reliance on chlorination & bleaching	Report on performance & opportunities	3,4,16,21,22,26	GM HR / Site Mgrs	30/06/08	See previous
3	Set all computer & printers to print double sided so only when 'specially required' are single sided documents printed	Report on performance & opportunities	22,26	IT Mgr	31/12/07	MD's weekly news bulletins sent to all sites from. Implemented in some sites. Reviewing
4	Reuse single sided sheets of paper for draft work, notes etc	Report on performance & opportunities	22,26	GM HR / Site Mgrs	31/12/07	MD's weekly news bulletins sent to all sites from. Reviewing. NB changes to double sided printing
5	Review kitchen purchases (coffee, milk etc) & streamline & ensure minimum packaging options used eg Australian Horizons review benefits of changing from 1L LDPE milk cartons to 3L HDPE	Report on performance & opportunities	3,4,16,21,22,26	GM HR / Site Mgrs	31/12/07	See previous
6	Research usage of paper cups & trial other options across high paper cup usage areas	Report on performance & opportunities	3,4,16,21,22,26	GM HR / Site Mgrs	30/06/08	Not yet begun
7	Determine reuse or disposal activity with used DVD & CD disks from Madman	Report on performance & opportunities	3,4,16,21,22,26	GM Ops	30/06/08	Not yet begun

SIGNATORY COMMITMENT

This Action Plan is signed on behalf of Funtastic by:

Signatory

Contact Name: Colin Caufield
Position in Organisation: Chief Financial Officer
Signature:
Date:

Covenant Contact

Contact Name: Rob Wise
Position in Organisation: Business Manager Quality Assurance & Customer Service
Phone: 03 9250 8900
Email Address: Rob.Wise@funtastic.com.au

SIGNATORY COMMITMENT

This Action Plan is signed on behalf of Funtastic by:

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Contact Name: Colin Caufield

Position in Organisation: Chief Financial Officer

Signature:



Date:

30/10/07

Covenant Contact

Contact Name: Rob Wise

Position in Organisation: Business Manager Quality Assurance & Customer Service

Phone: 03 9250 8900

Email Address: Rob.Wise@funtastic.com.au