



## National Packaging Covenant 2008 - 2009 Annual Report





## Company Profile

OneHarvest is a leader in delivering new food experiences to customers while creating business value for all stakeholders. For the past three decades, OneHarvest has been a pioneer in fresh and fresh prepared food markets. The OneHarvest team in 1995 introduced Australian consumers to the convenient, ready to eat Freshcut salads and stir-fry products which now form a part of everyday life across households Australia wide.

OneHarvest represents a group of innovative fresh food companies formally known as The Harvest Company, Harvest FreshCuts Pty Ltd, Vegco Pty Ltd and & Oolloo Farm Management.



Since starting production in September 1995, Harvest FreshCuts leads the fresh cut market and currently supplies all major chains and various independents across Australia. The company employs more than 400 people at two fresh cut Plants – Brisbane, Qld and Bairnsdale, Vic - and is the most technologically advanced fresh cut processor in Australia. One Harvest prides itself on offering a point of difference to the consumer that gives value and freshness year round.

Environmental sustainability is important to the OneHarvest business and in 2002 an “Eco-efficiency” assessment of the Harvest FreshCuts business was undertaken as part of an Industry Partnership Program, with the Queensland Environmental Protection Agency (EPA) sustainable Industries Division and the Australian Industry Group (AIG). The assessment proved invaluable to the business and many environmental based projects were born as a result of this assessment. OneHarvest as a group understands the importance of a sustainable environment and the National Packaging Covenant forms an integral part in this process.

### **HARVEST FRESHCUTS National Packaging Covenant Commitment**

Harvest FreshCuts joined the National Packaging Covenant in October 2000 and resigned the NPC MKII in 2005. The Harvest FreshCuts business remains committed to the overarching goals of the Covenant and proactively support the obligations of the Covenant.

Harvest FreshCuts remains focussed on the four pillars of packaging sustainability, those being reduce, reuse, recycle and recover and continues to allocate resources and business activities to drive improvement in these areas.

Harvest FreshCuts NPC annual report is based on their three year action plan that was submitted to the Covenant in 2006. Harvest FreshCuts are pleased with the progress made over the past three years and will embrace the business challenges and opportunities created as a result of being a signatory to the National Packaging Covenant.

**Rob Robson**  
**Chief Executive Officer**  
**One Harvest**



## National Packaging Covenant Activity Overview

OneHarvest has had a busy program over the last twelve months and continues to growing year on year. With new business also comes the responsibility of ensuring products and pack formats are fit for purpose and delivered to the consumer fresh and to the highest quality. OneHarvest continues to challenge its packaging and product formats, benchmarking against world best practice and in many cases leading and driving its market.

In 2008/2009 in alignment with OneHarvest three year action plan, several value engineering projects came to fruition which saw the overall product to pack ratio plummet from 5:1 down to 4:1. The downward shift was primarily driven by moving several product groups out of 35um film into 30um film. This move not only produced an improvement in product versus pack weight ratios, but also improved throughput film yields. OneHarvest took the bold move in 2008 to redesign its popular Layered and Cocktail range which for the first time in the products history allowed it to be retailed with the over-cap removed. This not only reduced the overall packaging weight of each unit, but also removed 18 Tonne of plastic out of the retail sector.

OneHarvest understands the importance of ensuring markets are available for the use of Post Consumer Recycling (PCR) material and Closed Loop Recycling facilities, so incorporate buy recycled where possible in their purchasing policy. 95% of all corrugated cardboard purchased for the two Harvest FreshCuts processing facilities are produced from 100% recycled board. In conjunction with its supplier base, OneHarvest regularly tests and analysis it board durability and compression strength to ensure a) safety of product is never compromised b) pack formats are fit for purpose whilst maintaining a high level of recycled content. Over 4-million units were sold in 2008/2009 containing 5% or greater PCR and 20% or greater in-house plastic regrind, which neither compromising pack aesthetics nor product safety.

As OneHarvest continues to expand and grow, so does its waste to landfill and recycling volumes. Two independent waste audits were conducted in 2008/2009 to assess the current infrastructure in place at both its Queensland and Victorian processing plants. From these audits several recommendation were implemented resulting in a 54% increase in recycled volume and also saw an improvement in waste collection data and waste data accuracy. OneHarvest also works diligently through its portfolio rebrands to ensure the transition across to new packaging print designs and formats are smooth and minimal waste is generate. Inevitable through rebrands or discontinued line some packaging waste is generate. OneHarvest take the responsibility of disposing of this stock seriously and invests time and funds to ensure the stock has no environmental impact. Across 2008/2009 OneHarvest recycled over 25 Tonnes of plastic and corrugated board back into the closed loop recycling systems offered by their supplier base. This packaging medium bypasses the standard PCR pipeline and is shipped directly back to its source of manufacture. It is here that the goods are rework back into the close loop system.

Over the last three years Harvest FreshCuts has continued to develop their inbound and outbound supply pipelines. They take the opportunity where possible to remove unnecessary packaging from goods received into their processing plants and also maximising pallet space and utilisation on those goods despatched through the outward leg of their supply chain. In 2008/2009 the two Harvest FreshCuts processing plants received over 10,000 tonnes of produce, grown in many regions across Australian. These goods were delivered in returnable creates that are used in the Harvest FreshCuts close loop delivery system. All outbound goods despatch from each processing facility has a pallet utilisation footprint of above 85% with a majority of formats above 90%. This maximises pallet usage and freight out and is another indication of Harvest FreshCuts willingness to take responsibility for their distribution pipeline through packaging deign.

2009 brings the end to One Harvest's current National Packaging Action Plan (2006-2009) and they are pleased with the progress and outcomes the action plan has delivered over this time. OneHarvest remains committed to the National Packaging Covenants overarching goals and is currently in the progress of finalising their next three year plan. Sustainability forms a major part of everyday life within the OneHarvest business and will continue to do so in the future.



## APPENDIX 1 – Harvest FreshCuts Packaging Covenant KPI Action Plan Summary

<b>Processing</b>				
<i>Action</i>	<i>How</i>	<i>Measurement</i>	<i>Outcomes</i>	<i>KPI</i>
1) Baseline data for weight of packaging vs the total weight of products packaged	Analysis of current 2008/2009 sales data by units sold.	Weight by product and total packaging by product group.	OneHarvest continues to capture baseline data in both its QLD and VIC processing plants.  Baseline data highlights the improvements in packaging and product design inline with its NPC action plan.	1
2) Evaluate total weight, by type, of 'non-recyclable' packaging sold per annum into the Australian markets	Data collection framework to calculate and evaluate by product group the weight of packaging sold vs product weight by product group	Weight, by type of non-recyclable packaging sold per annum	Baseline data collected throughout 2008/2009 indicates that a recycle stream exists for 95% of all packaging formats OneHarvest purchase. Some recycle streams however do not currently exist through kerbside collection. Where kerbside collection is not possible OneHarvest continues to utilise closed loop recycling portals to improve recycle volumes for these formats.	6

<b>Disposal</b>				
<i>Action</i>	<i>How</i>	<i>Measurement</i>	<i>Outcomes</i>	<i>KPI</i>
3) Quarterly review of current recycling collection facilities within Harvest FreshCuts processing facilities.	Audit to be conducted on current recycling waste recovery framework current in place.  Waste collection contractors to submit by weight, breakdown of waste data	Annual waste analysis report	In 2008/2009 OneHarvest instigated two independent waste evaluation audits. From these audits and upgrade of recycling infrastructure was facilitated across both the Queensland and Victorian sites. In addition to an improved recycle collection framework and higher recycle volumes, OneHarvest also drove higher engagement and waste responsibility from their packaging supplier base.	16



<b>Disposal (Continued)</b>				
<i>Action</i>	<i>How</i>	<i>Measurement</i>	<i>Outcomes</i>	<i>KPI</i>
4) Estimate tonnage of consumer packaging recycled and sent to landfill from onsite waste collection facilities.	All manufacturing waste streams to be monitored and evaluated for waste content.	Tonnes recycled and tonnes disposed to landfill captured.	Although recycle volumes have improved in both processing plants, landfill volumes have also increased. This may be a result of an improved waste data collection framework, but also a direct result from increased plant processing volumes. Landfill volumes will be a major target of improvement for OneHarvest 2010 NPC Action Plan.	21

<b>Design</b>				
<i>Action</i>	<i>How</i>	<i>Measurement</i>	<i>Outcomes</i>	<i>KPI</i>
5) Investigate the opportunity to increase recycle content in the OneHarvest's Packaging Portfolio.	Value engineering analysis.	Evaluate recycle content by percentage and weight across the Harvest FreshCuts packaging portfolio.	Corrugated boxes still remain the highest packaging format by volume that contains recycled content. 95% of all boxes utilised within the Harvest FreshCuts business manufactured from 100% recycled board.  A large portion of plastics contain 5% PCR regrind and 20% in-house regrind. Through value engineering and smart product design, OneHarvest continues to improve on these numbers.	26
6) Evaluate packaging process design to ensure product protection and freight efficiency.	Through packaging innovation and format design.	Evaluation of pack strength and containment.  Distribution efficiencies.	OneHarvest continues to focus on pack design and order multiples, working hard to ensure commonality exists where possible across the sku range. Pallet utilisation is maintained above 85% and they regularly conducts pipeline distribution audits. Both internal and external testing is completed on pack formats prior to launch to ensure structure and packaging designs are fit for purpose.	3



## APPENDIX 2 – Harvest FreshCuts Packaging Covenant KPI Baseline Data

<b>Harvest Fresh Cuts NPC Baseline Data 2008/2009</b>	
<b>KPI</b>	<b>Baseline Data</b>
<b>1A) Report tonnes of packaging material type source (local and imported)</b>	<b>Locally Sourced (Tonnes)</b> Cardboard: 2,596 Paper: 11 Plastic: 120 (Type 1) Plastic: 4 (Type 3) Plastic: 143 (Type 5) <b>Imported Materials (Tonnes)</b> Plastic: 32 (Type 5)
<b>1B) Tonnes packaged product sold (2008/2009)</b>	11,355 Tonnes
<b>1C) Ratio of product to packaging (by weight)</b>	4:1
<b>6A) Total Weight of non-recycled consumer packaging sold per annum into the Australian market.</b>	143 Tonne
<b>6B) Total non-recycled packaging as a percentage of total packaging sold</b>	5.0%
<b>21A) Estimated tonnage of consumer packaging sent for recycling and to landfill from onsite collection facilities.</b>	i) Total Tonnes Recycled: 157.6 Tonne Percentage of total waste: 26%  ii) Estimated packaging waste sent to landfill: 42 Tonne Percentage of total waste: 7%

### Contact Details

Stephen Humpage  
 National Packaging Supply Manager  
 Harvest Fresh Cuts Pty Ltd  
 79 Tile Street  
 WACOL, QLD, 4076  
 Phone: (07) 3712 3978  
 Fax: (07) 3879 3255  
 E-mail: [stephen.humpage@oneharvest.com.au](mailto:stephen.humpage@oneharvest.com.au)