



**Australian Packaging Covenant  
LyondellBasell Australia Plan**

**1<sup>st</sup> March 2011 to 30<sup>th</sup> June 2015**



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## ***Executive Introduction***

As a signatory to the new Australian Packaging Covenant (APC), LyondellBasell Australia is committed to the principles of the Covenant and its emphasis on the 'whole of life' viewpoint in relation to packaging material usage in Australia. Our operations locally are guided by the principle of continuous improvement in all aspects, and we see our involvement in the APC as part of our commitment to the principles underpinning sustainable business growth, along with the other Product Stewardship programs we currently have in place (Greenhouse Challenge, Responsible Care and the EPA Sustainability Covenant). Implicit in all of these initiatives is a focus on Resource Efficiency and Conservation, a focus consistent with the objectives of the Australian Packaging Covenant.

This plan has been prepared by our APC focal point with the support and goodwill of the management team. It details our plans relating to APC KPIs and other related Product Stewardship initiatives, which cover the period from 1<sup>st</sup> March 2011 to the end of the new covenant period 30<sup>th</sup> June 2015.

We maintain our commitment and will continue to seek opportunities to work with interested partners within the polymers value chain to help minimize our environmental footprint and maximise the societal benefits arising from the use of our products.



Barry Kelly  
Managing Director  
LyondellBasell Australia

### **Packaging Covenant Focal Point**

Geoff Williams  
Strategic Marketing Analyst  
Level 5, 627 Chapel Street  
South Yarra VIC 3141  
Ph: 03 9829 9440  
E-mail: [GWilliams@lyondellbasell.com](mailto:GWilliams@lyondellbasell.com)

## ***Introduction***

LyondellBasell Australia is committed to the principles of the Packaging Covenant and welcomes the shift in emphasis to the 'whole of life' philosophy in dealing with packaging design, usage and end of life stages. LyondellBasell Australia will continue working with supply chain partners on projects related to the responsible and sustainable development, use, recovery and recycling of the polypropylene resins it manufactures and markets.

Going forward, LyondellBasell Australia will:

- Continue to review and refine existing sustainable business growth principles within the organization's management systems.
- Continue to develop and put to market new products that enable customers to take advantage of efficiency gains within their own processes.
- At all times explore ways of improving internal environmental management.
- Continue to pro-actively engage with our customers and signatories regarding responsible 'whole of life' material usage.

## ***Company Background***

On 20<sup>th</sup> December 2007, Basell and Lyondell Chemical Company completed a merger, creating LyondellBasell, one of the world's largest polymers, petrochemicals and fuels companies.

LyondellBasell Australia Pty Ltd, (LBA) was formed on 18<sup>th</sup> August 2008, and is part of LyondellBasell's Polymers Division, which produces, markets and sells industry-leading advanced polyolefins, polypropylene and polyethylene resins.

LyondellBasell Australia is the sole manufacturer of polypropylene (PP) in Australia which is sold under the trademarks *Moplen*, *Adstiff* and *Clyrell*. Polypropylene resins are manufactured at two sites, Geelong Victoria; and Clyde, New South Wales; both obtain propylene and ethylene gas feedstock from local refineries and petrochemical plants.

Our marketing activities in Australia and the Asia Pacific region are supported by a Development Laboratory based in Geelong which provides both technical support for the manufacturing sites as well as testing and development facilities for LBA's customers. LyondellBasell Australia markets polymers both domestically and in the export markets of the Asia Pacific region from our Melbourne-based Head Office.

## ***Role within the Packaging Supply Chain***

Our role in the packaging supply chain is one of raw material supplier.

## ***Packaging Used***

The types of packaging used for protection and shipment of our products to our domestic customers are:

1. 25kg Palletised Sacks consisting of:
  - Recyclable 25kg Polyethylene sacks*
  - Recycled content cardboard pallet sheets*
  - Recyclable P-Polyolefin-based stretch hood film*
  - Multi-trip wooden pallets*
  
2. 1100 kg Semi Bulk Bags
  - Recyclable 100% Polypropylene bulk bags.*
  - Recycled content cardboard pallet sheets*
  - Multi trip wooden pallets*
  
3. 22,500 kg Containerised Bulk consisting of:-
  - Purpose-built, -polyliner-free containers.*

## ***Market Background***

The overall consumption of virgin and recycle polypropylene resin in the Australian domestic market for 2008 was estimated at 235,956 tonnes, of which an estimated 23,575 tonnes was recycle. During this period there was an estimated 41,036 tonnes of “end of life” polypropylene items collected for subsequent recycling.<sup>1</sup>

Polypropylene is converted into a wide range of products (both durable and consumer items). Some of these include food packaging containers, carpet, industrial mouldings, packaging film, medical gowns and fabrics, furniture, automotive components, polymer bank notes and white/electrical goods.

<sup>1</sup> Source: PACIA 2008 National Plastics Recycling Survey

Australian Packaging Covenant Performance Goals	ACTION PLAN OVERVIEW	DETAILED ACTIONS	RESPONSIBILITY
<p><b>1. Design-</b> optimise packaging to achieve resource efficiency and reduce environmental impact without compromising product quality and safety.</p>	<p>Embed within our existing procurement policies, the requirement for an SPG review for new packaging formats.</p> <p>Review all 3 forms of domestic packaging formats used for manufactured product against the SPG. Identify areas for improvement and formulate a plan for completion within the APN time frame.</p>	<p>1.1 Oct 2011 SPG guidelines incorporated into existing procurement policies.</p> <p>1.2. June 2011 Document and categorise all aspects of packaging used for our product including:-</p> <ul style="list-style-type: none"> <li>• Recycled content used</li> <li>• End of life treatment</li> <li>• Unit weight/Guage</li> <li>• Others parameters as identified</li> </ul> <p>Prioritise the above packaging formats based on potential to deliver material reductions, enhanced recycled contents, enhanced recyclability and or reduced litter potential.</p> <p>1.3. Oct 2011. Completion of the first prioritised packaging format review against the SPG, complete with forward action plan.</p> <p>1.4. Oct 2012. Completion of the second prioritised packaging format review against the SPG, complete with forward action Plan.</p>	<p>APC Focal Point</p> <p>APC Focal Point</p> <p>SPG Evaluation Team</p> <p>SPG Evaluation Team</p> <p>SPG Evaluation Team</p>

Australian Packaging Covenant Performance Goals	ACTION PLAN OVERVIEW	DETAILED ACTIONS	RESPONSIBILITY
	<p>Maintain focus on full bulk and semi-bulk deliveries over 25kg sacks and assist customers in moving when interested.</p>	<p>1.5. Oct 2014. Completion of the third prioritised packaging format review against the SPG, complete with forward action Plan.</p> <p>1.6. Oct - Annually Monitor the changes in packaging format deliveries over baseline data.</p> <p>1.7 Oct - Annually Review annual results, formulate action plans as required.</p>	<p>SPG Evaluation Team</p> <p>APC Focal Point</p> <p>APC Focal Point and Sales Manager.</p>
<p><b>2. Recycling</b> A contribution to improved recovery of packaging from households and away from home sources.</p> <p>Support the procurement of recycled materials.</p>	<p>Maintain on site recovery systems for used consumer packaging.</p> <p>Provision of data for input into the PACIA Annual Recycling Survey.</p> <p>Monitor the volumes and number of recycled content purchases made under the existing 'buy recycled' clauses embedded in our procurement procedures.</p>	<p>2.1 Oct Annually. Annual review of system to identify any operational issues.</p> <p>2.2 Nov Annually. Report the Australian consumption figures for Polypropylene resin within the packaging market segment and in total.</p> <p>2.3 Oct Annually. Report the volume and type of recycled content materials purchased for packaging of our product.</p> <p>2.4 Oct Annually Situation reviewed with Purchasing Department and areas of concern/improvement identified, actioned and reported.</p>	<p>APC Focal Point.</p> <p>APC Focal Point</p> <p>APC Focal Point</p> <p>APC Focal Point and Procurement Manager</p>

Australian Packaging Covenant Performance Goals	ACTION PLAN OVERVIEW	DETAILED ACTIONS	RESPONSIBILITY
<p><b>3. Product Stewardship-</b> Signatories within the supply chain working with each other to improve design and recycling of packaging.</p> <p>Minimise the propensity to become litter.</p>	<p>Work with our packaging producing customers as a team member in their SPG reviews.</p> <p>Make available to signatory members best available data on environmental footprint of locally made PP.</p> <p>Litter Reduction will be achieved by ensuring our customers are aware of the recyclability and recycling options open to them for the packaging used to protect the product we supply them.</p>	<p>3.1 July 2011. Document a detailed list of customers that make up 80% of total PP resin consumption in the packaging market sector.</p> <p>3.2. Oct - Annually Contact all of the above identified customers (20% minimum each reporting year) over the life of covenant, with a view to contribute to their SPG review team(s).</p> <p>3.3 Oct 2011. Compile Life Cycle Inventory (LCI) of Australian PP to a standard suitable for use in major Life Cycle Assessment (LCA) programs.</p> <p>3.4 Dec 2011 Update the existing Environmental Information Document (EID) for Australian PP, distribute this to major packaging producing customers and make publicly available on the web site.</p> <p>3.5 Oct 2011 Compile and maintain a detailed list of recycling companies eager to reclaim used packaging of the types used to protect our product.</p> <p>3.6 Oct 2011- Annually Publish the above list on our web site and annually promote awareness of it in our customer newsletters.</p>	<p>APC Focal Point</p> <p>Sales Manager &amp; APC Focal Point</p> <p>Sustainability Project Manager &amp; APC Focal Point.</p> <p>Sustainability Project Manager &amp; APC Focal Point.</p> <p>APC Focal Point</p> <p>APC Focal Point</p>

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