

Purpose

We want to rethink the way we make, use and reuse our packaging in order to provide our customers with more sustainable packaging options. We want to make more sustainable packaging the “new norm” and help Kiwis live better every day.

Packaging waste especially plastic waste has become a key talking point globally and is one of the worst examples of waste in our economy. Every year, 8 million tonnes of plastic enters our oceans. It’s vital as many people as possible act and work together to minimise the environmental impact of plastic waste.

Nearly all plastics are derived from non-renewable fossil fuel sources. We must support society’s efforts to reduce consumption of non-renewable resources and replace them with renewable materials and increase the use of recycled versus virgin materials.

We also want to address the risk of wood fibre-based packaging being derived from environmentally harmful sources such as clear-felled tropical hardwoods. Where this risk exists, and where consumer interest dictates, we will specify certified paper and card packaging derived from sustainably managed forests and processing facilities.

We will also support the use of compostable plant-based plastics whose functionality is endorsed by sound certification schemes.

In New Zealand at present the recycling infrastructure accessible to households through kerbside is limited to just a few materials: Plastics 1 & 2 (Polyethylene Terephthalate -PET & High-Density Polyethylene - HDPE), Woodfibre based Paper, Card, and Corrugated Cardboard, along with some metal and glass packaging types.

It makes sense at present to focus our packaging design and improvement efforts on prioritising these materials (allowing others only by exception) and providing easily understood recycling advice to consumers wanting to do the right thing with unwanted packaging.

Scope

These guidelines are intended to be used by our buying, sourcing, quality, design, technical teams and our suppliers. These guidelines do not address or replace the functional or regulatory requirements unique to each product packaging type. They are solely to indicate our preferred choice of materials and promote their efficient use. Our suppliers, and our internal design, technical and sourcing teams must collaborate to bring these principles to life. Our aim is to improve the environmental characteristics of our packaging while ensuring that its role in protecting and attractively presenting products to customers is not compromised. There is an assessment tool available at [hyperlink](#) designed to assist users to review and redesign packaging in accordance with these guidelines. All new private label packaging must be assessed and designed to be in conformance with these guidelines - any significant exceptions must be escalated and signed off by the CSO Packaging Team Leader.

PRINCIPLES

Guideline 1

Reduce all unnecessary packaging

Guideline 2

Prioritise packaging materials that can be recycled at New Zealand households' kerbsides.

Guideline 3

Eliminate least preferred packaging materials.

Guideline 4

Prioritise recycled content for all approved packaging types

Guideline 5

Provide accurate "on Pack" recycling advice

Guideline 6

Provide evidence or certification in support of all claims.

Guideline 7

Record packaging material attributes within product specifications.

Process

Use the associated Sustainable Packaging Assessment Tool ([hyperlink](#)) to assess any proposed new packaging or review any existing packaging to ensure its conformance with the below Guidelines.

Guideline 1

Reduce all unnecessary packaging

At The Warehouse Group, we believe in reducing waste at source is the best waste minimisation practice. Hence, we want the unnecessary primary and secondary packaging to be eliminated or reduced at its design stage.

Definitions:

- **Primary Packaging:** Primary packaging is the packaging in immediate contact with the product itself. Examples: Chip bags, shampoo bottles, and boxes to protect water jugs.
- **Secondary Packaging:** Secondary packaging's main purpose is for branding display and logistical purposes. Examples: Boxes to protect jars of face cream and boxes to store trays of cookies. Often described as inner and outer packaging.
- **Unnecessary Packaging:** Packaging that can be removed or reduced in volume/weight without impacting the security of the products. In many cases, the amount of packaging can be reduced or eliminated. This will bring 3 major benefits:
 1. Avoiding waste going to landfills.
 2. Saving resources from producing unnecessary packaging.
 3. Reducing cost in manufacture and transportation.

1.1 Eliminate

1.1.1 Eliminate primary packaging

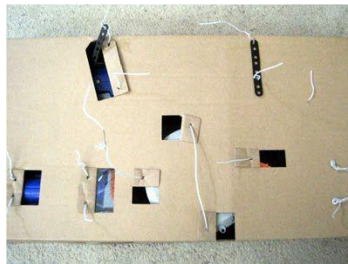
All primary packaging should be reviewed to understand if it is necessary in the first instance. If the product is rigid and not prone to damage during the process of transport, storage, and display, the primary packaging should be designed out to achieve a more sustainable outcome.

1.1.2 Eliminate strapping

Plastic strapping is to be avoided excepting where essential on cartons over 14kg and all furniture cartons. If strapping is to be used, the material must be PET.

1.1.3 Eliminate wire tie and plastic clamshells

Wire ties (see illustrations below) and plastic clamshells (see illustrations below) are often unrecyclable, and troublesome for customers to open. Hence, they should be replaced by smarter design with sustainable alternatives as in the scissors bottom right.



2.0 Minimise

When the product's packaging cannot be removed, it needs to comply with the Packaging Minimisation Index (PMI) standards provided below:

Packaging Minimisation Index (PMI) = Total mass of the product ÷ Total mass of the product and its packaging

PMI must be greater than 60% for all products except for fragile items.

Example : Product A with a net weight (product only) of 400g and total weight (including primary packaging) of 500g has a PMI of 80%

The PMI can be calculated with the accompanying Sustainable Packaging Assessment Tool

Packaging reduction can often be achieved by various innovative approaches. For example, scissors are often packaged in plastic clamshell. But the pair of scissors below, sold at The Warehouse, managed to remove the clamshell packaging and used a recyclable alternative to minimise the packaging mass.

Guideline 2

Prioritise packaging materials that can be recycled in New Zealand

We want to give customers sustainable packaging options, that are fully recyclable via kerbside recycling across New Zealand. This will help relieve the burden on New Zealand's waste and recycling infrastructure, help consumers make correct recycling choices, and contribute to the overall circularity of our operations. Based on the data provided by major councils around New Zealand, there are five primary packaging materials readily accepted by kerbside recycling in New Zealand.

The 5 preferred materials to use are:

Plastic Type 1 - Polyethylene Terephthalate (PET)

Plastic Type 2 - High-Density Polyethylene (HDPE)

Wood Fibre - Paperboard & Paper, Corrugated Cardboard

Metals - Aluminium Steel and Tin Cans, and empty Aerosols

Glass - Bottles and Jars

Guideline 3

Eliminate least preferred packaging materials

The materials to avoid that cannot be readily recycled at New Zealand's kerbsides or which are otherwise harmful are:

Plastic Type 3 - Polyvinyl Chloride (PVC)

Plastic Type 4 - Low-Density Polyethylene (LDPE)

Plastic Type 5 - Polypropylene (PP)

Plastic Type 6 - Polystyrene (PS) and Expanded Polystyrene (EPS).

Plastic Type 7 - Other plastic types not classified above.

Laminate structures wherein otherwise recyclable in New Zealand materials are bound to other non-recyclable materials.

Wood fibre-based paper, card, or cardboard without certification sourced from countries with a known risk of illegal deforestation

Guideline 4

Prioritise recycled content for all approved packaging types

The Warehouse Group recognises the importance of recycling and the necessity of increasing the demand of post-consumer recycled materials. By doing so, we can reduce the environmental impact of virgin material production, encourage recycling and create a truly demand-pull circular economy. By specifying the percentage of recycled content, we give our customers the information on sustainable options and support the development of a circular economy. To support a recycled claim or statement the packaging material component should have at least 20 % recycled content.

The table below provides suppliers and packaging designers with The Warehouse Group’s requirements on recycled materials:

Material	Status	Action
Plastic Type 1 Polyethylene Terephthalate (PET)	Virgin	Avoid or Reduce
	Recycled	> 20% recycle content, evidentially supported or with certification.
Plastic Type 2 High-Density Polyethylene (HDPE)	Virgin	Avoid or Reduce
	Recycled	> 20% recycle content, evidentially supported or with certification.
Wood Fiber Paperboard	Virgin	With certification where market interest or risk profile dictates
	Recycled	> 20% recycle content, evidentially supported or with certification.
Wood Fiber Corrugated Cardboard	Virgin	With certification where market interest or risk profile dictates
	Recycled	> 20% recycle content, evidentially supported or with certification.

Guideline 5

Provide accurate packaging recycling advice

The Warehouse Group understands there is ongoing confusion about how to recycle different types of packaging in New Zealand. New Zealand’s recycling infrastructure can currently only reliably process:

Plastic Type 1 - Polyethylene Terephthalate (PET)

Plastic Type 2 - High-Density Polyethylene (HDPE)

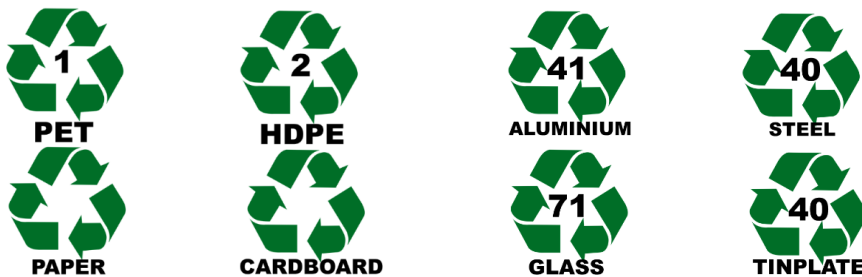
Wood Fibre - Paperboard & Paper, Corrugated Cardboard

Metals - Aluminium Steel and Tin Cans, and empty Aerosols

Glass - Bottles and Jars

This why we have declared these our preferred packaging materials (Guideline 2)

These material types should be identified as recyclable used the widely recognised recycling logos, along with the material description as in the examples below. All other materials should not be associated with a recycling logos or other recycling representation as they cannot be practically recycled in New Zealand at present.



Note: In the future NZ may adopt the Australasian Recycling Label along with the PREP tool (Packaging Recyclability Evaluation Portal). The New Zealand Government is currently in consultation with industry in regard to a mandatory product stewardship scheme for Packaging. Both these initiatives may require an amendment to Guideline 5. Guideline 5 is aligned to New Zealand’s recycling infrastructure as at December 2109 and represents accurate guidance for our customers, suppliers and sourcing teams at this time.

Guideline 6

Provide evidence or certification in support of all claims

Environmental Claims made on packaging such as “Sustainably Sourced”, “Recycled Content”, “Compostable”, or even “Recyclable”, must be evidence based and preferably supported by a relevant certification. This is to ensure representations made to our customers are credible and that they are in conformance with New Zealand Fair Trading Act. Substantial penalties may be applied for making unsubstantiated or false and misleading claims.

Claims may only be made on the basis of reasonable grounds. Reasonable grounds can come from:

- information provided by reputable suppliers or manufacturers
- information the business making the claim holds
- any other reasonable source (for example, scientific or medical journals).

These reasonable grounds must be met and the associated documentation in our possession prior to the packaging going on the market

The strongest grounds for a claim are those provided by certifications such as Global Recycle Standard (GRS) and the Forest Stewardship Council (FSC) and the AS5810-2010 Home Compostable standard.

However, there may be cases where a claim can be made without certification, provided the above reasonable grounds criteria are be met. This might be the case where the transaction value is too low to carry the disproportionate cost of certification.

Claims must be accurate, scientifically sound and substantiated prior to the goods going on sale.

Guideline 7

Record packaging material attributes within product specifications

To ensure new packaging submissions are correctly aligned to these guidelines suppliers and sourcing teams must identify packaging attributes such as the material types, the presence of any certifications, recycled content, recycling marks, mass of primary packaging materials, net weight of the product, packaging mass index (PMI). These are to be recorded within product specifications and within The Warehouse Groups internal product data hosting systems. The presence of these packaging data attributes will assist our customer communications, environmental reporting, and help us track packaging improvements over time.