



AMWAY OF AUSTRALIA

AUSTRALIAN PACKAGING COVENANT

ACTION PLAN

JULY 2010 – DECEMBER 2015

EXECUTIVE SUMMARY

Amway of Australia is the Australian affiliate of Alticor Corporation, a privately owned multi level marketing company based in the USA. Alticor sells products in over 80 countries.

Amway of Australia sells consumer products such as cosmetics, personal care products, complementary medicines and detergents. The majority of our branded products are manufactured and packaged by Alticor in the USA and most of the packaging for our branded products is designed in the USA for use throughout the world. Therefore, Amway of Australia is not always directly involved in packaging design or packaging choice, but will take opportunities to implement the improvements in packaging sustainability made available by our global packaging group.

Amway's sustainability definition is:

"To grow our business while caring for the environment, our people and communities, contributing to an improved quality of life for this generation and the next."

COMPANY SUMMARY

Amway of Australia sells a wide range of consumer products including cosmetics, personal care products, complementary healthcare products, household cleaners and detergents, packaged food, house wares, cook ware and household electrical products such as water filters and air filters.

Our brands include: AMWAY, NUTRIWAY, SA8, ARTISTRY, eSpring, iCook, BODY SERIES, POSITRIM, beautycycle, EMMA PAGE, LOC, PURSUE, DISH DROPS, TOLSOM, SATINIQUE and XS.

Amway of Australia employs approximately 180 staff to market, warehouse and distribute our products. There are 100,000 Amway Independent Business Owners (IBO) in Australia and New Zealand who purchase and sell Amway products.

Amway products are packed in a wide variety of primary packaging materials but predominantly cardboard, aluminium and HDPE.

Secondary packaging is used where necessary to provide protection to the primary packaging and to display information about the product. It consists primarily of cardboard, inks and varnishes and metallic foil.

Most products are packed into shipping cartons for transportation from the USA to our Australian warehouse. The products are removed from these shipping cartons in our warehouse. The shipping cartons are baled and sent to be recycled.

Our customers' orders are packed in our warehouse pick-pack system, usually into recyclable cartons made from 100% recycled materials.

Biodegradable wheat based void fill is also used.

Amway of Australia has been a National Packaging Covenant signatory since 2003. We have implemented systems for recycling of cardboard, provided education to consumers on recycling and developed a system to report on quantities of the various types of packaging materials that we use.

Our focus has been on re-use, recycling, consumer education and use of concentrated household cleaning products to help reduce overall packaging weight.

Amway of Australia is now a signatory to the Australian packaging covenant and has developed this Action Plan as a guide to achieving more sustainable packaging for our branded products.

Amway of Australia will form a packaging sustainability team to help achieve the goals of this Action Plan.

Amway of Australia will report to Australian packaging covenant on our Action Plan every year. The reports will be based on each calendar year and submitted by 31 March each year.

ACTION PLAN SUMMARY

1. DESIGN

Optimise packaging to achieve resource efficiency and reduce environmental impact without compromising product quality and safety:

- * Work with Amway's **global sustainable packaging team** to determine how Amway of Australia can influence and implement the adoption of more sustainable packaging by Amway of Australia.

This will be achieved by having at least three meetings per year with our global sustainable packaging group.

- * All **new packaging** for Amway branded products will be assessed for sustainability.

- * Classify all **existing packaging** into packaging groups and then systematically review each group for opportunities for sustainability improvement.

- * Report annually on the **total packaging used** in Amway branded products including the type of packaging and percentage of recyclable packaging.

2. RECYCLING

- * Maintain the current high percentage of recycling of cardboard cartons in our warehouse.
- * Report annually on the percentage of used packaging recycled.
- * Investigate opportunities to use recycled stationery in Amway's offices.
- * Set up recycling systems in all five of Amway's staff / customer food service areas.

3. BUYING RECYCLED PRODUCTS

- * Maintain current policy of purchasing recycled shipping cartons to send orders to our customers.
- * Work towards having all Amway branded products delivered to Amway in recycled packaging.

4. PRODUCT STEWARDSHIP

- * provide education to our consumers and the public on the benefits and the appropriate means of re-using or recycling used packaging.
- * provide education to our consumers encouraging litter reduction.

COVENANT CONTACT OFFICER

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MANAGEMENT APPROVAL

Amway of Australia management has approved and continues to support activities to meet the goals of Amway's Australian Packaging Covenant Action Plan 2010–2015.



Michial Coldwell

General Manager Amway of Australia and New Zealand

<i>Covenant performance goals</i>	<i>Actions</i>	<i>Responsibility</i>	<i>Baseline data</i>	<i>Target or performance Goal</i>	<i>Timeline or milestones (MM/YY)</i>
BETTER DESIGN					
Identify and implement more sustainable packaging options	Work with Amway's global sustainability team to influence and implement more sustainable packaging.	Amway of Australia Technical department	Use Amway of Australia 2010 National packaging covenant data as baseline.	Implement all sustainability improvements that are available from the global packaging sustainability team.	Three meetings every year with the global packaging sustainability team.
Ensure sustainability of packaging has been considered in product development.	Assess all new packaging for sustainability	Technical and Marketing departments	n/a	100% of new packaging is assessed.	Starting from June 2011, assess all new packaging.
Identify and implement more sustainable packaging options	Assess existing packaging for sustainability	Technical and Marketing departments	Baseline is no data available at March 2011.	Identify all major packaging types and recommend more sustainable packaging where appropriate.	Sept 2011 - group all products according to package type. December 2011 - review top 10 packaging types.

Data collection for informed decisions	Quantitative annual report on packaging types	Technical	Use Amway of Australia 2010 National Packaging Covenant data as baseline.	Annual report on progress.	Report delivered by 31 March every year.
RECYCLING					
Maximise in house recycling	Maintain current cardboard recycling system in distribution chain.	Amway Distribution	Use Amway of Australia 2010 National packaging covenant data as baseline.	Maintain current cardboard recycling system in distribution chain.	Annual report, 31 March
Improve other areas of recycling other than cardboard cartons.	Quantitative annual report of on-site recycling.	Technical	Use Amway of Australia 2010 National packaging covenant data as baseline.	Annual report on quantities.	Annual report, 31 March
Implement recycling of food packaging from staff & customer cafeterias.	Set up recycling systems in all five Amway cafeterias.	Distribution	New initiative. Currently no recycling systems in place.	Investigate most suitable options for cafeteria packaging waste recycling.	Determine options by July 2011, then determine implementation timetable by December 2011.

BUYING RECYCLED PRODUCTS					
Close the loop by reducing use of new materials and supporting recycling industry products.	Maintain current policy of purchasing shipping carton made from recycled products.	Purchasing and Distribution	Use Amway of Australia 2010 National packaging covenant data as baseline.	Maintain current policy of purchasing shipping carton made from recycled products.	Annual report.
Close the loop by reducing use of new materials and supporting recycling industry products.	Work towards having all Amway products use recycled packaging	Technical and Purchasing	Determine baseline by December 2011	Implement more opportunities to use recycled packaging.	Determine baseline by December 2011 then an annual report to show improvements
Buy recycled products to support recycling industry products.	Investigate use of recycled office stationery.	Purchasing department	Determine baseline by July 2011	identify current company practices and implement changes if warranted.	Baseline identified by July 2011, implementation timetable by December 2011
PRODUCT STEWARDSHIP					
Encourage consumer re-use and recycling.	Provide consumer education on benefits of re-using and recycling packaging.	Technical	n/a	Annual review and update of information on Amway web site.	Annual report on activities

Reduce litter.	Provide education to encourage litter reduction.	Technical	n/a	Annual review and update of information on Amway web site.	Annual report on activities