Sustainable Packaging Guidelines

1. Context

OfficeMax is one of the largest business to business (B2B) workplace supplies distributors in New Zealand. Our strategically located distribution centres allow us to distribute products nationwide serving businesses, educational establishments, and public agencies in New Zealand. We pride ourselves on our efficient national logistics capability with well-established transport supply partners, extensive customer base and sustainable approach. In lay terms, we are good at moving all workplace products to meet our customer's needs.

Why has OfficeMax developed these Sustainable Packaging Guidelines?

Packaging is a significant contributor to waste in New Zealand and much of it comes from imported goods. Each year, New Zealanders consume approximately 735,000 tonnes of packaging and recycle approximately 58% of it whilst the remaining 308,000t goes to landfill or is lost to the environment. With 97% of New Zealanders having access to facilities to recycle paper, glass, cans, and plastics 1 and 2 (and in some places 1 - 7) we can, and must, do a lot better. recycle.co.nz/problemsize

Kiwis consume
735,000
tonnes of packaging and only recycle
58%

New Zealand Government Policy

In light of the NZ Government's publication Rethinking Plastics in Aotearoa (2019) the Government Procurement Office has included low waste procurement targets for all packaging of supplies to government agencies. The specific inclusion in the Supply Agreement for Office Supplies is:

Parameters	Reusable, recyclable or compostable packaging
Description	100% Reusable, recyclable or compostable packaging to be used by 2025.
Purpose	All Participating Agencies are purchasing Products in 100% reusable, recyclable or compostable packaging therefore diverting waste to landfill.
Calculation	(The total number of Products that come in 100% reusable, recyclable or compostable packaging) / (the total number Products purchased) * 100%.
Buying Objective	90% by July 2023. 100% by July 2025.
Data Source	Product Spend.

OfficeMax supports the government policy and is collaborating with our suppliers to achieve these requirements. What this also means is that only products meeting the **100% reusable, recyclable, or compostable packaging by 2025** requirement will be purchased by this significant customer segment limiting markets available for products that do not.

The Ministry for the Environment publication has also resulted in the development of the Plastic and Related Products Regulations 2022 under the Waste Minimisation Act. These regulations come into force on 1st October 2022 and establish a staged phase out of single use and hard to recycle plastics. An illustration of the products and timelines for this phase out are provided in Appendix 1. The Supply Agreement for Office Supplies supports this ambition and provides further requirements for the recycled content of products as shown in Appendix 2.

OfficeMax's Sustainability Strategy

At OfficeMax we have a vision to 'Empower sustainable and successful workplaces. To achieve this ambition, we have a Sustainability Strategy made up of three key aspirations supported by six goals:

FOSTER A SAFE, HEALTHY AND INCLUSIVE SOCIETY	PROVIDE SOLUTIONS FOR A RAPIDLY CHANGING WORLD	DRIVE A LOW CARBON CIRCULAR ECONOMY
• Support health, safety, and resilience • Promote inclusivity and equal opportunity	• Provide flexible product and service solutions • Empower the future of work	• Improve the environment through our value chain • Support local solutions

The strategy is underpinned by a 5-year action plan and includes the government target to achieve **100% reusable, recyclable, or compostable packaging by 2025**.

We cannot achieve this goal without you, our suppliers supporting us on this journey. The following guidelines have been developed to enable us to transition the packaging related to products we sell to more sustainable and less wasteful options.

2. Objective

The objective of these Sustainable Packaging Guidelines is to support a circular waste process at OfficeMax by maximising the ongoing value of materials within products and packaging, and eliminating or minimising end-of-life waste. The following guidelines support the intent of the OfficeMax's Responsible Supplier Code (RSC) and Sustainability Strategy objectives.

Scope

For the purpose of these guidelines packaging refers to the following:

1. **Transport Packaging**
    - All packaging intended for the protection and containment of products during transportation including boxes, fillers and wrapping
2. **Product Packaging**
    - Item packaging e.g., pack of pens, cardboard backing with plastic cover
    - Product containers e.g., bottles and containers

These guidelines are intended to support all our suppliers to progress a circular economy production model, however the contents are not a qualifying criterion for supply. In line with the RSC all OfficeMax Private Label branded products are required to demonstrate the adoption of the primary goal of these guidelines to achieve 100% reusable, recyclable, or compostable packaging by 2025.

OfficeMax encourages all our supply partners to follow these OfficeMax Sustainable Packaging Guidelines. Product packaging which does not meet the OfficeMax requirement will be periodically reviewed, products will be phased out and replaced with items which have more sustainable packaging.

Goals

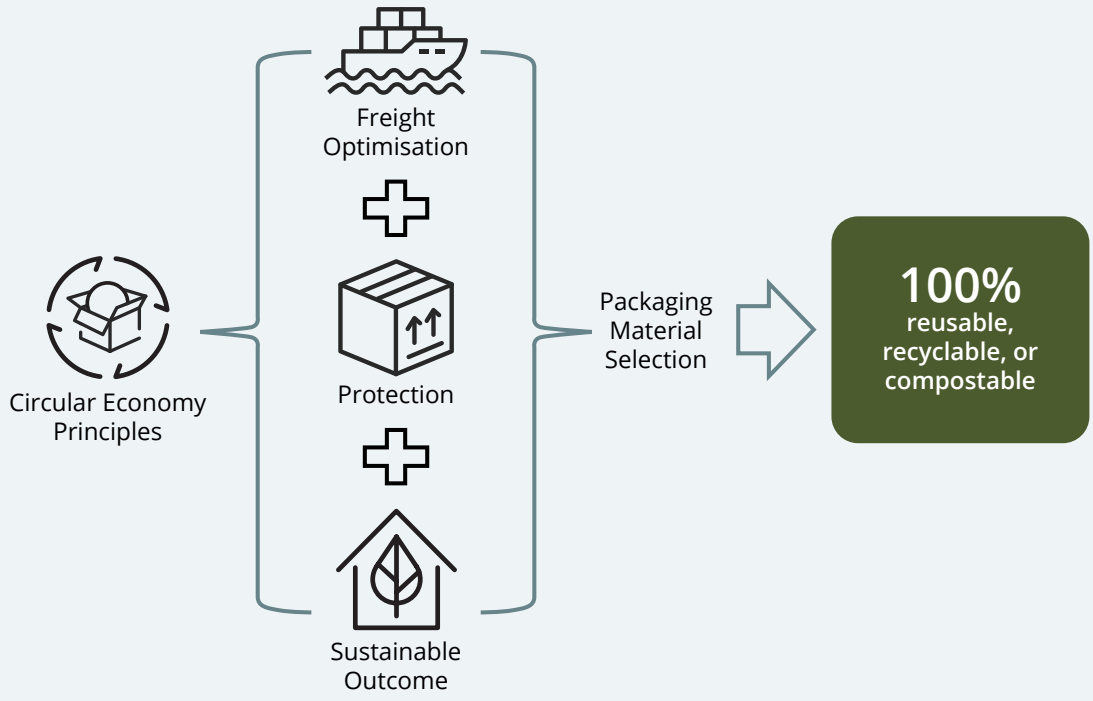
- ✓ To eliminate unnecessary packaging in our supply chain
- ✓ Achieve 100% of all product packaging to be reusable, recyclable, or compostable by 2025
- ✓ Implement clear packaging labelling with the correct recycling or disposal instructions for New Zealand
- ✓ Implement clarity of a products environmental packaging credentials within our online portal officemax.co.nz

100%
of all product packaging to be reusable, recyclable, or compostable by
2025

Performance Criteria

- ✓ 100% of Private Label brand (products) to meet the reusable, recyclable, or compostable requirement by 2025
- ✓ Overall reduction in the weight of packaging
- ✓ Overall reduction in plastic volume
- ✓ Reduction in packaging waste at OfficeMax Distribution Centres and for customers

OfficeMax Packaging Guidelines



3. Sustainable Packaging Principles

Packaging design is intended to provide a sustainable means of protecting and containing products during transportation, and those that require containment during use (e.g., bottled liquid or powdered products). Packaging should be fit for purpose whilst incorporating the circular economy principle of retaining material value through its life cycle.

A holistic circular economy approach may also include a review of all product characteristics leading to minimal packaging requirements. What is the purpose of the product and how can that be achieved with materials that are durable, can be re-manufactured, re-purposed, are biodegradable or are recyclable?

The Australian Packaging Covenant Organisation (APCO) has developed Sustainable Packaging Guidelines based on ten principles of design. The following guidelines are broadly aligned to these principles.

Packaging Optimisation

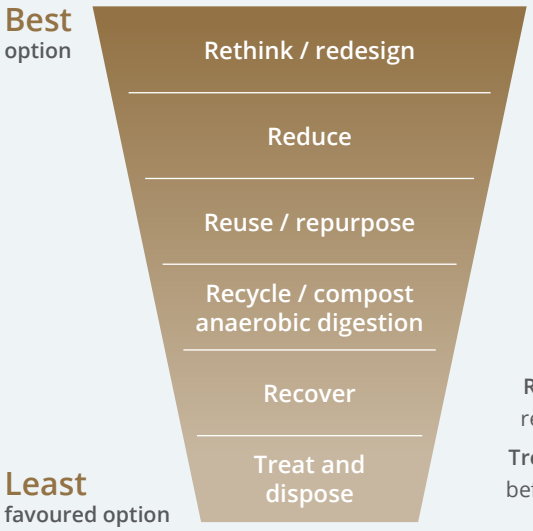
The design of packaging should be optimised to minimise the weight and volume of material required. Efficient packaging with no excess material will generate both financial and environmental benefits including:

- Reduced cost of manufacture and transport
- Reduced carbon emissions associated with manufacture, transportation, and disposal
- Reduced cost and environmental impact from resource use and waste processes
- Competitive advantage over unsustainable and inefficiently packaged products

Taking a less is more approach is crucial to eliminating unnecessary packaging. For example, the use of individual plastic sleeves for products (e.g., notebooks, diaries, and book bags) has generated significant feedback from our customers frustrated by the plastic waste generated. Where the risk of product damage is low, these sleeves can be eliminated.

Compact packaging also has the advantage of removing voids around products. This in turn removes the need for void fillers and enables more efficient transport of goods.

Whilst elimination of unnecessary packaging is the most sustainable packaging option it is important that the functionality and ease of access is not compromised. Appendix 3 sets out a checklist to assist the design and selection of packaging materials and the communication of their characteristics.



Avoid unnecessary resource use and waste by designing waste out

Reduce the quantity, toxicity and ecological footprint of consumption

Reuse or repurpose products and components for the same purposed, or repurpose them for another use that does not reduce their value or require further processing

Recycle / compost recover and process materials to make the same or different materials of similar value when reuse is no longer possible

Recover value (e.g., energy) from materials that cannot be reused or recycled

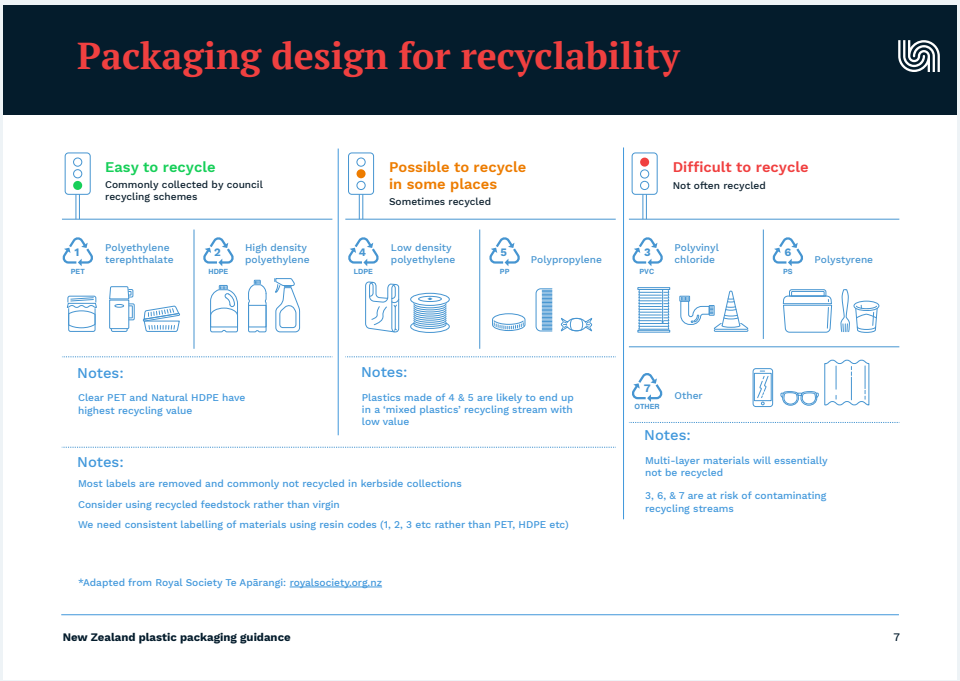
Treat the waste with processes to remove or reduce potential harm before disposing of the waste safely on land set aside for that purpose

Design for Recovery

In this context recovery refers to the ability for materials to be reused, repurposed, recycled, or composted. The level and nature of recovery is dependent upon the infrastructure available in the region of the country and will vary. In New Zealand, a number of materials can be recovered or recycled including:

- Cardboard and paper
- Glass bottles and jars
- Steel & aluminium tins and cans
- Plastics 1, 2, 4 & 5 (see below)

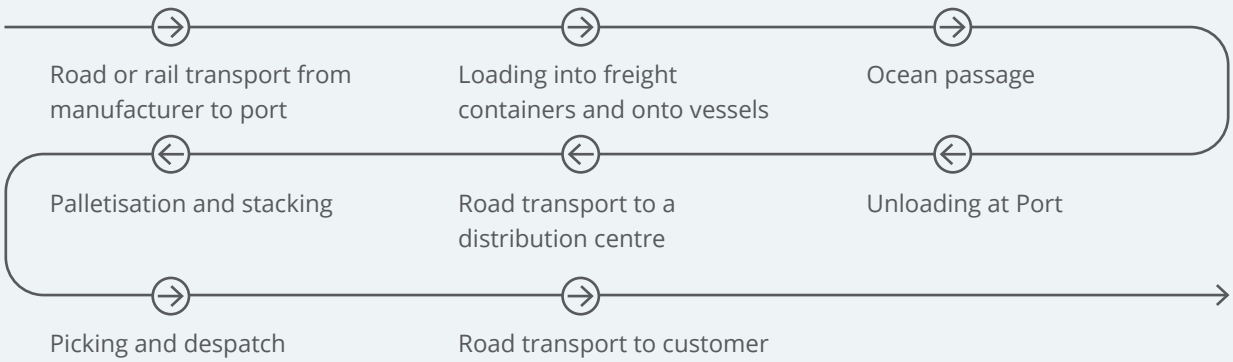
Whilst plastics can be recycled in New Zealand the infrastructure is limited and varies across regions. The following diagram from the Sustainable Business Network (SBN) illustrates those plastics that can be recycled and those that are hard to recycle. It is important that suppliers are familiar with the recovery/recycling capability in New Zealand and choose packaging material accordingly. OfficeMax can assist with any queries or if you require clarification.



Packaging Design for Recyclability by Sustainable Business Network

Design to reduce product damage and waste

The primary reason for product packaging is to protect products from damage and ensure they are delivered to the consumer in a fit-for-purpose state. The typical journey of a product to point of use is:



Each of these touch points influence the design for protection. The following characteristics should be considered:

1. **Tight** – the packaging must secure the product tightly to minimise movement during transportation
2. **Stackable** – the material and shape of the packaging must facilitate ease of transport and storage
3. **Uniform** – Consistent, uniform packaging assists stacking and storage
4. **Lightweight and cost effective** – the overall weight of a product and its packaging affect how it can be handled, the cost of transportation and the associated carbon emissions
5. **Export ready** – all packaging should be appropriate for products to be exported to and from New Zealand.

Eliminate materials potentially hazardous to humans and the environment.

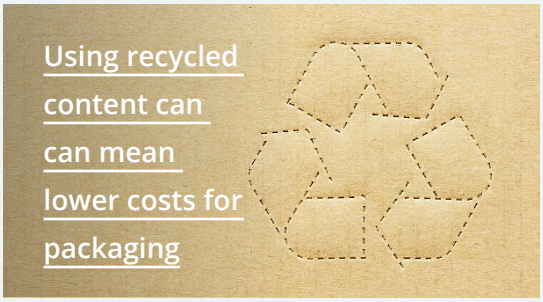
Packaging materials can represent a hazard to humans and the environment at distinct stages of their life cycle and use in several ways. Consideration should be given to the following:

- Materials that contain hazardous substances. In New Zealand hazardous substances refers to any products or chemicals that have properties that are explosive, flammable, oxidising, toxic, corrosive, or toxic to the environment. Whilst these substances may be stable during use, they can be released as a result of misuse, during recycling or as a result of disposal. Examples often linked to packaging include heavy metals (e.g., in some inks and pigments), Bisphenol A (in polycarbonate plastics and the lining of steel cans) and plasticisers (e.g., some phthalates in PVC plastics) (APCO 2020). These types of materials should be eliminated.
- Materials that represent a physical hazard, such as choking or entanglement, to humans and wildlife. A well-known example of a physically hazardous packaging is the plastic drink can pack holder. Distressing images of wildlife entanglement have led to a significant reduction in their use or replacement with biodegradable alternatives. Pen and bottle lids have also raised concerns as potential choking hazards.
- Materials with a high potential for litter. Lightweight materials such as expanded polystyrene (EPS) or foams may fragment and/or become easily airborne and as such are hard to control during packing and unpacking. Uncontrolled materials make up a large proportion of litter that enters our waterways and oceans. It is estimated that if we do not change current practises ocean plastic stocks will quadruple, reaching over 600 million tonnes by 2040 (Ellen MacArthur Foundation 2020). Limiting the potential for uncontrolled release into the environment increases the potential for recovery.

Use Recycled or Renewable Materials

A key principle of the Circular Economy is to decouple packaging from virgin materials. It is estimated that 29.1 million tonnes of virgin plastics were produced in 2019 (OECD 2022). Approximately 72% of these materials are lost to landfill or uncontrolled releases into our environment. These post-consumer materials are a precious resource which should be reflected in products and packaging.

The use of recycled content not only makes use of an existing resource and alleviates the burden on the planet, but it also helps to stimulate strong material recovery markets. In general, recycled materials use less energy and water to manufacture, and generate lower greenhouse-gas emissions than virgin materials of the same type (APCO 2022). This can also mean lower costs for packaging.



It is important to consider the functionality of materials when using recycled content, the ongoing recyclability of the packaging itself and to ensure consumers have clear information regarding the level of recycled content and recovery options.

Renewable materials are derived from resources that can be continually replenished. They are biomass based with no finite content. The advantage of their use is that they do not lose value at post-consumer stage but can be readily absorbed back into the environment.

Paper and cardboard-based materials are well used examples, but this category of material could also include biopolymers potentially made from agricultural or food manufacturing bi-products and waste (e.g., potato starch). Consideration should be given to the source of these materials with preference for certified sustainable farming and forestry practises such as Forest Stewardship Certification® (FSC®).

Clear Labelling and Information

All improvements made at the design stage of product packaging can be lost if the end user is unaware of the sustainable credentials of the packaging. It is important that the nature of materials used in packaging is clearly communicated to maximise reuse, recycling, and composting.

Guidance on appropriate environmental labelling on packaging can be obtained using recognised standards such as AS/NZS ISO 14021:2016 (Environmental labels and declarations - self-declared environmental claims (type II environmental labelling). All labelling claims must match up to the recovery infrastructure in the destination country. For example, a composting label should clearly state the nature of the facility required to compost the material.

4. Working Together

These guidelines have been developed to stimulate a joint initiative between OfficeMax and its suppliers to achieve a higher level of sustainability in the products and the packaging that we offer for sale to our customers. Maintaining open communication regarding packaging design, material choices and the challenges faced is required to enable us to progress towards our sustainability vision and goals.

Definitions[1]

Packaging refers to all containment and transportation packaging from product packaging (selling unit) to inners, outers, and void fill.

Reuse of packaging refers to the operation by which packaging is refilled or used for the same purpose for which it was conceived, with or without the support of auxiliary products present on the market, enabling the packaging to be refilled.

Reusable packaging refers to Packaging which has been designed to accomplish or proves its ability to accomplish a minimum number of trips or rotations in a system for reuse.

Material Recycling refers to reprocessing, by means of a manufacturing process, of a used packaging material into a product, a component incorporated into a product, or a secondary (recycled) raw material, excluding energy recovery and the use of the product as a fuel.

Recyclability refers to packaging material proven that packaging can be recycled 'in practice' and 'at scale.'

'At scale' means that the proof needs to be more than a lab test, a pilot, or a single small region. It means that recycling of a certain packaging type needs to be proven to work in practice in multiple regions in New Zealand. This to indicate that the recycling in practice is replicable, and that the design of the packaging is not the barrier to realise recycling in practice in other countries.

'In practice' means that within each of these regions, the recycling system (end-to-end system from consumer to recycled material) effectively recycles a significant share of all packaging of that type put on the market. In other words, in that area a significant recycling rate is achieved for that type of packaging.

Recyclable packaging refers to 'a packaging' or packaging component that is recyclable if it is successful post-consumer collection, sorting, and recycling is proven to work in practice and at scale.

In the context of the 2025 timeframe outline by the Global Commitment 'a packaging' can be considered recyclable if its main packaging components, together representing >95% of the entire packaging weight, are recyclable according to the above definition, and if the remaining minor components are compatible with the recycling process and do not hinder the recyclability of the main components. Otherwise, only the recyclable components of a package (or the recyclable parts of components) can be counted towards achieving this commitment, and only when other components do not hinder or contaminate their recyclability.

Composting refers to aerobic process designed to produce compost.

Compostable packaging refers to 'a packaging' or packaging component is compostable if it is in compliance with relevant international composability standards and if it is successful post-consumer collection (sorting), and composting is proven to work in practice and at scale.

Post-consumer recycled content refers proportion, by mass, of post-consumer recycled material in a product or packaging.

While in a circular economy it is encouraged that pre-consumer waste is kept in the system, the priority is to avoid such pre-consumer waste as part of an efficient production process. Recycled content commitments as part of the Global Commitment therefore exclude pre-consumer recycled content (ISO 14021, Usage of terms, Recycled content: Pre-consumer recycled content includes materials diverted from the waste stream during a manufacturing process).

Renewable material refers to material that is composed of biomass from a living source and that can be continually replenished. When claims of renewability are made for virgin materials, those materials shall come from sources that are replenished at a rate equal to or greater than the rate of depletion.

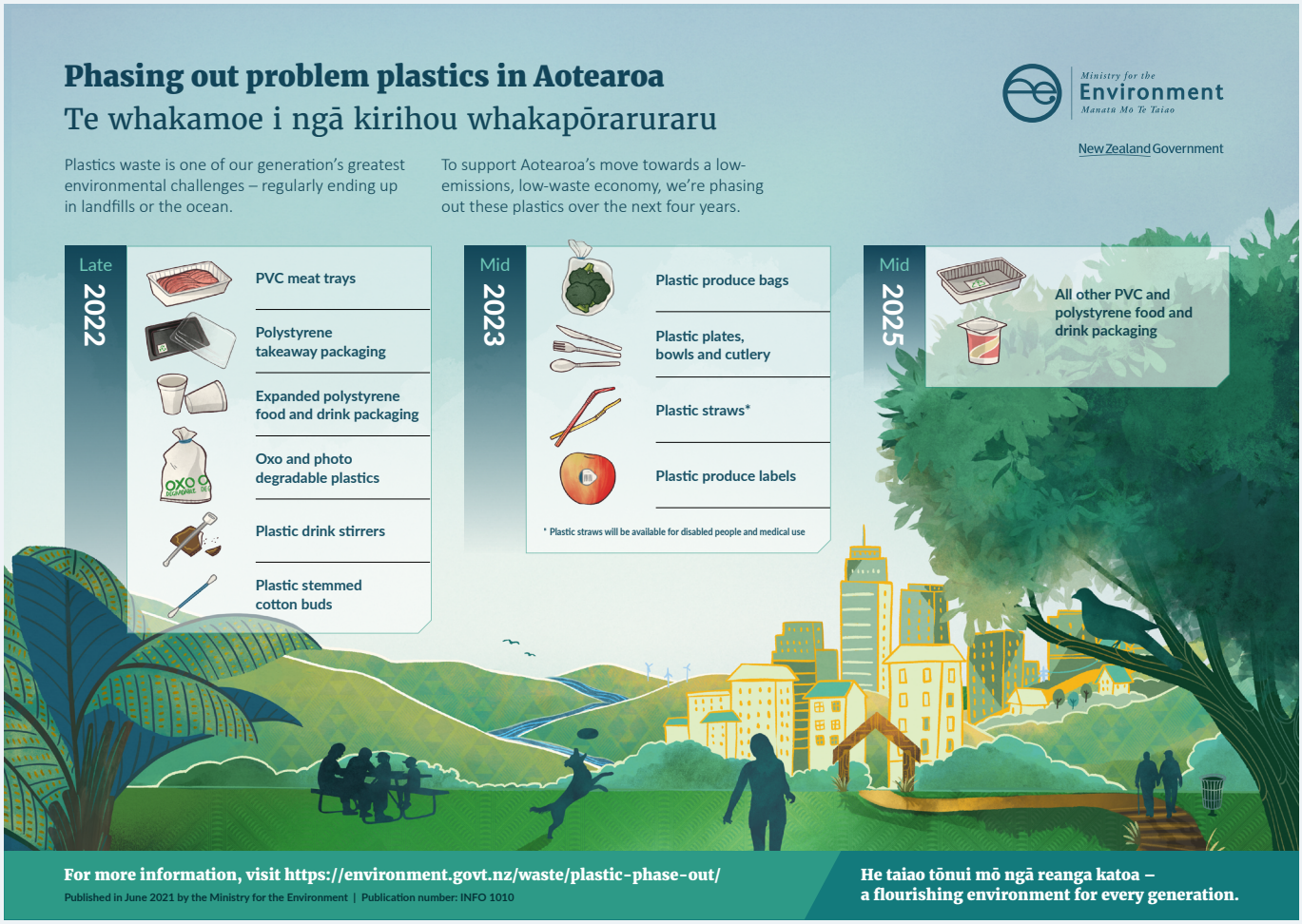
OfficeMax Private Label refers to all brands owned, and trademark registered by OfficeMax New Zealand Limited.

National Brand refers to branded products purchased by a distributor under the distributor brand name.

[1] Ellen Macarthur Foundation New Plastics Economy Global Commitment – February 2020
ellenmacarthurfoundation.org/global-commitment/overview

Appendix 1

Plastics Phase Out Programme New Zealand



environment.govt.nz/waste/plastic-phase-out

Appendix 2

Executable Supply Agreement for Office Supplies, Schedule 5: Governance - Ministry of Business, Innovation and Employment, NZ

Parameters	Recycled content of Low Waste Key Office Supplies Products
Description	The amount of recycled content within each Product across Low Waste Key Office Supplies category purchased bu a Participating Agency is increasing.
Purpose	Products within the Low Waste Key Office Supplies category should aim to be manufactured from as much recycled content as possible (where practical).
Calculation	(Total recycled content of all purchased Products by a Participating Agency / total number of purchased Products by a Participating Agency).
Buying Objective	To increase the amount of recycled content (where practical) within the Low Waste Key Office Supplies category that Participating Agencies purchase by 15% in every contract year of the Term.
Data Source	Product Spend.

Appendix 3

Sustainable Packaging Checklist

This Checklist is intended as a guide and reminder only during packaging design and selection.

Raw Materials

The packaging raw materials include:

- ○ Renewable Content ____ %
- ○ Recycled Content ____ %
- ○ Use of waste material (e.g., agricultural waste, industrial sludge)
- ○ Responsible sourcing of raw materials
- ○ Local sourcing of raw materials
- ○ Ethical labour sourcing of raw materials
- ○ Non-toxic ink and glue
- ○ No toxic or hazardous substances

Supply Chain and Production Process

The following refers to the sources and supply of raw materials for product packaging:

- ○ Full traceability, transparency, and confidence in the supply chain
- ○ Renewable energy in production
- ○ Low emission transportation
- ○ No toxic or hazardous substances
- ○ No or low impact on water and land resources
- ○ Production waste is minimised
- ○ Ethical and responsible working conditions in production

Packaging design

- ○ The packaging is necessary
- ○ Unnecessary packaging material is eliminated
- ○ Packaging is fit for purpose (protection, transport)
- ○ Packaging is made up of a single material or easily separated materials
- ○ Packaging is designed for ease of transport and storage
- ○ Packaging is secured with non-toxic, water soluble adhesives or tapes
- ○ Packaging is marked with non-toxic, water soluble inks and dyes

Post – usage

On receipt by the end user the product packaging is:

- ○ Reusable or can be repurposed
- ○ Recyclable in New Zealand
- ○ Home compostable
- ○ Commercially compostable
- ○ Biodegrades safely in nature with no harmful effects
- ○ Labelled with clear post-usage instructions to avoid littering or inappropriate disposal

Environmental Footprint transparency

The packaging has been assessed as follows and associated information has been made public:

- ○ Total carbon emissions related to packaging
- ○ Life cycle assessment completed
- ○ Certification to recognised standard