



Australian Packaging Covenant

Action Plan for Holman Industries

1st July 2011 to 30th June 2016

1 Executive Summary

Holman Industries are in the business of designing and manufacturing products and components that enable home owners to efficiently water their gardens and lawns. We are in the business of assisting to create and maintain quality landscapes. We pride ourselves in designing products that allow precious water supplies to be conserved and used efficiently. The concept of using packaging efficiently and responsibly is something we take very seriously.

Holman also understands that we must assist our customers to make the correct choice of product when trying to solve a watering problem. Packaging is a critical element in conveying the way a product should be used and how it may conserve a precious water source. We must ensure that we achieve both a clear message and minimise waste in packaging.

Holman have been a signatory to the National Packaging Covenant since May 2009. Since this date, we have committed significant company resources to reviewing our entire range of products with a view to providing reduced and innovative packaging solutions.

We support the “Sustainable Packaging Guidelines” and we promote them and the Covenant in dealing with our suppliers and customers. This 5 year action plan set out our commitment to continuously improving the way we package and present our product as well as simply conveying water saving messages to our customers.

Holman is a family owned company who do not have an endless supply of capital. We must change and improve things in a steady and continuous manner.

Holman have employed one full-time packaging designer who is constantly working through the product range, reviewing and re-designing our product packaging. We believe it will be at least two more years before the full range of products has been reviewed. Once this has been achieved, we will start the process again. We see this as a long term continuous investment.

2 Company History & Summary

Holman was established in 1964 as a manufacturer’s representative. In 1991 the business was purchased by Kerry and Wally Edwards, who set about developing and marketing a range of garden watering products under the Holman brand.

The Company has developed a market leadership position in the automatic control segment by developing intelligent control systems that allowed home owners to save water while watering their gardens. In recent years, the company has expanded into water efficient drip irrigation products.

Holman pack and distribute products to two distinct market segments: -

- Retail
- Professional Contractors.

Retailers demand individual products carry an identification barcode and information on how the product works, technical performance and features benefits.

Professional contractors do not require the above information and the products are generally supplied in outer cardboard cartons or plastic bags holding multiple numbers of a product. Almost no packaging exists in this market segment.

3 Company Brands

Holman is a brand owner under the Covenant.

The majority of product is sold under the Holman brand. However, Homestyle™ and Ezyfit™ are also used.

Holman also distribute products under the brands of K-Rain, Dawn & Dig.

Very few of these products enter the retail market and in general only carry minimal individual packaging.

4 Company Details

Bookleaf Pty Ltd ATF the Eden Unit Trust
trading as Holman Industries
ABN 29385212665

The company currently operates from 2 locations: -

| | |
|----------------------|-----------------------------------------------------|
| Head Office Perth | 463 Scarborough Beach Road, Osborne Park WA 6017 |
|----------------------|-----------------------------------------------------|

| | |
|-----------|--------------------------------------------------|
| Melbourne | 145 Northcorp Boulevard Broadmeadows Vic 3047 |
|-----------|--------------------------------------------------|

The Company employs thirty-five full time staff.

5 Holman Product Range

i Consumer Watering Products

Holman manufacture, import and distribute a full range of products and components to the home garden watering market.

The range is branded Holman and includes electronic timers and controllers, electric valves, sprinklers of all types, pipes and hoses, pipe fittings and hose fittings, as well as specialized products like rain sensors and weather stations.

ii Professional Irrigation Products

Products sold to this market carry no packaging. They are packed in standard cardboard boxes that hold many sprinklers. These products are sold under the K-Rain, Leit 2 and Dawn brands.

6 Supply Chain Position

Holman is the brand owner for the Holman brand. The products are manufactured in Australia, China and Thailand. Holman control the design and processes and are constantly working on reducing packaging and changing to degradable products wherever possible.

The products for the Professional irrigation market are sourced from manufacturers in the USA and we have no influence over how they package these products.

7 Packaging Materials and Formats

Our products are divided into 4 categories: -

i Fittings

The majority of our products have very minimal packaging used. Packaging consists of a paper sticker of minimum size that carries a description of the product and its barcode.

We estimate 60% of our products fall into this category.

ii Timers and Controllers

The Company does sell some very expensive electronic timers and controllers and these must be packaged securely and also in a manner that allows customers to see the product and assess how it works and what it looks like. These products use clam shell packaging using PVC plastic film.

We estimate 10% of our products are in this category.

iii Hose Reels and Hose Sprinklers

These products are packaged in standard cardboard boxes of adequate weight to withstand shipping and handling.

All packaging is recyclable.

We estimate 20% of our sales fall into this category.

iv Sprinklers & Valves

These products are packaged with coloured stickers or tied onto paper cards.

All packaging is degradable or recyclable.

We estimate 10% of our products fit into this category.

8 Covenant Contact Officer

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General Manager

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9 Covenant Management Plan

i Planning

The General Manager will co-ordinate decisions on packaging design and implementation through a team consisting of himself plus: -

- National Sales Manager
- Brand Manager
- Product Designer

ii Guidelines

We will use eight key check points in our design packaging: -

- Minimize packaging volume
- Use recycled materials
- Use materials from approved suppliers
- Design for efficient storage
- Design for efficient transport
- Design for re-use
- Design for litter reduction
- Design to provide the maximum amount of information to the customer.

iii Company Internal Conservation Programs

Holman have established protocols to maximise waste and recycle as much as possible :-

- Collect and recycle all cardboard
- Collect and recycle all stretch film
- Collect, shred and recycle all office paper.

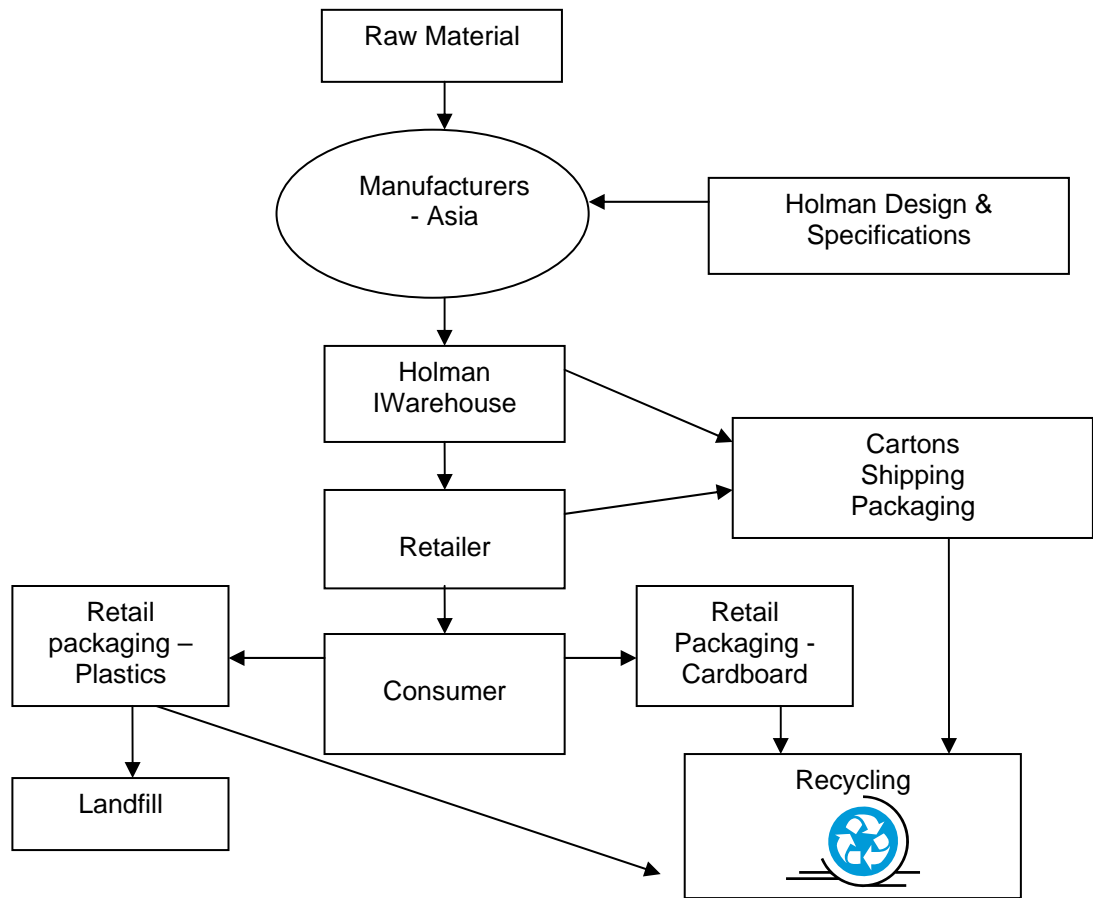
10 Packaging Materials

Holman use the following packaging materials in the manufacturing and distribution process: -

- Cardboard boxes (inner and outer)
- Cardboard information cards
- Plastic blisters
- Plastic bags
- Plastic ties
- Wooden pallets
- Shrink wrap

In the supply chain Holman stand between the packaging manufacturer and the retailers.

11 Holman Packaging Chain



12 Action Plan Summary Table 2011 – 2016

| Goal | Action | Responsibility | Performance Measure | Target | Timeline |
|------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|--------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|----------|
| 1. Design KP1 Packaging optimised To achieve reduced environmental impact without compromising Product quality | Implement process to assess all product packaging of competitors | National Sales Manager | New product packaging review and template developed | All new product packaging being reviewed before procurement | Jul 2013 |
| | Review product packaging for existing products by category and packaging type | Management Team | Existing product packaging reviewed and template completed by category | Reviews to be undertaken from July 2012 onwards. Aim to review 20% of range per full calendar year | Dec 2015 |
| | Consult with manufacturers to identify new packaging methods available and conduct suitability assessment as required | Packaging Brand Manager | Ongoing consultation with manufacturers | Explore alternative packaging methods as they become available | Dec 2015 |
| 2. Recycling KPI 3 KPI 4 Efficient collection and recycling of packaging | Continue to provide on-site recycling facilities for collection and recycling of waste materials from office, production, warehousing and distribution activities. | Logistics Manager | Ongoing provision of recycling facilities | Conduct waste audit of material sent to recycling facilities to establish baseline data | Jun 2013 |
| | Investigate opportunities for additional recycling services and ways to improve recycling rates | Logistics Manager | Investigate available recycling methods and technologies available | 5% improvement on recycling rates year on year | 2016 |
| | Investigate opportunities to improve existing capabilities and identify new methods of facilitating use of recycled office material in product packing | General Manager | Identify improvements in capabilities internally and externally | 2% increase in recycled materials used to pack product in warehouse annually | 2016 |
| | Continue to implement buy recycled principles where feasible | Logistics Manager | Product packaging and office product procurement decisions reflect buy recycled principles | 20% of paper based office products have a recycled content | Dec 2013 |
| 3. Product Stewardship KPI 6 KPI 7 KPI 8 Demonstrated commitment to Product stewardship by the supply chain and other signatories | Investigate improvements in distribution processes and procedures to minimize product damage during handling and transit to reduce waste | Logistics Manager | Monitor and review handling procedures to identify areas for improvement | 5% reduction in damaged products annually | Dec 2011 |
| | Continue to work with supply chain partners to reduce waste and improve recycling | General Manager | Communication of requirements to supply chain partners | Improvements in use of recycled materials | Dec 2015 |
| | Continue to educate consumers on responsible packaging disposal methods via labelling | Brand Manager | Packaging labelling requirements | All new packaging to include appropriate recycling and litter reduction icons | Jun 2013 |

13 Schedule for Packaging Reviews

| Product Category | Retail Unit Packaging Type | Retail Unit Packaging Material | Shipper Packaging Type | Shipper Packaging Material | Review Timeframe |
|-----------------------------------------------|----------------------------|--------------------------------|------------------------|----------------------------|--------------------------------|
| Garden Hose | Disc / Hang Sell | Cardboard | Box | Cardboard | September 2013 |
| Lawn Sprinklers | Carton | Cardboard | Box | Cardboard | December 2013 |
| Hand Sprays & Wands | Hang Sell | Cardboard | Box | Cardboard | December 2013 |
| Hose Reels & Carts | Carton | Cardboard | N/A | N/A | December 2013 |
| Tap Timers | Hang Sell Clamshell | Cardboard Plastic | Box | Cardboard | December 2013 December 2013 |
| Hose End Fittings – Plastic Inc Multi Taps | Label Hang Sell | Paper Cardboard | Plastic Bag | Cardboard | December 2013 December 2014 |
| Hose End Fittings – Brass | Label | Paper | Box | Cardboard | December 2014 |
| Pop Up Sprinklers | Label | Paper | Box | Cardboard | December 2014 |
| Controllers & Rain Sensors | Clamshell | Plastic | Box | Cardboard | December 2013 |
| Poly Fittings – 4mm, 13mm & 25mm | Bag | Plastic | Box | Cardboard | June 2014 |
| Risers & Stakes | Bag | Plastic | Box | Cardboard | June 2016 |
| Micro Sprays | Bag | Plastic | Box | Cardboard | June 2016 |
| Drip Emitters & Tubing | Bag | Plastic | Box | Cardboard | June 2016 |
| Poly & Drip Pipe | Label | Paper | Pallet | Wood | June 2014 |

14 Holman's Commitment to the NPC

This Action Plan covers the financial years July 2011 to June 2016

As a small brand owner, Holman will establish systems to capture the weight of packaging used each financial year.

Holman will work with our major retail customers to reduce the amount of packaging used on each product sold, as well as increasing the packaging effectiveness for the customer.

Holman will also work to use only materials that are easily recycled by the user. Plastic blisters and cards will be replaced by cardboard wherever possible.

Holman has established a working group consisting of General Manager, Brand Manager, and Retail Manager, to establish a focus on providing less and more efficient packaging over the entire product range.

Holman's principle objectives during this plan are: -

- i Create a data base that will capture the weight of all packaging used each financial year.
- ii Work with our customers to reduce, simplify, and improve the content of our packaging across all products.
- iii Reduce the amount of plastic blister packaging used and replace with cardboard.
- iv Ensure the end user is clear about his recycling options with the packaging used.
- v Establish systems within our own business to reduce the volume of landfill created and increase recycling.

15 Conclusion

Holman Industries will work to reduce and improve the packaging we use on all retail products.

This plan will be reviewed annually and data collected and reported to the NPC.

The process will be managed by the General Manager, Henry Mankowski.

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This document prepared by:

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General Manager

26th August 2011

Adopted by the Board of Bookleaf Pty Ltd as Trustee for the Eden Unit Trust trading as Holman Industries.

W J Edwards
Managing Director

26th August 2011