



AMER SPORTS

AMER SPORTS AUSTRALIA PTY LTD
AUSTRALIAN PACKAGING COVENANT (APC)
2010-2015 ACTION PLAN



**A signatory to the
Australian Packaging Covenant**



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1. EXECUTIVE SUMMARY

Amer Sports Australia Pty Ltd (Amer Sports) has been a signatory to the National Packaging Covenant (NPC) and has been invited to become a signatory to the Australian Packaging Covenant (APC), with a requirement to submit an Action Plan for the period 2010-2015. Amer Sports is a Brand Owner, a member of the packaging supply chain and as a signatory to the Covenant, will be expected to establish baseline data and develop specific actions for implementing the commitments under the Covenant.

The purpose of the Action Plan is to show how Amer Sports intends to contribute to the achievement of the Covenant's goals and to meet Amer Sports' obligations under the Covenant. The Three main performance goals of the Covenant are:

1. Design - Optimise packaging to use resources efficiently and reduce environmental impact without compromising product quality and safety
2. Recycling - Efficiently collect and recycle packaging
3. Product Stewardship - Demonstrate commitment of all signatories

Earlier in the year Amer Sports stakeholders met with its third party external consultant and participated in a workshop to review the requirements of the APC. As part of this review the stakeholders were taken through a 28 question questionnaire based on APC documentation and attendance at APC Workshops. The results of this review are documented in the Action Plan and the actions arising from this review are summarised in the Action Plan Table.

Amer Sports has carried out a preliminary review of the skills required to meet the requirements of the Australian Packaging Covenant. We have identified the key departments required to have input and will create a team to work on this key project as part of our ongoing efforts to address packaging. This Action Plan is to be followed up by regular meetings of the APC Team where we will continue to address the issues raised throughout the Plan. The Team will endeavour to facilitate a timely implementation of the Action Plan and will ensure data is stored in an auditable manner in a centralised APC audit database.

Mr. Joshua Constantine, Warehouse Manager is responsible for Amer Sports' commitment to the Australian Packaging Covenant. He will report directly to the Country Manager, Mr. Adam Joyce on all issues relating to the Covenant. This Action Plan has been endorsed by Mr. Joyce.



2. COMPANY PROFILE

2.1 AMER SPORTS AT A GLANCE

Amer Sports is a sporting goods company with internationally recognized brands including Salomon, Wilson, Atomic, Arc'teryx, Precor, Suunto and Mavic.

Amer Sports' technically-advanced sports equipment, footwear and apparel improve performance and increase the enjoyment of sports and outdoor activities. The Group's business is balanced by its broad portfolio of sports and products and a presence in all major markets.

Amer Sports' offering of sports equipment, apparel, footwear, and accessories covers a wide range of sports, including tennis, badminton, golf, American football, soccer, baseball, basketball, skiing, snowboarding, fitness training, cycling, running, hiking, and diving.

Amer Sports sells its products to trade customers (including sporting goods chains, specialty retailers, mass merchants, fitness clubs, and distributors) and, to a lesser extent, directly to consumers through brand stores, factory outlets, and online. Amer Sports' sales network comprises sales offices in 29 countries in all the key sporting goods markets around the world, which are serviced through the company's regional distribution centers. Amer Sports sources a significant portion of its products from Asia and Eastern Central Europe. In addition, Amer Sports operates its own production facilities in Europe and North America.

Amer Sports will continue to introduce new, innovative products in response to changes in consumer preferences, technology, and industry trends. Amer Sports' vision is to be the leading company in the sporting goods industry, fueled by authentic brands that inspire athletic achievement and enjoyment.

2.2 LOCAL PRESENCE AND EXPERTISE

The Amer Sports sales organization allows us to effectively bring our new products to market simultaneously around the globe. Our sales companies have experience and specialized expertise for every type of sport.

Furthermore, our local personnel know their own markets and the preferences of sports enthusiasts in their territories. First class customer service and reliable, efficient and timely supply chain management is core to the Amer Sports strategy, enabling us to continue to build on strong relationships with our customers and further strengthen our market-leading position.

Employing approximately 60 staff, Amer Sports Australian office and warehouse is located at 18-20 Lakewood Boulevard VIC 3195.



2.3 COLLABORATION WITH RETAIL PARTNERS

We are continuously developing our operations in collaboration with our retail partners. The Amer Sports product offering and services ensure optimal efficiency in the sell through process. In depth know how in each of our sports, together with a deep understanding of the consumer, are the keys to bringing innovative new products to market that out perform our competitors.

Major retailers of Amer Sports products in Australia include:

- AMART All Sports
- BIG W
- Kathmandu
- KMART
- Rebel Sport
- Sports Power

2.4 ENVIRONMENTAL INITIATIVES

Amer Sports and its brand companies continued developing existing environmental programs and were able to create new ones in 2010. As in the previous years, employees were asked to consider every element of their jobs and how they could improve their performance while reducing their environmental impact.

Several Amer Sports companies continued educating their employees about changing their work-habits to reduce paper and energy consumption, rationalize travel and increase recycling. For instance, Precor HQ reduced its waste by several hundred kilos and achieved significant annual savings by eliminating lunch room disposables while Arc'teryx has changed its product packaging from bags to a more sustainable biodegradable wrap. In 2009 the corporation had an upgraded video conference system installed and now has 27 video centers in active use, reducing the need for air travel.

Increased activity in this area continued through participation in environmental associations, which vary from industry-wide to local organizations. For example, Salomon is a member of the European Outdoor Group and is represented on its product end of life committee, which is working to establish industry standards for product development and disposal. Salomon is a co-founder of the Fondation Eau, Neige & Glace which aims to improve the management of mountain water resources, and as a member of Mountain Riders, a French non-profit organization, Salomon works to raise awareness on environmental issues and for the promotion of sustainable development in the mountains. Arc'teryx is a member of the Conservation Alliance, which has a mission to protect wilderness areas for their habitat and recreation values.

Amer Sports Winter & Outdoor Americas (ASWO), located in Ogden, Utah, partners with several local organizations, for instance one of which mission is to promote, plan and preserve trails and open space in and around the local community. ASWO is also a member of the committee to reduce carbon emissions and improve air quality in Utah. ASWO's employees have founded their own Green Committee, which meets regularly to review the company's performance concerning environmental targets and to consider new opportunities. Similar committees also are in place at Amer Sports Sourcing and Arc'teryx headquarters in Vancouver. Initiated and supported by the company, the Arc'teryx Green Committee is an employee-based group that dedicates part of their working week towards reducing the environmental footprint of the business, and by researching and identifying problem areas within the company, its members propose and implement more sustainable solutions.



Precor's new strength equipment manufacturing facility in North Carolina was given the Leadership in Energy and Environmental Design (LEED) gold status. It has been operational from early 2010 having a reduced energy usage of 40–50 percent compared to the previous one. The company worked with the architects, developers and contractors to ensure the highest possible energy conservation in the new facility.

Amer Sports brands have also created environmentally friendly products and one of the most recent examples is Atomic Nomad Renu skis. Compared to conventional skis, the Nomad Renu uses 30% less fiberglass and epoxy resins. The top sheet is produced with rapeseed oil, while recycled materials are used for the production of the base and steel edges. The special combination of a laminated ash core and a nut veneered top reinforcement makes energy-intensive aluminum components unnecessary and as a result, the carbon footprint has been reduced by 50%.

Life Cycle Assessment (LCA) is a technique to evaluate the environmental aspects and potential impacts associated with a product. In 2010 Salomon conducted at least ten product LCAs aiming to better understand and evaluate the production impacts. Suunto participated in the VVT (Technical Research center in Finland) Ekoteho project which also included life cycle analysis to find and apply new methods for improving environmental friendliness in production.



3. COVENANT CONTACT OFFICER

Mr. Joshua Constantine, Warehouse Manager is responsible for Amer Sports' commitment to the Australian Packaging Covenant. He will report directly to the Country Manager, Mr. Adam Joyce on all issues relating to the Covenant. This Action Plan has been endorsed by Mr. Joyce.

Mr. Constantine's contact details are as follows:

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3.1 OUR APC TEAM

Amer Sports has carried out a preliminary review of the skills required to meet the requirements of the Australian Packaging Covenant. We have identified the key departments required to have input and will create a team made up of the following individuals or their selected delegates to work on this key project as part of our ongoing efforts to address packaging:

Name:	Responsibility:
Adam Joyce	Country Manager
Joshua Constantine	Warehouse Manager
Jaroslav Rusc	Receiving Supervisor (orders packaging and consumables)

The APC Team is responsible for developing an internal project plan to co-ordinate all tasks required to implement the Action Plan. This list is not exhaustive and individuals may not be involved in all twelve strategies relating to the Sustainable Packaging Guidelines.

This Action Plan is to be followed up by regular meetings of the APC Team where we will continue to address the issues raised throughout this plan. The Team will endeavour to facilitate a timely implementation of the Action Plan and will ensure data is stored in an auditable manner in a centralised APC audit database.



4. SCHEDULE FOR PACKAGING REVIEWS

4.1 TYPES OF PACKAGING USED

Cardboard, paper and plastic (PET and LDPE)

4.2 TIMETABLE FOR REVIEW

Review Period:	% of Product Lines Reviewed	
	Existing	New
Year 1	25%	50%
Year 2	50%	100%
Year 3	75%	100%
Year 4	100%	100%
Year 5	100%	100%



5. ACTION PLAN

5.1 INTRODUCTION

The purpose of the Action Plan is to show how Amer Sports intends to contribute to the achievement of the Covenant's goals and to meet Amer Sports' obligations under the Covenant. The Three main performance goals of the Covenant are:

1. Design - Optimise packaging to use resources efficiently and reduce environmental impact without compromising product quality and safety
2. Recycling - Efficiently collect and recycle packaging
3. Product Stewardship - Demonstrate commitment of all signatories

Earlier in the year Amer Sports' stakeholders met with its third party external consultant and participated in a workshop to review the following overarching requirements of the APC:

- Determine Action Plan requirements for Amer Sports
- Assist in establishing an APC Team
- Provide overview / training for the APC Team
- Develop a project plan for development of the Action Plan
- Develop auditable document and filing system for managing the requirements

As part of this review the stakeholders were taken through a 28 question questionnaire based on APC documentation and attendance at APC Workshops. The results of this review are documented in the following sections and the actions arising from this review are summarised in the Action Plan Table.

5.2 DESIGN

5.2.1 COVENANT GOALS

- Review existing procedures for new packaging design and integrate with requirements of Sustainable Packaging Guidelines;
- Determine timetable for "packaging review" of existing packaging to meet requirements of Sustainable Packaging Guidelines; and
- Identify and determine targets and actions for Plan.

5.2.2 OUTCOME

The outcome should be packaging designed to:

- Avoid or minimise the use of materials and other resources;
- Optimise recyclability and recycled content; and
- Reduce litter impacts.



5.2.3 KEY PERFORMANCE INDICATOR

The Key Performance Indicator for Design will be evidence that Amer Sports is implementing the Sustainable Packaging Guidelines (SPG) for design or procurement of packaging.

5.2.4 CURRENT AND PLANNED ACTIONS

5.2.4.1 Amer Sports does not have a documented policy and procedure for evaluating and procuring packaging using the SPG as most Amer Sports products are imported prepackaged. However, all packaging will be reviewed using the Sustainable Packaging Guidelines and a timetable for review is included in section 4.2.

5.2.4.2 The most logical categorisation of **existing** packaging is by product category.

5.2.4.3 Amer Sports does not have a process for developing **new** packaging as most of its packaging is designed, developed and specified by Amer Sports' overseas suppliers; however, Amer Sports' overseas suppliers will be made aware that it is a signatory to the APC and what this entails in fulfilling its obligations as a signatory.

5.2.4.4 Amer Sports does not have any internal documentation, third party audits, ISO 14000 Environment Management Systems (EMS) or environmental policies that will assist with addressing the questions in the 12 Strategies of the SPG. As mentioned above Amer Sports is reliant on the design processes used by its overseas suppliers.

5.2.4.5 Amer Sports will establish a centralized data base for all issues relating to the APC including:

- All decisions and the underlying evidence for those decisions;
- Packaging review reports; and
- An auditable trail for decisions made in relation to the SPG.



5.3 RECYCLING

5.3.1 COVENANT GOALS

- Review and document existing recovery systems;
- Review and document existing Buy Recycled Policies; and
- Identify and determine actions and targets for Plan.

5.3.2 OUTCOME

The outcome should be:

- Improved recovery of recycled materials from the premises of Amer Sports; and
- Increased secondary markets for recovered packaging materials.

5.3.3 KEY PERFORMANCE INDICATOR

The Key Performance Indicator for Recycling will be evidence that Amer Sports is implementing the on-site recovery of packaging through documentation provided from contracted waste managers, and an increase in the level of recycled content in purchases made by Amer Sports.

5.3.4 CURRENT AND PLANNED ACTIONS

5.3.4.1 Amer Sports' packaging waste reduction goals are to reduce waste, reduce the cost of waste and to be environmentally responsible, and it will be necessary to establish base line data in order to measure this.

5.3.4.2 Amer Sports' employees are educated about recycling and waste reduction programs. In 2009-2010 the following message was circulated to all staff.

PAPER RECYCLING

**As you would all be aware currently we do not recycle any of our paper.
From now on the plan is in motion to recycle all our paper that we currently put into bins.
Each person will receive a paper recycling bin that can be placed where you desire around your desk.
There will be 2 large paper wheelie bins available once you have filled your desk bin to empty into,
one will be at the bottom of the stairs near the archive room and the other in the warehouse.
Each person will be responsible for emptying their paper bins.
The cleaners will still do the rubbish collection as normal.**

Please make sure that there is only paper going into these new recycling bins.

Any questions feel free to ask.

**Regards
Warehouse Manager**

More recently staff has been invited to bring their cardboard, paper and plastic from home for recycling.



5.3.4.3 Paper, cardboard and plastic is segregated and collected for recycling in the warehouse. Recycling is seen to be a saving.

5.3.4.4 Amer Sports does not have a Buy Recycled Policy. However, it purchases its consumables from a Covenant signatory that has a range of recycled and recyclable products, and every endeavour is made to purchase these products, as long as they are competitive and fit for use.

5.4 PRODUCT STEWARDSHIP

5.4.1 COVENANT GOALS

- Review and document existing Product Stewardship procedures;
- Review existing Supply Contracts for take back;
- Review existing Waste Management contracts; and
- Identify and determine actions and targets for Plan.

5.4.2 OUTCOME

The outcome should be:

- To improve the design and recycling of packaging; and
- Reduce the overall level of litter created by packaging.

5.4.3 KEY PERFORMANCE INDICATORS

The key performance indicators for product stewardship are;

- Have formalised procedures in place to work with others to improve design and recycling of packaging;
- To engage in other initiatives that show product stewardship such as education, sponsorship of initiatives etc; and
- To reduce the occurrence of litter in their operations and encourage clients to properly dispose of the packaging on products to remove them from the litter stream.

5.4.4 CURRENT AND PLANNED ACTIONS

5.4.4.1 Amer Sports does not have a documented policy to review all packaging against the SPG.

5.4.4.2 Amer Sports does not have supply contracts that require take back and recycling of packaging.

5.4.4.3 Amer Sports has informal waste management arrangements in place that require collection and recycling of packaging. Amer Sports will request assistance from the contractor in establishing base line data.

5.4.4.4 Amer Sports does not have a procurement process in place requiring suppliers to participate in reducing packaging through regular meetings or product reviews as most products are imported pre-packaged.



5.5 ACTION PLAN TABLES

*Please note that the responsibilities for individual Actions will be allocated when the APC Team next meet.

Covenant Performance Goals	Actions	*Responsibility	Timeline	Targets	Evidence
<p>1. Design - optimise packaging to achieve resource efficiency and reduction in quantity required. The design efforts should reduce environmental impact without compromising product quality and safety.</p> <p>KPI 1. Proportion of signatories in the supply chain implementing the Sustainable Packaging Guidelines for design or procurement of packaging.</p>	Prepare a gap analysis between existing environmental and product development systems / standards and SPG to ensure SPG implementation	APC Team	December 2011	Gap analysis completed	Gap analysis Report
	Establish documented policy and procedure for evaluating and procuring packaging using the SPG		June 2012	Documented policy and procedure completed	Policy and Procedure Document
	Review all new products using the SPG		Refer 4.2	Refer 4.2	SPG Reviews
	Review all existing products using the SPG		Refer 4.2	Refer 4.2	SPG Reviews
	Establish new product development process used by overseas suppliers		December 2011	Obtain response from overseas suppliers	Copy of response
	Advise overseas suppliers that Amer Sports is a signatory to the APC and its commitments and obligations		June 2011	Draft and send to overseas suppliers	Copy of correspondence
	Establish centralised data base		December 2011	100% compliance by all stakeholders	Centralised data base



Covenant Performance Goals	Actions	*Responsibility	Timeline	Targets	Evidence
2. Recycling – efficiently collect and recycle packaging KPI 2. Not required by individual signatories.	Review and recommend improved on-site recycling and buy recycled policies	APC Team	December 2012	Review completed	Review Report with recommendations
KPI 3. Proportion of signatories with on-site recovery systems for recycling used packaging.	Establish baseline data for on-site waste and recyclable packaging recovery		March 2012	After establishing base line data agree on targets	Annual Reports
	Formalise employee education programs about recycling and waste reduction		June 2012	Review and implement recommendations	Induction process and signage
KPI 4. Proportion of signatories with a policy to buy products made from recycled packaging. KPI 5. Not required by individual signatories.	Formalise a Buy Recycled Purchasing Policy and encourage implementation		June 2012	Part of employee education program	Induction process



Covenant Performance Goals	Actions	*Responsibility	Timeline	Targets	Evidence
3. Product Stewardship – demonstrate commitment of all signatories	Review and recommend formal processes for working with others, other product stewardship outcomes for packaging and reducing litter	APC Team	December 2011	Review completed	Review Report with recommendations
KPI 6. Proportion of signatories that have formal processes for working with others to improve packaging design and recycling.	Formulate a documented policy to review all packaging against the SPG and develop a suppliers questionnaire to assist in answering the questions raised in the SPG		December 2011	Documented policy and questionnaire completed	Documented policy
	Investigate opportunities to negotiate supply contracts that require take back and recycling of packaging		March 2012	Investigation completed	Investigation Report with recommendations
	Review existing waste management arrangements and request assistance in establishing base line data		March 2012	After establishing base line data agree on targets	Annual Reports
KPI 7. Proportion of signatories demonstrating other product stewardship outcomes for packaging.	Investigate other product stewardship opportunities		June 2011 – December 2015	A minimum of one new initiative per annum	Annual Reports
KPI 8. Reduction in the number of packaging items in litter.	Not applicable				