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A PUBLIC COMMITMENT



Plastics and Chemicals Industries Association

CODE OF PRACTICE

Product Stewardship

PRODUCT STEWARDSHIP CODE OF PRACTICE

INTRODUCTION

Definition

Product Stewardship is the responsible and ethical design and management of products throughout the entire product life cycle; in order to ensure health and safety and protect the environment.

Product Stewardship is a demonstrable process that places an ongoing responsibility on a company to identify, monitor, manage and continually improve the health, safety and environment performance of its products and packaging.

Purpose

The purpose of product stewardship and of this Code is for a company to actively engage in the identification and management of the risks associated with its products, to the extent consistent with its degree of influence at each stage of the product life cycle. It covers member company actions necessary to fulfil the Guiding Principles of Responsible Care, which in particular state:

“We will assess the risks associated with our products, and ensure these risks are properly managed through the supply chain and life cycle. We will give health safety and environment considerations priority in the development of new products and processes”

“In line with our duty of care to the needs of future generations, we will aim for resource sustainability and work towards the elimination of waste in all our activities”.

The Code is supportive of initiatives on Product Stewardship such as the National Packaging Covenant.

It should be noted that many companies have tailored quality, environment and safety systems such as ISO 9001 and ISO 14001. Implementing equivalent elements from those systems would meet the requirements of this Code of Practice. Where a company does not have a recognised management system, this Code of Practice provides guidance for sound Responsible Care practices. Implementation of management practice equivalent to the examples given with appropriate evidence of actions to achieve compliance with the Policy intent is acceptable.

Scope

Society in general has a concern for the quality of the environment and an expectation that chemical products can be used safely. Manufacturers, suppliers, end-users (including the consumer) and companies recycling and disposing of products and packaging must address these expectations by assuming appropriate product stewardship responsibilities. This includes management of issues such as the illicit production of drugs or chemical weapons.

The Product Stewardship Code covers all stages of a product's life and is intended to help prevent misuse, mishandling or other activities that might result in harm to people or the environment. The word “help” is key because it acknowledges that to be successful, product stewardship must be a co-operative effort. The Code interfaces with all of the other Responsible Care Codes of Practice. Benefits would also be gained from reference to other PACIA publications on specific high hazard materials such as acrylonitrile, hydrofluoric acid and sodium cyanide.

Philosophy

The purpose of Product Stewardship is that products, particularly those containing or creating hazardous substances, and the potential short or long term health, safety and environmental issues which their use presents, be properly assessed and managed. This starts with the concept, and product development stage, then continues through their manufacturing, introduction and use (including recycling) and, if no practicable alternative exists, to final disposal. Each party in the supply chain owns responsibility for the product and will practise Product Stewardship. This requires the active co-operation of all participants. Importers are required to assume the same responsibilities as would apply to the manufacturer of the product.

Manufacturers, importers and suppliers of products will use their best efforts to prevent the misuse of a product and its packaging. Member companies have a shared responsibility for the storage, handling, use, recycling and safe disposal of their products throughout the life cycle, and will extend their influence throughout the supply chain through effective education and communication strategies. Any assessment of safety, health, environmental impact and waste management will not be over-ridden by commercial and technical considerations.

Each organisation and its management will maintain an ongoing commitment to understand better the risks involved with the products and communicate these to relevant staff, resellers and customers as part of their continuous improvement process. This commitment will include regular review and updating of information.

Product Stewardship provides a framework for member companies to accelerate continuous improvement in the areas of health, safety and environment through:

- Appropriate education, training and awareness raising of staff, customers, resellers, end-users and the wider community;
- Suitable labelling and warnings on products;
- Provision of information, advice and assistance;
- Evaluation of downstream users and practices;
- Supporting R&D in product and process design improvement;
- Providing information on waste minimisation and avoidance;
- Supporting reprocessing and waste management.

MANAGEMENT PRACTICES

<u>Code Section/ Management Practice</u>	<u>Examples of acceptable implementation of management practice</u>
<p>1. <u>COMMITMENT AND LEADERSHIP</u></p>	
<p>1.1 <u>Policy</u> Product Stewardship shall be incorporated into the culture and core philosophy of each company and the implementation of Product Stewardship shall require senior management leadership through individual commitment, active participation, publishing of written policies and procedures and effective communication. Policies and Standards shall meet or exceed all legal requirements in letter and in spirit.</p>	<p>1.1 (a) Published policy making reference to Product Stewardship issues is displayed prominently at each location and by each major business unit (b) CEO and senior management make their commitment to Product Stewardship clear by regular communications, including agenda items at regular meetings of senior managers.</p>
<p>1.2 <u>Accountability</u> Goals and responsibilities shall be established for implementing Product Stewardship by teams and individuals throughout the organisation.</p>	<p>1.2 (a) Job descriptions (or equivalent), where appropriate, include responsibilities for contributing towards Product Stewardship programs throughout the company. (b) Appraisal systems and rewards reflect the progress towards achievement of these goals.</p>
<p>1.3 <u>Resources</u> Each company shall define and commit the appropriate financial, time and human resources necessary to implement, maintain and continually improve product stewardship performance, commensurate with product risks.</p>	<p>1.3 (a) Senior management regularly assess, provide and document the resources necessary to implement Product Stewardship in accordance with policy and management directives, in proportion to product risk.</p>
<p>2 <u>RISK ASSESSMENT AND PLANNING</u></p>	
<p>2.1 <u>Product Risk Characterisation</u> The manufacturing, storage, transport, use and/or disposal hazards of new and existing products shall be characterised, either qualitatively or quantitatively, according to their risk (using information about short or long term health, safety and environmental hazards and reasonably foreseeable exposures). A system that initiates re-evaluation of such risks shall be carried out on a regular basis.</p>	<p>2.1 (a) HSE considerations on any new or modified product are reviewed and documented prior to commercialisation, including reasonably foreseeable exposures. (b) Product risks are characterised to determine whether certain products pose a higher risk than others, with particular emphasis on persistent and/or bio-accumulative materials. (c) Periodic reassessment of the level of risk is carried out, taking into account changes in processes or product use and emerging environmental and health science.</p>

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<p>2.2 <u>Legal/other requirements</u> Each company shall establish systems to identify and maintain knowledge of legal requirements and industry best practice in relation to product stewardship issues</p>	<p>2.2 (a) Systems are in place for identifying and keeping up to date on legal requirements, for example through PACIA Member News and Regulatory Affairs briefings. (b) Company representatives participate actively in industry and technical forums to keep up to date on best practice and share experience. (c) Company representatives participate actively in industry processes to assist in developing appropriate new laws.</p>
<p>2.3 <u>Objectives</u> Senior management shall highlight the importance of product stewardship by setting appropriate overall objectives for the implementation of policy.</p>	<p>2.3 (a) Senior management have published clear direction and expectations for the implementation of policy. (b) These expectations are translated into specific overall objectives for each significant business sector. For example, the objectives might include training of all sales staff in Product Stewardship issues or the assessment of all customers purchasing high risk products by a certain date.</p>
<p>2.4 <u>Management Plans</u> Each company shall develop and publish written plans for the management of product stewardship issues by each significant business sector; by which accountability is clearly assigned and against which progress can be measured.</p>	<p>2.4 (a) Specific Plans are developed for Product Stewardship Management, especially for high risk products. (b) Management plans allocate specific responsibilities and the required timing.</p>
<p>3 <u>IMPLEMENTATION</u></p>	
<p>3.1 <u>Structure and Responsibility</u> Each company shall establish a formal structure for the implementation of this Code, which includes defined roles, responsibilities and authorities for an overall co-ordinator and for individual business sector product stewards as appropriate for the risk and the nature of the business.</p>	<p>3.1 (a) Each company shall appoint an overall co-ordinator for Product Stewardship and establish a network of “product stewards” or equivalent for each significant business sector; as appropriate for the product risk and the size and complexity of the business.</p>

Code Section/ Management Practice	Examples of acceptable implementation of management practice
3.2 Training, Awareness and Competence	
3.2.1 Health, Safety and Environment Information Each company shall establish and maintain a repository and local retrieval system for information on health; safety and environmental hazards and exposures which are reasonably foreseeable having regard to general community or industry practices of use and misuse. This shall be done for all new and existing products and their packaging.	3.2.1 (a) All existing products have information up to date and available, which includes results of testing for such matters as animal or human toxicity, eco-toxicity and chemical, and physical properties that affect exposure or environmental impact. (b) All new products have equivalent information determined before commercialisation (c) Information is provided in a convenient and usable form, including appropriate Material Safety Data Sheets (MSDS) Product packaging and labelling carries all appropriate information, including that required by the National Packaging Covenant
3.2.2 Education and Training Each member company shall educate and train its employees (appropriately for their job function and for known product uses) on the product risk management system and on the proper handling, use, recycling and disposal of products and their packaging.	3.2.2 (a) Employees are trained on potential hazards in the product or manufacturing process during new or modified product development and startup. (b) Key personnel are trained in the overall product risk management system. (c) Routine training programs for all products and processes include handling, recycling and disposal of products and product wastes. (d) Training programs have features at least including:- <ul style="list-style-type: none"> • Structured training sessions prior to accepting responsibility. • Assessment of trainee competence • Planned refresher training • Tailored to specific job requirements • Regularly up-dated to include new information
3.2.3 Product Use Dialogue Each company shall train people who come in contact with customers to facilitate the flow of information both to and from customers and other users. They also shall train and encourage employees to report information on new product applications and identified misuses or adverse effects for incorporation in product risk characterisation.	3.2.3 (a) People who come in contact with customers are trained to facilitate the flow of information to and from customers or other users (b) All employees are trained and encouraged to make input on proper handling, use and disposal of products, using appropriate and well publicised methods.

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<p>3.3 <u>External Communications</u> Other groups involved in the product stewardship process could include contract manufacturers, distributors, repackers, formulators, transport and storage companies, customers and other direct receivers of product. Others who may need information include regulatory authorities and members of the public. To each of these groups each company shall provide health, safety and environmental information and guidance appropriate to the product and/or process risk; to promote proper handling, use, waste minimisation and disposal. Companies shall work with those concerned and encourage feedback on product stewardship issues.</p>	<p>3.3 (a) All parties who have a regular need for HSE information and guidance on products and processes are identified and recorded. (b) Regular users of product and process HSE information are provided with accurate and up to date material. (c) Customers and other direct receivers are provided with training and guidance appropriate to the risk. (d) Product HSE information is provided to other interested parties in accordance with the Responsible Care Code of Practice for Community Right to Know. (e) Documented Procedures are established to encourage and record feedback from external stakeholders on product handling, use and disposal; and to work with the stakeholder to resolve these issues.</p>
<p>3.4 <u>Documentation</u> Each company shall establish and maintain appropriate written documents necessary for ongoing implementation of the Product Stewardship Plan and systems. The level of detail shall be specifically designed to be commensurate with product risk in the Risk Management System. The emphasis shall be to assist the Product Stewardship process, but not drive it.</p>	<p>3.4 (a) Documents necessary to set up and implement the systems and procedures necessary to meet this Code are identified. (b) Evidence exists that the Risk Assessment for products or product groups has been considered in order to establish the level of documentation and detail required for effective Product Stewardship. (c) Documentation is properly developed and maintained, preferably as part of an Integrated Management System.</p>
<p>3.5 <u>Document Control</u> Each company shall periodically review and update health, safety and environmental information and guidance; and ensure that all stakeholders use only the most up to date document. Documents may be in paper or electronic form.</p>	<p>3.5 (a) Documents required for the establishment and maintenance of compliance with the requirements of this Code are up to date, available and properly controlled. For example consideration has been given to the issue of ensuring each customer is using the most recent MSDS.</p>
<p>3.6 <u>Operational Control</u> 3.6.1 Risk Management Each member company shall identify, document and implement actions appropriate to the health, safety and environmental risks characteristic of the product. Such actions may range from no corrective action through the provision of MSDSs and labels, to product and/or package redesign, customer training or removal of the product from the market.</p>	<p>3.6.1 (a) Consultation processes take place between business, technical and HSE specialists for risk assessment, particularly during product planning and development. (b) Material Safety Data Sheets (MSDS) are prepared and updated consistent with legal requirements and relating to the best available information. (c) Regular review of product HSE data takes place, taking into account all new information generated as a result of actions from other sections of the Code. (d) Product labels are reviewed periodically for consistency with the MSDS and with legislative requirements.</p>

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<p>3.6.2 Product and Process Design and Improvement Each company shall make the reduction of health, safety and environmental impacts (including the conservation of energy and natural resources) key considerations when designing, developing and improving products and their packaging. These considerations must address not only product design but also manufacturing and waste management processes.</p>	<p>3.6.2 (a) Business groups are directly involved in reducing HSE impacts during product and packaging design and development, including manufacturing and waste management processes for new and improved products.</p> <p>(b) Processes are in place for review of HSE impacts as part of a decision on commercialisation.</p> <p>(c) Business and Technical groups are aware of the need for and current level of compliance with the Manufacturing Process Safety, Employee Health and Safety and Environmental Protection Codes; particularly for high risk products.</p>
<p>3.6.3 Selection of Suppliers and Contractors Each company shall identify and select appropriate suppliers, contract manufacturers, repackers, formulators and distributors who will implement and monitor proper health, safety, environmental and product stewardship practices involving its products.</p>	<p>3.6.3 (a) The background knowledge, facilities and procedures of contractors are assessed before entering into an agreement with them, in order to confirm their preparedness to apply proper emphasis on HSE issues involving company products. Techniques such as a “Responsible Care pre-contract assessment check list” and verification audit are preferred.</p> <p>(b) Existing contractors are subject to periodic review using the same processes as for new contracts.</p>
<p>3.6.4 Customers and Other Direct Product Receivers Each company shall encourage customers and other direct product receivers to introduce and maintain recommended use, health, safety and environmental practices involving its products; and transmittal of appropriate information to downstream users.</p>	<p>3.6.4 (a) Customer capability and processes are reviewed and a joint assessment of risk made for both product and application. Techniques such as a “Customer Application Audit Questionnaire” and verification audit are preferred; at least for high risk products.</p> <p>(b) Customers are encouraged to implement proper practices for the handling, use, recycling and disposal of company products consistent with the outcome of the assessment.</p> <p>(c) A level of support is provided to the customer commensurate with the inherent product risk and the joint assessment of the application</p> <p>(d) Commensurate with product risk, customers and other direct product receivers are encouraged to transmit necessary information to downstream users.</p>
<p>3.6.5 Customer Feedback Each company shall facilitate the retrieval of relevant information from customers and other product receivers on product handling, use, recycling and reasonably foreseeable exposures in areas such as research and development, manufacturing, transport, storage, packaging and disposal.</p>	<p>3.6.5 (a) Procedures are in place and customers and other direct product receivers are encouraged to feed back information on issues concerned with handling, use, recycling and disposal of company products; particularly in relation to problems, incidents and near misses.</p> <p>(b) Feedback from customers and other direct product receivers is properly documented.</p>

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<p>3.7 Emergency Procedures and Response Formal written emergency procedures and plans developed and maintained by the company shall recognise the need to respond appropriately to incidents not only at manufacturing site(s), but also during the storage and distribution process, including customer premises if appropriate.</p>	<p>3.7 (a) Sales and marketing personnel are actively involved in discussion and training to become familiar with emergency procedures and response plans, particularly those targeting their higher risk product</p> <p>(b) Emergency Response plans nominate clear roles and responsibilities for those involved in the Product Stewardship process, particularly for incidents during distribution, off-site storage and at customer premises.</p> <p>(c) Emergency Response plans are reviewed and updated, if necessary on a regular basis to take account of any changes at any stage in the Product Stewardship process.</p>
<p>4 <u>PERFORMANCE MEASUREMENT AND CORRECTIVE ACTION</u></p>	
<p>4.1 <u>Monitoring and Measurement</u></p>	
<p>4.1.1 Feedback of information Each company shall obtain and document positive and negative feedback on product stewardship issues from employees and external stakeholders</p>	<p>4.1.1 (a) Feedback from employees and external stakeholders on Product Stewardship issues is obtained and properly documented, preferably by incorporation in an "Incident Reporting" system (or equivalent) and by reports on successful initiatives.</p>
<p>4.1.2 Monitoring of Customer Implementation Each company shall inspect, review and report regularly on customer implementation of product stewardship requirements, commensurate with product risk.</p>	<p>4.1.2 (a) Sales and Marketing personnel, with appropriate technical support, regularly inspect, review and report on customer implementation of product stewardship requirements.</p>
<p>4.1.3 Progress on the Product Stewardship Plan Each company shall review and report regularly on the progress towards achieving the goals of the Product Stewardship Plan for each significant product or business sector; and for key teams and individuals.</p>	<p>4.1.3 (a) Regular reports are prepared on progress towards the individual/team goals of the Product Stewardship Plan, at a frequency appropriate to the product risk and need for improvement</p>
<p>4.2 <u>Problem Analysis and Corrective Action</u></p>	
<p>4.2.1 Analysis of Feedback Each company shall establish and maintain procedures for reviewing feedback on product stewardship issues, particularly those involving identified misuses or adverse effects, including near misses.</p>	<p>4.2.1 (a) A formal process is established for the review of incident reports and improvement suggestions, preferably by a small team including the individual who raised the report.</p> <p>(b) The review process for incidents follows established risk assessment procedures and is targeted at determining the "root cause" of the problem.</p>

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<p>4.2.2 Corrective/Preventative Action</p> <p>Corrective and/or preventative action deemed necessary on incidents and inappropriate practices, including near misses, shall be documented and progress monitored.</p>	<p>4.2.2 (a) Corrective/preventative action for incidents and near misses is documented and authorised, including those responsible and time frame.</p> <p>(b) Feedback on planned action is given to all review team members, especially the individual who highlighted the problem or made the suggestion.</p> <p>(c) Senior management are appropriately informed of the problem, the review process and the planned action. Extent of reporting is commensurate with product risk.</p> <p>(d) Progress towards the planned action, monitored and reported to management and feedback given to the review team members and the person who highlighted the problem.</p>
<p>4.2.3 Temporary Cessation of Business</p> <p>Each company shall consider exercising its independent judgement to temporarily withdraw product supply or terminate its business relationship with a customer, direct product receiver or other external group who is unwilling to implement corrective actions appropriate to limiting risks or otherwise achieving the health, safety and environmental objectives of this Code.</p>	<p>4.2.3 (a) Suitable records are maintained on the efforts made to resolve problems with a particular customer or external group regarding Product Stewardship issues.</p> <p>(b) A formal decision making process is carried out prior to withdrawal of supply or termination of business; which requires careful consideration of Product Stewardship responsibilities and authorisation of the decision at the appropriate level of senior management.</p> <p>(c) Policy and management actions demonstrate that short-term commercial considerations do not out-weigh the limiting of risk to an acceptable level, in deciding whether or not to cease business.</p> <p>(d) Suitable records are maintained of decisions to cease business, including reasons for the decision.</p>
<p>4.3 <u>Records</u></p> <p>Each company shall ensure that the records necessary to demonstrate implementation of the requirements of this Code are prepared, retained in good order and accessible to those requiring the information.</p>	<p>4.3 (a) The individuals/teams responsible for Product Stewardship have formally considered and put in place records necessary to meet the requirements of this Code. Techniques such as a “product dossier” could be used.</p> <p>(b) Decisions place special emphasis on legal requirements and high-risk products.</p> <p>(c) Records are retained and accessible.</p>

Code Section/ Management Practice	Examples of acceptable implementation of management practice
<p>4.4 <u>System Audit</u> Each company shall regularly audit the operation and effectiveness of the systems and procedures for Product Stewardship and provide appropriate reporting to Management.</p>	<p>4.4 (a) A regular audit (at least every two years) takes place on the extent of implementation of the agreed systems and procedures for Product Stewardship. This could be part of an overall review of an integrated management system, but must place specific emphasis on Product Stewardship. (b) Audits may be internal and/or external, as appropriate (c) The results of these audits are reported to the appropriate level of senior management.</p>
<p>5 <u>MANAGEMENT REVIEW</u></p>	
<p>5.1 <u>Review of Code Requirements</u> The CEO (or equivalent) of each company or major business unit shall become familiar with and review the requirements of this Code regularly with appropriate members of the Product Stewardship team.</p>	<p>5.1 (a) There is direct involvement by the CEO (or equivalent) in reviewing the requirements of this Code, at least with the overall Code Co-ordinator, but preferably with the implementation team. (b) An appropriate induction process is in place for new personnel.</p>
<p>5.2 <u>Review of Code Implementation</u> At least every two years the CEO (or equivalent) shall demonstrate commitment by actions including:</p> <ul style="list-style-type: none"> • Initiating a self-assessment on implementation of the Code. • Reviewing feedback from the assessment with appropriate members of the Product Stewardship team. • Initiating and approving agreed plans • Reviewing the results from implementation of the agreed plans. 	<p>5.2 (a) There is direct involvement by the CEO (or equivalent) in all of the activities listed in management practice 5.2 (b) The self-assessment covers at least all the items in these self-assessment criteria for the Code, preferably in the format to be used for reporting to PACIA in accordance with the agreed program. (c) The agreed plans are endorsed formally by the CEO (or equivalent) and communicated widely.</p>
<p>5.3 <u>Program Review and Up-Grade</u> The overall Product Stewardship program, effectiveness of systems and compliance with this Code shall be reviewed at least once every two years; and the program/systems upgraded as appropriate.</p>	<p>5.3 (a) A system is in place for assessment of system audit findings and appropriate corrective action (b) In addition to the regular systems reviews, there is a periodic overview of the plans and Code compliance with regard to strategic direction and policy consideration, specifically targeted at upgrade of the plans and for input to PACIA on improvements to the Code.</p>

Code Section/ Management Practice	Examples of acceptable implementation of management practice
<p>5.4 Industry Performance Profiles It is important that the industry compile and report on overall HSE performance, including code compliance. To this end, the CEO shall ensure that the results of the self-assessment are reported to PACIA in accordance with the agreed format and timetable. The CEO shall also ensure that the company responds to PACIA surveys on other performance indicators, as decided by the PACIA Board. The CEO shall confirm agreement for the company data to be included in PACIA public reporting.</p>	<p>5.4 (a) Self-assessments on Product Stewardship Code compliance are completed and forwarded to PACIA within the agreed time frame. (b) Company response to other PACIA surveys on Product Stewardship performance indicators is completed within the agreed time frame. (c) CEO agreement for inclusion of company data in public reporting of industry performance is given.</p>