

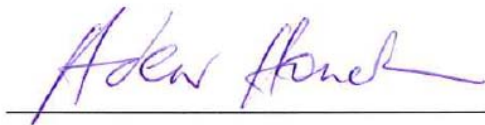


National Packaging Covenant Action Plan

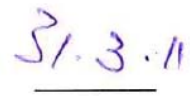
April 2011 – December 2012

Authorisations

This plan has been approved by:



Andrew Howden – CEO



Date

1.0 Introduction

iNova Pharmaceuticals is a brand owner and manufacturer of a range of prescription and Over-the-Counter (OTC) products. The brands that are owned by iNova and manufactured on site include, DuroTuss[™], Difflam[™], Metsal[™], Norflex[™], Norgesic[™], Nuelin[™], Hipprex[™], Duromine[™] and CalSup[™].

In addition to the products that are manufactured on site iNova imports a range of products that are either repacked or distributed to consumers. These brands include Aldara[™], Q-Var[™], Femtran[™], Minitran[™], DuroTram[™] and Azep[™].

The packaging types used by iNova in its packaging processes include:

- Plastic bottles (PET, HDPE) used for liquid and solid dosage forms.
- Glass bottles used for liquid and solid dosage forms.
- Plastic caps (PP, LDPE) used for liquid and solid dosage forms.
- Laminate tubes used for cream and gel products.
- PVC & PVC/PVDC film used on blister packed products.
- Laminate backed, printed foil used on blister packed products.
- Paper product information sheets (leaflets).
- Silica gel canister and sachet inserts.
- Cotton wool sliver.
- Printed cardboard cartons used for tertiary consumer packaging.
- PE shrinkwrap used for product collation and material handling.
- Corrugated cardboard cartons used for distribution.
- Corrugated cardboard pallet pads and solid fibreboard corners for pallet packaging

iNova Pharmaceuticals is a company of approximately 300 staff with Thornleigh being the head office and only manufacturing site.

As a pharmaceutical manufacturer iNova is regulated by the Therapeutic Goods Administration (TGA) in accordance with the code of Good Manufacturing Practice (cGMP). This code places certain restrictions on packaging operations, in particular with materials in direct product contact and product labels (printed packaging materials). These restrictions may take the form of absolute restrictions (such as the regulation which does not allow for recycled materials to be used for direct product contact materials) to restrictions that require technical data gathering and subsequent regulatory assessment. This second restriction can cover periods of several months to several years for the change to be approved, so changes to packaging materials can often be a lengthy process. Overall the requirements of both the TGA and cGMP require that the quality of the product is absolute and as such potential packaging changes must take this into account. These requirements are reflected in the goals and targets of this action plan.

2.0 Environmental Management Systems

The Thornleigh site is certified to ISO 14001:2004 and as such has an existing environmental management system. The EMS, its plans and other activities are monitored and reviewed by the site Environmental Committee. The Environmental committee membership is listed below:

- Manufacturing Director
- Plant Engineering & Facilities Services Manager
- Engineering Supervisor
- Senior Compliance Auditor
- Operation Support Officer

The operation of the existing EMS has achieved positive results in waste management and energy and water usage. These achievements are detailed below.

2.1 Water Usage Reduction

Through an increased focus on maintenance activities and replacement of low efficiency devices iNova was able to achieve a 17% (2210m³) reduction in water usage in 2010 compared to 2009.

2.2 Electricity Usage

iNova continues to focus on good energy management and strives to reduce energy usage. Through this focus and a number of projects, iNova has reduced electricity usage by 8% (407MWh).

2.4 Waste Management

Over the past year iNova has had a strong focus on reducing the waste to landfill from its operations and has signed a new waste contract to aid in fulfilling this aim. This goal has been achieved with the results shown below.

Total Waste – Reduction of 18%

Waste reused – Increase of 9%

Waste recycled – Increase of 16%

Waste to landfill – Reduction of 23%

Hazardous waste for treatment – Reduction of 35%

3.0 Environmental Policy

Environmental Policy

The Environmental Policy applicable to the Thornleigh site is shown below.



ENVIRONMENTAL POLICY

iNova Pharmaceuticals develops, manufactures and distributes products to the health care sector.

iNova Pharmaceuticals respects its social and physical environment. As such, we are committed to sustainable development, responsible environmental management, conservation of resources, prevention of pollution, and compliance with relevant legislation and other requirements.

These commitments are achieved through the implementation and continual improvement of the environmental management system, adoption of the Sustainable Packaging Guidelines and membership of the Australian Packaging Covenant.

Andrew Howden

A handwritten signature in black ink that reads "Andrew Howden".

Chief Executive Officer



POL 183 v 2
Effective: 01 March 2011



APC Action Plan
Revision 0: March 2011

Site Contact:

James Grant
Plant Engineering & Facilities Services Manager
Ph +61 2 9875 6316
Fax +61 2 9875 6211
Mob +61 412 510 398
Email: j.grant@inovapharma.com
9-15 Chilvers Rd
Thornleigh, NSW, 2120

4.0 Summary of APC Action Plan

This action plan has been created by iNova Pharmaceuticals to meet the overarching goals of the Australian Packaging Covenant by following the principles set out in the Sustainable Packaging Guidelines and Product Stewardship.

The actions detailed in this plan further build on the programs already in place with additional actions centered on the APC goals.

5.0 National Packaging Covenant KPI Action Summary Table for Brand Owners

Covenant Performance Goals and KPIs	Action	Responsibility	Baseline Data	Target or Performance Goal	Target Completion Date
1. Design – Optimise Packaging to achieve resource efficiency and reduce environmental impact without compromising product quality and safety.	Train all relevant staff in iNova Packaging Guidelines (incorporating the Sustainable Packaging Guidelines).	L Nguyen	New procedure	100% of staff trained	June 2011
	Develop program for review of all existing products against iNova Packaging Guidelines	J Grant	Number of SKU's = 123	100% of domestic SKU's to be reviewed	December 2012
	Develop improvement action plan based on outcomes of packaging guideline review	J Grant	Baseline weight of individual packaging type	4 projects to be identified to improve performance	December 2012
2. Recycling – the efficient collection and recycling of packaging	Put in place program to recycle organic waste from canteen operation	J Grant	Zero recycling of organics	100% of canteen organics to be recycled	November 2011
	Reduce waste from disposable items (eg paper plates, cups and plastic utensils) from canteen by 95%	J Grant	100% of disposable items is not recycled	95% reduction in waste to landfill from canteen	June 2011
	Recycle glycine waste label backing	J Grant	Currently non-recyclable	Recycling facility available for glycine label backing	December 2011
3. Product Stewardship – a	Conduct survey of existing suppliers to determine APC membership and/or	J Fachkha	NA	80% of suppliers completed	August 2011



demonstrated commitment to product stewardship by the supply chain and other signatories.	EMS (eg. ISO14001) certification				
	Incorporate environmental KPI's into standard supplier tendering process and subsequent contracts	J Fachkha	No KPI's in current contracts	Environmental KPI's incorporated into all new contracts from July 1, 2011	September 2011

6.0 References

None.

7.0 Revision History

Revision 0: March 2011. Original