

Accountability and Employee Engagement

Our wider commitment is to achieve continuous environmental improvements year on year and to assume a leadership role within our industry. Product development and improvements are important elements in helping reduce environmental impact in the value chain. These improvements can only be achieved by Elopak employees re-thinking old ways.



Putting the cap on emissions

Elopak continuously develops caps that perform better both functionally and environmentally. Recent additions to the closure portfolio include two lighter caps in different sizes, both using less plastic. Introduced end 2008, the smaller cap uses around 17% less plastic and the latest innovation, a larger sized closure, uses up to 25% fewer materials compared to previous cap solutions.

Raising quality standards reduces waste

Developments and innovations that raise the standards of carton quality are central to Elopak's business. With a more efficient carton we can reduce waste – both in terms of spoilt product and damaged cartons. Two such innovations are:

At your service

PakTrack on track for green savings

PakTrack, Elopak's online interactive print design and proofing system, was developed by its Pre-Press Unit in Terneuzen, Netherlands, in 2006. It provides convenient, secure, cost-effective and web-based communications between customers, their design agency, pre-press shops, sales and marketing teams and production plants. In short it allows all parties involved in the design of on-carton print to produce designs and final artwork and to communicate via the web from anywhere in the world at any time. There is no need to courier proofs and artwork back and forth – it is all done securely online with PakTrack.



Wille Caldwell (left) and Niels Gossen at our office in the Netherlands have developed the smart system.

- The carton integrity tester; a pressurized tank into which cartons from the filling line are placed. Pressurized air is applied for a certain time. Cartons are removed and inspected when air pressure is released. Any bulging cartons are then checked to detect problems.
- Integral to the effective running of board coating machines is a 'splicer' which feeds board through the reel lines, reducing waste and increasing efficiency. Elocoat b.v., Elopak's specialist coating unit in The Netherlands, is developing a new splicer to be installed in 2010 which will reduce the amount of raw board waste whilst increasing output for the same energy consumption.

All employees in Elopak's offices and production sites were invited to participate in the Green Challenge. This ongoing company-wide campaign was launched in 2008 and aims to challenge everyone within Elopak to do their part in achieving our goals.



Denmark

With our employees

Elopak's green initiatives - We Can Do it – 2009 and beyond

Elopak has initiated an internal initiative involving all employees. The program is called the 'Green Challenge' and the goal is to support the 15% CO₂ reduction by end 2010.

The basis for the Green Challenge is the data from the Footprint Measurement System, which shows substantial differences between sites when it comes to energy consumption, water usage and other important environmental parameters – and hence also potential for substantial improvements. Every unit is presented with its carbon footprint and is requested to start initiatives to reduce it.

To support this effort every employee has received the Elopak Environmental Guide which gives information and tips on how to reduce emissions, starting with simple solutions such as turning down the heating or air conditioning, introducing recycling bins and installing motion sensors for lighting. The guide also helps staff reduce their personal carbon footprint with ideas for the home such as taking reusable bags to the supermarket, buying rechargeable batteries and organic or Fair Trade products.



Norway



Sweden



Russia

At Green Challenge meetings all employees participated in workshops to generate ideas for reducing emissions. At these 'green' workshops participants came up with many ideas that are now being developed and implemented. At the meetings employees were given incentives to maintain the Green Challenge with new recycled Elopak notebooks to log ideas and a Green Bag each to replace plastic shopping bags and to help spread the word of Elopak's Green Challenge.

We have been positively surprised at the enthusiasm and creative, intelligent suggestions we continue to receive.

Environmental Cluster

In order to facilitate and to support our employees in reaching their Green Challenge goals, Elopak has set up a network of contacts at each key site called the Environmental Cluster. This group of employees meets 3-4 times a year to update each other on progress from every part of the organisation, from board supply to sales, production, marketing and finance.

These representatives are responsible for progressing initiatives and supporting groups working within the organisation on green developments. It is important to continue generating ideas and the Environmental Cluster endeavours to create an open green culture to encourage this within the organisation.

Examples of Elopak operational activities for reduction of CO₂ emissions

Serbia - New heating system

Elopak d.o.o in Serbia was conscious of its expensive heating system and its high CO₂ emissions of 285 tonnes per year which were due to the consumption of fuels such as heating oil and diesel. To improve running costs and to reduce the plant's environmental impact, the team in Serbia looked to more modern and

efficient systems. . The old system was replaced with cheaper electric heating utilising hot water as the source of heat rather than fuel. The system heats only according to the needs of the staff. With low CO₂ emissions of 61 tonnes per year this presented a huge saving of over 200 tonnes CO₂.

UK - Simple policy reaps huge CO₂ savings in UK

Restrictions on company car emissions in the UK add up to considerable savings. Elopak UK has reaped savings on CO₂ emissions simply by



Reduced CO₂ for UK company cars

putting a cap on car emissions. In 2007 the cap was set at 160 grams of CO₂ emissions per litre of fuel for each car and employees had to select company cars which fell within this scope. In 2009, this was reduced to 140 grams per litre and is expected to reduce the annual CO₂ emissions further.

Ukraine - Green in more ways than one

Living and working more environmentally saves money, which in the current climate makes business sense and provides a clear incentive. For example, Elopak's market unit in the Ukraine has made a 15% annual reduction from energy saving initiatives. This began with an energy audit carried out by an outside company in order to see how our Ukrainian colleagues could reduce their energy consumption.



At Fastiv pulp and board waste are transformed to a hard paper mass which used to produce corner protection for blanks pallets.

With volumes increasing, the team found the production unit's energy costs were escalating and they looked for ways to reduce them. The audit identified several simple actions that was implemented in the summer of 2009. An energy metering system will reduce consumption by 5%, and a pilot project where mercury lamps are replaced with LED versions will reduce energy use by up to 12% by 2010. The installation of automatic light intensity regulators and light sensors will further reduce energy consumption by 2%, making a total energy saving of 15%

USA - Innovation in the Americas

The team at Elopak, Inc. in New Hudson, Michigan US has been very active and has managed to divert several hundred tons of cardboard, office paper and cartons from landfill by instituting recycling programs. They have also reduced energy consumption through the installation of high efficiency lighting in offices and lobby areas and minimized waste through the installation of high efficiency hand dryers. In the cafeteria waste was reduced by switching to reusable plates, silverware and glasses. This also resulted in cost savings.

Furthermore, Elopak US undertook an engineering study of the building to determine what opportunities were available to reduce the building's footprint (electricity consumption and

natural gas consumption). Part of this study utilized infrared cameras to determine areas of the building that were losing heat. They therefore applied a coating to reflect heat during the summer when their new roof was installed this spring.

Canada

At Elopak Canada's Montreal site the team is currently recycling scrap cartons and ink containers and conducting a search for a partner who can assist in the reduction of energy consumption.

Mexico

Envases Elopak, Torreon, Mexico is currently recycling scrap cartons, excess coating and rejected caps. Solid waste is sold to a third party, which sorts it for reusable/recyclable materials. The company also supports government scheme by donating scrap sheets of paperboard to local people which is then used to construct or reinforce their homes.



Swiss employees bike to work.