



SUSTAINABILITY  
**REPORT**

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2019

# FRONTPAC– SCANDINAVIAN’S LEADING MANUFACTURER OF PACKAGING IN OFFSET PRINTED CORRUGATED CARDBOARD

The company was founded 1982 and was named SydPac. We have had operations in Sweden, Denmark and China.

In 1997 Sydpac was acquired by our current owner Esswell, who is a family owned business.

In 2000 FrontPac was acquired and became the leading producer in Scandinavia. 2003 we got our own production of corrugated cardboard. In 2006 a factory was started up in China, four years later all operations were moved to Arlöv, with a new board and management.

Starting 2010 there is an overall investment program that has involved new: printing press, CTP, die-cut and in-line machine.

The latest years two acquisitions have been done:

- 2017 Gefle Kartong & Display AB
- 2019 Antpac Production AB





“We believe that we have a responsibility in contributing to a sustainable future. And there are many aspects that need to be sustainable. We need to cherish our staff and secure quality to have a lasting development of FrontPac. We work with our products and processes so the impact is minimized both at our factory and at our customers. But we can’t stop there. We also have a responsibility that the future should be sustainable for our suppliers and the people working there. Finally, the environment we all live in need to be durable.”

How else will it be?

Martin Enocson  
CEO FrontPac AB

# SUSTAINABILITY IN EVERYTHING WE DO

At FrontPac AB, we share the UN's belief in sustainability and that we can contribute to solutions to the major challenges. We run our company from an economic, environmental and socially sustainable perspective.

We choose wood products that come from responsible forestry, forestry that takes people and the environment into consideration. Using both recycled and virgin fibers in production, our opportunity is to deliver packaging with the best overall environmental footprint.

Our sustainability report for 2019 covers the company's social, environmental, and economic sustainability performance.



# INTERNAL KEY SUSTAINABILITY METRICS

Employee safety

Material safety

Process waste reduction

Employee education

Energy consumption

Water consumption



HIGHLIGHTS DURING THE  
YEAR

-11,3%

CONSUMPTION OF ELECTRICITY  
REDUCED COMPARABLE WITH  
PRODUCED NUMBER OF  
PACKAGING

14,0%

INCREASE OF PRODUCED  
PACKAGING

97,7%

RECYCLED MATERIAL AND ENERGY

EMISSION SAVINGS CO2 THROUGH RECYCLING

1.997.068 KG

EMISSION SAVINGS CO2 BY USING BIOGAS

570.000 KG

## SUSTAINABLE MATERIAL AND SERVICES

By buying sustainable material and services we will reduce our impact on the environment.

- reduce our carbon emission by using renewable energy
- save natural resources by developing the optimal packaging solution with regard to environmental impact as well as cost-efficiency

We decide to reward suppliers who can fulfil our requirements and provide a more sustainable product or service. All our paper suppliers use a certified environmental management system such as ISO 14001 to assess their own environmental impacts, monitor their environmental impact, performance and maintain legal compliance.

They are also members of CEPI and new alliance called 4 Evergreen. The aim of the alliance is to boost the contribution of fibre-based packaging in a circular and sustainable economy that minimises climate and environment impact.

# FSC, BETTER LIVING CONDITION

Since 2012, we have been FSC® Certified (FSC-C111831), which means that our customers can choose to label their packaging and displays with the FSC® logo, which shows that the raw materials come from a responsible forestry with regard to both the environment and man.

FSC stands for Forest Stewardship Council is an independent, international member organization working for one environmentally friendly, socially responsible and financially viable use of the world's forests, through its FSC certification system. Certified companies comply with FSC's rules (standards) for forestry and traceability. Those who follow the rules are allowed to label their products with the FSC brand.

The forest gives us clean water, fresh air and helps to slow down global warming. It provides food, medicine and essentials natural resources such as timber and paper. Responsible forestry ensures that the forest can also provide these in the long run commodities. Those who participate in FSC voluntary contribute to this.

FrontPac have increased produced FSC packaging with 32,3% comparable to 2018.



# FIBER-BASED PACKAGING, FOR BETTER LIVING

The global warming is an issue we all must take seriously. Not everyone can make great changes that minimize the emission of CO<sup>2</sup> out in nature, but we can all do small things that together can improve our climate. By choosing fiber based products before any fossil-based products we can contribute to a better world.

What we do know is that the forests in Europe grow each year. Unfortunately, the growth is not globally even if the increased temperature has led to increase of forest coverage over the whole world. For the forests that grow in Europe we have an increase of a football pitch every day. Trees absorb CO<sup>2</sup> during its life in the forest. 15 trees absorb around 1 tonne of CO<sup>2</sup> per year. But this varies depending on age, size of tree as well as location and climate. When trees are cut down, they can be used for energy, timber or paper fibers. The CO<sup>2</sup> stays in the wood as long as it is not burned. For paper it is calculated that 1 tonne of paper equals 1500 kg CO<sup>2</sup> that is absorbed in the paper fibers. A paper fiber can be recycled, up to 7 times before it is used for energy recovery i.e releasing the CO<sup>2</sup> into nature again.

There are many aspects to consider when developing a new product that makes it very hard to know exactly what is the right solution. Is there a recycling process developed in the country where the product will be sold, can the material be used again for new products without too much effort, is the transport environment very moist etc? All these different criteria have an impact on which material should be chosen, if it should be recycled or virgin fibers, by using corrugated material we can improve the strength capabilities without increasing the amount of paper. We always aim at making the solution that has as little impact as possible with regards to CO<sup>2</sup> emission.

# WHAT IS CIRCULAR ECONOMY?

## END OF LIFE OPTIONS

- *Re-use*: reusing the product more than once before discarding it.
- *Mechanical recycling*: breaking down products to produce raw material for new products.
- *Chemical recycling*: chemically breaking down plastic products into chemical raw materials.
- *Organic recycling*: composting of biodegradable products.
- *Energy recovery*: waste-to-energy recovery. Effectively incinerating waste to produce energy.
- *Landfill*: waste disposed of in regulated landfills.
- *Leakage to environment*: waste littering.

## SOCIAL CONDITIONS AND PERSONNEL

We strive to create a sustainable organization and to be an attractive workplace for both new and existing employees. Every employee in FrontPac is an important force in the improvement work that is carried out with the clear goal of achieving the mission in a world of continuous improvement.

Every employee should feel mutual respect, be honest, take responsibility and be flexible and open to new ways of thinking and knowledge. That way we can create a positive working environment where everyone gets the opportunity to develop and be involved.

- where we apply or exceed the UN rules on human rights, “UN Global Compact 10 principles”
- rules of leading to a safe working environment and prevent risk of unhealthiness due to organizational and social aspects in relations to the work environment
- pursue a job modification and rehabilitation activities which aim to facilitate for affected staff to rapidly return to their regular duties
- tendencies towards bullying or harassment are not accepted and fought



# HEALTH AND SAFETY

Awareness around wellbeing, health and happiness is something that FrontPac are focusing for an increased employee wellbeing, which is a crucial factor for the entire organization. All employers are recognising their responsibility to provide advice and support on health and wellbeing and also to prevent physical harm.

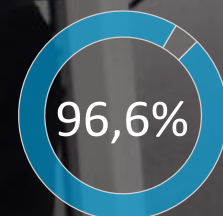
FrontPac strive to ensure that people are not harmed, and continually improve our safety performance. Our machinery is regularly inspected to ensure safety, there are clear instructions or warning signs in a language understood by all employees.

We review workplace incidents, by consistent reporting investigation and where appropriate identification of improvement opportunities, that strengthen our Health and Safety management systems.

FrontPac's goal is to achieve zero vision for occupational injuries.

Lost time in production cause accident, 3 days in total in 2019.

HEALTH PRESENCE



TRIR





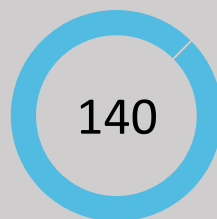
## DIVERSITY AND GENDER EQUALITY

At FrontPac, diversity is a matter of course. Employees with different backgrounds and experiences make FrontPac a more innovative, profitable and efficient organization. We judge people based on their competence and attitude, treat everyone with respect and give everyone equal rights and opportunities. Everyone should feel welcome and this applies to both our employees and visitors to our properties. We give all new employees minimum three weeks introduction. Also, our goal is to reach a better balance between women and men.

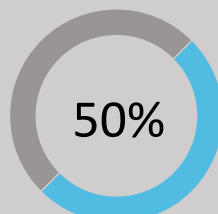
We listen to and respect each other for who we are and ensure that no one is discriminated. All discrimination based on race, ethnicity, gender, sexual orientation, age, religion, national origin is prohibited.

We involve each other and benefit from each other's differences.

NUMBER EMPLOYEES

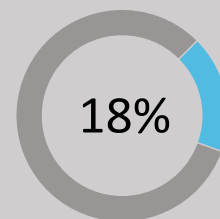


NATIONALITY



■ OTHER NATIONALITY ■ NATIVE

GENDER EQUALITY



■ FEMALE ■ MALE

## DIVERSITY AND GENDER EQUALITY

Salary mapping for 2019, did not show any unequal pay differences between women and men for comparable occupational groups. Women and men have the same opportunities for wage development at FrontPac.

For parents leave both men and women can combine work and parenting. The company works to allow both mother and father to take out parental leave. With anticipation and planning, there is no obstacle to being at home with children.



## EDUCATION

Since we have chosen to invest in education and dare to invest in our staff, we have the luxury of being able to hire people, not only based on previous experience but also a person who has the right attitude and who has good potential to learn.

It is important for us that everyone within the company can stand behind our brand and work according to our values.

We believe that further training of the staff will result in high productivity increases.

38,5% of our employees have undergone some form of education over the past year. Also, all within sales department go through an internal training in material knowledge so they can help our customer to choose sustainable materials in their products.



## HIGHLIGHTS DURING THE YEAR

38,5%

EMPLOYEES RECEIVE  
EDUCATION

18

NATIONALITIES

33,3%

POSITIONS HELD BY WOMEN IN SENIOR MANAGEMENT

36,3%

POSITIONS HELD BY WOMEN IN OFFICE ENVIRONMENT

## GIVING BACK

FrontPac is engaged in an orphanage in Uganda. Emma & Therese Children's Project (ETCP) works for orphans and other vulnerable children in Kabale, southwestern Uganda, with a strong focus on children who have lived on the street. Their ambition is to reunite children and young people with their families, but in cases where this is not possible, they offer accommodation for a shorter or longer period, depending on the individual child's situation.

FrontPac and some of the employees support this by doing monthly donations. Which we are very proud of.

Feel free to visit and follow their work at webpage: [www.etcpeganda.se/en/](http://www.etcpeganda.se/en/).



## CONSUMPTION

Hazardous: 2,3% of our waste is classified as hazardous, most of which is ink sludge from printing and converting operations. Through our hazardous waste assessment, we learned that the key issue to be addressed is correct classification of waste.

Plastic: the EU strategy for plastic in the circular economy came into force in 2018. It states that all plastic packaging should be recyclable by 2030, with 55% recycling by 2025. We have recycled 2.559kg and reduced emission CO<sup>2</sup> with 5.118 KG.

Water and electricity: we see an increasing trend for consumption of electricity. For water it decreased tremendous. Water decreased with 30,4% and electricity increased with 3,1%. Comparable to that 14% more packaging were produced than the year before, we reduced our consumption with 40,13% for water and 11,6% for electricity.

Biogas – allows circular economy to become reality.

FrontPac emission savings by using biogas is 570.000kg CO<sup>2</sup>.

Positive effects using biogas:

### Ecological

- Reduction of greenhouse gases
- Containment of groundwater pollution
- Fertilizers as a by-product of biogas production

### Economic

- Reduction of fuel costs by up to 50%
- Increase of agricultural competitiveness

### Social

- New business models and income opportunities for the local population
- Increased attractiveness of rural regions through teaching and know-how transfer

# WATER CONSUMPTION

In 2019 we cut our water usage by 40,1% compared to 2018. FrontPac target is to not increase water consumption for next year.

## World water development report 2019

Water use has been increasing worldwide by about 1% per year since the 1980's, driven by combination of population growth, socio-economic development and changing consumption patterns. Global water demands are expected to continue increasing at a similar rate until 2050, accounting for an increase of 20% to 30% above the current level of water use, mainly due to rising demand in the industrial and domestic sector.

Save drinking water and sanitation are recognized as basic human rights, as they are indispensable to sustaining healthy livelihoods and fundamental in maintaining the dignity of all human beings.

“Leaving no one behind” is at the heart of the commitment of the 2030 Agenda for Sustainable Development, which aims all people in all countries to benefit from socio-economic development and to achieve the full realization of human rights.



*FrontPac*<sup>®</sup>

*Creative Packaging Sells*

