

# Sustainability Report 2024

ENG



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# ViskoTeepak in brief.

ViskoTeepak stands as one of the biggest manufacturers of fibrous, cellulose and plastic casings in the world. We have production plants, converting facilities and technical support offices worldwide. We're also proud to have the industry's largest business-partner network, through which our products are offered in nearly 100 countries. Our head office (ViskoTeepak Holding Ab) is located in Mariehamn, in Finland's Åland Islands.

In Europe, we have fibrous and cellulose production plants in Lommel (Belgium) and Hanko (Finland). Additionally, we have a plastic-casing production plant in Nuevo Laredo (Mexico). Our converting facilities are located in Delfzijl (Netherlands), Brno (Czech Republic), Kenosha (Wisconsin, USA) and Poznan (Poland). Our sales and representative offices are located all around the globe.

ViskoTeepak, owned by the Eriksson Capital Group based in Mariehamn, Finland exemplifies the strategic vision and expertise of its parent company. Eriksson Capital, a privately owned investment powerhouse, specializes in nurturing small to medium-sized high-tech industrial enterprises, propelling them to success in the global arena. Eriksson Capital is active in various industries such as medical tubing, shipping, real estate, aircraft leasing and asset management.

[www.viskoteepak.com](http://www.viskoteepak.com)



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# A note from Hanko's Plant Director.



When I was asked to write the foreword to ViskoTeepak's 2024 Sustainability Report, my first thought was a genuine feeling of eagerness, being offered the chance to write about the work we are doing in the company for a sustainable future. My second thought was more pragmatic – what should I choose to tell you about?

Let me start by shedding some light on how the ViskoTeepak Sustainability Report is put together, as that might be of interest to the readers. We have a core team of people who, in their daily work, are responsible for the topics of health, safety, and environment, supported by various specialists leading the compilation of the Sustainability Report. But to say that the report is solely a product of this team would be unjust and misleading. The fact is that there is a vast group of ViskoTeepaker's in various parts of the organization who make the projects happen, which are presented in the report you are reading. These are people from the shop floor to project engineers, from canteen personnel to managers in the line organization, and from maintenance operators to Group Management members. A sustainable process is, among many things, a result of well-organized project work but also a result of small but important everyday actions that support the development work.

At this point, it would most likely be appropriate to back the story up with a concrete example. I can think of no better project to present than the heat recovery from wastewater that we are working on in ViskoTeepak's Hanko plant. The idea goes back some 10+ years when it came up as a topic during a survey on potential energy savings. At the time, the heat pump technology, but in all earnest also the price of energy, was at a level that made the project not feasible. Since that time, much has changed in both realms – heat pumps have leaped forward and, well, you all know what happened to the price of energy. The wastewater that is sent for cleaning is around 27°C over the whole year. Equally stable is the flow. What we will do is to install a primary circulation system in which the wastewater passes through heat exchangers, leaving part of its energy to a conveying media that, in turn, leads to a heat pump. The heat pump processes the media and raises the temperature of the media in the secondary cycle to 75°C, which is already high enough to be used in the process and for heating the facilities. The outcome is that we will save around 15% of the heat energy we use. With this investment, we will provide the market with a casing product that is a little bit greener than before. We work hard to bring more of the same in the future.

I hope you enjoy reading our Sustainability Report 2024!

Joachim Lund



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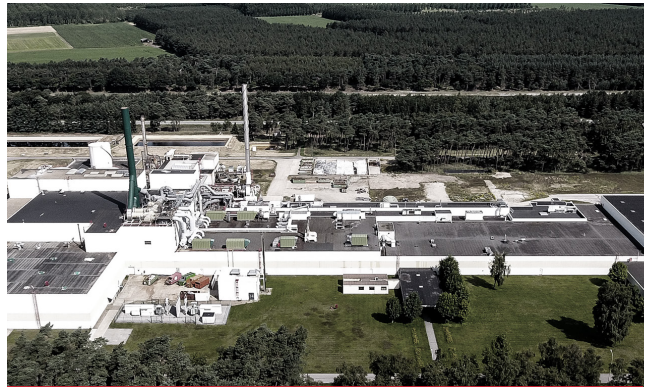
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# Production facilities.

ViskoTeepak has seven production and converting facilities worldwide. Our production units in Hanko and Lommel are covered in the reporting numbers.



HANKO, FINLAND



LOMDEL, BELGIUM



DELFIJL, NETHERLANDS



NUEVO LAREDO, MEXICO



BRNO, CZECH REPUBLIC



KENOSHA, USA

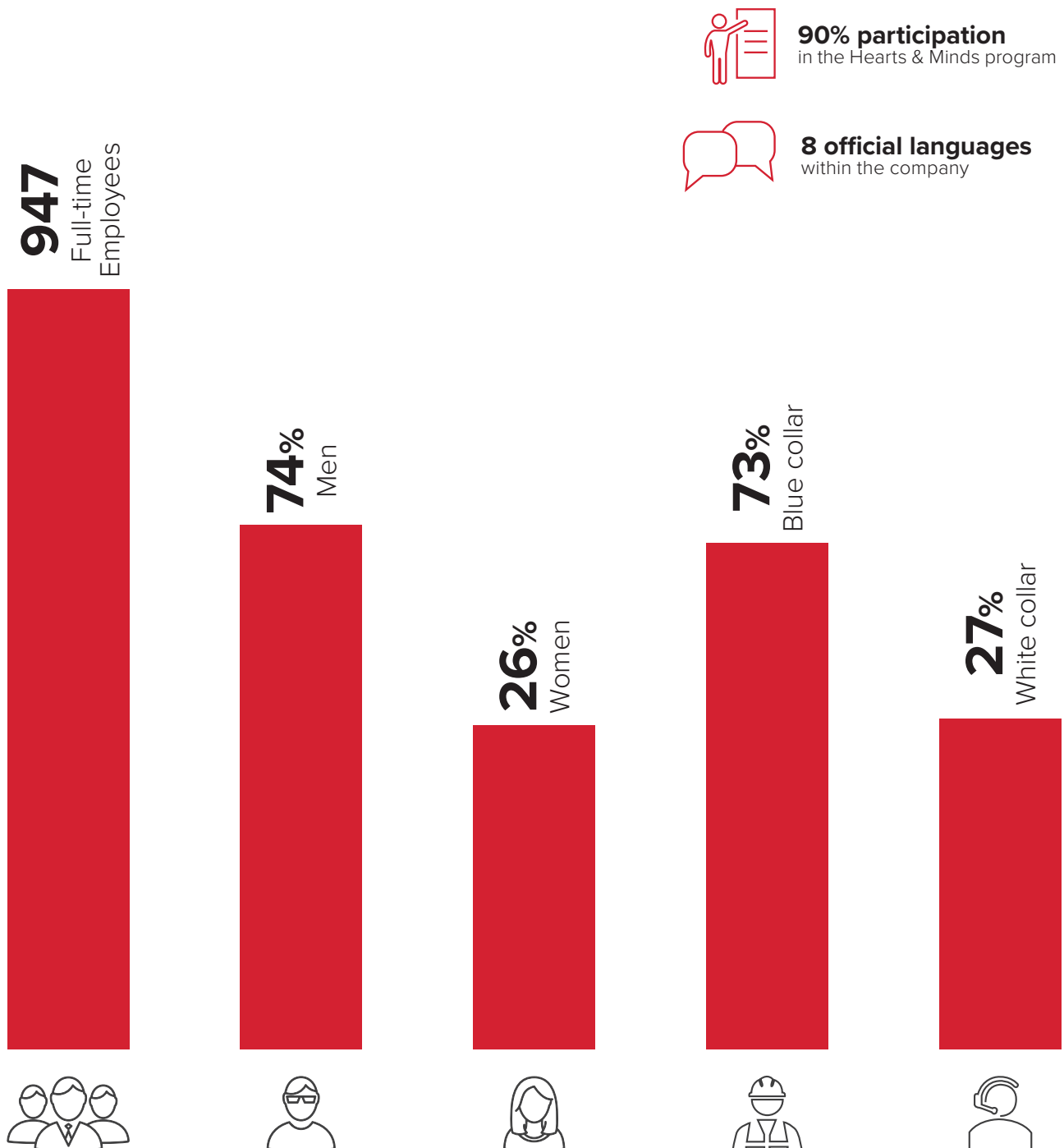


POZNAN, POLAND



# Employee statistics.

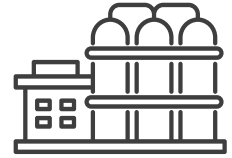
Our employees are vital to our success. At ViskoTeepak, we strive to build our business and our culture on our three company values: Trust, Ambition, and Fun. These values serve as guiding principles for employees in their work and interactions within the company.



# 2023 Quick Facts.

## Production Units World-wide

ViskoTeepak operates seven production and converting facilities world-wide, along with sales offices across the globe. Our products are sold in over 90 countries, highlighting our extensive global presence.



## 5 Product Lines

Cellulose, Fibrous, Plastic, Collagen, Packaging Materials



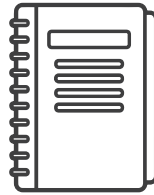
## #WeAreViskoTeepak

This past year the #WeAreViskoTeepak campaign was created to allow our coworkers, customers, and Partners to meet one another. Articles were posted internally and on our social media platforms.



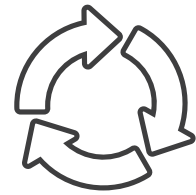
## Non-stop Production

Creating product 24 hours, 7 days a week, 365 days a year



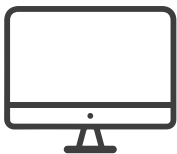
## GRI Reporting Standards

First in the industry to report according to the GRI framework



## 100% Biodegradable

Fibrous & Wienie-Pak casings made from raw materials



## Redesigned Website

This past year we had the launch of our brand-new company website, complete with a fresh look, user-friendly navigation, easy to locate call to action buttons, and updated content.



## Communication Package

Allows our co-workers, customers, and Partners to read about updates from ViskoTeepak-posted internally, on our website and socials.



## Highest level of certification

ViskoTeepak prioritizes integrity and respect by holding the top industry certifications in quality, health, safety, and the environment.





**ViskoTeepak is a global brand with a local touch that delivers productive and tailor-made casing solutions. We understand the needs of our customers and nurture long-lasting mutually beneficial and rewarding relationships.**



# The evolution of ViskoTeepak.



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**1950**  
Gunnar Eriksson was enjoying a famous Scandinavian smorgasbord on a ferry boat in between Finland and the Åland Islands. While enjoying a tasteful sausage, he noticed the casing was made artificially which caught his interest. He got so curious he put a piece of the casing into his pocket and had it analyzed in a laboratory.



**1965**  
The converting center in Delfzijl, Netherlands opened.



**1962**  
Visko started to manufacture fibrous casings.



**1952**  
Gunnar became convinced artificial casing was the future. He wanted to take part in this industry and raised some money to start the Visko Company in Hanko, Finland.

Visko started to manufacture cellophane casings with just 30 employees.







**1975**

The cellulose and fibrous manufacturing plant in Lommel, Belgium was established.



**1994**

The cellulose converting center in the *Czech Republic* opened.



**1995**

Production of Nova plastic casing started.



**2007**

The current owners of ViskoTeepak believed in the future of the industry and were willing to create a world-leading seller, producer, and supplier of artificial casings.

By merging Visko and Teepak into one, a new era began!



**Today**

ViskoTeepak is **#MakingFoodMoreAccessible** by tailor-making productive solutions in close collaboration with the global food chain.



**2052 - The Future**

ViskoTeepak is 100 years old! We are now serving your casing needs around the globe in just minutes with our new drone delivery service!



**2020**

The fibrous converting center in Poznan, Poland was acquired.



**2014**

The fibrous converting center in Kenosha, USA merged with ViskoTeepak.



**2011**

The sales and logistics center in Hamburg, Germany was acquired.



# Brand Cornerstones.

ViskoTeepak is a global brand with a local touch that delivers tailor-made productive casing solutions. We understand the needs of our customers and nurture long-lasting mutually beneficial and rewarding relationships. What are we referring to when we talk about our Brand Cornerstones?

## Brand Cornerstones



### Tailor-making

Our goal is to tailor-make the most productive casing solution for each customer. We're willing to go the extra mile to craft each product to perfectly fit our customers' needs. This makes our products unique and gives our customers the ability to produce with great efficiency and high quality.

### Productive Solutions

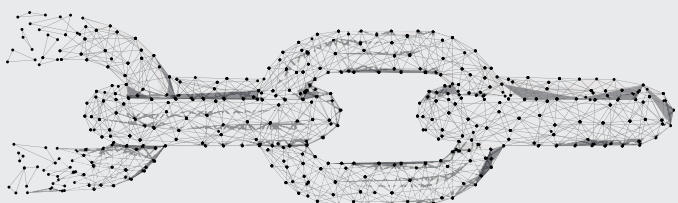
We offer the world's most productive casing solutions. We constantly improve and develop new solutions that bring value. We're creative, and we sustainably develop our products.

If there's a better way, we'll find it.



### Teamwork

Our success is achieved with inclusiveness and collaboration. We work closely with our customers so that we can identify their specific needs. We're in it for the long run, and together with our Partners, we'll always be around to support you.



# Company culture.

At ViskoTeepak, we view company culture as the personality of the company. We base our business and our culture on three company Values: Trust, Ambition and Fun. What do we mean when we talk about these values?

## Values

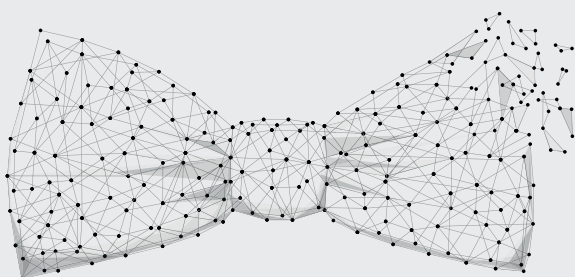


### Trust

Trust is built on credibility, being fair, and treating each other with respect. We earn trust by delivering on our promises, which is particularly true for how we manage our business and our people. Respecting your colleagues regardless of their age, sex or race is a base requirement for a fair working community.

### Ambition

We have a strong desire to be the best and want to be ambitious on our road to success. That is why we will walk the extra mile to help our customers and partners to succeed in their business. Our “can-do” mentality creates energy and by providing training and development opportunities, we make sure we reach our goals.



### Fun

Fun is created by being successful in achieving your goals and by working with a team of people that you trust and feel connected to. It creates the energy that we need for taking on the next challenge!





**TOM PUSSINEN**  
Chief Executive Officer



**DANIEL WAHLFORS**  
Chief Financial Officer



**JOHANNA BACKHOLM**  
Senior Vice President

## Group Management.

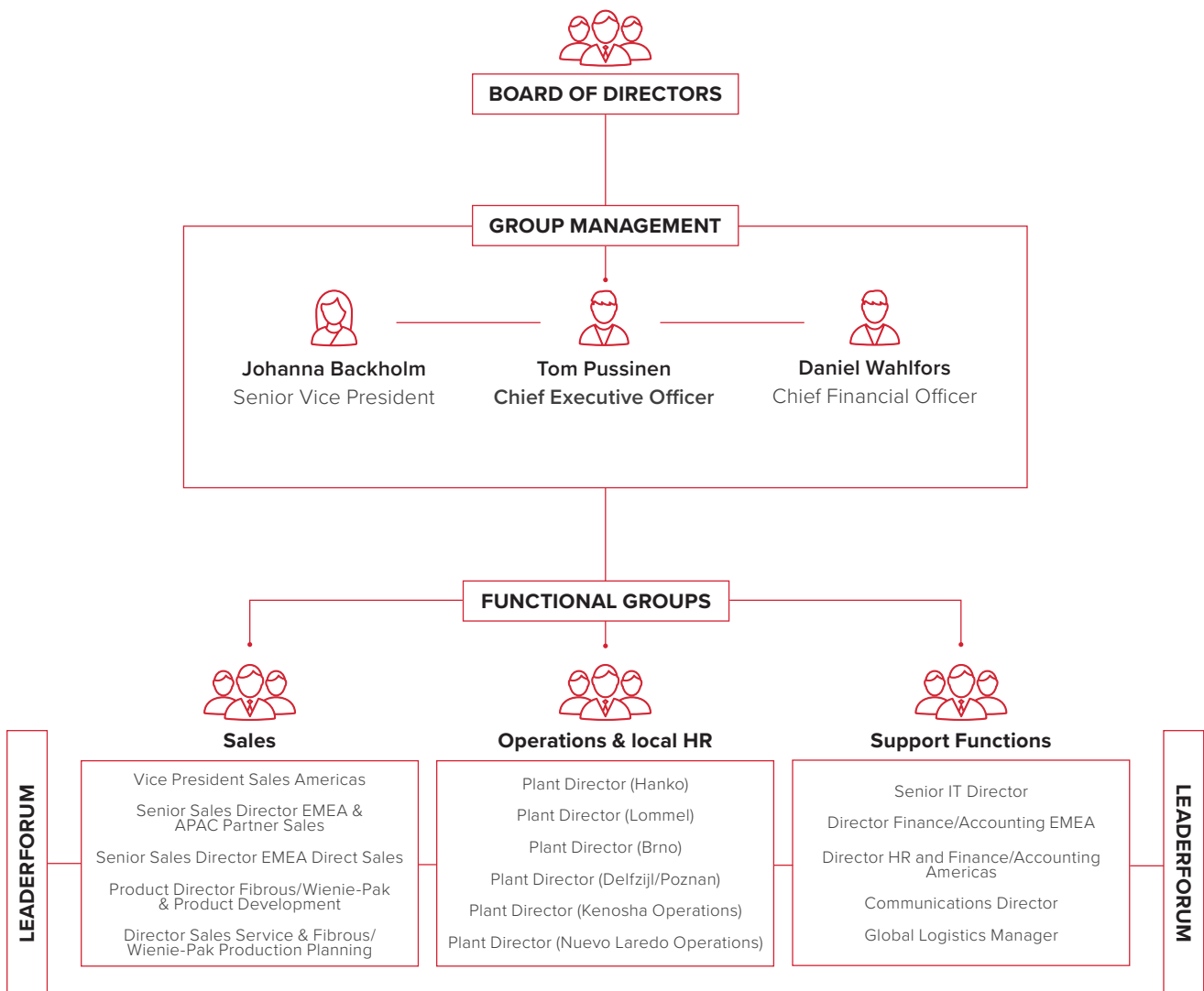
"Together with the global ViskoTeepak team we look forward to reaching new milestones as we continue to sell, produce and supply tailor-made casing solutions to partners and customers around the world."

# Governance.

ViskoTeepak operates as a privately held company under the ownership of Eriksson Capital Ab, headquartered in Mariehamn (FI), alongside its owners.

Guided by the Board of Directors and the CEO, the company establishes long-term strategies and objectives. Meanwhile, the Group Management team, consisting of the CEO, CFO, and Senior Vice President, defines global policies, procedures and annual targets, as well as coordinates, approves, and follows up on the focus areas and key activities defined by each Leaderforum member.

The Leaderforum assumes responsibility for the day-to-day operations of the company within their designated areas of focus.







# ViskoTeepak is focusing on five SDGs.

## How ViskoTeepak's strategic objectives contribute to the SDGs

To evaluate how our business minimizes negative impacts as well as maximizes positive impacts on people and the planet, we turned to the UN's Sustainable Development Goals (SDGs). ViskoTeepak has identified five SDGs that are most impactful, relevant, and strategically embedded in our company:

Sustainable development goals	Our action	Key achievements	Page	
<b>3</b> <b>Good-health and well-being</b> 	During the pandemic we have implemented extra measures to protect our employees and make sure we follow guidelines from authorities at all times.	Responsible Care Food safety & hygiene Health & safety	33 48 50	
	We support the precautionary approach to foreseeable environmental, health, and safety-related impacts of operations and the life cycle of products and services.	Driving our Values Responsible Care Food safety & hygiene	27 33 48	
	We want to showcase the success of the company's employees and highlight the opportunities for growth and development within the organization.	Let's meet some of the ViskoTeepak Team	Launched the #WeAreViskoTeepak campaign	56
<b>8</b> <b>Decent work and economic growth</b> 	We ensure that decent working practices are applied within the supply chain.	Renewable resources	32	
	We respect and protect labor rights and provide safe, secure, and healthy working environments for all employees.	Driving our Values Health & safety	27 50	
	We use operational health and safety (OHS) management systems based on internationally agreed principles to protect workers' health and safety and to reduce potential hazards and risks for productivity.	Driving our Values Health & safety	ISO 45001	27 50
	We seek to offer all of our employees a stimulating and rewarding place to work, a place where they feel engaged, and contribute to reaching the company goals, and where their talents can develop.	Driving our Values Renewable resources A holistic approach Health & safety	Launched Hearts & Minds in 2020, the most comprehensive training in our history	27 32 46 50



Sustainable development goals		Our action	Key achievements	Page
<b>12</b> <b>Responsible consumption and production</b> 	We establish and maintain proactive environmental management systems.	Driving our Values	ISO 14001	27
	We avoid or mitigate the foreseeable environmental, health, and safety-related impact over the life cycle of products and services and take a precautionary approach to environmental challenges.	Responsible Care	Responsible Care Hanko, Finland Lommel, Belgium	33
	We improve resource efficiency as well as increase supply chain and resource security.	Sustainability performance	Since 2015: - 16.8% freshwater / ton cellulose - 14.1% wastewater / ton cellulose - 16.8% energy / ton cellulose - 50.6% NOx emissions /ton cellulose	42
	We use renewable materials. We also use technologies to reduce the risk of over exploitation of the natural resources and decreasing biodiversity.	Renewable resources How to tackle complaints Next-Generation peeling solution	Sustainable Forestry Initiative® (SFI)  New dry peeling solution created	32 52 53
	We implement circular business models such as using renewable, bio-based or fully recyclable inputs, recovering resources, extending product life cycle.	Renewable resources		32
<b>15</b> <b>Life on land</b> 	We are committed to sustainable fiber sourcing strategies in purchasing fiber from suppliers.	Renewable resources WGC-BREF from 2016 to 2022	Our main supplier Georgia-Pacific holds a chain of custody certifications from SFI®, Forest Stewardship Council® (FSC®) and Program for the Endorsement of Forest Certification (PEFC®) at many of their locations.	32 40
<b>17</b> <b>Partnerships for the goals</b> 	We consider sustainability along our entire value chain, from raw materials sourcing to product manufacturing, consumption, and end-of-life. We take responsibility for our activities, but also in our sphere of influence upstream as well as downstream. To help deliver our sustainability ambitions, we invest in close partnerships with the stakeholders along our value chain.	ViskoTeepak value chain Creating value for customers Enhancing customer experience Stakeholder interactions How to tackle complaints Next-Generation peeling solution		36 28 30 18-25 52 53



## Stakeholder interactions.

We define a stakeholder as anyone with whom we have a relationship. This can be internal or external, but in any case it's important to know how we can have a constructive dialogue and stay connected to those who are interested in what we do.

	Communications	Comments raised	Our response
Owner	Regular business updates, board of directors meetings	Vision and strategy development	Strategic house activities
Customers	Product information, technical support, sales calls, satisfaction surveys, trade shows, Communication package, end-customer visits, IFFA trade show, website	Service rated high, reliable company, walks the extra mile, perceived as innovative in a conservative industry	Increased focus on innovative projects, new organization for project management
Partners	Direct contact, business plans, Partner Days, trade shows, Communication package, marketing materials	Continue the Partner Days concept, stay close to new developments	Organize Partner Days in between IFFA trade shows, access to Extended Network Online
Suppliers	Supplier rating system, negotiations, technical meetings, trouble shooting, trade shows	Stable relationships, technical dialogue, more focus on innovation	Focus on value for money, continue shared innovation projects
Employees	Daily communication, employee meetings, new Intranet - WeConnect, E-learning tool, motivational activities	Employee survey measuring NPS score done regularly. Sync global and local communication. Keep dialogue with employees and employee representatives	Further improve internal communication and communications structure, local TV introduced, Hearts & Minds program, #WeAreViskoTeepak campaign, new intranet launched

**Stakeholder Interactions**



**Resourceful**

With our strong stakeholder relationships we are able to work through obstacles quickly & effectively.





# Owner's voice.

Eriksson Capital is an Åland-based family-owned investment company with global businesses. Eriksson Capital works with Position Green to map our companies sustainability development.




## Eriksson Capital

At Eriksson Capital sustainability is fundamental and a critical aspect of responsible business practices. As long term investors we are able to have a long horizon which make it is easy to realize that if the planet and people do not prosper in the long run, neither will business.

We have been invested in ViskoTeepak for more than 40 years and we are proud to witness and support the strides ViskoTeepak takes in their work to integrate sustainability within all its operations. A sustainability focus that is both focused on reduction, innovation and efficiency as well as a dedication to its people with making sure to create a supporting and developmental culture. Each effort represents a step forward in their journey towards reducing the negative impact on the planet while enhancing the safety and quality of the food industry's offerings.

To thrive in changing times, businesses must be flexible and responsive. Knowing ourselves, our actions, impacts, and supporting strong teams are key. ViskoTeepak excels in creating these conditions for lasting success.

A photograph of a woman with long brown hair, wearing a grey knit beanie and a dark blue winter jacket, smiling and holding the lead rope of a dark brown horse. The horse has a white blaze on its face. They are standing in a snowy field with a line of trees in the background under a pale sky.

"Long-term success requires a commitment to sustainability and people, for without their prosperity, business cannot thrive."

Rebecka Eriksson  
*Executive Vice President*

# Supplier's voice.

Suppliers have a huge role at every stage of the product life cycle. From sourcing raw materials to helping ramp up production to finding better options for raw materials as the market becomes saturated. ViskoTeepak needs to work closely with their suppliers to get the best out of their products.



## Ahlstrom

As a company, we are committed to be part of the solution to global sustainability challenges. We have a unique opportunity to have real impact on the shift towards a sustainable and circular economy through our innovation, technology, and our products. Ahlstrom recently introduced a more ambitious sustainability strategy with corresponding targets.

Our purpose is to Purify and Protect, with Every Fiber, for a Sustainable World. Our goal is that all new product introductions will serve our purpose to Purify and Protect and be sustainable by design.

While the strategy spans across environmental, social and governance factors, special focus lies on immediate improvements in climate performance. Ahlstrom is committed to 1.5°C science-based target toward 2030 from a 2021 base year and net-zero emissions by 2050 the latest.



"Our environmental commitment includes the responsible use of raw materials and resources and aims to protect climate and environment in accordance with regulations and international standards and best practices. Our goal is to support the transition to a circular economy and operate as resources efficiently as possible with continuous improvement as a guiding principle."

Ahlstrom  
Fiber-based Solutions

**Our Purpose:** We Purify and Protect, with Every Fiber, for a Sustainable World

**Sustainability as differentiator:** We differentiate through products that Purify and Protect, delivered with Enhanced Circularity and Decarbonization at least in line with Science-Based targets

### Environment

- Significant **emission reduction**
- Resource efficiency
- Responsible sourcing
- Transition to **circular economy**

### Social

- **Equal opportunities** for all through our DEI focus
- Positive contribution to our **local communities**
- Improvement in **safety and well-being** each year

### Governance

- **Transparency and ethics** far beyond compliance
- Enhance our capabilities for **public disclosures**
- ESG part of the **STI remuneration**



## Customer's voice.

No matter your industry or the products and services you offer, your customers are the heart of your business. ViskoTeepak's success is built on inclusiveness and sustainability, as we'll explore in the following insights from the market.



### Team Packaging

Recognized as pioneers in the disposable packaging sector since 2003, Team Packaging sets the standard with their holistic approach to product development. From initial material selection and design to manufacturing, distribution, and responsible disposal, they prioritize the entire life cycle of their products.

Team Packaging's unwavering dedication to sustainability shines through in their track record of crafting solutions that not only meet industry regulations and client demands but also align with broader environmental goals. By partnering with suppliers, like ViskoTeepak, who share their commitment to eco-conscious practices, they offer a range of products crafted from sustainable, renewable, or recycled materials. These offerings include biodegradable, compostable, or recyclable options, reflecting their commitment to minimizing environmental impact.

Team Packaging empowers clients to embrace eco-friendly practices, ultimately reducing material consumption, waste generation, and carbon emissions—all while remaining economically viable and meeting stringent environmental criteria.

"Thoughtful selection of materials and thorough analysis of the production process allow us to find solutions that create less waste and fewer toxic emissions. We strive to meet your strict environmental requirements as economically as possible."

Team Packaging  
*Wholesale Product Packaging Supplier*





# Partner's voice.

ViskoTeepak values the long-term relationship we share with many of our Partners and are fully committed to continuing to grow and improve together.



## Techpartner

Techpartner is a leader in the supply of machinery for the food industry and beyond with cutting-edge technology and a high level of automation. Last year, a group of ViskoTeepak employees embarked on a transformative journey, spending two days with Techpartner to strengthen collaboration and propel our quest for enhanced efficiency and sustainability. This visit took place in Hanko, Finland, where ViskoTeepak operates one of its Fibrous production units. The purpose of the meeting was to deepen our collaborative efforts, explore new avenues for improvement, and gain insights into the challenges and opportunities inherent in the fibrous production process, transportation, and innovations.

Nowadays we maintain continuous and close contact with Techpartner to optimize various aspects of our product offerings. Simplified casing print designs and single-sided printing improve yields and align with our environmental commitment. Longer production runs reduce the need for frequent setting changes in both printing and shirring processes.

Techpartner has received larger batches of shirred fibrous casing, with each strand now measuring 75 meters. A single shipment now contains 12,000 meters across 9 boxes, doubling previous quantities within the same space. This eco-friendly change has halved the use of cartons, plastic, and pallets, a practice we're extending to more products to reduce costs and bolster sustainability goals.

“Hanko provided an immersive environment, fostering meaningful discussions and hands-on learning, paving the way for innovative solutions and advancements in our journey towards a more efficient and sustainable future.”

Techpartner  
*Industrial Machinery & Equipment*





# Employees' voice.

At ViskoTeepak, our employees are at the core of our business. They play a pivotal role in our success, driving our development and growth. Our team is responsible for executing daily operations, implementing new ideas, and delivering quality casings and packaging materials to our customers.



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## Robert Frala

In the bustling halls of ViskoTeepak Poznań's Fibrous Converting Plant, Robert Frala stands as a dedicated Production Manager. He ensures that different teams work together smoothly to maintain high-quality products and on-time deliveries.

Having been part of ViskoTeepak for over thirteen years, Robert has seen many changes and taken on various roles, from sales to quality management. He believes in learning from mistakes and values teamwork to achieve success.

Looking ahead, Robert envisions a future where advanced technology and ongoing training keep the plant innovative and efficient. He's not just a manager; he's a leader who motivates the team to strive for excellence every day. With his positive attitude and commitment to growth, Robert inspires those around him to reach new heights, fostering a culture of continuous improvement within the plant. Robert's dedication and expertise make him an invaluable asset to the ViskoTeepak team.

“I receive support daily from the local management, and I try to be there and do the same for my colleagues. Teamwork is strong here. Working on an ambitious team with a positive attitude is a pleasure.”

Robert Frala

*Converting Plant Production Manager, ViskoTeepak Poznań*



# Employees' voice.



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## Tua Wikström

ViskoTeepak's Hanko plant was part of an educational initiative with local vocational schools and companies to train skilled workers for the regional process industry in southwest Finland. The program aimed to facilitate career changes and deepen employees' process technology knowledge. Municipal authorities collaborated with companies like ViskoTeepak to design the curriculum, aligning it with national education standards.

Henrik Tarvainen, Production Manager, and Tua Wikström, Process Engineer, from ViskoTeepak led this initiative, ensuring practical and educational aspects met industry needs and government standards. The program offered a portion of a nationally recognized degree in Process Operations, promoting continuous learning and industry-specific skills among employees, benefiting both the company and its customers through enhanced quality and social responsibility.

There were also benefits from a customer's point of view. "For sure, enhanced knowledge led to improved quality. In this case, in terms of casing quality. With this setup, ViskoTeepak demonstrated social responsibility by supporting our employees in their competence development. Investing in our employees was an investment in the future," said Tua Wikström.

ViskoTeepak's focus on education and skill development reflected its commitment to quality and innovation, embodying responsible corporate citizenship. By investing in its workforce, ViskoTeepak not only ensured operational success but also elevated industry standards. As the program progressed, the Hanko plant emerged as a symbol of excellence, promoting values of education, collaboration, and sustainable growth in the process industry.

"Training in general opens doors to more challenging job opportunities. The process operator class offers government-approved education that is valid anywhere."

Tua Wikström  
Process Engineer, ViskoTeepak Hanko







## The People Strategy



### Objective

A strategy to clarify our company culture and the behaviors we want to live by and encourage in our organization.

# Driving our Values & Quality Standards Forward.

In 2020, we launched a company-wide training initiative called Hearts & Minds, which continued throughout 2021 and concluded at the end of 2022. In 2023, it evolved into a new version called Hearts & Minds 2.0 - Leading with Passion & Purpose. The program was conducted for all English-speaking ViskoTeepak leaders on our e-learning platform, with eligibility for participation defined by global Human Resources & Leadership members.

Four sessions and/or modules were released during 2023. This consisted of video sessions combined with reflection exercises. The topic for each session was as follows:

1

## Exploring the Luminus profile:

In the first module, we focused on exploring the so-called Luminus profile and its four elements, with the purpose of illustrating how we all possess unique drivers and person profiles.

2

## Discussing the People Strategy:

In the second module, we carefully highlighted ViskoTeepak's comprehensive People strategy and effectively connected it back to the Luminus profile. See page 23 for diagram.

3

## Carol Dweck theories:

In the third module, we delved deeply into Carol Dweck's ground breaking theories, where she explores our two mind sets (fixed and growth), elucidating how they impact not only our attitudes and learning but also our overall approach to challenges and personal development.

4

## Feedback focused:

In the fourth module, we focused extensively on feedback and its critical importance in leadership development. Moreover, we examined positive psychology, exploring strategies for energizing, empowering, and encouraging individuals within the organization.

## The final results

In total, we achieved a participation rate of more than 90% for all modules. After each session, participants could rate the module between 1 and 5 stars. On average, we received more than 4 stars for all sessions.

Alongside our company-wide Hearts & Minds program, we also conduct several education initiatives for employees at a local level.



A guide of ethical standards

## Code of Conduct

ViskoTeepak takes pride in our excellent reputation as a responsible, reliable partner and are committed to conducting our business with honesty and integrity. Our "Code of Conduct" outlines seven main ethical standards that all ViskoTeepak employees must adhere to, ensuring the respectful treatment of each employee and business partner.



# Creating value for customers.



## Website

In today's fast-paced digital world, a website is more than just an online identity; it's the front-line of customer engagement and brand representation. Acknowledging the importance of a strong digital presence, ViskoTeepak is excited to announce the launch of our new website.

### New features:

- 1 Modern, sleek design that allows for improved website speed and responsiveness
- 2 Cleaner and even more compelling "call to action" buttons that make it easier to get in touch with us
- 3 Customers can quickly and easily connect with the right representative in their region
- 4 Comprehensive translation tool that is capable of translating the site's content into many languages



## Extended Network

Our Extended Network, or extranet, is a platform for our distributors. The platform requires a user registration which is checked before it's confirmed. The Extended Network works as an extension to our official website where we made more content accessible for our distributors.

### What you can find:

- 1 Photo Library
- 2 Logo & Graphic Manual
- 3 Product Information
- 4 Videos
- 5 Events
- 6 Articles
- 7 Code of Conduct
- 8 Sustainability Reports
- 9 Presentations
- 10 Rollups & Posters

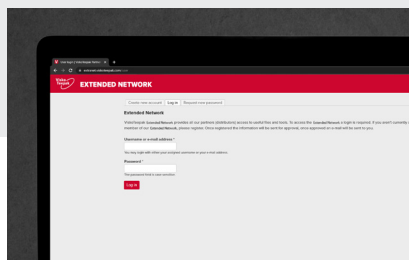
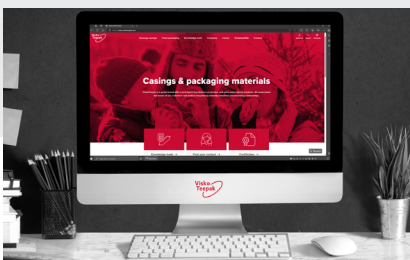


## Social Media

Through our social media channels in Facebook and LinkedIn, we strive to increase our brand's visibility by building relationships and communicating with our stakeholders. We are putting extra effort into employer branding, maintaining a fun, light, and fact-focused style primarily in English.

### Our platforms:

- 1 Our Facebook page is used to enhance our online presence and engage with a broader audience. We use our page for sharing updates, promotions, and valuable content, fostering brand awareness and customer loyalty.
- 2 Our LinkedIn helps us establish a professional presence within the industry. We use our page to share company insights, updates, and job opportunities while enhancing brand credibility.



Follow us on





ViskoTeepak works hard on implementing our three brand cornerstones; Tailor-making, Productive Solutions, and Teamwork in our external communication. Through these six communication channels we strive to create value for our customers.



### Communication Package

This past year, we began releasing what we call a 'Communication Package' every tertial period. These Communication Packages contain Solutions articles, #WeAreViskoTeepak articles, and other news that needs to be shared. We have consistently received a lot of positive feedback on this initiative.

#### When are they released:

- 1 January
- 2 April/May
- 3 August/September



### Solutions

We regularly publish articles known as Solutions, which serve as informative pieces addressing various topics. These articles are primarily spread through email signatures, and they are also accessible on our social media channels and website, ensuring widespread distribution.

#### What is the content:

- 1 Product news which can consist of new features, usage tips and guides, customer feedback, and benefits
- 2 Company news which can consist of announcements, achievements, events and activities, and new collaborations
- 3 Case studies that discuss the challenge, solution, results, customer testimonials, lessons learn and future plans.



### Events

Every third year we arrange ViskoTeepak Partner Days, an event where we invite all our partners from around the world to get an update on what's going on in our business. We also attend IFFA which also is arranged every third year. Besides these two big events, we're also present at several smaller fairs around the world.

#### Past Partner Days:

- 1 During the pandemic, we built a Partner Days studio and filmed videos for our Partners to enjoy in the safety of their own homes or businesses.





**"The Innovation Center in Brno serves as a pivotal starting point, fostering collaboration and innovation within the company and beyond."**

Christl SpiceTechnology, Austria

# Enhancing Customer Experience through Innovation and Quality.

ViskoTeepak's Innovation Center acts as the test kitchen for preparing meat emulsion and facilitating smoking techniques. With a focus on peeling development, we're dedicated to continuous learning. Below, we showcase two examples of our commitment to excellence within the Innovation Center.

## Receiving the Marel Frank-A-Matic

The collaboration between ViskoTeepak and Marel originated with an investment in ViskoTeepak's Innovation Center, where a dedicated test house for Wienie-Pak products. Following the completion of the Innovation Center, an article highlighting its features caught the attention of Marel's chief engineer, who promptly shared it with Marel's management. Subsequently, a visit by Marel's sales director and technician to ViskoTeepak's Brno plant in the summer of 2023 solidified the interest from both parties, resulting in Marel offering ViskoTeepak the latest stuffing machine, the Marel Frank-A-Matic, for a 12-month trial period.

This collaboration presents numerous benefits for both ViskoTeepak and Marel. ViskoTeepak gains access to state-of-the-art technology to test its products, facilitating continuous product development and the identification of previously unexplored issues such as casing jams. Additionally, Marel stands to benefit from valuable feedback on the machine's performance, potential areas for improvement, and opportunities for further development. Furthermore, joint presentations with potential customers allow Marel to showcase the machine while ViskoTeepak promotes its products, contributing to enhanced visibility and market presence for both companies.

**"Thanks to this cooperation, ViskoTeepak's product quality will be top-notch, and our technical team will strengthen their knowledge, which will be further utilized in the market."**

The Marel Frank-A-Matic boasts user-friendly design features, ensuring consistent product quality, uniformity, and trouble-free filling processes. Installed in ViskoTeepak's Innovation Center, the machine serves as a focal point for knowledge sharing and skill enhancement among ViskoTeepak employees. With this collaboration, ViskoTeepak anticipates a significant enhancement in product quality and technical expertise, positioning the company for continued success in the market.

## Expanding into Veggie Testing

The evolving nature of the world necessitates constant adaptation and growth. Embracing new challenges as opportunities for exploration and learning is vital for personal and professional development. In October, a dedicated focus on vegetarians highlighted the growing importance of veggie products in the German market, with promising prospects for future expansion. Collaborating with German technicians and Christl, a leading company in the spices industry, offered valuable insights into the production and processing of various veggie sausages, underscoring the significance of market trends and consumer preferences.

The production of emulsions, though distinct from meat processing, proved to be manageable, with differences in ingredient form and temperature requirements. However, challenges emerged during the peeling stage, particularly with sausages exhibiting unstable surfaces. Despite these complexities, successful peeling strategies emerged, emphasizing the importance of product specifications and temperature control in achieving desired outcomes. Through collaborative efforts and innovative problem-solving, solutions were identified to enhance product quality and efficiency in veggie sausage production.

This experiential test provided invaluable knowledge and direction for future endeavors. It marks the beginning of a journey toward refining processes and meeting evolving consumer demands. The Innovation Center in Brno served as a pivotal starting point, fostering collaboration and innovation within the company and beyond. Gratitude is extended to the German team and Christl for their support and contribution to this transformative experience, setting the stage for continued growth and innovation in the veggie product industry.





# Renewable resources.



## Upstream influence

### Raw materials – Wood pulp

Wood is one of few renewable raw materials that can be grown in large quantities. Trees reduce emissions in more than one way. While trees are growing, they capture and store CO<sub>2</sub> from the atmosphere in a process called photosynthesis. As the trees grow older, they capture less CO<sub>2</sub> and are ready to be harvested to become biomass for sustainable products that can replace oil-based alternatives.

ViskoTeepak uses softwood-based specialty pulps, also referred to as cellulose, to produce viscose as a base ingredient for our Wienie-Pak and Fibrous products. In the case of Fibrous casings, the total cellulose content of the finished product is as high as 75%. The pulp raw material is purchased from companies in the U.S. and Scandinavia which manage their forests on a sustainable basis.

We follow the activities of our suppliers and how well they develop their sustainability. We always become extra happy when our vendors, customers, and partners are reporting steps in the right direction when it comes to sustainability. As good examples, we are happy to mention two of our pulp suppliers. Borregaard wood usage is reportedly 95% from certified forests and in the case of Domsjö Fabriker it is 100%, all wood is supplied from certified Scandinavian forests.

### Raw materials – Chemicals

Besides fiber-based materials like specialty pulps and paper, we use various chemicals in our production process. It is equally important that these chemicals are produced sustainably. Companies like Kemira provide us with sodium hydroxide and Boliden with sulfuric acid. Both are well known for their efforts in the field of sustainability and we happily refer you to their respective websites for more detailed information on the topic.

### New suppliers

Our Code of Conduct contains a Supplier Code of Conduct in Annex 5. New and existing suppliers are requested to sign this document and by doing so to comply with our criteria on:

- Ethical behavior
- Legal compliance
- Equal treatment of workers
- Fair working conditions
- Rights of association
- Care for Safety & Environment



Cellulose content in Fibrous casings can be as high as **75%** in the finished product.



# Responsible care.



Responsible Care is the chemical industry's voluntary sustainability program. In Finland it has been in action for a 30 years.

Responsible Care drives continuous improvement in health, safety, and environmental (HSE) performance, together with open and transparent communication with stakeholders. In Finland, the Responsible Care program is run by Kemianteollisuus ry and in Belgium by Essenscia. Both our Lommel and Hanko plants have been a member of the Responsible Care initiative since 1999. The development of a company's corporate responsibility work is supported through cooperation in networks and development projects. Responsible Care commits companies, national chemical industry associations, and their partners to continuously improve their performance. Current focus areas are energy consumption, circular economy, greenhouse gas emissions and safety. In total, more than 60 countries around the world participate in the Responsible Care program. In Finland, around 100 companies have committed to the program, representing some 80% of all production in the chemical industry and some 60% of its employees.

**ViskoTeepak in Hanko, Finland:** Kemianteollisuus ry (Chemical Industry Federation of Finland) is a trade association for the chemical industry and its closely related sectors, covering various fields in the basic and production of chemical industry. Teollisuusliitto and Pro are the blue and white-collar labor organizations represented in the plant. Other stakeholders are Krogars vattenskyddsförening, a local NGO for the protection of recipient water, and LUVY (Association for Water and Environment of Western Uusimaa). This year Responsible Care in Finland is celebrating 30 years.

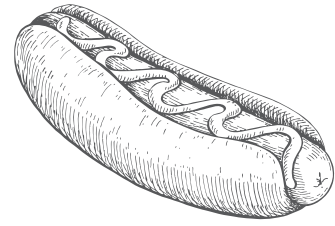
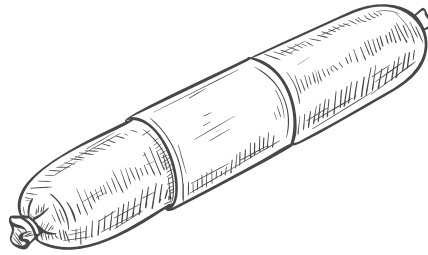
**ViskoTeepak in Lommel, Belgium:** Essenscia is the Belgian federation of the chemical and life sciences industry, a multisector umbrella organization that represents the numerous business sectors of chemicals, plastics, and life sciences. Sustainable development and the contribution of the chemical and life sciences to a sustainable society are central to the mission of Essenscia. The focus of last year was on NOx reduction in the total chemical industry.



**KEMIANTEOLLISUUS**



# PRODUCT PORTFOLIO.



## ● Fibrous Family

We're the world's leading manufacturer of fibrous casings, in terms of volume as well as variety. We offer the widest range of diameters, from the smallest to the largest casing diameter. Fibrous casings are used for a wide range of applications, such as pepperoni, salami, and lunch meats.

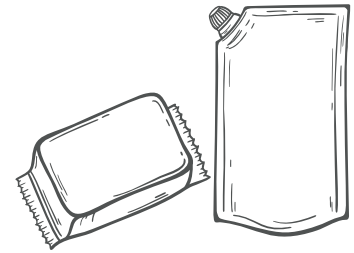
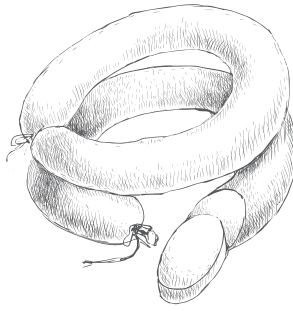
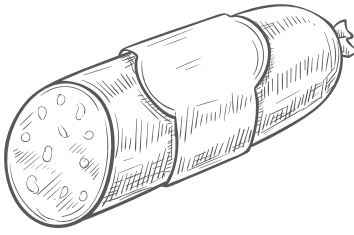
- **Fibrous Standard (ST)**
- **Fibrous MAX**
- **Fibrous Super Protect**
- **Fibrous Glide**
- **Fibrous Xtreme**
- **Fibrous XL/LCXL**
- **Fibrous Brilliant**
- **Fibrous FLX**
- **Fibrous CRF**
- **Fibrous Preserve**

## ● Cellulose Family

Our cellulose product line is called Wienie-Pak. We're one of the big players in the cellulose-casing market as well. We offer our customers the most efficient cellulose casing available. Wienie-Pak is used for a wide range of applications, such as frankfurters, hot dogs, beer sausages, and mini-salamis.

- **Wienie-Pak Rapid Peel**
- **Wienie-Pak Colored Casing**
- **Wienie-Pak Window**
- **Wienie-Pak D-Tech**
- **Wienie-Pak Printed**
- **Wienie-Pak Logoprint**
- **Wienie-Pak Multicolor Printed**
- **Wienie-Pak Long-Shirred**





## ● Plastic Family

Our plastic product line is called Nova. The Nova casing is a combination of different types of high-performance plastic resins, which work together to provide a unique level of performance. Nova is used for a wide range of applications such as cooked hams, liver sausages, and pâtés.

- Core Series
- Shape Series
- Industrial Series
- True Series
- Permeable Series

## ● Collagen Family

We supply collagen casings from the world's top producers. We offer both edible and non-edible collagen for the US and German markets. Collagen is a strong and flexible casing that is used for a wide range of applications such as cooking, dry, and fresh sausages.

- Devro edible (Germany)
- Devro non-edible (Germany)
- Nippi edible (USA)
- Nippi non-edible (USA)
- Fibran non-edible (USA)

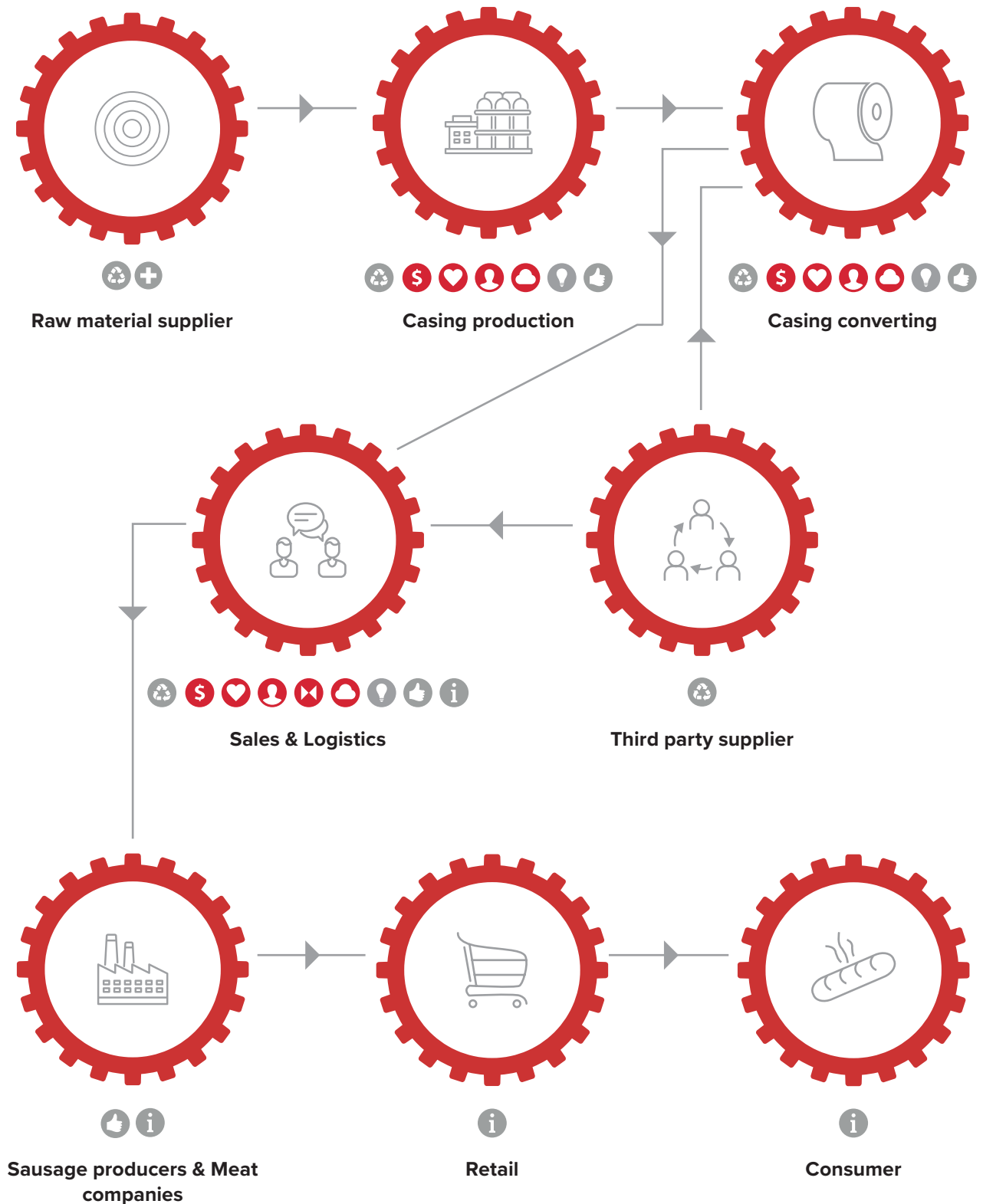
## ● Packaging Family

We're a full-line food packaging supplier to the meat and poultry processing industry. Our packaging materials and brands are today offered mainly in Germany, Canada, Mexico, the Nordics, and the U.S. Our packaging materials are used for a wide range of products such as pouches, shrink bags, and films.

- TNI Elastic Food Loops
- Evolv Shrink Bags
- Ally Films
- Vivid Pouches
- Vista Gel



# ViskoTeepak value chain.



We have analyzed our value chain and our business model to identify key risks and opportunities. Our value-creation process is as shown on the left. The following material issues are connected to the respective value steps.

### Upstream influence:



#### Renewable resource

We use several renewable materials in our manufacturing process. All the renewable materials we use are also taken care of and disposed of correctly.



#### Procurement & supplier assessment

We assess our suppliers and other partners to ensure they work fairly, taking environmental issues into account and always stepping away from fraud and collusion.

### Direct control:



#### Economic performance / investments

The economic performance of the company has to provide for a healthy future; that means that our financial performance needs to enable investments for assuring growth, increasing efficiency, and securing our environmental performance. At the same time, we want to keep our investors interested in our company by providing them with a competitive return on their investment.



#### Health & safety

ViskoTeepak has committed to a zero accident safety program for several years. The goal is to improve the safety culture and achieve a safety level comparable to the best in the chemical industry.



#### Labor & management relations

We work actively and proactively to be an attractive employer, offering good and safe working conditions and opportunities to develop as an individual.



#### Anti-competitive behavior

We take an active approach against all anti-competitive behavior such as dumping, price-fixing, or market division, all actions that may reduce the competition in the market.



#### Energy & waste

We strive to minimize our energy consumption in all our plants. We'll also minimize the carbon footprint of our products and we'll recycle wherever possible in our operations.

### Downstream influence:



#### Product innovation

ViskoTeepak strives to be at the forefront of our business. That means always striving to improve our contributions within the areas of food safety, health, and efficiency of our products.



#### Customer satisfaction

We continuously measure customer satisfaction concerning our services and products. We do not see collecting input from customers as only marketing but as key in managing, monitoring, and developing our company.



#### Marketing & communication

By always communicating in line with what we feel is true and contributing to our brand we help steer our market while applying the same values as we do in ViskoTeepak, striving to achieve a sustainable world.



# Sustainability performance.

We at ViskoTeepak believe that safety and environmental performance go hand in hand with product quality and production efficiency. We aim at standardizing our work methods to continuously improve them by relying on and developing the skills of our personnel. The ISO 14001 Environmental, ISO 9001 Quality, ISO 45001 Safety, BRC Packaging Product Safety, and AEO-F Logistics management systems are all a foundation for our activities.

## Freshwater and wastewater

Various issues are involved when it comes to minimizing the environmental impact of our wastewater. The first one is to use as little fresh water as possible. We have managed to improve casing-machine water circulation in recent years. The new system is based on a more efficient countercurrent principle. Not only do we use less of this valuable raw material, but we also achieve a better functioning cleaning operation since the load on the treatment facility is smaller and the casing machines actually run better thanks to an optimized water temperature.

Secondly, in our process, we use absorber/stripper systems for the efficient recirculation of process chemicals. The normal recirculation level is approximately 95%. Thirdly, we place great emphasis on our process control. The more steadily and smoothly the operation runs, the more efficiently our wastewater cleaning operates.

The Lommel plant already sends its wastewater for joint treatment in the community cleaning facility. We were able to improve this discharge installation during 2023 with permanent monitoring and stop discharging if this is not compliant. In Hanko, ViskoTeepak was operating a chemical-biological treatment unit for wastewater cleaning. As a sign of continuous improvement in the field of wastewater cleaning, the plant signed an agreement with the city of Hanko regarding joint wastewater treatment. As a result, the plant's wastewater is transferred by pipeline some 15 km to the city of Hanko, where it's treated in a state-of-the-art chemical-biological cleaning facility.

## Solid waste

Regarding solid waste, our main effort is in minimizing the sources of waste and the early separation of various waste streams. In terms of absolute amounts and kg/produced casing, we've seen positive trends. A major part of our solid waste in Hanko is used externally for energy production. In 2022 Hanko plant focused on waste sorting. As a result we separate more efficiently the energy waste from hazardous waste. 2023 verifies that this indeed seems to be a gain we have managed to hold.

## Air

ViskoTeepak Hanko invested in bio trickling cleaning technology already some 20 years ago to ensure the lowest possible effluent levels. We operate six cleaning towers based on this Best Available Technology. The sulfur components are converted from the gaseous phase to the liquid phase in the biofilters and in turn to sulfuric acid, which is then neutralized for safe handling in the wastewater treatment. In line with the company's plan, the plant renewed the filter media with a newer generation type some years ago.

There is a new European initiative in the form of a BREF: Common Waste Gas Treatment in the chemical sector (Best available technology REFERENCE document). The WGC BREF was finalized in the beginning of 2023. There will be a four-year transition time to fulfil the new regulations, which in the case of ViskoTeepak's Hanko plant will require improvements to be made to the H<sub>2</sub>S reduction. In this BREF frame the Lommel plant is already compliant.

## Energy

Energy is used for the generation of hot water for the process of drying the casing and heating the buildings. The Hanko plant has been using wood residues as the major energy source for the heat generation since 2013. Consequently, our carbon-dioxide footprint for the generation of energy for heating is 0 tons of CO<sub>2</sub>, since it is considered a renewable resource. In our Lommel Plant we renewed the cooperation with the government to improve our energy consumption over the next 5 years.



### Green power

The Lommel plant requested a new permit to install 6.1 MWatt solar panels in their front garden.

### **Solar power for electricity**

The Lommel plant received a new permit to install 6.1 MWatt solar panels in our front garden. This power will be fully used in our Lommel plant. This project will increase our use of green power usage of electricity.

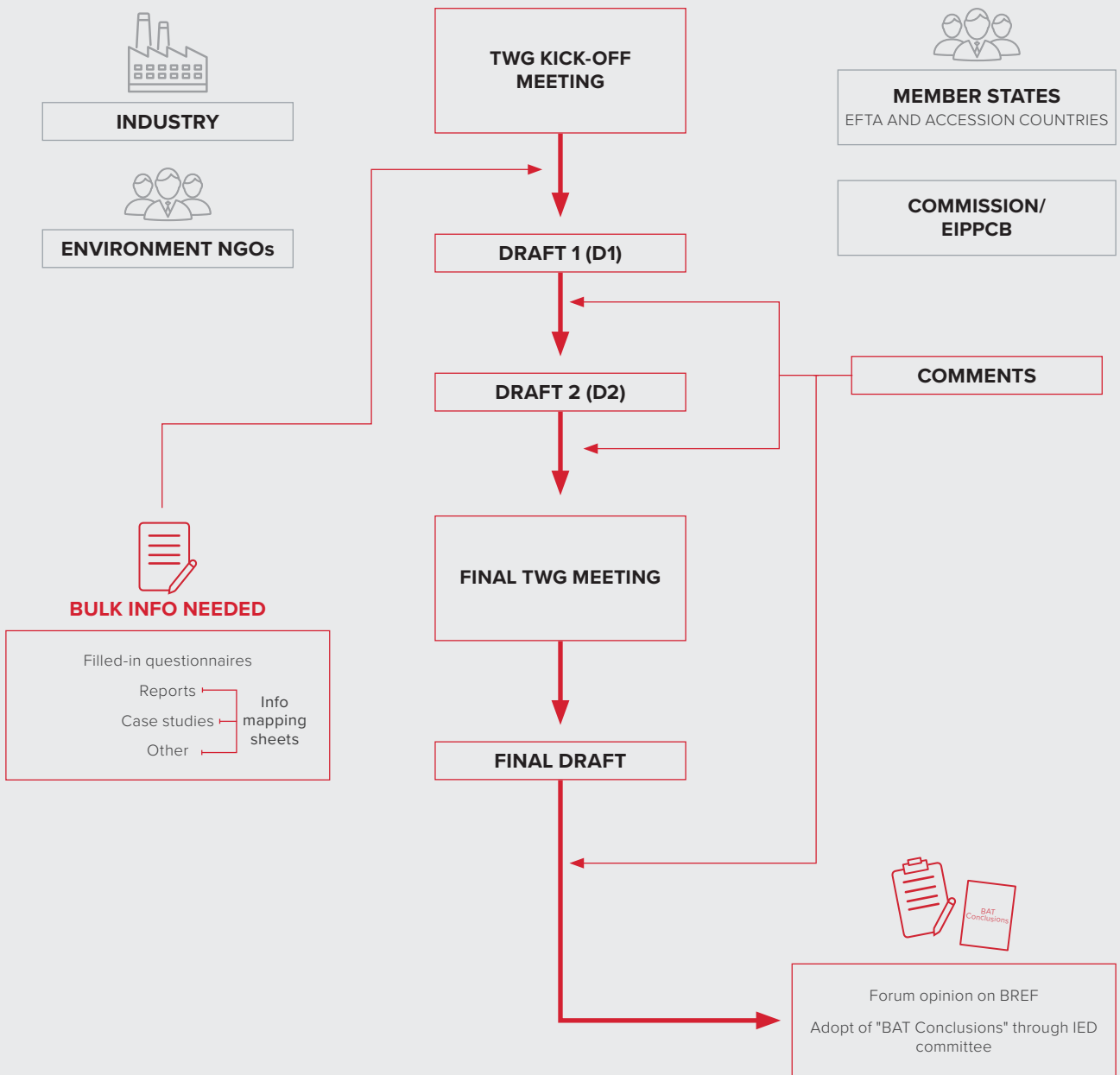
### **Finnish national energy initiative**

In 2017, ViskoTeepak Hanko joined the Finnish national energy initiative Motiva Energy Efficiency Agreements for the period until 2025. Yearly investments relating to this is for example, Hanko factory replacing the motors of dryer section to more effective ones. A project that was started late 2022 aims at recovering heat from the waste water through heat exchangers and heat pumps. The project will be executed during the first half of 2024.

NOx and SOx are two generic parameters of combustion from energy-generation units. Both are local air pollutants that can be avoided through the control of energy production and reduced energy consumption.



# The BREF Review Process



## What is a BREF?

Also known as a BAT Reference Documents is a guideline to define BAT for specific industrial sectors to minimize environmental impact.



**"By actively participating in the formation of WGC- BREF we were able to help the authorities in finding the right solutions for various effluent treatments."**

Christl SpiceTechnology, Austria

## **WGC-BREF from 2016 to 2023.**

Behind this magic abbreviation is the importance of how the air effluent of the chemical industry in the European Union is handled.

### **BAT - Best Available Techniques**

In the subsequent paragraphs, we will elaborate on the definition of BAT, or Best Available Techniques.

**Best:** Refers to the most efficient technique for attaining a comprehensive level of environmental protection.

**Available:** Denotes methodologies developed at a feasible scale for adoption within the pertinent industrial sector, under economically and technically viable circumstances, where benefits are weighed against costs.

**Techniques:** Encompasses the methods utilized and the approach taken in designing, constructing, maintaining, operating, and decommissioning installations.

### **Bat REference documents**

The European Union Industrial Emissions Directive (IED) 2010/75/EU serves as the cornerstone for BAT, aimed at safeguarding the environment by regulating industrial activities.

BAT Reference documents (BREFs) contain comprehensive details regarding these techniques. European Union member states are obligated to transpose BREF regulations into national law.

Various BREFs exist for different industries, such as Waste Gas Common (WGC), which pertains to the chemical industry in the EU.

ViskoTeepak, with facilities in Hanko and Lommel, actively participated in the development of the WGC-BREF, which is poised to become official in 2022. This process, spanning approximately seven years, involved several phases, including:

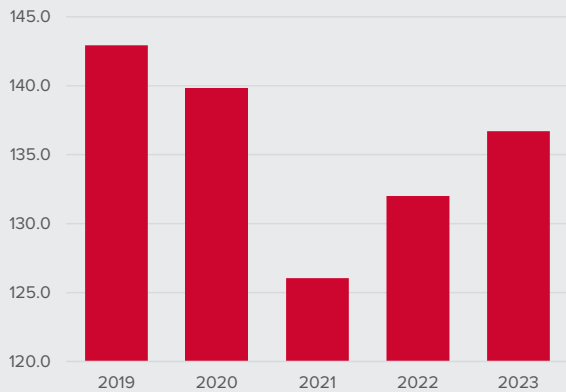
1. Gathering information on technologies and air waste values across member states' industries.
2. Making decisions regarding effluent limits.
3. Adapting existing environmental permits to comply with the new regulations.

By actively participating in the formation of WGC-BREF we were able to help the authorities in finding the right solutions for various effluent treatments, to avoid ambiguities in the regulations and to get the right level of detail to the various parts of the BREF. Our counterpart was the national bodies assigned to handle the WGC BREF. In Finland it was a small team of people belonging to SYKE (the Finnish environmental agency). The SYKE team had a long experience of working out BREFs and they have extensive technical know-how. It was comfortable and very effective working with them during the multi-year long process. It was also quite a learning experience that most likely leaves us well prepared for the coming improvements we need to make. All in all, it was a very trust building experience between the various industry representatives and the authorities taking part in the work. The WGC-BREF process was finalized early 2023. During 2024 VT Hanko and Lommel The next step is for the companies that are concerned to will be in contact with their national regulating bodies to go through how the new legislation will affect the operation and possibly the environmental permit.

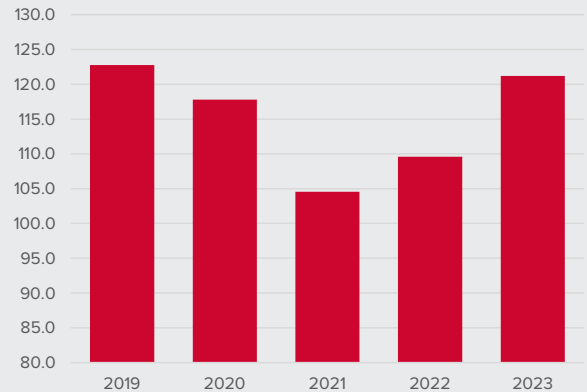
# Sustainability in numbers.

Five year trend for Hanko and Lommel plant.

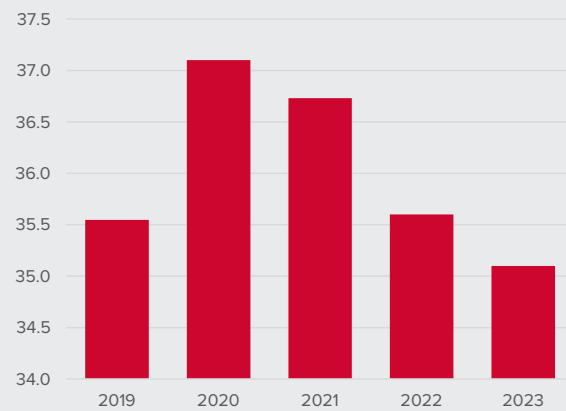
Freshwater m<sup>3</sup> / ton cellulose



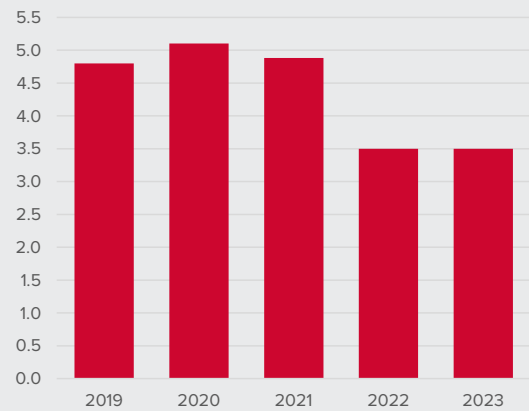
Wastewater m<sup>3</sup> / ton cellulose



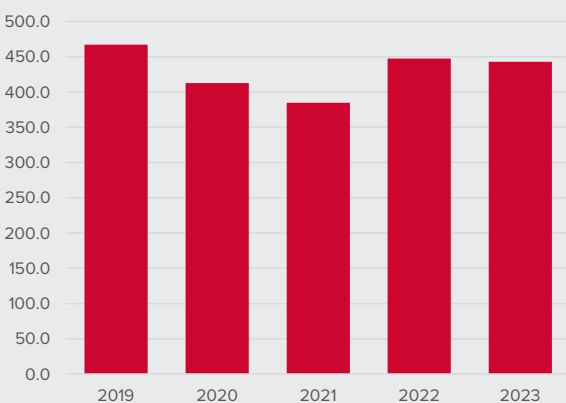
Total energy MWh / ton cellulose



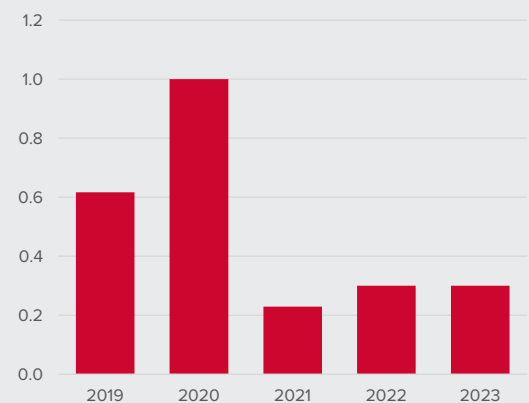
NO<sub>x</sub> emissions kg / ton cellulose



Solid waste kg / ton cellulose



SO<sub>x</sub> emissions kg / ton cellulose



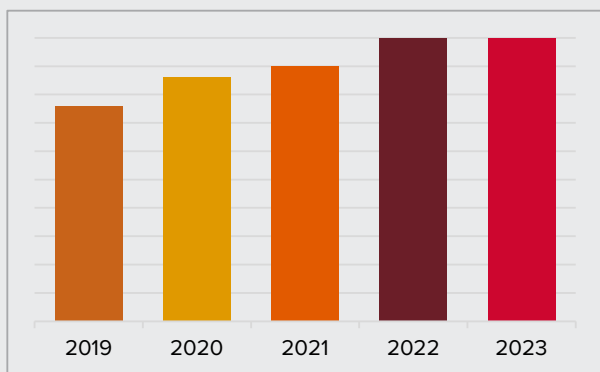
# Finance and environment.

## Performance, protection and expenditures.

### Economic performance

#### Sales Revenue

Full year sales value remained the same as 2022 in 2023



### Environmental protection

#### Environmental Investments

● 2023 €98 k

### Environmental expenditures

#### Environmental Expenditures

- 2023, Disposal & Treatment cost €1454 k
- 2023, Preventive & Management cost €180 k



# 2023 Sustainability projects.

The following list sums up the projects and their completion phase for 2023 in all our production and converting plants around the world.

Location	Project	Status	Comments
Brno	LED lighting project	100%	Completed
Delfzijl	Reduce packaging material by re-using incoming material from other plants	100%	Completed
Delfzijl	Clustering of orders to one shipment	100%	Completed
Delfzijl	Reducing compressed air with the same result	100%	Completed
Delfzijl	Reduce the waste of fluids to make badges with exactly the right amount	100%	Completed
Delfzijl	Testing new water-based ink	100%	Completed
Delfzijl	Led lighting project	100%	Completed
Delfzijl	The Dutch government aims to reduce the natural gas to zero in all buildings and households	60%	Working in several parts of the plant to reduce heating/other solutions
Delfzijl	Renewal of roof incl insulation - 5 year project - (Requirement for future solar panels)	0%	Starting project in 2024
Hanko	LED lighting project	80%	Continues department by department
Hanko	Water safety plan for ground water	100%	Completed
Hanko	New fresh water tank	100%	Completed
Hanko	Optimizing and standardization of fresh water usage in production	40%	In testing phase
Hanko	Filtering of caustic prior to dosage to Nitrogen stripper (less shut-down time for stripper)	0%	Tested and stopped as not needed
Hanko	New design concept to Nitrogen stripper due to safety reasons	100%	Running since March 2022
Hanko	An online chemical training of chemicals used at Hanko plant	25%	Ongoing
Hanko	More efficient sorting of waste in production area	100%	Ready October 2022
Hanko	Investment in new paper roll lifts	100%	Ready December 2022
Hanko	Heat recovery from the waste water	10%	Started November 2022
Kenosha	LED lighting project	100%	Complete
Lommel	Upgrade of fresh water reduction program	95%	50% over 20 years
Lommel	Energy assessment projects, installing accurate energy measurements	90%	Will be completed by end of 2023
Lommel	Replace low NOx burners in boiler house	100%	Running with good results
Lommel	Replace lighting fixtures to be energy efficient	100%	Completed



**Some say sustainability takes forever,  
but isn't that the point?**

Location	Project	Status	Comments
Lommel	A long-term study to explore geothermal technology	25%	Study gives good promises
Lommel	Installing huge amounts of solar panels	50%	Permit has been requested
Lommel	Better HVAC monitoring for energy saving	95%	Migration plan is running
Poznan	LED lighting project in warehouse	80%	Project in progress
Poznan	Sorting of municipal waste by employees	90%	Finish project during 2024
Poznan	Collection and recycling of batteries	60%	Finish the project during 2024
Poznan	Save heat energy from the compressor	100%	Completed
Poznan	Introduce a new type of more sustainable printing inks	100%	Completed
Poznan	Electricity only from renewable energy	100%	Project is still valid for 2024
Poznan	Reduction of energy consumption - reduce compressed air	10%	Project in progress
Nuevo Laredo	Hazardous waste reduction	90%	Project in progress
Nuevo Laredo	Recyclable waste reduction	70%	Project in progress
Nuevo Laredo	Reduction of packaging materials due to recycling	60%	Project in progress
Nuevo Laredo	Reuse of filtered solvent from the printing process	0%	Searching for suppliers
Nuevo Laredo	Installation of power capacitor bank to save electrical energy	100%	Completed

For a more detailed description of some of these projects, refer to the section "Beyond Compliance".



# A holistic approach to people engagement & development.

We believe that employee engagement is crucial. It involves improving the workplace environment and empowering individuals in their roles. Today, employees seek meaningful involvement in their work and genuine enthusiasm for the organization they serve.

## People Strategy

In early 2022, we launched our people strategy to clarify our company culture and the behaviors we want to live by and encourage in our organization. It also guides us on how we believe we enable success in our teams. The strategy provides direction, creates focus, sets priorities, and defines more detailed targets and plans. By clearly describing ViskoTeepak's work culture and key behaviors, we strongly believe we will improve general well-being as well as results. To view our people strategy, refer to page 23.

## Career Page

With the introduction of our newly implemented career pages, we aim to attract top talent and effectively convert visitors into applicants. Each local unit has been provided with its own career pages available in the local language.

## Communication

Communication is essential for the company's efforts to engage with its employees. Local Plant Management Teams coordinate communication at the plant level, providing regular updates on business status, local initiatives, and projects. TV screens and regular employee meetings are used to keep everyone informed. In larger plants, there are regular meetings with employee representation groups such as the Works Council and Union representatives. Group Management hosts an annual Leaderforum program and communication meetings within the organization.

## Intranet

In 2023, we implemented our new Intranet, which serves as a centralized hub. We are proud of it, as it allows us to openly share information, ideas, and updates.

On our Intranet's "Global Page," we provide company-wide news, updates, and important announcements. Additionally, we have location-specific pages tailored to meet the needs of employees in that area, ensuring information is relevant and accessible.

## Employee Survey

Every second year, we conduct an employee survey at ViskoTeepak, believing it's essential to gather feedback from

everyone. We've categorized the survey questions into Trust, Ambition, Fun, and Teamwork.

The survey we conducted in 2023 had a 70% participation rate from all employees. From group management down to department and team levels, we will discuss and define action plans to improve identified areas and maintain successful practices.



### Employee Survey

Conducted for each Leaderforum team member



### Survey categories

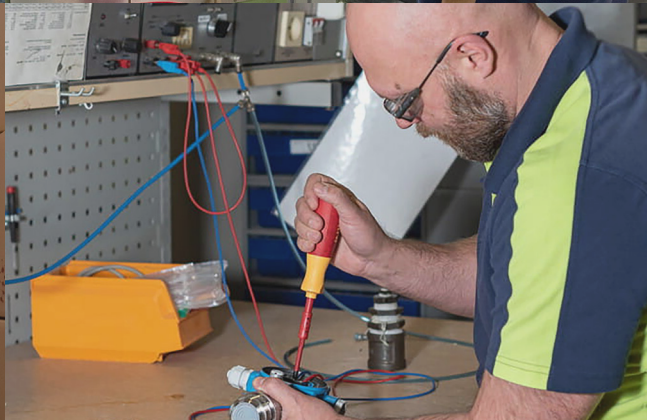
Trust, Ambition, Fun & Teamwork



### 70% participation

Globally on Employee survey





#WEAREVISKOTEPAK







**We operate in accordance with  
ISO 9001, BRC and HACCP**

## Food safety & hygiene.



As a manufacturer of casings to be used as packaging in the food industry, we have a legal responsibility for the safety of our products. We adhere strictly to the international ISO 9001 and BRC Packaging standards to uphold food safety protocols. Committed to rigorous processes including standard operating procedures, HACCP planning, and self-monitoring, we maintain impeccable cleanliness standards in our production areas. Our unwavering compliance with regulatory mandates forms the cornerstone of our food safety programs, enabling us to attain the highest industry certifications. Prior to delivery, every product undergoes meticulous testing and inspection. Moreover, we adhere to EU legislation for food contact materials, the German BfR Recommendation, and U.S. FDA Regulations.

### General

ViskoTeepak manufactures products for the food industry. Today, the gap between food and packaging is getting narrower, and that makes us even more aware of the fact that a proactive approach to food safety is the best option. We often get requests from large customers to deliver certificates of conformity of components used in production and manufacturing methods. Also the legislation in food and food packaging gets more stringent because of more demands by the market.

ViskoTeepak has certified management systems for Quality (ISO 9001), Environment (ISO 14001), and Safety (ISO 45001), and has food safety certifications according to the BRC Global Standard for packaging materials and Safe Quality Food. The BRC standard was developed by the British Retail Consortium in cooperation with the Packaging Society and is known throughout the industry. The choice of the standard has been proven to be right as several of our customers are changing their food safety standard also to BRC Packaging materials. ViskoTeepak is yearly audited by our

certification bodies both in announced and unannounced audits.

The basis for the food safety systems are analyses of all processes, starting from development, via production, to transportation of the products to the customer. Based on the risk level, controlling procedures are developed and implemented and will ensure that the risk for contamination is eliminated or reduced. Part of this is e.g. the clothing that is allowed in the manufacturing areas. We have high hygiene areas, where the risk level is the highest and basic hygiene areas, where the product is already protected by cartons or plastic films. In the high hygiene areas, protective and clean clothing is required and strict hygiene rules apply.

### Product development

The mission to guarantee food safety applies not only to the operational activities of our company. It also plays a role in the development of new products. Together with our customers, we identify ways to develop the best suitable products in terms of usability and food safety. As the legislative requirements get more focus, we also need to be able to react on these within our product development department. We use only raw materials that are approved to be used in contact with food, and all raw materials goes through an approval procedure, before usage.

### The highest level of certification

ViskoTeepak has the highest level of certification within the casing industry, a testament to our unwavering dedication to quality, safety, and environmental stewardship. Our journey began in the early 1990s when we became the inaugural plant in the casing business to achieve both ISO 9001 for quality management and ISO 14001 for environmental

management certifications. Since then, we have upheld an unblemished record, steadfastly adhering to these stringent standards. Moreover, our pioneering spirit led us to secure the BRC packaging certification across all our cellulose, fibrous, and plastic product lines, further underlining our steadfast commitment to ensuring food safety and maintaining the highest standards of quality assurance.

### Religious certificates

ViskoTeepak holds pivotal religious certifications: Kosher and Halal, essential for Jewish and Muslim dietary requirements, respectively, affirming the cleanliness and suitability of our products for religious food applications. In countries like Malaysia, where religious certificates hold immense significance, exporting goods without recognized certification is impracticable. Following JAKIM's announcement in October, disqualifying HFCE's certificates for the Malaysian market due to auditing issues, ViskoTeepak, reliant on HFCE for certifying Halal status at Brno and Lommel plants, encountered an unexpected export halt. Promptly responding, we initiated exploration of alternatives such as Halal Quality Control (HQC), a prospective partner, despite lacking prior collaboration. With audits slated for both plants by the end of 2023, favorable outcomes could lead to acquiring the new HQC certificate early next year, ensuring uninterrupted compliance and market access.

Certificates	Lommel	Hanko	Delfzijl	Brno	Nuevo Laredo	Kenosha	Poznan
GFSI recognized food safety certification	★	★	★	★	★	★	★
Quality: ISO 9001	★	★	★	★	★		
Environment: ISO 14001	★	★			★		
OHS: ISO 45001	★	★					
Kosher	★	★	★	★	★	★	★
Halal	★	★	★	★	★	★**	★
EU Food Contact Compliance: (EC) No. 1935/2004	★	★	★	★			★
U.S. Food Contact Compliance: C.F.R. 21 FDA 170-199*	★	★	★	★	★	★	
U.S. FDA Food Facility Registration	★	★	★	★		★	
Customs and trade: AEO status	★	★	★				

\*Applicable parts

\*\*For alginate casing





# Health & safety.

## Safety

ViskoTeepak remains committed to the continuous improvement of safety performance throughout the company's operations and among the contractors working under our supervision. ViskoTeepak has been a member of a zero-accident occupational safety program for several years. The goal is to improve the safety culture and achieve a safety level comparable to the best in the chemical industry.

The viscose process and casing production imply certain risks, so our success depends entirely on the assurance of safety in every aspect of our operation. We follow the guidelines and audit ourselves through the established routines of the ISO- and BRC packaging standards. We also constantly work to identify and anticipate health hazards in the work environment, and we work with effective risk management. We monitor all parts of our operations and strive for a "safety first" culture. We motivate each other by using common courtesy in everything we do, throughout the entire organization. Moreover, we take full responsibility for our actions and will always accept accountability in the event a defect or other issue is found. In our Hearts & Minds program, we focus on Zero Defect training to make sure every employee in the company is involved in our mind-set and able to make good decisions in the work situation. As a investment in improving the health of the workers, during the year 2022 together with occupational health care, the Hanko factory ran a health promotion program, where various challenges and a healthy lifestyle were promoted. The program was very popular and will continue during 2023.

## Continuous development of occupational safety

Occupational safety is a joint effort requiring ongoing effort from both employees and management to maintain and develop a safe working culture. The long-term goal is to prevent all accidents from happening. Employee safety awareness has increased continuously, and the target is that every employee understands his/her role in maintaining a safe workplace, which encourages the reduction of incidents. ViskoTeepak has set group-level targets for key safety indicators, i.e., numbers of injuries and injury frequency. We're committed to reaching zero accidents. Our employees are also encouraged to do safety observation reports of all incidents that they feel are unsafe and suggest safety improvements to the workplace and working methods. Safety observation reports are reviewed continuously, and actions taken are permanent. The foundation of safety development at the plant is built on safety observations and the corrective actions thus taken.





ViskoTeepak Lommel and Hanko plants are certified under ISO 45001. Line management does weekly safety observation tours and safety talks continuously. The occupational health committee coordinates risk assessments and is a forum for employees to raise questions about safety and practices in the plant. All recordable and lost-working-day accidents are reported and reviewed. Our goal is to do all necessary measures to prevent accidents from happening again or even better, prevent them from happening altogether.

### Safety education

In 2022, all supervisors at the Hanko plant were educated in occupational safety. Starting in 2022, supervisors began reviewing all accidents, investigations, and corrective actions with their subordinates. In 2023, the Lommel & Hanko plant arranged safety education for all workers, focusing on the most hazardous bulk chemicals used at the plant.



#### Zero-Accidents

We aim to achieve the best safety level in the industry



#### Safety Education

All workers focus on hazardous chemicals used at the plants



#### ISO 45001 Certified

Lommel and Hanko plants certification resembles their commitment to health and safety





# How to tackle complaints.

Does ViskoTeepak receive complaints from our customers? Yes, ViskoTeepak is not perfect. In 2022, we launched an article series to address some of the most common complaints. We prioritize identifying the root cause of received reclamations, even when the solution lies beyond ViskoTeepak's immediate control. Acknowledging failure is one aspect; rectifying mistakes to prevent future occurrences and minimize waste holds paramount importance to us.

ViskoTeepak employs a unique traceability system that allows us to trace most products, leveraging a detailed process database and seam marks on our casing. Our tech group can correlate casing characteristics with customer requirements. If there's an issue, the cause must be nearby, and ViskoTeepak is committed to uncovering it.

## Navigating these challenges

The first article in this series described customer-related complaints. The second article focused on systemic corporate dilemmas. The third article outlined examples of failures due to workmanship, and the fourth and last article addressed random issues—complaints based on reasonable grounds but which were difficult to eradicate due to the complexity of the root cause.

Throughout these four articles, we learned people aren't perfect, and we, as a company, are not perfect. Striving for perfection doesn't allow room for mistakes and will limit you. We learn through our mistakes. That is how we will continue to grow as a company. We can lean on our co-workers to help avoid these issues and solve those that cannot be avoided. Together #WeAreViskoTeepak.

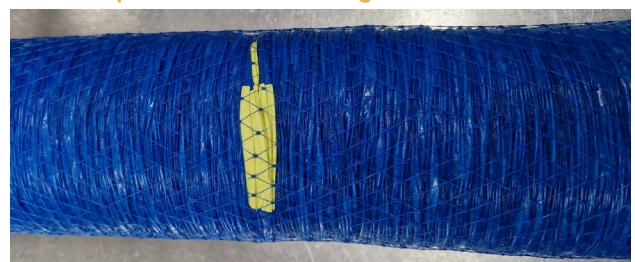
### Most complaints could be divided into the following complaint groups:

- Customer related
- ViskoTeepak related
- Operator's failure
- Random Issues

#### Issue 1 - Adhesion Issue



#### Issue 2 - Splices in Fibrous casing



#### Issue 3 - Customer mixing up codes



#### Issue 4 - MOK (milky aspect in final product)







# 2800 PEELER

**"With this brand new RPD solution, we can save €2,000 monthly by skipping showers before peeling and reducing steam. We have two in-house peelers and peel sausages 8 hours a day."**

Feedback from one of our Asian customers

## Next-Generation Peeling Solution.

Introducing Wienie-Pak's new Dry Peeling Solution (RPD), a cutting-edge peeling solution revolutionizing skinless frank production. RPD stands as the next-generation tool that streamlines casing removal with remarkable efficiency. This innovative solution offers end users an incredibly effective method for peeling sausages across various applications, irrespective of the emulsion type—whether pork, beef, chicken, MDM, or even in vegetarian and vegan contexts, previously challenging for peeling.

### What is dry peeling?

Dry peeling occurs when a casing is removed from sausages without moisturizing them by showering or water bath. The trolley with sausages is transported from the fridge directly to the peeling area for immediate processing. In some applications, even steaming could be reduced or entirely skipped.

### What are the benefits that come with RDP?

Embracing sustainable practices in sausage production yields a multitude of benefits. By minimizing showering and steaming, we not only slash production costs but also significantly reduce our environmental footprint. The time saved is remarkable – dry peeling becomes feasible merely 3-4

hours after cooking and cooling, streamlining operations and enhancing efficiency. Furthermore, opting for dry peeling ensures a safer environment, as the reduced water usage translates to a lower risk of contamination. The process becomes quieter and simpler, facilitating a smoother workflow while also accelerating the peeling process itself. As a result, fragmentation at the peeler is drastically reduced in dry and hard to peel applications, contributing to a more sustainable and resource-efficient production cycle.

# Beyond compliance.

The control of emissions is occasionally seen as a process that is separate from the core manufacturing process. We prefer to view the handling of our emissions as a part of the supply chain, not something treated on the sidelines. Continuously trying to minimize our raw material usage, increasing the recycling degree, and minimizing the effluents isn't just environmentally correct, but is also sound from an economical point of view. The effort to find value-added solutions in the material flow helps keep us in business.

## Freshwater

The Hanko and Lommel plants don't have surface water available in proximity for use as freshwater in the production process. However, we do have good-quality groundwater that is suitable for usage in the manufacture of food contact material. We monitor the usage of the water and report the usage and related KPIs to the authorities to make sure it's on a sustainable level. The Hanko plant has increased the freshwater-related cooperation with the local community and industry, mainly through the monitoring and sharing of results. Occasionally we have experienced dryer periods that put a strain on our freshwater wells. Because of this, we started some years ago a project to optimize the rinsing water usage in the casing machines. The project was finished in 2017 and resulted in a total water usage reduction of 15%. Then came a period of some years during which we did not manage to hold our previously made gains. Consequently the water usage increased somewhat. In order to get us back on track the topic was taken up for a review, starting 2022 and continuing till every machine has got its optimized freshwater flows. This time around there was more focus on good machine runnability and energy saving angles. This will require investments that enable better control of temperature and freshwater flows in the casing machines.

The Lommel plant uses water from three different wells. The quality and the quantity are measured permanently and reported to the government yearly. All levels are in line with the permits and there were no penalties over the last 20 years. The strategic plan was to reduce the water usage by 5% each year, related to production volumes. This plan will be continued in the future. We defined a multi-year water reduction plan and we have a proactive water-reduction team working on continuously reducing our water consumption. Each year we want to reduce our water consumption by 5% compared to the previous year. All projects are implemented. The Lommel plant has reached the promised 25% reduction in five years as of 2016. A new reduction plan for the next years was already made up. Over the last 20 years the water reduction was up to 50%.

## Wastewater

The Hanko plant is part of the Hanko Peninsula seawater monitoring zone. There is a yearly survey that is prepared by Länsi-Uudenmaan vesi ja ympäristö ry for the authorities. According to this report, the Hanko plant's nitrogen load is in the range of 2-3% of the total load in the monitored area. In 2014, Oy ViskoTeepak Ab signed an agreement with Hanko City on joint handling of the wastewater. The main benefit point is that there are synergies between the various effluent streams that make it more efficient to treat them together rather than having every individual actor cleaning their wastewater on their own. Planned and unplanned interruptions in the transfer line from the plant to the waste treatment facility are handled by using intermediate storage tanks. Thunderstorms can cause electrical failures in the pumping stations in the transfer line. In these situations, the wastewater is stored in intermediate tanks, no effluent water is led to the surroundings.

The ViskoTeepak Lommel wastewater is treated by Aquafin after the water is collected with the city of Lommel and other companies. In the semiannual compliance audit, all measurements are reviewed by the external auditor. All overruns must be reported to the government. An action plan to avoid these overrun emissions was made up. During 2022 we improved several continuous measurements and a stop of discharging in case of one of the measurements are not compliant.

## Energy

Energy and water company Adven has been a long-term partner of ViskoTeepak in the Hanko plant. A heating plant that uses biofuels was built in the factory area in 2012-2013, and since then Adven has taken the responsibility for operation and maintenance of the heating plant as well as its 24/7 surveillance according to a partnership model. Earlier the thermal energy required by the Hanko plant was produced using heavy fuel oil. Taking the heating plant into operation replaced the oil with biofuels. Around 95% of the



thermal energy required by the ViskoTeepak Hanko factory is produced with domestic biofuels. The remaining part is produced with liquid petroleum gas, and its use is primarily limited to the yearly maintenance break of the heating plant. We realize there are many aspects to consider when calculating the CO<sub>2</sub> net emissions. A general and simplified view says that the CO<sub>2</sub> released when the wood is burned is consumed by the biomass when it is growing, hence CO<sub>2</sub> neutrality. More detailed studies go into indirect CO<sub>2</sub> emissions related to burning wood. We estimate that the CO<sub>2</sub> emissions of the thermal plant in Hanko were down 90% compared to 2012 when it became operational (moving away from heavy fuel oil to forest residues, wood). The total output of the heating plant serving the ViskoTeepak Hanko factory is 12 MW, consisting of a 6 MW boiler for solid fuels and a 6 MW peak power boiler. The Hanko plant joined the Finnish energy-saving initiative Motiva in 2017 and is on a good path to reduced energy consumption according to the initial targets set up to be fulfilled by the year 2025.

In our ViskoTeepak Lommel plant the energy consumption was reduced according to the plans we made up. Increased efficiency in some projects in the cogen plant gives

us more heat and electricity when we convert natural gas. Together with the improved efficiency, the plant reduces NOx emissions by more than 50%. The new installation is therefore fully compliant with the strictest European standards. The benefit in lower NOx is much better than the legal compliance.

## We monitor our water usage to make sure we are operating on a sustainable level





# Let's meet some of the team.

The "We Are ViskoTeepak" campaign is designed to showcase the success of the company's employees and highlight the opportunities for growth and development within the organization. By sharing employee experiences on social media channels, the company hopes to retain loyal and hardworking employees and attract new talent to the organization.



**AYLEEN GONZALEZ**  
SALES & TECHNICAL MANAGER  
SOUTHWEST REGION, USA



**TUA WIKSTRÖM**  
PROCESS ENGINEER  
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**ROBERT FRALA**  
PRODUCTION MANAGER  
POZNAŃ, POLAND



**VLADIMÍR ŠEVČÍK**  
WIENIE-PAK SPECIALIST  
BRNO, CZECH REPUBLIC

# #WeAreViskoTeepak



MAGDALENA CZERWINSKA  
WIENIE-PAK PRODUCT MANAGER  
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Always around



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