

Sustainability Report 2021



Always around

ViskoTeepak.

ViskoTeepak is 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 newly built head office (ViskoTeepak Holding Ab), which opened in May 2018, 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 in Moscow, Hamburg, Kuala Lumpur, and Mexico City.

ViskoTeepak is owned by the Eriksson Capital Group, based in Mariehamn, Finland. Eriksson Capital is a privately owned investment company with a focus on small to medium-size high-tech industrial companies operating in the global marketplace. Eriksson Capital is active in various industries such as medical tubing, shipping, real estate, aircraft leasing and asset management.

The reporting period is 2020, and the reporting cycle is annual. Our production units in Hanko and Lommel are covered in the reporting numbers. ViskoTeepak reports on sustainability per the Global Reporting Initiative Standard (GRI), option Core.

www.viskoteepak.com

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A note from the COO.

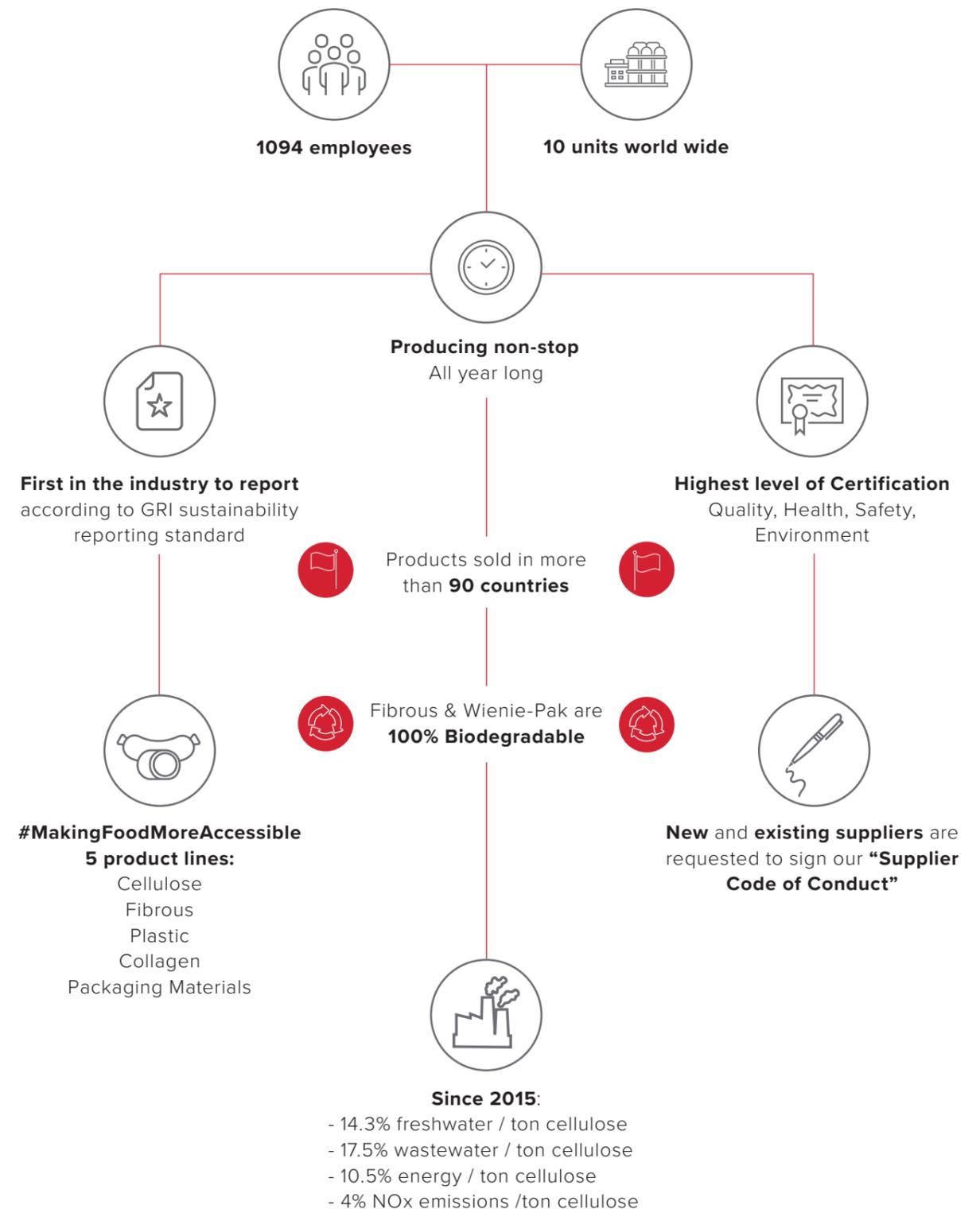
It is a pleasure to warmly welcome you to take part in ViskoTeepak's Sustainability Report 2021. In this, our eighth report, we highlight the focus areas we work within the area of sustainability and we report on the key figures regarding our environmental work.

In addition to the reporting of the above, which is done according to the global GRI standard, defined by the United Nations, the report contains a lot of additional interesting reading. Among other things, we highlight how our owners work with the important issue of "Sustainable Development Goals" (SDGs) within the entire Eriksson Capital Group. In addition, we tell about what a number of our customers see as important issues within this area and we share some initiatives and collaborations that ViskoTeepak is involved in.

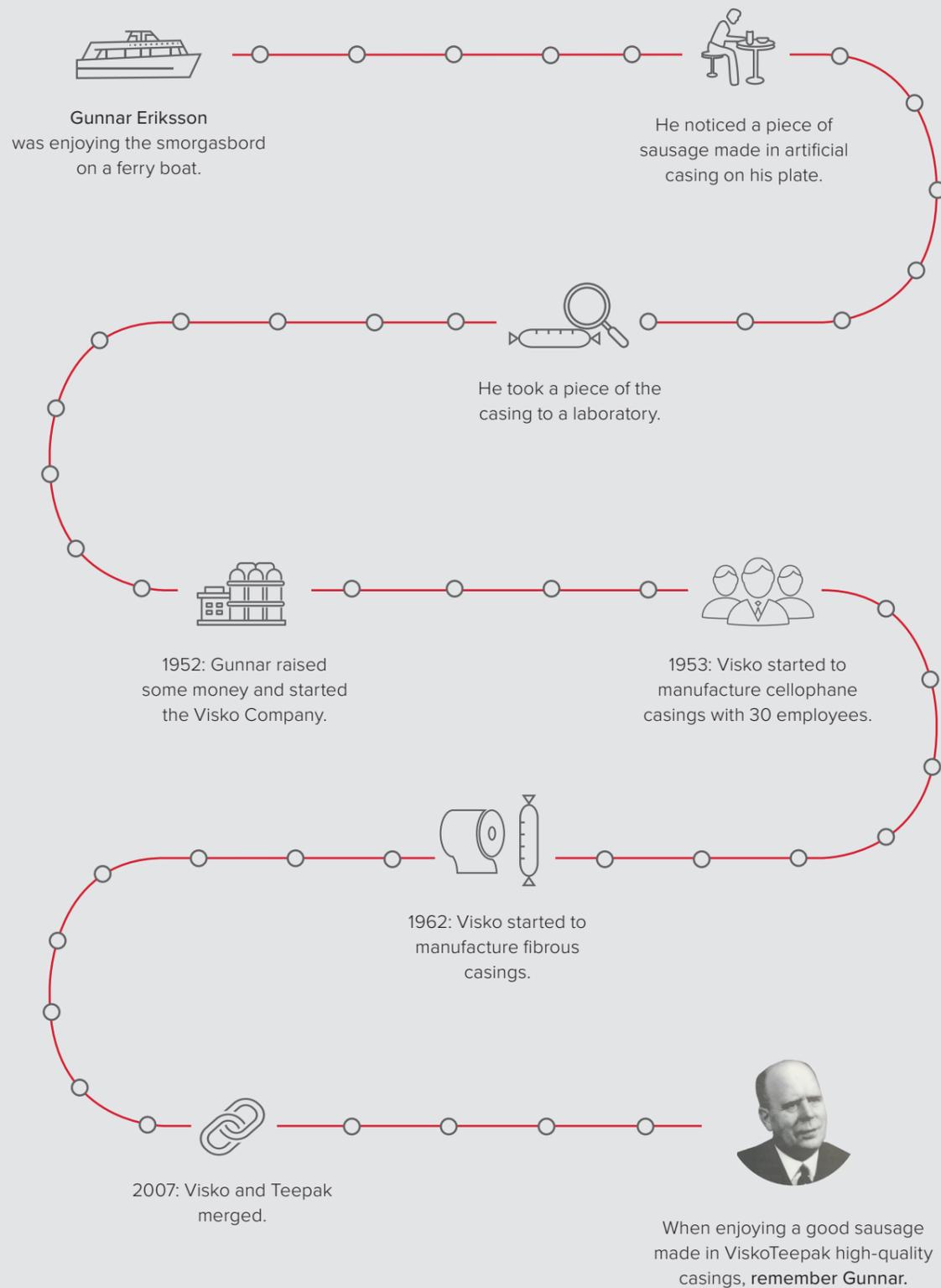
The well-known proverb "No one accomplishes much on their own but together we can move mountains" describes well how we as individuals, companies and industry need to behave to make a difference. In addition to personal and company-internal initiatives, we need to work together with both authorities and Non-Governmental Organizations to achieve a global change in both attitudes and activities, which is required when we want to achieve sustainable systems. Thank you for being interested in this topic and I wish you good reading!

Tom Pussinen, Chief Operating Officer

2020 quick facts.



History.



Today's locations.



 Lommel, Belgium Cellulose and Fibrous manufacturing unit Established: 1975	 Hanko, Finland Fibrous manufacturing unit Established: 1952	 Nuevo Laredo, Mexico Plastic and pre-tied elastic loops manufacturing and conversion unit Established: 1995 Moved: 2004	 Hamburg, Germany Sales and logistics unit Acquired: 2011
 Brno, Czech Republic Cellulose conversion unit Established: 1994 Moved: 2012	 Kenosha, USA Fibrous conversion unit Acquired: 2014	 Delfzijl, The Netherlands Fibrous conversion unit Established: 1965	 Poznan, Poland Fibrous conversion unit Acquired: 2020
 Moscow, Russia Representative office Established: 1995	 Mariehamn, Finland Head office Established: 2007 Moved: 2018		

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?

Company culture.

The company culture is the personality of the company. At ViskoTeepak 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?

Brand Cornerstones

Values



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.



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.

Productive solutions

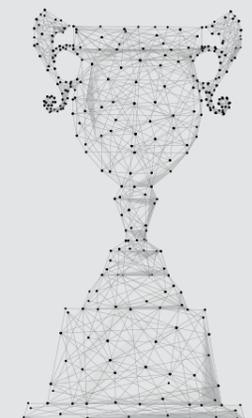
We offer the world's most productive casing solutions. We constantly improve and develop new solutions that bring value. We're creative, and we sustainably develop our products.

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



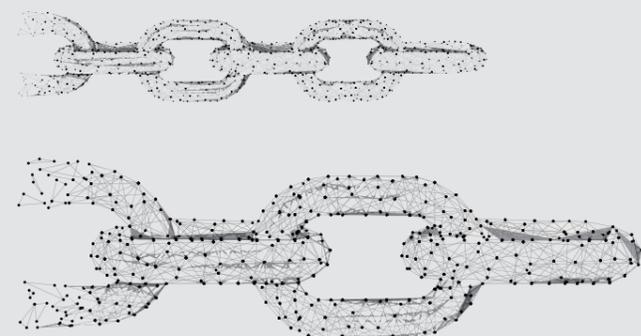
Ambition

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.



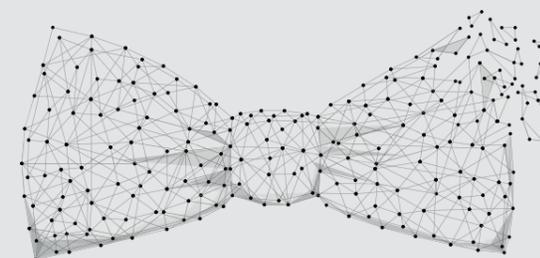
Fun

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!



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.





Tom Pussinen
Chief Operating Officer



Daniel Wahlfors
Chief Financial Officer



Johanna Backholm
Vice President HR & IT

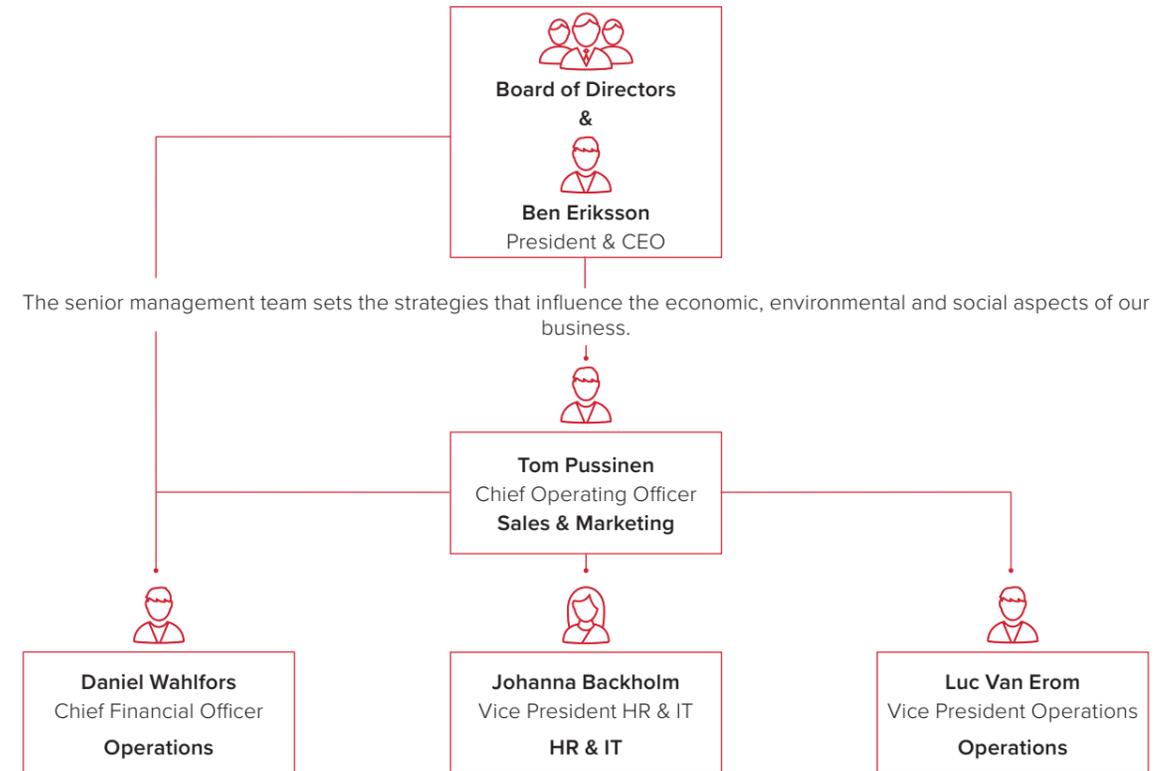


Luc Van Erom
Vice President Operations

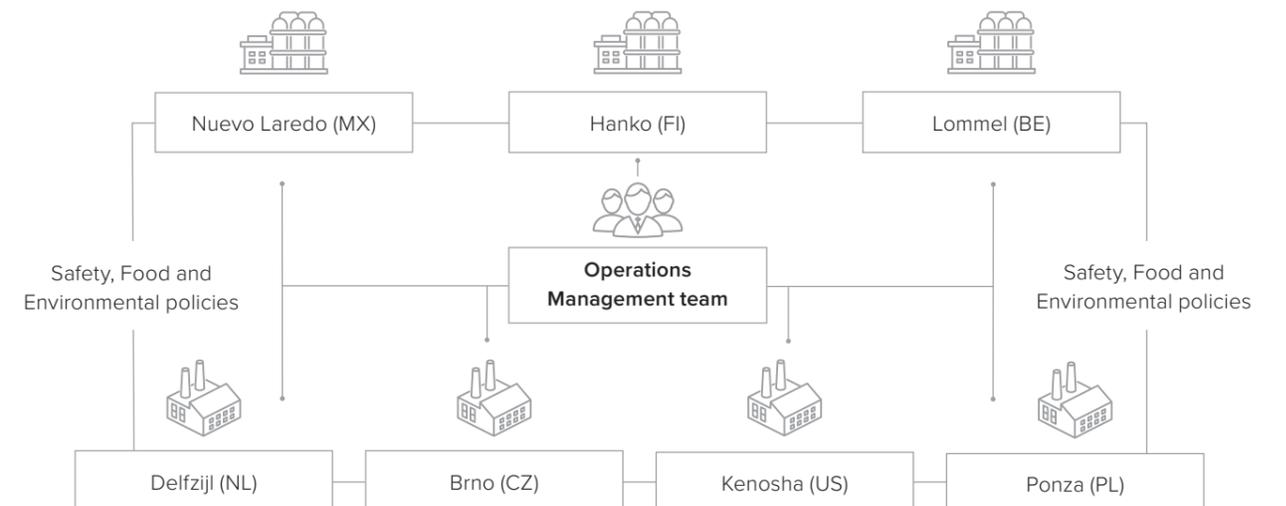
Governance.

ViskoTeepak is a privately held company owned by Eriksson Capital Ab, of Mariehamn (FI). The daily management of the company rests with the senior management team, formed by the COO, the CFO, and the Vice Presidents of the HR and Operations divisions.

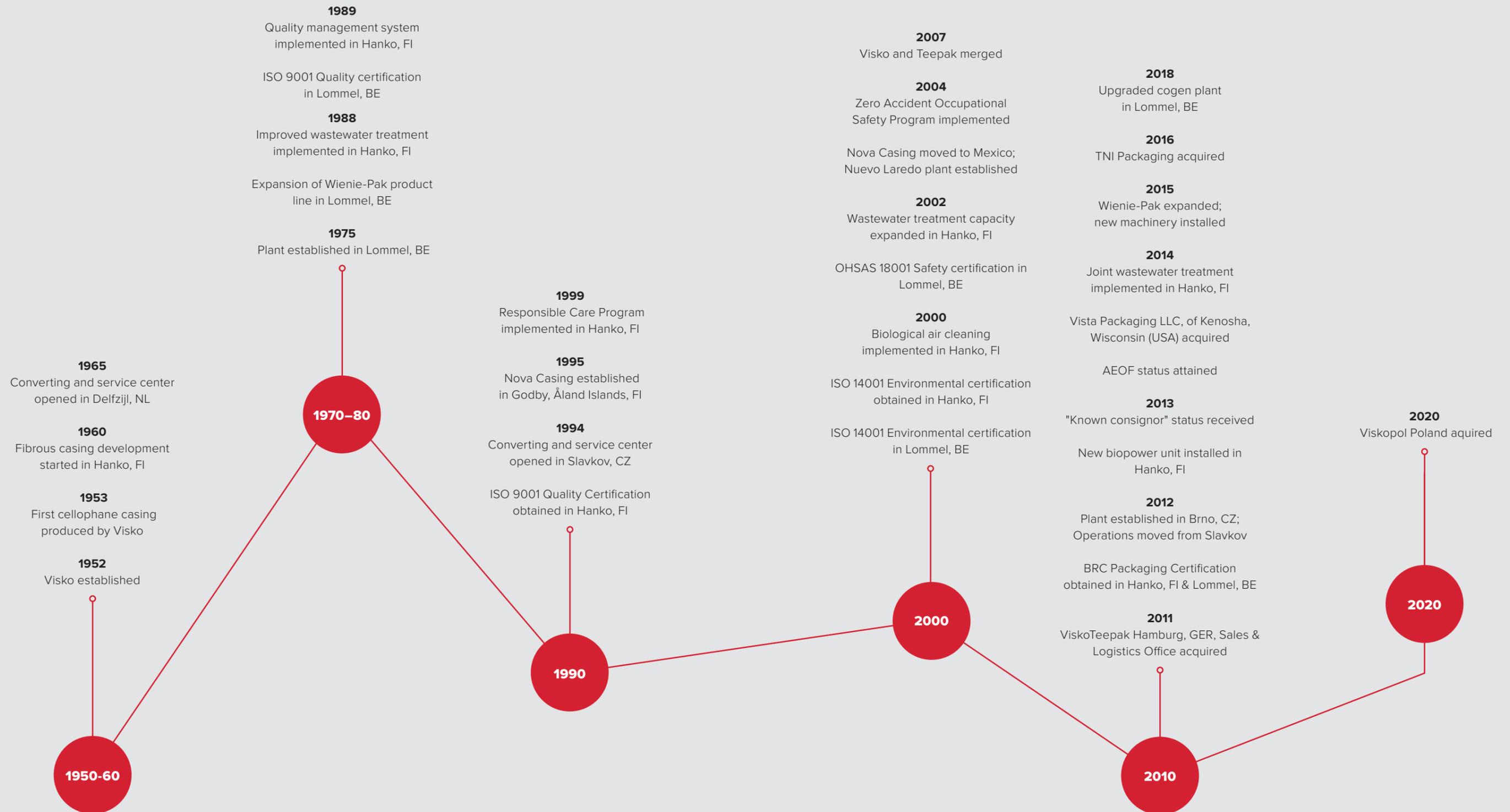
The Board of Directors, together with the CEO, sets the longterm directions and strategic targets.



This is translated into policies mainly by the Operations Group, which consists of the HR manager and the plant managers at all locations.



The ViskoTeepak evolution.





"We believe the SDGs is a way to help us grasp and talk about the complexity of the impact our organizations have on the whole ecosystem of the world."

Owner's voice.

In 2020 Eriksson Capital group, the majority owner of ViskoTeepak, decided to take its first steps to understand the whole group's impact concerning the Sustainable Development Goals (SDG) which were launched by the United Nations. That's why Eriksson Capital started a collaboration together with the company Position Green, which has the tools and knowledge to collect and visualize sustainability data.

All subsidiaries (including ViskoTeepak) are asked to go through several questions amongst each one of the 17 SDGs and answer them accordingly. The answers are being collected and followed up by discussions and meetings between the companies. The plan is to develop this tool so well it facilitates the SDGs sustainability reporting.

"We believe the SDGs are a way to help us grasp and talk about the complexity of the impact our organizations have on the whole ecosystem of the world. By conversations within and around our organizations, we can understand more and start to have an impact on changes that need to happen." says Rebecka Eriksson vice-president at Eriksson Capital.

In ViskoTeepak's Sustainability report we are mainly focusing on the five SDGs ViskoTeepak has identified as the most impactful, relevant, and strategically embedded in our company. But the road against reporting amongst all 17 has begun.



Customer's voice.

ViskoTeepak's success is achieved with inclusiveness and sustainability. On the following pages we have collected some input from the market.



Good Food, Good Life

Nestlé's "Rules of Sustainable Packaging"

In 2020 Nestlé published "The Rules of Sustainable Packaging" document. The purpose of this document is to provide a comprehensive set of the most up-to-date standards, that are driving their sustainable packaging transformation and helping to achieve Nestlé's commitment that 100% of the packaging will be recyclable or reusable by 2025.

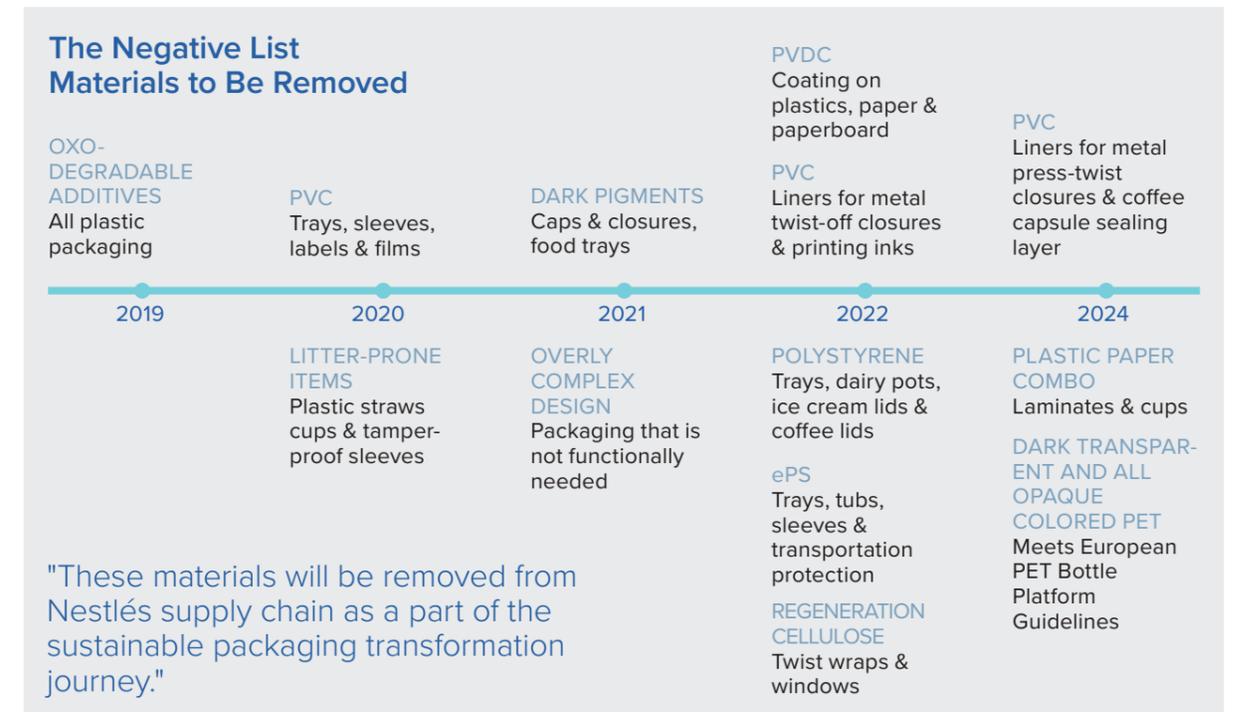
"The Rules of Sustainable Packaging" are defined by two key sets of rules. The first one, called "The Golden Rules", contains a comprehensive set of rules to guide the sustainable packaging transformation journey. These should be applied to all packaging innovations and renovations. "The Golden Rules" contains rules for all packaging, plastics, paper and paperboard as well as labeling.

In addition to "The Golden Rules", Nestlé addresses that some materials of the past are no longer acceptable. These will be removed from their supply chain as a part of the sustainable packaging transformation journey. These materials are defined by "The Negative List", a list of materials that are detrimental to the environment, are difficult to recycle or are unlikely to have large-scale collection and recycling in the future.



The Rules of Sustainable Packaging
Vevey, Switzerland, May 2020

"The Rules of Sustainable Packaging" Vevey, Switzerland, May 2020.





Sprehe Group

Sprehe group, a German-based company, is one of the largest poultry meat producers, also known for being active in sausage production. Sprehe Group strives in being a reliable partner for their 2,200 employees that are spread over 14 different locations all across Germany.

The Sprehe group Berliner plant in Germany, produce salami products and has been a ViskoTeepak client and partner for more than three decades. They use both our Fibrous and Wienie-Pak cellulose casings. One main part of salami production is based on high volumes of pizza salami for big pizza producers. ViskoTeepak delivers our tailor-made, fibrous goods to enable the best stuff, ripening, and peel performance for this high demand application. The Berliner plant is also very active in its sustainability work and is following up on numbers and information related to sustainability. These sustainability activities are certificated by an outside external organization.

We asked Mr. Schmitz (plant Manager) and Mr. Hans Zimmer (production Manager) what kind of trends they see in the future regarding sustainability and what kind of information should be found in ViskoTeepak's sustainability report.

Trends in Sustainability

Regarding trends in sustainability, both Mr. Bernhard Schmitz and Mr. Zimmer expect changes in efficiency when

it comes to packaging in the future. More efficient packaging with less air in boxes, for example, will become a key topic to reduce packaging material.

Another trend is to have a partner with good and quick reactions to requirements. It is important to have a service field crew that is not only knowledgeable of what their clients do and require but also is aware of meat and sausage production, the meat business and is always able to be near their clients. This knowledge and quick reaction time will help customers to be more efficient and overall more sustainable.



External Confirmation

Regarding the information in ViskoTeepak's sustainability report, both Mr. Schmitz and Mr. Zimmer are excited about all it has to offer and how ViskoTeepak is specifically connected to sustainability. In the future, it's important to have external confirmation to avoid companies putting certain information that they want to be shown. This is something the Sprehe group Berliner plant themselves had experienced when one of their big clients wanted to have an external confirmation about what Berliner is doing in regards to sustainability subjects – signed/audit by an external stamp.

To be attractive, also in a market influenced by sustainable thinking, having an open mindset, following market trends, and getting feedback from stakeholders enables a positive long-term relationship between consumers and the brand.



Synerchem Sdn. Bhd.

Synerchem Sdn. Bhd. is ViskoTeepak's partner in Malaysia, providing Fibrous, Cellulose, and Plastic casings to customers all across Malaysia.

Synerchem thinks it is a great move from Viskoteepak, to lead the casing industry and to be the first in the casing industry to provide a Sustainability report according to GRI sustainability reporting standards. This is becoming even more important since market research has shown that consumer's preference continues to shift towards more and more sustainability thinking.



Kerry

Company Kerry started their operations 25 years ago (1995) and today have a footprint in major Latin American markets & countries. The Taste & Nutrition company with a wide portfolio of ingredients, technologies, and solutions on food, beverage, snacks, nutrition, functional ingredients, pharma, bakery and confectionary is serving customers with both ViskoTeepak cellulose and plastic casing items in Guatemala through Marco Hun at Kerry.

3 major topics to cover

Marco Hun sees three major topics to cover in a Sustainability report. The first being ViskoTeepak's commitments and goals in terms of sustainability. The second would be to cover how these are aligned with the United Nations strategy. The third interesting topic to cover would be to cover in which way ViskoTeepak is working together with Non-governmental organizations and councils to positively contribute to the sustainability area.



Kerry will reach over two billion people with sustainable nutrition solutions

<p>Climate Action</p> <p>Cut our absolute emissions from operations by 33% by 2030 and reach net zero emissions before 2050</p>	<p>Responsible Sourcing</p> <p>100% of priority raw materials will be sustainably sourced by 2030</p>	<p>Circularity</p> <p>100% of plastic packaging will be reusable, recyclable or compostable by 2025</p>	<p>Society</p> <p>Working with our colleagues and communities to help shape a better world</p>
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*Kerry has set up their commitments until 2030.

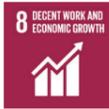




ViskoTeepak is focusing on five SDGs.

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
3 Good-health and well-being 	We implement adequate occupational health and safety procedures to ensure that employees and anyone at or in the vicinity of business operations and the supply chain are not harmed or affected.	Acting responsibly Food safety & hygiene Health & safety	ISO 45001 BRC 20 42 46
	We support the precautionary approach to foreseeable environmental, health, and safety-related impacts of operations and the lifecycle of products and services.	Acting responsibly Responsible Care Food safety & hygiene	Highest level of certification 20 22 42
8 Decent work and economic growth 	We ensure that decent working practices are applied within the supply chain.	Renewable resources	Supplier Code of Conduct 23
	We respect and protect labor rights and provide safe, secure, and healthy working environments for all employees.	Acting responsibly Health & safety	Code of Conduct ISO 45001 20 46
	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.	Acting responsibly Health & safety	ISO 45001 Accident frequency, LWDI: 20.67 Accident severity: 0.33 20 46
	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.	Acting responsibly Renewable resources	20 23
		Sustainability in practice Becoming the employer of choice Health & safety	Launched Hearts & Minds in 2020, the most comprehensive training in our history 40 44 46

Sustainable development goals	Our action	Key achievements	Page
12 Responsible consumption and production 	We establish and maintain proactive environmental management systems.	Acting responsibly	ISO 14001 20
	We avoid or mitigate the foreseeable environmental, health, and safety-related impact over the lifecycle of products and services and take a precautionary approach to environmental challenges.	Responsible Care	Responsible Care Hanko, Finland Lommel, Belgium 22
	We improve resource efficiency as well as increase supply chain and resource security.	Sustainability performance	Since 2015: - 14.3% freshwater / ton cellulose - 17.5% wastewater / ton cellulose - 10.5% energy / ton cellulose - 4% NOx emissions / ton cellulose +5.2% solid waste kg /ton cellulose 34
	We use renewable materials and efficiently clean. We also use technologies to reduce the risk of overexploitation of the natural resources and decreasing biodiversity.	Renewable resources	Sustainable Forestry Initiative® (SFI) 23
	We implement circular business models such as using renewable, bio-based or fully recyclable inputs, recovering resources, extending product lifecycle.	Renewable resources	23
15 Life on land 	We are committed to sustainable fiber sourcing strategies in purchasing fiber from suppliers.	Renewable resources Sustainability in practice	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. 23 40
17 Partnerships for the goals 	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 Stakeholder interactions Sustainability in practice	Launched Webshop 28 30 32 40

Acting Responsibly.

Hearts & Minds

In 2020, we launched the most comprehensive employee training in our history; a company-wide program called "Hearts & Minds". The program started in Q3 of 2020 and will continue to span 18 months. Hearts & Minds is built on three pillars – Brand Awareness, Leadership Development, and Zero Defect and includes all employees in the organization.



Hearts & Minds

Our goals for each of these pillars include:

Brand Awareness:

- Establish a good internal understanding of our "Brand Cornerstones" supporting our competitive position
- Implement "Brand activation" activities resulting in increased awareness and a connection to who we are, what we do, and what we stand for
- Upgrade certain physical spaces



Lommel in Belgium. In our upgraded and newly renovated training room.

Leadership:

- Improve employee engagement and commitment by growing our leader's insights, knowledge, and skills regarding:
 - Self-awareness and why our colleagues do behave differently
 - Cultural transformation; starting from myself
 - Feedback, influencing, motivation, empowerment
 - Group dynamics and how to build performing teams and accountable individuals
 - Situational leadership
 - Mentorship

Zero Defect:

- Spread the Quality Awareness to achieve a common zero-tolerance for defects by working on:
 - Attitude - do I have the right mindset
 - Ability - am I capable and trained to do the job
- Make process robust by design by identifying and correcting built-in defects

"During 2020, we launched the most comprehensive employee training program in our history, we call it "Hearts & Minds".



Hearts & Minds training taking place in our fibrous plant in Hanko Finland.

Being value-driven

Our company values, and the daily actions we choose to do to align to these values, drive the basis for our company culture. We define the values like Trust, Ambition, Fun. Teamwork is one of our Brand cornerstones.

Trust is built on credibility, fairness, and mutually respectful treatment. Trust is earned by delivering on the promises we make. Our Ambition comes from a strong desire to strive for the best. To have ambition is to take the lead and constantly challenge oneself and others for the sake of improvement, regardless of the obstacles. Fun is created by the small, everyday gestures we offer to our colleagues in the work environment. It is shown in the interest we demonstrate, the team spirit we contribute, the involvement we show, and the welcoming atmosphere we help to nurture. Teamwork is about sharing our knowledge, successes, and failures.

Code of conduct

We are proud of our excellent reputation as a responsible, reliable partner and committed to the conduct of our business with honesty and integrity, to ensure that each employee and business partner is treated respectfully. Our "Code of conduct" forms a set of rules explaining how we conduct our business and contains the seven main business standards as rules of ethical behavior all ViskoTeepak employees must follow:

1. Business integrity
2. Information disclosure
3. Dealing with suppliers
4. Responsible work conduct
5. Responsible work environment
6. Corporate responsibility
7. Proper authorizations and approvals

Sustainable development for the environment

People all over the world have seen the effects of industrial revolution, and there is growing concern over global warming and climate change. So, it is the responsibility of every company – and every individual – to actively protect our planet's future. At ViskoTeepak, we have implemented systems and procedures for waste management and energy control. We minimize and recycle all waste that is generated through our operations. We have also implemented air and water-cleaning systems that minimize the negative environmental effects on our surroundings.

The highest level of certification

We have the highest level of certification in the casing industry. We accept our responsibility when it comes to quality, health, safety, and the environment. For example, did you know that ViskoTeepak, in the early 1990s, had the first plant in the casing business to achieve the ISO

9001 quality certification and an ISO 14001 environmental certification? Since then, we have never failed one audit. ViskoTeepak was also the first company to obtain the BRC packaging certification for all cellulose, fibrous and plastic product lines.

Health & safety

The health and safety of our employees and the community are always our top priority. 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 BRC packaging standard. 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.





Responsible care.

Responsible Care is the chemical industry’s unique global initiative that drives continuous improvement in health, safety, and environmental (HSE) performance, together with open and transparent communication with stakeholders. Responsible Care embraces the development and application of sustainable chemistry, helping our industry contribute to sustainable development while allowing us to meet the world’s growing need for essential chemicals and the products those chemicals make possible. In Finland, the Responsible Care program is run by Kemianteollisuus ry and in Belgium by Essenscia. Both 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 the environmental, health, safety, and security knowledge and performance of our technologies, processes, and products over their life cycles to avoid harm to people and the environment. In short, to use all kinds of resources efficiently and minimize waste. In total, more than 60 countries around the world participate in the Responsible Care program.

For example, in Finland, 98 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 vattenskyddsforening, a local NGO for the protection of recipient water, and LUVY (Association for Water and Environment of Western Uusimaa).

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.



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 CO2 from the atmosphere in a process called photosynthesis. As the trees grow old, they capture less CO2 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 glad 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 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

Wood is one of few **renewable raw materials** that can be grown in large quantities.

In **Fibrous casings**, the total cellulose content of the finished product is as high as **75%**.

New and existing suppliers are requested to sign our **“Supplier Code of Conduct”**.

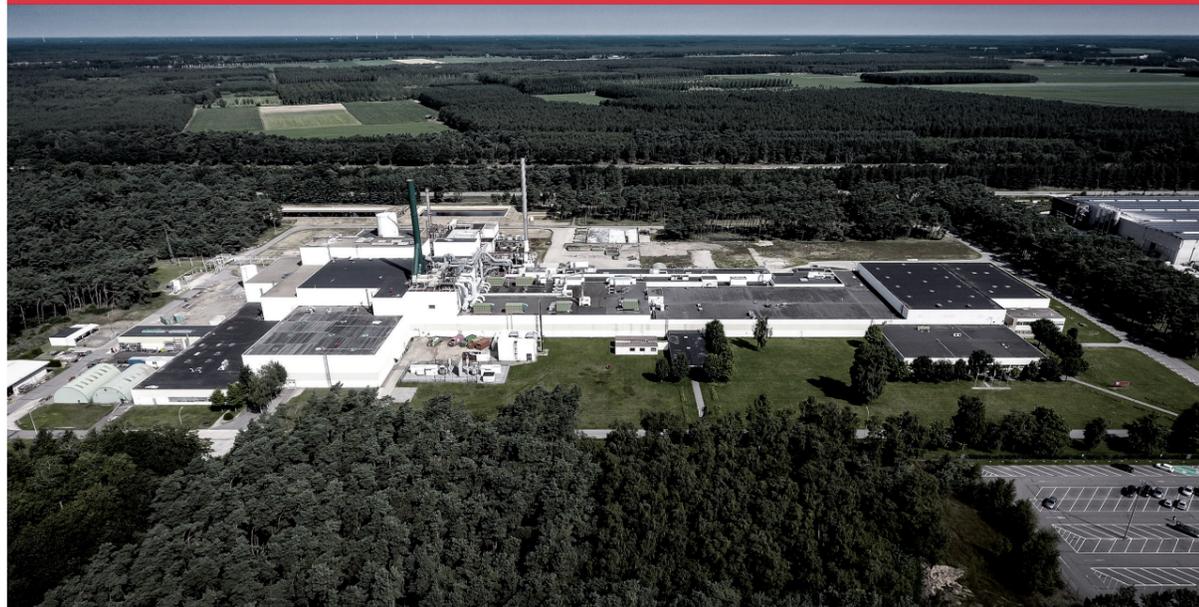


Production facilities.

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



HANKO, FINLAND



LOMMEL, BELGIUM



DELFIJL, NETHERLANDS



NUEVO LAREDO, MEXICO



KENOSHA, USA

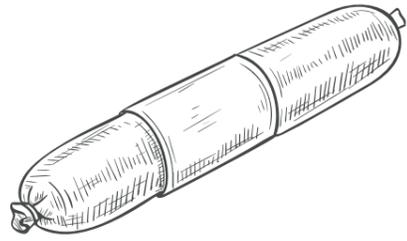


POZNAN, POLAND



BRNO, CZECH REPUBLIC

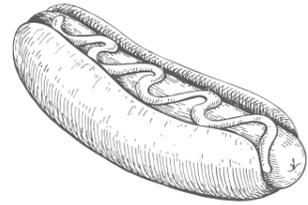
PRODUCT PORTFOLIO.



● 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.

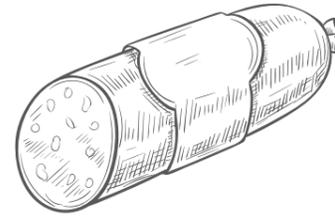
- Fibrous Standard (ST)
- Fibrous MAX
- Fibrous Super Protect
- Fibrous Glide
- Fibrous Xtreme
- Fibrous XL/LCXL
- Fibrous Brilliant
- Fibrous FLX
- Fibrous CRF
- Fibrous Preserve



● 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.

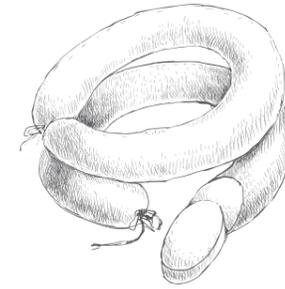
- Wienie-Pak Rapid Peel
- Wienie-Pak Colored Casing
- Wienie-Pak Window
- Wienie-Pak D-Tech
- Wienie-Pak Printed
- Wienie-Pak Logoprint
- Wienie-Pak Multicolor Printed
- Wienie-Pak TC (Transfer Color)



● 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.

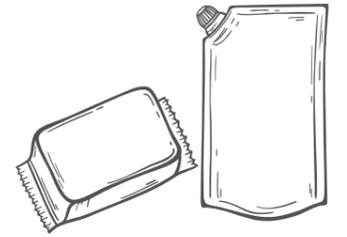
- Nova X/XT
- Nova L/LT
- Nova RP/REP
- Nova RHB
- Nova RXM
- Nova RT
- Nova HD/HDSE
- Nova RSH
- Nova RM
- Nova RS/RC
- Nova RCF
- Nova RCDO
- Nova HC/RHC
- Nova RMCH
- Nova RR



● 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

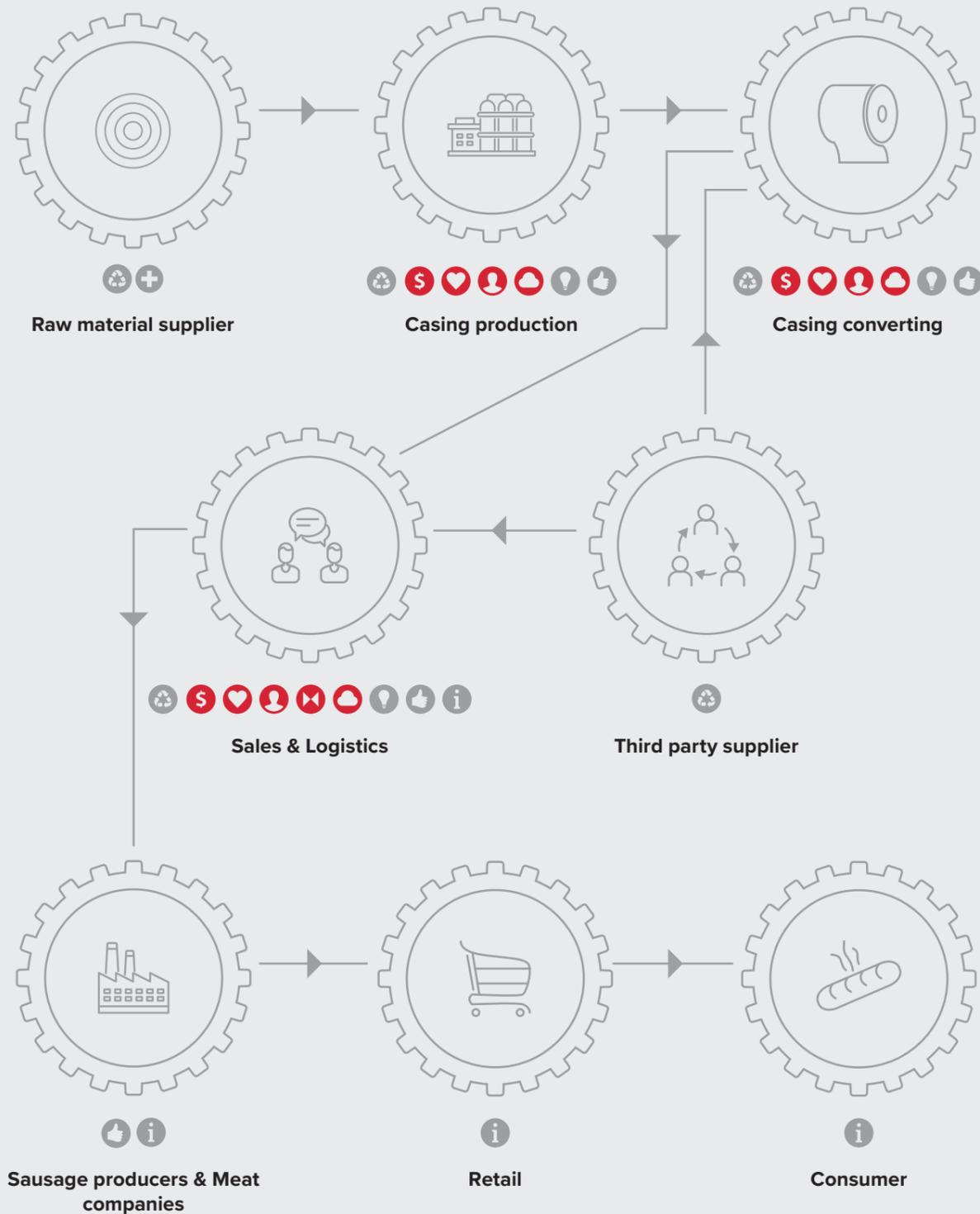
We're a full-line food packaging supplier to the meat and poultry processing industry. Our packaging materials and brands are today offered mainly in Germany, Canada, Mexico, the Nordics, and the U.S. Our packaging materials are used for a wide range of products such as pouches, shrink bags, and films.

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

**Fibrous and Cellulose casings are covered in the reporting numbers.*



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.

Creating value for customers.

Since 2012 we've worked hard on implementing our three brand cornerstones, Tailor-making, Productive Solutions, and Teamwork in our external communication. We mainly use six communications channels for creating value for our customers.

6 Main Communication Channels



Available in four languages

1. Website

We've put a lot of effort into making our website user-friendly, with more accessible content and an independent platform. We have a four-language policy, the website is fully translated into Russian, German, and Spanish. All content has been updated, and the reference materials are just a click away.

Website statistics in 2020:

57 tn users
148 tn page views



Continuous events, IFFA and Partner Days.

3. Events

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



Continuous updates on LinkedIn and Facebook

2. 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. The style is fun, light, and fact-focused. In social media, we generally communicate through English.

 2478 followers

 2197 followers



Our partner and customer magazine, e-mail newsletter

4. Solutions Newsletter

Our newsletter is called Solutions and in 2020 we published six editions in four languages. Solutions are mainly spread via e-mail campaigns, but from time to time they can also be found on our social media channels. The content is mainly product news, case studies, and other articles that might interest our partners and customer.



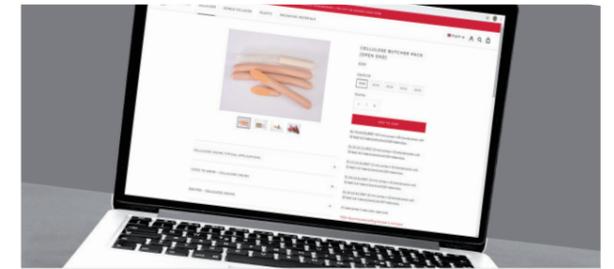
Additional information, requires a login

5. Partner Network

Our Partner Network, or extranet, is a platform for our distributors. The platform requires a user registration which is checked before it's confirmed. Partner Network works as an extension to our official website where we made more content accessible for our distributors. Our partner network is under constant improvement to provide added value to our partners around the globe. In 2020 we launched an "online ordering" tool. With this feature, we've made it easy to track your most frequent product choices and reorder them as needed.

"My experience from Partner network is very positive. The system is simple. I save a lot of time using this system and the possibility to make mistakes is reduced. I'm very satisfied."

Elena Galimberti, Società Italiana budella



Fast deliveries to small end-customers

6. Webshop

In 2020 we launched our webshop to serve small end customer needs. From this platform, we are delivering a limited amount of products from our five product lines. Fast deliveries to nine different countries.

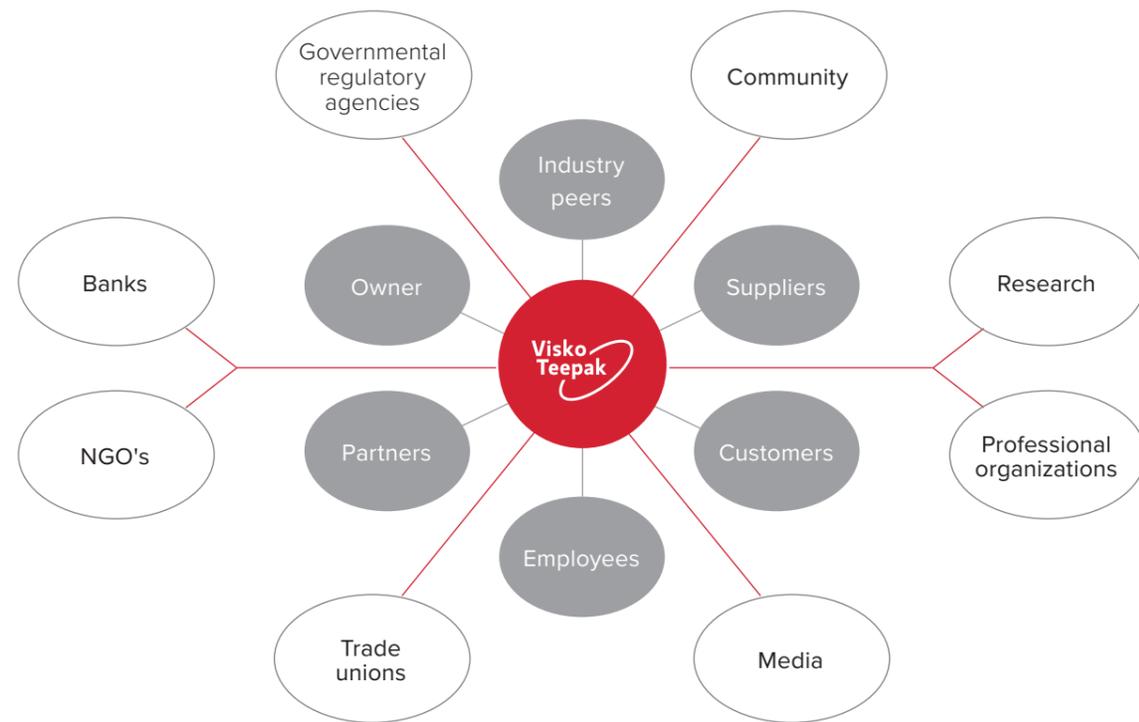


"ViskoTeepak is a reliable, punctual, and trustworthy partner who ensures that we can maintain our production. The service is completely satisfactory for us."

Mr. Hans Zimmer, Production Manager, Berliner Fleischwaren

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
Customers	Product information, technical support, sales calls, satisfaction surveys, trade shows, Solutions newsletter, end-customer visits IFFA trade show, webshop	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
Owner	Regular business updates, board of directors meetings	Vision and strategy development	Strategic house activities
Partners	Direct contact, business plans, Partner days, trade shows, newsletter, marketing materials	Continue the Partner Days concept, stay close to new developments	Organize Partner Days in between IFFA trade shows
Employees	Daily communication, employee meetings, iConnect interactive intranet, project meetings, 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 launched
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
Industry peers	Trade associations, CIPCEL lobby, trade shows	Industry in line with the environmental standards	Connect and reach out to justify industry needs vs. best available technology

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, BRC Packaging Product Safety, and AEO-F Logistics management systems are all a foundation for our activities.



“The Lommel plant is working on a feasibility study to use solar power for the plant. A new permit was requested to install 3 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”

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 also improved 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. 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. A major discharge problem in the summer of 2020 leads to an adequate action plan to avoid these discharges in the future. 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.

Air

ViskoTeepak Hanko invested in bio trickling cleaning technology in 2004 to ensure the lowest possible effluent levels. We operate six cleaning towers based on this BAT (Best Available Technology). The sulfur components are converted from the gaseous phase to the liquid phase in the bio-filters and in turn to sulfuric acid, which is then neutralized for safe handling in wastewater treatment. In line with the company's plan, the plant renewed the filter media with a newer generation type. 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).

Energy

Energy is used for the generation of hot water for the process of drying the casing and heating the buildings. Based on a feasibility study that was made at ViskoTeepak's plant in Hanko, it was decided to go for a more environmentally friendly and modern way of producing the heat energy we require at the plant. The new technology that was chosen is based on a renewable raw material, wood chips. The biofuel boiler is 6 MW in size. As a back-up, there is a 6 MW gas-fired boiler. Consequently, our carbon-dioxide footprint for the generation of energy for heating was reduced to 0 tons of CO₂, because it's considered a renewable resource.

Solar power for electricity

The Lommel plant is working on a feasibility study to use solar power for the plant. In total, a new permit is requested to install 3 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 for the period until 2025.

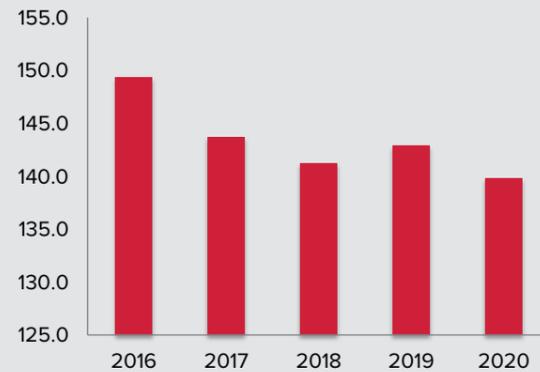
The total energy figure decreased over the past 10 years due to the energy-reduction investment of a new multi-stage evaporator in Lommel in 2015. An efficiency improvement in the evaporator was done in 2017, whereby energy consumption will decrease through the coming years. NO_x and SO_x are two generic 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 NO_x in the Lommel plant decreased significantly with the major upgrade of the cogeneration plant. This increased efficiency gives us more heat and electricity when we convert natural gas. Together with the installation of two new, low NO_x burners in 2019 and 2020 the plant reduces NO_x emissions by more than 50% over the past 7 years. The new installation is therefore fully compliant with the strictest European standards.

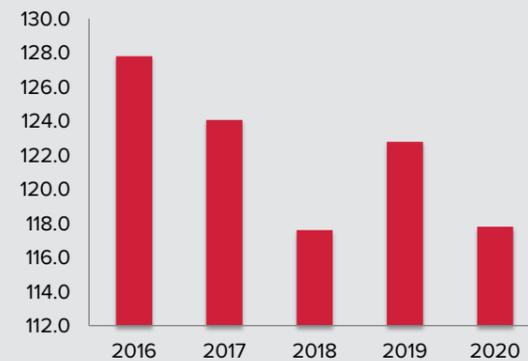
Sustainability in numbers.

Five year trend for Hanko and Lommel plant.

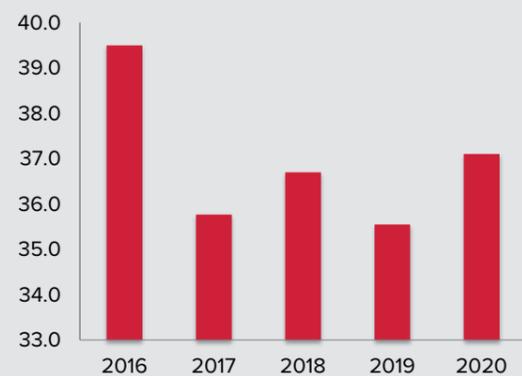
Freshwater m3 / ton cellulose



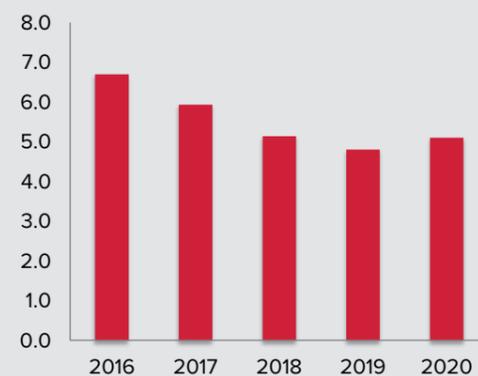
Wastewater m3 / ton cellulose



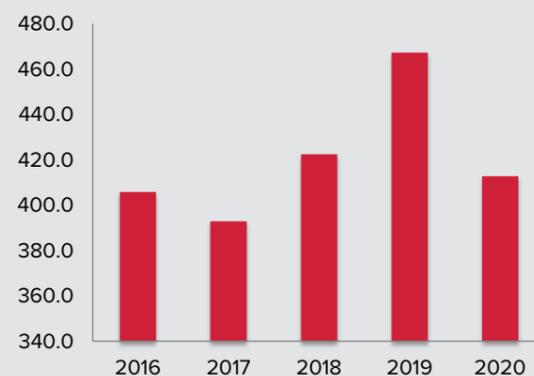
Total energy MWh / ton cellulose



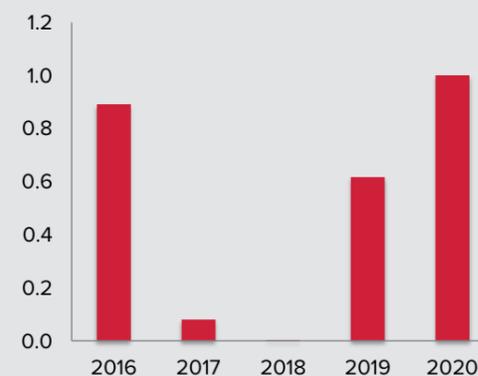
NOx emissions kg / ton cellulose



Solid waste kg / ton cellulose



SOx emissions kg / ton cellulose



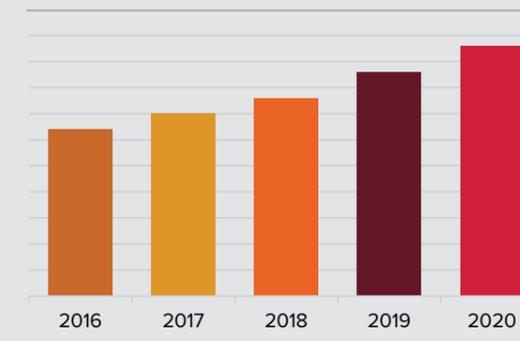
Finance and environment.

Performance, protection and expenditures.

Economic performance

Sales Revenue

Full year sales value 2020 increased compared to 2019



Environmental protection

Environmental Investments



Environmental expenditures

Environmental Expenditures



2020 Sustainability projects.

The following list sums up the projects and their completion phase for 2020 in all our production and converting plants around the world.

Location	Project	Status	Comments
Brno	LED lighting project	75%	Project in progress
Brno	Outside oil application and reduction of waste of oil	40%	First tests done
Brno	Usage of the adiabatic moisturizing of air in air conditioning system	100%	System successfully installed and running
Brno	Collection and recycling of batteries	10%	Project started
Delfzijl	LED lighting project	80%	Ongoing
Delfzijl	Reuse of cardboard reel-stock packaging	100%	Completed
Delfzijl	Install new power monitor devices to see and analyze the power usage	10%	Testing started
Delfzijl	New oil spraying system to reduce the usage of stirring oil	20%	Research started
Delfzijl	Reduce packaging material by reusing the material	80%	Ongoing
Delfzijl	Testing new water-based ink	70%	in testing phase
Hanko	Actions to save heat energy according to energy efficiency survey	100%	First step achieved
Hanko	More efficient handling of process side streams	100%	Solution found with external partner
Hanko	ISO 45001 certified	100%	Completed
Hanko	LED lighting project	60%	Continues department by department
Hanko	Securing the supply of good, quality fresh water	100%	Completed
Hanko	Water safety plan for ground water	80%	Control and sampling part being worked on
Hanko	New fresh water tank	20%	Planning ready
Hanko	Optimizing and standardization of fresh water usage in production	20%	Plan ready, initial tests
Kenosha	LED lighting project	75%	Second phase, moisturizing room and office area
Lommel	Upgrade of fresh water reduction program	40%	25% reduction in 5 years
Lommel	Replace low NOX burners in boiler house	100%	Completed
Lommel	Replace economisers in boilers	100%	Completed
Lommel	Replace lighting fixtures to energy efficient	100%	Completed
Lommel	Energy assessment projects, installing accurate energy measurements	50%	Will be completed by 2022
Lommel	A longterm study to explore geothermal technology	10%	Study started
Lommel	Installing huge amounts of solar panels	20%	Study Completed
Lommel	Better HVAC monitoring for energy saving	50%	Migration plan is running
Poznan	LED lighting project in production, offices and warehouse	70%	Production and offices done
Poznan	Change gas furnace for heating to a new and more efficient one	100%	Completed
Poznan	Resuse reels and spacers	75%	In progress
Poznan	Recycle production waste	50%	Cardboard and foil being recycled. Reels and casing waste in progress
Poznan	Reduce the amount of cooling water in printing machines by introducing a closed circuit	100%	Completed
Nuevo Laredo	Hazardous waste reduction	70%	Project in progress
Nuevo Laredo	Recyclable waste reduction	50%	Project in progress
Nuevo Laredo	Recirculation of mineral oil through filters	100%	Completed

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

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

Sustainability in practice.

"When all three pillars are strong, people live in a system where high quality of life is the norm.

They have a healthy **environment**, a satisfactory level of **economic** well-being, and a robust level of **social** fulfillment."

A great deal has been written in the effort to define what sustainability stands for, but ultimately it's all based on real feelings and concerns. We at ViskoTeepak use the following definition, and we think it's the most comprehensive: "The ability to meet the needs of the present without compromising the ability of future generations to meet their own needs."

The three pillars of sustainable development

The origin of the sustainability concern is to be found in the environmental footprint the humankind leaves behind on our planet. For many years this has been making us start questioning industrialization, being pro-green, etc. While each organization has its means and capabilities, for years it has been obvious that we must find a balance where people can feel secure, have an income that allows for proper meals and a home, a work/private balance that supports the social needs and a chance to enjoy the beauty of what nature gives us. We must be able to improve with each new generation. All of this comes together in the three pillars of sustainability: economic, environmental, and social. These are informally referred to as people, the planet, and profits.



Environmental – Planet

Economy This is probably the best-known and most discussed part of sustainability. We can't take the natural resources for granted, because they aren't limitless.

This pillar supports initiatives such as the following:

- Renewable energy
- Reducing fossil fuel consumption and emissions
- Sustainable agriculture and fishing
- Organic farming, tree planting, and reduced deforestation
- Recycling
- Better waste management

For all the resources we use in our processes we can ask the simple questions: Can we Reduce? Can we Reuse? Can we Recycle? No? Then we must rethink.

At ViskoTeepak, we have applied the "four Rs" approach in the following areas:

Fresh and wastewater

- Continuously thinking of ways that can show promise of more reduction, reusing, and recycling.
 - 16% lower consumption per ton of ready product achieved during the past 7 years
 - Wastewater cleaned and recycled by a third party

Energy

- Continuously rethinking for reduction and finding renewable resources
 - Gradually installing LED lights
 - Wood chips burner installed
 - New, more efficient cogen installation; reusing gas-engine heat

Wood pulp

- 100% renewable by using certified suppliers

Long-fiber paper

- 100% renewable by using certified suppliers

Cellulose waste

- Reused as biofuel

"We strive toward the ability to maintain the rates of renewable resource harvesting, pollution creation and responsible consumption of nonrenewables that can continue indefinitely."

Social – People



A company is a group of people who work toward the same goal, have mutual respect, support each other, grow themselves in their skills and knowledge, socialize and attain results. **People ARE the company!**

At ViskoTeepak, we support our people by taking care of:

- Safety and security
- Health
- Belonging, being part of
- Education and training
- Empowerment and participation

We develop programs to support each of these needs and train our leaders to take care of and live by these principles. Fundamental for this process are the three core values that we call "TAF", Trust, Ambition, and Fun.

"The social pillar in a sustainable development takes care of the ability of a social system, such as a company, to function indefinitely at a defined level of social well-being."



Economics – Profit

"At ViskoTeepak, we strive toward the ability to support a defined level of economic production and to do it indefinitely."

No business model can function without profitability. So, profitability is essential for a global sustainability plan.

Translating this to behaviors we value at ViskoTeepak, it can be summed up as follows:

- Striving for perfection in everything we do
- Creating the best experience possible for our customers
- Offering some of the most productive complete casing solutions in all our product lines, which we achieve together with our partners
- Tailoring not only our products but also by creating the optimal complete solution and support for your business
- Being cost-minded
- Continuously invest in new technologies/materials

In 2017, we started with the introduction of the Zero Defects approach. The core idea is that when something goes wrong (i.e., the occurrence of a defect) the natural reaction of the people involved is to seek the root cause, find it and eliminate it to prevent a repetition of the same defect. When the entire workforce behaves this way, we improve product quality, reduce waste and empower people to take responsibility. We also eliminate costs and activities that don't add value. In other words, we pursue sustainable performance.

Final words

The opportunities are endless. The need to actively work on this and make progress is undeniable, and there's an enormous amount of work to be done. We have a long way to go, but we have a good plan and are determined to meet our goals.

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. To ensure the food safety of our products, we operate under requirements set by the international ISO 9001 quality standard and the BRC Packaging materials standard. We are also committed to using standard operating procedures, HACCP planning, and self-monitoring. We follow good manufacturing practices and are proud of the good cleanliness of our production areas. Meeting all regulatory and legislative requirements is the foundation of our food safety and hygiene programs and our operation. We test and inspect all our products before sending them to our customers and we comply with the current EU legislation for materials intended to come into contact with food, with the German BfR Recommendation, and the 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. Besides the legislation in food and food packaging gets more stringent because of more demands by the market.

Based on the fact that ViskoTeepak already has certified management systems for Quality (ISO 9001:2015), Environment (ISO 14001:2015), and Safety (ISO 45001:2018), we decided that an overall management system for food safety is also an excellent choice for Viskoteepak. Based on consultations with specialists, we chose the BRC Packaging Materials standard, which is targeted at producers of packaging for food products. The standard was developed by the British Retail Consortium in cooperation with the Packaging Society (formerly the Institute of Packaging) and is known

Certificates	Lommel	Hanko	Delfzijl	Brno	Nuevo Laredo	Kenosha
BRC Packaging and Packaging Materials	★	★	★	★	★	
SQF						★
Quality: ISO 9001	★	★	★	★	★	
Environment: ISO 14001	★	★			★	
Safety: ISO 45000	★	★				
Kosher standard	★	★	★	★	★	★
Halal standard	★	★	★	★	★	
EU Food Contact Regulation (EC) No 1935/2004	★	★	★	★		
FDA food contact regulations	★	★	★	★	★	★
FDA Food Facility Registered	★	★	★	★		★
AEO certification	★	★	★			

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.

The basis for the system is a risk analysis 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 "Red zones", where the risk level is the highest and normal zones, where the product is already protected by cartons or plastic films. In the red zones, 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. We use only raw materials that are approved to be used in contact with food, and all raw material goes through a "New raw material intake" approval procedure, before usage. One example of product development is a product where UV-reflecting pigments are used. Possible casing fragments that have not peeled away from the sausage can be seen when the sausages are exposed to UV-light.



We operate in accordance with ISO 9001, BRC and HACCP

Becoming the employer of choice.

At ViskoTeepak we are striving to become the employer of choice where we operate. We want to be a good employer in every aspect and location of our business. We want our employees to enjoy their work and be proud to say they work for ViskoTeepak. Our company values: Trust, Ambition, and Fun should be seen and felt in how we behave. To accomplish this, we underline the Teamwork in our company and with our Partners! Naturally, but important to underline, is that we adhere to all fair-labor codes and practices.

Quest for talents

Today, there is a battle to attract the best people to your organization. In many regions the competition for the best talent is high. The success of our activities is mainly determined by our ability to employ and retain competent and engaged employees. This is a priority, and we strive to be an attractive employer by offering good and safe working conditions and options to develop as an individual. To support the organization in achieving these goals, several procedures and guidelines are developed and implemented across the worldwide organization. Some of these are described below.

Employee engagement survey

ViskoTeepak conducts employee surveys regularly. The engagement survey is very important and gives us valuable feedback on the feeling in the organization. The last survey was sent out at the end of 2019 and the result was communicated and discussed during 2020. A follow-up survey will be conducted in 2021.

The questionnaire is the same for all locations and allows comparing the scores. The survey is translated into seven different languages.

The results are discussed within the local management teams who then communicate the results to the organization. Every department discusses their results and creates an action plan where they decide and propose improvement actions. We also discuss areas we see as strengths from the survey.

As a result of the 2019 survey, we saw an opportunity to work with our company culture and launched the biggest training investment in the history of ViskoTeepak, a program called Hearts & Minds that invites all employees to a 1.5 year training program about Brand Awareness, Leadership development, and Zero Defect.

Performance review

The ViskoTeepak Performance Management Process (VPMP) links the individual contribution of the employee to the Company Objectives.

This system has four goals:

1. To review the individual performance against expectations in the job description and individual objectives.
2. To compare the individual competence levels against the required level as crucial to achieve the company's Vision and Mission.
3. To evaluate an employee's contribution to the business.
4. To determine development plans on an employee's professional skills and abilities. The plans are coordinated and monitored by HR to ensure that the execution is done in a professional manner.

Company culture

At ViskoTeepak, we strive to build our business and our culture on our three Company Values: Trust, Ambition, and Fun. These values are recognized and supported by the entire organization and we work consciously with keeping them alive in our everyday work. We are strongly convinced that this is an important factor in keeping and attracting good people and staying competitive in our business. Trust is built on credibility, fairness, and mutually respectful treatment. Trust is earned by delivering on the promises we make. Our Ambition comes from a strong desire to strive for the best. To have ambition is to take the lead and constantly challenge oneself and others for the sake of improvement, regardless of the obstacles. Fun is created by the small, everyday gestures we offer to our colleagues in the work environment. It is shown in the interest we demonstrate, the team spirit we contribute, the involvement we show and the welcoming atmosphere we help to nurture.



Hearts & Minds

In September 2020, we launched the biggest and most comprehensive training program in the history of ViskoTeepak. It is an 18-month long program called Hearts & Minds, given by internal trainers to all employees all around the globe. The purpose of the Hearts & Minds program is to establish a good internal understanding of our Brand Cornerstones, increase awareness and connection to who we are, what we do and what we stand for, improve employee's engagement and commitment, and achieve a common zero tolerance for the defect. It's the most comprehensive employee package ViskoTeepak ever has had – in terms of time, effort, and money.

Communication

Communication on the plant level is coordinated by the local Plant Management Teams and includes regular updates on the status of the business and local initiatives and projects. TV screens present daily updates on plant performance and other topics of interest. There are also regular meetings with all employees. Some plants have regular meetings with employee representation groups like the Works Council and Union representatives.

Intranet

Our Intranet is called iConnect. It is an interactive tool that lets our employees connect with colleagues and content all over the world. In this platform we share corporate news, celebrate successes, present new employees, and each location presents more location-specific news.

Employer branding

Our success is dependent on the performance of our employees. By sharing ViskoTeepak worker's experiences in our social media channels, we hope not only to keep loyal and hardworking employees, but also to find new talents for our organization.

Meetings

The bigger plants have regular meetings with employee representation groups like the Works Council and Union representatives.



More than 10,000
Training hours in 2020



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.

Occupational safety is given the highest priority at all plants. Consequently, ViskoTeepak Lommel and Hanko plants are certified under ISO 45001. Line management does monthly 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-time 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.

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 every other week, and actions taken are permanent. The foundation of safety development at the plant is built on safety observations and the corrective actions thus taken.

Covid-19 response

In 2020 we saw how the Covid-19 pandemic hit the world. In all our plants and locations we have been thoroughly implementing all new protocols and procedures from the local government. The health and safety of our employees is and has been our top priority and we have managed to keep operations ongoing during the whole pandemic. An enormous amount of flexibility and willingness to walk the extra mile has been shown by our employees. We are keeping the new protocol as long as needed on top of our already high hygiene standard, being part of the food supply chain.

Accident frequency

After the increase of the accident frequency grade in 2019, it was decreasing again in 2020 to the level of years before. The accident severity grade was also lower compared to 2019. The road forward is to continue our work against an accident-free working environment, and we are determined to learn and become better during 2021.



Employee statistics.



"In ViskoTeepak, we strive to build our business and our culture on our three company values: Trust, Ambition, and Fun."



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%. To maintain

a lower usage and further reduce it, Hanko plant works on a project optimizing freshwater usage. This will require investments that enable better control of temperature and freshwater flows in the casing machines. The Hanko plant has five groundwater wells in use.

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 is to reduce the water usage by 25% compared to 2016, related to production volumes. 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 in 2019 and 2020 and will give a good result in 2021. The Lommel plant will easily reach the promised 25% reduction in five years as of 2016. A new reduction plan for the next years will be made up.

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 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. In 2017, the city of Hanko made maintenance works to the transfer pipeline. 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, therefore a major upset of the wastewater treatment in the summer of 2020 was reported to the government, and an action plan to avoid these emissions was made up.

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. Adven aims to provide ViskoTeepak with trouble-free round-the-clock thermal production.

"Operations are developed in close cooperation with ViskoTeepak and for instance, the emissions of energy production are followed systematically", says sales manager Teemu Kivimäki from Adven. "Earlier the thermal energy required by the Hanko plant was produced using heavy fuel oil. Taking the heating plant into operation replaced it almost completely 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 CO₂ net emissions. A general and simplified view says that the CO₂ released when the wood is burned is consumed by the biomass when it is growing, hence CO₂ neutrality. More detailed studies go into indirect CO₂ emissions related to burning wood. We estimate that the CO₂ 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 operation of the heating plant is allocated to a named plant operator, who takes care of fuel availability and continuous energy production. Additionally, the Hanko heating plant is under continuous remote surveillance from the Adven central control room in Vantaa. The Hanko plant joined the Finnish energy-saving initiative Motiva in 2017 and has now successfully reduced energy consumption according to the initial targets set up to be fulfilled by the year 2020.

In our ViskoTeepak Lommel plant the energy consumption was reduced according to the plans we made up. In 2018 we did a major upgrade of the cogeneration plant. Increased efficiency in the cogen plant gives us more heat and electricity when we convert natural gas. Together with the improved efficiency, the plant reduces NO_x emissions by more than 50%. The new installation is therefore fully compliant with the strictest European standards. The installation of new, Low NO_x burners took place in 2020 in our steam boilers. The benefit in lower NO_x is much better than the legal compliance.

 **90% CO₂ reduction of the thermal plant**

In 2020 we installed new Low-NO_x burners to meet much better combustion emissions than the legal compliance.

GRI content index.

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Always around



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