



SUSTAINABILITY REPORT 2010

THE DIFFERENCE

Adding value through sustainability

A&R Carton AB, company registration number 556050-0554, is a Swedish company and parent company of the A&R Carton Group. The head office is in Malmö, Sweden.

This is not the official annual report for A&R Carton AB 2010. This report is focused on sustainability efforts within A&R Carton and mainly based on the guidelines issued by the Global Reporting Initiative, GRI. The report has not been audited.

All figures are in EUR unless otherwise stated. **Please visit www.ar-carton.com for more info.**

Contact for the report:

Johan Mårtensson, Group Marketing Manager

Mobile + 46 766 456 535

johan.martensson@ar-carton.com

Sammy Hallgren is responsible for development, implementation and support for health, safety and environmental policies, programmes and practices throughout A&R Carton's operations.

The HS&E Group Manager coordinates internal efforts and resources dedicated to improving A&R Carton's sustainable business model. Sammy Hallgren is also member of the ECMA Safety Council.



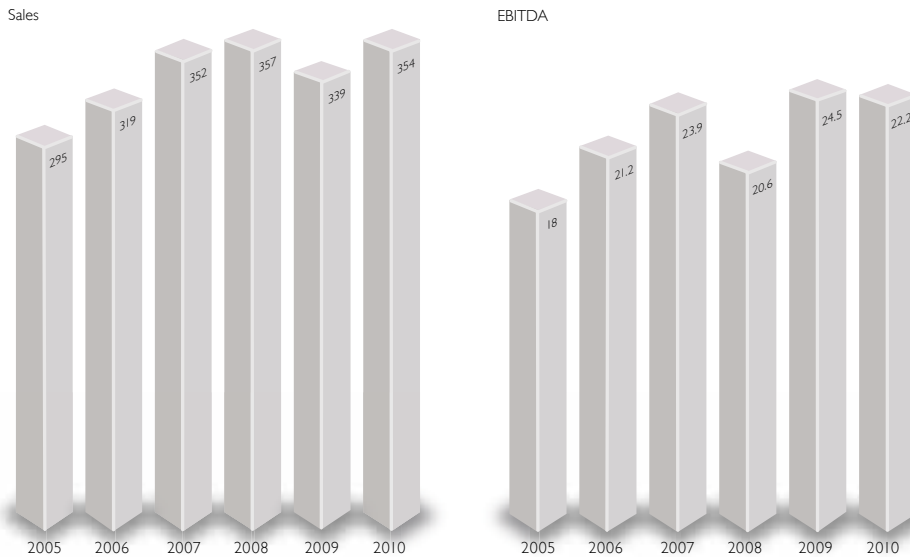
We have chosen to title this year's sustainability report **The Difference**. The combination of sustainable solutions, cunning innovation, highest standards of quality and tailored service is the foundation for our successful business and is what creates the difference for our customers (and society).

CONTENTS

A&R Carton at a glance.....	3
Introduction by the CEO.....	4
Vision and values.....	6
Intro: Adding Brand Value – CSR Matrix.....	7
Value chain and product cycle.....	8
■ Innovation	10
Case: The Lid machine.....	11
■ Quality	12
Case: M+Q-way/continuous improvement.....	13
Case: Supplier audit.....	14
■ Service	16
Case: Set up process/waste.....	17
Case: Supply chain management.....	18
Society and workplace – GRI-reporting.....	20
Environment – GRI-reporting.....	21
How A&R Carton is governed.....	22
GRI index.....	24

A&R CARTON AT A GLANCE

Sales and EBITDA 2005–2010 (MEUR)



A&R Carton specialises in paperboard packaging solutions, combining an innovative approach with extensive experience in consumer packaging. The company was founded in 2000 through the merger of Åkerlund & Rausing's carton business and FCP. Both companies had traditions in the folding carton industry dating back to the early 1990s.

Since June 2011 A&R Carton is part of the European Packaging Group Arch Packaging Group, together with the company Flextrus. A&R Carton and Flextrus operate as separate companies and brands.

Arch Packaging Group is owned by Ahlström Capital (62%) a private equity investment company founded in 2001 with industrial

heritage from 1853 and Accent Equity (34%) a leading a group of private equity funds in the Nordic region, founded in 1994. The remainder is owned by the management of A&R Carton and Flextrus.

The market recovered in 2010

Total sales amounted to EUR 354m in 2010 (339). Sales increased back to the same level as 2008. EBITDA amounted to EUR 22.2m (24.5).

Economic Performance

A&R Carton conducts its financial operations and renders accounts in a responsible, transparent and trustworthy manner. For in-depth details of financial performance, including compensation and incentive packages, please refer

to the A&R Carton Annual Report.

The company has received no significant financial assistance from government. A&R Carton does not see climate change as a financial risk because the raw material in carton is a renewable resource.

A multinational company

A&R Carton has 1762 (1775) employees and 14 production plants in eight European countries, along with sales offices in Asia, Europe, Africa and the United States.

The company's production plants are equipped with modern machinery for offset and gravure printing, gluing and hot foil technology.

R&D departments and specialists provide tailor-made solutions to customers in eight different market segments.

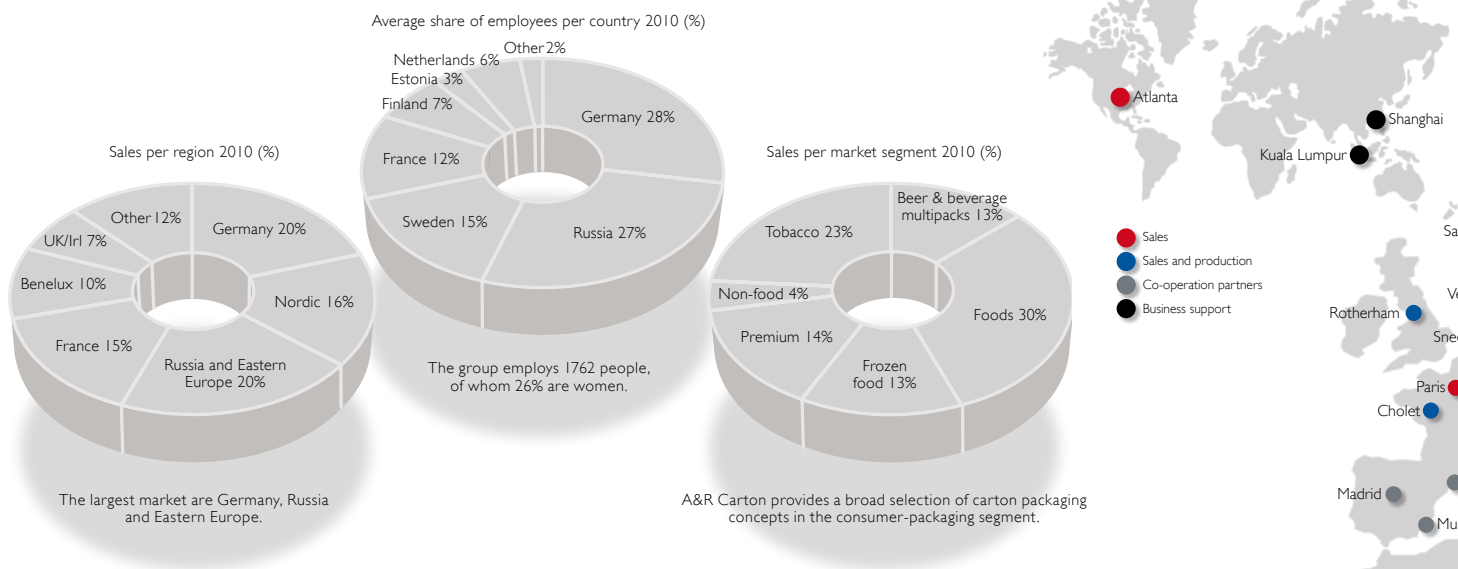
The benefits of packaging

Packaging has three main purposes: to preserve and protect the contents, to appeal and attract at the point of sale and to serve the consumer when using the product.

A&R Carton's ambition is to deliver top performance, i.e. to minimise usage of materials, optimise efficiency in production and logistics and maximise promotion.

The available solutions range from carton packs, trays and multipacks to high-tech solutions such as Cekan®, Espresso®, Hermetet® and microwave trays.

A&R Carton creates fit-for-purpose solutions in a wide range of consumer market segments. In close partnership with customers and designers, A&R Carton finds the right packaging solution for every requirement.





Per Lundeen
President and CEO
Born 1955
With A&R Carton since 1992
CEO since 2000

MANAGEMENT

Jean-François Roche
Senior VP Sales & Marketing
BA Performance Packaging
Born 1966
With A&R Carton since 1988

Niclas Nyström
VP Finance & Administration
Born 1965
With A&R Carton since 2005

Philippe Desveronnières
Senior VP Operations
Born 1963
With A&R Carton since 2000

Harald Schulz
Senior VP
BA Branded Products
Born 1964
With A&R Carton since 2001

Gerard De Vries
Senior VP
BA Beer & Beverages
Born 1950
With A&R Carton since 1986

Kasper Skuthälla
Senior VP
BA Food & Consumer Goods
Born 1978
With A&R Carton since 2008



During 2010 A&R Carton continued to develop in the right direction. At the same time, the market developed positively and our volumes are now at the same levels as before the dramatic recession.

INTRODUCTION BY THE CEO:

SUSTAINABILITY CONSTITUTES THE BASE FOR OUR SUCCESSFUL BUSINESS

Sales during 2010 increased to EUR 354m (339), an increase of 4.3%. The Nordic countries and Russia were the markets that developed strongest.

A&R Carton has performed better than the industry as a whole and has become more profitable during recent years. EBITDA 2010 was EUR 22.8m (24.5m). We have a continued focus on maintaining and increasing the volumes with our biggest and most important customers. We are efficiently structured and ideally positioned for continued growth.

Sustainability filters through our business

A&R Carton's business is based on four cornerstones: sustainability, innovation, quality and service.

Sustainability runs like a common thread throughout our business, including in all of the ways we work. This is our fourth consecutive Sustainability report. These reports show how much effort we are putting into sustainability and underline the aspects of sustainability that are directly connected to our carton-based products.

Carton is made from wood pulp – a renewable material – and has a low environmental impact compared to other materials. Carton board gains ground as an ecological packaging material in the wake of increasing environmental awareness. As long as forests are managed in a sustainable way, carton is a premium sustainable choice. At A&R Carton, we make sure that all carton boards we buy come from sustainably managed forests or from recycled board.

A recent analysis carried out by ECMA shows that carton is an even more favourable choice when biogenic carbon sequestration is included in the lifecycle analysis. This is an

important fact to take into account when comparing carton to alternatives.

A sustainable and innovative partner

A&R Carton is a world-class supplier of the best packages in the market and we are continuously working to improve in all ways. We are partners to our customers when it comes to developing their packages and their manufacturing processes. And we always ensure that we are doing so in a sustainable way. We constantly research the latest trends and buying behaviors of consumers and translate the information into packaging solutions. We believe that knowing the current and future needs of our customers is the foundation for innovation. Knowing what triggers a purchase decision gives us the ability to develop packaging solutions that enhance

“ what really differentiate us is that we have a flexible and flat organization and it is therefore both easier and more fun to make business with us”.

the product value, brand image and visibility at points of sale.

Innovation works in two dimensions

Innovation works in two dimensions. The basis for innovation is the daily innovative work that we carry out in close collaboration with our customers. We help our customers to develop their products and to be even more competitive. At our headquarters in Malmö, Sweden, we gather all of our research data in our Innovation Room. Here we analyze



This report is another step in A&R Carton's long-term initiative to further increase awareness, internally and externally, says CEO Per Lundeen.

and translate the information into various packaging scenarios together with our customers. We look at the different aspects such as handling, function, sustainability, consumer desirability, and much more to develop the perfect packaging solutions.

The package has about two seconds to engage the average consumer at the shelf. This is where the total design and marketing efforts need to make an impact and stand out. Consumers and distributors need safe, sustainable packaging for handling food and other sensitive products. Packaging preserves food and protects products that would otherwise go to waste. Intelligent packaging

makes logistics and transportation more efficient. Packaging is also the most important advertising space and brand builder for many products. The modern society simply needs good innovative and sustainable packaging solutions.

Service is the easiest – and the hardest

Service is perhaps the easiest word to define, but the hardest to live up to. Service is about being able to deliver the right product at the right time. We know that we are world-class when it comes to service, but it is very important to constantly improve our service to continue to meet our customers' needs in the absolute best way.

A&R Carton's quality policy states our commitment to delivering the highest standards of quality, safety and responsiveness in the packaging solutions and services we provide for our customers. By focusing on quality, we will develop and maintain a competitive edge, thereby securing the profitability and future of our company.

Maintaining the lead

A&R Carton has assumed a position of leadership when it comes to promoting sustainability in the carton industry. In this report we focus on relating our sustainability efforts to our four value cornerstones (innovation, quality, service and sustainability) and our KPIs.

This report is a comprehensive summary of our efforts and a clear declaration that we intend to remain the industry's leader in sustainability and innovation.

It is more fun to make business with A&R Carton

A&R Carton has the best quality and service in the market. We know this from our customers. We also know that what really sets us apart is our flexible and flat organization that makes it both easier and more fun to do business with us.

Per Lundeen
President and CEO

A&R Carton's core values:



Innovative

A&R Carton's market knowledge, business leadership and challenging attitude make the company the driving innovator in the industry.



Professional

A&R Carton is seen as a truly professional company that always delivers quality, service and competence while looking for ways to optimise the customer's packaging.



Sense of urgency

A&R Carton is a focused, committed and action oriented company that always meets the customers with great flexibility.



Openness and trust

A&R Carton wants to share and learn and believes in integrity, respect, transparency, trust and empowerment, always with a serious concern for sustainability.

BEING THE PREFERRED PARTNER

A&R Carton's vision:

“To be the preferred partner of paper-board packaging solutions by being recognised as the leader in innovation, quality, service and sustainability.”

This means that A&R Carton should be the company that is most successful when it comes to developing new and innovative solutions.

The customers should see A&R Carton as a partner that they include in their processes to discover the best solutions.

A&R Carton's mission:

“To optimise the benefits of packaging in our customer's value chain.”

A&R Carton aims at developing the optimal packaging solution for every project, no matter the segment or market. To be able to do this, A&R Carton must always listen and learn and be adaptive in the process of understanding both the nature and the details of the customer's value chain – in order to develop the most beneficial solutions possible.



In the field of carton packaging solutions, competition makes product and service look similar. A brand is much more than delivering functional basic values and needs. A&R Carton adds value based on more than products and price, such as the company's increasingly sustainable and safe cartons.

To fulfill its vision to be the preferred partner, A&R Carton must deliver at top level.

THE BRAND MAKES THE DIFFERENCE



The Difference. What is "peas", "corn" or "breakfast cereals"? Packaging makes a big difference for the consumer.

CSR MATRIX	Innovation	Quality	Service	Sustainability
Carton board	page 11	page 13,14	page 17	All pages
Waste	—	page 13,14	page 17,18	All pages
Energy	—	page 13,14	page 17,18	All pages
Water	—	—	page 18	All pages
Ink & Varnish	—	page 13	page 17	All pages

The A&R Carton brand secures long-term stability and loyalty. It also increases motivation among the company's employees, who feel more confident and proud to represent a strong brand. The brand makes the difference!

■ Four cornerstones and five KPI's

A&R Carton business is based on four cornerstones: Innovation, Quality, Service and Sustainability. As seen in the illustration above, these form the company's CSR-matrix, together with A&R Carton's five sustainability KPIs (KPI = Key Performance Indicators): Carton board, Waste, Energy, Water, and Ink & Varnish.

This sustainability report is structured to provide clear and transparent information about A&R Carton's development within the four cornerstones and to give examples connected to the five KPIs.

■ Leading progress in sustainability

A&R Carton is a leader in promoting sustainability in the carton industry.

This report summarises A&R Carton's efforts and is a statement of A&R Carton's determination to remain the industry's leader in sustainability and innovation in order to support and develop A&R Carton's brand.



Stakeholder engagement

A&R Carton's key stakeholders are its customers, employees, owners, suppliers and partners. Other stakeholders are the societies and communities, including public authorities, in the places where A&R Carton carries out its operations. A&R Carton communicates with stakeholders at various levels, depending on their relevance to the



achievement of the company's goals and their level of involvement in the company's operations.

The normal channels of communication for stakeholders are the company's website (www.ar-carton.com) and the annual sustainability report. The company communicates with the supervisory authorities on specific issues, both directly and through industry organisations. A&R Carton's membership in industry organisations, mainly ECMA, also entails cooperation on environmental and health and safety issues. Customers, suppliers and partners take part in direct, ongoing communication with the representatives of A&R Carton. Customers also regularly receive a newsletter, PackViews.

Communication with employees is maintained through channels such as the intranet, events, and meetings with trade unions. Investments in e-learning and video conferencing have improved communications within the company, and a new intranet is currently under development. A&R Carton assists brand owners in communicating packaging benefits to consumers by supplying information on raw material, LCA-analyses, carbon footprints, etc.

Analyses of consumer attitudes and opinions regarding packaging solutions and materials are performed regularly, often in cooperation with the industry organisation ECMA.

To demonstrate our sustainability efforts and to render them in more concrete terms, we have chosen to highlight a number of cases and link these to our value chain. These cases are examples of our ongoing commitment to sustainability, both internally and towards suppliers and customers.

OUR VALUE CHAIN AND CSR-CASES



Product life cycle

Packages become waste when end consumers choose to dispose of them. Carton is recyclable and can be used to make new paper pulp or incinerated to generate energy. Recycling practices vary by country and location.

A&R Carton conduct LCA's (Life Cycle Analyses) to calculate the carbon footprint of selected products.

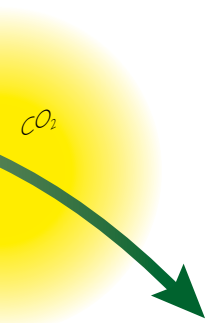
Carton – a renewable resource

Carton board is the basis of our business. It is a material made of wood pulp supplied by companies which manage forests and pulp mills. Wood from sustainably managed forests is a renewable resource and as such has no impact on climate change, even when it is incinerated and recycled to create energy. The flow of raw material in the carton industry is therefore a relatively clean system with regard to carbon footprint.

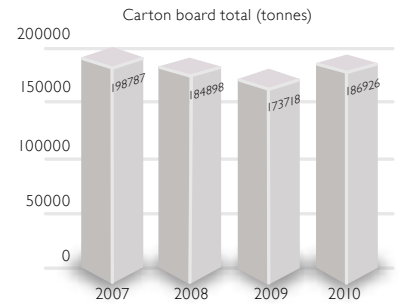
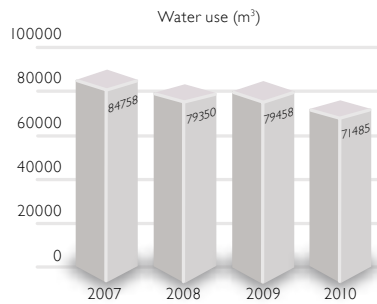
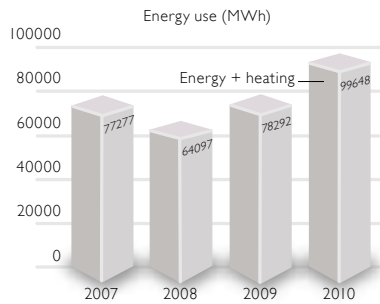
Fossil fuel emissions in our value chain are mainly caused by truck and sea transport of logs, carton boards and packaging. On page 18 and 19, we describe how we are working to streamline the supply chain and thus reduce transportation.



In response to anticipated market demands for carton lids to replace plastic, A&R Carton developed a new machine to produce them.



Sustainable forestry

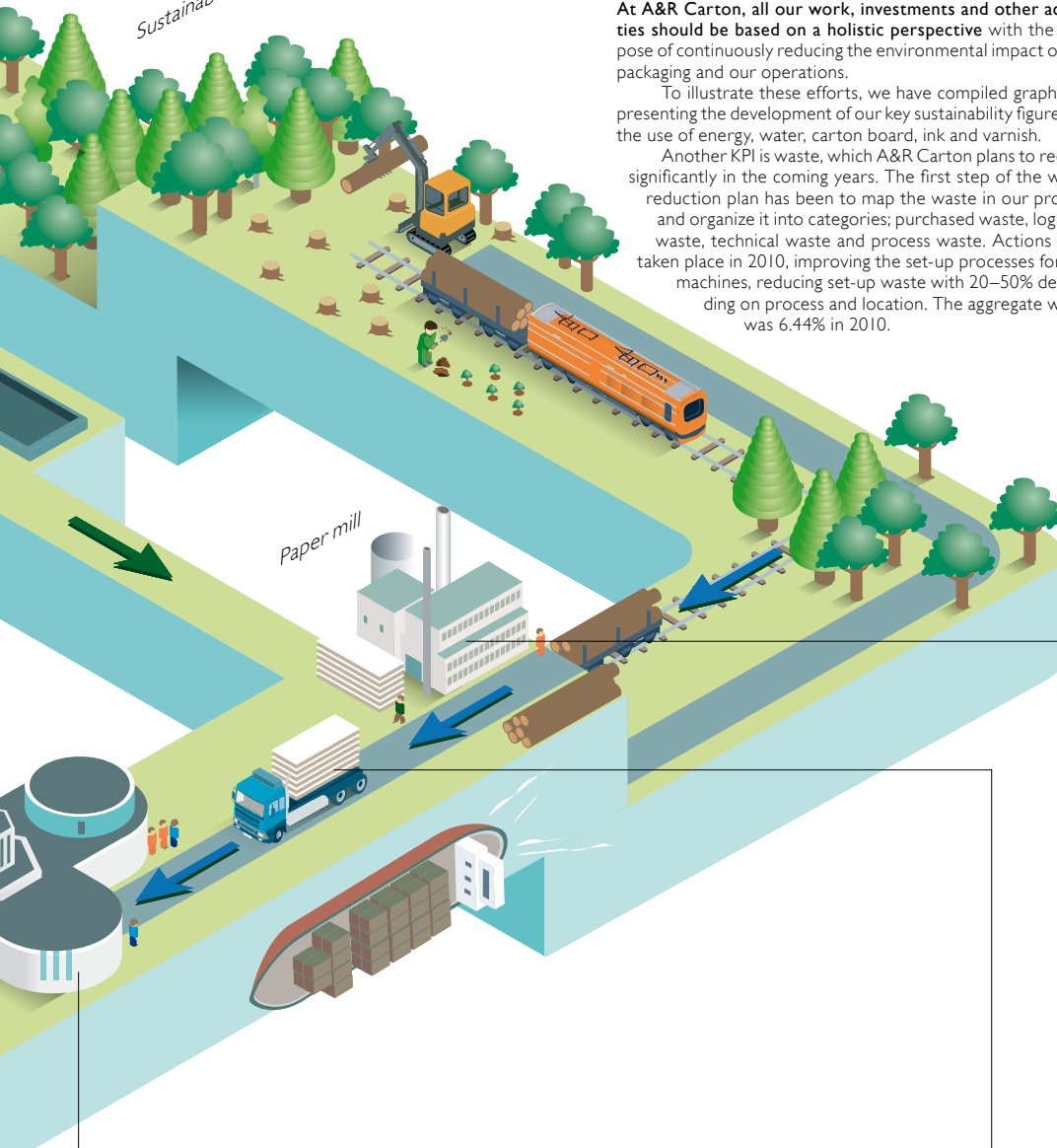
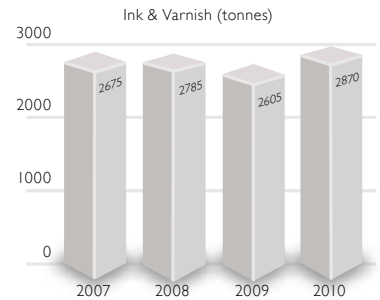


KPI over time

At A&R Carton, all our work, investments and other activities should be based on a holistic perspective with the purpose of continuously reducing the environmental impact of our packaging and our operations.

To illustrate these efforts, we have compiled graphs representing the development of our key sustainability figures for the use of energy, water, carton board, ink and varnish.

Another KPI is waste, which A&R Carton plans to reduce significantly in the coming years. The first step of the waste reduction plan has been to map the waste in our process and organize it into categories; purchased waste, logistics waste, technical waste and process waste. Actions have taken place in 2010, improving the set-up processes for our machines, reducing set-up waste with 20–50% depending on process and location. The aggregate waste was 6.44% in 2010.



The M + Q Way programme aims to reduce operational costs and achieve more effective production lines. During 2010 the printing project has been in focus.



In 2010 A&R Carton implemented an improved set-up process. This reduces the set-up time for production lines and makes lead times shorter, improving customer service.



In 2010, A&R Carton introduced a group-wide project within Supply Chain Management in order to streamline the flow of incoming materials, transportation, warehousing and supply of products to customers.



A&R Carton conducts audits of its suppliers. The main purposes of the audits is to map the suppliers' work within the area of quality and to build closer relationships with suppliers.

A&R Carton has long experience in providing packaging solutions for many different customers and market segments. This experience has produced much insight into what works in packaging machinery, what creates attention on the shelf, what functional packaging is, what is easy to recycle, and so on.

A sustainable business organisation should also be an innovative organisation. Good ideas about how to develop better packaging solutions are the basis of A&R Carton's activities. They are a prerequisite for long-term profits, satisfied customers and more environmentally friendly packaging.

A&R Carton believes that knowing the current and future needs of its customers is the foundation for innovation. Knowing what triggers a purchase decision gives us the ability to develop packaging solutions that enhance product value, brand image and visibility at point of sale.

At the A&R Carton headquarters in Malmö, Sweden, all research data is gathered in the Innovation Room. The information is analysed and translated into various packaging scenarios. This process is often undertaken in close cooperation with the customers.

The process involves looking at the different aspects of a packaging, such as handling, function and sustainability, and developing optimal packaging solutions that target the consumer.

An ordinary room – for special discussions

The Innovation Room itself is just like any other room. But the discussions that take place

there are special. Together with customers, suppliers, partners and colleagues, A&R Carton develops new packaging solutions that make a difference on the market.

Thanks to the Innovation Room, A&R Carton really knows what the customer needs. When it delivers a package, A&R Carton knows that the product is optimal with regard to product safety and protection.



In packaging, carton can replace plastic. In anticipation of growing demand for carton lids, A&R Carton decided to use its expertise in packaging production to develop a machine that could produce carton lids with all the advantages of plastic. The result was a new technology and a new business area.

CASE INNOVATION:

THE LID MACHINE



A&R Carton's machine produces stackable, recyclable carton lids.

Carton lids have a number of advantages compared with plastic lids. Among those is that they are much more eco-friendly. A&R Carton found that there was a demand for carton lids that could replace plastic but that no machine existed that could produce that kind of lid efficiently. For that reason it was decided that A&R Carton should use the experience and knowledge that existed in the company to develop a whole new machine.

Early 2010 development started. By adapting existing technologies from other A&R Carton machines (CekaCan, Espresso and Hermetet) a cardboard lid production machine was developed. The lids produced have almost all the properties of the plastic

lids they replace meaning only small modifications to the production lines are necessary. A&R Carton can deliver either the actual machines or lids from its own production line.

The new machine can make rectangular stackable cardboard lids while maintaining high capacity. It can also be equipped with exchange tools to produce a variety of shapes and sizes; round, rectangular, square or even oval. Just about any shape. Other machines only make round lids. Using latest technologies, set up time of the machine has also been dramatically reduced compared to older generations of similar equipment, creating a competitive advantage.

The machine uses cold glue which

applies quicker and makes it possible to increase the speed and efficiency of the production process. The glue is safe for food products. Using cold glue also reduces the total number components in the product.

– The advantage of cardboard lids instead of plastic is that they are recyclable, stackable and can be made in a wide range of sizes and shapes. Being made from cardboard recycling is much easier and the whole product cycle more eco-friendly, says Dominick Heseltine, Sales Director – BA Performance Packaging at A&R Carton.

The development of the lid machine is an example of A&R Carton using innovation to satisfy a market need. In the process a new technology and a whole new business area was created.

A&R Carton is committed to delivering the highest standards of quality, safety and responsiveness in the packaging solutions and services that it provides for its customers.

The business excellence is driven by the following principles:

■ SERVICE STANDARDS

A&R Carton shall deliver products and services that meet or exceed the requirements agreed upon with the customers and the relevant regulatory authorities. A&R Carton shall comply with all established procedures, quality standards, safety standards and regulations.

■ COMMITMENT TO QUALITY

A&R Carton is accountable for the quality of the work and performs to the best of its capabilities at all times. A&R Carton shall strive for World-Class Quality, with the target being customer satisfaction and minimized risk of failure in production. All plants shall be certified with regard to relevant hygiene and environmental standards.

■ COMMUNICATION

A&R Carton communicates its quality policy with customers, employees, suppliers and partners and solicits their inputs to meet their expectations. A&R Carton actively promotes this policy across all levels of its staff and encourages each employee to embrace quality as a personal commitment. A&R Carton encourages sharing of information on quality and shall always cooperate with quality auditors.

■ CONTINUOUS IMPROVEMENT

A&R Carton shall consistently strive to improve quality through learning, sharing, benchmarking, innovation and participation in continuous improvement programmes.

■ FUTURE

By focusing on quality, A&R Carton will develop and maintain a competitive edge, thereby securing the profitability and future of the company.

Certificates per plant

	Quality Certificate	Environmental Certificate	Hygiene Certificate
Augsburg	ISO 9001:2008	EMAS; FSC; PEFC	BRC/IoP, EN 15593
Timashevs	ISO 9001:2008		
St. Petersburg	ISO 9001:2008		
Frankfurt	ISO 9001:2008	PEFC, FSC	BRC/IoP, EN 15593
Kaustua	ISO 9001	ISO 14001	BRC/IoP
Bremen	ISO 9001:2008	ISO 14001:2004, FSC, PEFC	DIN EN 15593
Cholet	ISO 9001:2008		BRC/IoP Issue 3 (Category I)
Lund	ISO 9001:2008	ISO 14001:2004	BRC/IoP Issue 3 (Category I, no exclusions)
Norrköping	ISO 9001:2008	ISO 14001:2004, FSC	BRC/IoP
CC Pack	BRC/IoP Issue 3 (Category I)		BRC/IoP Issue 3 (Category I)
Sneek	ISO 9001:2008	ISO 14001:2004, FSC, PEFC	
IK	ISO 9001		
SP Containers		FSC	BRC Grade I
Tabasalu	ISO 9001:2008		

The M + Q Way programme aims to reduce operational costs and achieve more effective production lines. During 2010 the printing project has been in focus. Its goal is to minimise the set-up time and the waste that is generated from the production lines. The printing project is an important part of the M+ Q Way programme.

CASE QUALITY:

M + Q WAY INCREASES MANUFACTURING QUALITY – DECREASES WASTE



A&R Carton continuously works with the manufacturing process to make it more efficient and improve quality. This work is done in many small steps. The printing project addresses this issue.

"Much focus during 2010 in the M + Q Way programme has been on the printing project. We have succeeded in both decreasing the average set up time and reducing the number of sheets, says John Dean, Technical Systems Director. During the process we have established tougher targets to make the production process even more efficient."

The yearly savings potential in waste reduction throughout A&R Carton's plants has been estimated at EUR 7 million. There are waste reduction potentials from 20% to 50%, depending on current waste levels. Across the organisation, there is widespread understanding of both the environmental and business benefits of reducing waste levels.

"In the printing project we are working in accordance with the SMED system – Single Minute Exchange of Die. The system is well established and it has been very useful for us, as it fits our purposes very

well," says John Dean.

The process is divided into four steps. The first step is to ensure that the machine is in good condition. Step two is to ensure that all information and equipment is supplied to the press to enable the set-up process to run smoothly.

"A good plan is one of the critical factors in the process and can even be a sub-project in itself," John Dean says.

The third step is to standardize all press routines, and the actual set-up of the machine is the fourth step. Most plants in the A&R Carton group have made significant improvements.

Waste reduction is crucial for profitability within the carton board industry. The

project will not only reduce the total cost of waste but will also have a positive effect on the efficiency and capacity of the different production lines. It involves all of A&R Carton's plants. For more about the actual process of the printing project, see page 17.

A&R Carton's aim is to generate as little waste as possible and to ensure that the remaining waste is recycled properly. This work has to be done in the factories at production-line level.

"It is important that we never are satisfied. Continuous improvement means always improving and doing so in an encouraging, not a criticizing manner," John Dean says.



“It is important that we never are satisfied. Continuous improvement means always improving and doing so in an encouraging, not a criticizing manner.”

Beginning a few years ago, A&R Carton conducts audits at some of its suppliers. Focus is on the manufacturers of carton board and ink. The main purpose of the audits is to map the suppliers' work within the area of quality and to build closer relations with the different suppliers. The audits are also an opportunity to identify areas for improvement.

CASE QUALITY:

AUDITS MAP THE SUPPLIERS' QUALITY AND BUILD RELATIONS

"This is a long-term process that really started last year", says Peter de Vries, Purchasing Director. "We have conducted supplier audits for several years, but previously, they were carried out locally. In 2009 we started to conduct them at Group level. The Operations team actively supports and manages the process from an overall perspective".

Face-to-face meetings foster good relationships between people and strengthen business relationships. Audits are important, of course, to ensure that A&R Carton is working with the right suppliers who meet the various requirements of the company's supply chain.

"Supplier audits provide opportunities for learning and generating ideas for mutual improvement. The understanding of the supplier's processes is facilitated in a face-to-face situation", says Peter de Vries. "The audits are good opportunities to look at the processes, operations and the cooperation more in detail, and we see it as a mutual effort."

Since the carton manufacturers constitute the majority of A&R Carton's total purchases, these suppliers are in focus. The largest suppliers should be prioritized.

"Some suppliers have more than one



unit. As they are often geographically dispersed, it takes a lot of resources to cover them".

The audits are carried out using a carefully developed questionnaire.

"The standardized questionnaire is the basis for these audits. One of the main goals of the audits is to produce results that are comparable both when looking at the suppliers' different units and when comparing over time".

Two persons internal to A&R Carton

conduct the audits, ideally one purchasing manager and one quality manager.

"It is important to have one person from the purchasing side and one from the quality side. Working in that way includes both aspects in a natural way".

The audits employ a Supplier Audit Framework developed in meetings with the Operations team at Group level and people from the different A&R Carton units.

The framework states that the Operations team is to prepare an audit schedule for the coming year that includes suppliers, auditors and quarter for execution. The administrator communicates the schedule via the intranet to all auditors before year-end.

The framework also states that an audit questionnaire, a managing summary report, an action plan and certificates should be sent to the administrator as soon as possible after the audit. "Self assessments" is an alternative process wherein the audit questionnaire is sent directly to the supplier with a request to fill it in and send it back to A&R Carton.

The supplier audit schedule is created once per year by the Operations team. The following parameters are taken into consideration:

- 1. The relevance/importance of the supplier to A&R Carton.** Most important suppliers are prioritized.
- 2. Number of auditors available.** No auditor should be asked to do more than two supplier audits per year.
- 3. Previous years' supplier audits.** Average of three years between audits of the same supplier mill/company.
- 4. Location of the supplier mill/company in relation to A&R Caron plants.** Minimize travel distances if possible.

Quality

Carton board

Waste

Energy

Water

Ink & Varnish



The main purpose of A&R Carton's audits is to map its suppliers' work within the area of quality and to build closer relations with them.

5.

Relevance of the supplier mill/company to the selected auditor.

6.

Mixing of auditors from different A&R Carton plants, if suitable.

“Supplier audits provide opportunities for learning and generating ideas for mutual improvement.”





Service is one of A&R Carton's four cornerstones. It is about building extra layers around the core product. These layers are of great importance for the company's unique selling proposition and create added value for our customers.

■ PROBLEM SOLVER

A&R Carton wants to be recognized as an expert in solving our customer's challenges and offering the best packaging solutions. A&R Carton's mission is to be a world-class provider of innovative packaging solutions that add value to its customer's products.

■ SERVICE AND SUSTAINABILITY

Service is an important part of A&R Carton's sustainability efforts. We continuously work to enhance cooperation with existing customers, both technically, within production and administratively, in planning and improving the long term relationships within service and supply chain management.

These efforts reduce costs for A&R Carton, reduce prices and add value for customers, and in the long run, they have positive effects for the environment through reduced waste, less transportation, less warehousing and less energy use.

■ TRANSFORMATIONS IN THE PACKAGING INDUSTRY

The packaging industry has moved from a product supply perspective to a service supply perspective wherein service solutions, and not just the products themselves, often make the difference in competition. To meet this development A&R Carton establishes partnerships with customers and suppliers in order to tailor products and services to customer needs. Service is also about building long term relationships and offering service throughout the different stages of the value chain.

Before, customers only requested the product. Now they want us to be an integrated partner in solving their business challenges within packaging, supply chain, etc. We see it as our role to be a sparring partner and consultant in enhancing the value and potential of our customer's products.

A&R Carton aims to constantly improve its production processes in order to be more flexible and to be able to respond to customer needs more quickly. In 2010, an improved set-up process was implemented.

This process reduces the set-up time for production lines and makes lead times shorter, improving customer service.

CASE SERVICE:

SET-UP PROCESS IMPROVES SERVICE – DECREASES SET-UP TIME



A&R Carton has set the target to reduce the average set-up time and the waste by 50 percent for both offset and rotogravure print. Between 2009 and 2010, reduction in set up time and waste varied from 10 to 50 percent for offset printing, depending on the unit.

For rotogravure the set-up times were reduced by 20–80 percent. The waste reduction varied between 10 and 30 percent for the same time period.

The printing project is divided into four

steps. The first step of the process is to ensure that the machine is in good condition. This includes, among other things, a high level of cleanliness and completion of routine maintenance as per suppliers' instructions. In addition the 5S's should be fully implemented. The 5S's are:

- *Sort* – only essential equipment on or near the press.
- *Straighten* – a place for everything and everything in its place.
- *Scrub* – machine and work areas cleaned and inspected; work orders issued for any repairs. Early detection prevents breakdowns.
- *Standardise* – make cleaning and checking "routine" not special work.
- *Sustain* – make the 5S's a way of life and continuously search for low cost ways to improve machine condition and reduce cleaning time.

The second step of the process is to ensure that all information and equipment is supplied to the press to enable the set up process to run smoothly. This includes:

- Always group similar orders together (board size, special varnish, creasing & cutting tool).
- Colour planning is crucial to speed up ink change times.
- Use composite sheets whenever possible.
- On rotogravure, try and avoid set-ups on more than one machine at a time.

The third and perhaps the most difficult step is to standardize all pre-press routines. These routines include, among others, standardizing colour sequences, producing dot gain curves for the different machines and board types, carefully controlling which curves fit with which job items, and ensuring that as much quality control as possible is done in the pre-press department to minimize inspection time on the press.

The fourth step is the actual set-up of the machine. Set-up is defined as the process extending from the last good sheet of the previous job to the first good sheet of the new job. If an order is removed from the press for any reason, the set-up time is the sum of all set-ups.



Service

Carton board

Waste

Energy

Water

Ink & Varnish

A&R Carton continuously works to streamline production and logistics to reduce costs and minimize environmental impact. In September 2010, A&R Carton initiated a group-wide project within Supply Chain Management in order to streamline the flow of incoming materials, transportation, warehousing, and supply of products to customers.

CASE SERVICE:

SUPPLY CHAIN MANAGEMENT – A WIN-WIN PROJECT

“Supply Chain Management for A&R Carton is a matter of managing two sets of flows, material flow and information flow. For us, it is a matter of giving customers better service through reduced lead times and reduced costs, and at the same time streamlining transportation and warehousing in order to reduce emissions”, says Lennart Aveling, Group Supply Chain Manager at A&R Carton.

The main goal is to find areas for improvement, together with customers and suppliers. The ultimate goal of the project is to create a framework for implementing the new Supply Chain approach throughout the different plants. The project contains three elements: internal organization, customers and suppliers.

In addition there is a systems support, making the application more automated. The pilot project has cut delivery times and made it possible to offer customers a more

flexible service in which orders can be added and adjusted according to customer needs. This means greater transparency within handling, warehousing and logistics.

Streamlining supply chain, logistics and transportation has positive effects for the environment. The project has already paid dividends in the form of reduced working capital and reduced losses due to obsolescence of stocked goods. This is an ambitious project and the goal is that all plants apply this new approach by December 2012.

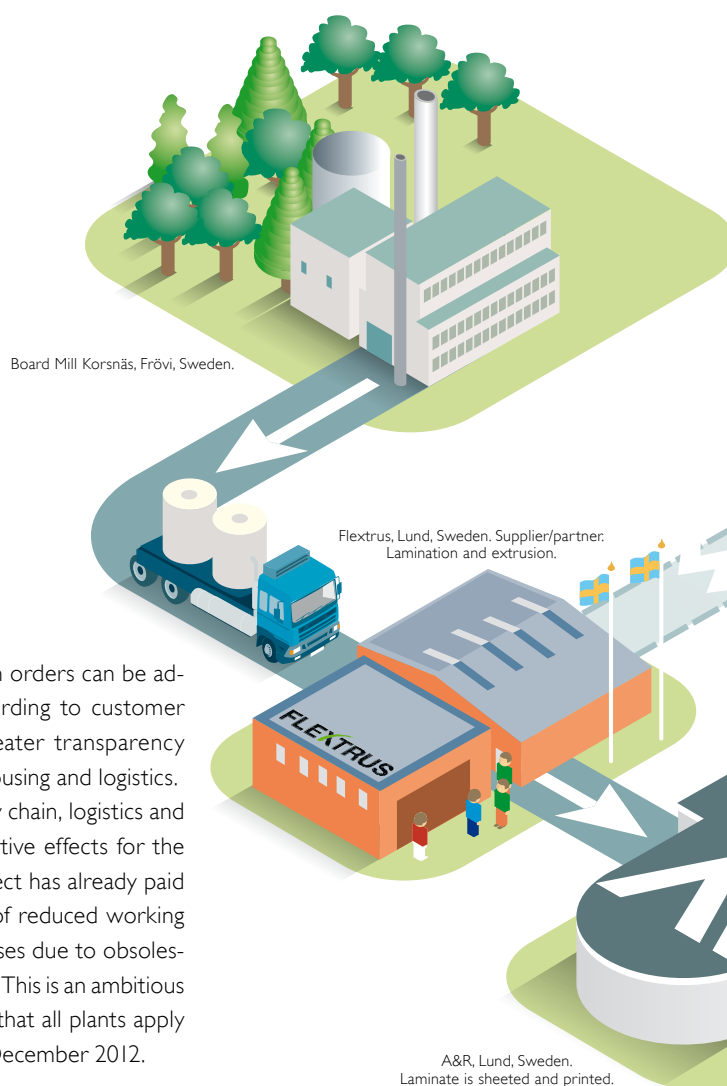


“For us, it is a matter of giving customers better service through reduced lead times, reduced costs and at the same time streamlining transportation and warehousing in order to reduce emissions.”

Case: Cekacan®

In order to test and evaluate the Supply Chain Management project a few pilot cases were chosen. One case was the Cekacan® where potential savings were identified together with suppliers and the customer.

After having analyzed the product flow, A&R Carton was able to reduce transportation and improve logistics. The flow had pre-



Service

Carton board

Waste

Energy

Water

Ink & Varnish

viously included an additional stop in Halmstad, Sweden, for sheeting. This step was eliminated.

The streamlining of the product flow made it possible to utilize investments in the Lund plant and shorten the lead time, improve protection for the sheeted laminates, and simultaneously reduce transportation by 28 600 km, or 28.6 tonnes of CO₂ per year.

From the Korsnäs board mill in Frövi, carton board is now delivered in reels to Flextrus in Lund, A&R Carton's partner within high barrier lamination and extrusion. At the Flextrus plant the package is supplied with a laminate in order to create a barrier, ensuring product safety.

From Flextrus the laminate is moved in reels to the A&R Carton plant in Lund where the laminate is sheeted. This is a very

short transport, as the two companies are located side-by-side.

From the A&R Carton plant the sheeted laminate is ready for printing. The printing takes place at the A&R Carton plants in Lund and at Kauttua, Finland, depending on location of the final customer. From the A&R plants, the printed laminate is then delivered to customers over the whole world.



A&R Carton should be a valued, responsible social citizen which creates shared value for all stakeholders. Our increasingly sustainable and safe packaging add value for our customers towards end-consumers.

The modern society simply needs good innovative and sustainable packaging solutions.

A&R CARTON AS A SOCIAL CITIZEN



At A&R Carton, we identify two main ways in which value is shared with society. Food safety is a major topic in the carton industry, and there is a great focus in A&R Carton on constantly improving the protective characteristics of the packaging.

We consider it our responsibility to provide the consumers, and thus society, with safe products that protect and preserve what is inside.

The second important value is the creation of local jobs in the communities in which we operate. Jobs lead to tax revenues and the development of skills among the labour force in the community. In 2010, all blue-collar employees and a high percentage of white-collar employees were recruited locally.

Non-discrimination, corruption, anti-competitive behaviour and compliance

There were no cases of discrimination, corruption, child labour or forced labour in 2010 (SO4). There were no cases of corruption or anti-competitive behaviour in 2010. There have been no legal actions nor any fines for noncompliance in 2010.

No special measures, such as training to counteract illegal conduct have been deemed relevant or necessary for A&R Carton's employees. Individuals with key functions have received training in competition and anti-corruption legislation.

A&R Carton as a workplace

A&R Carton should be a safe and rewarding place to work. The company is committed to equal opportunity and diversity, development of leadership skills, empowerment, and safety in the workplace.

Equal opportunity and diversity

A&R Carton practices a policy of equal opportunity among employees. Employees should be treated fairly and the company should eliminate all discrimination based on gender, religion, race, age, nationality, disability, sexual orientation, political convictions, trade union membership or social or ethnic origin.

A&R Carton's strategic objectives include benefiting from the diversity existing in the organisation. A gender equality plan has been established in accordance with

Swedish law. Collective bargaining agreements cover approximately 97% of the blue-collar workforce and 86% of the white-collar workforce. In addition to company policy, all countries in which A&R Carton has employees have extensive laws concerning these issues.

Training and development of leadership skills

The continuous development of skills and leadership qualities forms an essential part of employees' abilities to contribute to A&R Carton's business objectives. A&R Carton invests in the training and development of its employees by offering training programmes. Employees received an average of 14.8 (13.2) hours' training in 2010, an increase since 2009, thanks to an investment in training within production and food safety. The type of training varies according to an employee's position and duties. All new blue-collar employees are given health and safety training as part of their introduction. Training and skills development programmes for blue-collar workers are usually conducted on a group basis, with relevant content for different categories of workers. Individual follow-up and appraisal is sometimes required on a supplementary basis.

The aim is to offer all employees one individual appraisal meeting per year. Approximately 46% (32%) of the white-collar workers and 32% (42%) of the blue-collar workers received an individual appraisal meeting in 2010. The percentage decline is due to a review of the procedures in employee communications during 2010.

Safety & working conditions

A&R Carton has 14 manufacturing facilities in eight countries, all governed by national law. In addition, all countries except Russia are subject to EC law. At A&R Carton we are committed to achieving the same high safety levels at all of our plants by minimizing risks and limiting the impact of accidents in the workplace. On a local basis, we constantly measure and monitor health and safety risks and implement necessary improvements. 79 (84) cases resulting in at least one day's absence were reported in 2010, a slight improvement from 2009.

A&R Carton promotes sustainability across all aspects of the business throughout the entire value chain. Good environmental practices are a key aspect of competition, and we see environmentally sustainable development as a continuous process of combining ecological and economic considerations.

A&R CARTON AND THE ENVIRONMENT

A&R Carton's approach to environmental sustainability is best described as ecoefficiency, combining ecological and economic considerations. Sustainable development is a continuous process of improving both business and sustainable performance.

All our work, investments and other activities should be based on a holistic perspective with the purpose of continuously reducing the environmental impact of our packaging and our operations. A&R Carton promotes sustainability across all aspects of our business, with a particular focus on sound paper procurement and conversion practices which ensure responsible management of forests and other natural resources. There were no instances of noncompliance with environmental laws and regulations in 2010.

Materials used

The main material used by A&R Carton is carton board, which is made from wood pulp. Wood is a naturally renewable resource. Wood used in A&R Carton products comes primarily from sustainably managed European forests, and no wood comes from rainforests or other endangered eco-systems. A&R Carton procured a total of 186 926 tonnes of carton paper in 2010 (173,718). The increase is mainly a result of increased production in the St Petersburg plant and the more favorable economic situation.

Of the total procured volume, approximately 63,529 tonnes (50,370) – or 33% (29%) – came from recycled carton board. The increased proportion of recycled carton board is a result of a change in our

product mix. Over 99% of production waste is recycled. Our main suppliers of carton board in 2010 were (in alphabetical order): Careo, Fiskeby, Flextrus, Iggesund Paperboard, Klabin, Korsnäs, Mayr-Melnhof, M-Real, Stora Enso and Walki. All suppliers of board are ISO 14001 certified.

A&R Carton used 2870 tonnes (2,785) of ink and varnish for printing packages. These substances were mainly supplied by (in alphabetical order): Flint Group, Michel Huber Group, Siegwark, and Sun Chemicals. All suppliers are ISO 14001 certified. Some packages have an aluminium barrier film to protect food contents. 109 tonnes (105) of aluminium and 352 tonnes of flexible plastic film were procured during 2010. Aluminium and plastic film are used as functional barriers to protect food.

Energy use

A&R Carton's production units used a combined 99,648 MWh of energy in 2010 (78,292). In this year's report heating and energy are combined. We have increased monitoring and reporting of heating which

leads to greater opportunities to reduce energy consumption. Projects to enhance energy efficiency are continuously in progress at A&R Carton. Reducing energy consumption is not only an environmental consideration; it is also significant in terms of cutting production costs and making the units more competitive.

In 2010 we experienced yet another cold winter, which affected energy prices. Rising energy prices and the global focus on climate change make efficient energy use an increasingly important issue. The production units buy electricity from external suppliers, and this electricity comes from a mix of sources, depending on the location of the plant.

Water use

A&R Carton used 71,485 m³ of water in 2010 (79,458). The decrease is due to reparation of a water leak detected at the Augsburg plant. Different kinds and qualities of raw carton paper require different quantities of water in the refinement process. Individual production facilities are not wholly comparable because they concentrate on different types of production.

Emissions and waste

Rotogravure printing can give rise to fumes in the drying process for inks and varnish. These fumes are subject to emission limit values according to the European VOC Solvent Emissions Directive (SED).

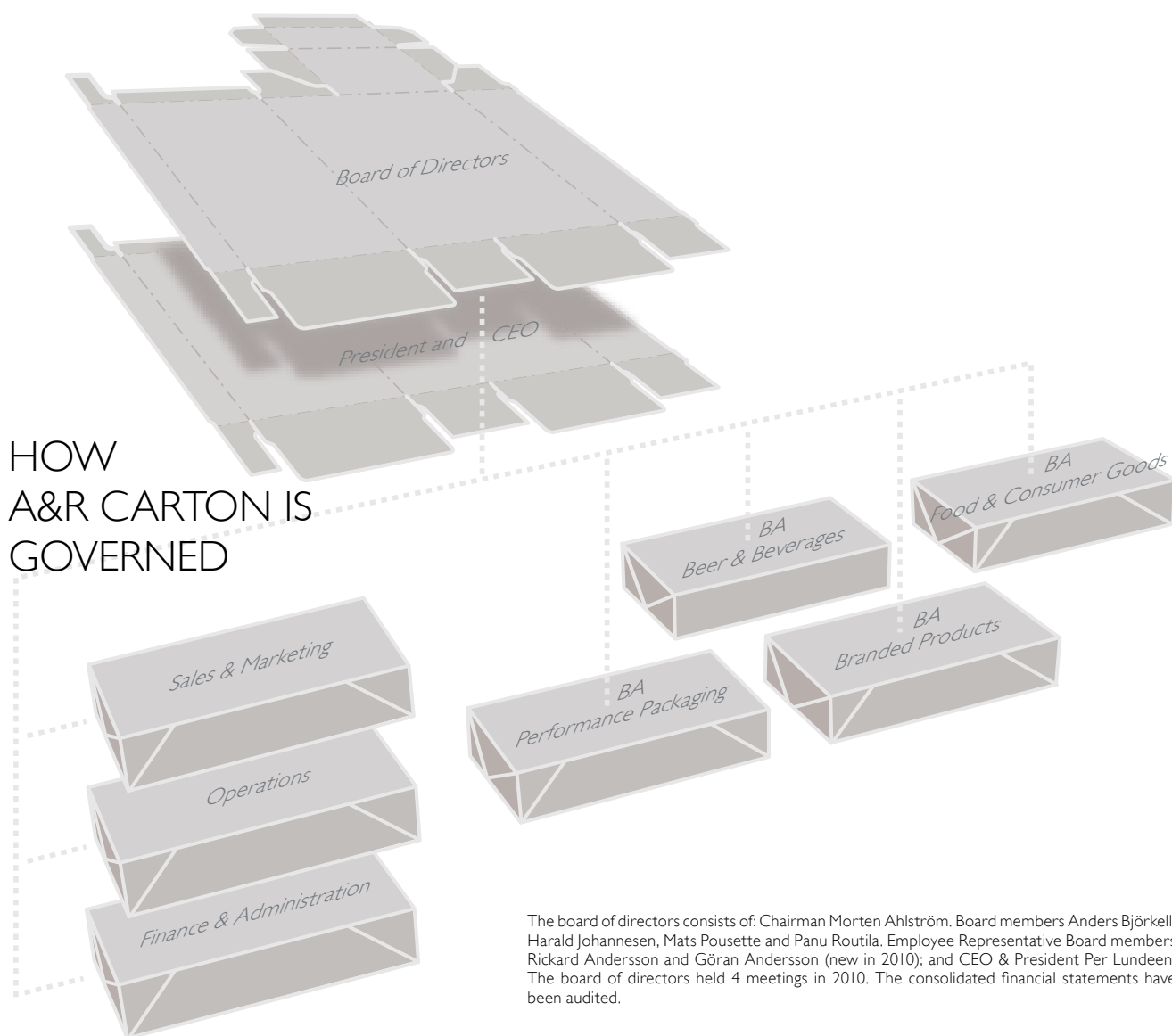
A&R Carton plants in the European Union that use rotogravure printing have installed incinerators to burn the exhaust – thereby reducing emissions. There are no other significant direct emissions from A&R Carton's production processes.

The supply of raw materials and the distribution of our products to customers takes place mainly by road. In order to reduce transportation and streamline logistics, A&R Carton has initiated a group-wide Supply Chain Management project.

More about this project is contained in the section on service (see page 18–19). We are also working to increase the proportion of goods transported on railways and to reduce travel. However, the potential varies according to location.



HOW A&R CARTON IS GOVERNED



The board of directors consists of: Chairman Morten Ahlström, Board members Anders Björkell, Harald Johannesen, Mats Pousette and Panu Routila, Employee Representative Board members Rickard Andersson and Göran Andersson (new in 2010); and CEO & President Per Lundeen. The board of directors held 4 meetings in 2010. The consolidated financial statements have been audited.

To realise the A&R Carton vision – to be the preferred partner for paperboard packaging solutions by being recognised as the leader in innovation, quality and service – the company must work to optimise the benefits of packaging in every link of the value chain. This includes issues relating to environmental impact and social and economic factors. Accordingly, A&R Carton reports the benefits and disadvantages of packaging solutions from a sustainability perspective. The first sustainability report was published in 2008 and included data from 2007. That report was a first step towards a holistic approach to sustainability.

This is the fourth sustainability report and sustainability issues relevant to our industry have been analysed and defined. The reporting process has become a driving force.

The sustainability report in itself is a useful instrument for corporate gover-

nance and for optimising internal processes. The goal is to gradually expand the reporting, both up-stream and downstream.

Code of conduct

The code of conduct is the hub around which the policies and corporate governance are built. It constitutes a framework for A&R Carton's attitudes and principles concerning the environment, ethics and health and safety.

■ ■ ■ A&R Carton operates according to principles – governing its relations with employees, partners and other stakeholders – which are based on respect for laws, environmental issues, human rights, labour issues, social issues and customer requirements. A&R Carton does business according to international principles.

■ ■ ■ Environmental Policy

All work, investments and other activities

should be based on a holistic perspective with the aim of continuously reducing the environmental impact of packaging solutions and operations.

■ ■ ■ Human Resources Policy

A&R Carton should be a safe, rewarding place to work. The company is committed to equality of opportunity and diversity, leadership, development, empowerment and safety in the workplace.

■ ■ ■ Internal standards

A&R Carton management supervises internal standards, requirements and methods



A&R Carton became a member of the UN Global Compact in 2008 and has adopted its 10 principles on human rights, labour standards, the environment and anti-corruption.

relating to Group operations. Internal standards include ISO 9001:2000, ISO 14001, OHSAS, EMAS, BRC/IoP, the ECMA guidelines and the CEPI guidelines.

Reporting

Scope: This report aims to present an accurate picture of group performance in areas relating to the environment, social health, safety and business ethics.

■■■ Boundaries

Historical data is not available for all indicators. Unless otherwise stated, the data refers to the 2010 calendar year. The report mainly covers A&R Carton's own operations.

The data has been collected from A&R Carton's business system, PECAS, and through direct cooperation with the company's production plants. The data is verified internally and does not include operations with zero or limited impact on the environment.

■■■ Reporting standards and KPIs

The report conforms to the internationally acknowledged GRI (Global Reporting Initiative) standards. Key Performance Indicators (KPIs) used by A&R Carton are selected from version G3 of the GRI standards. The report is self-declared and complies with application level C according to the GRI standards. KPIs were not subject to third-party checks.

Effort program

The sustainable way

■■■ Partnership – inviting to innovation

A&R Carton actively seeks partners in innovation among customers and subcontractors with the aim of finding and starting up new projects to design new sustainable packaging solutions. The case study presented in the 2009 sustainability report, the SmartPack developed for Semper, was a good example of an innovative process of

this kind. This year we present a new case study on innovative cooperation in Supply Chain Management on page 18.

A&R Carton shares environmental data, both upstream and downstream. This is a prerequisite for conducting credible environmental impact studies throughout the value chain.

■■■ Business system

A&R Carton uses a group-wide business system known as PECAS. The data in PECAS ranges from procurement and production – as a shop-floor system – to sales. The system has full capacity for recording all operational data of relevance to this sustainability report.

A&R Carton is gradually making system upgrades and implementing new procedures which will provide greater opportunities for management, data collection, and monitoring of operations with an environmental impact. PECAS also makes full traceability possible. Every pallet of carton board is marked with an EAN code from the

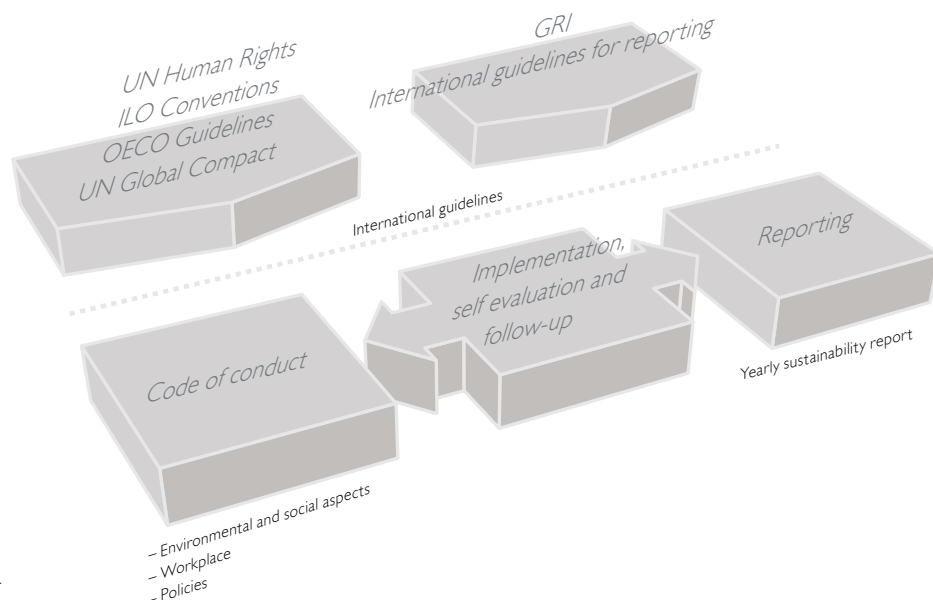
supplier. This code follows the carton board through the entire production process all the way to the individual package, if the customer so requires. This enables the company to guarantee the origin of every batch of packages that we deliver. To make this system more useful, the company has required all suppliers to mark their deliveries in a standardised manner, which will also include information on FSC/PEFC-certification. Using PECAS to coordinate and evaluate the efforts with suppliers and then sharing this information with the company's customers will make the results of the sustainability work more transparent, both internally and externally.

A group-wide human resource information system has been implemented and will facilitate central monitoring of talent management, training programmes, individual appraisals and understanding of policies.

■■■ Business organisations

A&R Carton is an active member of ECMA.

Governance and reporting



GRI REFERENCES

A&R Carton's sustainability report 2010 follows Global Reporting Initiative guidelines (version G3), level C. The following index shows where in the report information can be found. Only the GRI core indicators and the additional indicators A&R Carton has selected to report on are listed.



R = Reported
PR = Partially Reported
0 = Not Reported

GRI reference	Page	Rep. level	GRI reference	Page	Rep. level
1. STRATEGY AND ANALYSIS					
1.1 Letter from President and CEO Per Lundeen	4–5	R	4.10 Processes for evaluating the Board's performance Commitment to external initiatives		
1.2 Sustainability-related impacts, risks and opportunities	22	R	4.11 The Group's handling of the precautionary approach	21–23	PR
2. ORGANIZATIONAL PROFILE			4.12 Externally developed codes, principles or other initiatives to which the Group subscribes or endorses voluntarily	7, 22–23	R
2.1 Name of the organization	1	R	4.13 Membership in trade and industry organizations	23	R
2.2 Primary brands, products and/or services	3–4	R	4.14 List of stakeholder groups engaged by the Group	7	R
2.3 Operational structure of the organization	4	R	4.15 Basis for the identification and selection of stakeholders	7	R
2.4 Location of headquarters	4	R	4.16 Approaches to stakeholder engagement and frequency of engagement	7	R
2.5 Countries where the Group operates	3–4	R	4.17 Key topics and concerns raised through stakeholder engagement	7, 20	PR
2.6 Nature of ownership, legal form	3	R	5. MANAGEMENT APPROACH AND ECONOMIC PERFORMANCE		
2.7 Markets where the group is active	3–4	R	Disclosure on Management Approach	4–5	R
2.8 Size of the organization: number of employees, sales etc.	3–4	R	EC1 Economic value generated and distributed	3	R
2.9 Significant changes during the reporting period	3–4	PR	EC2 Financial implications and other risks and opportunities due to climate change	3	PR
2.10 Awards received during the reporting period			EC3 Coverage of the organization's defined benefit plan obligations	0	
3. REPORT PARAMETERS			EC4 Significant financial assistance received from government	20	R
3.1 Reporting period	23	R	EC6 Policy, practices, and proportion of spending on locally-based suppliers	0	
3.2 Date of most recent report	23	R	EC7 Procedures for local hiring and proportion of senior management hired from the local community	20	PR
3.3 Reporting cycle	2	R	EC8 Development and impact of infrastructure investments and services provided primarily for public benefit	0	
3.4 Contact persons	2	R	ENVIRONMENTAL		
3.5 Process for defining report content	22–23	R	Disclosure on Management Approach Materials	4–5, 10–18	R
3.6 Boundary of the report	23	R	EN1 Materials used by weight or volume	21	R
3.7 Specific limitations on the scope or boundary of the report	23	R	EN2 Percentage of materials used that are recycled	21	R
3.8 Reporting of entities that can affect comparability	23	R	EN3 Direct energy consumption	21	R
3.9 Data-measurement techniques and the bases of calculation	23+	R	EN4 Indirect energy consumption	21	R
3.10 Explanation of any restatements of information	0		EN5 Energy saved due to conservation and efficiency improvements	21	PR
3.11 Significant changes in the scope, boundary or measurement methods	23	R	EN6 Initiatives to provide energy-efficient or renewable energy-based products	4–5, 9–18	PR
3.12 GRI index	24–25	R	EN7 Initiatives to reduce indirect energy consumption and reductions achieved	0	
3.13 Policy and practice regarding external verification	2, 23	R	EN8 Total water withdrawal by source	21	R
4. GOVERNANCE, COMMITMENTS AND ENGAGEMENT			EN9 Water sources significantly affected by withdrawal of water	0	
4.1 Governance structure of the organization	22	R	EN10 Water recycled and reused	0	
4.2 Chairman's position	22	R	EN11 Land at organization's disposal in areas of rich biodiversity	21	PR
4.3 Number of independent, nonexecutive Board members	23	R	EN12 Impact on biodiversity	21	PR
4.4 Mechanisms for shareholders and employees to provide recommendations or directions to the Board	0		EN16 Direct and indirect greenhouse-gas emissions	21	R
4.5 Remuneration to senior executives	0				
4.6 Processes for avoiding conflicts of interests in the board	0				
4.7 Process for determining the qualifications of the board members	0				
4.8 Statement of mission, values, code of conduct and principles relevant to sustainability performance	6–7, 22	R			
4.9 The Board's procedures for overseeing sustainability performance	22–23	R			

GRI reference	Page Rep. level	
EN17 Other relevant indirect greenhouse-gas emissions	21 PR	
EN18 Initiatives to reduce emissions of greenhouse gases	4–5, 10–18 R	
EN19 Emissions of ozone-depleting substances	0	
EN20 NO _x , SO _x and other significant air emissions	21 PR	
EN21 Total water discharge	21 R	
EN22 Total weight of waste by type and disposal method	21 PR	
EN23 Unforeseen spills	21 R	
EN26 Initiatives to mitigate environmental impacts of products	4–5, 10–18 R	
EN27 Percentage of products and their packaging materials that are reclaimed	21 PR	
EN28 Fines and sanctions for noncompliance with environmental laws and legislation	21 R	
EN29 Environmental impact of transports	21 PR	
EN30 Total environmental expenditures and investments	0	
LABOUR PRACTICES AND DECENT WORK		
Disclosure on Management Approach Employees	8, 3, 26 R	

GRI reference	Page Rep. level	
LA1 Workforce	3, 20 R	
LA2 Employee turnover	0	
LA4 Proportion of employees included in collective agreements	20 R	
LA5 Minimum notice period(s) regarding significant operational changes	0	
LA7 Work-related accidents and diseases	20 R	
LA8 Action program relating to serious illnesses	20 R	
LA10 Number of hours of training per employee	20 R	
LA11 Programs for skills management and lifelong learning	R	
LA12 Percentage of employees receiving regular career development reviews	26 R	
LA13 Composition of the Board, management and employees by category (gender, age, minority group)	22 PR	
LA14 Ratio of basic salary of men to women by category	0	

GRI reference	Page Rep. level	
HUMAN RIGHTS		
Disclosure on Management Approach	22 R	
HR1 Percentage and total number of significant investment agreements that have undergone human-rights screening	0	
HR2 Percentage of significant suppliers that have undergone screening on human rights and actions taken	0	
HR3 Employee training on policies and procedures concerning aspects of human rights	20 R	
HR4 Total number of incidents of discrimination and actions taken	20 R	
HR5 Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk and actions taken	20 R	
HR6 Operations identified as having significant risk for incidents of child labor	0	
HR7 Operations identified as having significant risk for incidents of forced labor	0	
SOCIETY		
Disclosure on Management Approach	20 R	
SO1 Programs and practices that assess and manage the impacts of operations on society/communities	0	
SO2 Percentage and total number of business units analyzed for risks related to corruption	0	
SO3 Percentage of employees trained in anticorruption policies and procedures	20 R	
SO4 Actions taken in response to incidents of corruption	20 R	
SO5 Public policy positions and participation in lobbying	20 R	
SO6 Financial and in-kind contributions to political parties, politicians and related institutions.	20 R	
SO7 Total number of legal actions for anti-competitive behavior, anti-trust and monopoly practices	20 R	
SO8 Monetary value of fines and number of sanctions for noncompliance with laws and regulations	20 R	
PRODUCTS		
Disclosure on Management Approach	21 R	
PR1 Life-cycle stages in which health and safety impacts of products and services are assessed	8–9, 18–19 R	
PR2 Incidents of non-compliance with regulations concerning health and safety impacts of products	0 R	
PR3 Type of product and service information required by procedures.	23 R	
PR6 Programs for adherence to standards and voluntary codes concerning market communications	3, 20 PR	
PR9 Monetary value of fines for non-compliance with laws and regulations concerning products and services	20 R	



For more information please visit our website at www.ar-carton.com

A&R Carton AB (Headoffice)
Adelgatan 6
SE-211 22 Malmö
Tel +46 40 661 56 60 Fax +46 40 611 66 05
e-mail: malmö@ar-carton.com
www.ar-carton.com