Sustainability Report 2013





The Global Compact Program

The UN Global Compact is an international agreement launched by the United Nations in 2000 to encourage companies to commit to sustainable development. It was founded to commit companies worldwide to act in a responsible way on issues concerning human rights, labour and environment and also to prevent corruption in its all forms. The Global Compact has 7,000 corporate participants from over 145 countries, and the number is constantly growing.

The Global Compact is the largest voluntary corporate responsibility initiative in the world. It is based on principles in four areas – human rights, labour, environment and anti-corruption. Companies are committed to concretely develop their operations according to those principles.

Pyroll's sustainability strategy is based on the Global Compact. Pyroll has been a member of the UN Global Compact since 2010.



WE SUPPORT

Environment

We respect the environment and comply with environmental legislation. We develop our activities in such a way that the resources available are utilized as efficiently as possible and that the environmental impact is minimized.

PROJECT: More eco-friendly product solutions

Project background and objectives:

Packaging solutions that have less impact on the environment have become increasingly greater factor in the packaging industry and one of the key development areas also among our clients. The project aims to bring every year a few new product solutions that develop the existing product clearly in a more eco-friendly direction.

Description of the project:

Potential product solutions with as wide environmental perspective as possible are selected. After this, internal testing and customer project coordination is performed.

Project metrics:

The number of product solutions as well as the relative share of the commercialized solutions.

Project results:

As a result of the project, Pyroll is able to offer its customers a wider range of options that have smaller impact on environment. In 2013, there were three client projects: lid material for individual serving of edible fat and replacing it with an eco-friendly structure, aluminium-free wrapper for edible fat and aluminium-free lid material. The search for environmentally friendly solutions and developing them ambitiously has become a permanent part of our business plan.

PROJECT: Launching the quality, environmental and food safety management system at the Pyroll Packaging factories

Project Background:

The responsibility for the safety of the products lies with the manufacturer. Packaging materials that come into contact with food have to be by their chemical, physical and nutritional characteristics in quality and composition such that they don't affect human health, and that they don't mislead the consumer. Management systems help to improve the organizational operations and to ensure the safety of the product.

Description of the project:

The construction of the operating systems to the factories:

- Documentation
- Operational approach
- Internal audits
- Quality assurance and testing
- External auditor certification

Project goal:

The objective of the project is to have all the Pyroll Packaging factories certified to ISO9001, ISO14001, and/or ISO220000+EN15593 standards by the end of 2014.

Project schedule:

Pyroll Ypäjä 1/2013

Pyroll Joensuu 2/2013

Pyroll Kotka 5/2013

Pyroll Tervajoki 6/2013

Pyroll Salo 6/2013

Pyroll Lempäälä 6/2013

Pyroll Tampere 9/2013

Pyroll Lahti 9/2013

 $Pyroll\ Kouvola\ and\ Pyroll\ Merikarvia\ certifications\ during\ 2014.$



PROJECT: Increasing the amount of recycled fiber in cardboard boxes

Project Background:

In environmental matters, even small acts have a great significance. Some of our units were using corrugated cardboard boxes with a low amount of recycled fiber. Increasing the proportion of recycled fiber in corrugated cardboard boxes was set as one of the targets for the competitive tender.

Description of the project:

During the competitive tender, suppliers are asked to provide for test use boxes that have a significant amount of recycled fiber. After testing, the boxes that meet the criteria set for the project are selected.

Project goal:

The project aims to increase at least 20 % of the proportion of recycled fiber in the corrugated cardboard boxes we use.

Project metrics:

The minimum proportion of recycled fiber in the corrugated cardboard boxes we use.

Results of the project:

All our factories, except for one, are provided with corrugated cardboard boxes meeting the criteria of the project.

Labour

We treat all our employees fairly and equally and do not discriminate against anyone. We allow our employees to participate in professional associations and their activities. We adhere to our part in collective agreements and working hours. We comply with the Occupational Safety and Health Act and we aim to prevent work-related injuries.

PROJECT: Improving the well-being at work

Project background:

One of the key factors of well-being is how the employees themselves can influence their own well-being at work. It is important to reconcile work, good general condition, healthy lifestyle and leisure time.

Project goal and description of the project:

The objective of the project is to improve the well-being of the employees. The project consists of three parts: a wellbeing day for the personnel, time management training for the employees and a co-operation forum between the company management and elected officials.

Project metrics:

Employee satisfaction and sickness absence rate.

Results of the project:

Self-management skills have improved as a result of time management training. Employee empowerment and the information flow have been improved by a co-operation forum between company management and elected officials. In addition, personal well-being goals were defined for all the participants.



PROJECT: Improving safety at work

Project background:

Different units have different procedures for safety issues. There's a special twoday training for all supervisors and health and safety committees.

Description of the project:

The project consists of the following areas: defining employer and employee responsibilities, planning and implementation of training, accident statistics and tracking the work of the units.

Project goal:

The project aims to improve safety at work and to achieve 20 % reduction comparing to general safety indicator figures.

Project metrics:

Frequency rates of work related accidents, illnesses and near-misses.

Results of the project:

Staff knowledge and expertise in safety matters has improved significantly. The way the units act regarding to work safety has been unified when concerning risk management and accident statistics among others.

PROJECT: Integration of occupational health services

Project background:

The Group has previously had a number of different suppliers of health services, which is why the health service package for the staff has not been equal and uniform.

Description of the project:

The project consists of choosing the service supplier, creating the service package and having information sessions at units.

Project goal:

The objective of the project is to focus health services to one supplier and to standardize the services to all the employees.

Project metrics:

A measure of satisfaction with the quality of occupational health services.

Results of the project:

Pyroll's twelve-unit health services are centralized in a single operator and the service package is integrated.

Human Rights

We respect international human rights. We are not complicit in any human rights abuses. We do not accept discrimination of any kind. We appreciate different cultures and each person as an individual.



Anti-Corruption

We do not accept bribery or corruption in any form.



Pyroll
Malminsuontie 6
49220 Siltakylä
Finland
Tel. +358 30 624 2400
www.pyroll.com