

Sustainability Report 2019

– sustainable paper mill of the future



SKJERN PAPER



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5.10 litres

of water per kilogram of finished product in 2019

14.9 years

average seniority of staff members in 2019

98.5% recovery

rate of waste from Skjern Paper in 2019

93% reduction

in CO₂ emissions from 2014 to 2019

0.18%

complaints rate in 2019

FACTS ABOUT SKJERN PAPER

- 100% Danish owned company
- 74 staff members
- Annual turnover of more than DKK 200 million
- Manufacture of 66,127 tonnes paper and board from 100% recycled paper in 2019
- Production primarily for European packaging and paper industries
- Supply of district heating generated from waste heat for approx. 2,500 homes in the city of Skjern.



Sustainability – on paper and in real life

Welcome to our Sustainability Report for 2019. We proudly present to you our strategies, measurable results, completed projects, and visions for a more sustainable future. Sustainability should never be just a word on a piece of paper. It must be tangible in the form of concrete actions making a green difference in real life.

Skjern Paper is a sustainable company. We supply sustainable recycled products for our customers all over Europe. Based on collected recycled fibres we manufacture close to 75,000 tonnes of recyclable paper and board every year. We have established an environment-friendly and energy-optimised production, and we integrate sustainability into all aspects of our company.

In the autumn of 2019 we changed our name from Skjern Papirfabrik to Skjern Paper. This name change reflects an increasing internationalisation: today we export more than 90% of our production to European packaging and paper industries. Also, the new name symbolises the extensive modernisation process we have gone through, making us one of the most environment-friendly paper mills in the world.

Sustainability is about strengthening all links of the value chain. Therefore we have, among others, established an in-house wood chip boiler using biofuels to generate steam for our production, we have reduced our water consumption significantly, we have increased the rate of recycling of residues, and we have installed a heat pump, the largest in Denmark of its kind. It supplies district heating generated from waste heat for around 2,500 homes in Skjern, and we expect to see a steady increase in this number.

At Skjern Paper we invest continuously in new sustainable technology. In summer of 2019 we renovated the entire drying section of our paper machine and fitted a new drive system. Thanks to this, we reduce our energy consumption, we encapsulate the heat of the drying section and expand total future production capacity by 12-15%. An increased volume and sustainability go hand in hand.

We uphold our certifications under a number of ISO standards, and in 2019 we were even certified under the ISO 9001 standard. For a number of years we have been a member of the UN Global Compact and its Nordic network. As a

responsible and environmentally aware company we naturally work for the 17 UN Global Goals. In particular, we contribute to Goal no. 7 regarding sustainable energy, and Goal no. 17 on responsible consumption and production.

All in all, Skjern Paper has established a flexible and long-life business model ensuring an efficient production with focus on customer needs and a sustainability philosophy leading us gradually into a greener future.

Jørgen Thomsen
CEO



Strategy for selected parameters

	Status 2018	Status 2019	Targets 2020	Value to Skjern Paper and society
Paper-production	66,396 net tonnes	66,127 net tonnes	73,300 net tonnes	Improved financial basis, which is a basic for the further development of the mill. Increased paper production also has a positive impact on other environmental parameters.
Specific energy consumption	1,613.5 kWh/net tonnes	1,685 kWh/net tonnes	1,576 kWh/net tonnes	Affects finances and CO ₂ emissions. Calculated on the basis of gas, wood chips, and electricity for the production.
District heating supply	47,402 MWh	42,900 MWh	50,000 MWh	Increasing district heating volumes produced from waste heat reduce the consumption of fuels at the Skjern district heating company.
CO ₂ emitted from production ¹⁾	635 tonnes	951 tonnes	600 tonnes	Substituting of fossil fuels with biofuels leads to reduced CO ₂ emissions
Water consumption	307,528 m ³	337,481 m ³	310,000 m ³	Lower water consumption reduces the burden on our water resources.
Amount of wastewater	273,945 m ³	286,322 m ³	280,000 m ³	Wastewater quantities affect the hydraulic load on the Tarm wastewater treatment plant.

1) CO₂ originating directly from paper production and reported to the EU CO₂ Register.

(In mass balances later on in this publication CO₂ emissions are slightly higher, since secondary contributions from internal transport have been included).



About Skjern Paper

Skjern Paper in a circular economy

Skjern Paper has taken a circular economy approach long before it became a common term.

Circular economy is the guiding principle of Skjern Paper's production: the mill produces paper and board consisting of 100% recycled fibres. The primary production is semi-finished paper and board delivered for further processing at our customers around Europe.

Generally, all products from Skjern Paper can be recycled at the end of their useful life. Trim ends and reject from our own production are collected and recycled in our paper production.

The products are produced with a high respect for sustainability, and Skjern Paper has been environmentally certified under ISO 14001 since 1998. Since then, this certification has been expanded, among others, with ISO 50001: energy management certification. In addition, all our products are FSC certified.

Investments in production efficiency are made continuously. This includes the reduction of CO₂ emissions, energy consumption, and other environmental impacts caused by our paper production.

Furthermore, Skjern Paper supplies large volumes of district heating generated from waste heat from the drying process of the paper machine and residual heat in the flue gas from the boiler. The district heating is supplied directly through the district heating grid of Skjern to users in the City of Skjern. In 2019, 58% of the heating needs of the City of Skjern were supplied from Skjern Paper.

We work continuously to find sustainable solutions for the management of waste from Skjern Paper. As from 2019 bottom ashes are led back to wood plantations as a fertiliser. In 2019, 98.5% of all waste was recovered.

Based on the above we can rightly say that Skjern Paper is among the most sustainable paper mills in the world.

7 AFFORDABLE AND CLEAN ENERGY



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Skjern Paper supports the 17 UN Global Goals (SDGs). We believe that Skjern Paper contributes in particular to Global Goal no. 7: Affordable and clean energy, and Global Goal no. 12: Responsible consumption and production.

Skjern Paper aims to be the preferred supplier of the environmentally aware customer requesting paperboard of high quality

Skjern Paper

OWNERS:

Since 2005 Skjern Paper has been owned by S.P. Holding, Skjern A/S, which is again owned by Buur Invest and employees from the mill's management.

MANAGEMENT (FROM 1 APRIL 2020):

Chairman of the Board:	Jørgen M. Thomsen
CEO:	Nikolaj B. Thybo
CFO:	John T. Nybo
Sales Manager:	Jesper Foldager

Period covered

01.01.2019 – 31.12.2019

Date of Issue

Mid April 2020

Certifications

Skjern Paper is certified under the following standards: ISO 14001, ISO 9001, ISO 50001, FSC®

ISO 9001 - ISO 14001
Management System Certification

BUREAU VERITAS
Certification Denmark A/S



ISO 50001
Management System Certification

BUREAU VERITAS
Certification Denmark A/S



Miljømærket for
ansvarligt skovbrug

Applies to FSC®
certified products

Facts about the mill

Name and location

Skjern Paper A/S
Birkvej 14, DK-6900 Skjern. Tel. no. +45 97 35 11 55
E-mail: contact@skjernpaper.com
Website: www.skjernpaper.com

Industry/NACE code

21.12 – Production of paper and paperboard
17.12 – Production of paper pulp

Supervisory authority

Waste & wastewater: The Municipality of Ringkøbing-Skjern
Other: Danish Environmental Protection Agency, City of Aarhus

Major environmental approvals

20.12.2000: Environmental approval, revised general approval. This approval is under review.
08.07.2010: Environmental approval of natural gas fired boiler plant.
27.10.2015: Environmental approval of wood chip fired boiler plant.
01.09.2017: Approval of connection of wastewater to Tarm wastewater treatment plant.
19.12.2018: Environmental approval of extension 2019

Most important legislation

Danish Environmental Protection Act
Statutory Order on waste, REACH, BAT conclusions for Pulp & Paper

Extent of certifications

Production of paper and paperboard. Applies to all of Skjern Paper, including the company's auxiliary processes.

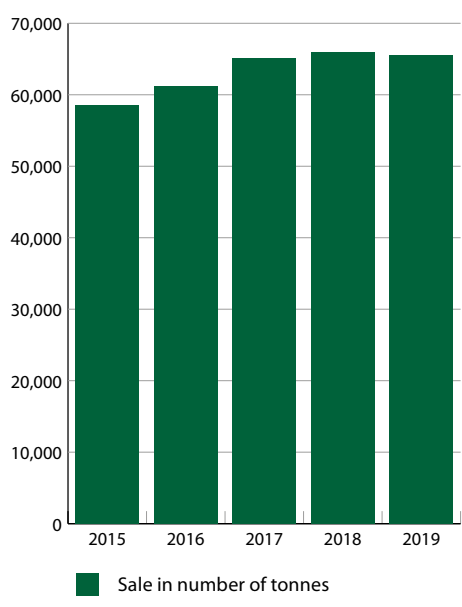




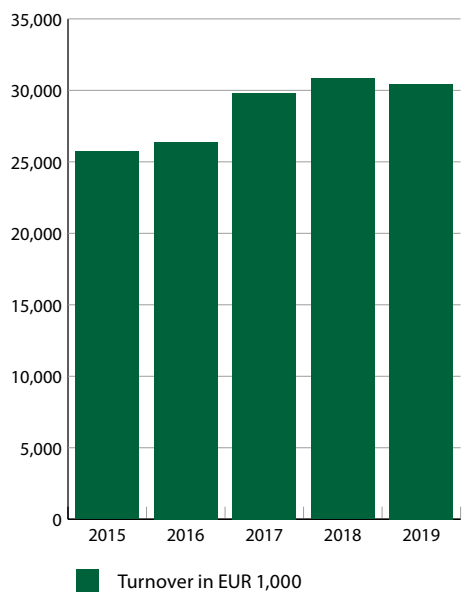
FACTS ABOUT THE PRODUCTION

- Paper machine: Fourdrinier
- Machine width: 290 cm
- Grammages: 110-475 g/m2
- Capacity: 75,000 tonnes/year
- Operation: 349-352 days/year
- Shift operation: Five teams/three shifts

Tonnage sold



Turnover



Skjern Paper sets new standards for the production of paper and board for European packaging and paper industries. We invest continuously in environment-friendly, energy-optimised and green technology enabling us to meet market demands for even more sustainable products.

Staff members

At Skjern Paper the number of staff members is very constant. There is a positive trend of staff members staying at the mill for many years. Thanks to this, there is a good stability among staff members and a very experienced workforce in all divisions.

The mill has 74 employees with the following composition:

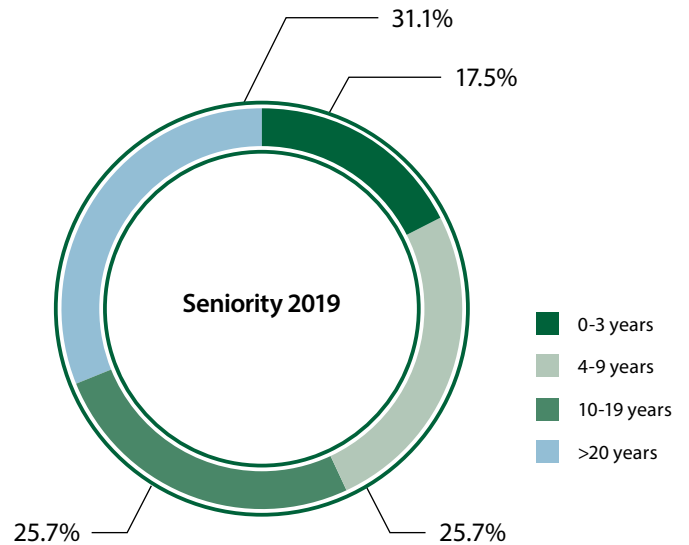
- 4 metalworkers
- 2 automation mechanics
- 53 blue-collar workers
- 15 white-collar workers

Skjern Paper sees it as a natural part of our activities to treat staff members with respect and dignity, thus avoiding discrimination. This is a natural part of being a responsible company in Denmark. We believe that this is highly contributable to the high seniority of our staff members.

In Denmark we have several nationalities, and Skjern Paper sees it as a natural part of our activity to offer people of foreign nationalities work at the mill on equal terms with Danish citizens.

A substantial part of training in the production is in the form of mentoring, where experienced staff members train new staff members, thereby sharing their experience. And we do have a lot of experience to share: 56.8% of the staff members have been with the mill for more than ten years.

In addition to mentoring, staff members are offered courses when relevant. This may be courses in the operation of equipment and machines, IT courses, occupational health courses, and many other subjects. A recent initiative is the implementation of a scheme where production staff members can apply for participating in long-term process operator training.



14.9 years
average seniority
in 2019

Occupational health and safety

At Skjern Paper we believe that a good working environment strengthens the mill's productivity resulting, among others, in low sickness absence, higher job satisfaction, and more flexibility of the individual staff member.

The management and the health and safety organisation both play an active role, just as they have a large responsibility with regard to safeguarding a good and safe working environment for all staff members. The occupational health and safety organisation at Skjern Paper consists of seven health and safety representatives, three foremen, and the health and safety manager. In addition, since early 2016 an agreement has been in place with an external occupational health and safety consultant who participates, among others, in the meetings of the occupational health and safety organisation to make its work more efficient.

All members taking a seat in this occupational health and safety organisation go through mandatory occupational health and safety training. All members of the occupational health and safety organisation are active in the daily health and safety work. The occupational health and safety work is an ongoing process with, among others, continuous activities to implement proposals arising from the workplace assessments.

Occupational health and safety is a combination of staff members' safety and the physical and mental impacts that staff members are exposed to.

Occupational health measures in 2019

In addition to optimising production, the major refurbishment carried out in weeks 29 and 30 also led to a number of co-benefits to occupational health and safety.

The reinforced insulation and tightness of the drying hood leads to lower temperatures, humidity, and noise levels in the working space around the hood: "on deck" as we call it.

Thanks to the new and modern drive system interlocking options during repair and maintenance work in the drying section is far more safe. Also, the level of noise and vibrations in general has been lowered significantly through this new operation mode. The old drive was based on numerous belt drives and air couplings along with large gears fitted directly on the drying cylinders. Crush risks associated with the old type of drive have been reduced significantly.

There have also been made many improvements inside the drying section, as a complete range of guards has been fitted at all places posing a crush risk, especially where the rolls converge.

The hood is equipped with many hatches and crane gantries for easier replacement of rolls and other components of the drying section. An efficient lighting system has been established as well as access routes, landings, and doors have been optimised. The large gates at the front open up the entity completely, and the many doors and stairs at the back also give good access conditions.

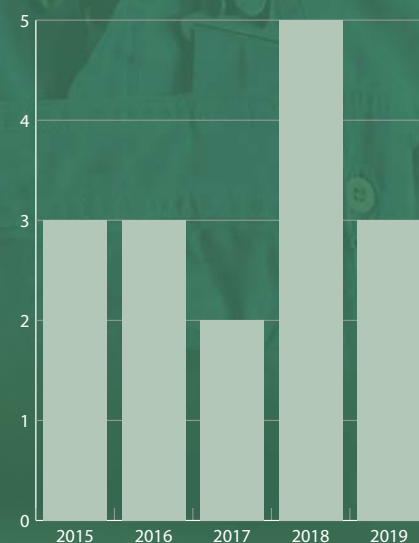
A further success parameter related to the refurbishment was the fact that there were no occupational accidents at all, despite a high level of activity around the clock by a total of 130 persons of many different nationalities.

Another occupational health measure was the ambition of improving the registration of near-miss events. We have succeeded in doing so, and the figures are as follows:

- 2018 = 3 events.
- 2019 = 13 events.

The target for 2020 is zero serious accidents. In addition, the registration of near-miss events will continue to be in focus in 2020.

Occupational accidents





Sustainable recycled products for all of Europe

At Skjern Paper the production in 2019 amounted to 66,127 tonnes of paper and board produced from 100% recycled paper from the Nordic countries. More than 90% of our production is exported to the packaging and paper industries around Europe.

The majority of our products end up as cardboard cores in toilet rolls and kitchen towels, composite cans, cardboard in binders, solidboard boxes, gift wrap paper rolls, or sheet interlayers for pallet goods - to mention but a few of the many possible applications.

Skjern Paper is an order producing company and is able to produce exactly the paper and board products our customers request. We

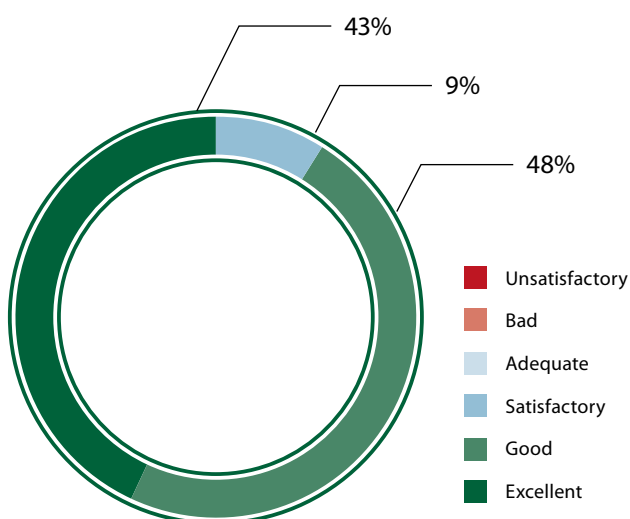
are a flexible company and can adapt our production if an acute need arises.

Skjern Paper is a green, sustainable and environmentally aware company optimising continually our production in all aspects.

We are proud to announce that Skjern Paper was ISO 9001 certified in 2019. This was the natural continuation of the large focus of the mill on the quality of the company's products.

Again in 2019 customer satisfaction was registered by sending out a questionnaire to 30 customers, distributed strategically on size, product type, etc. Below the results of the study are illustrated:

Customer satisfaction, general evaluation





PRODUCT RANGE

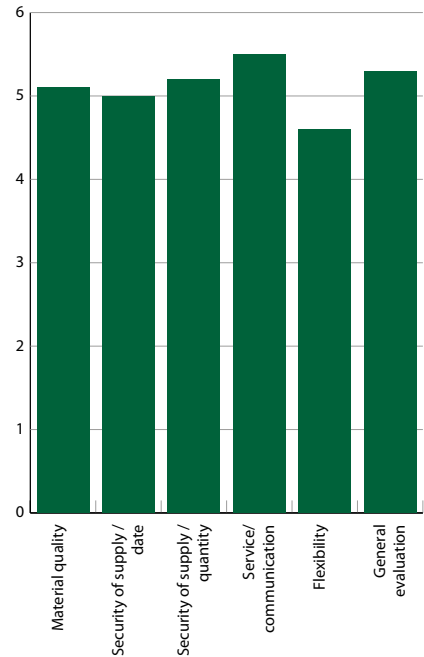
Coreboard – primarily used for spiral wound cores for kitchen towels and toilet paper rolls as well as rolls for stretch wrap and gift wrap paper.

Greyliner and Blueliner – primarily used as cardboard for binders, books, and puzzles.

Greyboard – primarily used for lamination of solidboard boxes, packaging, and displays.

Sheets – primarily used as sheet interlayers for pallet goods.

Customer satisfaction per parameter



The complaints rate in 2019 was at 0.18% of net production. This is as expected a positive development from 2018 and is attributable to the ISO 9001 certification and the ensuing additional focus on quality and internal control. This parameter is expected to improve further in 2020.





UN Global Goals

Skjern Paper complies with a number of the UN Global Goals for sustainable development, but we would like to highlight two Global Goals which are of high importance to us:

7. Affordable and clean energy

By supplying waste heat to Skjern's homes we contribute to ensuring access to affordable, reliable, sustainable and modern energy for all.

Our own boiler plant uses as large a share of biofuels (wood chips) as possible, thereby contributing to the green transition.

12. Responsible consumption and production

Being a recycler, Skjern Paper contributes substantially to ensuring responsible consumption and production. By gradually increasing the production capacity for recycled fibres we comply with this requirement.

By recovering almost all waste and bringing bio-bottom ash from our wood chip boiler back to the woods we contribute to a responsible management of waste in the entire life cycle.



Skjern Paper is an environmentally optimised, energy-friendly, and social responsible company which should be considered as one of the most sustainable paper mills in the world. Focused efforts over many years with ambitious objectives have led to substantial improvements.



98.5%

recovery of waste



Global Compact and social responsibility

Skjern Paper has been a member of the UN Global Compact and its Nordic network since 2013. By that we have committed to acting socially responsible with offset in a number of basic principles regarding human rights, workers' rights, environment, and anti-corruption. Our continuous efforts towards improving the working environment, optimising our energy consumption, and taking on our social responsibility reflect in the best possible manner the UN Global Compact principles.

At Skjern Paper we acknowledge our social responsibility. We are very aware of this social responsibility and materialise it by, among others, inviting small local companies to participate in our tenders; we organise visits for, among others, associations and schools; and we support a number of charities in the local community. In addition, we are a partner company with Green Network, where we share knowledge, participate in CSR seminars, etc.

Skjern Paper is a major workplace in the local community employing around 74 people.







Mass balance

Skjern Paper

invest continuously in efficient production processes with focus on energy optimisation and reduction of CO₂ emissions, water consumption, and environmental impacts.

CO₂ emissions from the combustion of natural gas and fuel:
1,031 tonnes of CO₂

Evaporation of water: 39,523 m³

Paper raw materials: 74,547 tons
Energy: 121,620 MWh
Water (inbound): 350,200 m³



District heating sales: 42,900 MWh
Finished products: 66,127 tons
Water (outbound): 310,677 m³

Waste: 4,852 tons

Water

Water intake

The mill's process water is primarily unfiltered water from a former municipal drinking water well. The term used for this water quality in this report is "raw water". The local utility of Ringkøbing-Skjern Forsyning supplies the mill with raw water. Supplies have been very stable, and thus no river water was used as process water during 2019.

In addition to raw water a small amount of municipal water is used. This water quality is used for sanitary water and drinking water as well as at a few points in the process where completely clean water is needed.

Most of the process water is used through the spray nozzles on the paper machine. Then the recirculation of process water starts: the water is reused on average 15-20 times before discharge to the municipal treatment plant. The process water is filtered in vargo filters to retain fibres, before it is reused or discharged as process wastewater.

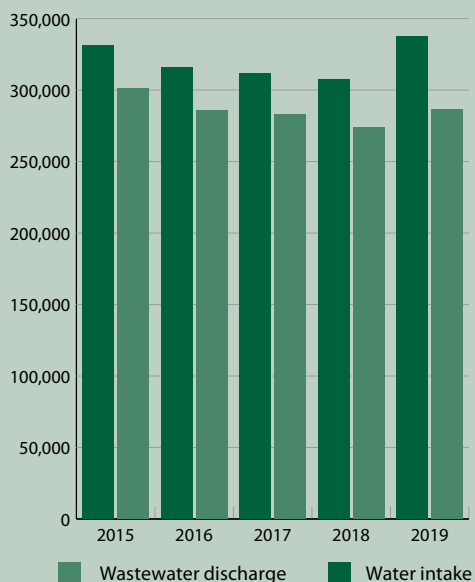
The below figure shows the development of total water intake and wastewater discharge.

It also shows the specific water consumption for the last five years.

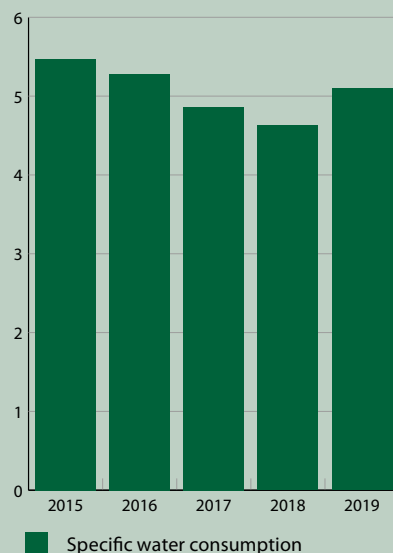
Over a five-year period the specific water consumption has decreased from 5.47 m³/net tonne to 5.10 m³/net tonne.

The reason why we see an increase in water consumption in 2019 for the first time in five years is that the extensive refurbishment in the summer of 2019 meant a long period of unstable operation further to commissioning and testing of the plant. There are indications, however, that the water consumption was back to a stable level by the end of 2019. Therefore, lower water consumption and thus lower wastewater discharge is expected in 2020.

Water intake and wastewater discharge measured in m³



Water consumption per tonne of paper produced measured in m³/net tonne



Water balance

- Municipal water:** 3,773 m³
- Water in raw materials:** 8,946 m³
- Raw water:** 337,481 m³
- Sanitary wastewater:** 481 m³
- Water in finished products:** 4,298 m³
- Wastewater discharged to Tarm wastewater treatment plant:** 286,322 m³
- Water in waste:** 2,171 m³
- Estimated rinse water quantity:** 17,405 m³
- Evaporation of water:** 39,523 m³

Notes on specification of quantities

- Municipal water**
Consumption metered by local utility, Ringkøbing-Skjern Forsyning
- Water in raw materials**
Calculated from random sampling measurements
- Raw water**
Consumption metered by local utility, Ringkøbing-Skjern Forsyning
- Evaporation**
Calculated from mass balance of water
- Water in waste**
Calculated from random sampling measurements
- Waste reject**
Assessment, since rag is not suitable for sampling
- Sanitary wastewater**
Discharge is measured
- Discharge to Tarm wastewater treatment plant**
Discharge metered by local utility, Ringkøbing-Skjern Forsyning
- Water in finished products**
Calculated/measured (average water content 6.5 %)

Water, continued

Wastewater from Skjern Paper is led to public wastewater treatment at Tarm wastewater treatment plant. Skjern Paper has its own sewage pipeline from the mill to the treatment plant, and the process wastewater is led directly to Tarm treatment plant. In the below table the process wastewater limit values to be complied with at Skjern Paper are shown.

Furthermore, the average own control analysis results for 2019 are also shown.

Parameter	Limit value	Average discharge
Water volume	1,240 m ³ /dg	805 m ³ /dg
pH	6.0-9.0	7.0
SS	1,000 mg/l	696 mg/l
COD	11,000 mg/l	5,196 mg/l
BOD	6,200 mg/l	3,092 mg/l
Tot-N	45 mg/l	21.3 mg/l
Tot-P	6 mg/l	3.37 mg/l
Chloride	1,000 mg/l	112 mg/l
Oil/grease	20 mg/l	26 mg/l
Chromium	0.3 mg/l	0.009 mg/l
Zinc	3 mg/l	0.219 mg/l
Cadmium	0.003 mg/l	0.001 mg/l
Molybdenum	0.03 mg/l	0.019 mg/l
Lead	0.1 mg/l	0.008 mg/l

It is seen from the above that the limit values are complied with, with a good margin for by far the most values. However, there was an exceedance of the oil/grease content in the wastewater in 2019. The

reason for this exceedance is not known exactly, but it is assessed to be due to variations of the raw materials, since an oil spill would have resulted in far higher values. For comparison, the value for oil/

grease in 2018 was at 19 mg/l. In 2019, 286,322 m³ of process wastewater was discharged to the public treatment plant. The specific wastewater discharge in 2019 amounted to 4.33 m³/net tonne.





Energy

Energy balance

Electricity for paper production: 21,040 MWh

Electricity for heat production: 3,366 MWh

Natural gas: 4,676 MWh

Wood chips for paper production: 85,722 MWh

Auto diesel: 27,629 l

District heating sales: 42,900 MWh

Air emissions*): CO₂ 1,031 tons
NO_x 33.8 tons

*) Relevant emissions according to environmental survey



Notes on specification of quantities

Electricity, natural gas, and wood chips
Measured, quantity consumed

CO₂ og NO_x
Calculated from emission factors from the Danish Energy Agency's website (CO₂) and key figures from the Danish excise duty guidelines (NO_x)

Auto diesel
Purchased quantity

Electricity for paper production
Incl. consumption for internal electric room heating



Use of energy

Natural gas and wood chips: Used for steam production in boilers.

Electricity: Used for electric motors, forklifts, pumps, agitators, ventilators, heat pumps, etc.

Auto diesel: Used for wheeled loader.

District heating sales

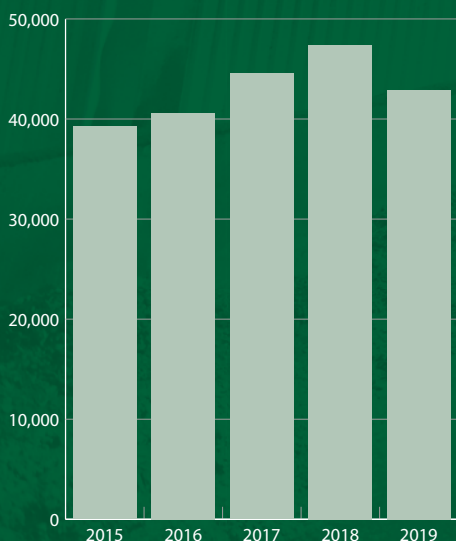
Since 2010 district heating has been delivered to the local network. District heating is generated in a heat pump facility installed in 2012 using waste heat from the paper machine's drying section. In addition, as from the end of 2015 district heating is also generated by one more heat pump utilising waste heat contained in the flue gas from the wood chip fired boiler. District heating is also generated in a excess production exchanger, utilising excess steam in connection with reduced absorption of steam from the paper machine, for instance in case of web break. The facility for utilisation of waste heat in the flue gas of the gas boiler is no longer in use.

District heating sales decreased in 2019 to below the level of the preceding year, from 47,402 MWh to 42,900 MWh. The share made up by the mill's total heat generation for the City of Skjern also fell - from 62% to 58%. Considerable quantities of heat are carried away most of the year, evidently most of it in the summer.

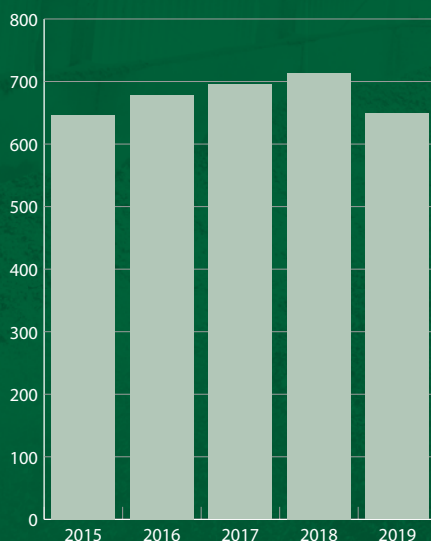
There are several reasons for this lack of sale; the transmission pipe has been under-dimensioned, but the Skjern district heating company has upgraded it in the period from end November 2019 to early January 2020.

The type of settlement has meant that the Skjern district heating company in certain periods has prioritised its own heat at the expense of the waste heat from the paper mill. This type of settlement has been changed in a way that sales of the entire potential in the future will be more profitable for the Skjern district heating company.

Development in district heating sales measured in MWh



Development in specific heat generation measured in kWh/net tonne of paper



58%
of the heating needs
of the City of Skjern
were covered by means
of waste heat from
Skjern Paper in 2019

Energy

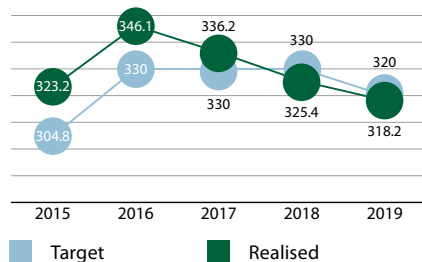
The energy performance of the year shows positive as well as negative trends.

It is positive that the specific electricity consumption has decreased to below the level of the preceding year, and also below the target of 320 kWh/net tonne. The result was 318.2 kWh/net tonne, a decrease of 7.2 kWh corresponding to 2.2 %.

The fine result is primarily due to the refurbishment of the paper machine's drive, but also a change in the operational strategy for the substance pump from vessel 4 has an impact. The ambition to obtain savings in the operation of ventilators at the drying hood did not see the desired result. This is due to challenges in finishing the drying hood at basement level, along with inexpedient design of the condensate system of the drying section. The condensate system has been designed by an external consultant, but will now be modified.

The results appear from the below curve.

Development in specific electricity consumption, kWh/net tonne



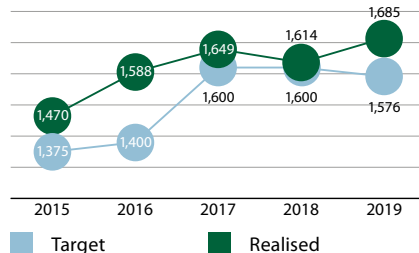
The development in the specific total energy consumption (electricity consumption and drying energy) was not as desired. The new drying section has not yet been tuned in to perform as efficiently as expected.

This is primarily due to the problems explained above relating to the drying hood at basement level not being finished along with the inexpedient design of steam and condensate system. The condensate system is now being modified, and this is expected to produce the outstanding positive impacts. A third factor is an involuntary speed limitation further to vibrations in the press

sections of the machine, in particular the second press. At a speed above 400 m/min the system gets out of balance; this means that it is not possible to attain a higher output at low grammages which leads to a poor drying efficiency.

The target was set at 1,576 kWh/net tonne total energy, and the result ended at 1,685 kWh/net tonne. This is an exceedance of 103 kWh/net tonne corresponding to 6.5 %.

Development in specific total energy consumption, kWh/net tonne

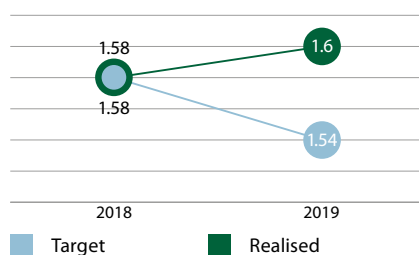


From 2019 onwards the energy performance has also been evaluated based on data from the steam flow meter that was established in November 2017.

The above factors naturally also mean that the new key figures we have chosen to follow - specific steam consumption in tonnes of steam/net tonne of paper - show disappointing results.

The target was 1.54 tonne/net tonne based on data from 2018: 1.58 tonne/net tonne. The result was 1.60 tonne/net tonne, so it is poorer than the performance before refurbishment. The development is shown below, however here with data from only the two years the meter has been in operation.

Development in specific steam consumption, tonnes of steam/net tonne paper



The energy key figures and their development are described in more detail at process level in the Survey report that is prepared every year after the energy review.

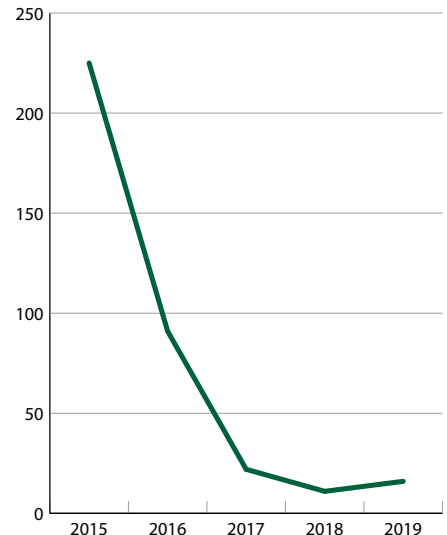
Development in air emissions


Specific CO₂ emissions have been reduced by 93% since 2014.

This reduction is primarily due to a shift to a wood chip fired boiler plant from a natural gas fired boiler.

In 2019, emissions were only 16 kg of CO₂/net tonne.

Specific CO₂ emissions kilogram/net tonne





93%
less CO₂ emitted
in the period
2014-2019

2,370 homes had their heating needs covered in 2019 by district heating generated from waste heat at Skjern Paper



98.5%
of the waste
was recovered
in 2019



Waste

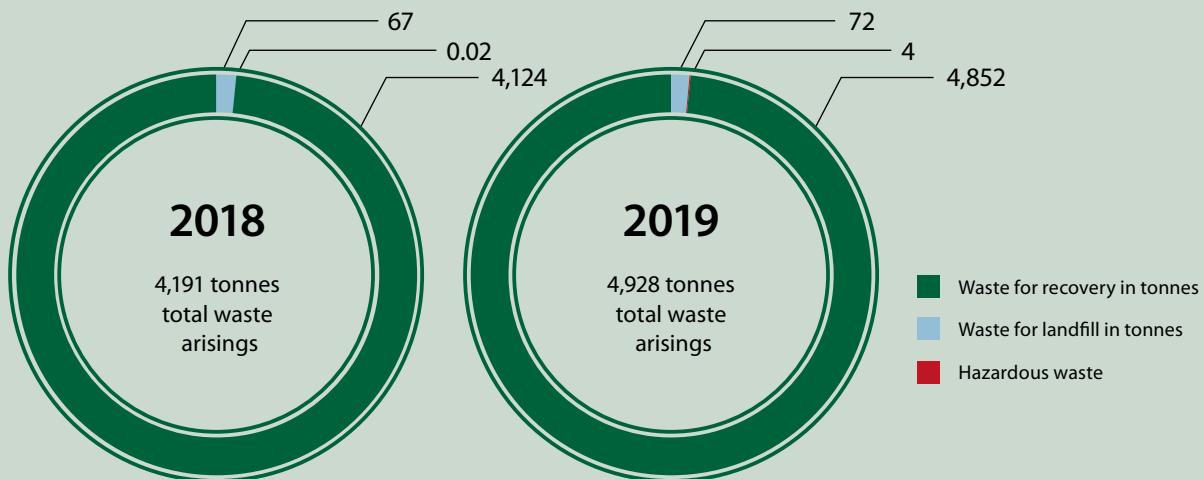
Waste generated at Skjern Paper mainly consists of segregated impurities from paper raw materials containing a number of non-usable materials such as plastics, insoluble paper, paper clips, textile residues, etc. These residues are segregated in the pulper and in the subsequent cleaning units.

In addition, the wood chip fired boiler generates a considerable amount of ashes. Since we use clean wood chips the major part of the ashes can be led back to the

woods where they can be used as a fertiliser for trees. In this way valuable phosphorus resources stay in the loop. The majority of waste can be recovered in heat generation,

soil improvement, or other forms of recovery. Trim ends and rejections from our own production are collected and used as new raw materials in our paper production.

Waste from Skjern Paper, stated in tonnes

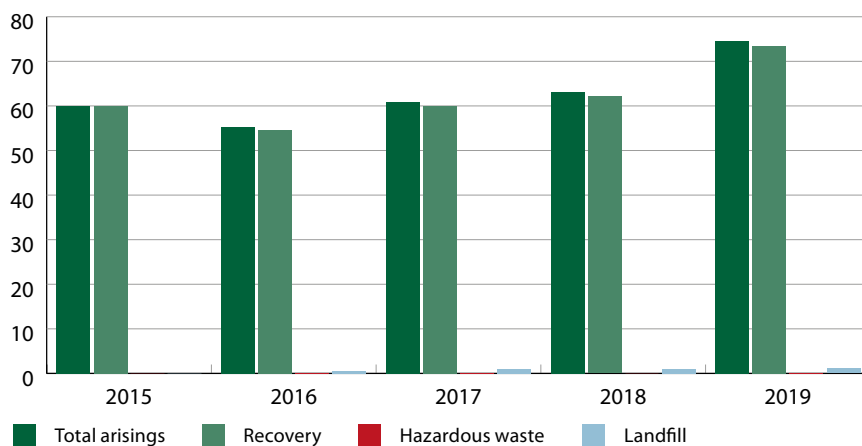


Total waste arisings have increased from 2018. This is primarily due to a larger share of impurities in the paper raw materials - the

primary cause of waste generation. However, there has also been a growth by a factor ten of scrap iron quantities in 2019 compared with 2018, which is due to the

large refurbishment of the summer of 2019 in which, among others, the drying section was refurbished and the new drying hood installed.

Waste arisings in kilograms/net tonne



It appears from the above that specific waste arisings have been increasing over the last five years. This is due, in addition to the above, to the fact that since 2016 amounts of ashes have increased due to higher steam production based on biomass.

Total waste arisings are expected to increase further in 2020 as a natural consequence of expected higher net production.

The report's relation to Global Compact

As a member of the UN Global Compact, Skjern Paper is committed to being in compliance with the ten basic principles.

Skjern Paper acknowledges the growing importance of companies' corporate social responsibility, and as a reflection of this the


mill has since 2013 committed to supporting the UN Global Compact, the world's largest initiative for propagation of corporate social responsibility - CSR.

Jørgen Thomsen, CEO



Global Compact principles

	The company should:	Side
Human rights	01. Support and respect the protection of internationally proclaimed human rights	15
	02. Make sure that it is not complicit in human rights abuses	15
Labour	03. Uphold the freedom of association and the effective recognition of the right to collective bargaining	10, 15
	04. Support the elimination of all forms of forced and compulsory labour	10, 15
	05. Support the effective abolition of child labour	10, 15
	06. Eliminate discrimination in respect of employment and occupation	10, 15
Environment	07. Support a precautionary approach to environmental challenges	7, 12-27
	08. Undertake initiatives to promote greater environmental responsibility	7, 12-27
	09. Encourage the development and diffusion of environmentally friendly technologies	7, 12-27
Anti-corruption	10. Work against corruption in all its forms, including extortion and bribery	15



75,000
tonnes of paper
and paperboard
every year

Read more about the UN Global Compact and the principles of the organisation on www.unglobalcompact.org



Paper and board
produced from

100%

recycled fibres





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