



## THE MISSION:

**To view** environmental responsibility as an integral part of principled corporate citizenship and as an essential element in the products manufactured, materials procured, and processes incorporated into our research and development activities.

**To enrich** our sustainability competence in the areas of reducing, renewing, reusing and recycling materials and all related by-products.

**To communicate** cost-effective solutions, technological advances, improved product performance and environmentally responsible developments to our valued customers.

**To identify** ways to effectively integrate economic progress, social development and environmental concerns to ensure an improved quality of life for future generations.

American Packaging Corporation is committed to being a good corporate citizen by focusing on ways to effectively integrate economic progress, social development, and environmental improvements in our daily activities. We strive to improve the environment through innovation and strengthen our communities through involvement.

## This information covers the calendar year 2009.

*Social – Economic – Environment*

### **Packaging must protect, preserve and contain:**

This means it needs to be strong enough, act as an effective barrier between contents and the environment, and be hygienic. It should be made using a sensible amount of energy and raw materials, be safely disposed of, or where appropriate, recovered or reused.

### **PACKAGING MATERIALS**

American Packaging actively researches and qualifies materials for a myriad of specifications. We continue to work with customers on down gauging and resizing their packaging for an optimal sustainable specification.

American Packaging monitors key commodities and publishes a quarterly newsletter (The Raw Facts & Data) which is shared with our key customers. This allows them to review our research against their own and working together we can reduce or eliminate large unanticipated swings in raw material. Documents referenced for information include: CMAI, CDI, Pulp and Paper Week, Purchasing Magazine and Plastics News Service.

### **MATERIAL INNOVATION**

Through American Packaging's partnership with Rochester Institute of Technology (RIT) developmental activities continue to move forward in areas of improving the moisture barrier of Nanoclay by creating a PET/Urethane adhesive composite, Synthesis of Glycerol/Starch composites and PET Polymer from Glycerol, a Bio-Fuel waste product.

In 2009, American Packaging continued working with researchers on developing an anti-microbial application that will extend the shelf-life of food products with natural volatile food ingredients, using current packaging and shipping techniques. Shelf-life improvement for any fresh food item can add millions of dollars in savings throughout the whole food chain from producer to retailer to consumer. Initial results were positive and American Packaging is committed to moving forward with further development of this technology.

## **SAFETY FIRST**

American Packaging employees are its greatest asset. Safety has always been the highest priority. All facilities have implemented the DuPont STOP safety program, which consists of the full participation of every employee in the facility. By recognizing and documenting unsafe acts and conditions as they are discovered, employees have the opportunity and obligation to complete on the spot corrections. A safe work environment is achieved with constant employee participation and communication.

**APC 2008 TCIR (Total Case Incident Rate) = 3.16**

26% below Industry for Total OSHA Recordable Incidents

**APC 2008 DART (Days Away Restricted Time) = 1.41**

39% below Industry for cases resulting in restricted duty

## **BEST OF THE BEST**

**FOR 3<sup>RD</sup> YEAR, AMERICA PACKAGING NAMED “BEST OF THE BEST” IN BEST WORKPLACES IN THE AMERICAS**

American Packaging has been awarded the Best Workplace in the Americas designation, Best of the Best 2009, for their exemplary human resources practices. A panel of highly respected HR professionals with decades of experience in the graphic arts industry reviewed the submissions. All of the winning companies actively show their employees that they care about their work environment, their personal goals and ambitions, as well as the needs of the company.

## **LENDING A HELPING HAND**

American Packaging and its employees provide on-going support to its communities:

- ✓ blood drives held on-site
- ✓ support local food banks
- ✓ scholarships
- ✓ volunteering

In 2009, over \$300,000 was given by American Packaging and its employees to local and national charitable organizations.

### *PARTNERS IN SUSTAINABILITY:*



*TOGETHER WE CAN MAKE A DIFFERENCE*

## **PROCESS IMPROVEMENTS**

### *REDUCING OUR FOOTPRINT*

American Packaging pledged to reduce its U.S. greenhouse gas (GHG) emissions by 8% per linear footage by 2012. The company committed to the reduction goal as part of the U.S. Environmental Protection Agency's (EPA's) Climate Leaders program, which we joined in 2007.

### *TRUCKING*

American Packaging uses SmartWay Partners Transportation 91.5% of the time on outgoing freight. SmartWay is a collaborative program between EPA and the freight industry whereas these transport partners have demonstrated improved environmental performance of their freight operations in areas of energy efficiency, saving money, reduced greenhouse gas emissions and improved air quality.

American Packaging saw a 7 Metric Tons/CO<sub>2</sub> reduction in Direct Mobile, as a result of adding more Hybrid vehicles to its company fleet.

## **FACILITY & EQUIPMENT UPGRADES**

In 2009, American Packaging completed its \$11.5 Million plant expansion at its Extrusion Laminating & Coating facility in Rochester New York. The project included increasing building space as well as the purchase of a custom built tandem lamination line. The new extrusion line has co-extrusion capabilities and designed to run both high speed and thin gauge film and paper structures.

The project is expected to create at least 25 new jobs over the next few years. Both building and equipment were built with a green focus, including natural lighting, high efficiency lighting and energy efficient insulation.

## **MOTION SENSORS**

American Packaging began installing motion sensors in critical areas in its facilities; bathrooms break rooms, office area, etc.

## EMPLOYEE ENRICHMENT

Encouragement is a fundamental objective at American Packaging. Generous college tuition reimbursement program is offered. On-site wellness screenings and weight management programs support healthy lifestyles. Paid vocational training offers employment advancement. Volunteering opportunities promote a sense of community and goodness.

## SUPPLIER DIVERSITY

American Packaging adopted a Minority/Women Business Enterprise Development Policy to encourage the development of minority and women business enterprises and to promote equal business opportunities in the community. We have a supplier base of over 100 various MBE/WBE companies from which we work with.

## SUSTAINABLE IS ATTAINABLE!

### **“WE MUST ACT TODAY IN ORDER TO PRESERVE TOMORROW”** President Ronald Reagan

American Packaging has been a privately-held company for over 100 years with 500+ employees. The company continues to be financially stable with solid sales growth; allowing us to continuously invest in our people, equipment and facilities. We value the communities we work in and the customers we work with; we pledge to make each component of sustainability: Social, Economic and Environmental an important factor in all our business activities.

## RECYCLING

Education, communication and unyielding commitment from all employees allowed American Packaging to reduce its landfill disposal by 6,738.9 tons.

### **The Difference\* American Packaging Made in 2009:**

- ❖ Saving 115,000 Mature Trees
- ❖ Saving 3,120,110 Gallons of Oil
- ❖ Saving 161,700 Gallons of Gasoline
- ❖ Saving 27,629,490 kw-hr of Electricity
- ❖ Saving 47,172,300 Gallons of Water

\* Each ton of fiber recycled conserves: 17 mature trees; 463 gallons of oil; 24 gallons of gasoline; 4,100 kw-hrs of electricity; 7,000 gallons of water. Sources: U.S. Environmental Protection Agency, Institute of Scrap Recycling Industries, and Waste Management.

## ENVIRONMENTAL WASTE DISPOSAL

- ❖ Scrap incinerated for Electrical Generation  
[Over 1,000,000 KW hours generated in 2009]
- ❖ Hazardous Waste used in disposal site Fuel Blending

## EXPANSION UNDERWAY

The Board of Directors approved a \$16.5MM expansion project at our Flexographic Printing & Laminating Division in Iowa. The project includes a 67” 10 color Vistaflex flexographic press, a new off-line laminator and other auxiliary equipment, along with 20,000 square feet building expansion. Environmental improvements were incorporated in the expansion plans. The building upgrades will include sky lights to provide natural lighting and roof insulation providing an R value of 30. The laminator uses high solids dry bond adhesives for reduced VOCs and was designed with Permanent Total Enclosure of the coating station which offers energy and exhaust reduction benefits.

The expansion provides for the hiring of 30-35 new employees once complete.

