



**CORPORATE  
SOCIAL  
RESPONSIBILITY  
REPORT 2015**



And Gender distribution in Management

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### **Introduction by the CEO**

Danapak Flexibles A/S has for many years worked systematically with Corporate Social Responsibility. In years before 2014 we were part of the CSR reporting of the Arla Group being a subsidiary of (Ultimately) Arla Foods AmbA.

This Corporate Social Responsibility report will be the second report prepared for Danapak Flexibles A/S. This report is to be seen as an integrated part of Management's review in the Annual report 2015.

We continuously strive to reduce the impact of our business to the environment, to reduce and manage waste and pollution to the air, energy consumption, working accidents and absence due to illness.

Thanks for your interest.



Lars W. Hyldgaard

CEO

## **Presentation of Danapak Flexibles A/S**

The activities of the Company are development, production and marketing of flexible packaging products primarily for the pharmaceutical, dairy and food industries.

The Company is producing and selling packaging materials in plastics, aluminum foil, paper and various laminates with or without printed decoration. Printing inks and lacquers can be solvent based or solvent free. Production of such packaging materials demands besides raw materials and energy also adhesives.

During 2015 the site in Horsens was closed and production moved to the site in Slagelse.

The Company is now solely located in Slagelse in Denmark. The Company meet the highest hygienic standards and is certified according to ISO9001, ISO22000 and Global Standard for Packaging and Packaging material (BRC/IOP).

The Danish Authorities has announced a permit for the site in course of "*Miljøbeskyttelsesloven §41b, Lovbekendtgørelse nr. 1757 af 22. December 2006*"

## CSR structure

The corporate social responsibility (CSR) of Danapak Flexibles A/S (Danapak) is based on our:

- Code of conduct
- Mission
- The values of Danapak

The contents of the individual areas are elaborated on in separate policies in Danapak's Code of Conduct.

We have a special focus on Human rights, Employment rights, Environment, climate and Anti-corruption.

Danapak systematically measures the external environment (energy consumption and waste) and the internal environment (working accidents and sick days). The result of this year's follow ups/measures have been included in the schedule of results on page 13.

## Human rights

### Policy

On a continuous basis, Danapak will ensure that human rights are complied with including that no differential treatment takes place due to gender, race, skin color, religion or faith, political opinion, sexual orientation, age, disability, ethnic origin or nationality.

### Measurement

The above mentioned is verbalized by Management to the employees once a year through information meetings.

### Result

We can confirm that Management for this reporting year has had no knowledge of any cases of violation of human rights.

## **Anti-corruption**

### **Policy**

No person within Danapak may encourage or accept any kind of bribery, receive or give presents of a higher value in an attempt to influence business partners in order to achieve unlawful advantages.

### **Measurements**

The abovementioned is verbalized by Management to the employees once a year through information meetings.

### **Result**

We can confirm that Management for this reporting year has had no knowledge of any examples of corruption.

## **Gender Distribution in Management**

### **Policy**

Danapak aims to fill leader jobs on basis of competences and qualifications needed that will add value to the company on short term as well as on long term basis.

Danapak will direct its attention to talents of the underrepresented gender who have the desire and abilities to pursue a wish of a specialist or leader job. Danapak wants to create an environment where each employee – despite of gender – has equal possibilities for a leader job.

Danapak will always fill a vacancy or a Board of Directors membership with the person who has the best qualifications, but aims at a distribution of 40-60% among specialists/leaders as well as in the Board of Directors within the end of 2018.

### **Measurement**

On a continuous basis, Danapak will measure the number of specialists/leaders distributed by gender as well as the gender distribution in the Board of Directors.

Individual staff development interviews are carried out every 24<sup>th</sup> month. Any staff – whether male or female – is equally encouraged to make plans for his/her career and to participate in continuing education.

## Result

The Board of Directors consists of only 3 members elected by the general assembly, all of which is Male. The Board of Directors consists of the – at any time - CEO and CFO of the Schur flexible group and the CEO of Danapak.

The distribution of gender among the salaried staff in 2015:

	Male	Female	Total	In percentage	
				Male	Female
Management group	6	1	7	86	14
Leaders	9	4	13	69	31
Specialists	4	2	6	67	33
Other staff	19	16	35	54	46
Apprentices	1	2	3	33	67
Staff in total 2015	39	25	64	61	39
Staff in total 2014	39	26	65	60	40

The Company spend 0,3 million DKK on education in 2015 (2014: 0,1 million DK).

## Child labor

### Policy

Danapak wants to avoid any kind of child labor.

Any employee at Danapak must be of the age of 15 or older.

### Measurements

The abovementioned is verbalized by Management to the leaders and the HR department is focused on this.

### Result

We can confirm that no employee is under the age of 15.

## **External environment, climate, energy and Co2**

### **Policy**

The Company is supporting the work for sustainable development and is also on the environmental area acting responsible for the benefit of the climate.

The Company complies to all national and international environmental legislation and rules for the internal and external environment in the countries in which we operate.

The Company strives to have a safe, healthy and good working environment which meets the high expectations of our employees and the local society.

The Company strives to use the most rational processes having a minimum consumption of energy, raw materials and auxiliary materials within reasonable technical and economical frames.

The Company is working targeted to minimize the use of products which have a negative impact on the environment, climate or on the employee's health. Where ever such products are unavoidable, we strive to handle them with absolute focus on safety and waste handling.

The Company is striving to recycle waste. All waste from production is being sorted at the source and send to recycling where ever possible. Waste paper from the offices are also sorted and recycled.

During the production of the Company's products solvents will be sucked out through the ventilation system and into an incinerator, where the solvents will be heated and burned. This process is controlled and almost no solvents are emitted to the air.

The Company always takes reduction of energy consumption and noise and safe working environment into consideration when investing in new equipment.

### **Car fleet**

The Company is leasing the car fleet through a leasing Company. A company car is renewed every forth year or with a high mileage even sooner. This means there are no old cars in the fleet. Since the automakers become still better at developing environmental friendly cars, we find it best to renew the fleet in a four year schedule.



## **Measurements**

The decision in 2014 to move production and machinery to the site in Slagelse and to close the site in Horsens during 2015 was carried through. Having production in only one site has a positive impact on the total energy consumption, mainly since only one ventilation system has to be running.

During the development phase and in construction of new packaging materials and in optimizing existing products the Company is working closely with its customers with the aim to reduce material consumption and secure safety and durability of our customers product through a high quality of the packaging material.

Energy consumption and waste are monitored on a continuous basis.

During 2015 phase 2 of changing the windows in the main administration building to energy glass with a solar filter to reduce the energy consumption for heating and to improve the work environment for the employees has been completed.

A Symbioses project has been analyzed between the Company and a district heating plant to utilize the heated air from the Company's incinerator in order to save energy. The analyze phase of the project has been supported by a grant of DKK 42k.

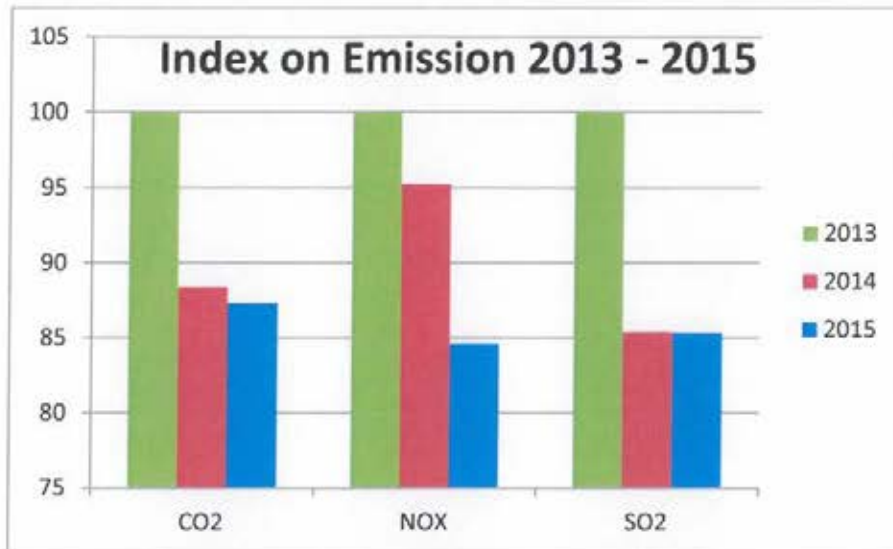
The Company has issued a declaration of intent towards "Energistyrelsen" on establishing energy saving investments/projects. It is the aim of the Company to obtain ISO 50001 during 2016 and to carry through energy saving projects.

## **Results**

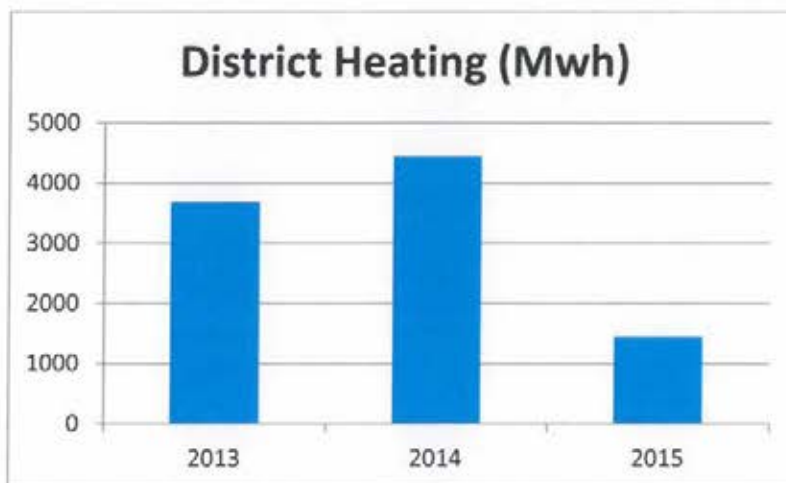
The result of this year's follow ups/measures has been included in the schedule of results on page 13.

The Company succeeded in further reducing emission of CO<sub>2</sub> by 1,1% compared to 2014 and a reduction in emission of NOX by 11%, while the emission of SO<sub>2</sub> stayed unchanged.

Since 2013, where an investment to distillate solvents used for cleaning of cylinders and re-use the solvents and thereby reducing the total use of solvents and the CO2 emission hereof was made, the total emission has been reduced significantly.



End of March 2015 production on the site in Horsens was moved to the site in Slagelse. As a consequence of this the total use of district heating was reduced significantly.



Throughout the organization there is high attention to the sorting of waste. Waste is split in different fractions at the source and a majority of the waste (approx. 99%) is recovered.

## **Internal environment**

### **Policy**

Danapak aims to be a company with good working conditions for the employees, with high focus on the internal environment and the well-being of the employees.

Danapak aims to minimize the potential physical and mental impact from the working environment to the employees through systematically preventive work and by developing new and better ways of production methods.

Danapak has a constant attention to the "near-by" accidents and implement corrective actions to avoid actual accidents to happen.

### **Measurements**

At Danapak we are working continuously with workplace assessments, employee interviews, fire protection and first aid training as well as, education is an important factor in having a good working environment.

The well-being of our employees is important and the employees are invited to conversations regarding absenteeism with the aim to help the employee back to work and to avoid the job being the reason for the absenteeism.

From beginning of 2016 Danapak provides a healthcare insurance for the staff, where a treatment guarantee will help an employee to fast and competent treatment and a quick recovery.

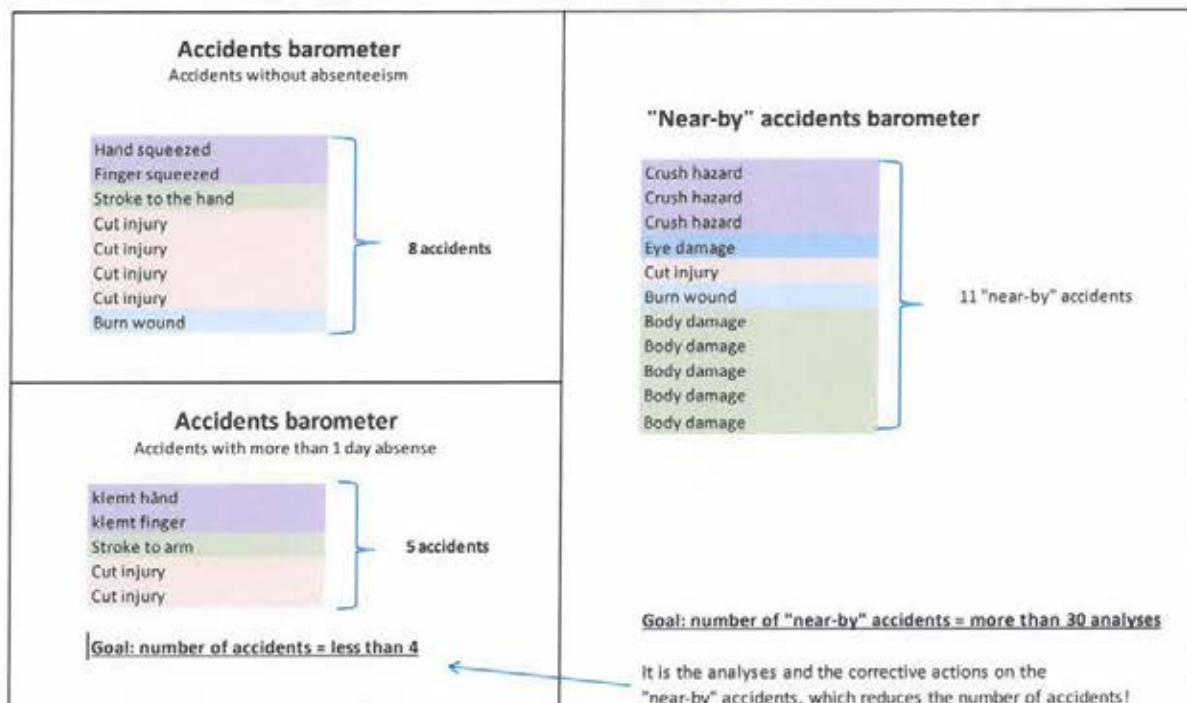
During 2015 a project for the supervisors in production on how to discover and handle stress has been conducted. The aim is to be able to identify signs of stress, before it becomes a health problem and to help the employee avoid the situations, which causes the stress.

Danapak encourages the employees to participate in sports or Fitness. Danapak supports the employees who participate in e.g. "DHL stafetten" an event where a group of employees are running 5 kilometers each. This event is very popular amongst the employees and every year more employees are participating. It is not just a sports event but also a social event that contributes to a good working environment.

Danapak monitors not only accidents but encourage the employees to report every "near-by" accident. Reports on each event are analyzed carefully and corrective actions are implemented when possible. It is the analyses and the corrective actions which reduces the number of accidents.

## Results

### Accidents and "near-by" accidents 2015 goals and status



## Contribution to society

Danapak is contributing to the society in various ways.

It has for many years been accepted that employees who are a blood donor may use working hours while donating blood.

Danapak is participating in a council "Det lokale Uddannelsesudvalg på det merkantile område" and Danapak is filling a place as board member of the regional Employers association.

Danapak has made commitment to the local "Jobcenter" and has signed a "Partnerskabsaftale". Thereby committing to make effort to help people who in various ways are having difficulties to maintain or getting a job or who are on the way back from longtime illness.

Danapak has entered into a 3 year project with "Danmarks Tekniske Universitet" (Technical University) on an Industrial Ph.D study on "Extrusion coating of self-cleaning nano-structures- XNano". The project is supported by Innovationsfonden.

Danapak supports the programme "InterForce". A cooperation between the National Danish Defence and private companies to support the work of the volunteers in the National Danish Defence.

## Data overview

### Emission 2015

	Use:	Unit	emission of CO2:	emission of NOX:	emission of SO2:	Unit
<b>Combustion of solvents</b>						
Total combustion of solvents (re-used for heating)	541.088	kg	1080,16	1,52	0,00	ton/year
<b>Direct emissions</b>						
Naturalgas	937.260	m3	2.047,91	1,57	0,01	ton/year
Gasoline (transport):	-	liter	-	-	-	ton/year
Diesel (transport):	35.438	liter	93,91	1,06	0,00	ton/year
<b>Indirect emissions</b>						
Electricity	8.626	Mwh	4.175,19	3,80	1,29	ton/year
District heating	1.452	Mwh	177,14	0,51	0,15	ton/year
Heating from combustion of solvents	1.388	Mwh				
<b>Total:</b>			<b>7.574,3</b>	<b>8,5</b>	<b>1,5</b>	<b>ton/year</b>

<b>2014</b>	<b>7.668,2</b>	<b>9,5</b>	<b>1,5</b>
<b>2013</b>	<b>8.673,8</b>	<b>10,0</b>	<b>1,7</b>

### **Waste**

	Unit	2015	2014	2013
Hazardous waste for recovery	Ton	141	126	122
Non hazardous waste for landfill	Ton	28	10	10
Non hazardous waste for recovery	Ton	1.566	2.004	2.135