

2019  
**SUSTAINABILITY  
REPORT**

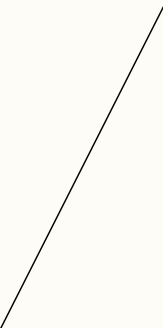
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# MESSAGE FROM OUR CEO

**At WINPAK, we value the safety of our extended family, therefore we aspire to achieve zero workplace safety incidents. We embrace diversity, equality and foster employee engagement and empowerment at all levels.**

WINPAK is also committed to accelerating the industrial transformation towards a carbon-neutral footprint, while providing an unmatched offering of products and services that help protect and extend the shelf life of food and other products, and the embedded resources used to bring those products to market. Our high-quality products and services support the success of our clients and their leadership positions in their respective markets.





## MESSAGE FROM OUR CEO

The unprecedented challenges facing the planet and humanity, including climate change, resource depletion, waste management and a widening socioeconomic divide, present unique opportunities for WINPAK to distinguish itself as a premier steward of the United Nations Sustainable Development Goals (UNSDG). We make every business decision considering these guiding principles. We embrace Circular Economy tenets through the elimination of waste in our products and processes and through a focus on packaging innovations that are recyclable, contain recycled content or are compostable. Further, WINPAK will empower our customers in their endeavors through our products and services.

Our parent company WIHURI, in Finland, and colleagues from WIPAK are at the forefront of the European sustainability initiatives and under the UNSDG framework. Our relationship with our European counterparts enables us to look beyond our immediate boundaries and broaden the scope and perspective of our actions. Our Board of Directors has endorsed Key Performance Indicators (KPIs) for each of our four WINPAK sustainability pillars. Striving to ensure our

activities contribute to global sustainability, as measured by these KPIs, we have embedded these pillars into our business and investment decisions.

The empowerment and the engagement of our extended family is indispensable to meeting our goals of all WINPAK's products being recyclable or derived from sustainable, renewable resources by 2025; to eliminate landfill waste; and to vastly reduce our emissions. We are also poised to support our customers to achieve their sustainability goals.

I am enthusiastic about the rallying nature of our many sustainability initiatives, along with the energy and excitement being created by them. I am also grateful for the significant intelligence and effort the Sustainability Team has invested. It is my profound belief that together, we can become exemplary in being a successful and sustainable business.

**Olivier Muggli**  
President & CEO  
WINPAK LTD



# INTRODUCTION

***At WINPAK, it's our nature to protect, and this culture of protecting defines how we approach our products, services, operations, people and the planet.***

This is WINPAK's first annual Sustainability Report. It was prepared referencing the GRI Standards. Our aim is to render our journey toward a sustainable future transparent to all our stakeholders, which include customers, consumers, employees, shareholders, community and governmental partners, suppliers, industry organizations and the Planet.



# INTRODUCTION

## MATERIALITY AND REPORT DEVELOPMENT PROCESS

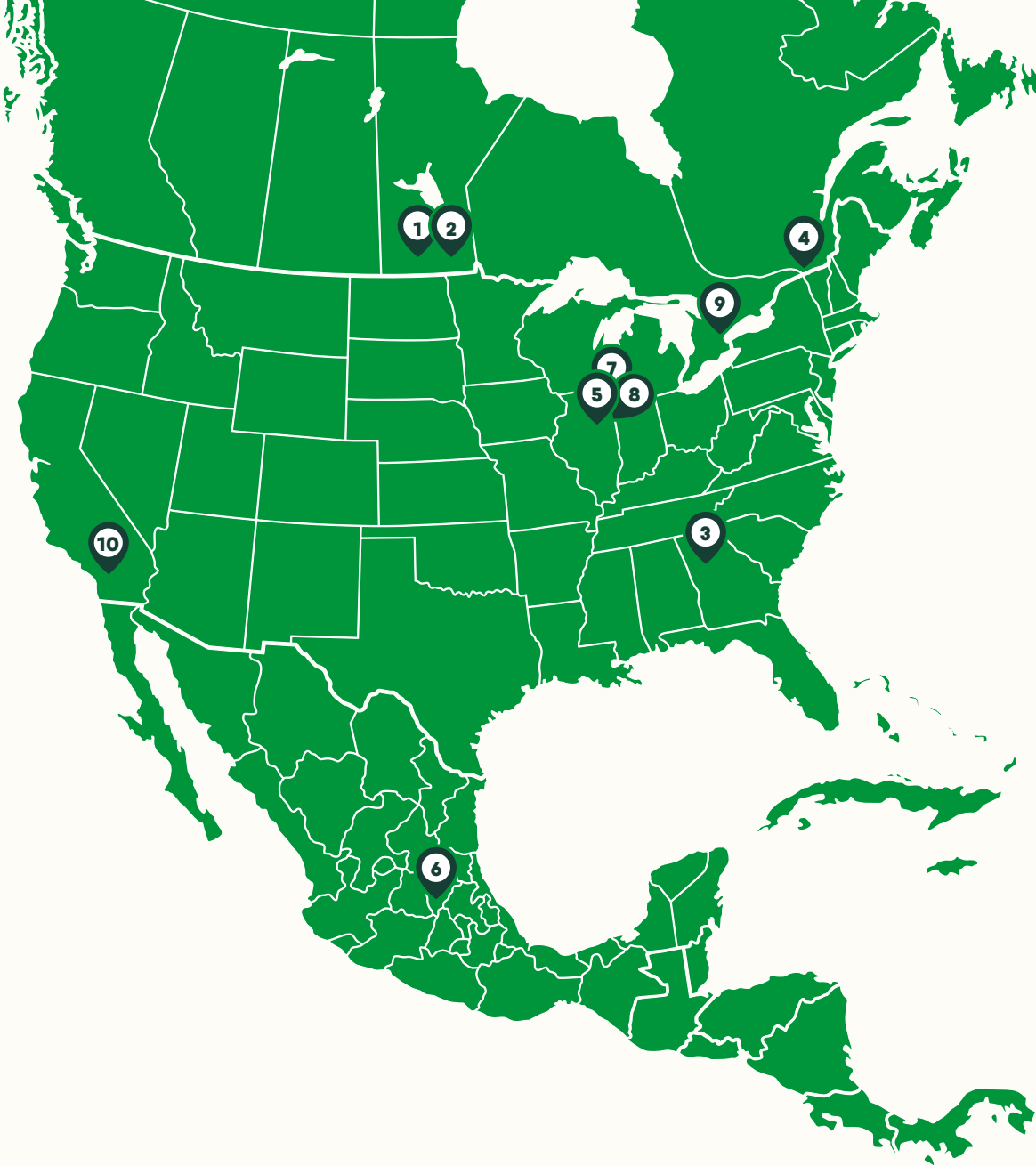
Topics material to WINPAK’s business were identified through a collaborative process with the Sustainability Team, business unit management teams, and the Executive Committee. The Sustainability Team Charter describes the key objectives of the team. The Team developed key performance indicators (KPIs) for each area of materiality and formulated goals to achieve by 2025.

Information relevant to our business was discussed while building the Sustainability Team charter in collaboration with business unit management teams and the executive committee of WINPAK to identify topics material to WINPAK. The Charter describes the key objectives of the Team. The Team developed key performance indicators (KPIs) for each area of materiality and formulated goals to achieve by 2025.

## COMPANY OVERVIEW

WINPAK is part of WIHURI International Oy, a Finnish corporation with global packaging entities, notably WIPAK, which has operations in Europe and Asia. WINPAK operates 10 production facilities in Canada, the United States and Mexico, offering customers global coverage and expertise. The North American business units serve customers throughout the United States, Canada and Latin America primarily to provide packaging to protect perishable foods, beverages, healthcare and industrial products. With these applications, WINPAK specializes in rigid and flexible barrier packaging as well as form-fill-and-seal machinery.





## WINPAK LOCATIONS AND BUSINESS UNITS

- |  |  |  |   |
|--|--|--|---|
| <b>1</b><br><b>Winpak Division</b><br>Winnipeg, MB,<br>Canada    | <b>2</b><br><b>American Biaxis</b><br>Winnipeg, MB,<br>Canada  | <b>3</b><br><b>Winpak Films Inc.</b><br>Senoia, GA, USA                  | <b>4</b><br><b>Winpak Heat Seal Pkg.</b><br>Vaudreuil-Dorion,<br>QC, Canada |
| <b>5</b><br><b>Winpak Heat Seal Corp.</b><br>Pekin, IL, USA      | <b>6</b><br><b>Grupo Winpak de Mexico</b><br>Querétaro, Mexico | <b>7</b><br><b>Winpak Portion Pkg.</b><br>South Chicago Heights, IL, USA | <b>8</b><br><b>Winpak Portion Pkg.</b><br>Sauk Village, IL, USA             |
| <b>9</b><br><b>Winpak Portion Pkg.</b><br>Toronto, ON,<br>Canada | <b>10</b><br><b>Winpak Lane</b><br>San Bernardino,<br>CA, USA  |  |   |

WINPAK has 10 business units covering three markets: flexible packaging, rigid packaging and packaging machines.

MARKETS	FLEXIBLE PACKAGING	RIGID PACKAGING & FLEXIBLE LIDDING	PACKAGING MACHINES
<b>Business Units</b> <ul style="list-style-type: none"> <li>• Locations</li> </ul>	<b>WINPAK Films Inc.</b> <ul style="list-style-type: none"> <li>• Senoia, GA, USA</li> </ul> <b>WINPAK Division</b> <ul style="list-style-type: none"> <li>• Winnipeg, Manitoba, CA</li> </ul> <b>WINPAK Heat Seal</b> <ul style="list-style-type: none"> <li>• Vaudreuil-Dorion, Quebec, CA</li> <li>• Pekin, IL, USA</li> <li>• Queretaro, Mexico</li> </ul>	<b>WINPAK Portion Packaging</b> <ul style="list-style-type: none"> <li>• South Chicago Heights, IL, USA</li> <li>• Sauk Village, IL, USA</li> <li>• Toronto, Ontario, CA</li> </ul> <b>WINPAK Heat Seal</b> <ul style="list-style-type: none"> <li>• Vaudreuil-Dorion, Quebec, CA</li> <li>• Pekin, IL, USA</li> <li>• Querétaro, Mexico</li> </ul>	<b>WINPAK Lane</b> <ul style="list-style-type: none"> <li>• San Bernardino, CA, USA</li> </ul>
<b>Product Types</b>	<ul style="list-style-type: none"> <li>• Flexible packaging and wrap</li> <li>• Specialty film and rollstock</li> <li>• Vacuum pouches</li> <li>• Zipper stand-up pouches</li> <li>• Sachets</li> <li>• Barrier shrink bags</li> <li>• Paper-Foil-laminations</li> <li>• Film-Foil-laminations</li> <li>• Push-Thru-Foils</li> <li>• Child resistant packaging</li> </ul>	<ul style="list-style-type: none"> <li>• Single-serve lidded containers</li> <li>• Foil lids</li> <li>• All plastic lids</li> <li>• Retort containers, lids</li> <li>• Cups</li> <li>• Custom containers</li> <li>• Trays, lids</li> <li>• Rigid plastic sheets</li> </ul>	<ul style="list-style-type: none"> <li>• Packaging equipment (cups, pouches, vertical and horizontal form, fill/seal, complete packaging systems)</li> <li>• Service, repair and parts</li> </ul>
<b>Share of Revenue</b>	49%	48%	3%
<b>% of Employees</b>	54%	42%	4%

At the end of 2018, WINPAK had **annual sales of \$889 million** and **over 2,400 co-workers at 10 sites in 3 countries** (Canada, United States and Mexico). WINPAK's company headquarters is in Winnipeg, Manitoba, Canada.

As mentioned, WINPAK has majority ownership in American Biaxial Inc. (ABI), a joint venture with Sojitz Corporation, of Japan. ABI manufactures multi-layer biaxially oriented polyamide (BOPA) films for sale in North America.



## WHAT DRIVES WINPAK

At WINPAK, *“it’s our nature to protect.”*

Our Vision is to excel in sustainable business practices to create products, processes and services that deliver net positive economic, social and environmental benefits while growing profitably and responsibly.

Our Mission is to include sustainable practices as part of our daily work processes and to incorporate these practices into our guidelines and strategic planning. As such:

- We create effective methods that incorporate sustainability initiatives into our daily work processes and regularly examine our progress through reporting and continuous improvement opportunities;
- Our employees and industry partners are fully engaged in creating innovative approaches to positively impact the economic, social and environmental aspects of our products, services and manufacturing practices; and
- We are committed to making our progress in this arena transparent



/// Rigid Packaging



/// Flexible Lidding

## WINPAK’S PRODUCTS AND SERVICES

WINPAK has three markets, each providing distinct types of packaging technologies: rigid packaging and lidding, flexible packaging, and packaging machinery. They are each briefly described below.

### RIGID PACKAGING AND LIDDING

The rigid packaging and lidding segments are broken into two divisions:

- Rigid containers (portion control, single-serve containers, plastic sheets, custom retort trays); and
- Lidding products, available in die-cut or roll-fed forms, which are used for products such as food, beverage, healthcare and industrial products.

### FLEXIBLE PACKAGING

The flexible packaging segment is divided into three main applications:

- Modified atmosphere and vacuum packaging used to extend the shelf life of food and protect medical devices;
- Specialty films, including barrier and non-barrier films, which are used for converting applications, such as printing, laminating, and making bags, and are used to protect dry foods, pet foods, and pharmaceutical and biomedical items; and
- Biaxially oriented polyamide films, ideal for printing, metalizing or laminating, and used for cheese, liquid and pharmaceutical packaging, as well as for industrial uses.

WINPAK is an integrated converter with capabilities that include multi-layer cast, sheet, blown and extrusion coating, printing, laminating, pouch making and thermoforming to meet our customers’ needs.



/// Flexible Packaging

## PACKAGING MACHINERY

WINPAK offers specialized packaging machinery, including a full line of horizontal fill/seal machines for preformed containers and vertical form/fill/seal pouch machines for liquid, semi-liquid, and dry products.

WINPAK has over 600 packaging machines in operation worldwide. These machines are used to package various types of products from condiments to yogurt to dry snacks and healthcare products.

WINPAK also offers engineering support, packaging materials, repair parts and technical service to provide a complete packaging system to our customers.

WINPAK provides packaging solutions to companies around the world. While WINPAK's customers include many Fortune 500 companies, WINPAK is proud and well-suited to partner with companies of all sizes. We provide personalized service through a customer account team to ensure our customers' specific needs are met. We also offer supplementary technical services to further help our clients with their packaging needs, including packaging machinery training, engineering services, and packaging design and testing.



 Packaging Equipment





# **WINPAK'S COMMITMENT & APPROACH TO SUSTAINABILITY**







## WINPAK'S COMMITMENT & APPROACH TO SUSTAINABILITY

**As a company, we recognize that we have a responsibility to do our part, therefore we are passionate about our journey to a sustainable future.**

As part of our increased focus on sustainability, we have created a multi-functional Sustainability Team that spans all business units to provide a cohesive approach to achieve our sustainability goals.

As part of our efforts, we have filed with the Carbon Disclosure Project (CDP). The 2018 filing was our first and provided a baseline as we assess our total carbon footprint and establish a corporate governance

structure with oversight from the Executive Committee and Board of Directors. The CDP process provided valuable data and insights regarding opportunities to reduce WINPAK's carbon footprint.

The term "Sustainable Packaging" has broad meaning at WINPAK. First and foremost, packaging is intended to protect its contents in the most efficient manner possible. In food packaging, WINPAK solutions often extend shelf life thus protecting the food from spoilage prior to consumption. Reducing spoilage therefore protects not only the product but also the resources embedded in making the product.

Through packaging design, we can also enhance cubing potential and reduce shipping weight, helping reduce greenhouse gas emissions associated with transporting goods.

We are aligned with the Circular Economy and Sustainable Materials Management principles embracing the philosophy of Reduce, Reuse, Recycle. We recognize and acknowledge the public concerns around single-use plastics and plastics waste, especially marine litter. WINPAK will engage in development of recyclable and recycled content packaging to ensure our innovations stay out of landfills and participate in the Circular Economy. We will also strive for resource efficiency throughout our production processes. We also consider these foundational approaches when assessing material sourcing and end-of-life management.

WINPAK believes it is important to identify and track life cycle impacts. To that end, we are taking steps to incorporate life cycle analysis (LCA) in our decision making and are engaging in conversations with our customers about LCA, recyclability, and end-of-life management of packaging during the development phase of new products.

**To the right are our four sustainability pillars:**



### **WINPAK Sustainability Pillars**

The remainder of this Report is organized around these four pillars.



### **Valued Partner**

Products, Services and Solutions



### **Extended Family**

Employee Engagement, Health & Safety



### **Roots**

Responsible Business Practices



### **Planet**

Environmental Impacts

# WINPAK SUSTAINABILITY PILLARS



**Valued  
Partner**



**Extended  
Family**



**Roots**



**Planet**







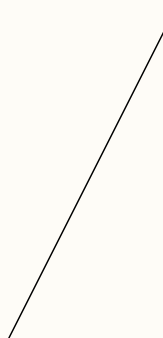
# GROWING AS A VALUED PARTNER

**WINPAK values building relationships that last. Our highly valued partnerships with our customers and suppliers are at the core of our sustainability vision. Advancing such partnerships requires us to provide high quality products and services, for which we are well known.**

WINPAK recognizes that the markets we support can have a significant impact on the environment. This inspires our commitment to develop sustainable packaging, achieve energy efficiency through our operations, and invest in R&D to deliver innovations and transform these markets to minimize adverse environmental impacts.

## **OUR DRIVE TO CREATE A CIRCULAR ECONOMY**

The Circular Economy aims to take business beyond the current take-make-waste business model. Recognizing that our world does have finite resources, the Circular Economy strives to separate economic activity from the consumption of these finite resources. WINPAK supports the Circular Economy first through designing processes and products to reduce or eliminate waste throughout the Supply Chain. The ability to reduce material use and/or not create waste is a critical focus for WINPAK. Additionally, creating



## GROWING AS A VALUED PARTNER

packaging solutions that do not end up in landfills but are recycled, either into new packaging or other value-added innovations, is important for fulfillment of our Sustainability vision.

WINPAK is an active member of the Sustainable Packaging Coalition (SPC) and participates in SPC's Multi-Material Flexible Recovery Committee. We aim to advance recycling of multi-layer flexible packaging materials by supporting the work on the collection and recycling of post-consumer waste. Our efforts consider "end-of-life" technologies and processes which deliver the best economic, technical and environmental outcome for a Circular Economy.

Through our close collaboration with Wipak in Europe, we are actively monitoring developments in several CEFLEX projects (CEFLEX is a collaborative initiative of about 60 European companies representing the entire value chain of flexible packaging). Through collaborations, WINPAK is actively pursuing all opportunities to pave the way to a Circular Economy for flexible and rigid packaging.

## RELATIONSHIPS

### CUSTOMER RELATIONSHIPS

WINPAK values its customers and aims to maintain long-term relationships. We see our customers as our partners, and our mission is to help them succeed by finding the right packaging solution. Our technical expertise, capabilities and excellent customer service are our building blocks for maintaining strong long-term relationships.

We focus on five areas of excellence:

- Safety
- Quality
- Supply chain
- Technology
- Servicing / maintenance

### SUPPLIER RELATIONSHIPS

WINPAK strives for long-term relationships with suppliers based on their ability to meet our specifications and our high standards for quality and timely delivery, while maintaining high levels of integrity and compliance.

WINPAK fosters a fair, competitive business climate based on transparency and equity. WINPAK will continue to not be influenced by gifts or favors of any kind from suppliers or potential suppliers, as is described fully in WINPAK's **Supplier Code of Conduct**, which is provided to all suppliers.

### PRODUCT QUALITY, INNOVATION, AND SUSTAINABILITY

Technology and innovation are critical to WINPAK's success. WINPAK's state-of-the-art, integrated packaging manufacturing capabilities enable customers to access the most technologically advanced materials and products in the marketplace.

The proprietary co-extrusion processes and custom resin blends are the elements that differentiate WINPAK from other participants in the industry. This core competency is supported and nurtured by a technical organization with material scientists, engineering, packaging design, polymer and food chemistry expertise.

Our quality management, innovation system, environmental protection and hygiene practices have been developed to meet the strict demands of customer requirements. As technology and customer demands are dynamic, we are continuously seeking opportunities to advance packaging and improve our technologies and processes. To ensure superb quality, we have implemented several continuous improvement processes and innovation programs, including:

- Innovation Engineering
- Lean Manufacturing
- Risk Analysis, i.e., FMEA (Failure Modes Effects Analysis)
- Quality Planning
- Eight Disciplines (8D) Approach
- Inspection and Testing
- Training to achieve competency and awareness
- Leadership Development
- ISO 9001: 2015 Quality Management System

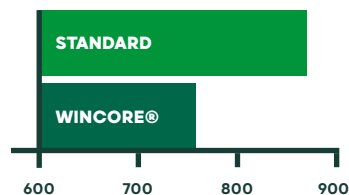
### MINIMIZING MATERIAL USE

Minimizing material use is one of the most direct opportunities WINPAK utilizes to make a positive impact on the environment. After assessing performance targets with our customers, we carefully screen many different material combinations and conduct structure analysis. We select the thinnest and/or lightest construction to meet or exceed performance requirements

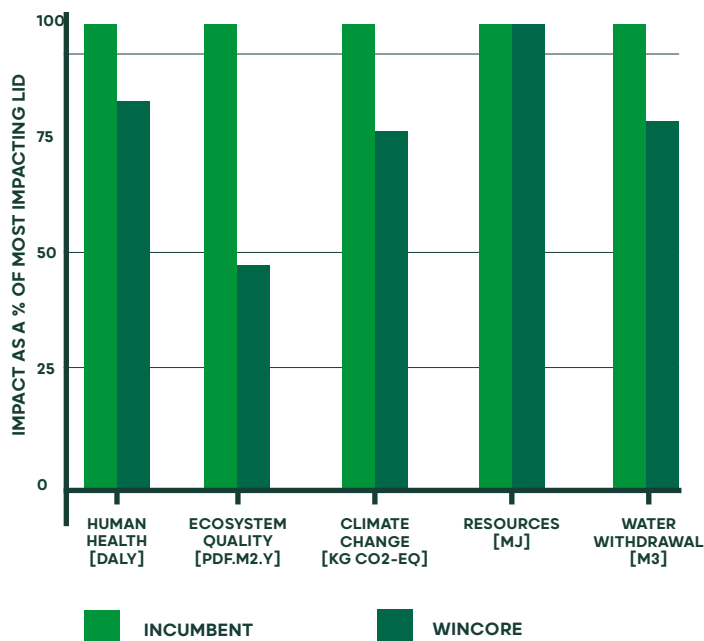
### DOWN GAUGE EXAMPLE:

WinCore® multi-layer foil-based lidding product is about 15% lighter than a standard lid product but provides excellent mechanical properties. In addition to being light weight, WinCore® has a net positive life cycle impact for a specific set of five environmental impact indicators (Human health, Ecosystem Quality, Climate Change, Resources, Water Withdrawal). This combination of metrics typically reflects the trends in results across more comprehensive groups of metrics. It results in higher yield per given weight, delivers improved tear and puncture properties while providing safer opening during the end use. The result is increased productivity per given material weight.

WEIGHT PER 1000 LIDS (G)



WINCORE® WEIGHT ADVANTAGE



RELATIVE LIFE CYCLE IMPACT - WINCORE® VS. INCUMBENT (MATERIAL AND PROCESS FOCUSED CALCULATIONS PER 1000 LIDS)

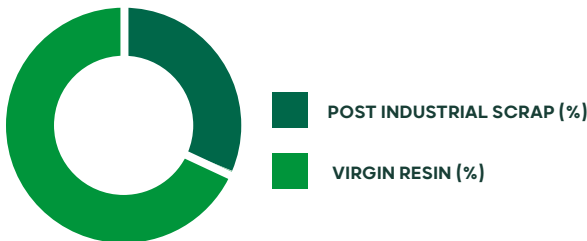
## INCREASING THE USE OF RENEWABLE RESOURCES

One of the largest contributors to our carbon emissions is the use of raw materials such as resins. WINPAK is exploring opportunities to use renewable materials as a feedstock in our products, and we have engaged in internal and external research programs to enable the use of renewable materials. For example, at our Montreal location, we developed multi layer lidding utilizing up to 90 percent paper as the feedstock.

We continue to explore and evaluate bio-based thermoplastics, though currently we are not using significant quantities due to the limited availability of such resins having the necessary properties to meet our partners' needs.

## INCREASING THE USE OF RECYCLED CONTENT

WINPAK's Portion Packaging facility in Toronto uses externally purchased industrial scrap. We also recycle scrap plastic internally by reintroducing it back into production, which decreases waste and emissions by reducing the use of virgin resins.



TORONTO RIGID PACKAGING PLANT INDUSTRIAL SCRAP UTILIZATION

Being a food packaging company, WINPAK adheres to the highest standard of food safety compliance. Finding resins from post-consumer recycled content with food contact approval and the necessary properties to meet our customer specifications has proven to be challenging. WINPAK will continue to monitor the availability and suitability of recovered materials, and as improved collection and processing expand, consider their use as a feedstock.

## ENHANCING RECYCLABILITY AND COMPOSTABILITY OF WINPAK PRODUCTS

WINPAK realizes the importance of producing products that can be reused or recycled. Reuse and recyclability are key elements of a Circular Economy approach. Beyond incorporating recycled content, WINPAK focuses its efforts on producing packaging that is recyclable. Already, over 40 percent of our rigid packaging volume is recyclable or recycle ready, and we expect to see this rate increase in coming years.

We are developing flexible packaging options that are recycle ready, and some of them are accepted in recycling programs (usually retail drop-off), such as WINPAK's thermoforming and lidding films. We are also working collaboratively with our customers to support the use of the How2Recycle® label for their packaged goods.



RECYCLE READY RIGID PACKAGING

Our WINPAK Films business unit produces films that are 100 percent polyethylene, which are widely accepted at many retail drop-off locations that accept plastic film. The percentage of recycle ready films sold by WINPAK Films in 2017 was over 40 percent.

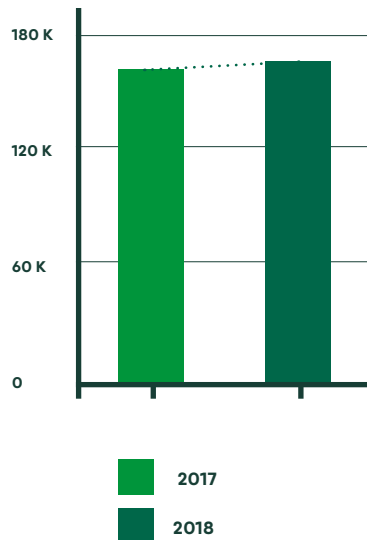


RECYCLE READY FLEXIBLE PACKAGING

Compostable films or containers are not currently produced by WINPAK, but we have R&D programs in place to investigate the viability of using such materials. WINPAK is aware, however, that commercial composting programs are not widely available in North America, and many commercial composting facilities do not accept compostable plastics as a feedstock due to quality concerns. Most compostable plastics available today do not break down completely unless they are processed at a commercial facility. Consumer confusion is also an issue with compostable plastics vs. recyclable plastics. Therefore, we support the Sustainable Packaging Coalition’s stance on biodegradable resins.

## RISK MANAGEMENT AND SOURCING

Responsible feedstock sourcing is essential for WINPAK due to the nature of the products as well as our dedication to providing quality products to customers. Our mix resin feedstock consumption is given below.



MIX RESIN FEEDSTOCK (MT)

Material suppliers undergo an extensive screening process. Supplier screening covers a variety of subjects including:

- Quality control processes
- Regulatory compliance
- Fair labor practices

One of the most important aspects of feedstock sourcing is the risk management systems that require suppliers to ensure continuous supply. One example is preparedness for natural disasters that could impact supply, requiring that alternative supply lines be in place. WINPAK recognizes how climate change has a direct impact on the business and the industry, as it could increase the likelihood of natural disasters. Currently, WINPAK is evaluating a variety of ways to expand supplier evaluations to include more extensive sustainability criteria.



## ROLE OF WINPAK PRODUCTS IN PROTECTING HEALTH AND SAFETY

WINPAK understands the importance of our role in food safety, for our customers and for consumers. We have implemented the following; SQF Ed8 (Safe Quality Food), HACCP (Hazard Analysis, Critical Control Points), Interstate Milk Shippers (IMS), Current Good Manufacturing Practices (cGMP) in compliance with the FDA and Health Canada. WINPAK is committed to the continuous improvement of our food safety systems.

WINPAK also understands the rigorous demands and requirements of the healthcare industry. Our high-quality manufacturing standards ensure performance and reliability of WINPAK products. WINPAK embraces and adheres to the current Good Manufacturing Practices (cGMP) in compliance with the FDA and Health Canada and is committed to upholding the pharmaceutical requirements of global markets by maintaining Drug Master Files with both the FDA and Health Canada.



HEALTHCARE PRODUCT PACKAGING



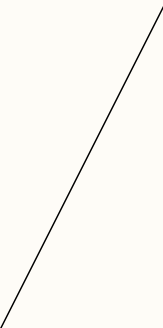




# KEEPING OUR EXTENDED FAMILY SAFE AND ENGAGED

**At WINPAK, we consider our employees as our extended family. With over 2,400 members, we value the unique and diverse skills each brings to work every day.**

We encourage a collaborative work environment where employees can be their authentic selves and bring out the best in each other. Promoting employee well-being goes hand in hand with ensuring safe working conditions. WINPAK takes this responsibility seriously, and it shows in the various ways we are continuously improving our policies, practices and safety training programs.





## KEEPING OUR EXTENDED FAMILY SAFE AND ENGAGED

### ATTRACTING AND RETAINING TOP TALENT

WINPAK is committed to equity in all employment practices and policies. WINPAK recruits, develops, rewards and retains employees based on merit, ability and performance. The company conducts business in a manner that creates a desirable environment for employees and in doing so, WINPAK:

- Strives to maintain a work environment in which the personal integrity of all individuals is respected;
- Ensures that a high level of health and safety performance is an integral element of operational excellence;
- Prohibits discrimination, intimidation or harassment based on race, gender, or religious beliefs or any other personal characteristic protected by law; and
- Ensures employees review policies and procedures relating to harassment and other employee matters.

Leadership Development and Training opportunities available at WINPAK include:

- 20/20 feedback, including individual feedback discussions;
- Leadership training;
- Lean manufacturing leadership training for team leaders and shift leaders;
- Cross training - based on a skills matrix; and
- Role-based training.

WINPAK plans to conduct employee engagement surveys annually to identify areas in which employee engagement can be enhanced and is in the process of establishing long-term goals for employee retention and engagement.

## **ENHANCING EMPLOYEE HEALTH AND SAFETY**

WINPAK's employees are our most valuable resource. Healthy and safe employees are essential for the sustainability of our business. All business units are held accountable for their safety performance via a corporate reporting structure. Each year WINPAK invests considerable resources to improve safety in the workplace. As an example, our Winnipeg location has invested in automation at the product packaging line to eliminate risks associated with manual product handling.

### **OCCUPATIONAL HEALTH AND SAFETY**

WINPAK has extensive hazard identification, risk assessment and incident investigation protocols. Employee involvement through various safety committees is an essential part of this process. Safety and Training professionals employed across the organization coordinate the required training programs and communications in a timely manner. They also review safety requirements and programs on an ongoing basis.

Personal protective equipment (PPE) requirements are harmonized across WINPAK. Employees are trained regularly on the use of PPE. Furthermore, WINPAK has a process in place for safety audits, risk assessments and incident reporting in use.

To ensure workplace and contractor safety, contractors are assessed for their competencies including submission of any applicable certifications. This is for the protection of the contractor as well as WINPAK team members. Contractors must undergo specific contractor training before they can commence work at a WINPAK facility, and are also required to use appropriate PPE and adhere to employee safety requirements.

Employee injury rate is a metric regularly monitored and used as an indicator for overall health and safety performance. Other metrics such as injury type are used to assess safety performance as well. Business units regularly review their safety performance and update goals and objectives to address any gaps identified.

WINPAK is in the process of establishing safety baseline data and has a goal of a zero injury rate every year.

### **PROMOTING HEALTHY LIFESTYLES**

Employee wellness is recognized as an essential component of employee satisfaction and productivity. An increasing number of wellness initiatives are being introduced across the company. One example is the annual Wellness Challenge in WINPAK Films, Senoia GA, where employees are encouraged to be more physically active with achievement rewards.

## **CONTRIBUTING TO THE COMMUNITY**

Over the existence of WINPAK, the importance of community engagement and support have become embedded in the organization. Decisions on which organization to support are made on a regional level. Both internal and external fundraiser events are held to support a variety of community initiatives, such as assisting the impoverished, fighting domestic abuse, and supporting the care of cancer patients. Examples include; United Way Fundraising, Dragon Boat Team for Cancer Care Manitoba, and CancerCare Cycle for Hope.

As a responsible corporate citizen, WINPAK's goal is to be a company of choice, an employer of choice and a partner of choice within the communities we establish

our operations. We create value for our shareholders, are accountable to our stakeholders, and remain steadfast in our role as an industry leader in workplace safety, environmental stewardship and social responsibility.

## RECOGNITIONS

### #PULLINGOURWEIGHT

WINPAK team members participated in the #PullingOurWeight Cleanup Campaign, a collaborative effort with The Ocean Conservancy and Dow Chemical. The Campaign called for participants to remove at least four pounds of waste per person from local waterways and communities. WINPAK provided post-industrial plastic scrap to produce collection bags. In total, 270,000 collection bags were produced for Ocean Conservancy cleanups in the U.S. and Canada. Several WINPAK team members volunteered to clean up litter in the Toronto area.



WINPAK TEAM PARTICIPATING IN #PULLINGOURWEIGHT CLEANUP EVENT IN THE TORONTO AREA

## SAFETY FIRST!



Our WINPAK plant in South Chicago Heights, IL is certified through OSHA's Voluntary Protection Program (VPP). We take our responsibility to ensure safe working conditions seriously. Safety trainings developed by learning and development professionals in each business unit provide innovative and engaging learning methods, helping to develop a strong safety culture.

### "MADE SAFE" CERTIFICATION

WINPAK Division, Winnipeg was one of the first large manufacturers to earn the "Made Safe" certification. Made Safe is a publicly funded manufacturing safety organization in Manitoba, which offers a variety of safety resources to manufacturing facilities in the province and follows a rigorous audit process for Safe Work Certification.



WINPAK MADE SAFE CERTIFICATION IN WINNIPEG



**PROUD OF  
OUR ROOTS**





## PROUD OF OUR ROOTS

### We are proud of our history.

The WIHURI group has a rich 100+ years of existence. And, with over 40 years of history, WINPAK is founded on integrity, excellence, and respect for people and human rights. Growing from a small business to a multi-national company comes with great responsibility. We believe that our ethics, described in our Code of Conduct, transparent governance and supply chain are at the “root” of our sustainability commitment. Holding ourselves to the highest standards has been, and will continue to be, the backbone of our success.



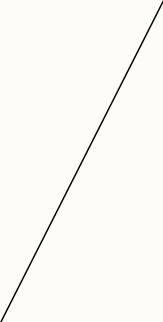


# PLANET FOR FUTURE GENERATIONS

**WINPAK cares about doing its part to be a good steward of the environment for current generations and generations to come. We incorporate sustainability considerations into our own operations every day by sourcing less energy-intensive feedstocks, minimizing the use of feedstocks, recycling as much waste generated as possible, and by powering our operations with low-emission energy sources.**

## **OUR DRIVE FOR SUSTAINABLE MATERIALS MANAGEMENT**

In development of packaging solutions, WINPAK utilizes a life cycle approach ensuring that it considers a product's full life cycle starting with materials extraction and following through to end of life. We aim to reduce environmental impacts, conserve resources, and reduce costs through more effective use of materials.





## PLANET FOR FUTURE GENERATIONS

We minimize our virgin material consumption by reducing process scrap and downgauging existing structures via the use of high performance materials. We re-use process scrap, especially in our rigid packaging operations, via our proprietary formulation development efforts. We have acquired technologies and developed processes to recover solvents for re-use at our lamination and printing sites.

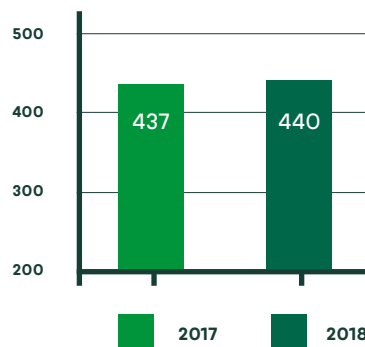
In addition to supporting re-use and recycle as part of our sustainable materials management efforts, we use Life Cycle Analysis to make informed decisions through an understanding of the health and environmental impacts of our products and processes.

### MINIMIZING ENERGY USE

WINPAK believes that everyone in the organization shares the responsibility to protect the environment and minimize our impact on natural resources. To that end, we are committed to consuming energy in the most efficient, cost-effective and environmentally responsible manner. Electricity is the main source of energy used at WINPAK facilities. Natural gas is used primarily for heating water and facilities.

To provide the necessary infrastructure to further reduce energy use, WINPAK launched an Energy Management Program created to establish a systematic approach to support the continuous improvement of energy performance. Topics addressed by the Energy Management Team in this program include energy policy, energy consumption reviews, and employee awareness.

To reduce energy consumption, WINPAK has invested in energy efficient systems such as high output extrusion technology, optimized compressed air use, optimized control of HVAC systems, and LED lighting at several sites. The impact from these initiatives is expected in the coming years. The chart below shows our energy use for 2017 versus 2018, with a minor increase in total energy consumption in 2018. This is attributed to minor changes in product mix.



ENERGY USE (1000\*MWH)

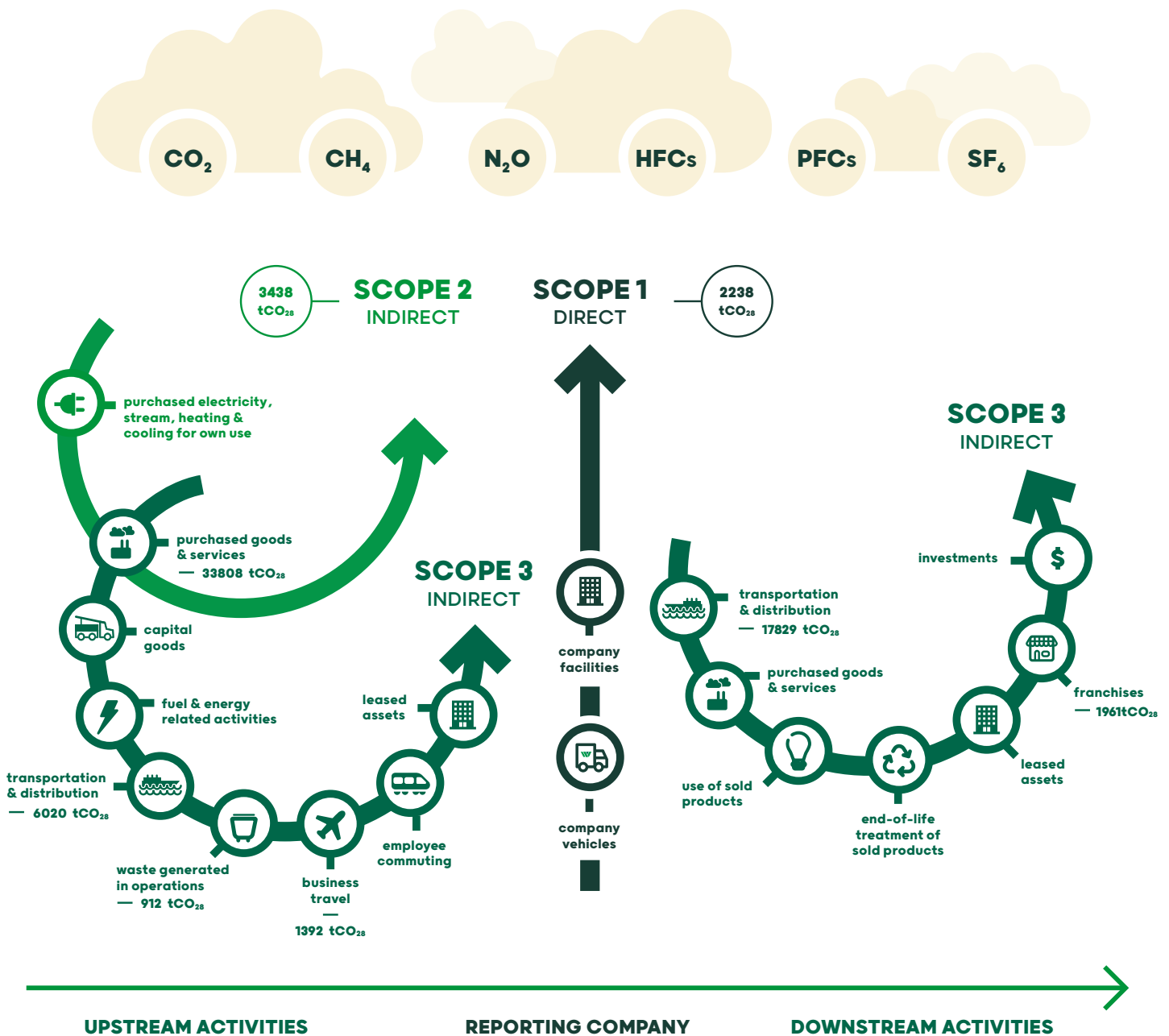
WINPAK is in the process of collecting additional benchmark data for our 2025 energy intensity reduction goal.

## REDUCING GHG EMISSIONS

WINPAK filed with Carbon Disclosure Project (CDP) in 2018 to set a baseline for our greenhouse gas (GHG) emissions. The process helped us understand major contributors to our carbon footprint by business unit and product platform, which influenced our decisions and priorities regarding carbon footprint reduction.

Our corporate carbon footprint has been estimated in accordance with the Greenhouse Gas (GHG) Protocol. As per the GHG Protocol, the International Panel on Climate Control's (IPCC) recommendations for greenhouse gas global warming potentials (GWP) are applied to compute climate change impact and are reported via CDP.

Our emissions are grouped according to the GHG Protocol. The GHG Protocol frames a business' GHG emissions according to three Scopes of activities, as shown in the figure below:

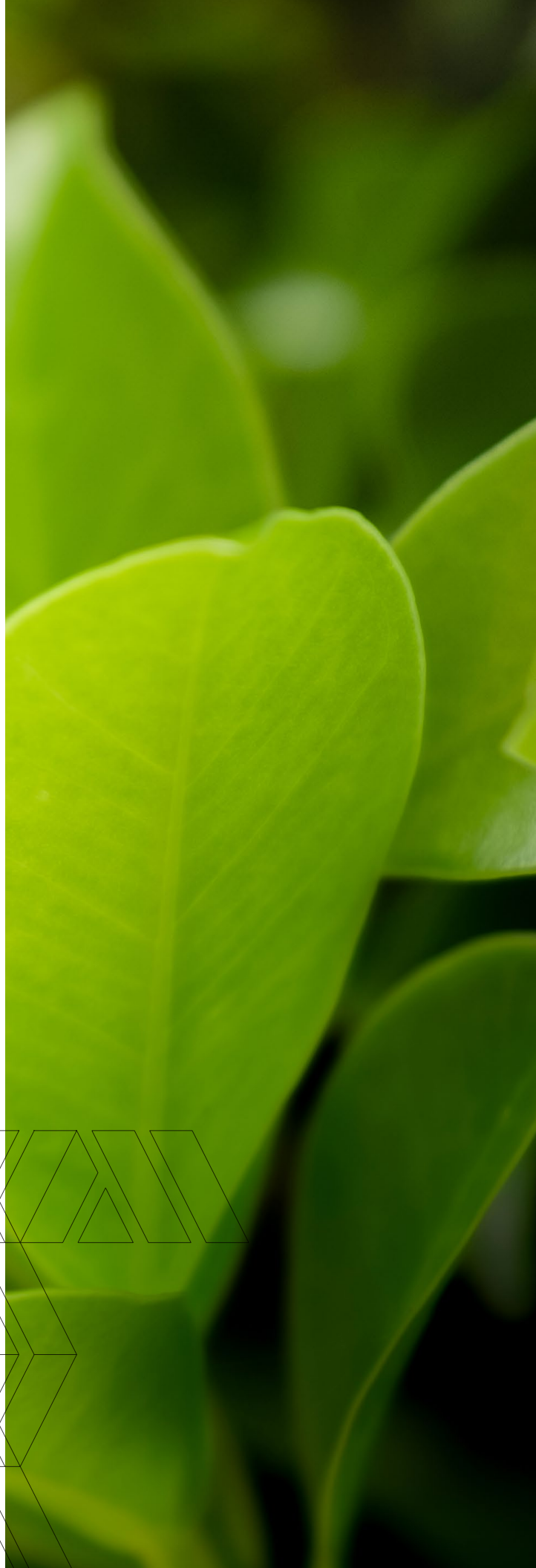
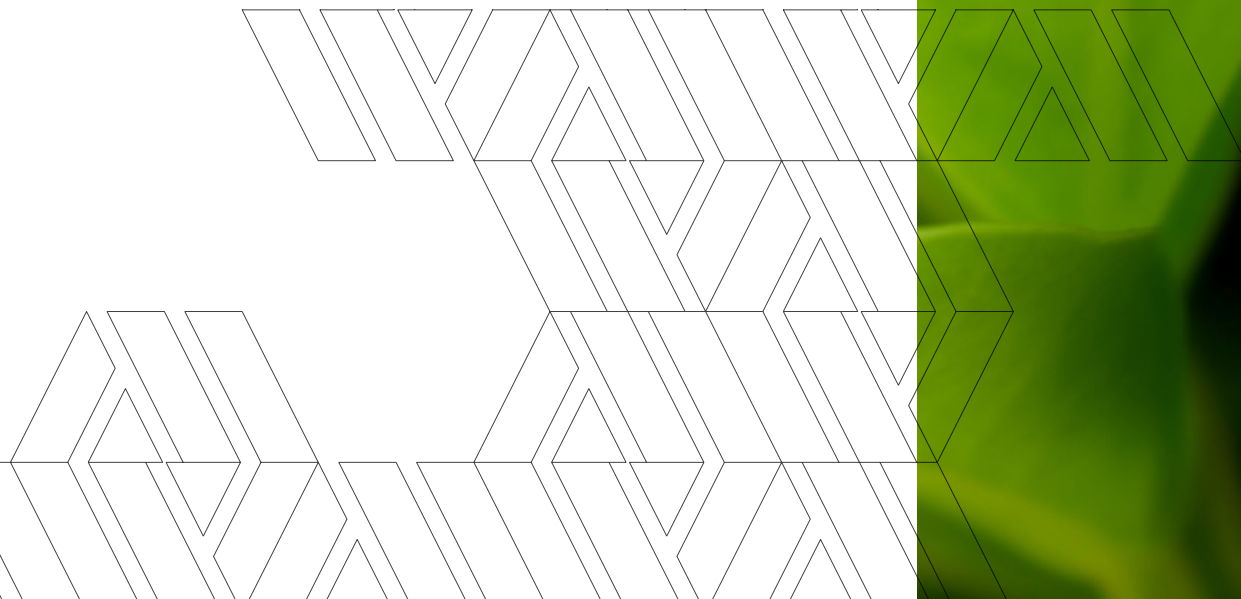
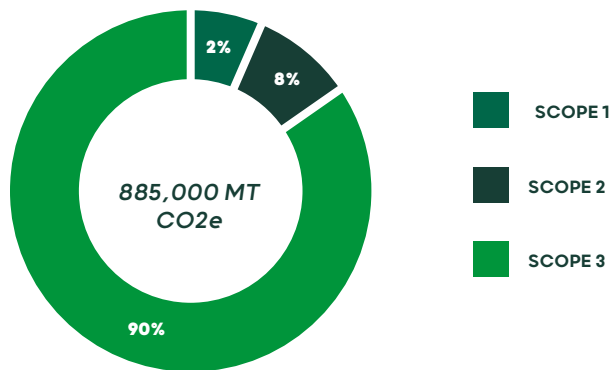


For 2017, WINPAK's total carbon footprint was 885,000 MT CO<sub>2</sub> and is predominantly from Scope 3 emissions. Our total CO<sub>2</sub> emissions are equivalent to approximately 188,000 passenger vehicles driven for one year.

The CDP filing has enabled us to identify areas of operation that present opportunities to reduce the impact of our production, including:

- Constituents of products
- Manufacturing processes
- Inbound and outbound logistics

WINPAK is in the process of establishing additional baseline KPI data and goals regarding GHG emissions.



## REDUCING AIR EMISSIONS

WINPAK is committed to minimizing and reducing air emissions. The newest WINPAK facility in Mexico is a zero-air emissions facility using state-of-the-art, solvent-free printing and lamination equipment. WINPAK uses solvent-free lamination as a first choice for lamination applications, only using solvent-based laminations where end-use requirements dictate use. WINPAK uses regenerative thermal oxidizers in two facilities to reduce solvent emissions from printing processes.

## PROTECTING WATER RESOURCES

WINPAK is committed to sustainable water practices in its manufacturing and production facilities. Water operations in WINPAK facilities comprise a withdrawal from the supply, followed by a subsequent discharge into the sewer with a generally degraded quality. WINPAK focuses on targeting reductions in total water consumption and safe water discharge in the following areas where water is used in its manufacturing and production: process water, cooling/heating water and domestic water.

WINPAK is working on maximizing the re-use of process water in a closed circuit. For example, we are moving our process cooling from fresh well water to a closed chilled water centralized system. Currently, three manufacturing lines at WINPAK Division are relying on cooling from water extracted and returned to the aquifer.



TAP WATER CONSUMPTION TREND

Although WINPAK is a relatively low-level user of water, we plan to continue to proactively seek ways to minimize our water use and impact on water quality.

## WASTE AND MATERIALS MANAGEMENT

Through source reduction and recycling, WINPAK is striving to achieve zero waste to landfill. We continually evaluate our production technologies and processes to identify and incorporate ways to minimize waste and maximize recycling.

Rigid plastic process waste in our Sauk Village IL facility, for example, is placed back into production. All our foil process waste is baled and sold to a metal scrap recycler, and our cardboard scrap is also recycled. In addition, all WINPAK facilities have programs in place to recycle non-production waste generated on site. This includes beverage containers, office paper, printer cartridges, batteries, pens, etc. We are keeping current on new technologies that may be appropriate for recycling multilayer flexible film scrap material. Chemical or enzymatic recycling, for example, may be available and feasible in the coming years.

WINPAK is also working to increase the use of reusable dunnage, such as reusable crates in lieu of cardboard boxes for incoming materials. WINPAK Heat Seal uses returnable metal cradles to protect rolls of material during transport. They can be used many times and are returned on a truck that would otherwise be returning empty.

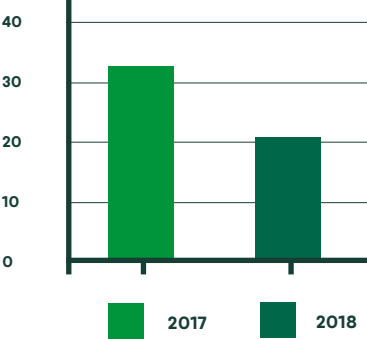
## MINIMIZING THE USE AND IMPACTS OF HAZARDOUS WASTE

Most of the hazardous waste generated by WINPAK is from the printing process and consists of inks and solvents, including wash-up solvent. WINPAK proactively

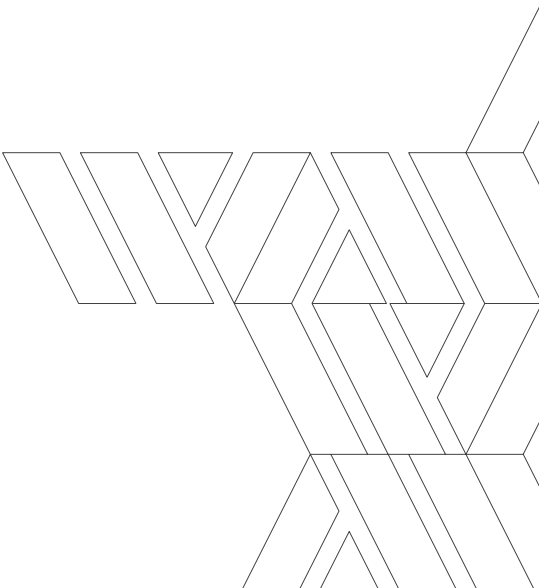


monitors the marketplace to identify inks and solvents with low environmental impact. WINPAK manages hazardous waste according to the regulations set forth by the U.S. Environmental Protection Agency and Environment Canada. Any hazardous waste generated onsite is collected by a licensed waste hauler and transferred to an appropriate treatment facility for recycling.

Automatic parts washers, and solvent recovery units (stills) reduce our waste allowing reduction in virgin adhesive use and minimizing the amount of evaporated solvents.



SOLVENT BASED ADHESIVE USE (% OF TOTAL ADHESIVE USE)

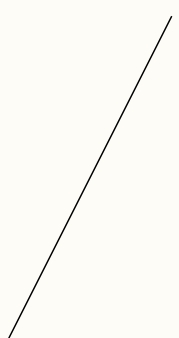






# OUTLOOK

**Sustainability involves considering multiple factors, including social, environmental, and economic.**





## OUTLOOK

WINPAK is enthusiastically engaged in identifying, tracking, and improving how our business impacts these arenas. We believe this is good for business, and we believe this is good for our employees and the community at large. Most importantly, as a leader in the packaging industry, we believe it is our responsibility. We aim to continue to develop and advance our efforts in sustainability and integrate life cycle impact considerations in all processes and decision-making along the value chain.

Thanks to recent investments in new technologies such as state-of-the-art multi-layer film extrusions, downstream lamination and printing, materials science and innovative packaging concepts, we are creating a meaningfully unique framework to offer best-in-class sustainable solutions for our customers, while securing a sustainable future for WINPAK.



IT'S OUR NATURE TO PROTECT™

[WINPAK.COM](http://WINPAK.COM)