

Autumn 2022 Edition

ENVIRONMENTAL SUSTAINABILITY

What is the Fencor Packaging Group doing to help?

We've committed ourselves to being Carbon Net Zero within Scope 1 & 2 by
2030

ENVIRONMENTAL SUSTAINABILITY

and Responsibility...

It's a responsibility we all share.

The responsibility we have to those we work with,
to our suppliers and our customers.

The responsibility we have to future generations,
our children, our grandchildren and their descendants.

...is, we believe,

A RESPONSIBILITY THAT CANNOT BE UNDERESTIMATED.

Many mistakes have been made globally in the past, a great many because we knew no better, but we now know more. We're starting to learn.

And, because of this greater understanding,
our responsibilities cannot be ignored.

A BUSINESS CAN HAVE ALL THE POLICIES IT WANTS, BUT IF THERE'S NO ACTION TAKEN TO BACK THEM UP, WHAT USE ARE POLICIES?

Like many, we've gone from environmental awareness to having a much stronger focus on sustainability and CSR. Ethical ideals and a lack of tolerance for anything detrimental to the environment is nothing new to the Fencor Packaging Group. In 2016, Manor and Easypack Displays gained the Forest Stewardship Council certification (more of which later) and, in 2018, we chose to demonstrate our commitment to environmental responsibility by gaining the ISO 14001 certification. Finding ways to minimise our environmental impact has always been important to us, but now we have more than just a strong focus, we are developing strategies and targets too.

OUR PRODUCTS



Paper is a sustainable medium and 80% of our raw material is from recycled sources and the remaining 20% comes from sustainable forestry sources. We charge everyone on the Team with ensuring that no opportunity to improve our environmental credentials is missed. With all our people in the offices, on the production floors and on the road buying into our vision for a better future, we have a constant awareness, with peers keeping everyone focused.

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How a Game Changing Anaerobic Digester is Completing the Circle



The majority of the Fencor Packaging Group's raw sheet board materials are supplied by CorrBoard UK. Fencor Packaging was a founder member and now owns 7.9% of CorrBoard, which was the first new sheet feeder to be set up in the UK in 2014 for over 20 years. With our usage now approaching 20 million square metres annually, it's a substantial amount of cardboard and buying from our own manufacturing plant has several distinct advantages.

Not least is a project, which began in 2016, to build a new Anaerobic Digestion plant on CorrBoard's site in Lincolnshire. The £5.5 million investment is an innovative step and, we believe, a world first. A sustainable energy generation facility, fuelled by organic waste, that provides heat and power for the manufacture of corrugated sheet board to produce sustainable cardboard packaging and 3D temporary Point Of Sale displays.

Completed in October 2019, the AD plant processes waste products which are used to produce energy. That energy is transferred directly as power and heat into CorrBoard UK, It's a seamless transfer and we are excited at the realisation of a project that will make the CorrBoard plant completely self-sustaining with regard to its energy.



£5.5m
investment in a new Anaerobic Digestion Plant

1500
homes
sustained by surplus energy from the AD plant

7.9%
owned by Fencor Group

20m
square metres
of raw sheet board used annually

ENERGY SURPLUS OFFSETS FURTHER STILL

To manufacture its cardboard raw materials the plant needs approximately 400KWh of energy and, as the AD plant produces 800KWh, the surplus goes straight into the National Grid. There's enough additional energy created to sustain 1,500 homes, further offsetting the plant's carbon footprint.



It is believed to be the world's first AD plant to facilitate energy for the manufacture of corrugated sheet board. It currently has the capacity to process 25,000 tonnes of organic waste. However, as the AD system is modular, it can be added to at any point.

A COMPLETE END TO END CIRCULAR SOLUTION

Fuelled by surplus food, drink, animal by-products and vegetable waste, the AD plant converts it all into renewable energy, which in turn powers the manufacture of carbon neutral raw materials. This is a completely circular solution which takes waste products, that would otherwise need to be disposed of, and processes them naturally to generate energy. This energy is then used to produce material, which is made in to recyclable packaging – which then becomes recyclable waste ... and so around again.

Furthermore, as a by-product of the anaerobic digestion process the plant produces a high grade organic fertiliser which is used by local farmers on their fields.

It's a process we're very proud to be part of and, more importantly, it enables us, as a result of this carbon net zero process, to provide genuinely sustainable material to our customers and make a very real and positive difference to a global issue.

The Forest Stewardship Council®

THE FSC®

As part of our commitment to becoming carbon net zero in scopes 1 and 2 as a group of companies, we are keen to do all we can in-house, and also to support and partner with organisations who are consistently, tenaciously and successfully working globally for the benefit of all.

The Forest Stewardship Council (FSC®) is one such organisation, established to promote the responsible management of one of our greatest, most needed and threatened resources - the world's forests.

The FSC® operates internationally on a non-profit basis and sets the standards on forestry products, as well as certifying and labelling them to mark them as eco-friendly and environmentally sustainable.

The two key elements to the FSC®'s global forest certification are their Forest Management and Chain of Custody systems. Once registered with the FSC® we were issued certification with unique reference numbers, one for Easypack POP Displays Ltd and one for Manor Packaging Ltd, our two primary manufacturing facilities, to give assurance of sustainability.



Manor Packaging
FSC Code



Easypack Displays
FSC Code



By buying this packaging
you help take care of the
world's forests

FSC® C115460 • www.fsc.org

FOREST MANAGEMENT

The owners or managers of forests can ensure they are recognised for carefully and responsibly managing them. It's good for business and good for the forests.

The FSC® system allows businesses and consumers to identify, purchase and use wood, paper and other forest products made with materials from well-managed forests and/or recycled sources ... and that's critical to ensuring sustainability.

THE CHAIN OF CUSTODY SYSTEM

As the name indicates, Chain of Custody Certification, from forest to end-user, ensures that FSC® materials and products have been obtained from sustainable sources at every stage of processing.

The system is robust and works incredibly well, so well in fact that any box manufactured in our Manor Packaging or Easypack POP Displays facility can be traced all the way back to the forest it came from.

THE WORLD LAND TRUST



The Fencor Packaging Group has committed to investing annually in financially supporting the aims and objectives of The World Land Trust as a Corporate Supporter.

In 1989 it was recognised by the founders of the World Land Trust that, without intervention and action, without something actually being done about the ravaging of our planet's forests and woodlands - more than just our trees will be lost forever.

The Trust is a charitable organisation, and its mission is the protection and sustainable management of threatened habitats and endangered species. The Trust works with communities, organisations, businesses and individuals to generate awareness, to improve understanding and to educate people globally of the need for conservation.

They generate support for their worthwhile projects through information, education and fundraising.

Anyone can become involved and make a difference, whether as part of a group or individually, by 'buying' an acre of land or 'planting' trees.

THE BUY AN ACRE PROGRAMME

Through the Buy an Acre programme, for every £100 donated an acre of land is purchased by the fund and held in perpetuity to guarantee the habitat and prevent the further erosion of habitat and wildlife.

THE PLANT A TREE PROGRAMME

The Plant a Tree Programme is so simple but so highly effective. Every £5 donated funds the planting, nurture and protection of one tree. It may not sound like much, however with upwards of 2 million new trees having been planted in areas decimated by war, agriculture, mining, road building and the like, an appreciable and definite difference is being made.

The more it continues and the more we support such efforts, the more positive the impact and the greater the results.

The World Land Trust has funded the protection of...

OVER
750,000
ACRES

and provided funds to plant...

OVER
2,000,000
TREES

Each month Fencor supports the purchase of...

2
ACRES OF
LAND

and the planting of...

40
TREES

KEEPERS OF THE WILD

Through donations, the World Land Trust funds rangers whom they call Keepers of the Wild. These people really are on the front line of conservation and it's certainly not the safest of work. Some people come to the wilds with the selfish intention of taking something purely for financial gain – and some are simply trying to support and protect their families.

It is often a very fine balance for the Rangers: their ability to understand motive and need is important. Their focus and commitment is to protect some of the world's most threatened species and the incredible habitats in which they are found and it's a never-ending task – it is however, an absolute necessity too.

The Keepers of the Wild Rangers safeguard protected areas from the constant threat of illegal activities. Criminal activities such as logging and poaching are still very prevalent and without this front-line defence, we would still be losing irreplaceable and valuable wonders.

The Rangers act as trusted and direct links with local communities; they build trust, educate, change attitudes and help to find practical solutions to local and regional problems.



Managing our Resources, Reducing Wastage and Recycling



The Fencor Packaging Group uses a wide range of resources to enable us to manufacture and deliver our product. These resources range from our principal raw material, paper, to the power we consume running our equipment and lighting our factories.

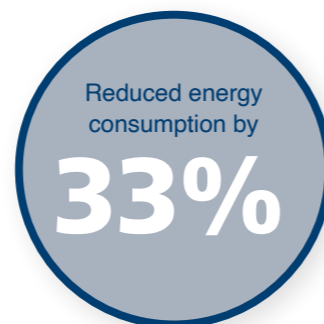
In recent years we have given increasing weight to the environmental sustainability of these resources and this has led us, where possible, to buy consumable products that have been produced from recycled materials that can be put back into the recycling loop.

Our position is to be an early adopter of new, environmentally friendly materials as they are released into the market. Where possible, these products are bio-degradable so, if they drop out of the recycling loop, they do not harm the environment.

LED LIGHTING

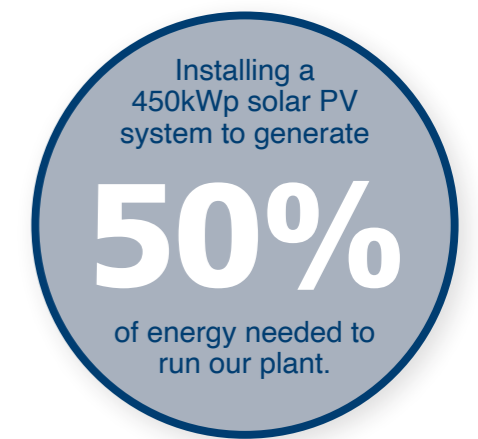
One of the most obvious and earliest adopted elements of the Group's environmental strategy was to review our lighting needs, beginning with swapping our regular incandescent bulbs for LED's.

Where practicable, PIR sensors are to be installed so that the lights are only on when people are in the vicinity.



SOLAR ENERGY

Having completed the surveys necessary to optimise our use of solar panels at our Manor Packaging facility, we are preparing to install a 450kWp solar PV system which will generate fully 50% of the energy needed to run our plant.



There are two significant advantages to this development. It will:

- 1 Create a sustainable energy source to quickly bring us closer to our goal of reaching carbon net zero.
- 2 Reduce reliance upon energy drawn from the National Grid as well as reducing our energy expenditure.

Once installed, the solar PV system will be another valuable step in moving us toward Carbon Net Zero in Scopes 1 and 2 by 2030.

Recycling Waste Corrugated Board



As manufacturers of cardboard and corrugated boxes, we naturally create process waste as part of the production process. Whilst we always design to keep waste to the minimum and have always recycled our waste, in February 2021 we installed a new and more efficient solution to further enhance our environmental credentials.

An investment was made into a new, automatically fed, waste cardboard baler. As each converting machine ejects its process waste, it is fed into a ducting system that delivers it to the baler, whereby it is compacted, baled and readied for transport to the recycling paper mill.

This investment has resulted in a cleaner operation within the factory whilst also reducing the number of collection vehicles by 800%. Another step towards our goal of becoming Carbon Net Zero within Scope 1 & 2 by 2030.

Our new waste baler has
reduced the number of
collection vehicles by

800%



Minimising the Effect of Road Vehicles



7% ANNUAL FUEL REDUCTION

by improving aerodynamics

Trucks and cars are an essential part of our business, so we researched what could be done to improve our carbon footprint and maintain our transport requirements.

The lorries came first: we were given a lot of help by a key supplier and we chose a system that made our existing vehicles far more aerodynamic, helping to reduce the drag and in turn, reduce the amount of fuel the lorries used.

The stats are impressive with fuel consumption reduced by an average of 7%.

As company cars have become due for renewal they have been **replaced with Hybrids and Electric Vehicles**. To support this advance we have **increased our EV charging points from four to twelve**.

Having recognised the issues, the next vehicles coming under scrutiny are our fleet used for local deliveries. As these smaller commercial vehicles become available, with batteries that can return 200 Km plus, they could prove to be a viable alternative. In the meantime, all our commercial fleet uses a fuel additive to increase its efficacy, it may not be cheaper but it does help us with our sustainability goals.



Planned in House Reductions in Fuel Usage



Historically, our fleet of forklifts used throughout our manufacturing and warehousing sites have always been powered by gas. Electric versions have just not been able to deliver over entire shifts.

However, with the development of new technologies, in particular lithium batteries, forklift options for the future are starting to expand. As we come to renew contracts on our current fleet these new technologies will be explored in earnest



The buildings we occupy can take a lot of heating during the colder months. Again, gas has traditionally been our fuel of choice. However, we are now starting to explore renewable energy alternatives with the first project due to be delivered at the end of 2022

Looking Forward...



As a cardboard box and point of sale manufacturing group, we design and manufacture products which are highly sustainable. On average our products are made using board that consists of 80% recycled papers and are almost entirely recyclable.

Increasingly in recent years, we have demanded of ourselves that all areas of our operations should meet similarly high standards, and this has led us to implement the measures we have outlined in this document.

We see this as a journey for the Fencor Packaging Group. One which will allow us to build upon the current measures in place so that we can continue to do as much as we possibly can to help protect the environment.

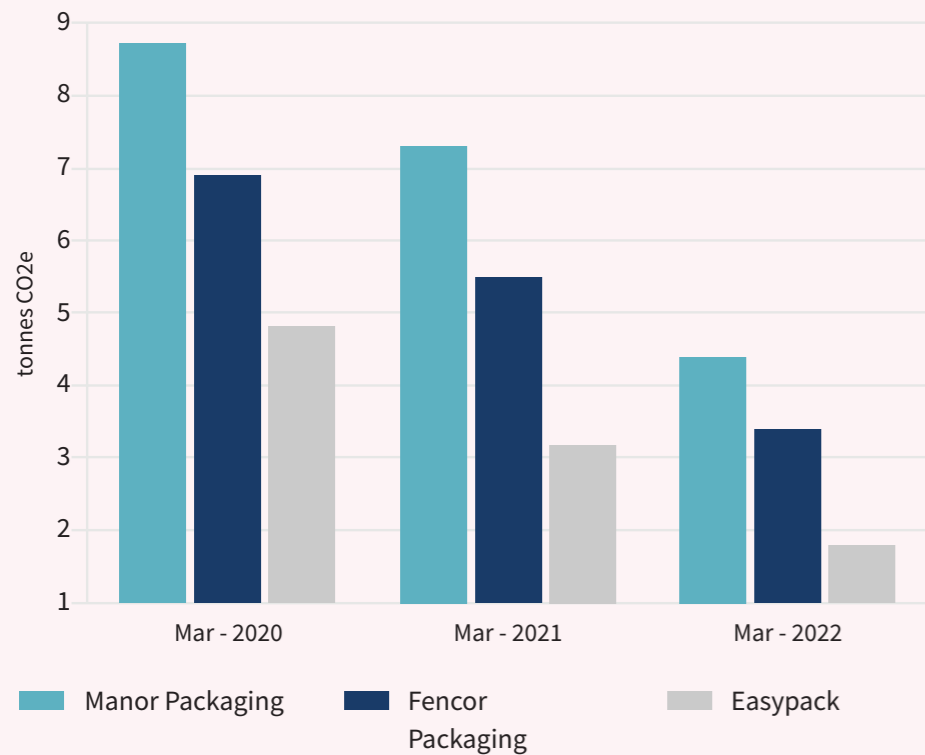


We're taking this, our shared responsibility, very seriously and are completely committed to continuing to do so on every level.



Statistics

Per Employee (CO₂e)
From Benchmark



Our products are
99%+
recyclable

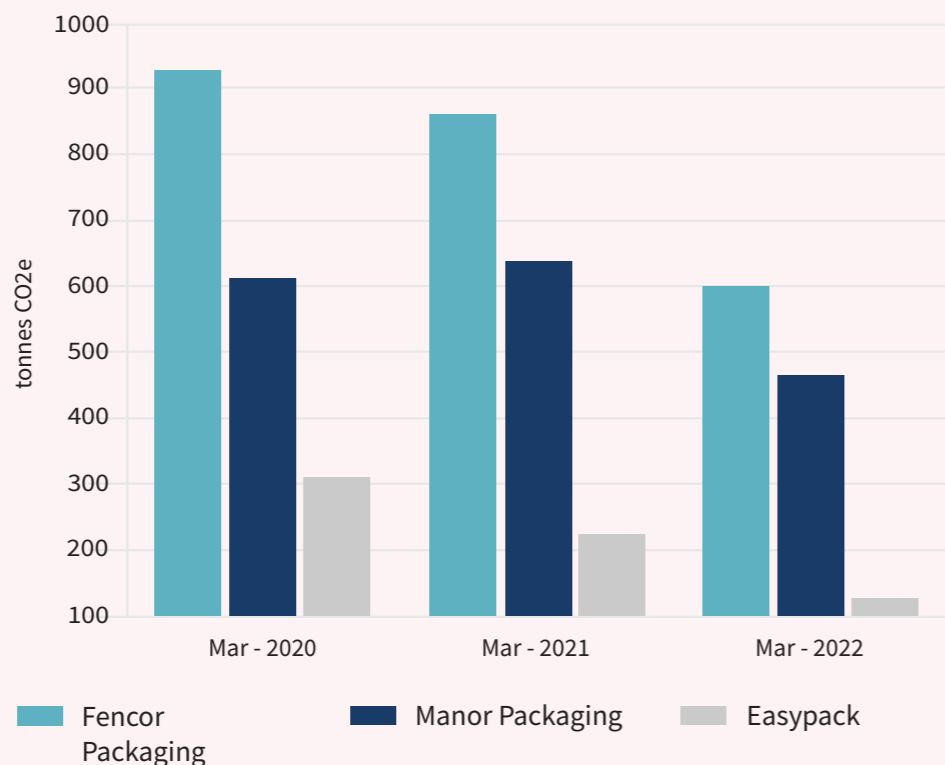
On average
80%
of our products are
made from recycled
materials

LED converted
factory and
warehousing space
70%

Reduced energy
consumption by
33%

7%
Annual fuel reduction
by improving
aerodynamics

Total Carbon (CO₂e)
From Benchmark



£5.5m
investment in a
new Anaerobic
Digestion Plant

1500
homes
sustained by surplus
energy from the
AD plant



7.9%
owned by
Fencor Group

20M
square metres
of raw sheet
board used



ENVIRONMENTAL SUSTAINABILITY