

# ENVIRONMENTAL PROGRAM

*The Specialized Packaging Group L.P. has developed an environmental program to implement the various commitments outlined in its environmental policy within its facilities in Eastern Canada.*

## *Environmental compliance*

*Generally speaking, the group's manufacturing processes produce very little in the way of water or atmospheric releases and use only small quantities of hazardous materials. The primary energy sources used to manufacture the various products are electricity and natural gas. The environmental impacts and risk of potential events (leaks, spills, etc.,) are therefore very limited.*

*Nevertheless, environmental compliance audits are performed periodically to ensure all of the applicable environmental requirements are being met. Any non-conformities that are identified are diligently corrected and closely monitored to ensure the corrections were adequate and sustainable.*

*The main issues and areas for improvement identified by the last audit in the fall of 2009 were:*

- *washwater releases at the Induscorr plant in Vaudreuil; wastewater is treated before it is released into the sewer system in compliance with municipal standards; in the mid-term, the objective is to reduce releases, and in the long-term, to recirculate the treated water in a closed circuit;*
- *polyethylene vapour releases in the air inside the Ivex plant in Longueuil; the primary sources of vapour emissions from the polyethylene thermal fusion process are collected by vapour hoods and released into the atmosphere without being treated; in order to collect all of the fugitive emissions, we intend to isolate all of the equipment in airtight enclosures that will be vented into the atmosphere; an assessment will be performed to determine whether the releases are compliant and the gases require treatment.*

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## Reducing pollution and conserving resources

Using various assessment tools, such as **product life cycle analyses** and **management audits** (reports on energy consumption, releases, secondary materials, etc.), we strive to improve our environmental performance on an ongoing basis to reduce pollution over and above the applicable standards and sound management practices, and conserve non-renewable resources.

The results of these efforts include:

- Reducing the quantity of raw materials and/or residual materials;
- Switching to raw materials that are less toxic or less volatile;
- Maximizing the ability to incorporate production releases (scraps, non-compliant products, etc.) back into in the production cycles;
- Optimizing energy consumption at all stages of the lifecycle and replacing petroleum products (fuel oil, diesel, etc.) with greener energy sources (electricity/natural gas);
- Increasing the amount of recycled materials used in the various products and increasing their recovery and recycling potential;
- Reducing water and atmospheric releases (reducing loads, recirculating and treating effluents as optimally as possible, collecting and treating vapours at the source, etc.).

Induscorr's commitment is demonstrated by the following achievements:

- using raw materials that are not only 100% recyclable and compostable, but also contain, on average, 74% recycled raw materials;
- reducing their water consumption by 32% between 2008 and 2009;
- reducing their natural gas consumption by 30% since 2007

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## Greenhouse gases (GHG)

*Because of the negative impacts GHG have on the global climate and the potentially disastrous effects that could result from them, GHG management has become one of our top priorities over the past several years.*

*As the group's practice has always been to decentralize its facilities around the world, the manufacturing units have developed according to the conditions and needs of the local markets. This strategy has helped us ensure we not only obtain greater flexibility and diversity in our local production, but it has also reduced our transportation distances considerably, and consequently our GHG emissions as well, in comparison to a centralized production strategy.*

*The transportation of packaging products remains necessary to serve local markets and represents one of the group's main sources of GHG emissions. In some cases, agreements were concluded to transport low-density packaging products with high-density products that were only occupying part of the space available in trailers or containers. In other cases, the transportation of raw or secondary materials was reviewed and re-engineered to reduce transportation between production units.*

*In the long-term, as our objective is to market better and better packaging products that require fewer raw materials and occupy less space, we will also be in a position to reduce our transportation needs and hence, our GHG emissions accordingly.*

*Induscorr, a division of Specialized Packaging Group L.P., has clearly demonstrated its commitment to reducing GHG emissions. Since 2007, Induscorr has reduced its consumption of natural gas by approximately 30%, enabling it to limit its GHG emissions to 2,287 tonnes CO<sub>2</sub> equivalent for 2009.*