

## Papierfabrik Hainsberg GmbH

## Official Company Environmental Policy Statement

The Hainsberg Paper Factory commits itself to minimising its local environmental impact long-term, over and above existing environmental laws and regulations.

Since 1838, we have been manufacturing paper at a site in the direct vicinity of the Saxon Switzerland National Park and of numerous nature reserves in the Eastern Erz mountain area. We feel particularly responsible for the region and its local inhabitants.

Our trade ethics unite environmentally friendly and economically viable principles as a matter of course. For us, this entails treating resources with consideration. Our production procedures are state of the art, and encumber the environment to the smallest possible degree. We monitor and assess the impact we have on the environment on an on-going basis.

The lowest possible environmental impact is our prime consideration in selecting raw and auxiliary materials, as well as in developing new technology.

- For our paper production, we use only waste paper which has been prepared using special technology. Most of this is sourced locally, keeping long transports to a minimum. This helps the environment on two levels. Waste paper is collected and recycled, and forests are reprieved!
- Some 30,000 t of the waste paper we use come from the post-consumer area, i.e., household waste collection. This volume is equal to the volume of waste paper produced by more than 300,000 inhabitants in other words, the volume of waste paper produced in the whole Saxon Switzerland / Eastern Erz mountain region.
- The auxiliary materials we employ for our paper are selected such that our paper is safe to use under food safety regulations, is resistant to aging, and can be recycled.
- The manufacture of paper is always an energy-intensive process. We need both electricity and steam, most of which we produce ourselves in our own power plant. The coal we use is mined locally, keeping transport to a minimum. The power plant is a cogeneration plant, and has an extremely high efficiency level of over 90%.
- In an on-going optimisation process, we replace outdated equipment with new, more
  environmentally friendly equipment. By doing so, and by building the new power
  plant, we have cut the amount of specific energy we need for our products by 60% in
  the last three years.
- The high level of efficiency in our new cogeneration plant has considerably improved our CO<sup>2</sup> figures. We generate approx. 0.9 kg of CO<sup>2</sup> per kg of newly produced paper and have thus more than halved our emission levels in the last three years.

- The waste gases from our power plant are continually cleaned and filtered. They are subject to an online evaluation, and are constantly monitored by the relevant authorities in Dresden.
- Unwanted materials arising from waste paper processing are ejected, sorted, and either implemented as aggregates in the manufacture of construction materials or converted into energy.
- All production waste, such as cut offs or paper leftovers, are returned immediately
  and wholly to the internal production cycle where they are again used as valuable raw
  materials.
- The surplus heat produced by our paper machines is used to heat the required fresh air supply or to heat the rooms.
- 90% of the water we use is circulated within our closed cycle. This is possible thanks to the fact that our system includes a multi-level cleaning stage, during which fibres are also reclaimed. The remaining wastewater some 70 m•/h is clarified in our own wastewater treatment plant and then returned to the environment to parameters considerably below the statutory threshold values. The water we return to the environment is cleaner than the water we take from it.

We ensure that our partners work to the same ecological principles as ourselves.

As a logical conclusion to our principles, we are introducing an environment management system according to DIN ISO 14001 standards in 2011, which will be integrated into the existing quality management system according to DIN ISO 9001:2008 standards. This integrated management system will ensure transparency. This is something we owe to our business partners, customers, employees and the general public.

Our products have been awarded the Blue Angel eco-label and FSC certification. We are active members of the German Pro Recycling initiative, and are committed to participating in proactive campaigns and awareness campaigns for using recycled paper from secondary raw materials.

By using nothing but waste paper, our company has an ecological approach per se. But this does not produce perfect products by itself: effective environmental and work protection, combined with outstanding quality products, are our top priorities.

Our employees play their part in the system via their next management level, environmental officers and the company board, and are involved in the implementation of measures. We invest not only in the right technology for our company, but also in staff competence. We see this as a significant contribution to dealing efficiently with natural resources.

An annual environmental inspection, which forms part of the internal audit, and the subsequent assessment of this inspection, ensures that our environment management system is developed on an on-going basis.

Dr. Dietrich Arnhold

Krystyna Biczkowski

Hainsberg, 22.12.2010