



Year one of **positive** plastics

Our four-point plan for
a future with less waste.

#PositivePlasticsPledge



Sustainable protection of **everyday needs**

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At kp we have always known the value of plastic – its unique place in the lives of communities we are very much part of and its irreplaceable attributes that protect and package our products – in particular dramatically avoiding food waste, delivering medication and protecting the integrity of countless other products. Embedded in the fabric of our company is our primary purpose – **the sustainable protection of everyday needs** – it's why we exist; it's why we do what we do.

We're determined to help make the world of plastics sustainable for society and for our environment.

We are also fully aware of our huge responsibility to design products and packaging to achieve closed-loop solutions. We aim to use the highest amount of recycled material, only use sustainable materials, design for recyclability and sustainability, engage with consumers to handle plastics responsibly, and partner with our key stakeholders to collectively drive change at scale – that is to create the much-needed paradigm shift towards a circular economy.

So, it is with great pride that we can reflect on the past 12 months and celebrate the first anniversary of our ambitious 10-year commitment – the Positive Plastics Pledge.

We still have some way to go, but by collaborating closely with our partners in the community, governments and local authorities, business and industry, and environmental groups we are quite literally closing the loop when it comes to plastic packaging. We are helping reduce leakage and littering of plastics into the environment, ensuring plastics are valued and packaging is optimally designed for circularity.

In the last year, the world of plastics has changed at an unprecedented rate and we continue our determination to help make it a sustainable one for society and for our environment. It's exciting, it's been successful and we have learned so much in the process. We are proud to share our first year of achievements with you and we look forward to another challenging and transformational year ahead – we hope you'll join us on the journey and celebrate our accomplishments with us!

Scott Tracey
CEO
Klöckner Pentaplast



Positive plastic!

The invention of plastic has been solving countless social and environmental issues and transforming lives around the world for generations. It was launched as a miraculous material – and it still is!

Endlessly recyclable, it cuts food waste, protects a multitude of everyday products and saves lives.

In fact, this incredible solution only becomes a problem when we don't dispose of it properly. That's why, here at kp, we don't view plastic waste as waste – for us it is an incredibly valuable raw material to be used again and again. We really can't get enough of the stuff! So, if we can come together to create the right infrastructure to drive this incredible resource back to manufacturing such as ours, plastic waste will literally be a thing of the past.

Globally

in 2018, kp used
120,000 tonnes of post-consumer recycled PET

While working collectively with government, and regional and global organisations to make these changes happen, we wanted to create our own initiative to drive dramatic, dynamic change. So last year, we launched our **Positive Plastics Pledge** – a four-point plan for a future with less waste. It is framed around four key pillars to drive real impact.

Using our knowledge and experience, we continue to **innovate**, focusing resources into downgauging and increased recycled content; **accelerate** the rate of change to only use materials that are widely recyclable or sustainably sourced; **educate** – which is manifested by our Pledge itself – promises to promote the value of plastic waste as a resource and how to manage it responsibly; and **activate** collaboration and initiatives to make collection and recycling infrastructure fit for purpose and drive a circular economy.

It has been a huge success and we are thrilled with our progress so far – from developing innovative solutions with and for our customers to helping more people around the world be part of the solution to managing plastic waste responsibly.

This is more than a group effort – it's a global effort – and together, we are creating a future with less waste.



#PositivePlasticsPledge

A
YEAR
OF
HIGHLI

Celebrating our Pledge

INNOVATE

Championed over **300 people** – from scientists to enthusiasts – to **submit bold new ideas** to reduce plastic waste



ACCELERATE

Selected by Tesco to find an alternative film used on their own brand lines that can be recycled at their in-store return schemes.



ACTIVATE

Directly reached thousands of stakeholders at all levels of the industry and value chain – **presenting and showcasing solutions at multiple prestigious events globally**



EDUCATE

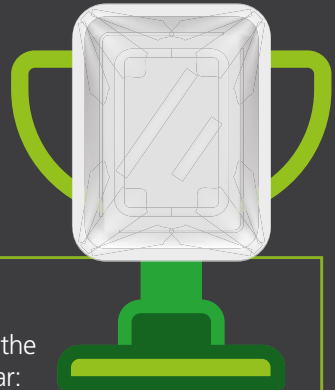
Both our **circular economy videos** reached over **32,000 views**



GHTS

Our Positive Plastics Pledge

Together, we can build a sustainable future for plastics by applying 'circular economy' principles to what we do. Our Positive Plastics Pledge is a four-point plan that puts circular thinking into action. It covers all the key steps in a product's journey, from design and manufacturing through to use and recycling.



And the winner is...

Our Pledge has scooped the following awards this year:



Food Packaging Association (FPA) Awards

March 2019

Our Positive Plastics Pledge won the FPA CSR Award 2019



Waste2Zero Awards

October 2018

Lubna Edwards, Global Sustainability Director, won the 2018 Special Achievement Award for dedication to advocating for plastic solutions

We will do
more with less

INNOVATE

We will maximise the use
of sustainable materials

ACCELERATE

Positive Plastics Pledge

ACTIVATE

We will drive change
at scale

EDUCATE

We will promote the
value of waste

INNOVATE

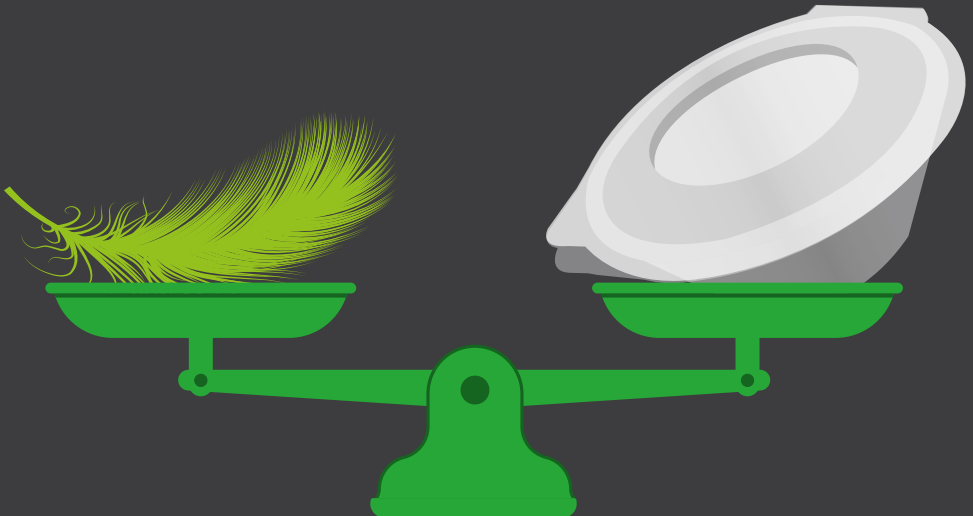
Conserving our resources

To optimise resource use while ensuring the protection of its contents, we're reducing the weight of our packaging and using up to 100% recycled content, and doing more with less.

Throughout our first year of the pledge, we have taken a holistic view of packaging across its entire life cycle and considered innovative ways to reduce the environmental impact of our products before, during and after use.

Our goal

Manufacture products with **up to 100% recycled content**, such as post-consumer recycled polyester (rPET) recovered from bottles, pots, tubs and trays



It's good to talk!

While our focus to innovate is centred on offering progressive products to meet the needs of global markets and consumers, we also believe in walking the talk. We drive innovation at local manufacturing levels where our colleagues find new ways to reduce waste at their facilities.

For example, in Belarus, hot polystyrene that becomes dust in our equipment filters is collected and coloured to match new products for manufacture, and is returned to the production cycle, avoiding waste. Additionally, instead of disposing of trays that were used to test product absorbency, the team now presses all water from the trays so that they can be recycled back into the system. Now that's closing the loop on our water resource too!



Challenging ideas

In October last year, kp partnered with the [SciTech Group](#) and [eduLAB](#) to support the Plastic REcycle Science Challenge at the Wrocław University of Technology in Poland. The open 'hackathon' engaged everyone from scientists and recyclers to enthusiastic amateurs to share their own ideas on how to reduce the amount of plastic leaking into our global environment.

This one-day innovation 'hackathon' was a superb opportunity to develop product ideas made from 100% post-consumer recycled polyester (rPET) and to look at the market potential for these products. We are delighted with the level of engagement and participation and will continue to collaborate with the university's Advanced Polymer Materials and Recycling Department and with [Warsaw University of Life Sciences](#). This event truly added a collection of innovative ideas and ambitious realism to our commitments!



INNOVATE



A new life for every resource

In Argentina, kp collaborated with several customers and a local laboratory to develop new vinyl formulations that contain a significant percentage of recyclable material from our internal industrial processes.

The project consists of grinding any leftover material from our manufacturing processes into flakes or pellets and recycling them back into the manufacturing of new material.

The team focused on making the material suitable to reintroduce into the production cycle. The results have been exceptional – dramatically cutting waste and raw materials, while retaining the same transparency and brightness and keeping the same thermoforming properties of the usual vinyl. This initiative also helped cut resource costs too, proving sustainability makes good business sense!



Our Argentina operations use **recovered material** from our own vinyl operations to increase the percentage of **recycled material** in our products

Tailor-made sustainability

As more brand owners commit to new and ever more challenging sustainability goals, kp has been using our 'Brand Owner Initiative' to ensure we're ready to help them bring their targets to life. It's part of our mission to become a global partner that can answer the unique and specific needs of brand owners while delivering innovative and sustainable packaging solutions. The goal of the initiative is to develop strategic and globally viable plans by coordinating regional and local teams that are based as close as possible to the market leaders, giving us the ability to collaborate with them directly on everything from materials to industrial testing. This helps us to truly understand their needs and challenges, allowing us to design the perfect sustainable solution to help them achieve their goals.

We support the UN SDGs where our efforts can best contribute to real benefits

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kp has been at the forefront of transitioning Cranswick's fresh meat business from using multi-layered trays to a mono recyclable tray made from up to 95% post-consumer PET, ensuring we are ahead of our Second Nature and UK Plastics Pact commitments.”

Jim Brisby, Group Commercial Director – Cranswick plc

SUSTAINABLE DEVELOPMENT GOALS



ACCELERATE

Protecting our planet

People and communities want to play their part in protecting the planet but it's not always obvious what can and can't be recycled.

And sometimes, there just aren't enough disposal and recycling facilities around. We want to make it really simple for people to recycle our products, so we're reducing the number of polymers – that is types of plastic – we use.

By simplifying our range of materials and making it clearer how each product can be recycled, we hope to make collection, sorting and recycling much easier for everyone. During our Pledge we are continuing to use materials that are widely recyclable or sustainably sourced, maximising our use of sustainable materials.

We want to make it far simpler and more convenient to do the right thing!





Making change a reality!

Over the past few years, there has been a growing movement against plastic pollution that has driven the development of new sustainability priorities, to include updated legislation and voluntary commitments. These range from the EU Plastics Strategy and Single Use Plastic Directive; governmental interventions in countries such as France, Germany and the UK, and pledges from brands and retailers to replace plastic packaging where post-consumption is not widely collected and deemed problematic to recycle.

Tesco selected kp to help meet their commitment to replace vinyl cling film from their own-branded products with an alternative sustainable material by the end of 2019. Working in collaboration with machine providers, Tesco, and their food suppliers for sausage and mushroom lines, we trialled a Polyolefin (PO) cling film developed by kp, helping them find the sustainable material they wanted that can be recycled with old plastic carrier bags at their in-store return schemes.

ACCELERATE

An ocean of difference!

In 2018, we developed films for our customers using ocean-bound plastic – with a resin made using recovered plastic waste from our supply chain that collects, sorts, recycles and processes ocean-bound litter.

By using ocean-bound plastic, the original plastic material is less likely to enter our waterways and our oceans. But the benefits don't end there! The initiative also creates social prosperity by providing an income for local people in economically and environmentally distressed areas around the globe.

Thanks to a close collaboration between our customers and kp's Innovation and Production teams, they have been able to add ocean-bound plastic to their product design. The success of these projects has led to further collaboration that could use sources of other recovered ocean plastics.





Rescued plastic

Every year, kp has suppliers that provide us with recycled PET (rPET) recovered from thousands of littered plastic bottles within a 50-kilometre radius of a waterway. These are collected by local communities in deprived regions around the world, converting plastic litter or ‘waste’ into a high-quality, high-value raw material, ready to be used in the manufacture of protective food packaging.

Local people in the communities who collect the plastic and bring it in for recycling are paid instantly and offered a chance to become entrepreneurs, and secure their livelihoods through creating their own aggregation sites and receiving investment for trucks to collect more.

Since 2014, kp purchased over 30,000 tonnes of rPET used by our factories in Santa Tirso in Portugal, Crumlin in Wales and Melbourne in Australia.

What could have leaked into waterways or would have littered neighbourhoods is now used to create food packaging to protect food and reduce food waste. We are projecting growth in this supply over the coming months and years, ensuring that even more of our sourcing is helping to keep plastics out of the marine and land environment, while providing a stable income to those in deprived areas of the world – bringing sustainable social, environmental and economic benefit!

Making a Clean Sweep?

Plastic waste comes in many forms and we want to manage it all properly. That’s why 112 of our dedicated employees pledged to help cut plastic pellet and flake loss. The pledges were part of Operation Clean Sweep® – a global initiative led by the British Plastics Federation – which is about keeping plastic fragments from manufacturing processes and facilities out of the environment.

Our three UK sites (Crumlin, Featherstone and St Helens) took part by auditing their operations to see where we could prevent losing flakes or pellets. One quick change we made was to ensure the drains are protected if ever there was a spill during a delivery.

We’re also really pleased that the project resulted in greater collaboration with some suppliers, who opted for different packaging solutions to reduce the plastic we use in deliveries. The project is ongoing and we look forward to expanding this initiative to our other sites and sharing successful solutions with more suppliers in the future.



EDUCATE

Sharing the value of plastics

Plastics have unique, versatile characteristics that no other material can match – they're hygienic, safe, flexible, durable, strong, light and have superior barrier properties to preserve and protect perishable products, helping to reduce food and product waste.

We want to help people understand and appreciate these benefits, by explaining the value of plastic, not only during use but also afterwards. By giving people clearer information, through on-pack labelling and wider engagement with communities and campaigns, we can communicate the purpose and benefits of packaging, and how it can be recycled. This will also allow us to explain why it's a much better solution to prevent plastic waste ending up in landfill, as litter on our streets or in our oceans.

We will promote the value of plastic waste and recycling



Recycling made easy!

In October 2018, Hubbub, an environmental charity, pioneered a six-month trial in Leeds city centre branded #LeedsByExample to engage and educate local people on the value of plastics and to increase on-the-go recycling.

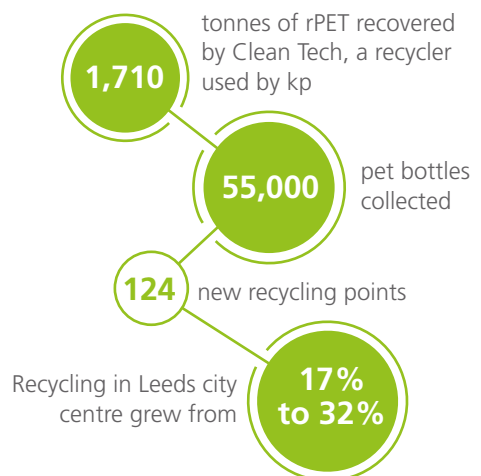
The initiative was a collaboration between 25 national and 29 local partners, including brands Coca Cola, Pepsi, Shell and M&S. As part of the project, 124 new recycling points were introduced around the city centre.

As the only plastic food packaging manufacturer signed up to this initiative, kp broadened the scope of what was considered possible for city centre recycling. We took back over 1,700 tonnes of the recovered PET that had been recycled and put it back into our 100% rPET food packaging, which is manufactured in our Featherstone factory in Leeds. Making this pilot scheme a truly local affair!

The campaign was an incredible success, doubling recycling in the city centre from 17% to 32%. Thanks to these impressive results, the initiative will continue building on what's been achieved and is being replicated in other UK cities.



Both our circular economy videos reached over **32,000 views**



EDUCATE



A lesson in sustainability

As part of our mission to educate and engage as many people as possible about the benefits of plastic and why we use it, we have been sponsoring the Starpack Student and Schools Awards since 2017. The awards are a superb initiative to get children and students exploring imaginative ways to create plastic packaging.

This year's brief for students focused on packaging to help reduce food waste, with a second brief for schools centred on food-to-go packaging to promote healthy eating for children.

Using thermoformed plastic (a plastic sheet heated to create a specific shape), or plastic film, students were asked to create inspirational packaging concepts to help children choose healthier food-to-go options.

The brief also asked students to design packaging graphics and to ensure their packaging could be recycled. We're proud to support this superb initiative to help develop packaging technologists of our future!

44

Starpack Awards
total entries

13

awarded for their
excellent work



A day at the beach!

In August 2019, 30 kp employees from our Gebze plant in Turkey took part in a beach clean-up. This one-day event aimed to raise public awareness of the challenge of marine pollution and to inspire people visiting the

beach to think carefully about how they dispose of their rubbish – especially plastic waste that can be reused and go on to have many more lives as countless life-changing products.



Education – recycled!

Students from IPET 413 secondary school in a town called Sinsacate, 25 km from our plant in Argentina, worked on specific environmental projects to practice their mechanic skills. During 2019, they have been working with the municipality on a recycling project. The goal for the municipality is to help to inspire and grow a recycling culture, as well as enhance the students' knowledge through relevant projects. At kp, we've been supporting the

initiative by supplying them with a machine that grinds plastic into flakes and helping by providing them with our technical expertise. As part of the project, the students will be using the machine to grind post-consumer PET and we will also help students recycle kp's own recovered industrial waste to ensure we extract every piece of value from the project – literally!

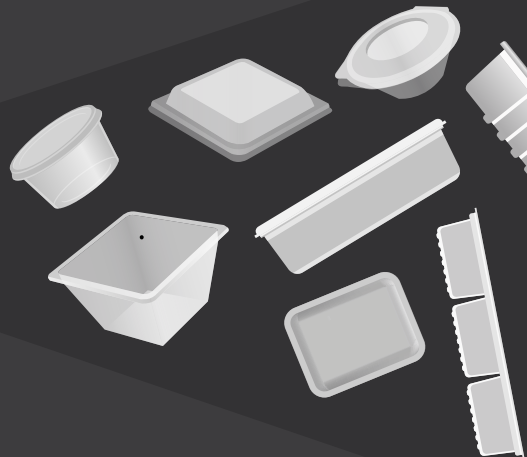
ACTIVATE

World changing

We want to make big changes! Engaging with everyone and encouraging the increased use of recycled materials while lobbying for improvements in our recycling infrastructure.

If we all take action, informed by science-based facts, we can drive transformational change and create a better, circular future for plastic and our planet.

We will drive
change at scale
to transform
collection and
recycling globally



Activate, motivate – go!

During the year, we presented at multiple conferences and events globally, sharing our Positive Plastics Pledge and showcasing our revolutionary solutions to support the responsible use of plastics around the world.

This included the fourth edition of MeetingPack in Valencia, Spain, organised by AIMPLAS and AINIA, a meeting point for more than 350 professionals from world-leading organisations in the food packaging industry. This year's event theme was 'Sustainability trends in barrier packaging: towards Objective 2030'.

In Montréal, Canada, we promoted our sustainable products for the North American market at the Advanced Design & Manufacturing (ADM) Expo and PACKEKX.

We also showcased our Pledge at the EuroPack Summit in Montreux, Switzerland, where our Global Sustainability Director, Lubna Edwards, presented 'How to Build a Sustainable Future Using the Valuable Benefits of Plastics Responsibly'.

The ICMA Expo – held in Orlando, Florida – attracts the world's largest card manufacturers, many of whom are kp customers. During the first day of the show, kp's Value Stream Manager for Cards & Graphics Americas, Tom Mucenski, was the keynote speaker in an educational seminar, 'The Greening of Card Manufacturing'.



At the Innovations in Food Safety, Traceability and Processing Technology Forum in Melbourne, Australia, Lubna delivered a keynote presentation called 'How to Build a Sustainable Future Using the Valuable Benefits of Plastic Responsibly' and ran a roundtable discussion on how to collectively solve marine litter challenges and solutions in Australasia.

Our team at the kp i.center in Barcelona, Spain, held a sustainability workshop in November, engaging 70 of our customers, retailers and machinery partners to debate sustainability drivers, present our Positive Plastics Pledge and exchange successful case studies and sustainable material solutions. All as part of our collective commitments to take packaging to the next circular level.

Back in the UK, at the Financial Times Global Food Systems Conference – with the theme 'Innovation, Sustainability & Collaboration from Fork to Farm', Lubna represented kp with the talk 'Food for Thought: Preserving Foods and Saving Lives', engaging directly with the UK food supply chain and National Farmers' Union.

"We have directly presented our Positive Plastics Pledge to over 2,000 people in the value chain in the last year."

ACTIVATE

Activating circular solutions

At kp, we have long been committed to helping activate a complete circular economy across the globe. We see our innovative products as key to helping more countries avoid sending valuable waste to landfill or incineration, or to areas with a lack of infrastructure for collection, sorting and recycling.

To help achieve our commitments, our sister company INFIA conducted trials at the TOMRA recycling facility in Germany to prove their rPET fruit and vegetable packaging solutions are fully recyclable. Tests included assessing the impact of secondary packaging elements, such as bubble wrap in the base of berry fruit punnets and absorbent pads in meat trays.

Results showed that single (mono) material PET packaging manufactured by kp and our sister company INFIA can be sorted with the highest efficiency thanks to the facility's SHARPEYE infra-red equipment. Using this

technology, they could also detect and sort black trays for recycling, which are usually far more challenging to recycle as infra-red sorting beams struggle to detect the colour in the sorting process if carbon black is used in such materials.



kp has been awarded ECOSENSE certification through the non-profit, Spain-based PLASTIC SENSE Foundation*

* Committed to promoting and defending the use of multi-layered plastic packaging and improving recycling to help keep them in circulation.

Supporting local initiatives

In April 2019, Hannah Blythyn, the Deputy Minister for the Welsh Government, launched a new £6.5m Circular Economy Fund with a televised visit to kp's Crumlin facility. As a signatory to the UK Plastics Pact, our South Wales site uses up to 90% recycled content in products, some of which are sourced from Royden Bottle Recycling in Pontllanffraith. The WRAP-endorsed event was filmed and broadcast on local BBC news, providing an opportunity to raise awareness of plastics and recyclability. Thanks to our initial support, WRAP has requested to host

its next conference at kp's Welsh site, firmly cementing our role as a partner to achieve circular economy solutions.



Building the circular economy

We are part of several global collaborative initiatives and projects with a multitude of partners, some of which include kp customers, well-known brands and retailers, proving sources of valuable material previously lost to landfill or incineration can be recovered and used in new protective packaging – closing the loop, creating new circular economies and new streams of valuable recycled material.

PETCore thermoforming working group is an EU project led by kp to prove that you can sort and recycle food trays made from single (mono) material PET to create a new source of valuable material, which can be made into more protective food trays made from 100% recycled PET.

As partners of IK – the [German Plastic Packaging Industry Association](#) – we collaborated with partners and created a working group that hired recycling sorting equipment to sort, recover and use food trays to make more recycled food packaging.



As part of the group, kp took the PET recovered from the project and manufactured trays, proving tray-to-tray recycling.

CEUS – Circular Economy for Urban Plastic Waste – is a project in Pravia, Spain, that works locally with our plant to recover any plastics in the domestic general waste that could be contaminated and would normally be thrown into landfill, along with everything that the householder may not realise can be recycled. This is creating a new stream of valuable waste and reducing what goes into landfill.

Creating choice

For some time, kp has been involved in [YPACK](#), a three-year EU-funded** project with a multidisciplinary team of 21 partners from 10 EU countries that are developing innovative solutions for sustainable packaging for fresh food. Taking a holistic approach, partners are using their diverse knowledge and areas of expertise to test credentials from polymer complexity through to extending food shelf life and ensuring food safety.



** European Union's Horizon 2020 research and innovation programme under grant agreement No 773872.

LESSONS WE'VE LEARNED!

Our Positive Plastics Pledge is celebrating its first anniversary and we are looking forward to many more. As we put our Pledge into action, we're learning all the time – about new materials, systems and opportunities. And we want everyone whose life is touched by plastic to **join us!**

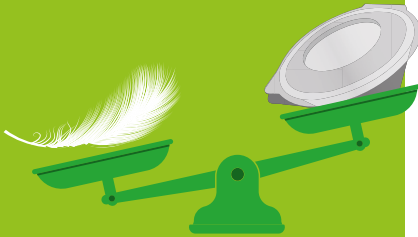
Only then will we achieve the scale of change that will keep plastic out of landfills and oceans, and make it a key driver of efficient, sustainable circular economies.

#PositivePlasticsPledge

Talk to us about plastics...

We're working to drive big changes – but we need your help!
We're always open to ideas, suggestions and collaborations
and we want to hear from you if you can help with:

Innovative ideas **to solve**
recycling challenges



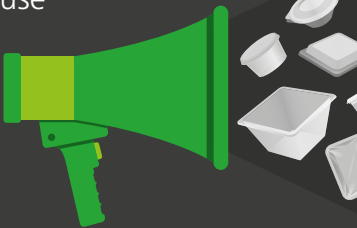
INNOVATE

Sources of plastic waste
that we can **turn into**
new products



ACCELERATE

Infrastructure **to collect,**
sort and recycle plastic
for reuse







ACTIVATE

Plastics and recycling
education for children
and communities



EDUCATE

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 @Klockner Pentaplast
 kpGroup_



If you have an idea, a project, or a
partnership you would like to speak
to us about, please get in touch!

sustainability@kpfilms.com

THERE'S SO MUCH MORE TO COME

At kp, we have been exploring sustainable solutions for years, but we've always known there are opportunities to do more.



#PositivePlasticsPledge

Our Positive Plastics Pledge is a 10-year commitment and a testament to the ambitious change we know we can deliver. While we have a way to go before we reach our mission, where the world handles plastics responsibly, and recycles and acknowledges it for the valuable resource it is, we're very proud of everything we have achieved in just one year.

As we look to the future, we're hopeful that the foundations we've built this year will help us create an infrastructure to drive a global economy that is circular.

We know there are challenges ahead. So much of our work depends on open collaboration and support from governments, local authorities, our peers in the industry, customers, brands, retailers, recyclers and consumers.

We believe that we have laid the groundwork and created platforms for an environment of cooperation and exploration that will yield incredible results now and for years to come. To strengthen our progress, we invite all stakeholders to get in touch with their ideas and to work with us to create real sustainable change.

Going forward, we will continue to meet the commitments of our Pledge and:

- 🔄 Do more with less.
- 🔄 Maximise the use of sustainable materials.
- 🔄 Promote the value of plastic waste and recycling.
- 🔄 Drive change at scale.

**Here's to a future
with less waste!**





#PositivePlasticsPledge

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