



Sustainability Report



Sustainability

When considering sustainability our focus is very much on environmental management, employee relations, community engagement and product responsibility.

It also drives us towards sourcing and using sustainable raw materials which allow us to meet our compliance obligations and to take necessary actions to minimise the environmental impacts.

We ensure our paper is sourced from sustainable sources, which are suitably managed and where applicable are FSC or PEFC certified, with a number of them produced using up to 100% recycled fibres.

Smith Anderson has been ISO14001 certified since 2012 and successfully made the transition to the new standard ISO14001:2015 in January 2017.

This aspect of the business is closely managed by the onsite Senior Management Team including the Chief Executive, Operations Director, Finance Director, Sales Director, Quality Manager, Head of Production, Sales Office Manager and HR Manager.

Consideration is also given to the following:

1. Recyclable, compostable, and biodegradable.
2. Products are manufactured using best practices
3. Products are made from materials safe and healthy for people and environment.

Policies

Smith Anderson maintains policies in support of its integrated Management System (Health and Safety, Quality, Environmental, Hygiene and Social Compliance).

Copies of all of these policies can be viewed on our website at www.smithanderson.com

Environmental Management

As part of the Environmental Management System and our responsibilities as a Packaging Supplier, we have identified a number of environmental aspects which are regularly reviewed through our Management Review process.

Aspects identified include carbon emissions from energy use and transport, hazardous spillages, impact on health through dust and noise, raw material usage, water usage and disposal, various waste streams and responsible disposal and the hierarchy of reduce, reuse and recycle.

As a result the following environmental targets were set for 2018

- **Reduce total energy consumption per million bags by 5% (based on 2014 figures)**
- **Maintain current consumption of water of 1.1 cubic meters per million bags**
- **Zero waste to landfill**

Target	Performance
Review current systems and requirements in preparation for transition to new standard.	Successful transition to the ISO14001:2015 standard in 2017
Zero Waste to Landfill	Achieved in 2017, all waste generated on site is managed through various waste streams and recycled.
Local authority compliance	Well managed flocculation unit on site for waste water improved quality of trade effluent.
Assess sustainability performance of suppliers	Regular audits and communication with suppliers regarding their own sources.
Continual review of control on heating and lighting systems	Improved controls in place including automatic switching in areas with lower usage.

Water

We continue to review and take measures, where possible, to reduce water usage within the facilities and to improve the quality of trade effluent.

Two industrial washers are in place and used for cleaning out our ink and adhesive trays which not only improves the quality of the finished product, but also reduces the amount of water used for washing through recycling and filtering.

The flocculation unit in place within the facilities removes over 90% of the solids from the wash waters and returned inks used in the manufacturing process for printing. All water from our washers and industrial sinks are channelled through the flocculation plant. The water is continually sampled and tested with local authorities for compliance.

Raw Materials

The main raw materials used within our manufacturing process are paper, water based inks and water based adhesives. Supplier acceptability is determined by the Head of Procurement and the Quality Manager through Supplier Questionnaires and relevant policy statements and supporting documents. This is a first step only and due diligence is taken in relation to the sustainability performance of our suppliers. As a company we are FSC and PEFC accredited and we also ensure that our paper suppliers can offer this claim as part of our due diligence process.

Waste & Recycling

As a packaging producer using paper with up to 100% recycled content, Smith Anderson does create waste in its manufacturing processes. This material is identified as “broke” and contains bags which have not met the quality criteria or customer requirements, as well cut off sheets from the reels known as slabbing. The company has compactors in place to separate our brown and white paper streams which is then baled and uplifted for recycling through our waste contractor. Target broke levels are set for each department as a percentage of total bags for each production run. With lean manufacturing processes in place and ownership at various levels within the company we expect the average broke level to be further reduced.

As a company, we are proud of the fact that none of waste goes to landfill, one of our key targets for 2018 however fully achieved mid-2017. Other than paper waste the main solid waste streams that are recycled include:

- Polythene packaging used to protect pallets carrying our finished goods.
- Cardboard cores around which the base paper is supplied, some cores can also be reused internally
- Metal waste as a result of our internal engineering activities
- Wood waste in the form of pallets and other packaging material.

In addition we also have facilities in place so we are in a position to recycle items such as plastic bottles and cans whilst our food waste is composted.

Hazardous waste sent for disposal includes oil filters and fluorescent tubes, which are returned to the supplier. Oil used for lubrication is stored in bunded tanks on site. All hazardous waste is dealt with by specialist waste contractors.

Ink and adhesives

Smith Anderson is a significant user of water based inks and adhesives for the printing and forming of paper packaging. The company purchases tonnes of ink and tonnes of adhesives annually.

On site we have a flocculation unit which extracts solid pigment from the ink component from the waste water which produces a solid ink cake which is removed and recycled offsite. The “clear” water is then discharged to sewer under a “consent to discharge” from Scottish Water. The system has been operating in Kirkcaldy since October 2012 and we are already seeing a greater than 99% reduction in solids and more than 85% removal of Chemical Oxygen Demand (COD) and above 50% reduction of Biological Oxygen Demand (BOD) entering the sewer.

Energy Management and Consumption

As part of our Management Review process we continue to monitor our energy usage with a view to continuously improving our Energy Management System. This will ensure that we meet our stated targets. Particular focus has been on the following areas:

- We have an energy management system in place which optimises the gas used to heat the factory and warehousing areas
- Our compressors have an energy management system incorporated that identifies the most optimal loading combination to support the air demands at that time.
- LED lighting has been installed internally and externally throughout the site.