

# JUNG Sustainability Report 2023

## Preamble:

As a family-run company, sustainability and resource-conserving behaviour have always been an integral part of our company policy. The development of sustainable gift and tissue papers and their production in the most sustainable way possible is a declared company goal to which we, as the owner family and with our entire workforce, are fully committed.

The JUNG Sustainability Report is intended to inform our customers, suppliers, our employees and the interested public about the most relevant aspects of our sustainable corporate management by reporting on the key measures and figures on an annual basis, both qualitatively and quantitatively. It is divided into the areas of „**Environment and resource consumption**“, „**Occupational health and safety**“ and „**Social responsibility**“.

The preservation of our natural habitat and our resources for future generations is very important to us. We therefore pay attention to the special concerns of the environment throughout our entire process chain and are committed to producing as resource-efficiently as possible and avoiding or reducing greenhouse gas emissions.

JUNG Verpackungen GmbH produces exclusively in Germany. In Germany, very strict legal requirements apply with regard to environmental protection and resource conservation, compliance with which is regularly monitored. This is one of the reasons why JUNG guarantees production in accordance with environmentally friendly standards. Since the company was founded in 1969, JUNG has also begun to take measures to minimise the impact of its company-related activities and products on the environment.

This concern has led us to a comprehensive environmental protection policy in all areas, both commercial and industrial. Our products are developed and manufactured with the environment in mind, with the aim of minimising their ecological footprint. We are economical, efficient and environmentally friendly in our use of nature, energy and material resources and demand the same from our business partners.

JUNG therefore excludes materials that pose a risk to the environment. Recyclable materials and biodegradable substances are favoured.

The main raw material we use, paper, is 100 % pure and therefore environmentally friendly per se. As a responsible company, Jung Verpackungen GmbH attaches great importance to sustainability and environmental protection. With this in mind, we are fully committed to the objectives of the EU Timber Regulation, which aims to prevent trade in illegally felled timber and products made from it. We are aware that the origin of our raw materials has a decisive impact on the environment, which is why we do everything in our power to only use base papers from certified and sustainably managed sources.

Our declared aim is to switch our entire paper purchasing to products with FSC® certification. The FSC® seal stands for Forest Stewardship Council, an organisation that promotes environmentally friendly, socially responsible and economically viable forest management worldwide. By switching to FSC®-certified paper, we want to ensure that our products come from forests that are managed according to the highest ecological and social standards.

These efforts reflect our commitment to a sustainable future and the protection of our forests. We are convinced that acting responsibly and adhering to strict sustainability criteria not only protects the environment, but also makes a positive contribution to society. Jung Verpackungen GmbH is proud to play a pioneering role in this area and will continue to take proactive measures to achieve our sustainability goals.

In our print shop, we operate a fully integrated exhaust air purification system with a catalytic post-combustion system to ensure certified, sustainable and environmentally friendly print production. The heat generated in this way has been used to heat the office buildings since the beginning of 2020. The introduction of active energy management, e.g. proactively switching off systems that are not currently needed, leads to significant energy savings.

The printing and processing machines used are state of the art and therefore have particularly low energy consumption.

The lighting systems have been completely converted to energy-saving lamps. Compressed air is generated using consumption-optimised compressors.

It is a declared company goal to minimise fresh water consumption. Waste disposal is ensured by a detailed waste disposal system in co-operation with external certified waste disposal companies. As part of the legal requirements of the German Packaging Ordinance, we participate in the dual system Recycle, certified annually by the declaration of completeness to be submitted to the environmental authorities.

Involving all employees and encouraging them to work in the most resource-efficient way possible is a central management task that is set out in writing in the comprehensive „JUNG Standards System“.

We observe and take into account the compliance of our business activities with the relevant national and international laws, regulations and standards for the protection of the environment.

The basis of all work processes at JUNG is the comprehensive „JUNG Standards System“, comprising over 540 A4 pages, which is available to all employees in writing and is constantly trained and updated. All measures that are relevant for compliance with quality, occupational safety and environmental protection standards are laid down in this set of rules.

We have also been able to prove the high standard of our measures through successful audits by many international companies (e.g. P&G, Hallmark, L'Oréal, Chanel, LVMH, Kering). We have been ISO 9001:2015 certified since February 2019. ISO14001 certification is in preparation, as is energy consumption optimisation in accordance with the European standard DIN EN 16247-1. Since 2021, we have been ECOVADIS. CSR certified and awarded the „Bronze Medal“. We have also been SEDEX SMETA and QIMA certified since 2023 and participate in the TRASCE consortium's „Transparency One“ supply chain platform. The CO<sub>2</sub> compensation of our wrapping paper stock programme is carried out via the Natureoffice platform. For customised products, we offer our customers CO<sub>2</sub> compensation on request.

## Environment and resource consumption:

### Use of base paper:

Our production is mainly based on the printing and processing of various types of base paper, the weights of which range from weights range from 18 g/sqm to 120 g/sqm. We buy the base papers from paper mills or paper traders, primarily in Germany, but also in other European countries. The greatest leverage for more sustainable production JUNG's greatest leverage for more sustainable production lies in the procurement of sustainably manufactured base papers from certified production. Already we have been using only FSC®-certified base papers for many years (www.fsc.org FSC® C100297). Our wrapping paper made from 100 % recycled paper has been awarded the Blue Angel (RAL certification no. 29200, 29126).

In recent years, we have made great efforts to replace virgin fibre paper with recycled alternatives wherever possible. We are constantly working on the development of suitable recycled paper for gift and tissue paper use. Recycled paper grades suitable for gift and tissue paper. The processing of recycled base papers places particularly high demands on the settings of the printing machines and the development of the colour formulations. Through extensive testing, we ensure that we achieve optimum, high-quality printing results despite the challenging materials.

### Measures taken in the reporting year:

- The proportion of FSC®-certified base paper remained consistently high at 98.3 % (previous year: 98.6 %).
- The proportion of recycled base paper was 41.5 % in 2022. The availability of recycled paper remained very tight in 2023, meaning that we were not always able to switch orders from virgin fibre to recycled fibre and had to stick with FSC®-certified virgin fibre paper for some larger production runs. The highly variable quality of the recycled base paper caused major printing problems for several orders, which is why we had to switch to FSC®-certified virgin fibre paper.
- We have been working on improving the printability of the recycled fibre papers in order to be able to print even more technically demanding projects on recycled qualities in the future. This was achieved through machine settings and adjustments to the ink formulations. However, we still need to do more here to enable us to increase the proportion of recycled paper again.
- The proportion of wrapping paper printed on grass paper in the JUNG Design wrapping paper collection has fallen because two large orders of end consumer rolls were switched to other paper types at the customer's request. However, the number of designs printed on grass paper in our gift wrap stock collection has increased. Grass paper is the pulp made from grass clippings. We continued to optimise our ink systems in the reporting year in order to achieve good printing results on grass paper.
- For SilkFill – paper-based void-filling for e-commerce packaging – the proportion of recycled paper was increased further in the reporting year. SilkFill replaces traditional, plastic-based void-filling solutions and therefore makes a significant contribution to reduction in plastic consumption.
- In the case of „film-free gift wrap rolls“, we have further reduced the amount of material used for the closure labels by further reducing the format.

### Figures:

Share of FSC®-certified paper in total consumption 98.4 % (2022 98.6 %, 2021 96 %, 2020 73 %)

Share of recycled paper in total consumption 41.5 % (2022 50.5 % 2021 61 %, 2020 28 %)

Share of grass paper in total consumption 8.5 % (2022 14.5 %, 2021 16 %, 2020 8 %)

### Colour consumption:

After base paper, the printing inks we use are the next largest raw material factor. It is our declared aim to implement the orders assigned to us with the lowest possible ink consumption. We mainly print with alcohol-based inks, which are just as good or better than water-based inks in terms of sustainability and environmental compatibility. All colours and auxiliaries used comply with the REACH regulation. The colours are suitable for food printing (although we do not have a food certificate).

### Measures taken in the reporting year:

- The computer-controlled colour mixing system installed in 2021 has helped to significantly reduce the quantities of paint rejected. In the reporting year, we further optimised the system's recipe programmes in order to improve the feeding of the injection of residual colour. This has enabled us to achieve a significant reduction in residual colour quantities. In the reporting year, we achieved good results in this area and significantly improved the integration of residual ink into ink consumption.
- The training of employees in the colour centre on how to reduce ink consumption was further intensified. This involves, for example, colour-consumption-reduced mixing recipes that can be created with the help of the formulation programme of the new paint mixing system. In the reporting year, we invested many hours in improving our knowledge.

## Water consumption:

Water is a precious resource whose waste must be minimised. Our water consumption should be further reduced to the bare minimum. We draw water from our own well for sanitary facilities and as a cooling medium. The water used for cooling is fed back into the system. We only draw very small amounts of water from the public network.

### Measures taken in the reporting year:

- Water consumption at the printing presses was kept at the low level achieved by the measures taken in 2021.
- The improved irrigation plan for the green areas developed in 2021 was further optimised. 2023 was also a hot summer and water consumption for irrigation was therefore higher than normal.

### Figures:

In the reporting year, water consumption totalled 12,436 (2022 12,058 cbm, 2021 2,109 cbm (cold summer), 2020 9,937 cbm).

## Production waste:

During print production and the subsequent roll and sheet finishing, waste is produced which is collected and sent for recycling. The fewer metres of press proof and infeed we need on the printing and converting machines and processing machines and the less waste is caused by optimised job preparation, the less waste is generated. The proportion of waste is to be further reduced by improving the processes on the printing and finishing machines and by continuously training our employees. In the reporting year, the total amount of paper waste increased due to the sharp rise in production volume. We also had three major orders that required centre cutting. The paper waste is sold to a specialised paper recycling company and flows back into the material cycle as recycled paper.

### Measures taken in the reporting year:

- In the production of SilkFill, the proportion of waste was reduced by optimising the cutting programme on the guillotine. We have also invested in a new cutting blade that reduces waste.

### Figures:

Paper waste 215 tonnes (2022 184.6 tonnes (2021 214.6 tonnes, 2020 198.7 tonnes, 2019 198.8 tonnes)

## Energy consumption:

We need electricity to operate our printing presses and paper converting systems as well as for lighting and general services. Since 1 January 2018, we have only purchased electricity from European hydropower plants. We need gas to generate drying heat for the printing presses, to heat the buildings and to operate the catalytic oxidiser. Electricity and gas costs are a significant proportion of our total costs, which is why it makes economic sense for us to reduce consumption as much as possible. By energy-saving machines, the development of a smart energy utilisation plan and the switch to energy-saving lighting, the aim is to reduce energy consumption. Furthermore, savings are to be achieved by training employees on the sensible use of energy.

### Measures taken in the reporting year:

- We further refined our energy-saving programme by intelligently controlling machine usage times.
- Despite the increase in production volume, we were able to significantly reduce energy consumption in the reporting year (sales increase + 9 %, energy consumption - 20 %)
- Replacement of the catalytic converter in the KNV post-combustion plant. This enabled us to significantly reduce the average temperature and gas consumption.
- Installation of low-consumption LED lamps in the office and plant
- Installation of new, thermally insulated windows in the office and common rooms
- Purchase of another electric car as a company vehicle

### Figures:

Electricity consumption 847,223 kWh (2022 943,072 kWh, 2021 819,364 kWh, 2020 999,738 kWh, 2019 1,131,653 kWh)

Gas consumption 961,106 kWh (2022 1,272,052 kWh, 2021 942,032 kWh, 2020 618,169 kWh, 2019 961,965 kWh)

## Occupational safety and health prevention:

### Mission:

To further reduce the number of accidents at work through regular training and increased precautionary measures. The workload of employees in the factory is to be reduced through suitable work equipment and automation. Office staff are to be supported by ergonomically suitable seating and height-adjustable desks.

### Measures taken in the reporting year:

- We installed additional height-adjustable desks in the offices and provided ergonomic chairs.
- In production, we installed additional lifting tools at workstations where materials have to be moved in order to minimise the use of force.

### Figures:

Reportable accidents at work 3 (2022 3, 2021 3, 2020 3, 2019 3).

## Social responsibility:

With over 50 years of tradition, we are an owner-managed family business in which motivated people work on the basis of mutual respect in order to be successful together in the long term. We want to fulfil our obligations to our employees, customers, suppliers, other partners and the general public. Our employees should feel valued and work in safe, healthy workplaces. We want to be a reliable partner for our local community. We support local associations and work well with Steinmauern and the surrounding the neighbouring communities. We support worthwhile projects in Germany and internationally with donations.

### Measures taken in the reporting year:

- Donations to Caritas – food bank.
- Donations to local football and music clubs.
- Donations to the Baden-Baden Lions Club for the „Rastatt-Baden-Baden Women’s Refuge“ project.
- Donations to the „Little House of Hope“ child protection project in Namibia.

In the reporting year, we won the DFTA Award 2022 in the special applications category. This is further recognition of our outstanding achievements in flexographic printing. (<https://www.jung-design.de/de/pages/111/Aktuelles>). If you have any questions about our sustainability report, please do not hesitate to contact me.



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