



HL Display's **environmental** work

. Our work so far and the challenges for the future

HL Display's **environmental** work

HL Display's environmental work lies at the base of all our operations. The strategic perspective is set at Group level but, to be able to truly integrate environmental sustainability into our company, commitment is required throughout our operations. Our environmental approach is facilitated through a global management system, and carried out locally at each production plant and sales company. We believe that this is the best way to motivate the entire organisation to take action, and achieve continuous improvements.



Our work so far and the challenges





89%
*of our production
 takes place at an ISO
 14001 certified
 production
 plant!*



As a Swedish company, it has been natural for us to constantly work with the environmental focus which has been present in Sweden for many years.

In the 1990s, HL Display's largest production facilities received environmental certification in accordance with ISO 14001.

With the certification we sent a clear message to regulatory authorities and our customers that HL Display takes responsibility for the environmental considerations linked to production.



... for the future

OPERATION

There are many activities within a company that have an impact on the environment. In all our sales companies and offices we always strive to lower this impact in our day-to-day activities.

- Telephone meetings and video conferences have in many cases replaced physical meetings, which means fewer business trips, more efficient work and lower environmental impact.
- Old electronic equipment, such as computers, screens, printers, photocopiers, mobile phones, batteries etc, are collected and sent for recycling.
- Paper and packaging material is collected, sorted and sent for recycling.





70%
of our largest
production plant's
energy comes from
hydraulic power



PRODUCTION

HL Display's production generally has a low impact on the environment. We do not have any production that leads to emissions and few chemicals are used.

Historically, the majority of HL Display's impact on the environment has come from plastic waste and energy consumption which occurs during production. Our largest production plant, in Sundsvall, Sweden, represents more than 2/3 of HL Display's total use of electricity. The electricity to this plant is supplied by Skellefteå Kraft (hydraulic power).



> All plastic waste is recycled

Considerable effort has gone into finding ways to maximise the recycling of waste material. We have achieved a high level of success in this area, and are recycling all of the plastic waste from our production processes. We have developed methods which allow us to reuse parts of the plastic waste directly in our own production processes. The plastic waste is sorted and regrinded, and then mixed with new material.

The plastic waste which we cannot use ourselves is sold to other companies who can utilise the by-product in their products, for example plastic pipes. But our efforts do not end here. Our goal for the future is to achieve a totally dumping-free production. This means that we are minimising dumping and incineration of all residual products from our production processes.



Depending
on product up to
40%
recycled material
can be used



> More efficient production – less environmental impact

We constantly work to improve the efficient use of resources in the manufacturing process, in order to lower costs and environmental impact.

- We are continuously reviewing our products to optimise the relationship between the functionality, quality and amount of material used. This means that we, in many cases, can produce a product with equal quality and functionality using less raw material.
- We have put considerable efforts into increasing speed in our production cycles. Minimizing retooling and changeover time in production results in less energy consumption as well as a significant reduction in plastic waste.
- We are minimising the water consumption by using closed, cooling water systems for some production processes at our Sundsvall and Suzhou facilities, and are looking into the possibilities of using this at our other facilities as well.
- HL Display's largest production plant, located in Sundsvall, Sweden, uses a system to utilise waste heat from machines to heat up the building.
- By gradually substituting solvent-based ink with VOC (Volatile Organic Compound) free UV ink in screen printing and use VOC free chemicals to clean screens after print we have considerably reduced the amount of solvents used, thus improving working conditions in our print plant.



LOGISTICS

As HL Display has operations in most countries in Europe, as well as Asia, efficient transportation is a concern for us. When selecting third-party logistics companies we ensure that the chosen partner has a program in place to minimise environmental impact. Several measures have been implemented to increase efficiency in transportation and reduce environmental impact.

- Smarter packaging solutions to reduce overall package size
- Improved packaging to increase number of products in each package
- We strive to always use recyclable packaging material.
- Reorganisation of our entire supply-chain structure to increase efficiency in transportation.
- A strategic change towards increased local production. As an example, production for the Asian markets in Suzhou, China, dramatically reduces the need for transporting products from Sweden.





MATERIALS

HL Display strives to deliver products and solutions which consistently meet or exceed our customers' high demands of quality and functionality. The vast majority of our products and solutions are made of plastics, the dominant ones being PolyVinyl Chloride (PVC) and PolyEthylene Terephthalate (PET).

We have, over the years, put a lot of effort into developing methods which allow us to manufacture our products using different materials. As a result, we are today able to manufacture several of our products in more than one material. This gives customers the option to, for example, choose shelf-edge strips in PET or EIP (material developed by HL Display) instead of PVC.

> Plastics are suitable for recycling

It is difficult to rank plastics in order of environmental impact, since it depends on the criteria used. Some plastics, such as PVC, use less oil in its manufacture than others. Some plastics need less energy than others in the production process. The level of biodegradability also differs between plastics etc. They however have one thing in common and that is excellent recycling properties. It is HL Display's view that plastics have a limited environmental impact when recycled. This is also the reason for our own extensive efforts to increase recycling. To complement this, we have for many years strived to remove additives from our plastics that have a negative environmental impact and we have an extensive list of substances which we choose not to use in our products. For example, we removed both lead (used as a stabiliser) and DOP (phthalate used as softener) from our PVC many years ago.



A constant effort to improve the efficient use of resources

> Background on plastics

Today plastics are used in practically all industries: packaging, construction, automotive and electronic. Plastics have good physical properties, are good value for money, are lightweight and easy to mould.

The negative aspect is that most plastics are derived from fossil fuels, such as oil. **On the positive side, it is estimated that plastics save more energy than the amount that is needed for their manufacture.** Lightweight plastics in cars help to save fuel, while their insulating properties in buildings reduce the need for energy – to either heat or cool the living space. Relative to many other materials, plastics need less energy for their basic manufacture, so they represent a very efficient use of resources. After serving a useful purpose they can be recovered for use as a new material or as a source of energy themselves.

HL Display's most used plastic is currently PVC – one of the most widely used plastics in the world. In contrast to other plastics it is not solely based on oil. 57 % of the material used in PVC is sodium chloride, also known as common salt.

After receiving criticism in the 1990s, the PVC industry has put a lot of effort into investigating and changing PVC plastic, which has led to the removal of certain additives, improved production methods and advances in recycling and environmental work.

A distinct benefit with PVC is that it is very well suited for recycling.

(Source of information: PVC Forum; PlasticsEurope, Association of Plastics Manufacturers)

« **57%**
of the material used
in PVC is Sodium
Chloride also known as
common salt ! »



OUR FUTURE AMBITIONS

We have so far, been successful when it comes to lowering the environmental impact of our production processes. But we also know that this work is never-ending and that we can always improve - and we will.

- We will continue to develop production processes in a way which will lead to lower costs and a lower impact on the environment.
- We will continue to increase recycling so that, one day, we will achieve our goal of a no dumping production.
- We will increase the use of recycled plastics in our production processes. Together with our suppliers, we are looking into increasing the percentage of recycled plastics in relation to our total purchase of plastics.
- We will continue to improve efficiency in transportation and lower our environmental impact. We are, for example, currently investigating possibilities to increase the use of railway transportation.
- Together with all our employees, we will continue to find new ways, however big or small, to contribute to a more environmentally sustainable society.



> Inviting our customers

As a part of our future environmental ambitions, we would like to invite our customers to a dialogue with us. We want to learn more about the priorities in their environmental work and what areas are most important to them, for example regarding choice of materials. That way, we would be able to develop our own efforts within the environmental area in line with our customers' needs and expectations.

Together we will find new ways to lower the environmental impact of our cooperation. One area we have started to investigate is the recycling process and how to get access to more recycled material which today is a limited resource. If our customers could collect HL Display products when these have served their useful purpose in the stores, and we together can find financially viable solutions for the transport, we could increase the amount of recycled material in our products. This is one example of what could be achieved. It is our belief that, by working together, HL Display and its customers can make a real contribution to a better environment and a sustainable future.



© HL DISPLAY AB 2008. TM Products illustrated or described within this printed matter are subject to design, patent, trademark and copyright protection.

Cptishop^{HL}

Making the most out of your selling space

HL Display's innovative solutions focusing our proven competence in merchandising and in-store communication.

BRANDMAN^{HL}

Bring your brand to life

HL Display's innovative solutions focusing our proven competence in primary and secondary placement of branded products for the retail industry.

CCRF008AB11