



2022 / 2023 - ESG / Sustainability A3

Better Planet / Better Business / Better Community

Reflection on previous year's activities



CKF DECLARATION

We will be an industry leader, growing through sustainable practices, innovative products and materials that reduce our environmental impact for present and future generations.

CKF VALUES

- Adaptable
Collaborative
Forthright
Results Driven
Committed
Accountable



CORE ESG STRATEGIES: BETTER PLANET, BETTER BUSINESS, BETTER COMMUNITY

- The goal of the sustainability team in 2022/2023 is to continue to build on the following:
1) CKF to continue on the SUSTAINABILITY path, focusing on 3 pillars: Environmental, Social, Governance (ESG)
2) Review KPI's quarterly to ensure CKF continuously reduces our overall environmental impact
3) Proactively participate in municipal and national initiatives to work toward a world with zero plastic waste.
4) Proactively participate with Industry Associations to promote plastics recycling as well as defend against political campaigns to ban PS.

THERE IS NO PLANET B.



Risk & Unresolved Issues:

PLASTICS ( PS / PET )

The closure of Chinese commodity markets (especially those for secondary plastics), also known as China Sword, has served to highlight a plastics crisis that has now come to the forefront of the global consciousness on the environment.

It is a crisis that has arisen from: the increasing use of plastics for packaging and single-use products; low global plastics collection and recycling rates; high rates of discharge of those plastics to the environment (especially the marine environment); and the dwindling availability of export markets for material collected by recycling programs in developed nations such as Canada & the USA.



In response, many municipalities across Canada and the US have chosen to BAN "hard to recycle plastics" such as polystyrene in their single-use foodservice packaging reduction strategies.

In Canada, the Canadian Federal Government has now added "plastic manufactured items" to CEPA's list of toxic elements and has passed legislation to BAN many single-use plastics. The ban will prohibit the manufacture (of PS foam foodservice trays) for sale in Canada effective Dec. 20, 2022, as well as manufacture for export effective Dec. 20, 2025!



In the US, There are over 300 pieces of legislation relating to regulating Foodservice Packaging in 31 states (many of these include bans on PS).



MOLDED FIBER ( SF / RF / TPM )

Sustainability of fiber products has now been challenged with identification of chemical composition that is no longer acceptable to composters and legislators:

PFAS: Concern of PFAS content in Food Service Articles is growing throughout North America. Several bans have been implemented in the US and more are expected in 2022/2023. CKF products such as Royal Chinet currently use fluorochemicals as grease/moisture barriers. Chemical manufacturers have voluntarily committed to cease manufacture of certain fluorine based products by the end of 2023. Search for a replacement is ongoing! CKF products are currently certified compostable under BNQ / Canadian Standards.

UPDATED: February 2023

Table with columns: Category, Results to Date (2020, 2021, 2022 Actual), KPI Targets (2025, 2030), Measurement Metrics, KPI Goal, A3, 2022 (Q1-Q4), 2023 (Q1-Q4), 2024. Rows include Communication, Environmental/Sustainable Practices, Better Planet, Better Business, and Better Community.