Review of Sustainable Packaging Designed to Replace PFAS/PFC in Food Applications



The Largest Eco Toll Coater in North America

Presented To:



Agenda

- I. SFS Sustainability Message Why it's Important to the Consumer
- II. SFS Product Overview
- III. Addressing the Bill
- IV. Next Steps



I. Sustainability – Why it's Important to the Consumer



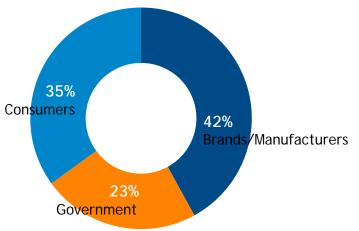
Headlines – The Path of Packaging

- "PFASs are man-made and found everywhere." Madrid Conference
- "The Emerging Crisis of PFAS Exposure" New York Law Journal
- "Fluorinated Compounds in U.S. Fast Food Packaging" Environmental Science and Technology Letters
- A World Without Waste? Absolutely Coca Cola WWW Campaign
- "11 leading companies pledge to recycle 100% packaging" ClimateAction
- A new model for corporate governance Larry Fink's annual letter to CEOs "To prosper over time, every company must not only deliver financial performance, but also show how it makes a positive contribution to society."



Who is Responsible for Protecting the Environment?

Consumers consider brands to be most responsible for sustainability.



91% of consumers say they expect food and beverage brands to actively help increase the recycling of their packages.

- Carton Council of North America by Research+Data Insights (2500 US Adults – March 2, 2016)





Sustainable Packaging is an Important Issue for Consumers

43% of Millennials and 37% of Baby Boomers consider sustainability attributes, including certification as deforestationfree or made from recycled materials, when purchasing paper products*.





* Packaging Strategies - "A Look at Consumers and Sustainable Packaging" - February 2016

Look who's already focused on clear labeling:



II. SFS Product Overview



Sustainability

- PFAS free materials with suitable oil & grease resistance for a multitude of applications
- Eco SBS is repulpable certified so at the Western Michigan University (WMU) facilities.
- Eco SBS is recyclable also certified as so at WMU
- Life Cycle Assessment (LCA) a tool to compare packaging and demonstrate the relative impact across eight environmental categories.



SFS Line of Sustainable Paper Based Products

- Eco Wrap
- Eco Linerboard
- Eco SBS

Toll Coating Capabilities



Eco SBS – A Portfolio of Products to Cover Multiple Applications

Three Current Products

- Oil & Grease Resistance (OGR) + Moisture Resistance
- Low Moisture Vapor Transmission Rate (MVTR)
- Heat Sealable
- Typical Properties substrate dependent
 - 30 minute Cobb values: <10 gms/m²
 - kit values: 10-12 typical
 - MVTR tropical conditions (90%RH, 100F): <120 gms/m²/24hours
 - Heat sealable, hot melt, and/or cold set glueable



Target Applications – Eco SBS

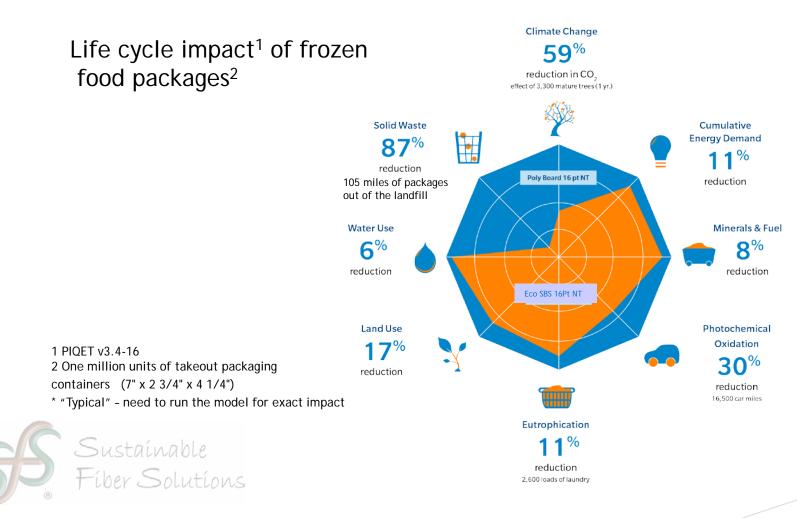
- Clamshells
- French Fry Scoops
- Fried Desserts & Wrap Pillow Packs
- Folding Cartons
- Bakery Pads
- Take-out containers (non-liquid)

- Doughnut Boxes
- Food Trays
- Ice Cream Containers
- Butter Boxes
- Muffin Sleeves
- Paper plates



Life Cycle Assessment Example*

Eco SBS® vs. poly-coated SBS



III. Addressing ENGROSSED SUBSTITUTE HOUSE BILL 2658



Eliminate PFAS Materials with Sustainable Solutions

- Sustainable paper based products that replace poly or PFAS containing materials for many applications.
- Current solutions for a multitude of applications.
- In development for other applications hot/cold cups containers that must hold liquids. Starbucks NextGen Cup Challenge
- Leverage technology to meet all of the sustainability requirements of food packaging:
 - No PFAS materials
 - Reusable, recyclable, compostable.



Section 2.2.c – "...evaluation of chemical hazards, exposure, performance, cost, and availability."

- **FDA** approved paperboard and papers.
- Exposure equivalent to non-PFAS, FDA approved paper products.
- Performance equal to or better than PFAS materials
- Equal to slightly higher costs (see tables)
- Available immediately SBS
- Available with minimal development work wrap, linerboard, other substrates
- Explore total cost savings from recycling/composting vs landfills



Alternative Solution Assessment - Cost

Sandwich Wrap	Increased Cost per Sheet (\$)		
16" x 16"	Increased Cost per Ton of Paper		
	\$100	\$200	\$300
25#	0.00074	0.00147	0.00221
30#	0.00088	0.00177	0.00265
40#	0.00118	0.00236	0.00354
Clamshell	Increased Cost per Package (\$)		
18" x 6"	Increased Cost per Ton of Paper		
	\$100	\$200	\$300
12Pt	0.0018	0.0036	0.0054
14Pt	0.0020	0.0041	0.0061
16Pt	0.0023	0.0046	0.0068
18Pt	0.0025	0.0050	0.0075
ber Contractions	0.0027	0.0053	0.0080

V. Next Steps



Next Steps

- Scope of Work what additional information is required?
- Implementation Approach
- How can SFS be of assistance?
- Others





Appendix - Supply Chain and Qualification Processes



Supply Chain Process

- Paper or paperboard is shipped to the SFS facility in Covington, TN
- Paper is coated to produce the customer specified product.
- Order to delivery lead times that are 1/3 to ½ that of poly products designed for the same application.
- SFS coordinates all production related activities.



Qualification Process

- Poly is a "known quantity" having been used in packaging applications for decades.
- Poly is over engineered for many applications.
- Understanding the true requirements of an application is the challenge.
- Work with the customer to fully understand each step of the supply chain.
- Perform the appropriate testing to confirm full fit-for-use performance.

