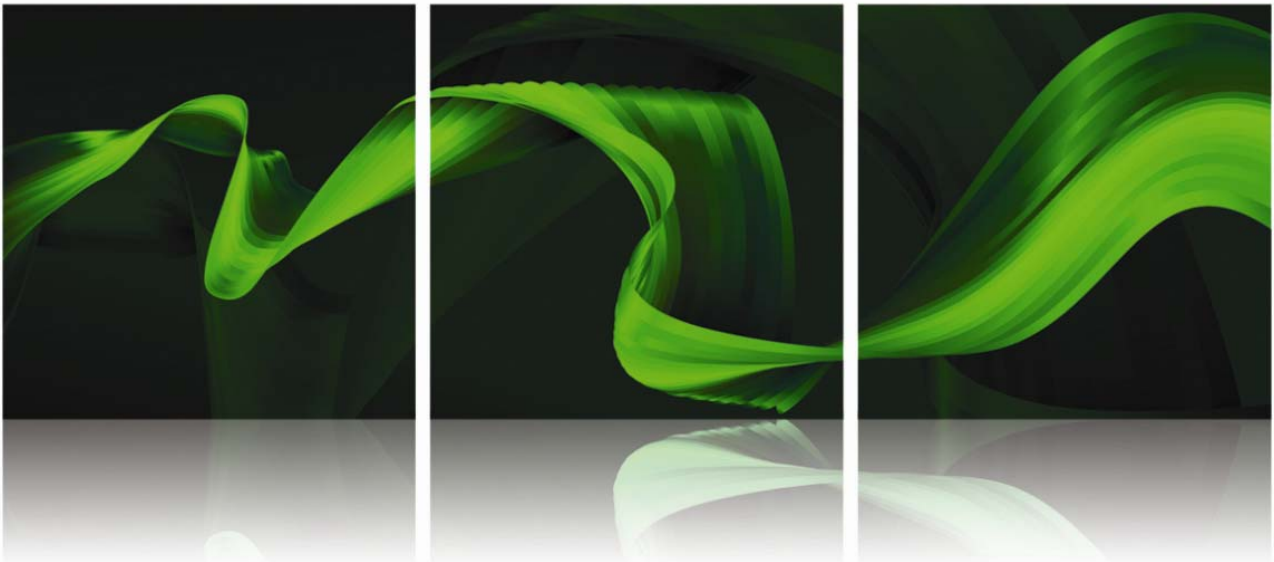
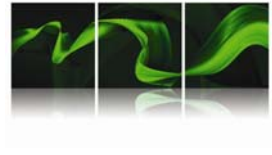




ENVIRONMENTAL STATEMENT 2011



In compliance with the requirements of Regulation (EC) No. 1221/2009 of the European parliament and of the Council of 25/11/09, allowing voluntary participation by organisations in a Community Eco-Management and Audit Scheme (EMAS)



BRANCHES

Head Office

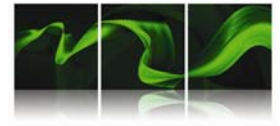
Stehlin Hostag Ink UK Limited
Unit D4 Linkmel Close
Queens Drive Ind Estate
Nottingham NG2 1NA
Phone 0115 9860477 • Fax 0115 9862681
www.stehlin.co.uk

Unit 9, Guildford Industrial Estate
Deaconsfield
Guildford
GU2 8YT

2 Grange Road
Houston Industrial Estate
Livingston
Scotland. EH54 5DE

Unit D, Royle Pennine Trading Estate
Lynroyle Way
Rochdale
OL11 3EX

This corporate Environmental Statement covers all of the above locations



Who are we?

Stehlin Hostag Ink UK Limited was established in 1983 and below is a summary of the activities and services we offer to our customer base.

Our Product Range covers your complete pressroom needs, with key focus on sheetfed including waterbased, flexo, Low Migration & web offset printing inks, varnishes & coatings, specialist UV products, silicones, adhesives & our own brand of Delta Chemistry.

Our Service spans 24 hours per day, 7 days a week with highly trained teams across our business available to service our customers' requirements.

Experienced Customer Service Teams understand the requirements of your business and can respond accordingly.

Delivered on Time if your order is for a standard product then you can trust our nationwide logistics infrastructure to deliver your order at a time convenient to you.

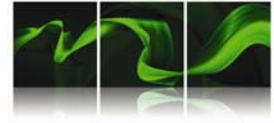
Our Colour Matching Laboratories are equipped with the very latest technology and skilled colour technicians to ensure optimum consistency of your order.

Our Dedicated Technical Service Team are available to support our customers on press, whether to oversee new ink trials, optimise your pressroom efficiency or simply offer product application assistance.

As part of the hubergroup our experience in producing inks for the print industry goes back to 1765, now with a worldwide network of companies and distributors they maintain a highly dependable technical and support service.

Research and Development, as well as the experience gained worldwide through Huber companies and our distributors, **hubergroup** invest heavily in Ink Research & Design at their Munich headquarters, this technological advantage maintains us at the forefront of the industry. For further information on the Huber group visit www.huber-gruppe.com





HSQE POLICY

Health, Safety, Quality and Environmental

The Scope

Stehlin Hostag is certified to BS EN ISO 14001:2004, EMAS Regulation (EC) 1221/2009, BS EN ISO 9001:2008 and BS OHSAS 18001: 2007 Certificate number 138 through our accreditation body Moody International and NQA, for the *Blending and distribution of printing inks and the distribution of press consumables, pre-press products and solvents*. These standards are incorporated into Stehlin Hostag's Integrated Management System and shall be hereafter referred to as IMS. Stehlin Hostag are also committed to Eupia Guidelines for GMP (Good Manufacturing Practice) and Investors In People Standard. In addition to other certifications Stehlin Hostag are a "Certified Supplied" qualified to consult with our customer base to help them achieve PSO Certification in line with 12647-2.

Our Philosophy

There are two basic business goals "survival and success".

Any organisation which has unsustainable needs, or is operating unsustainably, will need to modify its behaviour if it is to survive let alone prosper. So, strategic thinking is necessary and many businesses have found that effective environmental management allows them to understand and address environmental issues.

Our Vision

To be acknowledged by our customers, our employees, our suppliers and the printing industry in which we operate, in aspiring to be market leaders in terms of Environmental Awareness, Quality, Service, innovation and value for money, ensuring profitable growth and opportunities for all employees.

Our Mission

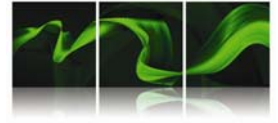
In the pursuit of excellence our mission is to provide initiatives and forward thinking in changing markets and adapt accordingly to become leaders in the service we offer. We can only do this by:

- Assisting our customers in understanding the value of what we do for them today, and to appreciate we are the right partners for tomorrow.
- Ensuring our employees are fully motivated in their role and employment with Stehlin Hostag. How? To protect and build stability for the future by showing our appreciation to commitment by offering opportunities, benefits and the potential for further development and growth. We acknowledge continual improvement can only come from the knowledge and strength of experience of our most important asset – our personnel and through the fulfilment of the requirements of our IMS.

Our Values

Are to protect our employees from Health & Safety hazards, protect the environment from pollution and to comply with all relevant legislative and other requirements, as a minimum.

We take pride in our philosophies and high quality service to our customers. Communication, awareness and training, are paramount in everything we do. The promotion of team *spirit*, co-operation and consultation is vital to our function. Continue to build our business on profitability, sustainability, development of people and market diversification.



Our Commitment

Stehlin Hostag's **vision, mission** and **values** are delivered by means of our IMS which aids us to comply with all relevant legislation, codes of practice and other requirements and develop and maintain safe and environmentally friendly working procedures and systems.

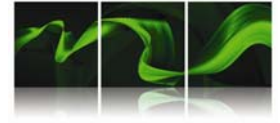
We are committed to assessing risks to our business, people and environment which arise from our own activities and the activities of those working on our behalf.

In order to do this we are committed to continual improvements in:-

The Management Review process is conducted 3 times per year, during which all our Environmental, Quality and Health & Safety and Continual Improvement objectives and targets are reviewed, revised, established and considered.

This Policy Statement will be communicated to all interested parties and is fully endorsed by our Board of Directors and Senior Managers and is publically available through our web site. www.stehlinhostag.com.

DAVID WARD
Managing Director



Significant Direct and Indirect Aspects and Impacts

Stehlin Hostag is fully aware of its responsibilities in avoiding pollution to land, water and air both within and around all its premises.

Stehlin Hostag's significant direct aspects are mainly those relating to transport and waste generation. Indirect aspects relate mainly to our customer and supply chain and we are fully committed to looking at the full lifecycle of our product and activities to ensure all significant aspects are identified and actioned.

Environmental aspects from Stehlin Hostag's activities are those arising from the *Blending and distribution of printing inks and distribution of press consumables, pre-press products and solvents* to our customer base and the significant aspects are :-

Transport and Distribution (deliveries to us, to our customer's and personal transport used by personnel)

Impact: Use of non-renewable oil resources – increased localised air pollution, noise and vibration

Waste Generation and Disposal (paper, plastic, metal, wood, liquid)

Impact: Waste packaging and product to landfill, contamination of ground water and soil, erosion of eco-system

Energy Usage (gas, electric)

Impact: Energy loss, CO₂ emissions, global warming – use of fossil fuel resources

Raw Materials (hazardous and non hazardous)

Impact: Contamination to land/watercourses – Increase waste to Landfill

Our Supply Chain (customers and suppliers)

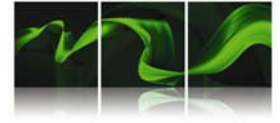
Impact: Global warming, energy loss, erosion of eco systems, emissions, discharges, cost benefits, heightened awareness.

The full list of Stehlin Hostag's Aspects can be found in the Aspects and Impacts register which is controlled, reviewed, updated and maintained in accordance with the requirements of ISO 14001:2004.

All legal requirements are detailed in the Master List of Legislation for relevant legislation relating to the Environment and Health & Safety and details levels of compliance and responsibilities.

From these aspects, Stehlin Hostag's significant impacts on the environment are the use of non-renewable oil resources, pollution to air via carbon dioxide emissions; waste to landfill; production of hazardous liquid waste, resulting in contamination of ground water and soil and energy loss.

In order to either eliminate or minimise these impacts Stehlin Hostag have established objectives and targets which form our Monitoring and Measuring Procedure for the collection and analysis of data in relation to the company's significant aspects and impacts. This data is derived internally from various sources including internal audits, external audits, legislative reviews, incident improvement reporting and through our HSE committee. External data communication is mainly through stakeholders, suppliers, customers, trade associations and other interested parties. All environmental, quality & health and safety objectives and targets are discussed and reviewed during Management Review.



Objectives and Targets

Sustainable development is an ongoing process not a goal – this is a crucially important distinction. Sustainable development should be happening now, not just in the future. The ultimate goal is sustainability.

Accept responsibility

Stehlin Hostag Ink UK Ltd aims for sustainable development, we intend to satisfy today's requirements without eroding the livelihood base of future generations.

Give high corporate priority

The protection of the environment is an integral part of Stehlin Hostag Ink UK Ltd's overall strategy and a high priority for daily management decisions.

Undertake responsibility at all levels

It is the responsibility of every individual working for Stehlin Hostag Ink UK Ltd to conserve the environment in which he or she works. Stehlin Hostag Ink UK Ltd will provide information, training and motivation to encourage employees, customers and suppliers to be environmentally responsible.

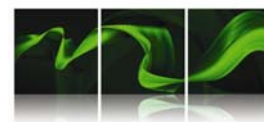
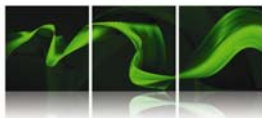
Stehlin Hostag understands its need to employ experienced and qualified personnel to ensure we not only fully identify and comply with current and forthcoming legislation, but go beyond this goal by giving full training and support to our personnel in the understanding of their roles and individual responsibilities, together with support packages, advice and consultation for our customer base.

In order to assist with prioritisation, risk assessments have been completed to identify the most significant aspects on which to concentrate our efforts and these are detailed below. However, we have a whole list of other areas we wish to investigate and do not solely focus on aspects detailed in this Statement.

All our objectives, targets and programmes are discussed and reported at Management Review for effectiveness and are monitored ongoing by the relevant Manager.

- a) **Increase van payload to above 60% by December 2011 (Warehouse/Transport Manager)**
- b) **Make a 5% reduction in CO₂ Emissions of Company vehicles by December 2011 (Financial Director)**
- c) **Make effective use of Electricity and Gas by December 2011 (Financial Director)**
- d) **Make a 10% reduction in wet and dry waste materials by December 2011 (Warehouse/Transport Manager)**
- e) **Reduce paper usage in the office by 3% by December 2011 (Customer Admin Manager)**

Summary Data on Performance



| Environmental Data – For UK Operation | 2008 | 2009 | | 2010 | |
|---|-----------|-----------|----------------------|-----------|-----------------------|
| 1. Paper Usage (tonnes) | 1,968 | 2,358 | | 2,599 | |
| 2. Van Payload Utilisation (percentage of capacity) | | | | | |
| Nottingham | 56 | 57 | | 64 | |
| Rochdale | 78 | 53 | | 79 | |
| Livingston | 30 | 19 | | 28 | |
| Bristol | 57 | 42 | | | |
| Guildford | 57 | 41 | | 61 | |
| 3. Assisting customers with reduction in alcohol usage programmes for Sheetfed printing (number of customers) | 92 | 86 | | 79 | |
| 4. Isopropyl Alcohol Sales (lts) | 223,295 | 228,130 | | 252,806 | |
| 5. Energy usage - Electricity (kWh) | 428,853 | 486,327 | | 467,697 | |
| - Gas (kWh) | 1,043,334 | 1,264,686 | | 1,278,244 | |
| 6. Waste product (tonnes) H = Hazardous G = General | | | | | |
| Nottingham | 325.511 | 129.010 | H 28.720 G 100.29 | 135.138 | H 32.712 G 102.426 |
| Rochdale | 4.338 | 8.81 | 2.990 5.82 | 14.827 | 6.4 8.43 |
| Livingston | 220 | 8.620 | 0.22 8.40 | 6.997 | 2.79 4.207 |
| Bristol | 6.740 | 9.548 | 4.368 5.18 | 13.001 | 4.284 8.717 |
| Guildford | 5.264 | 41.304 | 5.824 35.48 | 15.039 | 6.112 8.927 |
| 7. Environmental complaints | 0 | 0 | | 0 | |
| 8. Raising environmental awareness of our Customers (no of companies) | 32 | 3 | | 0 | |

- Includes A4/A3 copy paper – 2009 Since going live with SAP at the beginning of July, the A4 paper usage has increased as we expected on the previous year, though this can be out-weighted a little by Sales Ledger reports not being printed on expensive Listing paper. The reason that SAP has increased paper usage is that all reports, all reprinted invoices, all picking notes are now printed on A4 photocopy paper.
- Improvement in van payloads due to new delivery scheduled implemented in 2010.
- Number of customers buying Alcohol Reduced Fount.
- Figures show a proactive promotion of alcohol reduction within the customer base and is linked to customers buying Alcohol Replacement Fount. New customers bought 61,100 lts during 2010.
- 2008 figures are taken from March 08 to December 08 and are aggregated out for the rest of the year. During 2008 Green energy was sourced at all branches. New lighting have been purchased from funding obtained from Carbon Trust and is estimated to significantly reduce energy use during latter part of 2010 early 2011.
- Waste includes all waste products taken from site, liquid, paper/cardboard, wood, waste and metal. A good decrease seen in 2009 mainly due to reduction in cardboard as this is cut and recycled into filla for boxes, also eliminating the use of polystyrene chips and the reduction in the disposal of plastic. Reason for large increase at sites in previous years is that we were unable to obtain accurate data from Waste Contractor at the time – we now have very accurate information and also empty drums etc were previously being brought back to Nottingham for disposal due to collection rates at branches.
- No environmental complaints received for years 2008 to 2010
- Attained by way of seminars and road shows – we have stopped these due to reduced take up.

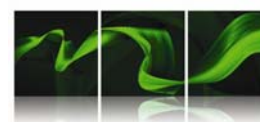
Core Indicators

| | A Total annual Input/Impact | B Overall annual output | R Ratio of A to B |
|--|---|-----------------------------------|-----------------------------|
| Energy Efficiency - Electricity -Gas | 467 MWh 1278 MWh | 110 persons | 4.25 11.62 |
| Material Efficiency | 457 tonnes | 110 persons | 4.15 |
| Water | 1,285 m ³ | 110 persons | 11.68 |
| Waste - General Hazardous | 132.71 tonnes 52.30 tonnes | 110 persons | 1.21 0.47 |
| Biodiversity – Nottingham D4 & D5 & D6 Guildford Bristol Rochdale Livingston | 5,576.15 m ² (total) (total) (total) (total) | 110 persons | 50.69 |
| Emissions – annual gaseous annual GHG | 2.48 tonnes 401.276 tonnes | 110 persons | 0.022 3.65 |

Emissions breakdown – annual greenhouse gas & annual gaseous based on 148,077.26 lts of diesel usage per year = 125.495 tonnes

| Annual greenhouse gas | Tonnes | Conversion factor GWP @ 100 years | Tonnes CO ₂ equivalent. |
|--|---------|--------------------------------------|---------------------------------------|
| CO ₂ - Carbon dioxide | 397.104 | 1 | 397.104 |
| CH ₄ - Methane | 0 | 25 | 0 |
| N ₂ O - Nitrous oxide | 0.014 | 298 | 4.172 |
| HFC - Hydrofluorocarbons | 0 | n/a | 0 |
| PFC - Perfluorocarbons | 0 | n/a | 0 |
| SF ₆ - Sulphur hexafluoride | 0 | n/a | 0 |
| | | | 401.276 |

| Annual gaseous | Tonnes |
|--------------------------------------|--------|
| SO ₂ - Sulphur dioxide | 0.008 |
| NO _x - Oxides of nitrogen | 2.472 |
| PM - Particulate matter | n/a |
| | 2.48 |



Other Performance Data (legal requirements)

A register of Significant Aspects and Impacts is maintained in order to establish objectives and plans to lessen the impact of Stehlin Hostag's activities, products and services. This register is reviewed and maintained on an annual basis (or in the event of any changes to legislation, activities or processes, or environmental complaints), in accordance with ISO 14001:2004.

A legal register, of all Environmental legislation relevant to Stehlin Hostag is maintained, reviewed and controlled by the HSQE Manager to ensure continued compliance.

Stehlin Hostag systematically reviews and analyses data through its monitoring and measurement procedure. It is important to monitor company performance at all functions in order to assist in achieving our objectives and targets and to fully understand where improvement is required. Data is collected via internal audits, customer feedback, incident improvement data and corrective action and other reporting systems.

Expertise in the areas of Environmental and Health and Safety Management is paramount in our understanding of significant aspects and impacts. Stehlin Hostag ensures that competence is maintained by key personnel qualified in these areas to IEMA, Nebosh and IRCA standards. These persons undergo Continual Professional Development thereby proving their commitment, and the importance Stehlin Hostag place on these issues. Competence is maintained throughout the company via internal and external training which is delivered and reviewed annually.

No trade effluent is discharged from our operations therefore no consent is required from the local water authority.

Based on the European Communities NACE code of economic activities Regulation (EC) 1893/2006 Revision 2 (amending EEC 3037/90 Rev 1.1 2002) our site is classified under Section C20.30 (ISIC 2022).