



2013 Sustainability Report

# Thinking Clean

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# Working Green





**Sister companies Nice-Pak and PDI are the world's leading producers of pre-moistened wipes for personal, home, healthcare, foodservice and other commercial uses.**

**Nice-Pak mission:**

To be the global leader in pre-moistened wipes and applicators by building categories and helping to improve people's health and wellness and educating them about their role in protecting the environment

**PDI mission:**

To lead the fight for infection prevention through the discovery and development of innovative solutions that support professionals, protect communities and the environment, and help save lives



## About this report

Nice-Pak Products, Inc. (Nice-Pak) and Professional Disposables International, Inc. (PDI) have prepared this report to give customers, partners, consumers and other constituents an inside look at our sustainability initiatives and performance during the past 5 years.

Inside, you will learn important facts about our 4<sup>th</sup> generation family-owned companies, our impact on health and wellness, and our stewardship of the environment.

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# Thinking Clean and Working Green

## Message from Robert Julius, Chairman and CEO, Nice-Pak

I am pleased to present our 2013 Sustainability Report, which captures our commitment to helping everyone live cleaner, healthier lives.

Nice-Pak is the global leader in developing, manufacturing and marketing wet wipe solutions that promote family health and wellness. We touch consumers of our products more than 100 billion times a year worldwide. With this extensive reach comes great responsibility to educate consumers about things we can all do to protect the environment. Our commitment is to meet the growing demand for wet wipe solutions through business practices that respect the environment. At Nice-Pak, we call this “Thinking Clean and Working Green.”

Together with our sister company, PDI, and its three divisions, we established a number of sustainability goals 5 years ago. As you will see in this report, we exceeded our commitments and continue to raise the bar. We improved energy efficiency and use of renewable energy; minimized waste; reduced water use; and transitioned many of our products and formulations to sustainable materials from renewable resources.

Our sustainability efforts have extended well beyond our walls. We have worked side-by-side with customers to collaboratively develop new lines of products that save consumers time and money without taxing the environment. In addition, we have launched educational and awareness efforts to help consumers understand their role in protecting the environment through the appropriate disposal of wet wipes. These efforts and others are featured in the pages that follow.

Sustainable practices are good for the environment and good for our business. We know the efficiencies, insights and innovations we generate help improve our

business results and enable us to sustain delivery of superior products for customers. We are pleased with our progress, but we realize there is always room for improvement, especially in the complex world of

*“We touch consumers of our products more than 100 billion times a year worldwide. With this extensive reach comes great responsibility to educate consumers about things we can all do to protect the environment.”*

health and wellness. As we look ahead, we plan to expand upon our sustainability initiatives and collaborations with customers and suppliers, so that we all can play an even greater role in protecting and preserving the Earth.

Thank you for your interest in our sustainability efforts and achievements. Most of all, thank you for partnering with us in our quest to contribute to a better world for generations to come.



A handwritten signature in dark ink, appearing to read 'Robert Julius'.

Robert Julius  
Chairman and CEO, Nice-Pak

# Be the Difference™

## Message from Zachary Julius, CEO, PDI

As business and healthcare environments change, our customers are looking for new ways to reduce costs, improve outcomes, meet environmental requirements, and provide higher levels of safety and service for their customers. At PDI, we understand the demands facing healthcare facilities, workplaces, foodservice providers and public institutions, and we are delivering solutions that help them achieve results. Simply put: Our goal is to Be the Difference.

Through hard work, extensive research, and passionate, capable employees, PDI has developed many of the industry's most important infection prevention solutions. Our scientists and clinicians, marketing and manufacturing experts, dedicated support staff and sales teams come to work with one goal in mind: to help our world reach zero preventable infections. It may sound like a lofty goal, but it is a worthy one. Studies show that about 75,000 lives are lost each year because of preventable healthcare-associated infections. In addition, 1.7 million hospital-acquired infections occur each year, and countless infections are transmitted in public spaces where families gather to learn, work, play and eat.

Our mission is to support those with responsibility for infection prevention—the cafeteria workers at your child's school, the nurse taking care of your loved one, and the consumer companies that need access to our state-of-the-art wet wipe manufacturing capabilities for their brands.

As our customers' needs evolve, so will our solutions. For example, we developed the Sani-Cloth® AF3 Portable Pack, which attaches to mobile equipment and also uses 80% less plastic than traditional canister products.

Improving health and wellness is a tremendous responsibility and one we gladly accept. Our 2013 Sustainability Report captures many of our efforts to help customers and communities stay well and, at the same time, to be good stewards of the environment. Please know you can always count on us to Be the Difference.

*“Our teams come to work with one goal in mind: to help our world reach zero preventable infections.”*



A handwritten signature in black ink, appearing to read "Zachary Julius".

Zachary Julius  
CEO, PDI

# Nice-Pak and PDI at a glance

Sister companies Nice-Pak and PDI are the world's leading producers of pre-moistened wipes for personal, home, healthcare, foodservice and other commercial uses. This report describes the U.S. data and sustainability activities of Nice-Pak and PDI. The Nice-Pak family of companies also includes Nice-Pak International, the European leader in pre-moistened wipes, with operations in Flint and Wigan, U.K., and Magdeburg, Germany, and Professional Disposables International, Ltd. based in Flint, U.K.



**ON THE WEB**  
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## United States

**U.S. headquarters:**

Orangeburg, New York

**Manufacturing facilities:**

- Jonesboro, Arkansas
- Mooresville, Indiana
- Orangeburg, New York

**Distribution centers:**

- Plainfield, Indiana
- West Nyack, New York

**Innovation Center:** 28,000-square-foot facility equipped with state-of-the-art R&D lab, located in Montvale, New Jersey



### Nice-Pak: wipes for consumers

- Infant care
- Beauty care
- Personal hygiene
- Hand hygiene
- Household wipes (surface and floor cleaning, sanitizing and disinfecting)
- Pet wipes



### PDI: categories for healthcare and foodservice

- Environmental hygiene
- Skin antiseptics
- Hand hygiene



## Europe

**Manufacturing facilities**  
for Nice-Pak International,  
Professional Disposables  
International, Ltd.:

- Flint, U.K.
- Wigan, U.K.
- Magdeburg, Germany

**1957**

Nice-Pak initiates wet  
wipe development,  
production and  
marketing

**2+ million  
square feet**

combined  
manufacturing and  
distribution sites in  
the U.S. and Europe

**~2,700**  
associates  
worldwide

**100+  
billion**

number of  
times we touch  
consumers of our  
products each year  
worldwide

# Who we are

Our family includes Nice-Pak and PDI, two industry-leading organizations on a mission to advance public health and wellness. In addition to our U.S. locations, we have a leading presence in Europe through Nice-Pak International and Professional Disposables International, Ltd., both headquartered in the U.K.

## Nice-Pak: pioneering solutions that promote family health

Nice-Pak is the pioneer and leader in developing, manufacturing and marketing wet wipe solutions that promote family health and wellness. The company created the wet wipe category and today, is the global wet wipe leader producing products for every type of wipe use. Multiple factors contribute to our success, including our ability to understand consumer needs, navigate the regulatory environment, deliver innovative solutions and implement cost-effective manufacturing practices.

### Nice-Pak wipe categories

#### Infant care

- Baby wipes
- Toddler wipes

#### Beauty care

- Facial wipes
- Cosmetic wipes

#### Household wipes

- Floor
- Specialty (electronic, lens, touch screen)
- Disinfecting
- Sanitizing

#### Personal care wipes

- Moist toilet tissue
- Feminine hygiene
- Hand sanitizing and antibacterial wipes
- Adult incontinence wipes
- Pet wipes

#### Leading brands

Nice 'n Clean® Wet-Nap® Grime Boss®  
Sani-Hands® Pet Naps®

Nice-Pak also partners with customers to provide a diverse range of private-label wipes manufactured for leading retailers.



## A history of innovation

**1957**

Nice-Pak founded  
Wet-Nap®,  
the original wet  
hand wipe,  
debuts at  
Kentucky Fried  
Chicken

**1963**

1st alcohol  
swab

**1977**

Nice-Pak  
establishes  
PDI Healthcare  
division

**1983**

1st store-  
brand thick  
baby wipe tub  
in U.S.

**1986**

1st  
re-sealable  
travel pack

**1987**

1st  
disinfecting  
wipe

**1988**

1st surface  
disinfectant  
germicidal  
disposable  
wipe

For more than 50 years, we've researched, designed, manufactured, delivered and marketed pre-moistened wipes that prevent the spread of infections and help families stay healthy. Every day, millions of people depend on our wet wipes for cleaning, sanitizing and disinfecting at home, work, in healthcare settings, at schools and other institutions, and in foodservice areas.

**~75,000**  
 number of lives lost each year in the U.S. due to preventable healthcare-associated infections\*

**PDI: reducing preventable infections**

PDI helps reduce preventable infections, control healthcare costs and, ultimately, save lives by delivering a broad range of evidence-based, market leading environmental hygiene and patient care solutions in the community and healthcare environments. PDI has three divisions:

- PDI Healthcare:** providing infection prevention solutions for physician practices, dental offices, acute care, long-term care and other healthcare institutions
- Sani Professional®:** food safety, restaurants, food processing, retail, schools and the broader away-from-home market
- Contract Manufacturing:** partnering with leading consumer companies in the development of branded wipes



**PDI product categories**

- Environmental hygiene – to reduce risk of transmission via surfaces
- Skin antiseptics – to reduce risk of transmission via skin
- Hand hygiene – to reduce risk of transmission via hands

**PDI brands**

- Table Turners®
- Sani-Cloth®
- Sani-Wipe®
- Prevantics®
- Sani-Hands®
- Hygea®



\* Healthcare Associated Infections, 2011 Data and Statistics. Centers for Disease Control and Prevention: <http://www.cdc.gov/HAI/surveillance/index.html>

1998	2003	2006	2007	2009	2013	2014
1st hydroembossed, spunlace wipes	1st antimicrobial alcohol gel handwipe  1st Solo® lid and club box	1st no-rinse sanitizing wipe accepted by EPA for food contact surfaces	Introduction of 3.15% CHG/70% Alcohol Skin Antiseptic	1st Eco-Pak for household markets and disinfecting	Innovation Center opens in New Jersey	1st dispersible wipe made with 100% plant-based material introduced (for moist flushable wipes)

# Our commitment to sustainability

Human health and the health of the environment go hand in hand. It is difficult, if not impossible, to have one without the other. That is why sustainability is an important part of all our activities—from the earliest stages of design to the product’s end of

*“We are passionate about health and wellness and committed to business practices that support a healthy planet.”*

*– Paul Vanderheyden, Vice President, Operations*

life. We are the largest producer of wet wipes from 100% sustainable resources. Our end-to-end supply chain approach ensures that we deliver products that help improve

health and wellness, protect precious resources and support our future viability.

Sustainability is the right thing to do, and that’s why it is part of who we are. Sustainability is also good for business because sustainable practices reduce costs and help us make better products.

## The journey to greater sustainability

In 2009, Nice-Pak and PDI made several big commitments to greater sustainability:



# Measuring the impact

We met and exceeded all of our sustainability goals

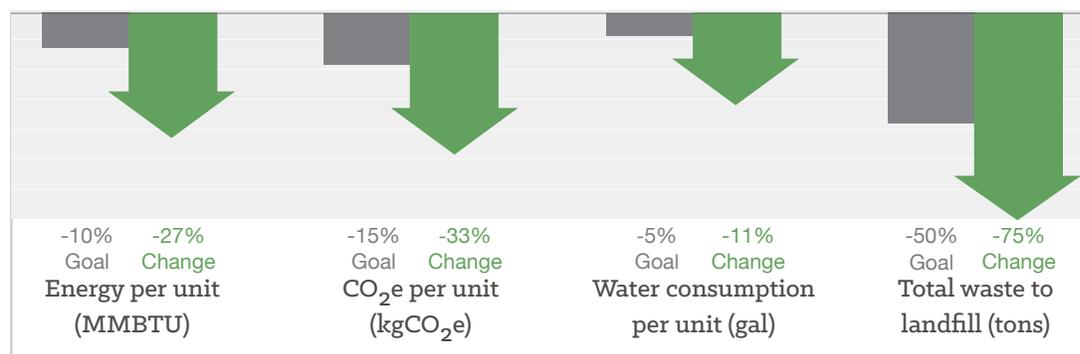
We voluntarily collect and analyze environmental impact data. Data include metrics for:

- Process efficiency (scrap rates and solution yields)
- Energy use (electricity, natural gas, fuel oil, propane, diesel and gasoline)
- Greenhouse gas emissions (direct emissions from sources we own or control and indirect emissions from purchased electricity)
- Water consumption
- Materials efficiency and waste (including landfill, recycling and alternative waste management such as waste-to-energy conversion)
- Components and chemistry (including raw material purchased based on sustainable supply chains)

This report includes U.S. data for all our manufacturing facilities, distribution centers and warehouses, including associated offices.\* These pages capture data and information on energy use and greenhouse gas emissions, water consumption, waste to landfill, and components and chemistry, which we believe are among the most impactful metrics for our businesses.

Focus area	Commitment	Results
<b>Energy &amp; greenhouse gases</b>	Improve energy efficiency and use of renewable energy in manufacturing and transportation	Reduced energy use by 27% per unit of production — more than 2.5 times our 10% goal. Reduced CO <sub>2</sub> e emissions by 33% per unit of production — <b>more than double</b> our 15% goal.
<b>Materials efficiency &amp; waste</b>	Avoid waste through efficient material use and divert as much as possible from landfill	Achieved <b>75% reduction</b> in total solid waste to landfill; brought two plants to zero landfill status
<b>Water impact</b>	Reduce water use and improve water quality	Reduced water usage per unit by 11% — <b>more than double</b> our 5% goal
<b>Components &amp; chemistry</b>	Make products designed to use more sustainable raw materials, from sourcing through disposal	Transitioned major product line to use only renewable, plant-sourced fibers and developed <b>enhanced dispersible technology</b> . <b>Our usage of naturally derived components continues to increase.</b> Continually improving our product line; eliminated certain chemicals and are reducing usage of others. Our products that contain VOCs meet or are below government limits. Our cosmetic products are free of dyes and sulfates.

## Manufacturing efficiency: 2009-2013



\* We have not collected data from our Innovation Center, which opened in the second half of 2013, or from our leased satellite offices, because we do not have operational control of them.

# Sustainability successes



## Solar success in Orangeburg

In 2013, Nice-Pak and PDI installed an 855kw solar array (more than 3,000 panels) on the roof of its headquarters and plant in Orangeburg, New York. The ballasted roof-mounted system will prevent 1.5 million pounds of CO<sub>2</sub> from entering the environment per year.

The panels are expected to generate approximately one million kilowatt hours of energy per year and supply 15% of the building's total electricity load.

## Nice-Pak joins U.S. EPA Design for Environment Program

Our Green Cleaning Wipes are the first Nice-Pak/PDI product approved to carry the DfE logo, which highlights our focus on minimizing environmental impact. The product is sold through our Consumer and Contract Manufacturing divisions, and we are exploring certifications on other product lines.

## Aligning manufacturing with supplier materials

At our Jonesboro, Arkansas, manufacturing facility, we designed more efficient machines to complement supplier materials and minimize the environmental impact of production.

These machines:

- Reduce process waste by ~2%
- Reduce energy use and greenhouse gas emissions by ~500MTCO<sub>2</sub>e equivalent (MTCO<sub>2</sub>e) per year
- Reduce material transportation requirements (lower scrap=fewer shipments) and save ~19,000 gallons of diesel fuel per year

## Sustainability at the wheel

By consolidating two warehouses in Indiana into one, we created multiple transportation efficiencies:

- Reduced transportation by 3.4 miles per trip, saved nearly 40,000 transit miles and 6,600 gallons of diesel fuel per year
- Reduced electricity use by 38% or ~1.6 million kWh per year
- Reduced greenhouse gas emissions by ~1,200 MTCO<sub>2</sub>e per year



## Zero-landfill operations

Our manufacturing facilities in Orangeburg, New York, and Mooresville, Indiana, are zero-landfill operations that utilize waste to energy processes. These efforts prevent more than 6,000 tons of trash from entering landfills and eliminate 4,700 MTCO<sub>2</sub>e emissions each year.

Our goal is to achieve zero landfill status at all manufacturing facilities, but we have not yet located a zero-landfill solution for our Jonesboro, Arkansas, plant. While we continue our search for a viable long-term landfill alternative, we have increased waste reduction and recycling efforts, resulting in an 86% reduction in waste per unit and a 326% increase in recycling per unit since bringing the facility fully online in 2010.

## Shining the light on energy efficiency

We've replaced 2,700 fixtures with high efficiency lamps at our facilities in New York, Indiana and Arkansas. The project has reduced the lighting load by ~70% while increasing light levels by ~30%.

More efficient lighting also reduces greenhouse gas emissions by ~2,100 MTCO<sub>2</sub>e per year.

# Annual savings from our sustainability success stories

In addition to sustainability projects that impact our facilities, we have invested in dozens of projects that drive savings for stakeholders, including material suppliers, service vendors, customers and consumers. These projects vary in scope and size and include everything from packaging innovation to shipping optimization. Overall, the sustainability efforts that reach beyond our walls have resulted in more than \$1.8 million in annual savings. The chart below captures annual savings that result from many of our projects.



**35,547 tons**

Reduction in GHG emissions (MTCO<sub>2</sub>e), more than twice the total emissions generated by our plants



**8.1 million kWh**

Electricity saved: enough to power 768 homes\*



**458,611 gals**

Diesel saved: enough to fuel ~3,000 full truckloads along a 1,000-mile journey



**13.1 million lbs**

Waste avoided at landfill: equal to the amount of trash produced by 12,600 Americans\*\*



**8.6 million lbs**

Fewer pounds of raw material needed to produce same amount of product



**5.2 million gals**

Water saved: enough to fill ~8 Olympic-sized pools\*\*\*

\* Calculated using U.S. EPA's Greenhouse Gas Equivalencies Calculator, <http://www.epa.gov/cleanenergy/energy-resources/calculator.html>

\*\* Calculated using approximate U.S. population of 316 million and U.S. EPA's figure of 164.27 million tons of municipal solid waste from *Municipal Solid Waste Generation, Recycling, and Disposal in the United States: Facts and Figures for 2012*, [http://www.epa.gov/waste/nonhaz/municipal/pubs/2012\\_msw\\_fs.pdf](http://www.epa.gov/waste/nonhaz/municipal/pubs/2012_msw_fs.pdf)

\*\*\* 7.9 based on FINA (International Swimming Federation) specifications for a 25 by 50 meter pool with a 660,000 gallon volume

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[wearepdi.com](http://wearepdi.com)

### Passionate about packaging and recycling

Our industry-leading Eco-Pak demonstrates our commitment to recycling. Used for surface disinfecting, the portable, soft pack wipe delivery system replaces canisters, reducing packaging material by 81%. Also, 45% fewer pallets are needed to move the product, which reduces transport demands.

Many of the flip-top lids used in our packaging can go directly into the recycling bin after use. Our environmentally friendly lids reduce plastic use by 36% or more than 2 million pounds each year as compared to the previous design.

### Wipes made from sustainable fibers

Many of our baby, facial, and household wipes are made in whole or in part from plant-based fibers including fibers from wood pulp. The pulp is created using a waste-reducing process that recycles resources, including water. From 2009 to 2013, we switched over 34,000 metric tons of the fibers in our products to plant-based fibers.

The ultra-soft fiber can be blended with other fibers to create new textures, strengths, and product features, such as embossed scrubbing texture to make wipes more efficient.

## Innovation Center

In October 2013, we opened a world-class Innovation Center in Montvale, New Jersey. This center will deliver market-leading products for healthcare, consumer and commercial markets, including surface disinfection, surface cleaning, skin antisepsis, hand hygiene and personal care.

The new facility affords us the opportunity to continue providing superior products while supporting our commitment to the environment through the use of sustainable materials and packaging.



*Our 28,000-square-foot facility is equipped with state-of-the-art lab space and houses 60 full-time employees dedicated to research and development operations.*

# Innovating for the future

Nice-Pak and PDI have made great progress with our sustainability initiatives. But our world is ever-changing, and we must continuously track, evaluate, measure, and deliver programs and products designed to protect human health and preserve our environment.

Three factors will help us build upon our commitment to sustainability:

- Continued partnership with customers and suppliers to enhance sustainability performance
- Ongoing education and awareness to help the public understand appropriate use and disposal of wet wipes
- Continued innovation for the products we deliver to keep loved ones, friends and communities healthy and productive

## Education, tools and resources

### Do Not Flush

Nice-Pak was among the first wet wipe producers to add prominent “Do Not Flush” logos and statements to the packaging and directions for our non-flushable wipes.



In addition, we are partnering with organizations to educate consumers about wet wipe flushability. For example, we are collaborating with the Association of the Nonwoven Fabrics Industry (INDA) and the Maine Wastewater Control Association (MWWCA) on a campaign to educate consumers about which products should not be flushed, but disposed of in trash cans.



### Mobile solutions

Healthcare workers are always on the move in their facilities. To help them keep surface disinfection wipes within their reach, we recently developed and launched the Sani-Cloth® AF3 Portable Pack, a handy pack that attaches to mobile equipment to make wipes easily accessible. The pack uses 80% less plastic than traditional canister products.

Our scientists and clinicians at PDI continue to research and develop point-of-care solutions that help healthcare institutions provide safe and effective care for patients.



**At Nice-Pak and PDI, we are proud that we have met and exceeded our sustainability goals during the past 5 years. We also realize we must continue to improve and will be re-evaluating our sustainability initiatives and setting new goals for the future. We look forward to continuing this important journey with you.**

“Sustainability is not a fad or a one-time program. It is a long-term responsibility and a culture that requires us to always think about the most innovative ways to protect health and the environment. Everyone in the company shares this responsibility.”

– Renee DeFranco,  
Chief People Officer

# Thinking Clean

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# Working Green



**100% RECYCLED PAPER**



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