

luxuriously responsible™

Curtis Packaging

Sustainability Report 2007



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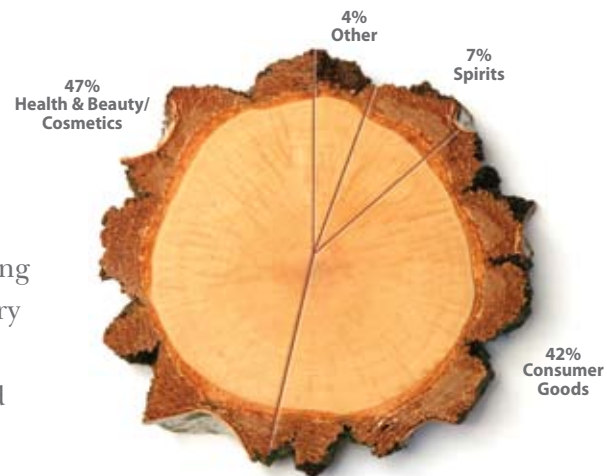
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Corporate Profile

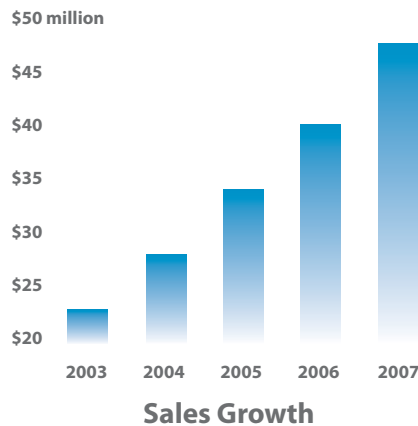
Curtis Packaging is a luxury folding carton manufacturer based in Sandy Hook, Connecticut. Since 1845 the family-owned company has offered fully integrated printing and packaging solutions for the health and beauty, cosmetics, sporting goods, consumer goods, spirits, and gourmet foods industries.

Our sustainability heritage dates back to our founding in 1845. Being a responsible corporate citizen is embedded in our roots. We are proud of our many

accomplishments, including being the first company in our industry to use 100% renewable energy, to be 100% carbon neutral, and to be FSC (Forest Stewardship Council) certified. Curtis is the premier provider of sustainable packaging innovations. We deliver environmentally friendly packaging to the most discerning customers.



Market Segments



2007 KEY BUSINESS STATISTICS

Sales: USD \$47 million

Operational Output: 204 million cartons

Employees: 188

Avg. Employee Tenure: 10.8 years



From the Chief Executive Officer

I am pleased to share Curtis Packaging's first Sustainability Report. We had a successful year in 2007 and have continued to make major strides in our commitment to environmental stewardship.

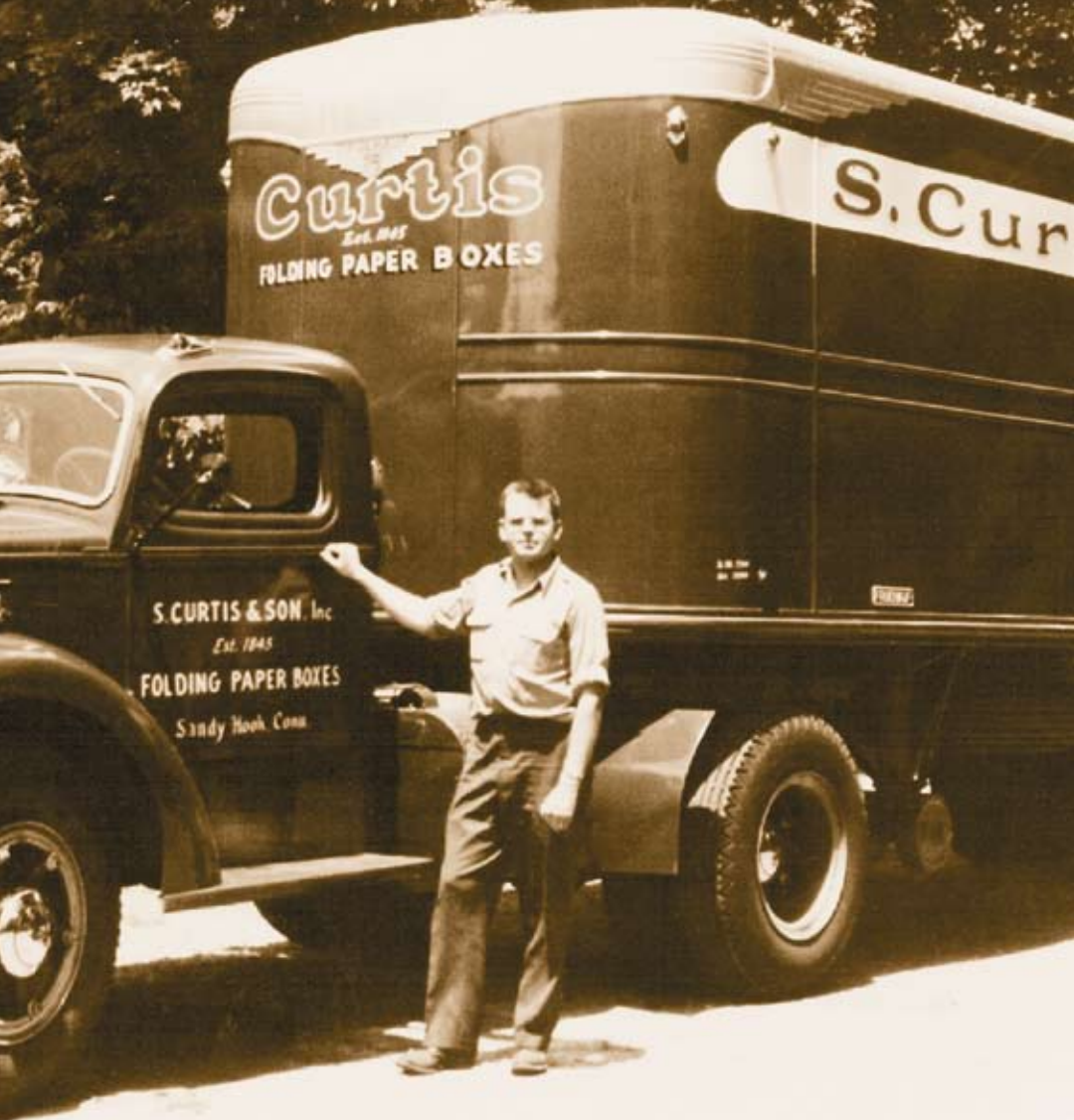
Since 1845, Curtis has been a responsible company, committed to sound corporate citizenship. I see it as my duty and the duty of every employee to keep us on that path as 21st Century challenges and opportunities unfold. We respect our community and add to the vitality and economy of the regions where we operate.

In 2007, Curtis took significant steps toward its continuous sustainable growth. We established benchmarks for 2008 so that measurable objectives for continuous process improvement can be evaluated. As the adage goes, "what gets measured, gets managed." Additionally, with the help of The CarbonNeutral Company™, we became the first printing and packaging company in North America to be carbon neutral. We are very proud of this and other accomplishments, though we know the path forward is a challenging one. We are committed to be a good neighbor, employer and a socially responsible corporate citizen.

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

Don Droppo, Sr.
President and CEO

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Corporate Governance

Responsibility for corporate citizenship and sustainability rests with the CEO and with our Board of Directors. Key elements of our governance system include:

Board Oversight—

Our board meets quarterly and sustainability issues are on the agenda at each meeting.

Executive Leadership—

We hold our leadership team accountable for our environmental and sustainability performance.

Independent Audits—

We retain outside experts to audit our environmental compliance and management system performance.

Stakeholder Engagement—

We work with a wide variety of external stakeholders to learn from our peers, shape our positioning, and chart the path forward.

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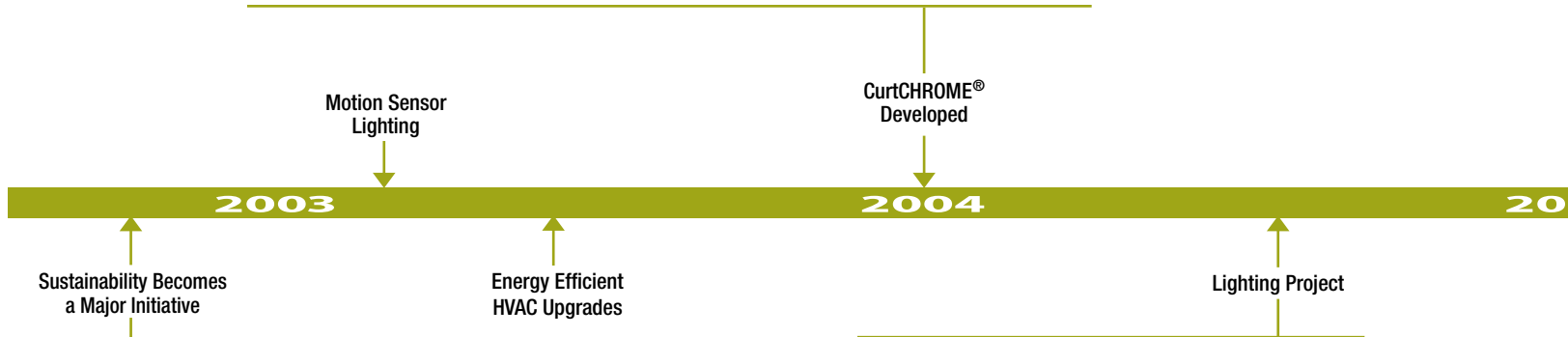
environmental responsibility

Over the last five years, Curtis has proactively transitioned our business to significantly reduce our environmental footprint. We believe that our corporate sustainability practices should incorporate the concept of *additionality*. *Additionality* is a term used by Kyoto's Clean Development Mechanism to describe a carbon dioxide reduction project that would not have occurred had it not been for concern about the mitigation of climate change.

Environmental Printing Innovations

Curtis has developed several printing innovations that combine luxury packaging with sustainable solutions. Among them are CurtCHROME® and CurtCOAT™, which are proprietary environmentally friendly alternatives to foil lamination and film lamination, respectively.

CurtCHROME® has prevented 2,000 tons of foil from going to the landfill.



Sustainable Raw Materials

Paperboard is a very important component of our manufacturing process. When possible, we source our materials from responsibly managed certified forests. We further strive to provide our customers with materials containing high post-consumer-waste content.

Environmental Savings Equivalent: Saving 15,000 trees or not generating 195,300 lbs. of GHG (Greenhouse Gases).

Efficient Lighting

We implemented an efficient lighting project throughout our facility that will deliver 11.4 million kWh in lifetime savings. The State of Connecticut subsidized 21% of the project through its Southwestern Connecticut Demand Reduction Program.

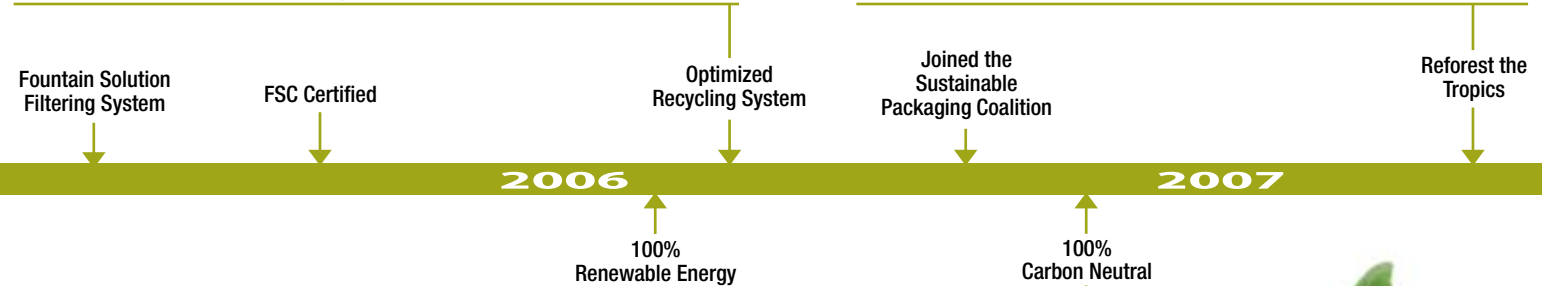
Environmental Savings Equivalent: The carbon sequestered annually by 2,014 acres of pine or fir forests.¹



Waste Management

Curtis is committed to recycling, reusing, and reducing our waste. We have worked with a waste management consultant and implemented several projects to reduce and recycle waste.

- Recycling of 2,550 tons of waste material
- Fountain solution usage decreased by 75%
- Hazardous waste reduced by 60%



Renewable Energy

We are committed to using 100% clean, Green-e certified renewable energy to power 100% of our operations. This initiative enabled Curtis to become an EPA Green Power Partner. Our green energy is supplied by Community Energy and is comprised of 85% wind power and 15% hydroelectric power.

Environmental Savings Equivalency:

Taking almost 800 passenger cars off the road or saving more than 10,000 barrels of oil.¹

Carbon Sequestration

Curtis partnered with Reforest the Tropics, a non-profit organization based in Connecticut, to sponsor a five-acre forestry and biodiversity project in Costa Rica. This project is part of the United Nations Environment Programme, Plant for the Planet: Billion Tree Campaign.

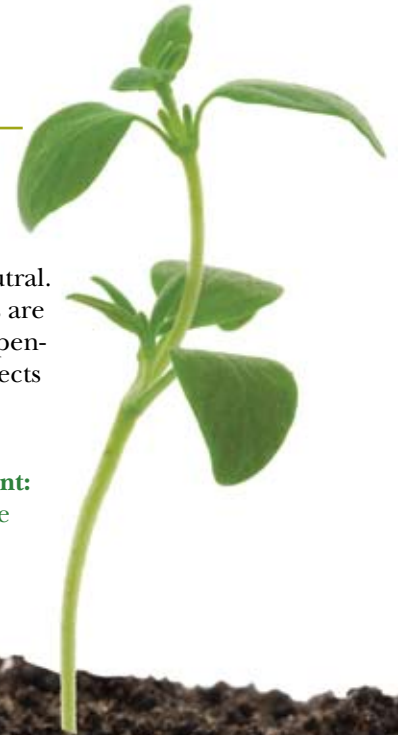
This project planted 2,025 tropical forest trees.

Carbon Neutral

In 2007, we became the first packaging company in North America to be 100% carbon neutral. Our unavoidable CO₂ emissions are neutralized by investing in independently audited high quality projects in Wales and Germany through The CarbonNeutral Company.TM

Environmental Savings Equivalent:

Saving 94,000 gallons of gasoline or offsetting the electricity used by 110 homes during one year.¹

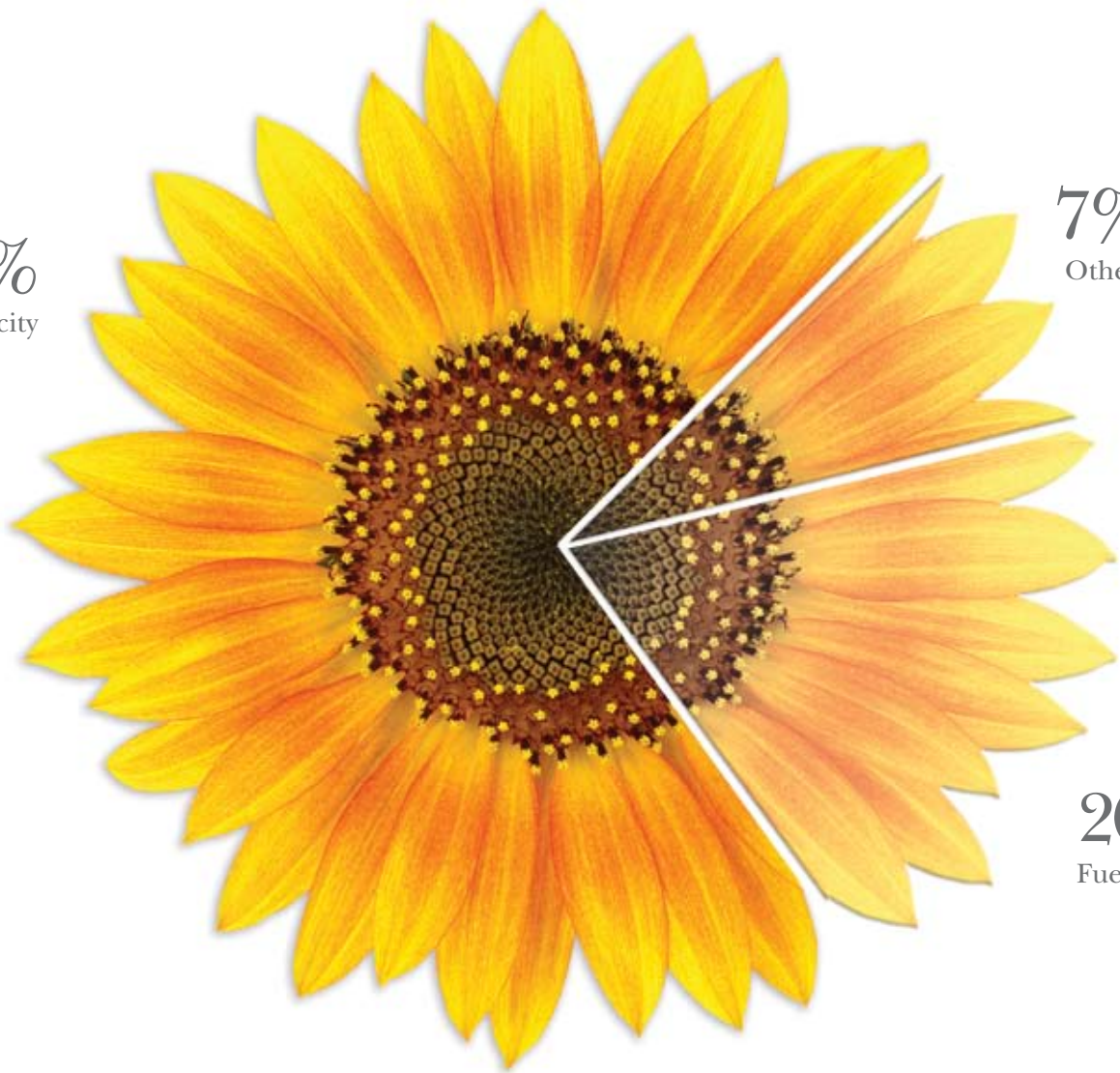


1. Source: www.epa.gov/cleanenergy/energy-resources/calculator.html

73%
Electricity

7%
Other

20%
Fuel & Gas



Curtis Source of CO₂ Emissions

Our Social Responsibility

Curtis is one of the largest employers and taxpayers in Newtown, Connecticut.

We are proud of our contribution and involvement with the community. We actively support more than 30 charitable and philanthropic organizations that enhance the lives of others.

Our 100% clean renewable energy purchase qualified the town of Newtown to receive a free solar panel and to become a Clean Energy Community.

Our People

Employee Benefits

We provide our full-time employees with many excellent opportunities and benefits.

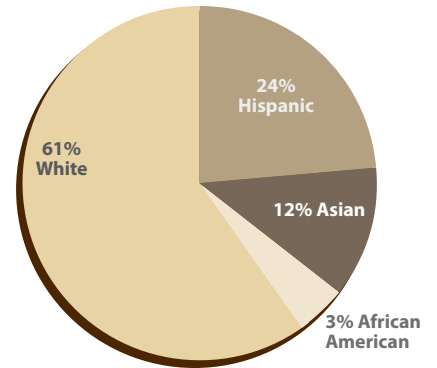
Health & Safety

We strive to ensure a healthy work environment for our employees and maintain our goal of zero injuries. In 2007, we had six minor out-of-work injuries. These injuries are unacceptable, and we are committed to improving our results through continuous health and safety training.

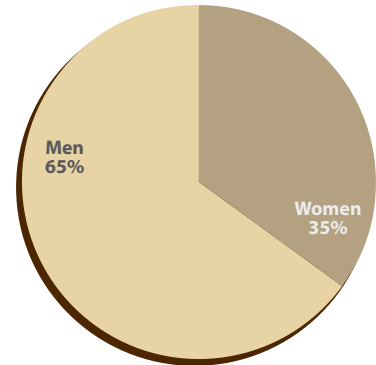
Diversity

We are very proud of the dedication of our employees. For over 163 years we have embraced our heritage of diversity and equal opportunities to all individuals.

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community



Ethnicity



Gender

Human Rights Policy

Curtis Packaging is committed to conducting business in a socially responsible and ethical manner. We are devoted to the support of fundamental, universal human rights.

Reporting our Progress

We support the Global Reporting Initiative (GRI) efforts to standardize non-financial reports such as this and will increasingly align our reporting and metrics with the GRI guidance. We look forward to joining thousands of companies worldwide that are working toward greater transparency and standardized reporting.



curtis leadership

Our Path Forward

We have three long-term goals as we continue our sustainability journey:

- Reduce our carbon footprint
- Zero waste
- Sustainable raw materials

To continue to achieve those goals our plan in 2008 is as follows:

- Research and support projects that adhere to the concept of additionality.
- Continue to work with environmental consultants and other stakeholders to identify waste reduction opportunities.
- Use FSC (Forest Stewardship Council) and SFI (Sustainable Forestry Initiative) certified paperboard when available.
- Join Ceres in an effort to learn and implement best sustainable practices.

Working With Our Stakeholders

At Curtis Packaging we are honored to have a group of external stakeholders who help us pave the way to a sustainable future. These include:

- Sustainable Packaging Coalition
- Forest Stewardship Council
- EPA Green Power Partner
- The CarbonNeutral Company™
- Community Energy
- Green-e
- Reforest the Tropics
- Paperboard Packaging Council
- The Graphic Source
- Independent Carton Group



We very much welcome your feedback on this report and your ideas for future reports.

Kindly contact us at:

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