

ROCKLINE[®]
INDUSTRIES

ENVIRONMENTAL
SUSTAINABILITY
2015 REPORT

LETTER FROM THE PRESIDENT



Letter from the President

Rockline has grown and changed a great deal since we started our sustainability program in 2008. What hasn't changed is our commitment to reducing our environmental impact.

Rockline has always been a company that works to do the right thing and focuses on continuous improvement – which is really what sustainability is all about. We

continue to drive improvement in our sustainability metrics. We retired our 2015 goals this year and I am excited to share that we exceeded targets for energy, greenhouse gas emissions, solid waste and landfill rate, and made encouraging progress in transportation. Our achievements would not have been possible without the commitment and dedication of our associates around the world. There is still work to be done on our water use; we must continue to look for new and innovative ways to reduce it.

Transparency is an integral part of our program. Providing the hard data allows our stakeholders to see where we hit our goals and where we fell short – knowing that our work is never done.

As we look ahead to 2020 and our next set of targets, we know there will be challenges. Our intent is to remain fully engaged in identifying opportunities to enhance our sustainable business practices and to stay focused on the things we can control. We will also keep our eyes on our aspirations, and work toward an even more sustainable Rockline.

We look forward to sharing our progress with you, and we appreciate you taking the time to read this year's report. As always, we welcome your feedback.

Randy Rudolph

Mission Statement

Rockline will take positive steps to develop environmentally sustainable processes, products, packaging, and raw materials throughout the supply chain that will deliver long-term value for our customers, communities, and associates.

Rockline Values

RENEW	Invest all earnings in continuous improvement
RESPECT	Treat others as we want to be treated (associates, suppliers, customers, community and environment)
INTEGRITY	Do the right thing
TEAMWORK	Individual goals are secondary to team goals
EXCELLENCE	Best in class

Organizational Profile

Rockline Industries is a privately-held manufacturer of wet wipe, coffee filter, and baking cup products, headquartered in Sheboygan, Wis. Founded in Plymouth, Wis. in 1976 by Ralph Rudolph, Rockline has grown to become a global enterprise.

Rockline's environmental sustainability program was started in 2008. The program is driven by the recognition that the world's population is growing and consuming resources at an unprecedented rate, leading to more waste and more carbon emissions than ever before. We have always sought to deliver long-term value to our customers, and today that means offering them the highest quality product from the most sustainable business practices. If we can accomplish this, we can ensure future generations have the resources and opportunities to live full and healthy lives. More and more, consumers recognize this fact and our customers increasingly expect best practices from us and we aim to deliver. Our program follows a top-down approach with executive review annually and an environmental steering committee driving direction on strategic initiatives. We have successfully embedded sustainability throughout the organization through designated Green Leads within our facilities who are responsible for implementing specific initiatives.

Company Overview

Rockline Global Locations



Rockline employs more than
2,400
people worldwide.

Product Line

Rockline products are sold in over 40 countries around the world.

Coffee Filters, Baking Cups and Wet Wipes



The purpose of this report is to update stakeholders on Rockline's progress against our sustainability goals. Rockline is committed to measuring, reporting and improving our environmental performance.

Boundaries

This report covers operations over which Rockline exercises financial control, with the exception of two minor subsidiaries, Rockline Netherlands B.V. and Rockline Trading Hong Kong, which represent less than 1% of our global business activities and environmental impact; and our Russellville, Arkansas facility, which started operating in Fiscal 2015. We have also excluded Soshio (HK) Industrial Co. Ltd., our Chinese manufacturing partner, as we do not exercise financial control over their operations.

Scope

The greenhouse gas (GHG) emissions data in this report are comprised primarily of Scope 1 and Scope 2 data from our manufacturing facilities and offices. This report also contains a limited amount of Scope 3 data (GHG emissions from outbound shipping of our finished goods to customers).

Methodology

Unless explicitly indicated otherwise, all data, figures and charts cover the period of our fiscal year ending in 2015, which runs from July 1, 2014 to June 30, 2015. The data in this report has been collected from invoices and statements of account sent to Rockline by our utility providers and other vendors. We have calculated our carbon footprint using the Greenhouse Gas Protocol Corporate Standard, as well as emission coefficients from the United States Environmental Protection Agency (US EPA) and the United Kingdom Department of Farm, Environment, and Rural Affairs (UK DEFRA). In 2014, the US EPA updated the emissions factors and our data were adjusted to reflect these updates. This is our seventh annual report. Our previous report was published in October 2014, covering our fiscal year 2014 (July 1, 2013, to June 30, 2014). Prior years' data may be restated due to more accurate information.

Stakeholders

Our stakeholders were identified as customers, suppliers, associates, and communities in 2008 by our environmental sustainability steering committee. Since then, we have engaged our stakeholders in a myriad of ways. We have integrated environmental sustainability metrics into our supplier reviews and have engaged suppliers in designing their own sustainability programs. We have engaged our customers and play an active role in many of their sustainability programs, as well. We have an obligation to the communities in which we operate to ensure we do our part to make them livable, clean, and safe.

Contact

We welcome and appreciate all inquiries and feedback pertaining to our Environmental Sustainability Program.

Nina Schaub

Global Sustainability Coordinator

nmschaub@rocklineind.com

920-453-2795

3-Tier Vision

Long Term — Aspirations

Aspirations are our hope for what a completely sustainable Rockline might look like, at some point in the future.

Medium Term — Multi-Year Goals

Rockline's first set of multi-year goals was retired in 2015. The current goals are set for our fiscal year 2020 and are outlined on page 10. These more ambitious goals give shape to where Rockline is headed in a strategic sense.

Short Term — Annual Goals

Rockline sets annual sustainability targets, as a way of measuring our progress from year to year. These goals are small, incremental steps toward sustainability.

Aspirations

Fossil Fuel Independence

Rockline wants to move away from fossil fuels toward clean, low-carbon energy.

- Use energy more efficiently.
- Show preference for low-carbon fuels.
- Adopt alternative and renewable energy sources.
- Eliminate sources of energy use.

Create Value, not Waste

Rockline wants to minimize waste and its impact on the environment.

- Design waste out of our system.
- Increase manufacturing efficiencies.
- Divert solid waste from landfill.
- Investigate alternative waste strategies like reuse, recycling, and energy recapture.
- Eliminate sources of wastewater from our operations.

Ecologically Intelligent Products

Rockline wants to make and sell products that sustain the environment in the long term.

- Make products that perform using less material.
- Use materials that come from natural sources and recycled inputs.
- Incorporate chemicals that are safe for human health and the environment.
- Eliminate packaging and choose packaging materials that are more recyclable by consumers.

Fiscal Year 2015 Progress

Specific metric data can be found on pages 11-17. The figures are a comparison of our Fiscal 2015 versus our Fiscal 2009 baseline year.

METRIC	UOM	2015 GOALS	2015 RESULTS
Energy	MJ/std	-15%	-21%
GHG Emissions	kg CO2e/std	-15%	-22%
Water	L/std	-5%	49%
Solid Waste (Filters)	kg/std	-5%	-15%
Solid Waste (Wipes)	kg/std	-20%	-45%
Landfill Rate	%	-5	-10
Transportation	kg CO2e/tkm	-10%	-8%

Key Achievements

We met or exceeded our goals in:

Energy and Greenhouse Gas Emissions

We invested in energy efficiencies, installed a geothermal heating and cooling system and replaced propane forklifts with battery-electric.

Solid Waste and Landfill

We rebuilt and upgraded production lines to reduce scrap and added recycle streams for many of our materials.

Key Challenges

Water

Line installations, increased need for cleaning and sanitization, and equipment challenges all led to an increase in water over baseline FY2009. We continue to look for new opportunities to reduce our water.

Waste

We continue to evaluate the market for recycling and reuse of our blended nonwoven material.

Transportation

Intermodal service degradation prevented expanding rail conversion.

2015 Highlights

Energy and Greenhouse Gas Emissions

Our Springdale, Ark. facility replaced all production forced air heat systems, with 99%+ efficient ventless radiant heaters.

Our Springdale, Ark. facility added air ducts to utilize exhaust heat from compressors to heat the warehouse.

Our Redditch, UK facility is undertaking an Energy Savings Opportunity Scheme to help identify excessive or unnecessary use of energy within the facility.

Our Montville, N.J. facility reduced the number of propane forklifts, and within the 2015 calendar year, will be down to one.

Solid Waste and Landfill

Our Montville, N.J. facility maintained a recycle rate of approximately 99%.

Our Sheboygan, Wis. facility will begin recycling label backing in 2016.

Our Montville, N.J. facility averaged 99 days between visits to the landfill.

Our Booneville, Ark. facility is actively pursuing opportunities for the re-use or recycling of baled substrates. This will be a continued focus in Fiscal 2016.

Transportation

Rockline implemented a de-consolidation center in Fife, WA where 40-foot containers are transferred to 53-foot trailers, eliminating one container to be drayed inland for every three containers received. As a result of Fife's start-up on the West Coast and the 2014 opening of the Charleston East Coast crossdock, no ocean containers will be coming inland with finished goods.

A re-design of the layout of our Liberty warehouse in Booneville, Ark has eliminated 976 forklift miles in less than one year.

Sustainable Product

Our Redditch, U.K. facility has identified chemical raw materials derived from palm oil and is sourcing sustainable stocks from certified farms.

Leadership

The Sustainability Coordinator for the Sheboygan, WI facility is a member of the Mayor of Sheboygan's Sustainability Task Force. This group studies and makes recommendations regarding strategies for the city to create and maintain a sustainable Sheboygan. The focus is recycling, green purchasing, energy conservation, waste management and sustainability measures, and raising community awareness on environmental stewardship.

All Rockline facilities continue to educate associates through our Sustainability 101 training program.



2020 Goals

METRIC	UOM	2020 GOALS
Energy	MJ/std	-15%
GHG Emissions	kg CO2e/std	-15%
Water	L/std	-5%
Solid Waste (Filters)	kg/std	-5%
Solid Waste (Wipes)	kg/std	-20%
Landfill Diversion Rate	%	81%
Transportation	kg CO2e/tkm	-7%

In early Fiscal 2015, the Environmental Sustainability Steering Committee came together to discuss our next set of medium-term goals to guide our work until 2020. Our conversation centered on what will make a meaningful impact on our environmental footprint – and also what makes business sense. The committee determined that we need to continue to build upon our past sustainability performance and renew our goals in six operational areas that we have control over: Energy, Greenhouse Gas Emissions, Water, Solid Waste, Landfill Rate, and Transportation. These renewed goals extend and reinforce Rockline’s initiative to further reduce the intensity in these focus areas. This direction also aligns with our corporate values of respecting the environment and investing in continuous improvement. Rockline is committed to the goals and the steering committee believes that these targets will continue to drive innovation and transformation, enhancing the way Rockline operates across our entire business.

Environmental Sustainability Steering Committee

Ron Kerscher - Sr. VP of Sales and Marketing

Rich Rudolph - VP of Sales

Nick Santoleri - VP Operations Global Wet Wipes

Lorraine Crosbie - EU Retail Sales Director

David Deising - VP - North American Retail Products

David Cook - Contract Manufacturing Services Sales Director

Nina Schaub - Global Sustainability Coordinator

ENERGY

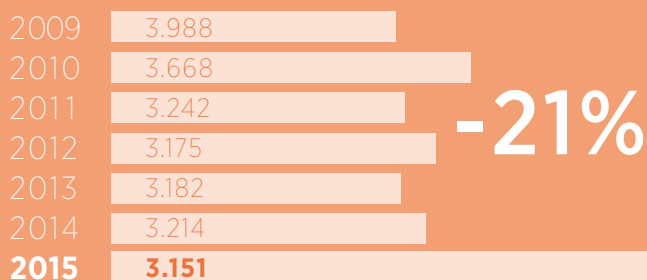
2015 Goal -15% **Actual -21%**

The energy we consume is used in the conversion of finished raw materials into consumer packaged goods, including wet wipes, coffee filters, and baking cups. The types of energy we use can be broken down into three broad categories: electrical, thermal, and vehicular. Rockline's electricity is sourced from public utilities.

Our two primary thermal fuels are natural gas and No. 2 distillate fuel oil. (The latter is used only at our Montville, N.J. facility.) Rockline procures these fuels from public utilities or traditional commercial suppliers.

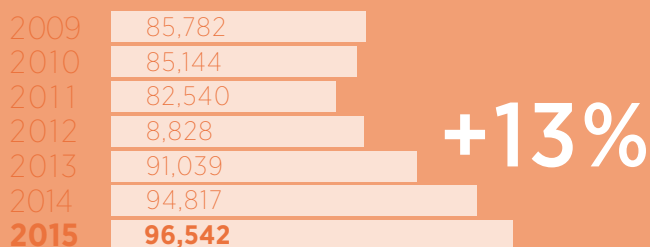
Rockline vehicle fuels, which include conventional motor diesel and conventional unleaded gasoline, are procured from local suppliers.

Per Unit Of Production

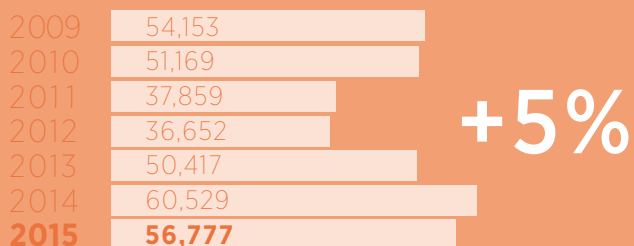


All totals are in gigajoules (GJ), except the per-unit totals, which are in megajoules (MJ). A unit of production is 1,000 pieces. All percentages are 2015 versus 2009 baseline. Bars indicate relative change only. Not to scale.

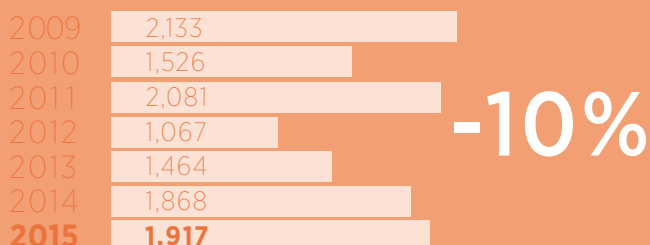
Electrical



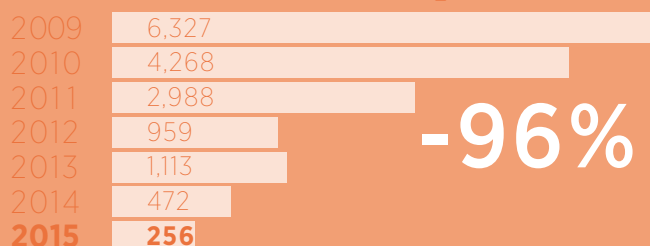
Thermal Energy - Natural Gas



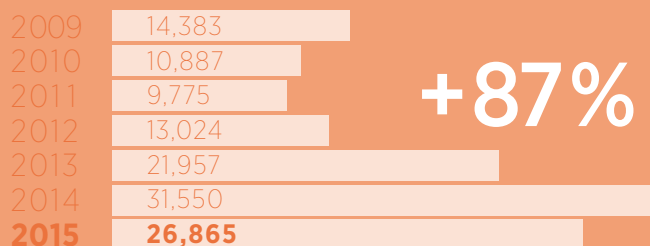
Thermal Energy - No. 2 Fuel Oil



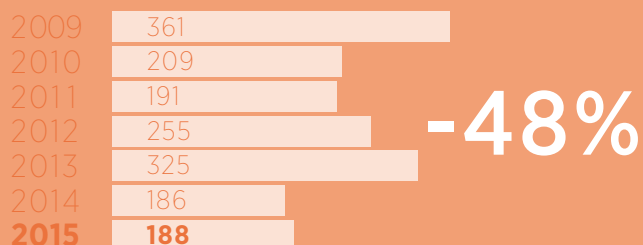
Vehicle Fuels - Propane



Vehicle Fuels - Motor Diesel



Vehicle Fuels - Motor Gasoline



GREENHOUSE GAS

2015 Goal -15% **Actual -22%**

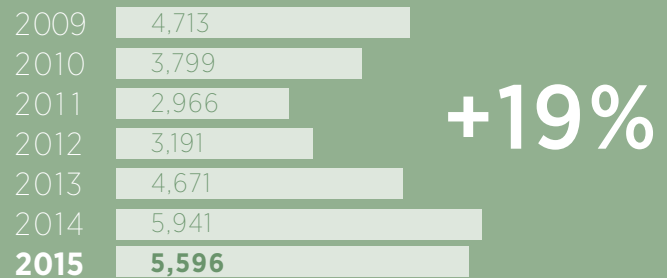
We utilize emissions factors published by the U.S. Environmental Protection Agency (EPA) and the U.K. Department of Environment, Farm, and Rural Affairs (DEFRA) to estimate our Scope 2 emissions. Each factor is based on the mix of fuel sources used by the power plants in the regions where our facilities are located.

For thermal and vehicle fuels, we utilize factors published by the International Panel on Climate Change (IPCC) to determine our emissions. The same factors are used for all of our facilities.

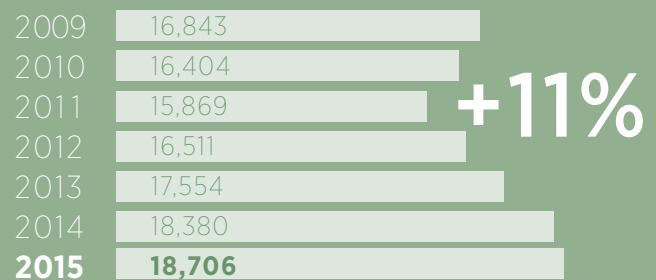
We have determined that energy reduction is our best strategy for reducing our greenhouse gas emissions.

All totals are in metric tons (MT), except the per-unit totals, which are in kilograms (kg). All percentages are 2015 versus 2009 baseline. Bars indicate relative change only. Not to scale.

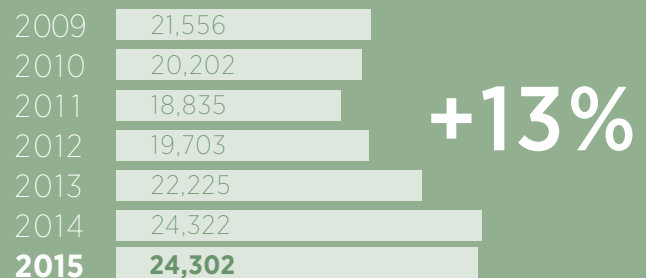
Scope 1 (On-Site)



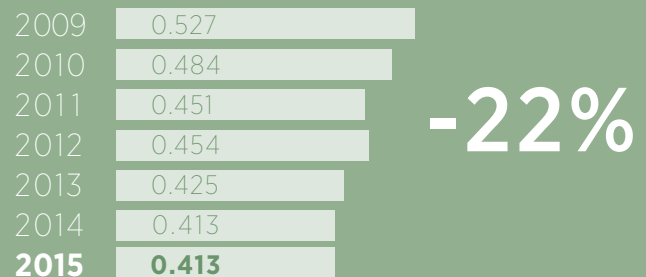
Scope 2 (Remote)



Total



Per Unit Of Production



WATER

2015 Goal -5%

Actual 49%

Potable fresh water is an extremely scarce commodity representing less than 1% of all water found on earth. This fact, combined with population growth and economic growth globally could pose a risk in the long term as fresh water is a major component of our operations, is the single largest ingredient in our wet wipe lotions and is a main process material in coffee filters and baking cups.

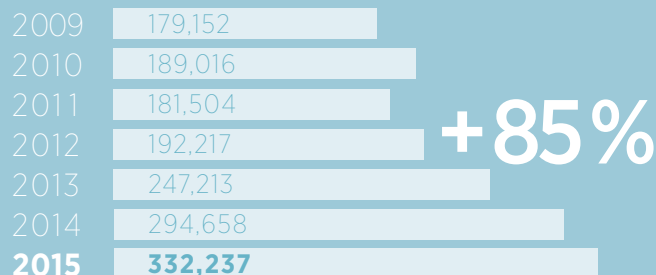
Outside of finished goods, we use water for a range of other purposes. Our products undergo extensive quality testing before we ship them for public consumption, and many of these tests require water. Rockline also uses water to flush, clean, and sanitize piping and other machinery used to deliver lotion to the production lines. Each time a line changes from one type of lotion to another, the entire pipe works must be flushed to prevent contaminating any product with trace amounts of the previous lotion. The piping must also be cleaned and sanitized on a regular basis to prevent build-up.

Of all of our Sustainability goals, water has been the most challenging through these last six years. While most of our years were above our 2009 baseline, 2015 was the highest reported water usage to date.

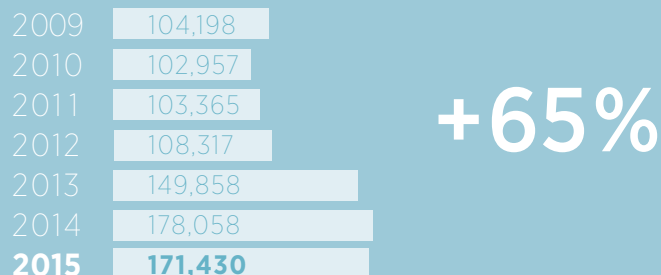
Rockline will never sacrifice quality to save water, but focusing on more efficient water use, even in testing and cleaning, is a priority.

All totals are in cubic meters (m³), except for per-unit water use, which is in liters (L). All percentages are 2015 versus 2009 baseline. Bars indicate relative change only. Not to scale.

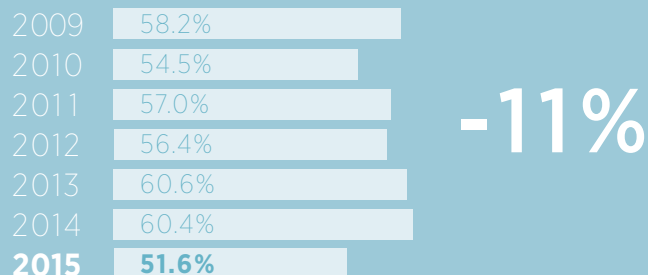
Incoming Water



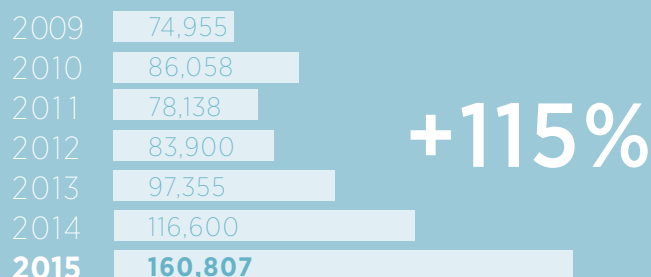
Water Used In Products



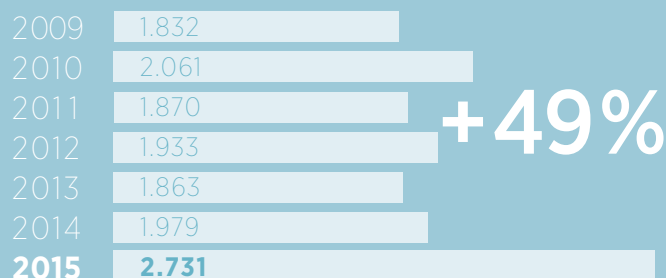
% of Water Used In Products



Non-Product Water Use



Per Unit Of Production



SOLID WASTE

Filters

2015 Goal -5%

Actual -15%

Wipes

2015 Goal -20%

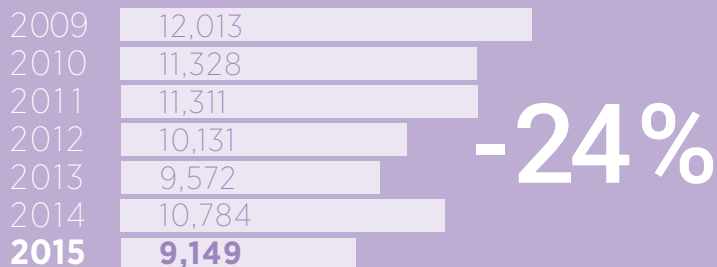
Actual -45%

Waste is the inefficient use of resources. Rockline defines solid waste as all waste leaving our facility regardless of how it is generated or handled. Our coffee filter production generates a high amount of waste because the round filters are cut from square sheets of paper. Even though the paper scrap is recycled, it is still considered waste, because a truly efficient process would use all of the paper.

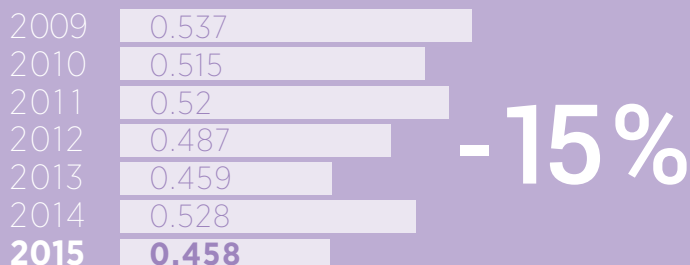
Rockline focuses on measuring, reducing, and eliminating waste from our manufacturing processes to provide better value to our customers. Every step we take toward reducing solid waste relieves a portion of the demand placed on natural resources.

Totals are in metric tons (MT). Per-unit totals are in kilograms (kg). All percentages are 2015 versus 2009 baseline. Bars indicate relative change only. Not to scale.

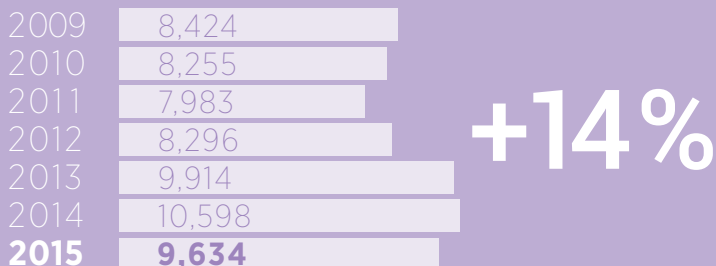
Coffee Filters



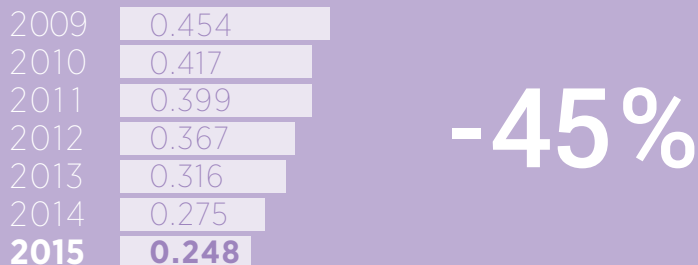
Per Unit Of Production



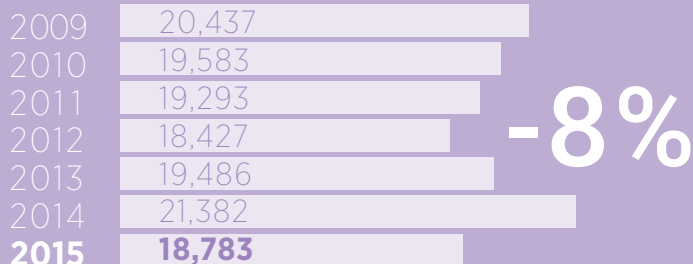
Wet Wipes



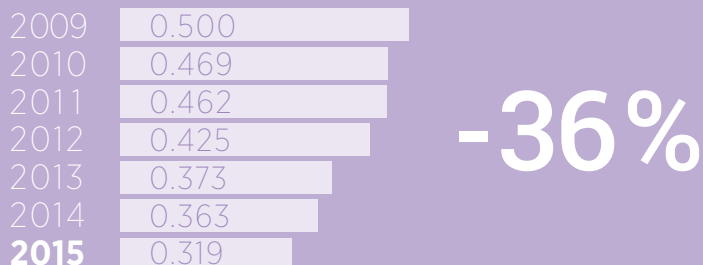
Per Unit Of Production



Total Solid Waste



Per Unit Of Production



LANDFILL

2015 Goal -5

Actual -10

All solid waste that is not recycled, reused or incinerated for energy recapture is sent to landfill. The greatest opportunity Rockline has in diverting waste from landfill is finding customers downstream who value our waste. In Fiscal 2015, Rockline made the decision to send waste from our Springdale and Booneville facilities back to landfill rather than to incineration as we had been since Fiscal 2012. The waste was transported more than 100 miles to be incinerated, which generated additional greenhouse gas emissions.

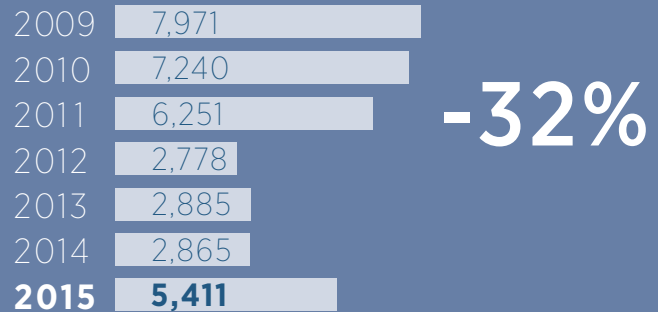
We have a continued focus on reuse and recycle opportunities for our nonwovens, our largest portion of solid waste. Today, only a small portion of this material is recycled.

To calculate our landfill rate, we divide the amount of waste sent to landfill by the total amount of waste leaving our facilities (which includes landfilled waste, as well as recycled waste, waste incinerated for energy recapture and waste donated for reuse).

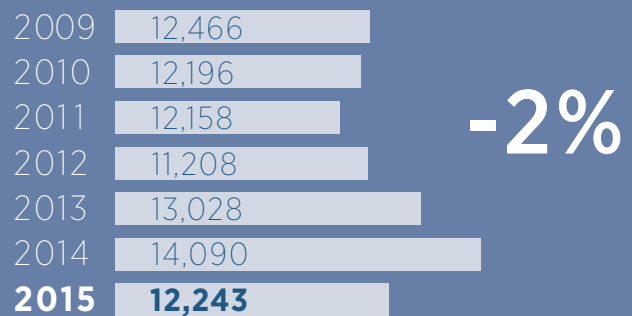
Totals are in metric tons (MT). Landfill rate is the percentage of total solid waste that was sent to landfill. All percentages are 2015 versus 2009 baseline. Bars indicate relative change only. Not to scale.

Rockline did not send anything to waste-to-energy incineration in 2009 and is not tracking change from baseline for this parameter

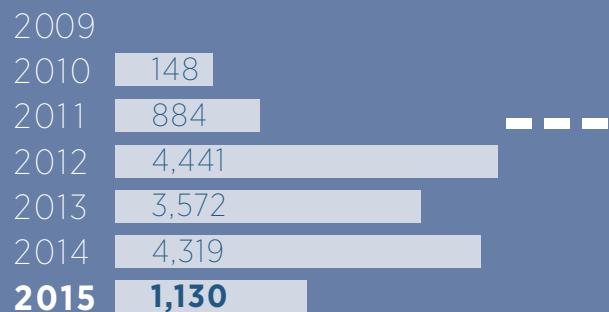
Landfill



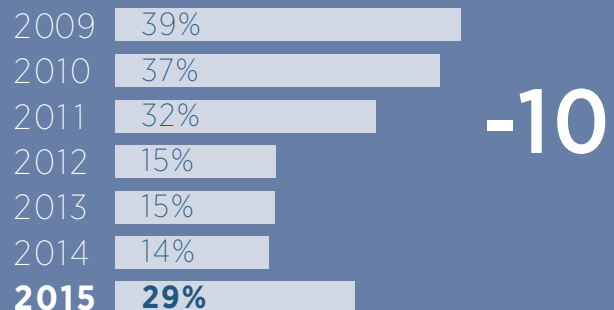
Recycled



Waste-To-Energy Incineration



Landfill Rate



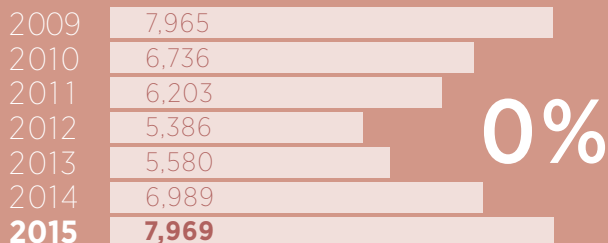
TRANSPORTATION - OUTBOUND SHIPPING FOOTPRINT

2015 Goal -10% **Actual -8%**

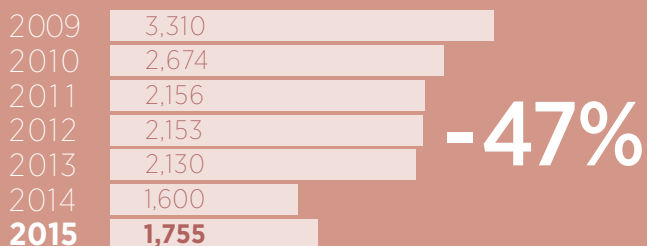
Rockline evaluates the environmental impact of its transportation operations by measuring greenhouse gas emissions from the outbound transport of finished goods.

In 2013, Rockline officially became qualified as a U.S. EPA Smartway Transport Partner, signaling our commitment to reducing transportation-related emissions and improving the fuel efficiency of our logistics network.

Truckload

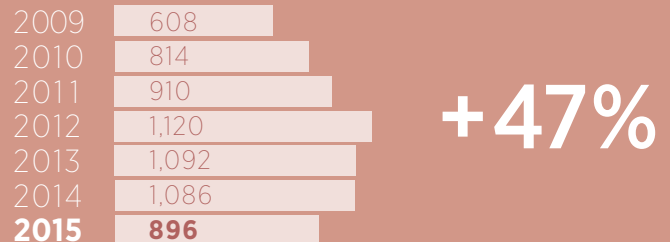


Less than Truckload

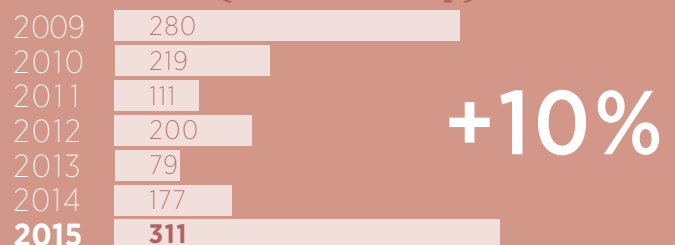


All totals are in metric tons (MT) of CO₂-equivalent emissions, except the per unit totals, which are in kilograms (kg) of CO₂-equivalent emissions. All percentages are 2015 versus 2009 baseline. Bars indicate relative change only. Not to scale

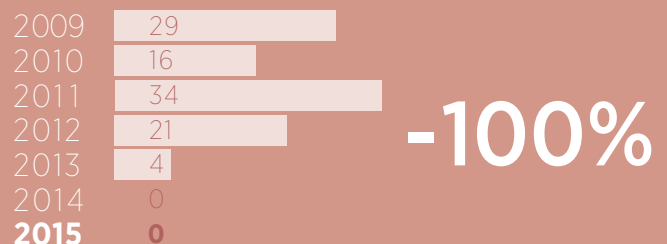
Rail



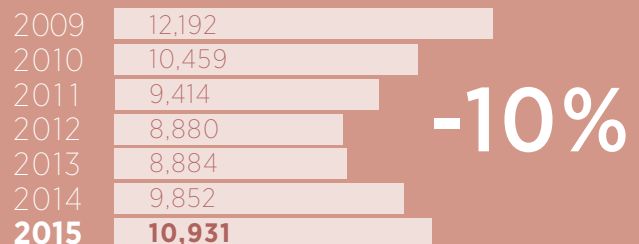
Ocean (Container Ship)



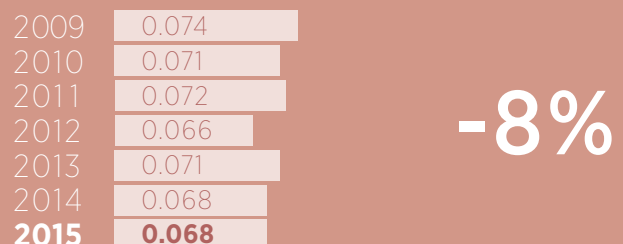
Air



Total



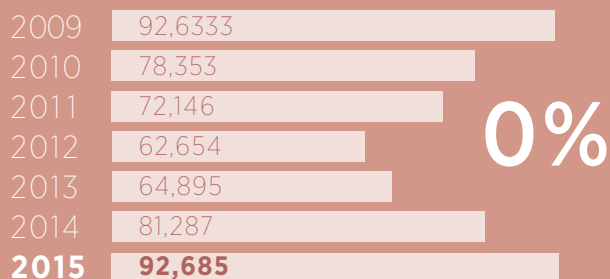
Per Tonne-Kilometer



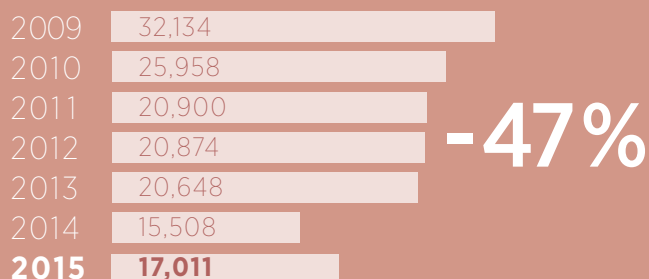
TRANSPORTATION - OUTBOUND SHIPPING MODES

Rockline's logistics team is constantly seeking new ways to reduce fuel consumption and optimize shipments. We use all major modes of transportation to ship finished goods, including truck, rail, ocean, and air freight. For each of the shipping modes, Rockline has established a per tonne-kilometer greenhouse gas emissions factor. The factors for all modes are based on published sources, with the exception of less-than-truckload (LTL) shipping. As there is no standardized method of estimating carbon emissions from LTL shipments, Rockline adds a 20% premium to the truckload factor to account for the extra distance that LTL shipments typically travel.

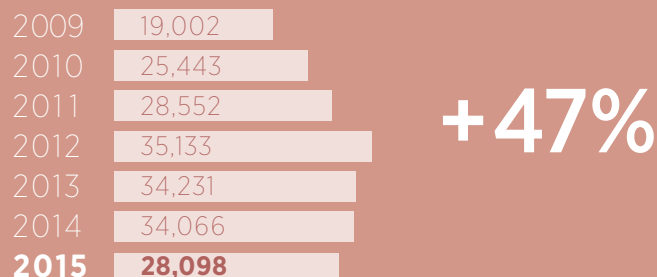
Truckload



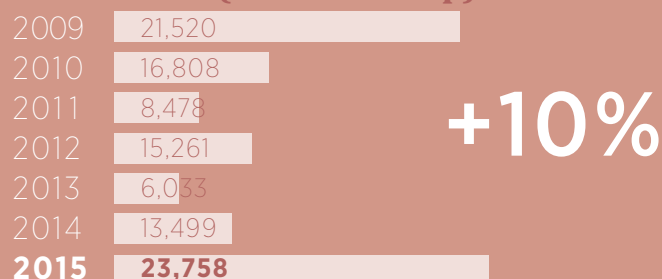
Less than Truckload



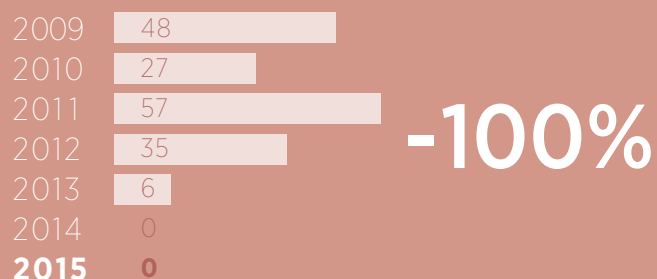
Rail



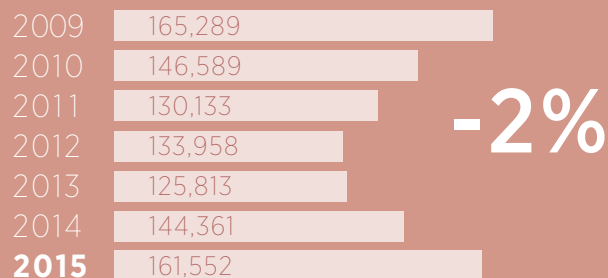
Ocean (Container Ship)



Air



Total



All totals are in thousands of tonne-kilometers. All percentages are 2015 versus 2009 baseline. Bars indicate relative change only. Not to scale.

Looking Ahead

Thank you for taking the time to read our 2015 Sustainability Report. In this, our seventh annual report, Rockline is again demonstrating our commitment to open reporting of our performance. The report addresses some of the challenges Rockline is facing and showcases the achievements we have made in our journey to further our commitment to environmental responsibility.

As we retire our 2015 goals, there are many victories to celebrate, but at the same time, we know that our work toward a sustainable future is never truly finished. As we grow, we will require more resources and our focus will be growing with the least possible environmental impact.

I want to thank our Steering Committee for their commitment to Rockline sustainability and for their help in setting the direction for our 2020 goals. And I also want to thank our Green Teams for their dedicated focus and creativity in finding ways to continuously improve.

I am looking forward to seeing what we can achieve in these next five years!

We invite you to contact us with any questions or comments.

Kind Regards,

Nina M. Schaub

Global Environmental Sustainability Coordinator

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This report contains Standard Disclosures from the Global Reporting Initiative (GRI) G4 Sustainability Reporting Guidelines.

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