BILLERUD

PRESS RELEASE

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Packaging research increasingly important for consumer goods Billerud becomes first papermaker in the world with own development centre for packaging for fresh produce

Goods worth massive sums are destroyed every year because of poor quality packaging. Billerud is now establishing its own development centre for packaging research focused on corrugated containers that will be the first of its kind in the world. It will help provide consumers with better quality fruit and vegetables, among other products.

Packaging is often the weak link for exports. Each year in Europe, fruit and vegetables worth around ten billion euros are destroyed because they are packaged in boxes that are damaged during transport causing the contents to be damaged, too. Growers try to avoid this problem by harvesting unripe fruit and vegetables and produce that is harder and thus more resistant to bumps and jolts during the transport phase. That means, for example, that people in Scandinavia eat less nutritious fruit and vegetables because the supply of nutrients ends as soon as the fruit is harvested. Billerud is now intensifying its research into transport packaging. The company's new laboratory, Billerud Box Lab, will be inaugurated on June 28 at 10 am.

"We have previously performed research into stronger fibre-based transport packaging, and we are now stepping up this initiative. We are probably the first papermaker in the world with its own development centre of this kind. The new laboratory will take the development of corrugated boxes to the next level," explains Lennart Eberleh, head of Billerud's Packaging Boards business area.

At Box Lab, Billerud's experts will measure the long-term performance of boxes and perform tests in a climate chamber where temperatures and moisture levels can be varied to mirror conditions in the transport phase for filled packaging. Five additional compression testers will be installed in the climate chamber. This will help to increase the pace and quality of testing work and the number of customer-oriented development projects.

"While we were developing Billerud Flute[®], which is the strongest fluting on the market, we acquired extensive knowledge about the optimum design of extreme packaging. Now we want to take this knowledge one step further and help suppliers of

fruit and vegetables who are currently losing value due to inefficient packaging. We wish to develop a global standard for corrugated boxes that tolerates the toughest conditions," says Per Lindberg, President and CEO of Billerud.

Billerud Flute[®] is based on 100% primary fibre and is sold all over the world to containerboard producers, with a main focus on packaging for fruit and vegetables, meat and heavy duty items. Billerud also sells liner that forms the outer layer of corrugated board. This liner is made of primary fibre and is suitable for direct contact with food as well as having the strength needed for demanding transport situations.

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If you would like to participate in the inauguration ceremony of the Box Lab on June 28 at the Gruvön mill, please contact Marianne Jonsson, Information Officer at Gruvön, tel. +46 555 416 99 or Marianne.jonsson@billerud.com

Billerud is a packaging paper company. The company's business concept is to offer customers packaging materials and solutions that promote and protect their products – packaging that is attractive, strong and based on renewable materials. Billerud has a world-leading position within several product segments including paper for consumer packaging and industrial applications. Production takes place at three integrated pulp and paper mills in Sweden and at one paper mill in the UK.