



GOLDEN ARROW

SUSTAINABILITY REPORT | 2019

OVERVIEW

Introduction

VISION + MISSION

LETTER

GOALS

REPORTING

STRATEGY

Environmental Impact

BY THE NUMBERS

MATERIALS

PRODUCTION

PROCESSES

POLICIES

Corporate Social Responsibility

ECONOMIC WELFARE

SUSTAINABLE CULTURE

CLIENTS

COMMUNITY

COLLABORATION

LEADERSHIP

VISION

At Golden Arrow, we are committed to becoming the global ambassador of sustainable packaging technologies through cutting-edge green innovation and development.

By providing clients with total integrated packaging solutions that meet sustainability standards, we seek to create products that foster environmental stewardship without compromising luxury or unique branding.



MISSION

Golden Arrow is committed to sustainability & innovation by providing clients with total packaging solutions that utilize renewable materials & environmentally-friendly manufacturing processes.

Our mission is to reduce the impact on the environment through ecologically and socially responsible practices to create stunning sustainable packaging to clients worldwide.

LEADERSHIP LETTER

In 2018, Golden Arrow reached a landmark goal by becoming a 100% green packaging solution company that provides exclusively sustainable products and services throughout the world. When we started our business in 1984, Golden Arrow was a simple printing service in Taipei. Thirty-five years later, we

have exceeded those goals despite challenges within the market, industry changes, business competition, and internal adjustments.

Our green vision drives our company, and we are proud to have built a business of more than 2,000 employees on a platform rooted in global sustainability. Through our commitment

to relentless innovation, operational agility, and dedication to best practices, we hope to do our part in becoming a leader in eco-friendly innovation. Green is the color of the future, and we believe we are well-positioned to spark a revolution within the packaging industry.

—Jerry Huang & Jack Kuo, President



**We started with a simple idea:
Develop green packaging
solutions to reduce the strain on
the environment from waste and
toxic packaging products.**

At Golden Arrow, we promise to provide green options for packaging through innovative technology and an alliance for the global sustainability initiative.

Sustainable packaging is more important than ever. While packaging only became widely used within the last 150 years, every year more than 160 million tons of plastic are dumped into our environment. While our planet has existed for 4.6 billion years, it's only taken 150 to severely compromise our world.

Golden Arrow wants to see sustainable packaging become the mainstream solution for the consumer world. With green packaging solutions that have been developed from renewable materials and sustainable manufacturing processes, we believe we can instill hope for a greener tomorrow and brighter future for generations to come.

"We want to
see sustainable
packaging become
the mainstream
solution for the
consumer world."



ANNUAL REPORTING

To meet our goals for a better and greener future, Golden Arrow works hard to maintain the mission and vision of the company through developing a corporate social responsibility (CSR) report, or, as we like to call it, a sustainability report. This document enables us to review our practices and determine internal direction for sustainable business strategies and efforts between external investors, customers, governments, and other companies.

According to the 2005 Summit on Social Development, sustainable development goals include economic, social, and environmental protections. Meanwhile, the United Nations, UNESCO, and Agenda 21 highlight the concept of sustainable development through four categories: economic, environmental, policy, and culture. While these categories are broad, they highlight interconnected areas that, together, can be transformed to meet the needs of the present without compromising our future generation's ability to succeed.

Our sustainability report seeks to understand how each of these categories can be used to meet

our vision for a green future. While some believe the goal of sustainability is to target these four categories and to pass on the development to the next generation, we believe that the future is now.

BASELINE OF SUSTAINABILITY

The sustainability report dives into a comprehensive evaluation of Golden Arrow's ongoing sustainable process through the lens of economic, environmental, social, and policy impacts and assessments. Many of our efforts and achievements have already met these categories, but we need a sustainability baseline to measure every decision to ensure we continue successfully meeting our goals.

To gain a true baseline of sustainability, Golden Arrow foresees requiring 1-3 years of sustainability reports based on our current and projected growth. The development of that sustainability baseline will grow from our past operating experience, our sustainability goals, quantitative details, defined standards, and yearly goals.



5-YEAR REPORTING STRATEGY

YEAR 1-3 REPORT

Each year, Golden Arrow will form an Annual Sustainability Evaluation Committee (ASEC) from the main departments of our business sector. Selected by committee members, this representative unit will assign data collection, report presentation, and report editing through the scope of the four categories of economic, environmental, social, and policy. Based on this report, the representative unit will compile, summarize, and set the goals for the future year.

YEAR 4-5 REPORT

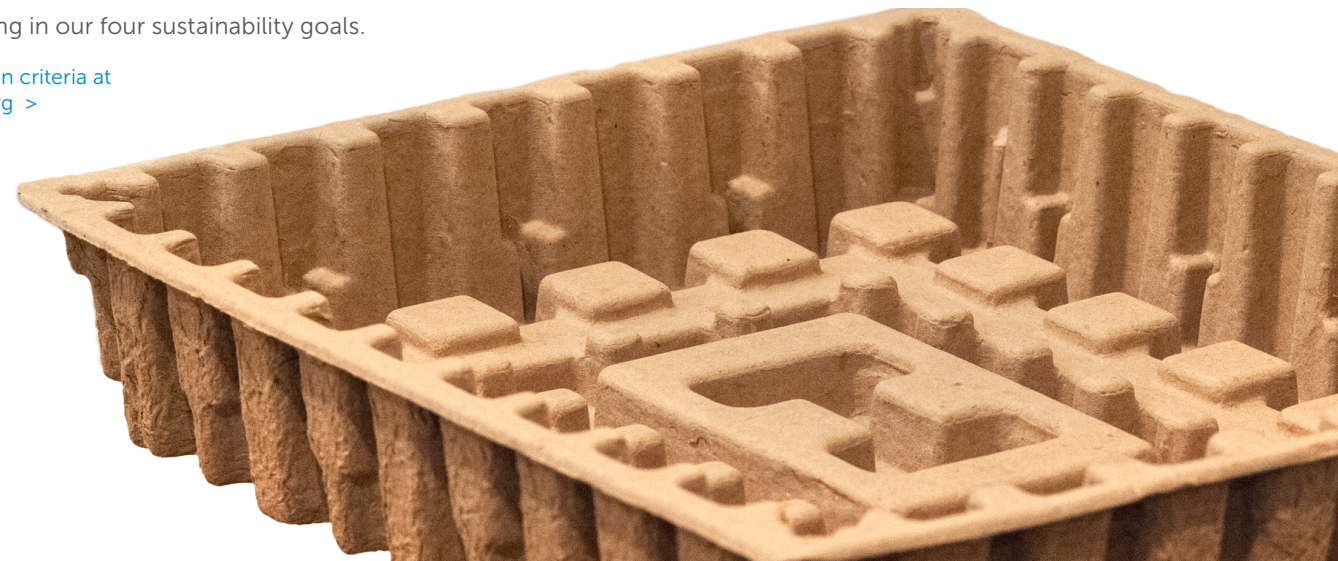
Along with building off of the reports from previous years, the 4th-year report will introduce the GRI Sustainability Reporting Standards evaluation criteria which includes a Performance Index (PI) based on energy, biodiversity, and emissions. Other components that will become a part of the report are Environmental Impacts 1-30 (EI 1-30) and a comparison of indexes with international packaging companies. Based on the evaluation, Golden Arrow will determine the new year's goals for sustainability improvement.

STEPS TO SUSTAINABILITY

Once business partners and current customers gain familiarity with Golden Arrow's core values through the sustainability report, we can move into the next stage of our sustainability baseline.

In year 4 or 5, Golden Arrow will introduce the international market index, Covalence EthicalQuote (CEQ). This sustainability assessment quantitative standard will be integrated into our sustainability process. Based on an analysis of the CEQ value from the international top 100 companies, Golden Arrow will then determine how to continue excelling in our four sustainability goals.

[View the evaluation criteria at globalreporting.org](https://globalreporting.org) >



ENVIRONMENTAL IMPACT

BY THE NUMBERS

MATERIALS

PRODUCTION

PROCESSES

POLICIES



250 million
molded fiber trays

have been supplied by Golden Arrow from 2015 to 2018, often replacing plastic or other unsustainable materials.



2.4 million
kwh of power

have been produced on site using solar energy. That could power 100% of our Golden Arrow headquarters.



70,000 trees
have been saved

by our Molded Fiber materials and technology. That's enough trees to fill up almost 4 Central Parks.



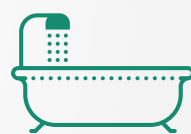
19 million
kilograms of Co2

have been reduced from our carbon footprint. That's equal to the CO2 of 4,000 cars driving for one full year!



3,600 tons
of plastic packages

have been avoided by Golden Arrow's sustainable packaging. That's equivalent to the plastic material from 257 million water bottles.



200,000
tons of water

have been recycled from our Molded Fiber production. That's enough water to fill over 1 million bathtubs.

SUSTAINABLE MATERIALS

BAMBOO & SUGAR CANE

Our Molded Fiber is created from the raw materials of bamboo and sugar cane. As non-wood biomass, both plants grow quickly, which keeps environmental impact low. The bamboo we source is purchased from the Sichuan Province where it is FSC forest management certified while the sugar cane pulp is imported from Thailand. Both fibers pass the Restriction of Hazardous Substances Directive (RoHS) test and can be fed directly into our paper recycling stream. These materials may be composted if no other additives are present.

OLD CORRUGATED CARDBOARD (OCC)

Often known as Post-Consumer Waste (PCW), recycled kraft pulp is another raw material that Golden Arrow uses for its packaging solutions. While OCC's application rate currently ranges from 60% to 80%, Golden Arrow plans to increase OCC's overall product share in the next year.

SAPPI PAPER, WHITE CARDBOARD & GREYBOARD

Rigid boxes use the raw materials of Sappi paper, white cardboard, and greyboard, which all pass the RoHS and halogen tests. Moreover, these papers are able to participate in China's national paper recycling process. The Sappi paper and white cardboard have a Biaxially Oriented PolyPropylene (BOPP) film, which can still be recycled, but these papers won't do well in a household composting unit. Golden Arrow plans to target a reduction of raw materials in hardcover boxes.

FUTURE RAW MATERIALS

Golden Arrow is committed to expanding our database of raw materials. Therefore, our R&D unit is continuously testing other non-wood fibers for usability and sustainability. Our goal is to perpetually optimize the value of all potential fibers.



SUSTAINABLE PRODUCTION

MATERIAL OPTIMIZATION

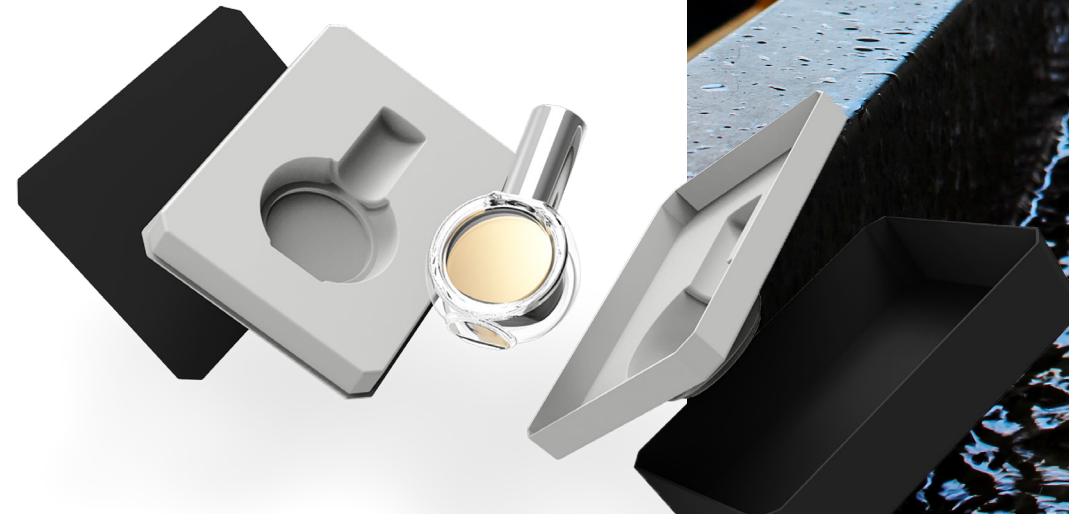
While Golden Arrow already uses inherently sustainable bamboo and sugar cane for raw materials, we are always on the lookout for other types of non-wood fibers. The introduction of additional sustainable fibers will provide more versatile options in terms of strength, appearance, and texture. Currently, the fibers being tested are straw, wheat straw, reeds, and other types of similar materials. Wood pulp, such as APMP, is also a viable possibility because of its low pollution during the pulping process.

EQUIPMENT OPTIMIZATION

The increased demand for options in the molded fiber market prompted Golden Arrow to take action in transforming our two original pulp lines into six. With the demand for packaging options in luxury goods, food, color, and styling, these six lines will give us the ability to meet customer needs. In the next year, each pulp line will be regulated for production conditions to ensure efficient and quality output.

MOLD OPTIMIZATION

An important component of producing molded fiber packaging is the mold itself. To optimize the mold, the design team is always seeking ways to reduce mold machine time, increase mold versatility, improve the design efficiency, and extend the life of the mold. Our extensive mold database has allowed our team to introduce modularization into the mold process which reduces raw material consumption and processing time. Additionally, offering different surface treatments extends the life of the mold.



SUSTAINABLE PROCESSES

AUTOMATION

The process of creating molded fiber packages requires many different stations throughout the production line. While more than half of the stations are now fully automated, Golden Arrow plans to fully automate the back-card attachment process. In addition, we plan to introduce the automation QC machine, which will increase the UPPH from 34 to 267 and reduce manpower usage from 35 to 3. This way, our employees can focus on different areas within the company.

GREEN PROCESSES

Creating molded fiber requires one of three different styles of processing, including dry, semi-wet, and wet press. While Golden Arrow currently uses wet press for our molded fiber to produce premium quality products, the wet press requires a high level of energy consumption. To reduce energy consumption, Golden Arrow plans to introduce semi-wet press in the next year for non-luxury molded fiber production.



SUSTAINABLE POLICIES



APPLE LAUNCHES NEW CLEAN ENERGY FUND IN CHINA

Ten Suppliers Will Jointly Invest in Climate Change Solutions in China: “Golden Arrow is proud to participate in Apple’s Clean Energy Program. We commit to power all of our Apple production with 100 percent clean energy... Today’s news follows Apple’s announcement earlier this year that its global facilities are powered by...”

July 12, 2018 | PRESS RELEASE

[Full press release >](#)



APPLE TOPS CLEAN ENERGY GOAL WITH NEW SUPPLIER COMMITMENTS

“...Apple reduced its comprehensive carbon footprint for the third year in a row in 2018, in large part due to the company’s Supplier Clean Energy Program. Manufacturing makes up 74 percent of Apple’s carbon footprint, so the program helps its suppliers increase energy efficiency and transition to renewable energy sources...”

April 11, 2019 | PRESS RELEASE

[Full press release >](#)



APPLE EYES ‘LIFTING’ VOICE OF COMPANIES COMMITTED TO CLEAN ENERGY

“...today Apple announced that six more of its suppliers have committed to using 100 percent clean energy in their operations in order to align with its goal for its operations, and those of its supply chain, to be completely powered by renewables. These suppliers include Mega Precision Technology, Wistron, Qorvo, Sunway Communications, Golden Arrow...”

Anya Khalamayzer | Thursday, September 21, 2017

[Full press release >](#)



CORPORATE SOCIAL RESPONSIBILITY

ECONOMIC WELFARE

SUSTAINABLE CULTURE

CLIENTS

COMMUNITY

COLLABORATION

LEADERSHIP



COMPANY EHS SUMMARY

Environment, Occupational Safety & Health

In the past years, Golden Arrow has gained certifications in a number of environmental, health, and safety categories, including ISO9001, ISO14001, OHSAS18001, FSC, UL zero-landfill, Jiangsu Province safety production standardization secondary enterprise, and EEP (ISO50001).

In an effort to uphold its commitment to a green future, GA has also become a part of the mid-term expert group for clean production at Kunshan Environmental Protection and has become a member of the Kunming Town Safety Production and Environment Association of Jiangsu Province. These certifications and roles ensure that Golden Arrow is doing all that it can for the environment.

The company Environment Health Safety (EHS) policy commits to not only customer satisfaction but also to continuous improvement. On a practical level, this means that Golden Arrow prioritizes legal compliance, employee and consumer health, employee safety, accident prevention, and scientific management of our company, factory, and teams. GA pursues high quality in everything we do, designing and manufacturing products that always meet our EHS policy guidelines so we can raise the bar on customer satisfaction and global sustainable

development. Through the establishment and maintenance of various management systems, our management style has become increasingly scientific, institutionalized, and standardized, making it all the more effective.

We value our partnerships, but we make sure that our suppliers meet our quality standard. When we choose new suppliers and companies to work with, we measure their products, processes, and services against our own goals of environmental health and safety. The environment is important to Golden Arrow and our clients. Therefore, we set up quality objectives and implant PDCA methods for each stage.

For Golden Arrow, safety is crucial. Via a combination of accident prevention, legal compliance, emergency protocol, and lifesaving emergency training, Golden Arrow is reaching toward a goal of injury prevention and long-term sustainability. From 2017 to 2019, we successfully reduced the work injury percentage by 62.5% (2019: 3 incidents; 2018: 4 incidents; 2017: 8 incidents). Our systematic management coupled with thoughtful preparation will help to reduce work injuries as well as the environmental impact whenever an emergency occurs.



EDUCATION & TRAINING BENEFITS

EDUCATIONAL TRAINING SYSTEM

Our internal training system targets the needs of employees and provides a relevant system of training and continuing education opportunities to promote employee growth.

Golden Arrow provides clear pathways for employee growth through a variety of developmental, professional, and abroad trainings, including recurring evaluations and career promotions.

- Management ability development training
- On-site professional training
- Self-development educational training
- Abroad training

EMPLOYEES & CAREERS

We are people-oriented, believing in the importance of developing our staff and prioritizing overall company wellbeing. In accordance with state provisions, we endeavor to create and establish various kinds of employee welfare projects.

TRANSPORTATION

A shuttle bus service is provided for employees.

PROMOTION & DEVELOPMENT

Internal promotion and employee development is an opportunity available to all employees in accordance with annual salary adjustments and available openings.

DORMITORY

For the convenience of foreign employees, Golden Arrow provides a dormitory that is outfitted with its own bathroom and toilet.



BENEFITS & LEAVE

HEALTH BENEFITS

Medical Care Benefits: Our designated medical service is free of charge for the staff, offering physical examinations, preventive inoculation, and other benefits.

Dietary Benefits: During working hours, free meals are provided for all probationary and regular employees, including north-south flavor free working meals and overtime meals.

Advisory Service: Golden Arrow will provide psychological health consultation services for employees according to their health requirements.

HOLIDAYS & FESTIVALS

According to the relevant national labor laws and regulations, employees receive all relevant holidays of national festivals and memorial day holidays off of work. Our company has implemented an HR management system for employee attendance and personal leave tracking.

- Company regular employees enjoy their birthday blessing benefits.
- Yearly team building retreats for all employees.
- Throughout the year, team building and company morale activities are scheduled, including quarterly dinners and various contests.

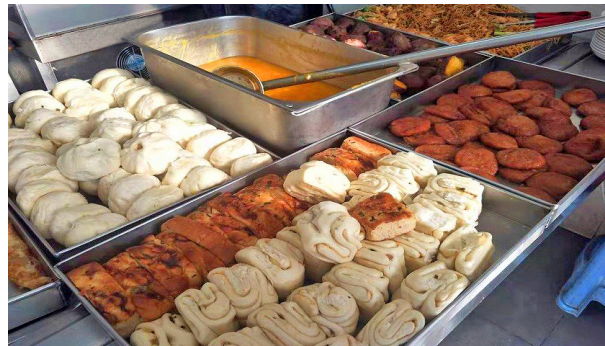
INSURANCE BENEFITS

In accordance with the law, Golden Arrow offers five-insurance payments for regular employees. Meanwhile, contract workers

receive a 5-1 insurance fund that includes pension, medical treatment, pregnancy care, unemployment, workplace injury, and housing funds. GA also provides critical illness insurance for all employees

STANDARD LEAVE BENEFITS

- Maternity leave
- Sick leave
- Personal leave
- Statutory holiday
- Paid annual leave
- Paternity leave



LABOR PROTECTION

DEMOCRATIC CONSTRUCTION SERVICES—LABOR UNION

Golden Arrow provides various forms of labor protection articles and related work clothes for employees according to the requirements of the job.

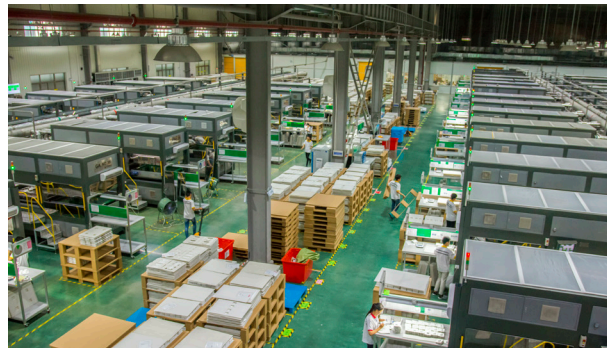
Our labor union processes normal activities and exercises their right to a healthy working environment. Through employee and union member participation, the union sets forth rational proposals to implement better working conditions alongside higher productivity. The labor union is an asset to the company.

EQUALITY & PRIVACY PROTECTION

Golden Arrow offers equal employment rights protection and privacy protection for all employees, avoiding all types of discrimination.

PERSONAL SAFETY

To protect employees while they fulfill their work responsibilities, Golden Arrow outfits employees with appropriate and protective articles of clothing and equipment so they can adequately meet the requirements of the job.



2000+ GA STAFF

with one customer-focused heart.

150 employees

GAC 1 Site Kunshan
Headquarter / Printing,
Packaging Solution Center

300 employees

GAC 2 Site Kunshan Design &
Mfg. / Molded Fiber Site 1.

1200 employees

GAC 3 Site Kunshan Design
& Mfg. / Molded Fiber Site 3

20 employees

GOK Site Kunshan

150 employees

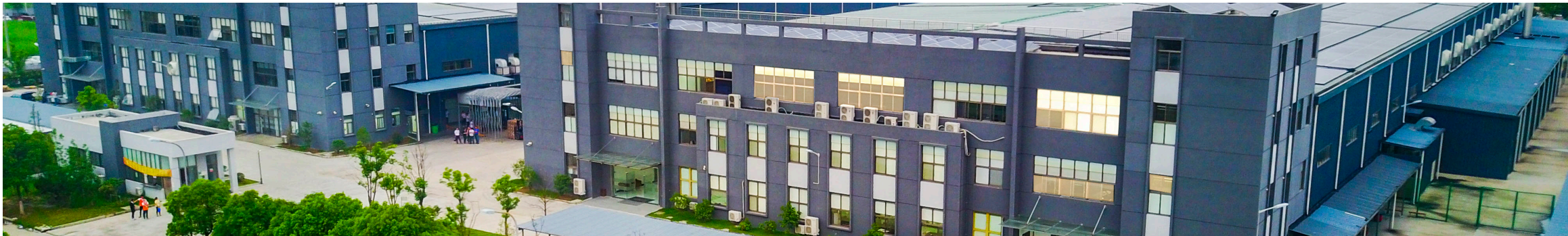
GAT Taipei Headquarter /
TRD Innovation Center

175 employees

GNCQ Site ChongQing
Mfg. Center

20 employees

GAA Site Saratoga



CORPORATE CULTURE

WORKING ENVIRONMENT CARE

Our office space includes a break room with free coffee, tea, and water that's regularly cleaned, ensuring a relaxing environment.

SYSTEM & PROCESS CARE

To ensure that all employees are treated equally, Golden Arrow has a staff handbook and internal system to standardize handling various processes and potential conflicts.

Our internal quarterly journal allows staff to stay up to date on company culture by showcasing key projects, highlighting company events, summarizing successes and failures, and acknowledging excellent employee work.

Various forms of employee interviews and department seminars are used to gauge effectiveness and areas for improvement.

SEASONAL CARE

During the hottest months of the year, employees receive access to extra hydration options including summer tea and medical drinks. To further help employees stay cool, water curtain air conditioning is used during this season to regulate temperatures.

LEAGUE CONSTRUCTION ACTIVITIES

Through an outdoor development program, employees have the opportunity to build team culture as well as enhance teamwork and camaraderie. These activities encourage team cohesion, promote creative thinking, enhance productivity, and improve team communication.

EMPLOYEE CARE DIMENSIONALITY

Golden Arrow's internal enterprise culture focuses on the ground level for implementation, taking the working environment, systems and processes into consideration. This includes training, recreational activities, career development, wages and benefits.

The individual is recognized and cared for, from mental and physical health care to employee family benefits and living accommodations.



EIGHTEEN•B



SUSTAINABLE CLIENTS

EIGHTEEN B

SCIENTIFICALLY DESIGNED SKINCARE

Eighteen B is a new skincare brand that utilizes a proprietary B-Silk™ protein to create natural skincare products for healthy humans and a healthy environment. Extensive laboratory research into the properties of silk led to this revolutionary, scientifically designed skincare product.

Developed through extensive research and testing to provide a superior product, and designed with human and environmental safety in mind, Eighteen B required packaging that encapsulates these aspects of their brand. Golden Arrow worked together to design beautiful packaging that emphasized the technical nature of the product, as well as the sustainable values of the brand.

The successful collaboration between Eighteen B and Golden Arrow is a wonderful example of the successful combination of sustainability and luxury.



COMMUNITY & CHARITY

LOCAL COMMUNITY

LOVE & RESPONSIBILITY

In 2019, Golden Arrow discovered that a nearby village had a crop of turnips that were deemed unsalable. Without the funds received from the sale of the turnips, the village's economy would suffer. Golden Arrow arranged to have three of its factory kitchens purchase the turnip crop. This action met a need for not only the local people but for Golden Arrow as well. The local community is even more supportive of Golden Arrow's presence and work because of actions such as these.

GOLDEN ARROW HEART STAFF DONATION

The community connection to Golden Arrow employees is strong. When a staff member was involved in a severe car accident that required an operation on their leg, our employees came together to donate the money needed for the operation. This type of charitable giving at Golden Arrow is not uncommon and shows the true tone of the company.

SOCIETY

Golden Arrow's vision and mission start and end with the earth. Therefore, our company commits to protecting the planet throughout the entirety of the manufacturing process. Through the adoption of solar photovoltaic panels and water recycling programs, we ensure that no waste enters landfills and energy used is renewable. We are proud to be a certified Zero Net Carbon company.





CHARITABLE COLLABORATION

THE CRAYON INITIATIVE

Since 2014, The Crayon Initiative collects and recycles used and unwanted crayons in an effort to help preserve the environment and enrich the lives of hospitalized children through art and imagination.

Their previous shipping packaging wasn't eco-friendly or efficient, and conflicted with their company mission to protect the environment. Almost 11,000 non-biodegradable foam trays would have been used in 2019 alone.

Golden Arrow didn't just donate 5,000 custom shipping trays; significant time and materials were also contributed to create the perfect packaging solution—even going to the factory and lending a hand in the process. Working together, a sustainable tray was developed that took The Crayon Initiative's unique shipping, packing, and storing needs into account. Not only is the final product more efficient and sustainable, it also cut costs. This means more happy children and less wasted crayons.



LEADERSHIP

