

Leo Paper Is Going Greener and Leaner

Going green and becoming a zero-waste smart factory is not about a single initiative or practice within the company walls, says Henry Woo, Leo Paper's general manager of the OEM business department. "Long-term sustainability requires collaboration with business partners and a shared vision for a green supply chain. And this covers not just production processes but also materials sourcing, workflow management, and product and logistics solutions."

By 2025, Woo aims to have reduced Leo Paper's operational carbon emissions by 25%, hazardous waste by 60%, and VOC emissions by 80%. "To achieve these goals, we have set up a five-pillar Green Harmony system that encompasses collaborations with the government, professional bodies, financial institutions, customers, suppliers, and the community at large," Woo says. Leo Paper's Green Harmony committee, formed more than a decade ago, continues to drive the company's strategic decisions and projects, based on the five pillars of green products/materials, green operations, green office/culture, green management system, and green finance.

Going plastic-free is another company goal. "We aim to progressively eliminate or reduce the consumption of conventional plastics in our production processes and products," says Woo, whose team decreased the usage of conventional plastic wrapping by more than 10% in 2020 through actions such as streamlining work-in-progress logistics and replacing pallets with multi-storage carts.

His paper engineering team is busy developing solutions such

as paper-made trays and special die-cut designs to replace single-use plastic materials like blister packaging and wafer-sealing tapes. "We work with customers and suppliers to develop eco-friendly products by exploring the feasibility of low-carbon and plastic-free alternatives," Woo says. "Ultimately, our products will be low in carbon emissions and VOCs while containing a high content of recycled materials." The company's procurement of eco-friendly paper—a combination of certified green and recycled stocks—in the company has increased from 44% in 2011 to more than 93% last year.

Leo Paper's "leagility" program (combining lean thinking and agile manufacturing) continues the work on logistics reform, primarily in improving the movement of materials and semi-finished products and finished products through its production floors. An automated 59-meter-long logistics line, for instance, has reduced the volume of semi-finished goods, which need to be transported around in trays/plastics, by 85% and manpower by 30%. "Logistics seems like a non-value-added daily process but reforming it really helps in improving efficiency and reducing production idle time," Woo says.

Between 2014 and 2020, Leo Paper's nearly \$300 million accumulated investment in automation has enhanced production efficiencies by more than 50% and gradually reduced the number of workers by 57%. "By going lean, we maximize resources while eliminating redundancies, which fits nicely into our overall green initiative," Woo says.