



SUSTAINABILITY REPORT 2011

The Greif Way

We believe that truly sustainable practices require an equal balance of benefiting people and the environment, and bringing value to our shareholders. Doing good and doing well must go hand-in-hand if we are to thrive long term.

SAFETY

Greif employees recorded 32 million work hours in 2011, achieving a medical case rate, our measurement of safety in the workplace, of 1.83. This is a 27 percent improvement over 2010, which is nearly a 50 percent reduction since 2007 and the sixth year that we have improved our safety performance since measurement began in 2005.

Safety continues to be the priority for our workforce. Each shift begins with a meeting to discuss safety. Site-specific safety statistics are posted in our factories. Safety training occurs regularly; many sites have instituted practices such as behavior-based safety and safety observations, reporting near misses as well as incidents.

In 2011, 48 plants earned the Chairman's Safety Excellence Award. To qualify for the Award, a facility must have a medical case rate of less than 1.0 during the fiscal year and pass an independent audit. To meet this medical case rate, all but a few of our larger operations must have zero medical cases.

Our safety principles are built upon three pillars: physical controls, system controls and human behavior.

Physical controls include installing and using items such as safety guards, light curtains, two-hand controls to eliminate



A 2011 Chairman's Safety Award winner – Singapore

a worker's ability to reach into a press, sprinkler systems, safety mats, safety mirrors, personal protection equipment and more.

System controls comprise the rules and regulations in place to protect workers, including safety policies that cover mechanical power presses, chemical handling and storage, lock-out tag-out practices, ergonomic improvements, safe driving and emergency procedures. They also cover incentive programs; health and wellness fairs; safety audits; Compliance Management System, our proprietary online safety scheduling, monitoring and reporting program that allows us to share information instantly around the world; and safety performance tracking.

Human behavior is addressed with comprehensive training, making employees aware of risks

and safe behaviors to mitigate them, teaching employees how to make workplace and behavior observations and how to hold safety conversations. We encourage leading by example, and try to instill safety as a personal value that has relevance to whatever the individual is doing at any time. We want our people to be safe at work, and maintain safe behaviors off the job as well.

ENVIRONMENTAL

We continued our energy and carbon reduction efforts in 2011, with our goal to reduce both by 15 percent of our fiscal 2008 baseline by 2015.

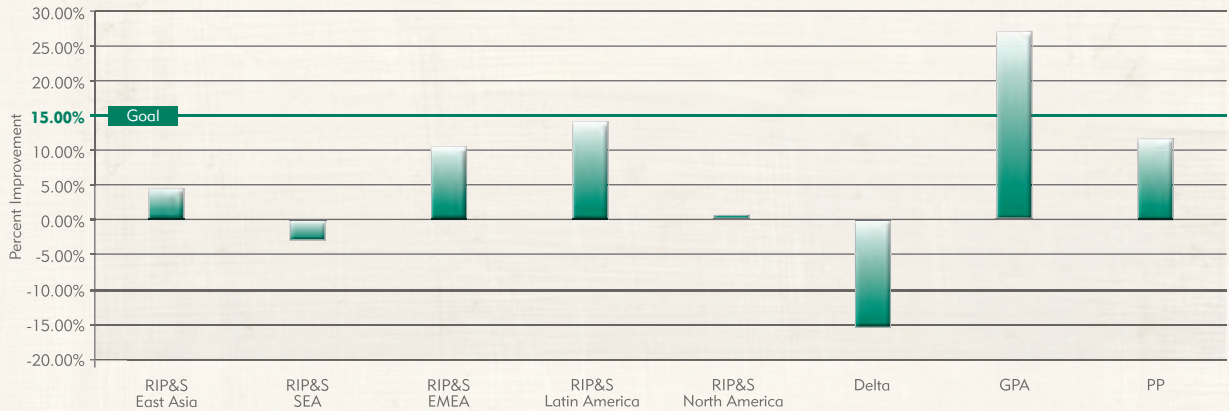
GHG Emissions and Energy Use

Greif's fiscal 2010 greenhouse gas (GHG) emissions inventory

TABLE 1. FY10 GHG EMISSIONS BY BUSINESS AREA

Business Area	Emissions by Source (tonnes CO ₂ e/y)								Total CO ₂ e Emissions (tonnes/y)
	Electricity & Steam	Fuel (non-renewable)	Fuel (biomass)	Plant Mobile Sources	Greif Delivery Trucks	Fugitive Sources	Outsourced Shipping	Process Sources	
Corporate	2,118	219	-	150	-	-	3	-	2,490
Delta	6,419	8,628	-	773	2	-	41	-	15,863
Packaging Accessories	7,099	1,887	-	70	-	-	212	-	9,268
Rigid Industrial Packaging	129,033	91,140	-	10,231	726	-	103,688	-	334,818
Paper Packaging	200,196	184,661	164,337	1,538	3,964	52,975	31,838	621	640,130
Land Management	-	-	-	-	-	-	3,121	-	3,121
Total	344,865	286,535	164,337	12,762	4,692	52,975	138,903	621	1,005,690

FIGURE 1. PROGRESS AGAINST THE 15% REDUCTION IN NORMALIZED GHG EMISSIONS GOAL
Energy per unit of production



is the company's fourth inventory completed by Battelle¹ since 2008.

Total fiscal 2010 GHG emissions for the company were 1,006,311 metric tonnes. This is below fiscal 2009 GHG emissions by approximately 10 percent, despite growth in the number of operating facilities. This reduction from fiscal 2009 is due, in part, to lower production volumes, but it also reflects the achievements of the energy conservation program and increased renewable energy use throughout the company. The fiscal 2010 GHG footprint of each business area is summarized in Table 1.

The new GHG emissions goal of 15 percent reduction in emissions per unit of production compared to our 2008 baseline is in place, and our businesses have begun to make progress toward achieving it. Figure 1 shows the percent change in Strategic Business Unit (SBU) fiscal 2010 normalized emissions compared to the baseline. To achieve the goal by the end of fiscal 2015, plants must reduce GHG emissions by approximately 3.5 percent each year. As seen by the figure, five of the SBUs are on or above the required pace, with Packaging

Accessories already exceeding the 2015 goal.

Overall, the fiscal 2010 emissions inventory shows that the company has achieved a reduction of approximately 10 percent of production-normalized GHG emissions from the fiscal baseline.

Transportation

2011 was Greif's second year as a Smartway[®] Partner, a program sponsored by the U.S. Environmental Protection Agency. Through our actions under the umbrella of this partnership, we eliminated 295,097 miles from the North American network, equivalent to 53,752 gallons of diesel or 1.2 million pounds of CO₂. This is an incremental reduction to the 7.7 million pounds of CO₂ we saved in 2010. We upgraded light-weight equipment at one of our mills (logging 3.3 million miles annually), and began to install undertray fairings on our West Coast trailer fleet, which improved aerodynamics. This will help us meet the California

Air Resource Board (CARB) requirements by the end of 2015.

Energy Efficiency

Our Global Energy Team, with representatives from our businesses and SBUs, is responsible for developing the tools and training that will assist our employees as they reduce the energy used to create each product or support our operations. We made further progress toward our goal of reducing energy use per unit of production by 15 percent by fiscal 2015, based on fiscal 2008. By fiscal year-end, we were slightly more than halfway – at 8 percent – to our goal.

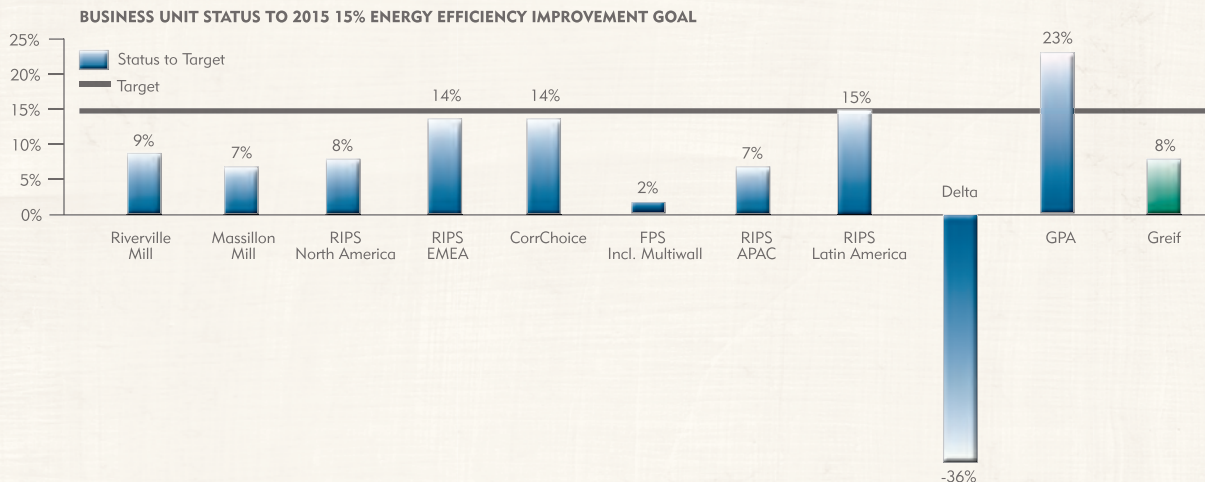
Renewable Energy

Greif has continued to expand its renewable energy portfolio as a way of reducing both purchased electricity and greenhouse gas emissions. Greif's Flexible Products & Services (FPS) business has two wind turbines in Turkey, each producing more than 1 million kWh annually. Our steel drum factory in Europoort also installed wind power generators.

NORTH AMERICAN FACILITIES WITH SOLAR ENERGY

Location	System Size, kW	Date Completed	Purchased Power Replaced
Marycrest (Ohio)	11	April 2010	10%
American Flange (Ill.)	22	July 2010	8%
LaPalma, Calif.	172	February 2011	19%
Fontana, Calif.	172	February 2011	48%

⁽¹⁾ Battelle is the world's largest independent research and development organization, working to advance scientific discovery and application.



Wind turbines at an FPS facility in Turkey

Four locations in North America currently have solar energy systems in operation.

Installation of solar panels has been approved for our plants at Rosemount, Minn, Merced, Calif., and for certain factories in Europe.

Waste

Since the introduction of the Greif Business System in 2003, we have consistently reduced the waste generated by our operations through lean manufacturing. New this year, we have set a specific goal of zero landfill waste by 2020.

Work at Greif's plastic drum plant in Lockport, Ill., illustrates work that is being planned and taking place to meet this goal at Greif factories around the world.

Lockport reduced its landfill waste in 2011 by approximately 45 percent over 2010, even with a higher sales volume. Comparing the first 11 months of both years, the factory went from 48 pick ups to 18, reducing landfill waste to

56 tons from 101 tons and costs from \$20,130 to \$10,867.

The plant took a number of other actions to reduce the waste they generated in their operations. They installed a baler for cardboard and shrink wrap recycling, and recycled the plastic purged from its machines as well as scrap metal. They also switched to using re-usable absorbents.

Innovative, Award-Winning Packaging

We fully endorse business-led innovation to create sustainable practices that will benefit society, the environment and our stakeholders as well as the future of our planet.

In June, Greif was honored as a Gold winner in the 23rd DuPont Awards for Packaging Innovation. DuPont's is the industry's longest-running, independently judged global award program for packaging



The beginning of the Agribusiness Virtuous Cycle



2011 Gold winner - 23rd DuPont Awards for Packaging Innovation

materials, technology and service innovation. Greif's Cimplast operations in Brazil teamed with DuPont to create a multilayer plastic bottle for agrochemicals. These bottles, made with a DuPont polymer compatibilizer, can be diverted from landfills and remade into high-value products such as automotive lubricant bottles and rigid pipes through the "Agribusiness Virtuous Cycle," a full-cycle recycling system. More than 150,000 tons of empty agrochemical plastic bottles have been collected since 2002, saving about 374,000 barrels of crude oil and more than 160,000 tons of CO₂ equivalents.

EarthMinded™

Life Cycle Services

Restore>Reuse>Recycle: Responsibly



We believe that the best use of an industrial container is its re-use until it can no longer be reconditioned. In 2010, our Container Life Cycle Management joint venture was established in North America with the acquisition of two responsible industry leaders, Drumco of Arkansas and Tennessee, and IndyDrum. In 2011, we expanded the reach of our reconditioning services business to Europe with the acquisition of pack2pack, and strengthened our position in North America through affiliations with other responsible operators in the United States and Canada. Subsequently, EarthMinded™ Life Cycle Services, the largest global industrial packaging reconditioner, was officially introduced to customers. EarthMinded™ LCS is developing new technologies and business approaches to transform the industrial container reconditioning industry and help industrial packaging users achieve their sustainability objectives.



Steel drums being reconditioned at an EarthMinded™ Life Cycle Services facility

We have also developed proprietary technology to provide customers with verifiable reports detailing the reduced environmental impact of their industrial packaging entrusted to EarthMinded™ LCS. These reports allow our customers to document their achievements and meet the growing demand for more sustainable packaging.

EcoSystem

SFI Certification

Our Soterra land management business in the United States passed its third Sustainable Forestry Initiative (SFI) surveillance audit and maintains approximately 232,700 SFI-certified acres of timberland in Mississippi, Alabama and Louisiana.



Our Massillon Mill (Ohio) was re-certified for the SFI/FSC/PEFC (Forest Stewardship Council/ Programme for the Endorsement of Forest Certification) in October. This re-certification is renewed annually.

Our Riverville Mill (Virginia) re-certified its SFI sourcing certificate for wood procurement under the new 2010-14 standards in June. The mill's triple Chain of Custody certification issued by the SFI, FSC and PEFC organizations for using 100 percent post-consumer recycled fiber has been renewed under the latest revision of each of those standards. These certificates are subject to annual review through a surveillance audit.

Wetlands Mitigation

Soterra is in the final stages of receiving the approval of the U.S. Army Corps of Engineers to implement a wetlands mitigation bank in Hancock County, Mississippi. This area will be converted to a wetlands pine savannah and serve to preserve vital wetland habitat in the gulf coast region of Mississippi.

Pollinator Study

One of Greif's commitments to the Clinton Global Initiative (CGI) is our Pollinator Habitat Improvement project. Timberland offers the potential to provide clean forage for the bees that are vital to agricultural productivity and economic viability, while bees offer improved landscape health on timber holdings.

Using Soterra's timberland resources, Greif is working with Pollinator Partnership to learn how pollinators impact wildlife food availability on timber landscapes. We are also studying the added values of hosting honey bees and beekeepers on the landscape and the best management practice for ecosystem services on forest landscapes.

By conducting pollinator exclusion studies, automated hive scale honey bee productivity assessment and background ecosystem service assessment, the initial results have found that important wildlife food species are either pollinator dependant or pollinator limited. Increased fruiting in wildlife plants occurs when pollinators are given access.

SOCIAL

We believe it is our responsibility to help make the world a better place for our communities and our families. We share one future, after all.



"Enjoying Our Nature" Photo contest entry from Greif Costa Rica

Employee Engagement

The commitment of Greif's employees to sustainability is essential to our progress. To help employees learn about our company-wide sustainability programs and find information they can use at work, at home, and with customers, family and friends, Greif's Sustainability Department launched the Sustainability section on the company's intranet site. The section hosts a variety of interactive tools, videos, studies and best practices. Our sustainability commitments and achievements are also posted on our website at www.Greif.com/Sustainability.

Picture Our World Photo Contest

A picture is worth 1,000 words. Being able to take a picture and share it with co-workers around the world is priceless.

Employees submitted 58 entries to our third annual Picture Our World photo contest. Photos could be entered into one of four categories: Nature at the workplace; nature at home; conservation in action; and open for any photo of nature or an

ecosystem. Aaron Spinos, lean manufacturing specialist at our Houston steel and fibre drum plant, won the 2011 contest with a photo of his daughter in a tunnel at the prairie dog exhibit at the Houston zoo (*see page 25*).



"Winter Tree" submitted by Patrik Krcmar of the Czech Republic

Greif Global Sustainability Award

We launched the Greif Global Sustainability Award in 2010 to recognize our employees' efforts to innovate and adopt sustainable business practices in their workplaces. The first year, we had more than 30

nominations representing a total dollar savings of more than \$17 million. In line with the intent of the program, just from these nominations alone we documented an environmental impact of 118 million pounds of CO₂ averted, 3.6 million pounds of waste eliminated and 1.5 million gallons of water saved.

The first recipient of this award, bestowed in January 2011, was Greif's entire Latin America strategic business unit. The organization reduced energy use in 21 plants, embracing energy excellence to the extent of taking their commitment home with them. They took the Greif GBS Operational Excellence approach to eliminating waste with minimal investment. They concentrated on changing the mindset of employees, raising awareness about the rational use of resources and machines, and tracked results daily. Monthly energy performance reports compared results between plants, allowing continuous identification of successes and failures. In the process, they effected a cultural change and generated a passion for conservation among employees.

Delta Home Energy Savings Program

Following the success of Greif Latin America's home energy savings program, Delta Companies Group launched Greif's first such program in the U.S. The Delta Home Energy Savings Program began with a contest to encourage associates to save electricity and gas in their homes. The objective of the contest was to lower use of electricity and/or natural gas for a four-month period. To kick off the program, every participant received four energy-efficient light bulbs and tips on how to conserve energy at home to start saving immediately.

More than 50 Delta employees combined to deliver an 11 percent reduction in home electricity consumption and a 26 percent reduction in home natural gas consumption. Prizes were awarded to those achieving the highest and second highest percentage reduction in their use of electricity and gas, respectively.

The overall winners were Lupe Franco, warehouse coordinator at our Bedford Park (Illinois) warehouse, who reduced electrical consumption by 54.2 percent and Forrest Ivy, customer service manager at our Houston Deer Park facility, who reduced natural gas consumption by 57.1 percent.

WBCSD



wbcSD member

Through our membership in the World Business Council for Sustainable Development (WBCSD), Greif hosted the first WBCSD U.S. Midwest Meeting with SC Johnson as co-sponsor. The meeting drew more than 90 participants from WBCSD member companies, academic institutions and non-governmental organizations (NGOs). They discussed environmental issues and shared best practices covering the topics of water, energy efficiency in buildings, ecosystems and leadership development. The participants also learned that combined, their companies spent \$12 billion on the consumption of energy, which is the largest manageable expense in buildings. (Greif has signed on to the WBCSD's Energy Efficiency in Buildings Manifesto.) Greif Chairman Mike Gasser challenged each organization present to reduce energy consumption by 1 percent. Of the 1,050 trillion Btu they consume collectively, 1 percent is equivalent to 3.9 billion barrels of oil.

We are making plans to host a follow-up meeting in 2012.

CGI Commitments

Economic Development – Steel Drum Artisans



Ornate handmade Haitian wallsculptures made from parts of salvaged steel drums

We continue our commitment to the Clinton Global Initiative with our ongoing support of steel drum artists in Haiti. In 2011, we shipped 40 tons of steel drum parts to the artists. During a formal presentation of the steel to the artisans of Croix des Bouquets, former U.S. President Bill Clinton met with Greif's Chief Sustainability Officer Scott Griffin to talk about more opportunities to support Haiti and its artisan community. Their art can be found at www.haitimetalart.com.



President Bill Clinton and Scott Griffin, Greif's Chief Sustainability Officer, during a meeting in Haiti

Water – Personal Water Transport

Forty percent of the world's population live in a water-stressed environment. More than one billion people have no access

to clean water or must walk to retrieve their daily water supply. With an estimated 40 billion hours spent per year on water collection, the large scale of this basic need provided both a business case for an effective solution and an opportunity to improve lives. Therefore, we decided to leverage our manufacturing expertise and the polywoven fabric supply of our Flexible Products & Services business to create effective, lightweight and hygienic products for the personal transport of clean water from the source to the home.

The project began with the design of two backpacks for carrying water. The WaterWear™ 20L backpack and the WaterWear™ 15L Hybrid backpack answer the need for a clean, easy-to-carry means of transporting and storing household water, offering relief to women and children around the world.



20 liter WaterWear™ collapsible water backpack

The first backpacks were field tested in Haiti in mid-2011. The designs of the backpacks were refined based on feedback from actual users. Then, in collaboration with the Clinton Global Initiative, Partners in Health, Prodev and Partners in Education, an additional 2,000 backpacks were distributed in four communities in Haiti for further testing.

We look forward to the results and eventually a wider rollout of the backpacks.

Water – Catchment System

Greif is supporting a rain catchment system and community center area in the Haitian town of Medan Belize near Lake Azuei. Working with partners Operation Blessing and Caribbean Harvest, we supported the extension of the school building to create a new community space and covered school canteen area that will also serve as a structure for rain catchment. The catchment consists of donated foldable water bags produced by our Flexible Products & Services business. Serving as tanks, these bags can each hold 2,500 liters of rainwater collected from the roof, helping to provide water for non-potable uses to this community living in extreme poverty.

We have committed to support the building of two additional schools/community centers that will also serve as sites for the collection and storage of rainwater.

Helping Our Communities

We made the second installment of our five-year pledge to support The Ohio State University Comprehensive Cancer Center and The James Cancer Hospital and Solove Research Institute to fund The Greif International Collaboration for the Advancement of Curative Therapies in Leukemia.

Renovation of an atrium and courtyard at Riverside Methodist Hospital in Columbus, Ohio, funded by a Greif pledge, should be complete in 2012.

In May, we donated 300 steel drums to the NGO “Children of the Street,” which wanted to raise interest and donations for an educational project in Vietnam. Thinking big, they worked with the city of Antwerp, Belgium to produce an original event. Six hundred excited youngsters from area schools gathered in the center of the metropolis to beat the drums under the watchful eye of the 15th century Baroque painter from Antwerp, Peter Paul Rubens.



Students in Antwerp, Belgium beating steel drums for charity

And, for the third straight year, we sponsored a week of camp at Recreation Unlimited for youth ages 8 to 22 with both physical and developmental disabilities. We augmented our financial support with employees who volunteered to spend a day at camp helping the camp counselors or maintaining the grounds.

This report details just a few of the multitude of activities occurring at Greif locations around the world. As the WBCSD succinctly put it: No company can succeed in a society that fails. We believe we all have a responsibility to ensure that society succeeds everywhere around the world.



Water catchment system in Haiti



A Child's Imagination Running Wild

Photo by Aaron Spinos, lean manufacturing specialist, Houston steel and fibre drum plant

We honor our history as we focus on our future.
We use financial, natural and human resources wisely without
compromising the ability of future generations to meet their needs.

The Greif Way

○ THE PRINCIPLES THAT GUIDE OUR BUSINESS

Greif's values are the same, wherever we are in the world.

ETHICAL

We can be trusted to do what is right. Greif's Code of Business Conduct and Ethics guides our decisions and actions.

STRONG THROUGH DIVERSITY

We encourage and embrace our diversity of culture, language, location and thought. Our differences define but do not divide us; our common interests unite us. From the many, we are one: Greif.

SERIOUS ABOUT SUSTAINABILITY

We honor our history as we focus on our future. We use financial, natural and human resources wisely without compromising the ability of future generations to meet their needs.

COMMITTED TO CONTINUOUS IMPROVEMENT

We always look for ways to make our work, our products, our services and our Company better.

○ THE STANDARDS WE HOLD

FOR OURSELVES

PERSONAL ACCOUNTABILITY

Greif is known around the world for integrity. Our people – principled, intelligent and reliable – reaffirm our reputation every day with their every action.

STAY ALERT FOR SAFETY

We take responsibility to be safe in everything we do. We are diligent in protecting our own safety as well as the safety of our co-workers. We correct unsafe practices or conditions when we see them, and stop any activity that brings unnecessary risk.

RESPECT OTHERS

We treat people the way we would like to be treated while being respectful of their cultural norms.

BE PART OF THE SOLUTION

When we see something that needs to be done, we do it. When an issue arises, we work together toward a resolution. We put Company goals ahead of our personal agendas in the workplace.

FOR CUSTOMERS

Greif customers are our first priority. Without them, we have no Company.

BUILD IN QUALITY

Quality is our hallmark. Each of us takes responsibility for it.

REMAIN ABOVE REPROACH

We compete honestly and adhere to the highest standards of conduct.

MEET AND EXCEED OUR CUSTOMERS' NEEDS

We listen to our customers to learn about their challenges and help them determine their best solutions. We deliver products and services at fair value.

FOR SHAREHOLDERS

We work for Greif's shareholders, the owners of our Company. With this in mind, we strive to create value in all that we do.

INCREASE OUR COMPANY'S WORTH

Our shareholders expect it. Our future depends on it.

MAINTAIN OUR COMPANY'S REPUTATION

The companies with the highest standards provide the highest returns for their shareholders. We will continue to be one of those companies.

FOR SUPPLIERS

Greif's suppliers are essential; they provide the materials and services that keep our business running.

CULTIVATE SUPPLIER LOYALTY

We treat our suppliers as vital partners to our business.

EXPECT EQUAL TREATMENT

We constantly evaluate all aspects of the products and services that we purchase. We expect quality at a fair cost.

REMAIN FREE OF OBLIGATION

We do not accept lavish entertainment or excessive gifts from suppliers.

○ THE SUPPORT WE EXPECT FROM OUR COMPANY

We have certain expectations of the Company, and it is the Company's obligation to do its best to fulfill those expectations.

SAFETY IN THE WORKPLACE

Safeguarding the health and welfare of our people is fundamental. The Company is committed to providing a safe working environment.

EQUITABLE TREATMENT OF ALL

Regardless of race, color, sex, creed, national origin or age, each Greif employee will be treated fairly.

APPROPRIATE REWARDS

Compensation and benefits will be competitive and commensurate with the value received.

CAREER OPPORTUNITIES

The Company will be mindful of career opportunities within Greif for its employees.