



# Environmental, Social and Governance Commitment Statement

Multi-Color Corporation  
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Last Update March 2021

# Environmental, Social and Governance Commitment Statement

## At MCC We Care About a Better Tomorrow, Today.

This simple statement embodies what we do every day at MCC, we continuously strive for sustainable development that provides shared value and helps build a brighter future for all. Consistent with this objective, all of our daily processes to provide our customer with premium label solutions include an integration of environmental, social, and governance (ESG) factors. At the heart of every MCC employee is the continued commitment to develop sustainable label products that meet the needs of our customers and partners within the value chain. Based on our corporate values of integrity, passion, creativity, perseverance and achievement, we describe here how we work towards this every single day.

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COLLABORATE

ACT

RESOLVE

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## COLLABORATE

*Engagement with stakeholder partners  
throughout the value chain*



At MCC we recognize that sustainability is a journey and not a destination. To embark on this voyage we engage with multiple stakeholder partners throughout the value chain who are aiming for a sustainable future. Only through open and constructive collaboration can we solve the issues that we are facing as an industry. Partnering with green companies and trade organizations who recognize our efforts helps us move forward. They keep us informed, and motivate us to commit ourselves to several sustainability goals.

# ACT

*Optimize our supply chain and production process*

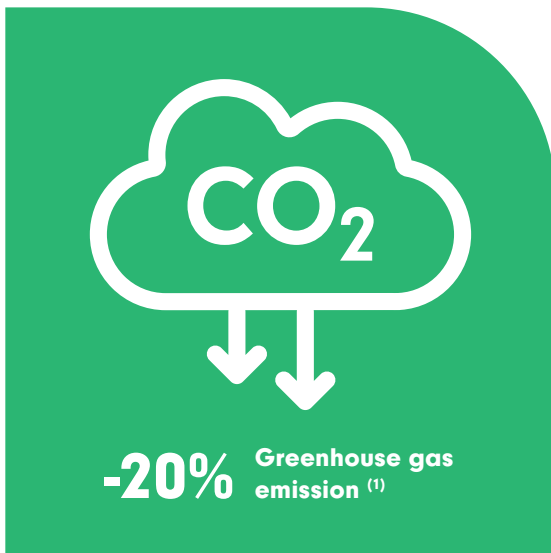


We also act ourselves to optimize our supply chain and production process. We do this by maintaining a continuous improvement approach in each facility globally. Where our aim is to reduce energy and water usage, as well as implementing waste reduction strategies. By signing global pacts, we are demonstrating our commitment to minimizing environmental impact. The focus of this pacts is on four pillars: human rights, labor, environment and anti-corruption. By incorporating these principles into our strategy, policy and procedures, we are upholding our basic responsibilities to people and planet. All of this is supported by clear goals (both on company and site level) that is communicated and documented openly.

## Energy & Greenhouse Gas Emissions

Acting against a global threat as climate change is not only seen as a necessity but also as a responsibility for everyone at MCC. The key feature of climate change, which makes it distinctively different compared to past environmental issues, is the global range. As a company with a global footprint we want to ensure that we are battling this in every location where our products and processes have an impact. Our focus to reduce our footprint is on a number of areas:

- Ensuring that we reduce emission in our operations.
- Providing innovative solutions to the market that have reduced emission or a positive effect on the end-of-life of the final product.
- Actively collaborate in industry working groups to set up ambitious plans for our entire supply chain.
- Understanding the impacts of climate change on our business and our supply chain.



This leads to our global engagement to reduce our scope 1 and 2 greenhouse gas emissions by 20% from our own operations by 2025 (from a 2019 baseline). In November of 2020 we committed to get these targets verified by the Science Based Targets Initiative.

<sup>(1)</sup>2019 (66 Metric Tons(MT) CO2e/Month/Million Square Meters produced(MSM)) ->2025 Target (52 MT/Month/MSM)

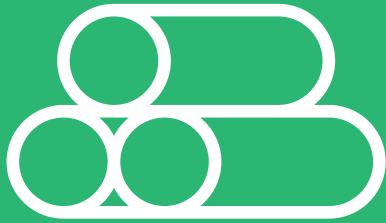
## Water

Water is essential for our planet, our people and our business. For MCC, water is critical for the manufacturing of our products (in the form of cooling our printing presses). Wastewater generated from operations, industrial processes and sanitation facilities are to be characterized, monitored, controlled and treated as required prior to discharge or disposal. We want to actively work on reducing the use of water in all of our processes. The goal we have set ourselves is to reduce water consumption by 20% by 2025 (on a 2019 baseline).

<sup>(2)</sup>2019 (145 Cubic Meters/Month/MSM) →2025 Target (116 Cubic Meters MT/Month/MSM).



**-20%** Water usage <sup>(2)</sup>



## Materials

MCC and its suppliers are to adhere to all applicable laws, regulations and MCC requirements regarding prohibition or restriction of specific substances in products and manufacturing, including labeling for recycling and disposal. At MCC's request, Suppliers are expected to provide to MCC reports on the occurrence of substances in any materials supplied to MCC that may be restricted by, or require disclosure to governmental bodies, customers and/or recyclers.

## Waste

MCC and all of its suppliers shall implement a systematic approach to identify, manage and responsibly dispose of or recycle solid waste (non-hazardous).

In our own facilities we want to strive as much as possible to get to zero-landfill and our current target we have set ourselves is to reduce waste to landfill by 20% latest by 2025.

On top of this we want to support our customers as much as possible to limit the waste created by the use of our products. One example how we do this is, is by actively collaborating in liner recycling projects (both on individual level as industry wide via collaborations). We believe that this way we can promote a circular economy for self-adhesive label materials.

<sup>(3)</sup>2019 (12 MT/Month/MSM) -> 2025 Target (9.6 MT/Month/MSM).



## Other

In addition to the above-mentioned directions, we expect that every MCC location (including all employees and suppliers) fully complies with all applicable environmental laws, and that environmental responsibility is integrated into their day-to-day businesses. All should work to safeguard the health and safety of workers and the public while minimizing adverse effects on the community, the environment and natural resources. All reasonable efforts should be taken to minimize waste in all aspects of manufacturing.

## RESOLVE

*Label upgrades that meet your sustainability needs*



We want to be a sustainable partner for our customers, with a major focus on the development of sustainable label solutions. For this, our Research & Development team is constantly searching for label upgrades that meet today's sustainability needs. Each label upgrade starts with a dialogue with the customer, to fully understand which goal they try to reach. We continue by listening to the reclaimers. Our main question is always: *what is the optimum label solution for our customers, that is also going to provide the most sustainable solution?* We continue to innovate, to develop sustainable solutions across all packaging categories. We have made it a priority and a focus for our development to work on the next generation materials for each category.

## ENGAGE

*Engaged employees create a sustainable MCC*



At the core of our business are the people that we encounter every day. We work hard to be the best possible employer to our workforce and a valued partner to our communities. MCC fosters an inclusive, safe and giving environment so our employees are fully engaged in ensuring a brighter tomorrow. In order to emphasize the importance of this, we have created specific policies on the following topics:

- Fundamental safety rules
- Workplace anti-harassment
- Standard of business conduct
- Code of ethics
- Diversity and inclusion



## Reporting

MCC is committed to openly share a sustainability report and all our external accreditations to all of our stakeholders. A copy of the current progress can be requested with the Global Sustainability Director. This enables us to be transparent about the risks and opportunities we as a company are facing.

Current external accreditations:

- Ecovadis
- CDP
- Ellen Mac Arthur Foundation
- UN Global Compact
- Sedex
- Science Based Target Initiative

## Governance

At every site, an individual along with the site manager are tasked to monitor and report periodically on our performance metrics for environmental issues including energy consumption, water usage and waste. The metrics are reported to the Global Sustainability Director and the Global Executive Management (GEM) team. Each business unit COO is responsible to ensure compliance to and progress toward the goals we have set as a company and to submit requests as needed for capital projects to drive progress. At least annually the performance metrics and performance toward achievement of our goals is reviewed by the GEM with support of the Global Sustainability Director.

The GEM team and Operating Committee of Multi-Color Corporation value your input. That is why we provide our associates and business partners with the ability to report concerns confidentially and, if desired, anonymously. Multi-Color Corporation is committed to fostering an environment that protects those who call attention to legal or policy violations (whistleblower) and will investigate thoroughly and impartially the concerns associates and/or business partners may surface.

Direct link to the Ethics line:

<https://secure.ethicspoint.com/domain/media/en/gui/24436/index.html>