



Quad®

Quad Europe
Sustainability
Report

2020

Meaningful Purpose

We believe there's more to being a global citizen than how we contribute to our time and place economically. More importantly, we look for opportunities to reach our full potential environmentally and socially.

This term defines our role in the larger ecosystem, and how we do more in the world than simply solving business problems with our products and services. We strive to exist in **meaningful** ways that aren't as easily quantifiable as the bottom line — our goal is to provide **purpose** and possibilities that improve our employees' lives, and our communities.



Table of Contents

04 From the President

05 Our stance on sustainability

06 Quad's Europe sustainability commitment

07 About UN SDGs

08 About European Green Deal

09 3Ps of Quad's Europe sustainable development

10 PEOPLE

11 How we Do the Right Thing

13 Safety

14 Supporting our community

16 PLANET

17 Emissions and Energy

19 Materials and wastes

22 PROFIT

23 Growing with our customers

25 Our Long-Term Strategy

From the President

Jakub Dyląg, President of Quad Europe

At Quad, great challenges are our everyday life. We vigorously face them for over 25 years. **And with the same energy and engagement, we approach the greatest challenge – our company's sustainable development.**

Our remarkable transformation has been going on for years: we started as a reliable partner offering printing services to customers, we have successively expanded our competences to various marketing areas, and **today we are intensively implementing solutions that allow us to run a sustainable business.**

We define our mission as **3Ps: People, Planet, and Profit**. In these areas, we link our goals with the goals of the European Green Deal, which aims to achieve climate neutrality in Europe by 2050, and with UN Sustainable Development Goals, also known as Global Goals, which paves the way to protect the planet, to ensure peace and prosperity for all, and to eradicate poverty by 2030.

Our priority is to protect the environment. We already offer zero carbon footprint production upon request. **We have PEFC and FSC certificates, as well as EU Ecolabel.** We try to replace each tree used in our production with at least one new. We recycle the waste produced at Quad up to 7 times! We are proud that as a result of our activities, **we have received the ISO 14001 certificate, and every 3 years we are positively audited by SMETA.** We consistently implement new solutions that reflect our care for the natural environment.

People are equally important to us. Corporate social responsibility manifests itself in our company by supporting the development of our employees, engagement in the life of the local community, and supporting children.



All the time, **we set ourselves new goals to continue on the path of sustainable development.** In the report, you will find a detailed description of our activities and more information about the mentioned areas of Quad's sustainable development activity.

We strive to implement our Meaningful Purpose with full commitment. We want to offer something more than just excellent services and products – we want to have a real impact on improving the natural environment's condition and people's quality of life, starting from the youngest.

I hope that our report will inspire you to do more for people and the planet and encourage you to start cooperation with Quad – a transparent and responsible company.

Together, we can change the world or at least the part that we influence.

Sincerely,

A handwritten signature in blue ink that reads "Jakub Dyląg". The signature is fluid and cursive, written in a professional style.



Our stance on sustainability

Quad believes that sustainability and profitability are not mutually exclusive. Corporate social responsibility is common sense that makes good business sense. We manage resources, support our people, educate communities and bring responsible products and solutions to market.

Triple Bottom Line

John Elkington's widely adopted Triple Bottom Line (TBL) sustainability framework measures a company's social, environmental and economic impact.

But in 2018, near the 25th anniversary of its launch, Elkington himself stated that TBL needs renewed scrutiny. His latest book, *Green Swans: The Coming Boom in Regenerative Capitalism*, details concern that companies might use the TBL approach to prioritize profit without creating meaningful change around social and environmental issues.

In response, we created what we'll refer to as Meaningful Purpose. Elkington's ideas inspire and remind us to expand our thinking beyond a single bottom line approach.

This report is only the beginning of Quad's Europe expansive journey to Meaningful Purpose. It's a roadmap for us to run a business that generates economic value, certainly. But more importantly, it holds us accountable in our goals to contribute significant social and environmental value.



Quad's Europe sustainability commitment

At Quad we believe in finding a better way that makes a difference – for clients, employees, and the environment. That commitment led us to environmentally responsible business practices decades ago. We continually challenge ourselves to find new ways to conserve raw materials, minimize waste and emissions, and recycle as much as possible to reduce our environmental impact. We understand that doing what's good for the environment is good for business. We continue to expand our commitment.

Therefore, year by year we adjust our sustainability strategy to the newest standards. Currently, we are working on the United Nations Sustainable Development Goals (UN SDGs) and European Green Deal.



To be sure that we successfully sustain the high efficiency of our environmental management system and its ability to deliver desirable results, we go through yearly external audits. Since 2009 our company is certified with ISO 14001. Since 2012, we are also successfully audited by SMETA. That ensures that we work ethically in four crucial areas: Labour, Health and Safety, Environment, and Business Ethics.

About UN SDGs

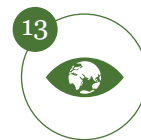
In 2015 all United Nations Member States adopted 17 Sustainable Development Goals, also known as the Global Goals, to pave the way of eliminating poverty, protecting the planet and securing peace and prosperity for all people by 2030.



1 NO POVERTY
End poverty in all its forms everywhere



7 AFFORDABLE AND CLEAN ENERGY
Ensure access to affordable, reliable, sustainable and modern energy for all



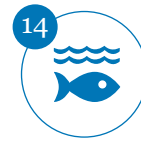
13 CLIMATE ACTION
Take urgent action to combat climate change and its impacts



2 ZERO HUNGER
End hunger, achieve food security and improved nutrition and promote sustainable agriculture



8 DECENT WORK AND ECONOMIC GROWTH
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



14 LIFE BELOW WATER
Conserve and sustainably use the oceans, seas and marine resources for sustainable development



3 GOOD HEALTH AND WELL-BEING
Ensure healthy lives and promote well-being for all at all ages



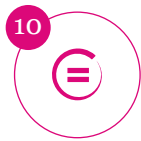
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



15 LIFE ON LAND
Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation and halt biodiversity loss



4 QUALITY EDUCATION
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



10 REDUCED INEQUALITIES
Reduce inequality within and among countries



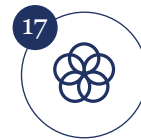
16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels



5 GENDER EQUALITY
Achieve gender equality and empower all women and girls



11 SUSTAINABLE CITIES AND COMMUNITIES
Make cities and human settlements inclusive, safe, resilient and sustainable



17 PARTNERSHIPS FOR THE GOALS
Strengthen the means of implementation and revitalize the global partnership for sustainable development



6 CLEAN WATER AND SANITATION
Ensure availability and sustainable management of water and sanitation for all



12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Ensure sustainable consumption and production patterns



About European Green Deal

The overarching goal of the European Green Deal is to make Europe climate-neutral till 2050. This ambitious package of measure were set by the European Commission to substantially reduce greenhouse gas emissions, to invest in cutting edge researches and innovations, and to protect the environment in Europe.



3Ps

of Quad's Europe sustainable development

We draw on our company's founding principle to create a better way for our employees, our clients, our communities and our world. All our efforts for better future may be divided into three areas of action:



Our goals in this areas were set according
to the aims of UN SDGs and
the European Green Deal.





People

At Quad, “Believe in People” is a core value, just one way we create **Meaningful Purpose**.

Quad’s ongoing community initiatives tie directly to several UN SDGs. And we are adopting, to the best of our abilities, specific milestones within them.



1. NO
POVERTY



2. ZERO
HUNGER



4. QUALITY
EDUCATION



10. REDUCE
INEQUALITIES



How we Do the Right Thing

Quad's values, including our Code of Conduct – "Do the Right Thing", were established by founder Harry V. Quadracci at our company's launch in 1971. Our values form the foundation of our culture and guide us in our daily decision-making. Our values are the reason why we've been so successful and how we've been able to remain a "company with a soul" throughout our incredible journey.





100%

of our employees take
and comply with our

Do the Right Thing

ethics code-of-conduct
training annually.

This consists of awareness of our anonymous compliance hotline, our compliance with laws, our stance on a free and fair market free from corruption of all kinds, conflicts of interest, transparency in business dealings, environmental responsibilities, safety in the workplace, and our hard stance against all forms of abuse.



Safety

Promoting a safe workplace is at the foundation of our culture, a centerpiece of our employee education programs. We take a firm stance that safety is everyone's responsibility, from production workers to our company's CEO.

Quad's vision for workplace safety and health is built on holistic approaches for business value that incorporate safe, secure and healthy environments through continuous improvement. We also protect Quad's human, financial and physical assets by addressing potential exposure to loss, through prevention, claim management and loss-transfer strategies.

Our company-wide safety education and awareness program, ThinkSAFE, teaches employees about a different safety topic each month. ThinkSAFE is an effective way to share safety best-practices and raise awareness of its importance.



SAFE WORK BEHAVIORS



HOUSEKEEPING



EMERGENCY PROCEDURES



PROPER PPE



Supporting our community

At Quad, we understand the crucial role of big companies for local communities. That is why we want to be far more than just a good local employer. We are an active member of society, a helping hand, and a mentor. And we are proud of that.

Some of our activities:

Supporting families in need

since 2017 we participate in „Szlachetna Paczka” which is a nationwide action of collecting money and goods for poor families.



Supporting disabled

in 2018 and 2019, we organized Charity Basketball Tournament in Piła to collect money for the „Złotowianka” foundation, supporting disabled athletes. We plan to organize another tournament as soon as the pandemic situation will allow us to do so.



Supporting children

in Quad Europe we attach the greatest importance to helping children. We support The Great Orchestra of Christmas Charity – the most famous Polish organization founding medical equipment for children. Since 2016 we organize Christmas Gingerbread Fair in Piła, to collect money for Christmas gift for the poorest children and children from local orphanage. We also support child care home in Wyszków where we've started a garden and have founded an outside gym.

Supporting education

in small communities like ours, a good education is the key to future success. We know about that, so at least twice a year, we supply local schools, kindergartens, and local educational organizations with paper, so needed in such institutions. Quad also organizes competitions for young people focused on helping to develop competencies desirable in the labor market.



Supporting animals

we don't forget about abandoned animals. In 2019 we organized a fundraiser for the „Bąkówka” shelter. We plan to repeat this action.



Planet

Climate change is real, and it's more important than ever for companies to act quickly to address climate change, but also their resource use. While we have an exceedingly long way to go before making a truly tangible impact, Quad Europe passionately believes that improving everywhere we're able, especially in areas of our biggest environmental impact, are steps toward creating Meaningful Purpose.



Emissions and Energy




RE
DUC
TION

We believe that climate change is an immediate threat to our communities and our business. No effort we make alone will be enough to reverse course. But acknowledging the profound severity of the situation is the first step to making a positive difference.

With our activities concentrated on reducing GHG (GreenHouse Gas) emissions, we are in line with the goal set by the European Green Deal, assuming achieving climate neutrality by 2050.

We've developed a carbon footprint calculator. This is a tool that allows us to determine the amount of emissions related to the key activities of our company and is the crucial indicator for the conscious management and reduction of these emissions. Our calculator was created in accordance with the globally recognized GHG Protocol (GreenHouse Gas Protocol) standard, thanks to which we obtain accurate and reliable information about the emission levels in our company.

The awareness of the amount of emissions in various areas of our company's activity allowed us to develop a strategic plan of CO₂ emissions reduction.



100% of energy we
use comes from renewable
resources (with zero CO₂
emission) which enables
us to reduce our CO₂
emission by **20%**.



COMPEN SATION

We are determined to reduce greenhouse gas emissions as quickly as possible.

However, we are aware that this is a complex process, and it will require significant technological and organizational changes not only inside our company but in the entire supply chain. Therefore, in parallel to the ongoing emission reduction projects, we invest in compensation programs. We cooperate with ClimatePartner in this area. Thanks to our compensational efforts, we can already offer our clients a production with partly reduced or zero carbon footprint.

We can also help our customers to compensate for production and logistics emissions on their own. With our carbon footprint calculator, we can provide them with detailed information about the carbon footprint of their order.

Materials and wastes

Quad recognizes that preserve raw materials and reducing waste is both environmentally and fiscally responsible. Cutting our consumption and recycling what's left is a core step in our manufacturing process. It's the right thing to do for our environment and it's another way we create **Meaningful Purpose**. This demonstrates our Triple Bottom Line mentality of People, Planet and Profit, in Quad plants.





TREES are Treasures

For a company that has **printing on paper in its DNA**, trees are real treasure. That is why we treat them with great respect. Translating it to business language, we buy paper only from producers that ensure sustainable forestry production. That makes us sure that each felled tree is compensated by appropriate plantings.

Sustainable forest management is vital to our clients and to us; that is why we have **PEFC** and **FSC® certificates**. They ensure we can guarantee the origin of wood-based materials we use in production.

As a responsible producer, we promote the use of raw materials with these certificates. Our goal is to constantly increase the number of productions made with certified raw materials.

By adjusting our processes and used materials to the standards of the **EU Ecolabel certificate**, we can provide our customers with the implementation of products that meets one of the most demanding European environmental standards.



CERTIFICATION



Znak odpowiedzialnej gospodarki leśnej



EU Ecolabel : PL/028/005





RECYCLING

Recycling was one of the first ways that Quad recognized we could make an impact early in the company's sustainability journey. Circular Economy and recycling are in our DNA and are central to our sustainability mission.

In our plants, most of the waste generated during production is recycled or recovered in another way. We have achieved an excellent result in this area.

99% of our waste is now diverted from disposal.

But our goal is to make all our products sustainable through their entire life cycle. To achieve this, we focus on reducing the usage of fossil-based and nonrenewable materials, replacing them with those that are biodegradable, renewable or recycled. Most of all it concerns the way we pack our products and semi-finished products. We also do our best to make use of production wastes as much as possible.

We recycle our waste up to seven times.

Goals we work on

Following the principles of the Circular Economy, we strive for maximal reduction of wastes but also for smart choices regarding materials we use. That leads us to two main goals:

- 1.** Increasing the number of productions using certified papers
- 2.** Significant increase in the usage of environmentally friendly materials for the packaging purposes



PROFIT

One-stop-shop offering

Quad Europe is one of the largest and most innovative printing house in Europe and a dependable partner in print solutions. But we are not only that. Over the years, we have evolved, and now print is only one step in the whole marketing process that we can help our clients with. By adding in-store solutions to our offering, we've established our strong position as a manufacturer. Expanding our offer with creative and design services made us a reliable marketing partner. *With a wide portfolio of marketing services, we can now help our clients in the whole marketing process.*

Effectively and efficiently.



PRINT
SOLUTIONS



POSTAL
SOLUTIONS
& LOGISTICS



IN-STORE
SOLUTIONS



PRE-MEDIA



CONTENT
CREATION &
PRODUCTION



CONTENT
WORKFLOW
SOLUTIONS



COMMUNICATION
STRATEGY



CREATIVE
SOLUTIONS



DIGITAL
MARKETING



Growing with our customers

Every day we see how much our customers prioritize sustainability in their corporate missions. And how we grow with our customers is central to Quad's goals and programs. So we shape our own initiatives through true collaboration with those we do business with. What is more, we help our customers to adopt sustainable practices and to integrate sustainability information into their reporting cycle.



Sustainable production

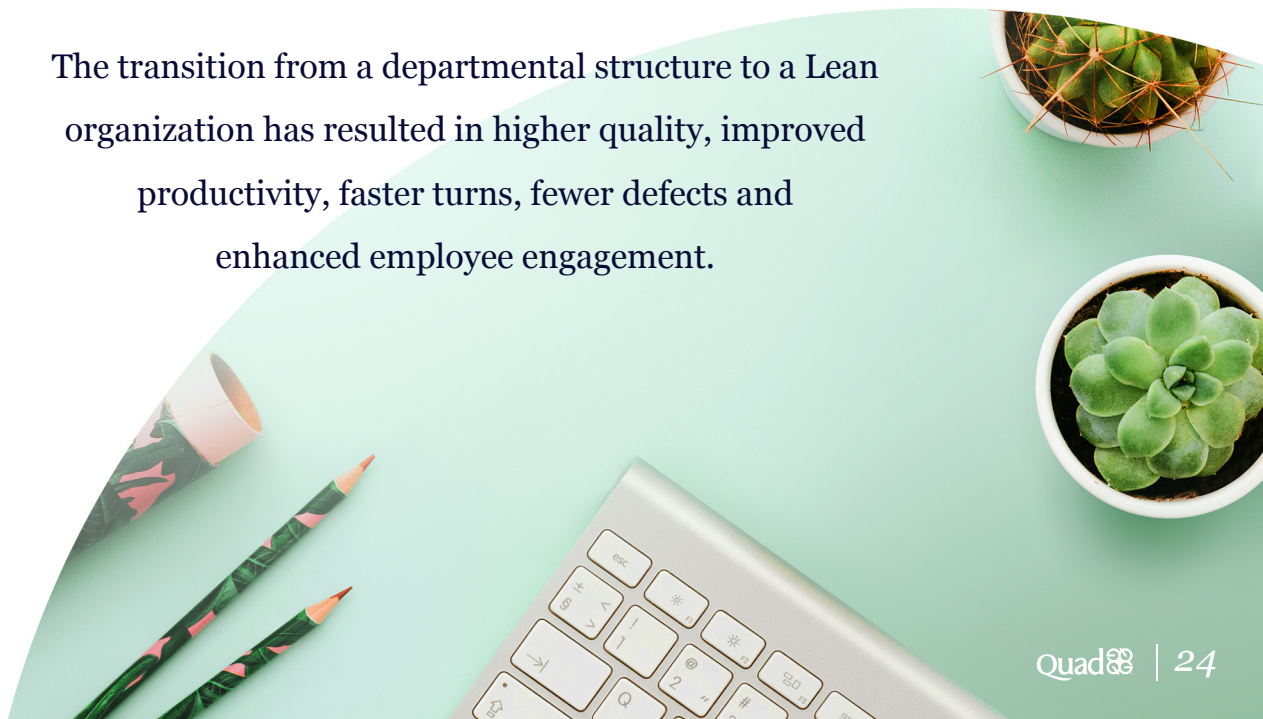
Every step we take gets us closer to offering fully sustainable products. We already use 100% renewable energy, and 99% of our waste is diverted from disposal. We already offer our clients ***productions certified with FSC®, PEFC, and EU Ecolabel certificates***. We can also measure the carbon emissions of our clients' productions and help them to offset these emissions.



Continuous improvement

As a Lean Management company, we employ Lean processes and methods to analyze workflows, drive out waste and eliminate defects. The primary philosophy behind Lean is that it identifies and eliminates “any activity that does not add value from the customer’s perspective.” Lean is customer and technology driven and is focused on best practices and solutions that add value, reducing lead time in all processes while improving quality and eliminating waste in all areas. Along with our technology and our “one company, one process” business approach, Lean represents a key competitive advantage.

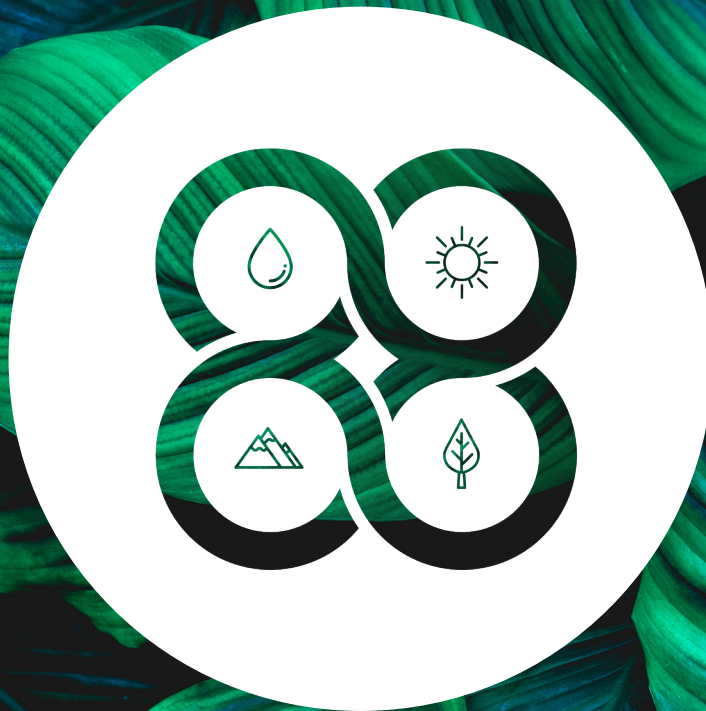
The transition from a departmental structure to a Lean organization has resulted in higher quality, improved productivity, faster turns, fewer defects and enhanced employee engagement.



Our Long-Term Strategy

We're grateful that you took time to read our report on Quad sustainability development. Making these reports helps us "do the right thing" because sustainability truly is the right thing for everyone to do. We hope you'll join us in ramping up efforts to create value for our environment and our communities, free from the siloed, limited bottom-line vision for business.

Together we have continued to make a deep, positive impact in sustainability at Quad.



We've come a long way, thanks in many ways to our **PARTNERS** and **CUSTOMERS**. But we still have a long way to go.

We invite you

to at the very least start somewhere, as perfection cannot be the enemy of progress. This report is for accountability — but it's also meant to inspire other corporations to do more for sustainability. Our hope is that transparency sparks ideas for how to go about it.



Thank you for walking with us on this path. Whether you're a Quad client, supplier, community member, employee or outside observer, we genuinely believe that working together on these sustainability topics is the best way to create Meaningful Purpose.

For more information contact

**Andrzej
Sędziński**

Quality Assurance &
Sustainability Director

Email: asedzinski@quad.com