

Report

Quad Europe
sustainability
report

2021

Quad 



Together for the world



At Quad, we've always been visionaries. Harry V. Quadracci, the company's founder, kept repeating that "our ideas are our wealth". That's why we've always been ambitious in setting goals and boldly executing them.

Today, one of our most important challenges is to run a business that cares about sustainable development. We take our time; we look for solutions; we find resources. We stand by the changes we are consistently introducing.

It's a massive project, but we have experience implementing inspiring plans: we started as a printing company, and today we are a worldwide partner offering extensive marketing services. That is why we believe we can equally effectively bring solutions that are good for the world we all share.

We establish our actions on three pillars: People, Planet and Profit and comply with the objectives of the European Green Deal - aiming for climate neutrality in Europe by 2050.

This document **reports on our commitment and sustainability efforts**, but it also gives voice to an important issue, encouraging our customers, competitors, and colleagues to take action.

Enjoy the reading.

A handwritten signature in black ink that reads "Jean-Michel Gaffé". The script is elegant and cursive.

Jean-Michel Gaffé

President of Quad Europe



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Quad Europe's commitment to sustainable development

At Quad, we believe that there is always a way to change the world for the better, for our customers, for our employees and for nature. This approach led us to introduce environmentally friendly business practices decades ago. We are constantly challenging ourselves to find new ways to conserve raw materials, minimise waste and emissions and recycle as much material as possible – to reduce our impact on the environment. We understand that acting in the interest of the environment is good for business, which is why we continue to deepen our commitment. We, therefore, adjust our sustainability strategy to the latest standards every year.

We are currently working on the objectives of the European Green Deal.

To make sure that we successfully maintain the high performance of our environmental management system and the system's ability to deliver the desired results, we undergo external audits annually. Our company has been ISO 14001 certified since 2009. We have successfully passed SMETA audits since 2012.

This gives us confidence that we work ethically in four main areas: labour, health and safety, environment and business ethics.



In 2021, we got a silver medal of Ecovadis – a trusted international ranking that assesses the sustainability of companies. The organisation rated us in four areas: ecology, ethics, respect for human rights and sustainable procurement policy. This award demonstrates Quad Europe's long-standing commitment to sustainable development. We achieved a score higher than 80% of international printing companies. This is a huge success for us, but not the end of our efforts, as we want to keep improving to reach for gold in the future.



European Green Deal

The overarching goal of the European Green Deal is to achieve climate neutrality in Europe by 2050. Business is a key element in this process. It is business that, right after the governments, carries the greatest responsibility. Consumers perceive the situation in the similar way; already in 2019 as many as 69% of them declared that, when choosing products and services, they were guided by their impact on the earth.* These figures show that taking care of the environment is not only an ethical, but also a business decision for companies.

The European Commission is encouraging manufacturers to move towards a circular economy, i.e. to make full use of resources and minimise waste, as well as to use renewable energy sources and reduce CO₂ emissions. At Quad Europe, we are following this call and implementing a sustainability strategy, which will enable us to achieve this important goal in the future.



*IPSOS 2019



3 pillars of sustainable development of Quad Europe

All the efforts we make to create a better future for our employees, customers, communities and our world can be divided into three areas of focus:



PEOPLE



PLANET



PROFIT

Our objectives pursued in these areas have been set in line with the European Green Deal and the UN Sustainable Development Goals.

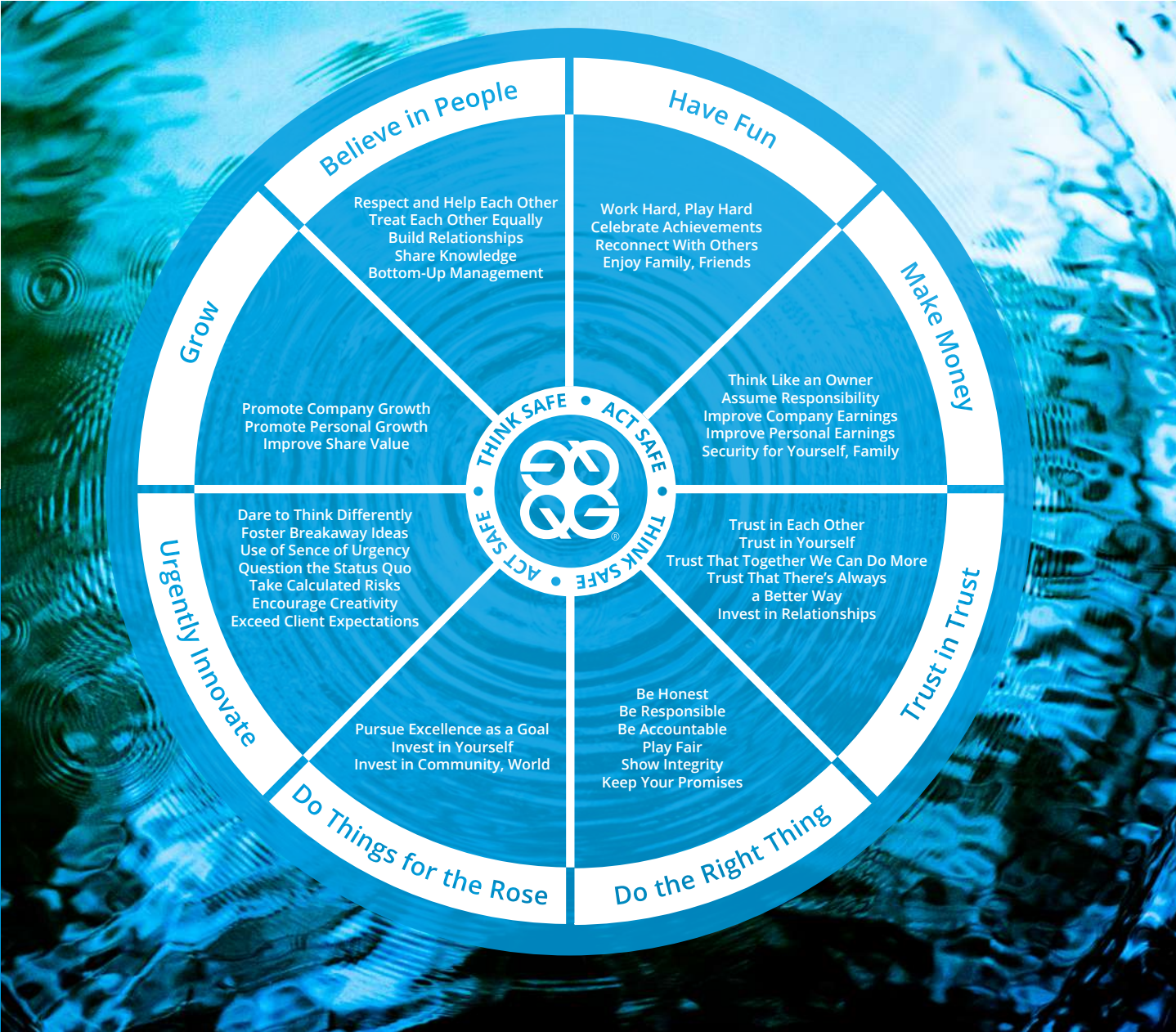
PEOPLE

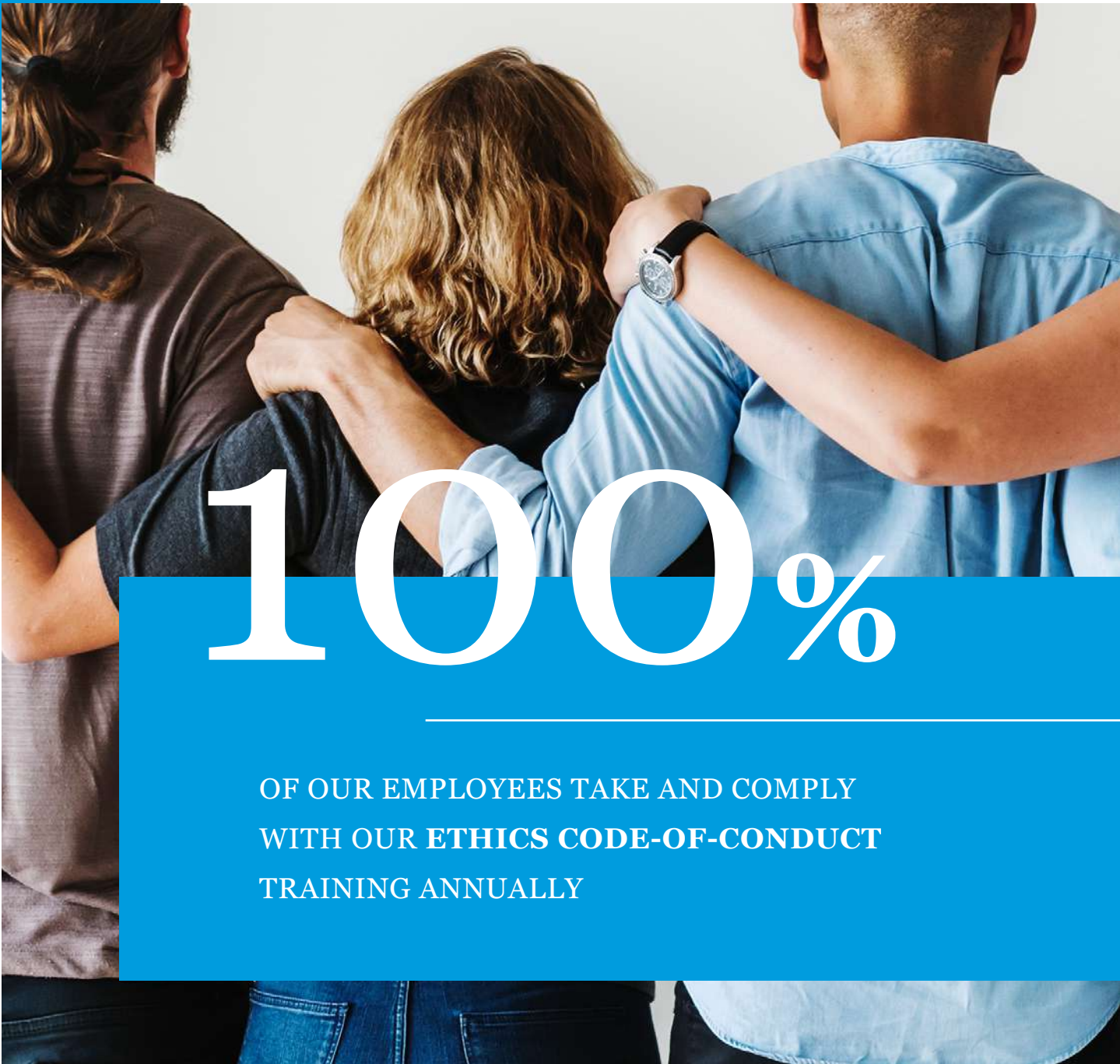
At Quad, we really believe in people. A well-functioning company is, after all, first and foremost its motivated and responsible employees. We also know that, thanks to companies like ours, local communities can thrive, and only in a well-functioning community is there room for business to grow. Therefore, investing in people is one of our most important objectives.



How do we do the right thing

Quad's values, including our code of conduct entitled "Do the right thing", were established by Harry V. Quadracci, when he founded the company in 1971. These values underpin our corporate culture and are the basis for our daily decision-making. Thanks to these values, we are successful and able to remain a "company with a soul" during our extraordinary journey.





100%

OF OUR EMPLOYEES TAKE AND COMPLY
WITH OUR **ETHICS CODE-OF-CONDUCT**
TRAINING ANNUALLY

As part of the training, employees learn about an anonymous helpline where they can report any abuse. They become familiar with our strict approach to compliance and our clear position on all manifestations of corruption and all forms of fraud. They become aware of how we value transparency in business relations and environmental responsibility. They learn how to react in situations of conflict of interest and how to ensure safety at work.

Safety

Promoting safety at work is at the heart of our company's culture and is a key element of our employee training programmes. We strongly believe that everyone, from production workers to the company's president, is responsible for safety.

Quad's vision of occupational health and safety is based on a holistic approach to business values. In practice, this means creating a safe and healthy working environment through its continuous improvement.

In addition, we protect Quad's human, financial and physical resources by addressing issues that could potentially lead to losses. We achieve this through prevention, claims management and the use of loss carry-forward strategies.



SAFE
WORK
BEHAVIOURS



HOUSEKEEPING



EMERGENCY
PROCEDURES



PROPER
PERSONAL PROTECTIVE
EQUIPMENT

Supporting our community



At Quad, we understand the important role large companies play in small communities. That is why we want to be something more than just a good local employer. We are an active member of the community, a “helping hand” and a mentor. And we are proud of that.

Examples of our activities in 2021:

We encourage people to take care of the environment

We believe that the role of business is not only for sustainable development but also for taking up important issues. That is why, at the turn of 2020 and 2021, we invited our current and potential customers to take part in an action whose aim was to collect money for four environmental organizations from Poland, France, Germany and Great Britain. Together, we gathered €5500 for them.

We play with WOŚP each year

For many years we have supported the local staff of the Great Orchestra of Christmas Charity (WOŚP) by printing the information materials they need. We also donate items for auctions and involve employees in fundraising.

We focus on education

Support for education is primarily a noble cause, but also a sensible investment in our company's future. Through educational programmes, we train valuable employees for our company and for the entire region. In 2021, despite the pandemic, nearly 100 trainees from Wyszków's secondary technical schools completed their work placements at Quad Europe. This was possible thanks to a remote traineeship project developed by our staff, in which participants learnt about issues such as calculation, production technology and accounting, and logistics.

We also support younger students. It is our constant pleasant duty to supply local schools and kindergartens with paper, which is so useful in these institutions. This activity also has an environmental dimension, as this is waste paper that, when cut into A4 sheets, is given a second life by serving the students.



We host bees

We have kept bees at the Quad Europe plant in Wyszków for the past two years. We have made land available for a Centre for Continuing Education educational apiary, and we take care of its safety.

PLANET

Climate change is a fact. Therefore, today more than ever, it is important for companies to take swift action to prevent climate change, but also to use raw materials wisely. We have a very long way to go before we can exert a truly measurable positive impact on the environment. However, at Quad Europe we firmly believe that it is our social responsibility to improve the situation whenever possible, especially in our areas of activity.



We reduce emissions

We focus our activities on reducing greenhouse gas emissions, therefore, we are in line with the objectives set by the European Green Deal, which are to achieve the climate neutrality of Europe by 2050.

We use our own carbon footprint calculator.

It is a tool that allows us to determine the volume of emissions associated with our company's key activities and is an important indicator for the informed management and reduction of such emissions. **The calculator is based on the globally recognised GHG Protocol (Greenhouse Gas Protocol)**, thanks to which we can receive accurate and reliable information on our company's emission levels. **Awareness of the volume of emissions in the various areas of our business has enabled us to develop a strategic plan for reducing CO₂ emissions.**



100% of the energy, we use comes from renewable sources (with zero CO₂ emissions), which enables us to reduce our CO₂ emissions by 20%.

We will offset your emissions

We are determined to reduce greenhouse gas emissions as quickly as possible. However, we are aware that this is a complex process that requires significant technological and organisational changes, not only in our company but throughout the supply chain. That is why, in parallel with ongoing emission reduction programmes, we help our customers offset the carbon footprint of their production and logistics. In this area, **we cooperate with ClimatePartner**. This enables us to offer our customers production with a partially reduced or zero carbon footprint.



Order-specific emission offsetting

Thanks to our carbon footprint calculator, we are able to provide customers with details of the carbon footprint of their order and, on this basis, calculate financial compensation for one of the emission reduction programmes.

Example

*In 2020, together with our customer Beiersdorf, we offset 12 tonnes of CO₂**

Beiersdorf



We care about upcycling and recycling

We are well aware that conserving raw materials and reducing waste are environmentally and financially responsible actions. Reduction of consumption and recycling of all residues is an important step in our production process.

Most of the waste generated at our plants is recycled or otherwise recovered. We achieve excellent results in this area.



99%

of our waste is not landfilled

We choose raw materials wisely

We aim to make all our products environmentally sustainable at every stage of their life cycle.

To achieve this, we focus on reducing the use of fossil and non-renewable materials and replacing them with biodegradable, renewable or recycled materials.

When developing our product offer, we primarily think about recyclable solutions. In 2021, we launched Clic'N'Green display stands and the Brick Display System, which are plastic-free and 100% recyclable. What is more, Clic'N'Green display stands are made of 100% recovered paper. We have also improved our flagship product LAMà®, by completely eliminating plastic from it.

We wrap in paper

We also pay attention to how we package our products and semi-finished products. Here, too, we aim to eliminate plastic and upcycle as much material as possible. That is why **we decided to purchase a PaperWrap machine, so we can use it to wrap parcels in paper.** This allows us to effectively eliminate foil packaging in favour of recyclable paper wrappers. We encourage all our customers to make this positive change.



We use waste

We do our best to maximise the use of production waste. We use e.g. large-format sheets from machine run-ups as spacers and separators when stacking products on pallets.

We recycle our waste up to

7 times

We replace foil with cardboard

Since January 2020, we have managed to replace 128,000* plastic sleeves for packing displays with recyclable carton packaging.

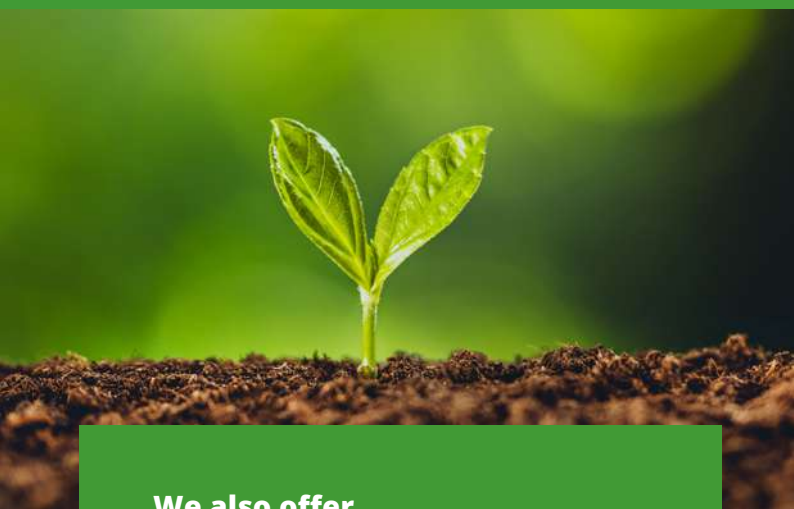


We use our planet's resources responsibly

For a company that has printing on paper in its DNA, trees are a real treasure.

That is why we treat them with great respect.

This means that we only buy paper from producers who ensure sustainable timber production. This way we know that every felled tree is replaced with suitable seedlings.



We also offer

customers the possibility to produce using **Cradle to Cradle and Blue Angel certified paper** – paper with this label is made of 100% recovered paper.

Our certifications

Sustainable forest management is crucial both for our customers and for us; therefore, we have PEFC and FSC™ certifications. They guarantee that the paper is made of material from well-managed FSC™-certified forests, recycled materials, and other controlled sources. As a responsible producer, we promote the use of raw materials with such certificates. Our aim is to continuously increase the number of products made from certified raw materials. In 2021, **we managed to increase production using such raw materials by 10%** compared to 2020.

By adapting our processes and materials to the requirements of the EU Ecolabel certificate, we can provide our customers with products that comply with one of the strictest European environmental standards.



We optimise transport

Sustainability applies to every area of Quad Europe's business. We also plan the transport of our products in such a way as to have the least possible impact on the environment. That is why we fold our POS displays into flat cardboard packages. In this way, we reduce the carbon footprint associated with their transport and optimise the costs associated with logistics.



PROFIT

One-stop-shop offer

Quad Europe is one of the largest and most innovative printing houses in Europe and a reliable partner for printing services. But we can do much more. We have grown over the years and currently print is just one element that we can help our customers with throughout the marketing process.

We offer advertising agency services, such as creation of communication strategies or all kinds of advertising campaigns. Our in-store business serves customers throughout Europe, providing them with a range of innovative products and solutions. Thanks to a broad portfolio of services, we can now help our customers at every stage of their marketing activities. Effectively and efficiently.



Broad portfolio of services



PRINT



POSTAL SOLUTIONS & LOGISTICS



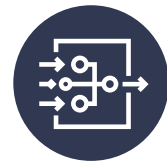
IN-STORE SOLUTIONS



PRE-MEDIA



CONTENT CREATION & PRODUCTION



CONTENT WORKFLOW SOLUTIONS



COMMUNICATION STRATEGY



AGENCY SERVICES



DIGITAL MARKETING

On the right track, together with our customers

Every day we see how much emphasis our customers place on sustainability in their corporate missions, and it is crucial for Quad Europe that we grow with our customers. That is why we shape our initiatives through sincere cooperation with the entities with which we transact. Furthermore, we help customers implement sustainability practices and complement their reporting cycle by information on sustainability.



Sustainable production

Every step we take brings us closer to offering fully sustainable products. We already use 100% renewable energy and 99% of our waste is not landfilled. However, the largest portion of carbon footprint of printing is paper, which is left to our customers to decide. **Therefore, we encourage you to make responsible choices and use certified paper.** We must fight together for reductions in this area. **Our offer contains products and paper with certificates such as FSC, PEFC, EU Ecolabel, Cradle to Cradle, as well as Blue Angel.** We can also measure the carbon footprint of your production and support you in offsetting it.

Continuous improvement

As a Lean-managed company, we use processes and methods enabling the analysis of workflows, reduction of losses and elimination of errors.

The basic premise of the Lean methodology is to identify and eliminate all activities that do not add value from the customer's perspective. The Lean methodology focuses on best practices and solutions that provide value to the company, while reducing lead times for all processes, increasing quality and reducing losses

in all areas. Combined with our technology and the "one company, one process" business approach, Lean offers a key competitive advantage.

Acting as a Lean organisation, we increase quality and productivity and reduce the number of errors. This approach also strengthens employee engagement and makes returns on investments faster.



Thank you.

By reading this report you are showing an interest in sustainable development - thank you for that. We encourage you to continue working together to protect the environment and develop local communities. Together, let us continue creating meaningful, positive change in the area of sustainability.

Feel free to contact me,

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