All4Labels

GLOBAL PACKAGING GROUP

All4Labels Group plant in Salerno, Italy

GLOBAL
SUSTAINABILITY
REPORT

2023

Index

1.INTRODUCTION

1.1 Message from our Management

We have embraced the path of sustainability for many years, guided by clear goals and ambitious 2030 targets under our **'3Ps'** (Product-Planet-People) **Business Model**. By aligning our sustainability objectives with the United Nations Sustainable Development Goals, we ensure that our efforts address the most critical global priorities and contribute to collective progress.

In 2023, we launched initiatives that further expanded our **STAR Portfolio**. New **STARDIRECT™**, our groundbreaking 'no-label' look solution, uses direct printing technology. It enables us to reduce plastic waste by eliminating, on average, half of the printing substrates. We also developed **STARLOOP™**, a portfolio featuring materials with Post-Consumer Recycled (PCR) content that could save up to 20% of CO_2 emissions, and **STARNATURE™**, a range of materials derived from bio-based renewable sources.

Throughout the year, we diligently retrofitted one-third of our machinery with state-of-the-art **LED curing** technology; a crucial step in our ongoing efforts to reduce and manage energy consumption while mitigating up to 2,000 tons of CO_2 emissions per year. This reinforces our efforts to minimize the environmental impact of our operations, and is reflected in the reduction in total CO_2 emissions last year[1].

The installation of photovoltaic systems in some of our sites underscores our commitment to **clean** and **renewable electricity**. In 2023, our solar panels generated 29,878 kWh of renewable electricity, marking a significant contribution to our sustainability goals.

Recognizing the urgency of addressing climate change, we have also embarked on ambitious **waste management** projects aimed at reducing waste generation and promoting recycling and circular economy principles. In 2023, despite the incorporation of significant number of new production sites into the group, total waste generated increased by only 3% compared to 2022. Recycling rates improved considerably, increasing by 11%. By improving material utilization and minimizing waste of substrates, inks, and other direct materials, we continue to advance our environmental efforts.

As part of the All4Labels Group, we share best practice continually and implement new initiatives across our sites, with a particular focus on bringing newly acquired sites on board to improve overall waste management performance.

The well-being of our employees and the safety of our workplace remain at the forefront of our agenda. We achieved a significant reduction in the **Total Recordable Incident Rate** (TRIR) from 2021 to 2022, and this trend continued in 2023 with a further 18% reduction.

To support local safety representatives with Safety Walks, our Global Safety, Health & Environmental team developed the All4Labels Safety Walk Deck in multiple languages, and this has been distributed to all production sites.

We take immense pride in our pivotal role within a virtuous ecosystem, where we not only contribute actively to spreading our innovative sustainability model but also draw inspiration from esteemed thought leaders in the field. This symbiotic relationship fuels our commitment to driving positive change and fosters a culture of continuous improvement. In light of this belief, our participation at **COP28 in Dubai** was an invaluable opportunity to engage with global leaders and stakeholders on sustainability matters. As part of this event All4Labels Group participated in an interview to answer how packaging and labels can help address global environmental and social challenges, such as waste generation, resource depletion, and greenhouse gas emissions. We continue to strengthen our resolve to create a more sustainable future by exchanging insights, sharing best practices, and forging partnerships.

Embracing the purpose of global collaboration for meaningful change, we have challenged ourselves by pursuing third-party certifications, such as the prestigious **Ecovadis rating**. Thanks to hard work by our teams, some of our sites rank in the top 1% of worldwide companies with the highest score in sustainable performance, highlighting the depth of our commitment to sustainability. By subjecting ourselves to third-party evaluation, we ensure transparency and reliability for our customers.

The year 2023 has been full of achievements and important milestones, driven by the core values that guide our actions. Our journey highlights our firm belief that commitment to sustainability must be translated into concrete and tangible actions. We remain determined to advance on this path, and in 2024 we have initiated implementation of the Corporate Sustainability Reporting Directive (CSRD). Simultaneously, we are working tirelessly to develop and ensure a comprehensive roadmap for Scope 3 emissions, ensuring that our efforts lead to meaningful and lasting impact.

Günther Weymans
CEO

[1] https://ourworldindata.org/

1.2 About All4Labels Group

Global platform with a **leading pan-European presence** supported by footprints in **attractive growing markets**

37 SITES Europe

1 SITE North America

2 SITES Asia

15 SITES South & Central America

2 SITES Africa

140 Years of packaging heritage

1bn+ Annual revenue (€)

6,000+* Dedicated employees

50 Production facilities

0.5** TRIR

13,000+ Customers globally

80+ bn Labels printed annually

80+ Digital presses

*Values are based on budget 2023 and latest acquisitions - ** Total Recordable Incident Rate

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History

We are one of the world's **leading label companies**, a pioneer in sustainable and digital packaging solutions.

Sep 2016
Announcement to create All4Labels Group from the merger of:
- Baumgarten, leader in labels and thermoformed carton trays
- Rako Group, digital Pioneer for PSL
- X-Label, leader in supply chain-oriented packaging solutions

Jun 2018
Nuceria Group, PSL, boxes, and flexible packaging Italian converter joins All4Labels Group.

Nov 2019
Triton invests alongside the founding shareholders

Aug 2020
GPS Rotomet, shrink sleeves and roll-fed powerhouse in Italy joins All4Labels Group.

Jul 2021
Etichettificio Dany, Italy, joins All4Labels Group.

Oct 2021
Leading players in online and e-commerce Labelprint24 and Packaging Warehouse join All4Labels Group.

Feb 2023
LabelPress, leading converting company in Brazil, joins All4Labels Group.

Nov 2022
Centro Grafico DG, security printing solutions provider in Italy, and Romprix, Romanian labels manufacturer, join All4Labels Group.

Aug 2022
Carlucci Etichette, Italy, joins All4Labels Group.

Relieves Egara and Indetic, first subsidiaries in Spain, join All4Labels Group.

Apr 2022
First subsidiary in the United Kingdom, Olympus Print Group, joins All4Labels Group.

Grafiche Pizzi, Italy, joins All4Labels Group.

Mar 2022
First subsidiary in Northern Europe, Limo Labels joins All4Labels Group.

Flexoprint labels, PSL and sleeves producer in LATAM, joins All4Labels Group.

Jun 2023
Springfield, UK champion for digital printing, VisionFlex, Brazilian manufacturer for PSL and food market, Geon and Auckland, regional market leaders for pharma in Brazil, join All4Labels Group.

Jul 2023
First subsidiary in Chile joins All4Labels Group.

Oct 2023
Print Leeds, UK converter for the beers, wine and spirits markets, and La Commerciale Borgogno, Italian converter for wine and spirits labels, join All4Labels Group.

Nov 2023
Modulgrafica Pharma, Italy, joins All4Labels Group.

Dec 2023
Uniflexo and Maxcor, Brazilian manufacturers for PSL, shrink sleeves, booklets, join All4Labels Group.

First Impression Labels, South Africa, joins All4Labels Group.

1.3 Our CORE values and culture

Curiosity

We strive for excellence every day.
By embracing challenges, we develop innovative ideas which in turn result in tailor-made solutions.

Our curiosity opens up new paths, breaks familiar patterns, and allows us to reinvent ourselves.

The result? Satisfied partners and committed teams.

One Team

We pride ourselves in being an international team with multifaceted strengths, talents and know-how.

Our short communication paths and culture of respect enable us to support each other directly and combine our diverse range of skills to develop and execute new ideas.

Together we are unbeatable.

Responsibility

Responsibility to our partners, colleagues, fellow human beings and the environment is our lodestar.

In particular, health and safety is of highest priority in all our plants as it is an integral part of our company strategy.

Our safety-first commitment leads to a safe environment for everyone and a sustainable treatment of resources.

Empowerment

We care deeply about empowering each other. All our actions are driven by the expertise of our people.

With our flat hierarchy and agile structures, each individual is heard and empowered to learn and use their talents and skills to make a difference.

It is this commitment to empowerment, with a workplace of continuous learning, that is the key to our success.

Witzhave, Germany

1.4 2023 Financials

Economic performance within the All4Labels Group varies according to specific product areas and the geographical markets where we operate. Market dynamics and trends across the value chain have a direct influence.

Our dynamic M&A activities in 2023 continued to present a range of risks and opportunities. Consequently, risk management across the entire company is always a priority, establishing appropriate limits and control mechanisms. Enhancements made to our treasury in 2022 – accounting, controlling, tax, and legal processes – have continued into 2023. They aim to minimize risks and capitalize on opportunities. Our financial teams have coordinated efforts to ensure that these limits reflect evolving market conditions and business activities.

Over the past year, Europe has faced several challenges that have disrupted the economy. The war in Ukraine and geopolitical tensions have caused delays and increased costs in energy, manufacturing, and logistics. Political uncertainty in some European countries has also affected investor confidence.

Persistently high inflation rates, driven by energy costs, supply chain disruptions, and increased demand, have also weakened consumer purchasing power and increased operational costs for businesses. We have noticed the impact of energy prices over the past year, which cost approximately four times more than our investment budget.

The financial year 2023, much like the previous year, was characterized by the acquisition of new companies and the ongoing integration of transition activities. In total, eleven transactions were performed last year, including operations in Brazil, Chile, United Kingdom, Italy, Romania, and South Africa.

Sales increased from EUR 719.1 million in the previous year to EUR 814.0 million in the reporting year. This was supported by a market recovery on the customer side following the previous year's supply chain challenges and improved economic conditions, particularly in Europe.

Adjusted EBITDA increased from EUR 133.6 million in the previous year to EUR 159.6 million in the reporting year. The adjusted EBITDA margin saw an increase attributed to the implementation of a new supplier strategy and synergy effects with the acquired companies.

"Our approach combines **prudent**, **attentive**, and **transparent financial practices**, ensuring responsible and forward-thinking growth.

By establishing a solid financial foundation, we are paving the way for a prosperous company that can grow in the future, **contributing to the economic development of the communities in which we operate**."

Eugen Zeller
CFO

Net revenue and adjusted EBITDA results:

Economic Performance

Net revenue (million euros)	528.0	719.1	814.0
Adjusted EBITDA (million euros)	91.2	133.6	159.6
	2021	**2022**	**2023**

By consolidating our efforts across the entire organization to streamline management and standardize processes, All4Labels Group generates and distributes value.

% of the total direct value generated	2021	2022	2023
Income taxes	1.0	1.9	1.1
Personnel expenses	58.7	56.7	53.8
Capital expenditure	14.5	15.7	16.2
Shareholder remuneration	0.0	0.0	0.0
Interest and rent paid	25.7	25.6	28.8
Community	0.1	0.1	0.1

For further details, please refer to the explanations in our management report's consolidated financial statements[2].

1.5 Our Sustainability Business Model
2023 Highlights

The **All4Labels Group's 3Ps Business Model**, centered on People, Planet, and Product, directs our initiatives towards improving social, environmental, and governance outcomes throughout our value chain.

By setting clear targets for 2030 and aligning our sustainability objectives with the **Sustainable Development Goals** (SDGs), we ensure that our efforts tackle key global priorities and foster collective advancement. There is a clear definition and understanding of the importance and responsibility of each pillar within the All4Labels Group.

See below:

PRODUCT

Working alongside diverse teams encompassing Procurement, Quality, Sales, and Operations within our organization, our R&D and Sustainability team has driven a sustainable evolution within All4Labels Group, aiming to **maximize a positive impact** through **product design**, **innovation**, **quality assurance**, **transparent value chain practices**, while fostering deep collaboration with our stakeholders.

Improved **recyclability** and enhanced **recycled content** of product portfolio

STAR Portfolio expansion with **STARLOOP** and **STARDIRECT**

Improved quality performance, with **43%** lower non-conformity rate vs 2022

PLANET

Enforcing **high standards** for efficient and **responsible resource utilization** supports All4Labels Group's commitment to mitigating climate change.

Multidisciplinary teams from Technology & Engineering, Operations, and Sustainability collaborate to drive continuous operational efficiency improvements at our production sites, reinforcing our dedication to **sustainable business practices**.

15%
reduction in **GHG[3] Emissions** vs 2022

100%
renewable electricity (solar & wind) via **Energy Attribute Certificates** (EACs), avoiding 32,423t CO_2

72%
of production materials come from renewable sources

PEOPLE

At All4Labels Group, prioritizing our employees' development, well-being, and rights is crucial for creating **long-term value** and a **resilient and inclusive future**. Our Human Resources team, along with the Human Rights officer and Safety & Health & team, actively promote these principles within the organization.

By focusing on our people, **we aim to build an environment where employees can thrive**.

18%
reduction of **TRIR** (Total Recordable Incident Rate) vs 2022

20%
Women in **leadership roles**

Integration of our **Legal and Compliance teams**, new policies and internal audits.

[3]Green House Gas

3Ps Business Model

GOAL	TARGET	SDG
⊞ PRODUCT		
Most sustainable materials, products and solutions	Portfolio 100% recyclable, reusable or renewable by 2030	
Innovate to shape a sustainable future	Expand digital printing to 25% by 2030	
Customer partnerships to minimize product footprints	Development of a 2030 roadmap for sustainable solutions sales conversion rate together with our top customers no full stop	
🛡 PLANET		
Best technologies to mitigate climate change	Achieve carbon neutrality[1] (Scope 1-2) by 2030 & reduce 38% of emissions intensity in our operations	
Recycling, green energy, and responsible sourcing	30% reduction of total waste generation intensity by 2030	
Associations, circularity and eco-initiatives	> 95% recyclable and reusable waste by 2030	
🛡 PEOPLE		
People´s health and wellbeing	Total Recordable Injury Rate <0.2 by 2025	
Attractive and equal employer	40% women in leadership roles by 2030	
Empower, engage and develop talent	Net Promoter Score (NPS) above 75 by 2030	

[1]Carbon neutrality Scope 1-2 means reducing emissions from the company's own sources and neutralizing unavoidable emissions through recognized compensation measures, for example Energy Attribute Certificates and social initiatives.

Our commitment to integrity, ethical behavior, accountability, and transparency underpins our corporate responsibility and our sustainable business practices.

These values, embedded in our company's culture, are reinforced through comprehensive training, effective communication, and legal guidance.

A dedicated compliance team ensures that all employees adhere to these principles, supported by the unwavering commitment of senior management.

This holistic approach builds trust with customers, employees, and stakeholders, creating a solid foundation for long-term success and growth.

For the All4Labels Group, maintaining integrity at all levels is essential to continued prosperity and reputation.

1.6 About this Report

Tracking and reporting on our **ESG performance** is of utmost importance for increasing accountability and demonstrating our commitment to transparency and positive impacts. The All4Labels Group is committed to meeting and exceeding stakeholder reporting requirements, while continuously laying the groundwork for future financial and non-financial reporting.

We are committed to publicly sharing our performance using the **highest quality data**, while continually evaluating and refining our disclosure practices.

Our reporting comprises:

- Non-financial performance in 2023, with a focus on Environmental, Social, and Governance topics

- Summary of financial performance in 2023

- A corporate website that offers a dedicated sustainability section with relevant information on key topics

- In 2023 legal entities were added to the Group, representing 14 production sites

This report covers the financial year from January 1st to December 31st, 2023. Find more information on the scope of this report in **How We Report**.

STARDIRECT™ our patented and sustainable solution for no-label-look decorations
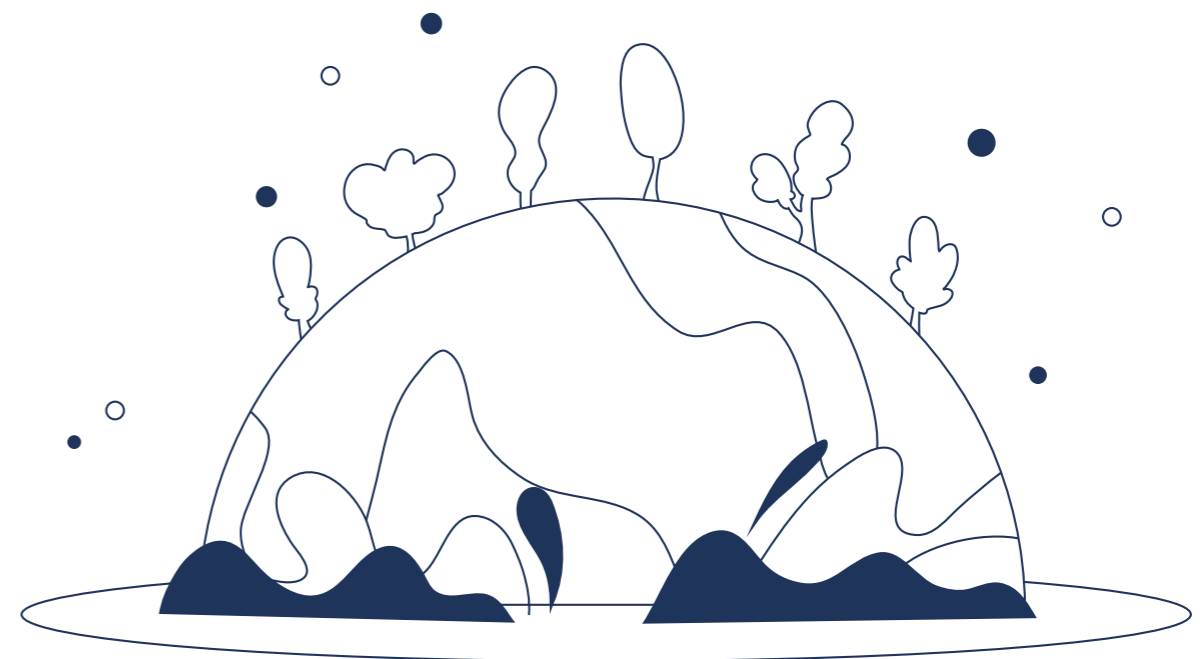
1.7 Our Materiality Matrix

Understanding the themes that are most relevant for the organization allows All4Labels Group to correctly prioritize resources and target setting, and to develop strategies that direct the Group's ESG agenda. This paves the way to positive impacts while mitigating possible risks.

In 2022, the matrix was improved visually and now

includes additional areas that present more clearly the topics, subtopics, and stakeholders involved. 2023 saw the start of preparations for the Corporate Sustainability Reporting Directive (CSRD).

A double materiality assessment will be carried out in 2024 and implemented in future reporting.

MATERIALITY MATRIX

Pillar	Topic	Sub-topic	Stakeholders	Enablers
People	Employee development and wellbeing	Employee Composition	Suppliers, leaders, employees, community	Policy Statement - Human Rights, Code of Conduct, Anti-Harassment Policy, Diversity & Inclusion Policy, Supplier Code of Conduct, Safety Health & Environment Policy, Life Saving Rules
		Diversity, Equity & Inclusion		
		Health & Safety		
		Employee Recognition		
		Training & Education		
	Respecting rights in the value chain	Human & Labor rights		
Planet	Environmental management	Circular Operations & Resource Efficiency	Government, customers, suppliers, leaders, employees, associations	Sustainability Policy & Roadmap, Sustainability Strategy 3Ps – People, Planet, Product, Sustainability team, SHE Policy
		Energy		
		GHG Emissions		
		Waste		
		Water		
Product	Sustainable innovation	Product & Sustainability	Customers, suppliers, associations	Sustainability Policy & Roadmap, Sustainability Strategy 3Ps – People, Planet, Product, Golden rules, R&D and Technology teams, Guidelines for Recycling, ISO standards, Partnerships with customers, suppliers, and associations
		Product Design		
	Product stewardship	Life Cycle Management		
		Product Safety & Quality		
	Value chain transparency and collaboration	Supply Chain Management		
		Strong Customer Relationships		
Governance	Ethics, integrity, and accountability	Board Composition	Government, regulators, board, employees, customers, suppliers	Sustainability Policy, Global Code of Conduct, Supplier Code of Conduct, Anti-money-laundering policy, Anti-bribery policy, Sustainability team.
		Sustainability Governance		
		Anti-money laundering		
		Anti-corruption and Anti-bribery		
		Data Protection		

1.8 Our Engagement & Recognition

As a leader in the packaging industry, we take immense pride in our pivotal role within a virtuous ecosystem. We not only contribute actively to spreading our innovative sustainability model, but also draw inspiration from esteemed thought leaders in the field. This symbiotic relationship fuels our commitment to driving positive change and fosters a culture of continuous improvement.

We believe that global collaboration is essential for meaningful change, which is why we actively participate in prestigious events such as the **Conference of the Parties (COP28)** in Dubai. The conference focused on accelerating climate action, including reducing greenhouse gas emissions, increasing renewable energy, and enhancing resilience and adaptation efforts. The main goals of COP28 were to strengthen the global response to climate change, increase ambition, and action on mitigation and adaptation, promote sustainable development, enhance cooperation, and support climate-vulnerable countries.

Gabriela Neves Ferri
VP Global R&D & Sustainability

As a global player in the packaging industry, we can play a crucial role in addressing climate change, sustainable packaging, and the circular economy. By adopting sustainable practices, designing eco-friendly products, and adapting to a circular economy, we can reduce our footprint and contribute to a more environmentally responsible future. COP28 provides an opportunity for

the industry to shape regulations, access funding and investments for innovative sustainable solutions, engage with other sectors, and enhance its reputation, and we are immensely proud to have actively participated: we demonstrated staying ahead of regulatory changes and industry trends, identified opportunities for growth, showed our commitment to sustainability, developed collaborative solutions that benefit the planet.

Our customers prioritize sustainable and ethical practices and expect us to maintain high standards. Our stakeholders are also increasingly aware of the long-term value and risk mitigation provided by sustainable practices. As a result, we have established our own 3P framework and ambitious sustainability targets, which demand rigorous adherence to best practices and continuous improvement.

We have challenged ourselves to pursue third-party certifications, including the prestigious **Ecovadis rating**. We are proud to have achieved three Platinum medals (Spain and Germany) and five Gold medals (Germany, Brazil and Argentina) in our sustainability journey 2023, demonstrating our dedication to environmental preservation through tangible initiatives. However, our journey doesn't end here. We are committed to persevering, pushing boundaries, and rethinking the packaging industry through sustainable investment in R&D.

As a reference point for brand owners seeking comprehensive support, we offer solutions that can guide the development of more effective sustainable packaging choices. Each year, EcoVadis raises the bar, challenging us to beat our previous achievements. We welcome these challenges, knowing that they drive us to excel and contribute meaningfully to a sustainable future.

Our dedicated sustainability team is at the heart of this progress, working tirelessly to meet and exceed rigorous benchmarks. Their cooperation with local sites is a testament to their commitment and a great example of teamwork in action. We are ready to continue our journey towards a better future for our industry and our planet.

Together, we will build on our successes and strive for even greater impact, always with an eye towards innovation and excellence.

2. PRODUCT

All4Labels
GLOBAL PACKAGING GROUP

2.1 Sustainable Innovation
Product and Sustainability

As announced last year, All4Labels Group launched the **STAR Portfolio** - a comprehensive range of **products**, **services**, and **solutions**. It is designed to meet the evolving needs of customers and markets and is particularly focused on reduce, reuse, and recycle packaging goals.

The STAR portfolio is designed to be **fully recyclable** or to contain **recycled-content materials**. The use of removable adhesives in pressure sensitive labels aims to improve the sink/float separation process for plastic containers during the recycling process.

Using mono materials for laminate tubes and flexible packaging aims to improve recyclability on a large scale. In addition, the All4Labels Group offers solutions to reduce emissions through **innovative** and **optimized production processes**.

STAR

"In the journey towards **sustainability**, every **idea**, **innovation**, and effort counts.

Let's embrace all challenges with **creativity**, **determination**, and a forward-looking approach to lead All4Labels Group as **game changer**."

Gabriela Neves Ferri
VP Global R&D & Sustainability

STARCRYSP™

A recyclable shrink sleeve for **PET bottle recycling**

STARFLOAT™

A shrink sleeve that enables **plastic bottle recycling**

STARFLAKE™

A pressure sensitive label that enables **PET bottle recycling**

STARWASH™

A pressure sensitive label for returnable **glass bottles**

STARSHINE™

Metallic embellishment with **reduced emissions**

STARDIRECT™

An exclusive and disruptive "no-label" solution that reduces material used

STARBLOCKER™ STARCYCLE™

Mono-material **flexible packaging that's fully recyclable**

STARTUBE™

A shrink sleeve that enables **plastic bottle recycling**

STAR360™

A **wrap around label** that enables PET **bottle recycling**

STARDOUBLE™

Multi-layer pressure sensitive label with **reduced emissions**

By transitioning from conventional labels and packaging to sustainable alternatives, All4Labels Group has worked consistently to **reduce emissions at the product level**.

Throughout 2023, we have continued to promote our STAR Portfolio via targeted initiatives, with an emphasis on recycled materials and cutting-edge metallic embellishment technologies, as follows:

STARLOOP™

We set up a **multi-disciplinary team**, including R&D, sales, and procurement, to strengthen a proactive promotion of recycled content materials for **pressure sensitive labels**.

The initiative included a selection of polyethylene (PE) and polypropylene (PP) materials in white and clear versions, using 30-50% post-consumer waste that has been chemically or mechanically recycled. Samples were printed to provide a visual comparison between recycled and virgin materials.

The usage of recycled content materials in packaging reduces waste, conserves natural resources, and lowers greenhouse gas emissions, contributing to a more **sustainable environment**.

For example, in pressure sensitive labels, a facestock with 30% recycled content material has up to 30% lower emissions, depending on the material stream (PE or PP) and supplier. This data is also available in open platforms such as Open LCA[1] and Ecoinvent[2] databases.

We have shared this initiative through internal training with our **production sites** and **sales teams**, as well as through several internal communication channels, across **different teams** and **countries**. This started in Denmark and has already been extended to the UK, Switzerland, and Germany, with other European sites to follow. The STAR website will be updated in early 2024.

The first success story was upscaling from **PP solid** to **STARLOOP rPP** facestock for personal care labels in Denmark. Other market sectors have now also shown interest in materials with recycled content, for example, the automotive sector.

"At All4Labels Group by following a path of continuous growth and technological innovation, we are driving market developments in the packaging industry and beyond.

We are enhancing digitalization, automation, and cutting-edge technology to develop the packaging of the future."

Chen Yan
Head of Global Operation Technology

STARSHINE

R&D and Sustainability teams from All4Labels Group have been diligently collaborating to establish the sustainability credentials associated with STARSHINE - **our innovative technology for premium metallic embellishment**.

This effort encompasses a comprehensive review of the life cycle assessment (LCA) to be able to analyze specific artwork, including the area of silver decoration – making the CO_2 **calculation more accurate** for each label design. An LCA carried out by Sphera in 2021 proves that this technology is less impactful in comparison with standard metallic foils.

STARSHINE can reduce CO_2 emissions by up to **80%** compared with traditional cold foiling. We are also committed to improving recyclability. To this end, a detailed action plan has been developed involving a comprehensive technical assessment to demonstrate that the technology is compatible with current recycling streams in Europe. The aim is to secure recycling certification in 2024.

As an active member of **Recyclass**, All4Labels Group is leading this assessment with a series of carefully planned steps over the coming months. These include a PET bottle washing protocol and sorting tests to ensure that the NIR scanner will not be **compromised by the metallization**.

We are privileged to receive technical guidance from our **strategic partner** to ensure that our efforts are seamlessly aligned both with our own sustainability objectives and with industry-leading standards.

STARDIRECT™

In December 2023, All4Labels Group launched a **joint collaboration with Actega** to advance a sustainable decoration technology for the European market over the next decade.

As long-standing partners, All4Labels Group and Actega share a **commitment to sustainability**, and a common goal to revolutionize the labeling industry by further developing and exclusively applying **ACTEGA's Signite™** technology in the European market.

Signite is a unique decoration technology: an innovative 'no-label' look solution that significantly minimizes plastic waste by eliminating, on average, half of the **printing substrates**.

In 2024, a comprehensive life cycle assessment is planned, using a third party, to validate the environmental impact data, which will soon be communicated.

This partnership represents the All4Labels Group's **continued investment in research** and **development** on all fronts.

We seek to help our customers make more sustainable choices, even in markets where labels are not currently used.

Actega highlighted All4Labels Group as the perfect partner to further develop this **innovative technology** while helping brand owners achieve their sustainability goals.

R&D Programs

Collaborating with universities on R&D programs is critical to upscaling new solutions. It is by facilitating cutting-edge research that we can drive innovation and ensure the development of **sustainable packaging options**.

Investing in such initiatives allows the All4Labels Group to anticipate market demands and ultimately develop the **next generation of packaging materials**, meeting both consumer expectations and environmental goals. By financially supporting scientific research at two universities - in Italy and Brazil - the All4Labels Group was recognized in **6 scientific papers published** in renowned **international journals** last year.

The projects focus on the development of the **next generation of sustainable solutions**, with a particular emphasis on recyclable adhesives for **pressure sensitive labels** and **bio-based** and **recyclable coatings** for paper packaging solutions.

"Thanks to All4Labels Group, our research group has been able to enter an exciting field of research focused on the development of new labeling materials. It is very important for us to recognize the added value of combining pure academic research with real applications in materials science. During these years, we have very much felt the support of All4Labels Group for the education and training of a new generation of chemists: the contribution to a PhD fellowship and a postdoctoral researcher is the clearest illustration of a successful academic-industrial interaction.

I strongly believe that both partners have benefited from this international collaboration by expanding their own horizons and thus stimulating the flourishing of novel research (the University) and new developments (the Company). I could not be more satisfied with the research carried out and the quality of the results, which will soon be patented. Finally, my sincere thanks to the Global R&D and Sustainability teams from All4Labels Group for the constructive and pleasant atmosphere in which we have worked together!"

(**Professor of Organic Chemistry** – Italian University)

"The research partnership with All4Labels Group has been a great opportunity to bridge theory and practice. This collaboration not only enriches the learning experience of undergraduate and postgraduate students by providing real-world experience in research projects but also contributes significantly to driving innovation in industry.

Working with the professionals at All4Labels Group allows us to translate academic concepts into tangible solutions that address the complex challenges of sustainability and have a positive impact on the environment and society."

(**Professor of Food Science** – Brazilian University)

Center of Excellence, Salerno, Italy

2.2 Product Design

Innovation Hubs

We provide solutions and services through our **Innovation Hubs**, integrating sustainability into every aspect of product development.

R&D Laboratories

In 2023, we improved our global R&D team's capabilities by **investing €150,000 in additional equipment**, with a complete **renovation** of our main laboratory in Witzhave, Germany.

We aim to ensure continuity in global support for research and new product development across all our **production sites** and **customers**.

Our investment in an FTIR (Fourier Transform Infrared) Spectrometer, for example, enables **accurate material analysis** and **faster validation processes**, not only reducing time to market but also ensuring high-quality, compliant, and innovative packaging development.

This investment is a strategic step towards enhancing overall **product innovation capabilities** while maintaining a competitive advantage in the market.

R&D laboratory (Witzhave, Germany) after renovation.

ALL4GRAPHICS

All4Graphics is the Global Design Unit within the All4Labels Group. There are **five hubs** on two continents – Hamburg and Erfurt (Germany), Milan (Italy), Sao Paulo (Brazil), and Hull (United Kingdom). All4Graphics oversees the **entire design process**, from sketching to brand and artwork management, prototyping, processes, and consultancy.

This approach combines **creativity** with **technical precision**, enhancing our production capabilities while also offering design services independently to the market. A global presence not only helps us **reduce working distances and save resources** but also revolutionizes end-to-end synchronization - both within our growing network and across the global brand owners we serve.

These benefits were enhanced, with further significant growth in knowledge and service levels, when our brand management team in Hull (UK) became an outstanding addition in 2023, following the merger of the All4Labels UK, All4Labels Hull site into the All4Labels Group. **The merger strengthened the service pillars of All4Graphics significantly.** This synergy combines our expertise in Hull with our network and know-how, enabling us to rethink truly sustainable end-to-end solutions that add value to our clients' supply chains.

As a next step in this integration, in the UK and our hubs in Germany, Italy, and Brazil are planning to introduce **new efficiencies to benefit our customers**. By routing color-proof shipments to our global customers' local hubs, we aim to significantly reduce carbon footprints. Such an approach not only minimizes the environmental impact of our business, but also enables our customers to develop more **sustainable business models** by providing fast and local color-proofing services. As an example of post-merger integration, an ongoing project with a global

customer to transfer services from the United Kingdom to the hub in Brazil is improving lead times for **proofing** and **communication** by having the same language and time zone.

All4Graphics' commitment to environmental stewardship in **printing** and **packaging development** is driven by technical expertise:

- We consistently advise our customers on brand management and mock-ups, seeking to achieve impact through **alternative printing technologies** and **solutions**, while maintaining the same standards of quality and visual appeal.

- We actively engage as proofing consultants in the deployment of printing presses, optimizing format utilization while considering the spectrum of colors employed across various printing technologies.

- We advocate the use of **Extended Color Gamut** (ECG) applications to replace special colors. This combined approach results in reduced set-up times, which also contributes to minimizing the waste of materials and consumables, ultimately reducing emissions from our operations. The site in Sao Paulo, Brazil, is a good example of a site running **all jobs** with extended color gamut.

As an example, in 2023 the All4Graphics team supported our STARSHINE and STARDIRECT solutions by analyzing **artworks for these technologies** – enhancing color management and embracing digital artwork processing. In addition, recent feedback from our customers shows that they are saving up to **40% on the total cost of graphic re-designs and up to 70% on the total cost by using the prototyping solution**, without the need for a production run to approve colors and the final design.

For 2024, the plan is to **expand to other sites in different regions**. In a significant move to improve customer service and operational efficiency, All4Graphics

has launched a hub in São Paulo/ Brazil, strategically located close to key customers.
From 2024, this hub will have dedicated designers and advanced technology investments, including a **new plotter** and **3D printer**, to improve the quality of mockup production.

By producing mock-ups in-house, we aim to reduce the number of print trials at customer sites, thereby **reducing lead times**, **material use**, and **overall costs associated** with approvals. To maximize the benefits of these new services, the sales team in LATAM will receive extensive training to effectively promote All4Graphics and strengthen customer relationships.

They will offer a complete solution from design to label production, providing local support with a global approach for **multinational customers**.

Two other potential new hubs are planned - one in **Italy** to create an All4Graphics Centre of Excellence for sleeves, and one in **Chile** that will integrate the existing 'print center' into the All4Graphics framework, focusing on wine and spirits. Both new hubs require dedicated and highly specialized skills and are aimed at enhancing our portfolio of services and prototyping solutions.

All4Graphics team

Aligning our reprographics and artwork management services across our **All4Graphics hubs** is a significant step forward in what **All4Labels UK, Hull** can offer. Our FMCG customers demand a global presence, so our ability to serve them 'in market' is highly beneficial.

By reducing **travel and shipping**, we are promoting our **local essence**, while aiming to calculate emissions per artwork in the near future and achieve significant **sustainability benefits** through this alignment with our **All4Graphics colleagues.**

Tobias Rug
Head of Technical Account Management & All4Graphics

The new brand 'INTEGRITAG':
joining forces for a sustainable future

Three companies (Centro Grafico, Smart+Secure, QR Marketing) have united and formed '**INTEGRITAG**', combining strengths and innovation capabilities.

Together, they offer a comprehensive portfolio with solutions for **brand protection**, **track & trace**, and **consumer engagement**.

These guide brand owners towards evolving their

packaging according to the latest **technological**, **sustainability**, and **digital requirements**.

Integritag is a true business partner for innovative solutions. Its mission is to enhance **security** and **authenticity** for governments and brands through advanced solutions, leveraging products to provide real-time process visibility, **fewer errors**, less waste, and higher overall **operational efficiency**.

The **QR-Marketing** platform, launched in 2022, combines modern IT and digital printing expertise to create unique **ID Tags** that are integrated into **labels** or **packaging**.

These enable interactions with consumers and protect brands from counterfeit and grey markets around the world. We are developing a **new technology** for brand protection to be launched in 2024, in which security data is directly integrated into the printed image for reading via QR codes.

This eliminates the need for additional production processes or materials, such as holograms. Additionally, QR codes **promote sustainability** by enhancing supply chain transparency, providing product life cycle information.

We plan to evaluate the whole process to compare other potential benefits of using this new technology versus conventional RFID and/or holograms used for the same purpose - such as less waste and ultimately **lower CO$_2$ emissions**.

Centro Grafico joined the A4Labels Group in 2022 and

established a strategic center in 2023. It is renowned for expertise in **security printing**, incorporating advanced holographic film and foil production technology. At the production site in Marcallo Con Casone (Italy), we combine various manufacturing steps and technologies under one roof, which enables a more effective and thus more **sustainable manufacturing** environment for technology labels.

INTEGRITAG was rebranded in 2023 and is focused on technology integration, delivering smart, secure, and innovative labeling solutions based on **contactless technologies**.
As part of a portfolio of solutions to increase supply chain efficiency, the **eRFID solution** is a particularly fast-growing and unique sustainable alternative to commonly used etched RFID antennas.

In a world grappling with climate change, where production and consumption are on the fast track, eRFID emerges as a crucial technology for making decisions that balance **human**, **environmental**, and **profit considerations** because it leverages the benefits of digital production and recyclable materials.
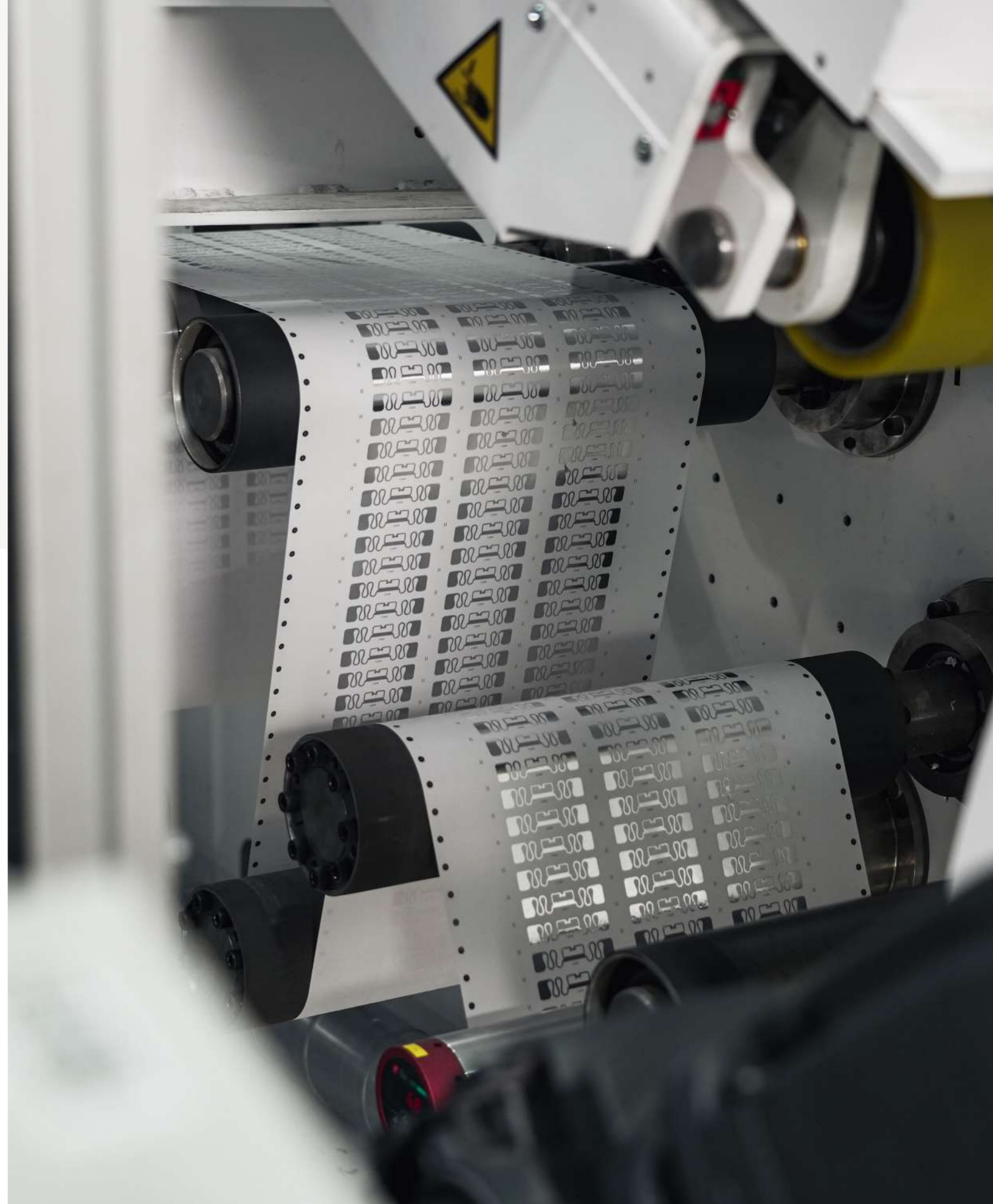
RFID printing process, Nocera, Italy

2.3 Product Stewardship
Life Cycle Management

We continue to improve our Life Cycle Assessment (LCA) tool called **STARLIFE**. In 2023, data collection of primary information from our processes was expanded to our German sites, including digital printing and flexo solvent-based printing technologies. The expansion of our life cycle database is ongoing, and **planned to be ready in 2025** – an important step in moving our sustainability journey forward.

Envisioning being at the forefront of this topic, All4Labels Group joined the 11th Life Cycle Management Conference (LCM 2023) https://www.lcm2023.org/ last September 2023 in Lille (France) - an annual meeting on life cycle assessment. The event brought together experts and industry representatives from around the world to share their projects, challenges, and ambitions for the 2030 agenda.

Some of the highlights of the event were the implementation of LCA as an innovative approach through the application of Life Cycle Sustainability Assessment (three pillars of sustainability) in the context of the United Nations Sustainable Development Goals (UN SDGs) and the circular economy, demonstrating that sustainability encompasses much more than environmental assessments.

The use of LCA to achieve **carbon neutrality** and approach it as an **energy driver** was one of the main themes of the event. The conference showed that corporations are primarily focusing on evaluating only the carbon footprint, out of all possible environmental impacts in an LCA study.

However, the urgency for a more comprehensive view of **environmental performance** is growing, and companies are considering including other environmental impacts in

the scope in the coming years.

STARLIFE was developed to reveal possible environmental impacts in **eight categories**, including climate change, indicating that we are not only aligned with market expectations but also leading this movement.

As an example of how technology is evolving to facilitate data collection along with connection to the database and results interface, methodological advances in LCA through artificial intelligence, data science, and machine learning were also presented.

On the last day of the event, All4Labels Group presented a banner of STARLIFE. As a valuable **environmental calculator** developed through Life Cycle Assessment, it provides access to the potential environmental impact of **self-adhesive** and **shrink sleeve labels** at the product level.

The LCM 2023 gave insights into the use of LCA as a sustainability management tool, where the results of studies are a driving force for **improving sustainability strategy** and **product development**.

Discussions around the inclusion of social impacts influenced our thinking regarding potential expansions of the tool, generating conversations and participation in events about social LCA.

Although still in the discussion phase, the expansion of STARLIFE to consider social impacts is a **goal of the group**. This event demonstrated that we shall continue to improve our tool in the certainty that we are working together to build a more sustainable future.

> "At All4Labels Group we see innovation not just as a tool for progress, but as a catalyst for **revolutionary change**, creating a more promising future for all."

Alessandra Costa
Director of Innovation

We continue to improve our Life Cycle Assessment (LCA). The All4Labels Group values the **positive collaborations** we've had with customers in leveraging **sustainability expertise**.

Through shared knowledge, insights, and resources, we can collectively drive **innovation**, implement sustainable products and practices, and make significant strides towards a more **sustainable future**.

Distribution

Resources

Manufacturing

Processing

STARLIFE tool All4Labels Group scientific research on life cycle assessment (LCA)

2.4 Product and Quality
Quality Management and Best Practices

A new Quality Policy was launched In 2023, to provide a **clear strategy** and **vision** to our sites and to meet all the requirements of existing certifications such as **BRC ISO 500001**.

In summary, the All4Labels Group embraces accountability for **product quality** and **safety**, guided by documented procedures, with visible leadership to encourage optimal performance. It also uses practices such annual process reviews that ensure compliance with all **standards** and **customer requirements**; **clear targets** to evaluate the effectiveness of our quality management system; and **regular checks** to ensure full traceability and product safety.

The Global Quality Team follows closely every site's performance every week, as one of the main pillars of

All4Labels Group's commitment to maintaining **high-quality standards**. Newly acquired sites are also integrated into this and other practices when joining the group, thereby ensuring conformity with the rigorous **quality standards** set by the All4Labels Group.

The Golden Rules program, launched the previous year, ensures that our **quality performance** meets the expectations of brand owners, retailers, and consumers with a zero-defect mindset.

We have also expanded our use of '**Quality Best Practices**' to weekly, and the '**Quality Sites Exchange**' to monthly.

Some outcomes are shared below:

Quality Best Practice: Spot Audits

Challenge

Throughout the printing process, several quality deviations may arise.

Proposed solution

The quality team is performing random spot audits proactively during the production processes, to identify potential risks or emerging trends. This is facilitated by using a checklist, with digital documentation and analysis options available via mobile phone, tablet, or laptop. The results are then assessable through graphical representations on a dashboard view, showcasing key characteristics.

Conclusion

Spot audits have anticipated deviation trends, enabling our teams to prioritize actions effectively.

Quality Best Practice: Toolbox talk

Challenge

Sustaining effective communication channels in high-speed production settings, often leading to limited or fragmented information exchange.

Proposed solution

Establishing a dedicated area, with a whiteboard to display quality KPIs as well as pictures from our products and processes.

Conclusion

Toolbox Talks has proven to be an effective communication channel for disseminating information, keeping weekly exchanges consistent and incorporating visual tools to enhance comprehension for all participants.

Toolbox talk area, Terrassa Spain

Quality Best Practice: Cross-site Audits

Challenge

Due to All4Labels Group very active mergers and acquisition process, quality management may face risks in maintaining consistent standards in the integration of different cultures and systems.

Proposed solution

We have established best practices where the quality team is encouraged to work with their counterparts from other production sites in audits that follow the procedures of the certification bodies. We have trained internal auditors to meet all certification requirements, including ISO standards, environment, and food safety, and currently have 21 qualified auditors. Audits are planned and communicated to the sites in advance.

The Project Management and Integration (PMI) committee, which oversees all initiatives related to newly acquired sites, monitors the results together with the regional quality team, which tracks the actions taken. In 2023, when we launched this initiative in South America, 24 audits were conducted at 4 production sites. In 2024, we expect to double this number in the region and to extend this best practice to other regions where we operate.

Conclusion

Through the cross-site audits we have been able to implement and standardize quality procedures and methodologies, including test protocols and process controls.

Through diligent measurement of our quality **Key Performance Indicators** (KPIs), we can efficiently address opportunities for both process and behavioral improvements.

For example, we know that 10% of our quality complaints were arising from label die-cutting, so last year we provided tailored training for all Quality Managers across our sites, facilitated by external trainers.

"At All4Labels Group we are proud to lead the charge, ensuring every decision echoes our commitment to sustainability and social responsibility.

We are promoters of **transparent relationships** and **virtuous dialogues** with the whole value chain, to generate **loyalty, development and growth**."

Daniele Fraschetti
CPO

Certifications

We are glad to communicate that all certification processes run in 2023 were successfully confirmed by **external auditors**. Also, all newly acquired sites have been certified by ISO 9001, while at all All4Labels Group sites the ISO 9001:2015 standard is implemented for a comparable general high-level Quality Management across the company.

Ensuring product and consumer safety remains a top priority in the packaging industry. Accordingly, several of our production sites have effectively undergone unannounced audits for compliance with **Global Food Safety Initiative** (GFSI) Standards. Ploiesti in Romania, Nocera, Milano and Salerno in Italy, and Leeds in the United Kingdom have all been awarded the **highest-grade**, AA+

In 2023, **4 new certifications** were obtained out of 15 production sites approved by GFSI, including certifications such as **British Retail Consortium** (BRC),

Food Safety Management Systems (FSSC) & **FSSC 22000**.

This represents **51.4%** of the overall sales turnover – a slight decrease compared with the previous year, given that we acquired **11 new sites**, which increased total sales. In all these locations, food products undergo **rigorous control** and **assessment** to evaluate their health and safety impacts.

A real-world annual test involving customer participation is also conducted to verify the recall procedure's alignment with BRC requirements. **In 2023, there were no incidents** of non-compliance concerning the health and safety impacts of products and services.

We remain committed to adhering to **globally recognized international standards**, such as ISO 14001, ISO 50001, ISO 14298, ISO 27000, and others, as communicated in previous years.

Quality KPIs[3]

Even with the addition of all newly acquired sites, our quality performance has **consistently improved**. In comparison with 2022, **in 2023 we achieved reductions in**:

Non-Conformity Rate - by	Number of Non-Conformities Core Sites - by	Total Non-Conformity Rate Costs Core Sites - by
43%	**20%**	**36%**

By enhancing the efficiency of our resources during production, we directly **support sustainability** and deliver **high-quality performance**.

Non-conformity rate is the primary key performance indicator used to ensure quality standards at All4Labels Group and is measured in parts per million (ppm). It is calculated by subtracting the number of labels claimed to have defects from the total number of labels delivered.

Non-Conformity Rate in ppm - all sites

2150	868	500
2021	**2022**	**Target 2024**
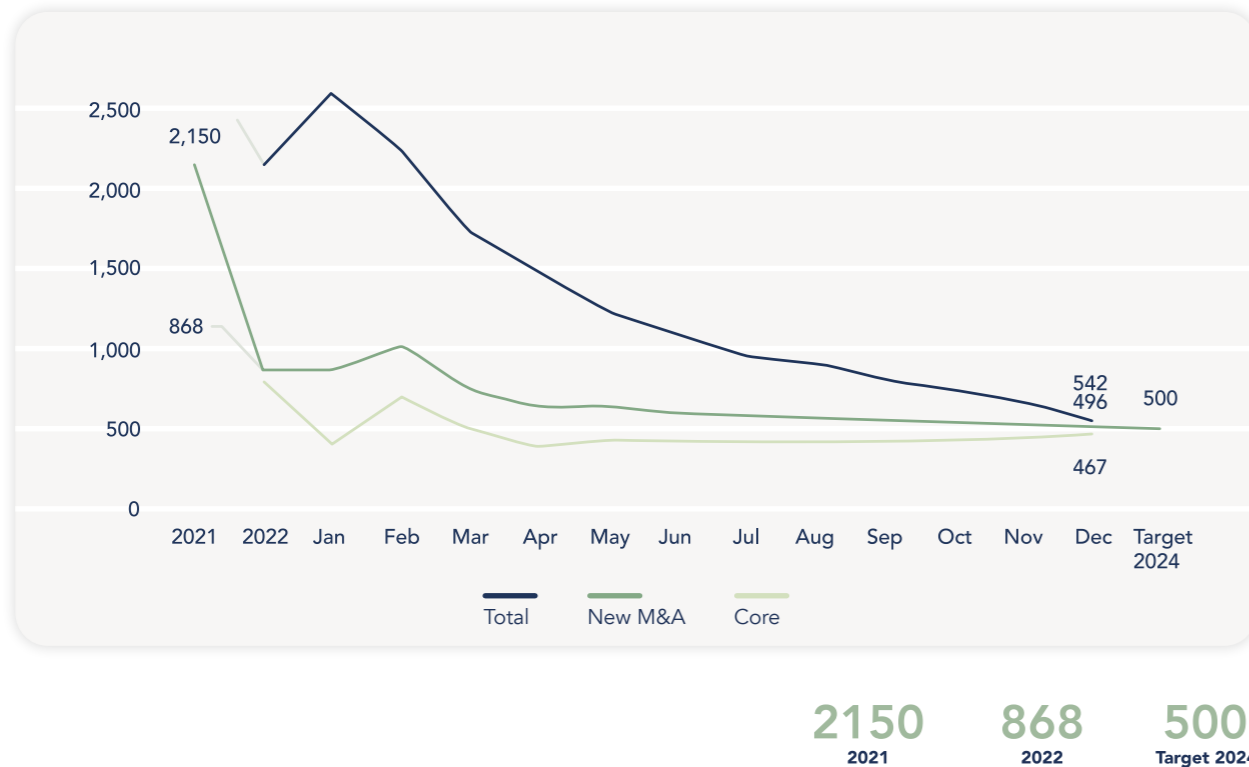
[3]Absolute number and costs for Non-Conformities graphs are not included in this year's report for simplicity.

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2.5 Value Chain Transparency and Collaboration

Supply Chain Management

We are committed to continuously **improving** our procurement processes to ensure that we source materials and services in an environmentally **responsible and socially ethical manner**.

Our procurement practices can play a **significant role** in driving sustainability across our supply chain. In 2023, we achieved **several significant milestones** that enabled us to further our commitment to sustainability through procurement.

We are dedicated to **continually enhancing** our procurement processes to ensure environmentally responsible and socially ethical sourcing of materials and services.

In 2023, we reached several key milestones that advanced our commitment to sustainability via procurement, demonstrating the **crucial role** our procurement practices play in **promoting sustainability** throughout our supply chain.

New Procurement Organisation

So that we can better support All4Labels Group's growth strategy and enhance our procurement effectiveness, we have created a new position of **Global Head of Procurement** at the executive level.

We have also redefined the procurement organization by geographical area, creating **global teams** with a focus on **supporting regions in terms of data intelligence**, best

practices, and strategic initiatives - such as **sustainability**, regulatory compliance, and procurement digital rollout. Adapting successfully to the expansion of All4Labels Group's business in Latin America has been achieved by redesigning the new regional procurement team, with a focus on offering **dedicated expertise in the areas of category management**, procurement operations, and strategic initiatives, such as sustainable sourcing topics.

Supplier Code of Conduct

In 2022, we laid the groundwork for further commitment to sustainability by implementing a robust **Supplier Code of Conduct.** This comprehensive framework outlines our expectations for suppliers, encompassing **environmental stewardship**, **social responsibility**, and **ethical standards**. Central to this code is our commitment to compliance with all applicable laws and regulations, upholding human rights, safeguarding the environment, and fostering fair labor practices.

Building upon this foundation, in 2023, we enhanced the distribution and compliance of our suppliers with the Supplier Code of Conduct. Today, we're pleased to announce that **363 Supplier Code of Conduct documents** were distributed to our suppliers through FullStep, our new management e-procurement platform.

60% of them have signed and agreed so far, demonstrating a strong commitment to our shared values. Additionally, **38%** are pending, indicating ongoing

discussions and potential alignments, while **2%** have proposed their own code of conduct, showing a willingness to engage in constructive dialogue.

60% **38%** 2%
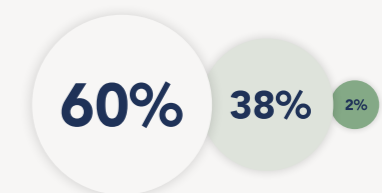
Furthermore, our management through Fullstep has enabled us to streamline and centralize our processes, enhancing our **ability to monitor supplier adherence** to the code of conduct.

This strategic action is not only aligned with our sustainability objectives but also with the requirements of the **Supply Chain Act**, a German legislation aimed at strengthening supply chain transparency and responsibility.

Procurement Digitalization

The implementation of our new **e-procurement platform** (Fullstep) and our use of the **Sievo procurement analytics tool** has significantly improved transparency in our procurement processes.

Such automation streamlines the entire procurement cycle from requisition to invoicing, reducing manual intervention, minimizing errors, and speeding up transaction times. **This leads to faster decision-making and more visibility on the scope of our procurement volume and spending.**

Fullstep's centralization of procurement data provides visibility across all procurement activities. Users gain the ability to monitor the procurement lifecycle, track contract compliance, and comprehensively evaluate supplier attributes and performance.

This includes an **ESG metric** related to 3rd party ratings (e.g. Ecovadis score), although this is not currently impacting the overall supplier's performance.

In addition, both systems support our compliance and risk management by providing detailed analyses and operational transparency.

Our organization can also monitor compliance proactively with procurement guidelines, manage supplier risks, and better detect potential supply chain disruptions or suppliers who act against our **Supplier Code of Conduct** – those who do not represent our values.

The result is protection from reputational damage and operational setbacks.

Launch of the Travel Booking Platform

The All4Labels Group launched a **fully comprehensive travel booking tool** in 2023 in five legal entities in Europe. This platform enables monitoring of the CO_2 impact of business trips, and empowers employees to make **informed and environmentally conscious decisions** when planning their travel.

By choosing verified sustainable hotels, airlines, and other service providers, we can ensure our travel spend supports environmentally **responsible practices** and contributes

to **reducing our carbon footprint**. The platform means we can collect and analyze data to identify travel behavior trends and find ways to further enhance sustainability.

Data can be used for reporting to communicate progress and engage stakeholders. We will expand this tool across the All4Labels Group to increase the transparency of our travel activities and implement specific measures to reduce our carbon footprint.

All4Labels Group Supply Chain

The supply chain network for the All4Labels Group has remained **largely unchanged from last year**. **Major global players** with a local presence continue to be key suppliers in each region.

Additionally, due to recent M&A activities, we have onboarded **new suppliers** specializing in **mono-material paper-based products** starting in 2023.

Partner Monitoring and Development

To further strengthen sustainability across our supply chain, All4Labels Group has prioritized receiving **self-assessments from all strategic suppliers annually**, with a target period of every 36 months.

In 2023, we achieved significant progress by obtaining an additional **198 supplier self-assessments**. Our commitment to fostering responsible business practices, in alignment with prevailing laws and regulations, remains unwavering.

Through our comprehensive annual self-assessment questionnaire, we rigorously evaluate suppliers across **legal**, **social**, and **environmental dimensions**. We are delighted to affirm that our diligent assessments have not uncovered any critical environmental or social issues within our supply chain.

Moreover, **we are proud** to report that there have been no instances of infringement upon freedom of association and collective bargaining, child labor, or forced or slave-like labor in the operations of our suppliers.

Consequently, our supply chain has remained **resilient**, with no disruptions stemming from **social** or **environmental concerns**.

Number of Audits in Suppliers
Last 3 years

	Approved	Failed
Self-evaluation	517	3
In-person	7	0
TOTAL	524	3

In 2023, one supplier **failed** the **self-assessment** - the other two failed in 2021. This was a new supplier under qualification. Therefore, the rejection did not make the **homologation viable** and this supplier cannot supply to the All4Labels Group.

A Journey Towards Responsible Supply Chain

In 2022, All4Labels Group embarked on a transformative journey towards sustainability by initiating the implementation of the **German Supply Chain Act** (Lieferkettengesetz).

We recognize the significance of this legislation in fostering social responsibility and sustainability across global supply chains, which is why the All4Labels Group established an **internal committee** dedicated to **spearheading** the **implementation process**. Comprehensive workshops and pilot programs were conducted to assess both **internal** and **external risks** associated with human rights and environmental impacts within our supply chain. These endeavors aimed to lay the groundwork for **effective risk analysis** and **mitigation strategies**, aligning with the core principles of the Supply Chain Act.

Following the successful pilot phase, All4Labels Group commenced the global roll-out of the Supply Chain Act initiatives across all legal entities in September 2022. This phased approach ensured **systematic integration** and **compliance** with the Act's requirements across diverse operational landscapes.

By the end of 2022, All4Labels Group achieved a significant milestone in the implementation process by **translating global policies into local languages** and **publishing them company-wide**. These policies encompassed the Supplier and Internal Code of Conduct, along with comprehensive global training, policy statements, and compliance strategies. This comprehensive framework laid the foundation for fostering a **culture of sustainability** and **ethical conduct** throughout our supply chain ecosystem. In September 2023, as part of our ongoing commitment to

compliance and continuous improvement, All4Labels Group underwent an external consultancy audit to assess the project governance and readiness for the revised 2023 law. This audit served as a pivotal checkpoint to evaluate our **adherence to regulatory requirements** and identify **areas for further enhancement and innovation**.

The integration of our FullStep e-procurement platform last year marked a significant leap towards enhancing transparency, efficiency, and accountability within our supply chain operations. This innovative digital platform means we can facilitate streamlined supplier risk analysis, implementation of measures, enforcement of the Supplier Code of Conduct, and assessment of diversity initiatives.

By the end of 2023, we had successfully defined and implemented the entire process outlined by the Supply Chain Act, officially solidifying our commitment to responsible supply chain management, and **our readiness to meet all requirements** of the Supply Chain Act law. With the completion of the global roll-out, translation of policies, external audit, and implementation of digital procurement solutions, the **All4Labels Group stands prepared and fully compliant** with the requirements of the Supply Chain Act.

Through these proactive measures, we have established a robust framework for sustainability, ethical business practices, and respect for human rights throughout our global supply chain network.

In summary, we remain committed in building responsible and sustainable supply chains, ensuring **positive outcomes** for both **our business** and **society** at large.

Challenges

Last year, All4Labels Group, like the whole industry segment, faced **significant challenges** in its supply chain due to various market events.

At the start of 2023, a destocking effect emerged in Europe as end users reduced unusually high inventories built up in 2022, in the range of **10 to 15%**, as informed by AWA (2023)[4]. This led to decreased demand for All4Labels Group's Tier 1 raw material suppliers.

Combined with the economic slowdown in Europe, this situation caused a **general decline in market consumption**,

resulting in an overcapacity of supplies that affected Tier 2 raw material suppliers throughout the year. Additionally, the market correction of prices for various feedstock materials and services, which had sharply increased in 2022, posed **another challenge**.

We observed a gradual decline in prices, and due to the rapid pace of these adjustments, All4Labels Group had to maintain a **lean supply chain**. This involved **implementing downgauging initiatives** and **reducing inventory levels** to ensure stocks were optimized according to the latest price trends.

Strong Customer Relationships

A deep, **trusting connection** with our customers enables us to better understand their **needs** and **preferences**.

This leads to more informed and effective **decision-making** and encourages collaboration around **sustainable practices** and **innovation**.

Today's rapidly evolving business landscape makes cultivating a **solid customer relationship** paramount in achieving our sustainability objectives. In 2023, we assessed a small global sampling of customers to see how likely they would be to recommend the All4Labels Group as a label supplier.

The results are not disclosed, as this was a pilot exercise to help us better understand the dynamics of this type of survey for future implementation, and the frequency is yet to be defined.

However, some **key findings** showed that we are seen by customers as a reliable partner, with fast delivery times; good customer service with prompt responses; a wide range of printing capabilities that allow customers to explore the best for each type of product; and a **recognized innovation agenda**.

In South America, we have been working with **global brand owners** to **expand** the use of our **STAR portfolio** of **solutions**. For example, one of the largest food companies has started to switch from standard shrink sleeves to the recyclable **STARCRYSP** solution.

Another two food companies have eliminated completely the use of PVC materials in dairy products, which were previously common in the region. In the oral care market, we produce laminate tubes for toothpaste for the world's leading brand in this sector (**STARTUBE**).

Other leading personal care brands have been working on the **downgrading of materials** currently in use, with a focus on the **optimization of total material use**. In Europe, we have been actively promoting our **STARLOOP** portfolio of materials with recycled content,

with successful implementation at some local customers. Our customer Sæby Planteskole in Denmark shared its experience: "We're delighted to be **pioneering** the use of your **STARLOOP** labels, made from **30% recycled material**. By embracing sustainability without compromising quality and at competitive prices, we're actively contributing to the environment.

Anticipating the transition to **100% recycled labels** demonstrates our commitment to advancing sustainability while maintaining excellence."

Another growing market, primarily in Europe due to current recycling guidelines, is the use of **STARFLOAT** shrink sleeves, which support plastic bottle recycling. Currently, **STARFLOAT** accounts for approximately **15%** of our shrink sleeves produced in Europe.

Guido Iannone

CSO and President for Mexico, South Africa, and China

"Through strategic collaboration and targeted initiatives, we at All4Labels Group are leading sustainable practices across diverse markets, reinforcing our commitment to environmental stewardship and **community empowerment** in full alignment with our **global sustainability strategy**"

Partnerships with Associations

All4Labels Group aims to collaborate when advancing sustainable development for **future generations**. Our goal is to actively contribute to **initiatives** and **rethink packaging** within a circular economy framework.

We continually seek partnerships with **relevant associations** on a **global scale**.

In 2023, All4Labels Group engaged extensively with **market consortiums**. We committed to aligning with current and upcoming regulations by participating in **regular meetings** and supporting **significant projects**, as described in the table below.

Our collaborations focused on **improving sorting**, **recycling**, and **waste management performance**. Additionally, we maintained memberships with Petcore, CELAB, and HolyGrail 2.0, while intensifying our commitment to RecyClass and FINAT. We also extended our support to the cPET consortium, which focuses on an innovative PET bottle recycling solution across the entire value chain.

Association	All4Labels Group Engagement
RecyClass[5] is a non-profit, cross-industry initiative advancing recyclability and establishing a harmonized approach toward recycled plastic calculation & traceability in Europe.	As a platinum member, All4Labels Group actively participates in various Technical Committees related to plastic containers and films recycling, as well as Task Forces focused on plastic packaging decoration and sorting.
	In 2023, our commitment to sustainability remained steadfast. We continued supporting the **RecyClass Sorting Task Force** with as primary focus studying the impact of labels and sleeves with high coverage on **High Density Polyethylene** (HDPE) **packaging**. We provided five different application samples, including artwork designs for four Pressure Sensitive Labels (PSL) and one Shrink Sleeve Label (SSL). The overarching goal was to gain insights into how these **labels** and **sleeves influence the sorting process**.
FINAT[6] is the international association for the European label industry. FINAT - empowering the label industry - is the uniting platform that helps the international label industry excel in their daily business.	As an active FINAT member, we actively engaged in the Collaboration and Advocacy working group and several task forces.
	In 2023, the All4Labels Group participated actively in **various working streams** concerning product carbon footprint, the upcoming **European packaging** and **packaging waste regulation**, and PET recycling protocols. Our goal was to represent the European label community by contributing to public **affairs**, **stakeholder management**, and **external initiatives**.

Engagement with stakeholders:
Sharing success stories with industry initiatives

All4Labels Group Collaboration with RecyClass
Advancing Recyclability in 2023

RecyClass

As proof of its commitment to sustainability, All4Labels Group has **actively engaged with a key initiative** - **RecyClass**. This collaboration aims to strengthen our contribution to the ci**rcular economy** and promote **recyclability in plastic packaging**.

In 2023, All4Labels Group continued to support the RecyClass Sorting Task Force, focusing on studying the impact of labels and sleeves with high coverage on **High-Density Polyethylene** (HDPE) packaging.

Five different application samples, including artwork designs for four **Pressure Sensitive Labels** (PSL) and one **Shrink Sleeve Label** (SSL), were analyzed during a test campaign. The goal was to understand how these labels and sleeves affect the sorting process.

RecyClass Partnership

All4Labels Group has been a member of RecyClass, a value chain initiative dedicated to advancing the **recyclability of plastic packaging**, since 2021.

In addition, RecyClass focuses on establishing a **harmonized approach** to using recycled plastic calculation & traceability in Europe. By joining RecyClass, All4Labels Group demonstrates its commitment to rethinking packaging in a **circular economy**.

Design for Recycling

"Design for Recycling" plays a crucial role. All4Labels Group aims to optimize its processes while promoting recyclability.

Design for Recycling improves the compatibility of different packaging elements (such as caps, labels, and adhesives) within specific recycling streams[7].

All4Labels Group actively supports this approach to enhance overall recyclability.

Leveraging Test Campaign Results

All4Labels Group utilized test campaign results described in the 'Technical Review on Labels and Sleeves Sorting' by RecyClass[8].

These findings informed our actions in 2023, ensuring recyclability and compatibility across our product portfolio.

[7]All4Labels Group has joined the initiatives Petcore and RecyClass as part of its sustainability strategy
[8]Technical Review - Labels and sleeves - Sorting

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Towards 100% Recyclability

All4Labels Group sets ambitious sustainability targets, including achieving a **100% recyclable**, **reusable or renewable portfolio** in the long run.

Our participation in RecyClass enables us to learn from industry experts and collaborate with key players along the value chain. Through this partnership, All4Labels

Group drives **sustainability topics** and **fosters more sustainable packaging innovations**.

All4Labels Group commitment extends beyond operations. We actively contribute to industry-wide efforts, emphasizing a **collaborative mindset** and a **vision for a circular economy**.

For more information about RecyClass, explore their website **here**
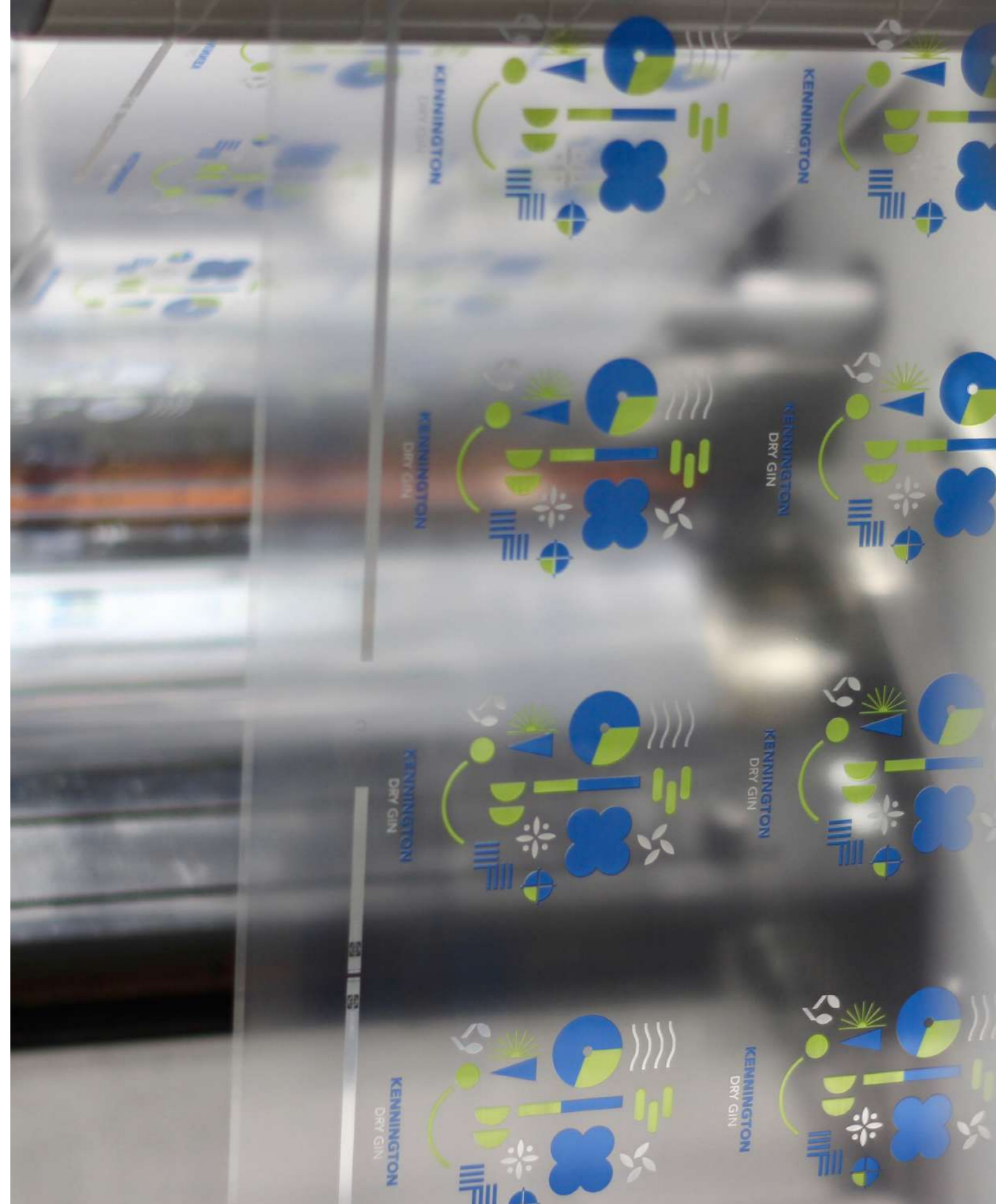
STARSHINE™, our patented solution for sustainable metallic effects

3. PLANET

3.1 Environmental Management

Environmental management is essential in our industry, as it contributes to the **fight against climate change** through the efficient use of materials and the reduction of carbon footprint.

An efficient use of resources and operations **improves product quality** and **reduces downtime**, thereby minimizing waste. Energy management, including energy sourcing, also plays a vital role in reducing environmental impact. This commitment is deeply embedded in all areas of the organization, including senior management and all other levels.

Keeping our 3Ps Business Model targets in mind, high priority has been given to our sustainable products across the STAR Portfolio, **enhancing the use of recycled content materials**, while **promoting circularity**. Due to our active M&A process in recent years, we felt the need to review some of our sustainability targets to better align them with the new scope of companies and our corporate objectives. These were already disclosed in last year's report. With this in mind, we are highlighting our efforts to achieve **carbon neutrality in 2030 for Scopes 1-2**, while we are working intensively to establish our Scope 3 emissions roadmap based on the new scope of consolidation of All4Labels Group companies.

In addition, our focus continued to be bridging the different **levels of sustainability performance** between the new entities that now make up the All4Labels Group.

"True progress prospers at the intersection of sustainability and innovation: we at All4Labels Group are crossing boundaries to create a collective impact that goes far beyond the **limits of our individual efforts**"

Jens Nilsson
COO

Circular Operations & Resource Efficiency

The overall amounts and distribution of material purchased across the All4Labels Group have changed significantly due to **market demands** and **M&A activities** in various regions across the globe.

The consumption of pressure sensitive materials in Europe decreased in 2023 compared to 2022 due to the **normalization of market demand to reduce inventories** (for more information, see our PRODUCT section - Value Chain Transparency and Collaboration).

Nonetheless, our newly acquired sites targeted new markets such as **healthcare**, which increased the production of paper leaflets, booklets, and folding cartons.

As a result, there has been a significant increase in the consumption of paper-based materials throughout the supply chain from the acquired companies in Italy and Brazil, leading to the introduction of a new material category (**monomaterial paper-based**) in the tables below.

Materials purchased at All4Labels Group by weight (kilograms)

EMEA			
Materials (kg)	**2021**	**2022**	**2023**
PSL film-based	22,653,546	23,757,059	18,743,317
PSL paper-based	12,726,321	16,320,304	13,341,445
Inks and Varnishes	1,803,359	1,684,904	1,854,094
Monomaterial film-based	6,476,346	8,145,431	9,735,966
Monomaterial paper-based	--	--	4,948,056
TOTAL	**43,659,572**	**49,907,697**	**43,476,645**

APAC			
Materials (kg)	**2021**	**2022**	**2023**
PSL film-based	**	1,034,493	1,468,642
PSL paper-based	**	115,382	474,480
Inks and Varnishes	**	53,666	273,847
Monomaterial film-based	**	141,420	568,449
TOTAL		**1,344,962**	**2,785,418**

**Material monitoring started in 2022

LATAM			
Materials (kg)	**2021**	**2022**	**2023**
PSL film-based	3,633,338	4,766,206	5,591,763
PSL paper-based	813,872	2,222,151	5,023,205
Inks and Varnishes	357,474	611,011	5,276,222
Monomaterial film-based	1,050,799	3,554,938	6,082,374
Monomaterial paper-based	2,062,169	1,878,070	102,955,780
TOTAL	**7,917,652**	**13,032,376**	**124,929,344**

Overall

	2021	2022	2023
PSL film-based	26,286,884	29,557,758	25,803,722
PSL paper-based	13,540,193	18,657,837	18,839,130
Inks and Varnishes	2,160,833	2,349,581	7,404,163
Monomaterial film-based	7,527,145	11,841,789	16,386,789
Monomaterial paper-based	2,062,170	1,878,070	107,903,836
TOTAL	51,577,225	64,285,035	176,337,639

Legend: 2021 / 2022 / 2023

Material intensity

	2021	**2022**	**2023**
Total material purchased (tons)	51,577	64,285	176,338
Net revenue (M EUR)	528	719	814
Material intensity rate (tons / M EUR)	98	89	217

Materials by source (kg)

Material Source	**2021**	**%**	**2022**	**%**	**2023**	**%**
Renewable	15,602,363	30%	20,535,907	32%	126,742,966	72%
Non-renewable	35,974,862	70%	43,749,127	68%	49,594,674	28%

Our Procurement and R&D teams work extensively to ensure the development and sourcing of **sustainable materials** and **technologies**.

While Procurement identifies and secures sustainable sources for raw materials, R&D innovates and designs products that meet **sustainability standards**, such as materials with recycled content – see our Product (**STARLOOP**) section for more information.

This collaboration is critical to achieving our sustainability goals of **reducing environmental impact**.

Waste

-30%

Reduction target for total **waste generation intensity** by 2030

Waste management at All4Labels Group is of paramount importance and we have set ourselves a 30% reduction target for total waste generation intensity by 2030.

Within the different regions where we operate, there is a disparity of waste management solutions and infrastructure, and our **Global Sustainability Team** together with local teams work to not only follow but also go beyond local regulation. Likewise, we collaborate closely through **active partnerships** with **Packaging associations**. For example with Celab Europe, as an active member, we strive towards glassine, and PET-liner & matrix recycling solutions.

During 2023, despite the incorporation of **14 new production sites** into the group, total waste generated increased by only 3% compared to 2022. When having a closer look at the evolution of the core and M&A portfolio, M&A sites increased by an overall **49%** compared with 2022, while representing **44%** of the overall waste generation for All4Labels Group. On the other hand, core sites continue to deliver a steady decrease compared to 2022 mounting to a significant 17%.

The **best practices** and initiatives that have proven successful for the **core portfolio** - the sites that have been under the management of All4Labels Group operations for many years - have been rolled out to the new sites acquired during 2022 and 2023. We have incorporated them into our **Operational Excellence** program and have defined fast roads to reduce their waste generation to All4Labels Group's world-class standards. For instance, we collaborate with industry leaders in waste management and have dedicated resources at the sites to develop such projects.

At the same time, total hazardous waste experienced a **decrease of 40%**, continuing our work and collaboration across the value chain.

Portfolio Effects:

2021 vs 2022 vs 2023 Global Waste Generation (k tons)*

25,3
25,1
0,2
2021

33,0
22,9
10,2
2022

Core -17%
M&A 49%

34,2
19
15,2
2023

M&A   Core

*In 2022 report the unit was also intended to be k tons

Total hazardous and non-hazardous waste

	2021	2022	2023
TOTAL	25,322,944	33,047,068	34,154,563
NON-hazardous waste	24,232,876	31,407,966	33,171,407
Hazardous waste	1,090,068	1,639,102	983,155
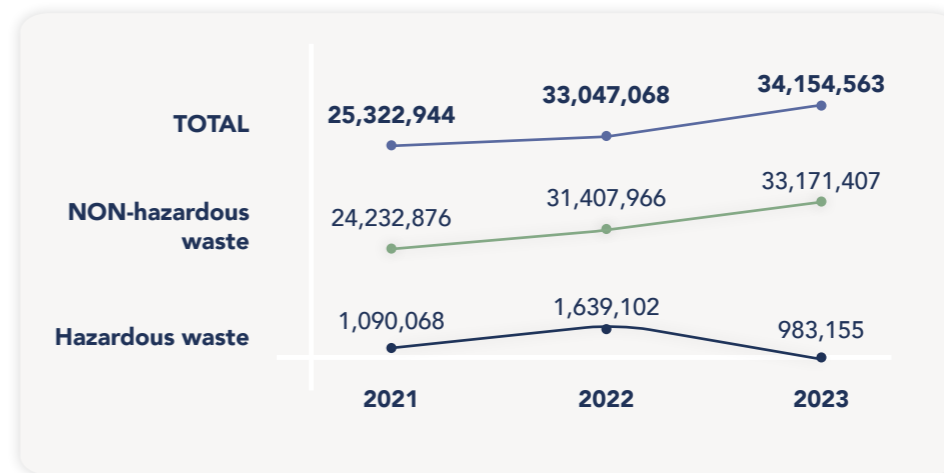
Hazardous and non-hazardous waste, by final disposal

	Volume (kilograms)	2021	2022	2023
NON-hazardous waste	Recycling	11,595,997	18,272,725	20,206,913
	Incineration	10,574,701	10,494,686	5,869,586
	Landfill	2,062,178	2,640,556	7,094,908
Hazardous waste	Recycling	257,765	240,837	266,795
	Incineration	662,322	817,177	417,272
	Landfill	169,981	581,089	299,089
TOTAL		25,322,944	33,047,068	34,154,563

A closer look at the overall waste generation shows that recycling has gone up by **11% in both non-hazardous** and hazardous waste for the whole organization. The core portfolio saw an increase of 3%, while M&A sites saw a significant 22% rise, both in non-hazardous waste.

In terms of incineration, there is an overall decrease of **44% in non-hazardous** and **49% in hazardous waste**. The majority can be attributed to core sites where there is a

decrease of **52% in non-hazardous** and **58% in hazardous waste**. Landfill decreased by **49% in hazardous waste** while experiencing a significant increase in non-hazardous waste (169%). Several M&A sites still need the necessary expertise and prioritization in this matter.

This has been addressed and will yield results in 2024. It's worth noting that the M&A portfolio of sites makes up 60% of the volume in the increase of non-hazardous waste.

Energy

All4Labels Group's energy consumption for 2023 amounts to 132,147,330 kWh compared with 103,051,218 in 2022.

The group's energy needs have increased by 28%, explained by the fact that the M&A portfolio has seen an increase in its proportion from 20% in 2022 to 35% in 2023.

This makes its influence over the whole organization's energy needs more impactful.

Most of the increment for M&A lies with **heating** (349% compared with 2022) while **electricity** has also experienced an increase (99%).

It's worth mentioning that the rise in electricity needs can be explained not only by the sheer number of new sites making the group but also by the size of them.

Several are located in Latin America, making the All4Labels Group the **biggest player in that region**.

Furthermore, the core portfolio has seen a **decrease of 5% in electricity consumption**, keeping 2022's good performance where **core sites delivered similarly a 5% decrease**.

Such good practices serve as a solid basis, to be replicated in the M&A portfolio of sites with the support of multidisciplinary internal and external teams who can evaluate the best possible efficiency gains.

Nevertheless, core sites have experienced a **40% increase in heating** given that generators have been used to combat power outages, especially in South Africa, and the consolidation of sites in Spain where generators were needed on demand.

Also, oil burners have been employed to supplement natural gas in regions experiencing harder and longer winters.

Energy consumption within the organization

	2021	2022	2023
Heating (kWh)[9]	21,665,137	19,871,878[10]	33,456,630
Electricity (kWh)	66,414,282	83,179,340	98,690,700
TOTAL (kWh)[11]	**88,079,418**	**103,051,218**	**132,147,330**

Heating (kWh) ● Electricity (kWh) ● TOTAL (kWh)[11]

Energy consumption within the organization
(Share between Core and M&A Sites)

	2021	%	2022	%	2023	%
Heating kWh	21,665,137		19,871,878		33,456,630	
Core	21,597,910	99.69%	18,028,616	90.72%	25,177,445	75.25%
M&A	67,226	0.31%	1,843,262	10.22%	8,279,185	32.88%
Electricity kWh	66,414,282		83,179,340		98,690,700	
Core	65,893,997	99.22%	64,185,770	77.17%	60,967,103	61.78%
M&A	520,285	0.78%	18,993,570	22.83%	37,723,597	38.22%
TOTAL	**88,079,418**		**103,051,218**		**132,147,330**	

Energy intensity

	2021	2022	2023
Total energy consumed (kWh)	88,079,418	103,051,218	132,147,330
Purchased raw material (ton)	51,577	64,285	176,338
Energy[12] intensity rate (kWh/ton)[13]	**1,708**	**1,603**	**749**

As has been the case since 2021, **100% of the electricity consumed in 2023 was sourced from renewable sources (wind and solar).**

The All4Labels Group, invested in high-quality Energy Attribute Certificates (EACs).

Using renewable electricity reduced our greenhouse gas (GHG) emissions by 32,423t CO_2e[14] , making our Scope 1 and 2 only 3.5% of our total emissions.

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[9]Under-reporting has been corrected in 2023's report. Only heating affected.
[10]Under-reporting has been corrected in 2023's report. Only heating affected.
[11]Total energy consumption refers to renewable and non-renewable sources.

[12]Energy = heating and electricity
[13]Slight variation after updating under - reporting in 2021 and 2022.
[14]Calculated using a market and location - based method – an approach recommended by the GHG Protocol

Portfolio Effects: 2021 vs 2022 vs 2023
Global Electricity Consumption (MWh)

	2021	2022	2023
Total	66,4	83,2	98,7
Core	65,9	64,2	61,0
M&A	0,5	19,0	37,7

Core -5%
M&A 99%

Core   M&A
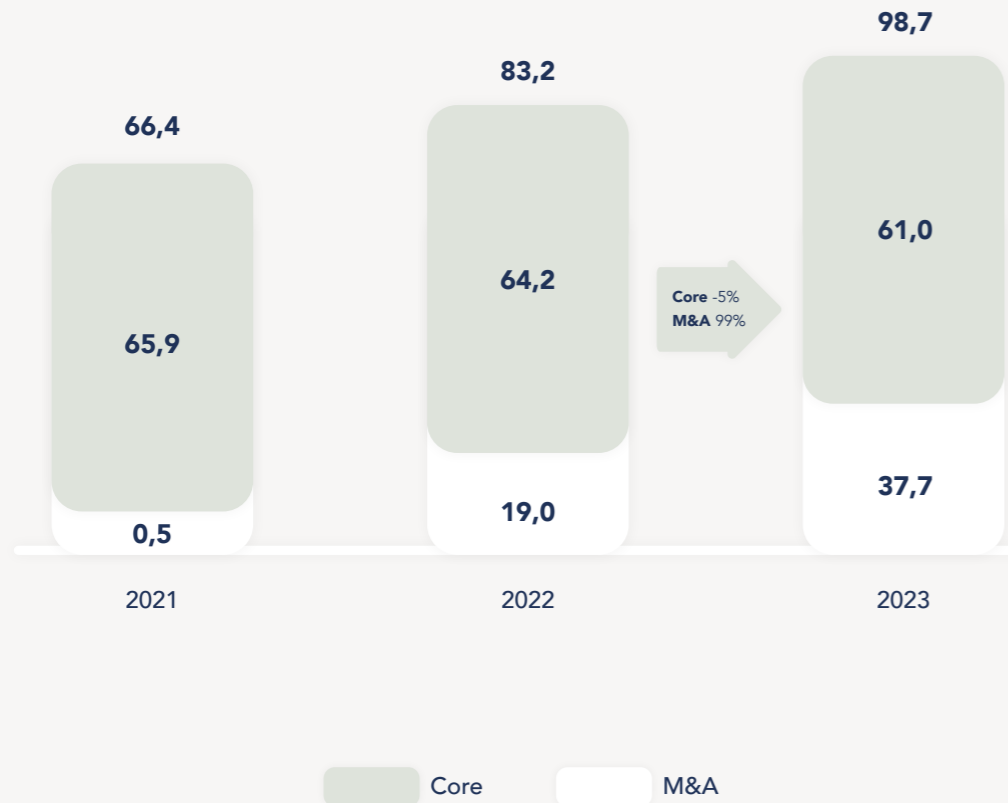
The core portfolio of sites continued to deliver a **steady electricity reduction of 5%**, (3,930 MWh).

This was also evidenced in 2022, with similar proportions that can be attributed to the initiatives rolled out across the sites.

Some of the initiatives involve the implementation of **regenerative exhaust air purification systems** and **CrystalCleanConnect** (CCC) Line for plate making. These and other initiatives are described at the end of this chapter.

Also in 2023, we continued with the retrofitting of machines to **LED curing**, which further reduces electricity consumption. By the end of 2023, 54 machines were switched to LED.

In total, **72 machines** will be equipped with this technology in **13 different All4Labels Group' sites.**

The total investment is 4,815,958 €, with a potential of 6,741,696 kWh of electricity savings according to the UV LED supplier, which represents 7% or total electricity needs for 2023.

Water

The All4Labels Group operates in regions where water scarcity or water-related issues are not a major concern, and our **production processes use water without significant consumption or depletion**.

In the face of this, water management has not been identified as a critical aspect of our environmental stewardship since 2021, when we conducted our first materiality assessment and found that the All4Labels Group's **impact and risks on water resources are minimal**.

This was recently confirmed when we performed the double materiality assessment in preparation for the upcoming **Corporate Sustainability Reporting Directive** (CSRD).

Water consumption

2021	2022	2023
57,120	88,853	143,216

Water consumption (m³)
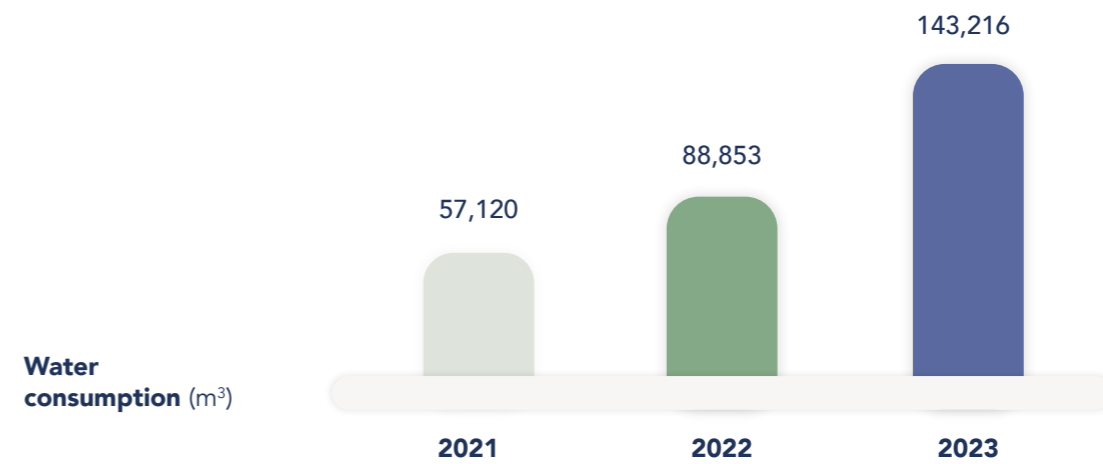
We ensure that our effluent is either free of contaminants or contains contaminants at levels below regulatory thresholds, **thereby complying with local environmental regulations for direct disposal into designated water bodies**. To continually improve our environmental performance, we **monitor water consumption at all our sites monthly**, for example by installing water meters at several key points to accurately measure and identify processes with higher water consumption or potential leaks.

"At All4Labels Group, we are dedicated to integrating our sustainability vision throughout every step of the supply chain. Collaboration across the entire value chain is essential for designing recyclable materials and ensuring **they are effectively collected, sorted, and processed**.

With tangible actions we can redefine the **packaging industry** and create lasting, **positive impact for our planet**"

Rafaela Cristina de Oliveira

VP Global Procurement Direct Materials

GHG Emissions

-38%

emission reduction target by 2030 and carbon neutrality (Scope 1-2)

As mentioned at the beginning of this chapter, high M&A activity in recent years has motivated us to refine some sustainability objectives in the new corporate context, in order to ensure **cohesion** and **effective actions**.

It's also important to note that since 2020 we have been assessing our corporate carbon footprint at all sites and locations with the support of external consultancy, to ensure accurate measurement of **emissions** and **regulatory compliance**.

Emission sources

We are pleased to report that, despite the addition of fourteen new sites to the Group, our total emissions fell by 15%.

This is a significant reduction of 64,196t CO_2e, with the majority of the reduction located in the most challenging sources – Scope 3 - related to the entire supply chain.

+14 new sites

15%

reduction of **Total Emissions**

Scope 3 emissions saw an overall **reduction of 17%** (69,944t CO_2). Purchased goods and services contributed the most to this outstanding result: **42,299t CO_2e.**

With the newly acquired sites focusing on markets such as healthcare, we have **increased the production of paper leaflets** and **booklets** as well as **folding carton boxes**, which reflects the employment of more renewable materials, helping to **reduce emissions**.

It is worth mentioning that upstream and downstream transportation and distribution saw significant decreases of **23%** and **65%** respectively.

17,600 t CO_2e was reduced between these two categories, which is a testament to our efforts and collaboration with our partners. As a whole, the proportion of Scope 3 is in line with what we have experienced in previous years, amounting to **97%** of total emissions.

All4Labels Group's Scope 1 direct emissions aggregate to **2.4%** of our total emissions. As a whole, emissions have increased by **39%** in Scope 1, with refrigerant leakage being the biggest contributor.

This is explained by periodic maintenance routines applied to core and newly integrated entities. **Constant evaluation of machinery technology and capabilities are assessed regularly to improve performance across the Group.**

At the same time, our **vehicle fleet has also gone up by 21%**, however in a much smaller proportion than that experienced in 2022. In general, the vehicle fleet growth related to sites added to the group in 2023.

Also, we continued the trend of decreasing **emissions within Heat** (self-generated). **In 2023 a 22% decrease was evidenced**.

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[15]Carbon neutrality Scope 1-2 means reducing emissions from the company's own sources and neutralizing unavoidable emissions through recognized compensation measures, for example Energy Attribute Certificates and social initiatives.

In terms of Scope 2, we continue to invest in renewable electricity for all of All4Labels Group's sites and locations.

In 2023, 32,423t CO_2e were mitigated which brings our Scope 2 emissions to 1.1% for the whole organization.

We experienced a significant increase in purchased heating, steam, and cooling for own use – by 3,350 t CO_2e compared with 2022.

This is elaborated further in the energy sections of this chapter.

Greenhouse Gas Emissions (tons)

(tonCO2eq)	2021	2022	2023
Direct emissions (Scope 1)	6,136.50	6,143.00	8,545.03
Indirect emissions (Scope 2)	406.00	556.90	3,902.95
Other indirect emissions (Scope 3)	270,610.40	411,549.30	341,605.30
TOTAL (Scope 1-2)	6,542.50	6,699.90	12,447.98
TOTAL (Scope 1-3)	277,152.90	418,249.20	354,053.28

Greenhouse Gas Emissions (tons)

(Share between Core and M&A Sites)

(tonCO2eq)	2021	%	2022	%	2023	%
Total (Scope 1-3)	277,152.90		418,249.20		354,053.31	
Core	275,396.88	99%	274,533.74	66%	196,339.28	55%
M&A	1,756.02	1%	143,715.46	34%	157,714.03	45%

Intensity of Greenhouse Gas Emissions (Scope 1-2)

	2021	2022	2023
Total Scope 1-2 emissions (tonCO2eq)	6,543	6,700	12,448
Purchased raw material (tons)	51,577	64,285	176,338
Emission intensity rate (Scope 1-2) (tonCO2eq/ton)	0.13	0.10	0.07

Intensity of Greenhouse Gas Emissions (Scope 1-3)

	2021	2022	2023
TOTAL (Scope 1-3)	277,153	418,249	354,053
Purchased raw material (tons)	51,577	64,285	176,338
Emission intensity rate (tonCO2eq/ton)	5	7	2

We have thus reversed the trend of 2022, where emissions grew as the number of sites increased.

In 2023, as described above, despite an even larger number of sites integrated into the Group (12 in 2022 versus 14 in 2023), **we have reduced our total emissions by 15%**.

2021 vs 2022[16] vs 2023 Global GHG – Scope 1-2-3
(t CO_2e)

Furthermore, as shown below, the share that our core sites contribute to our overall emissions continues to decrease, specifically by **29% compared with 2022 levels**.

This demonstrates that the tenure of these sites under the All4Labels Group has yielded **positive results** in terms of **expanding efficiencies** and **projects** with environmental sustainability in mind.
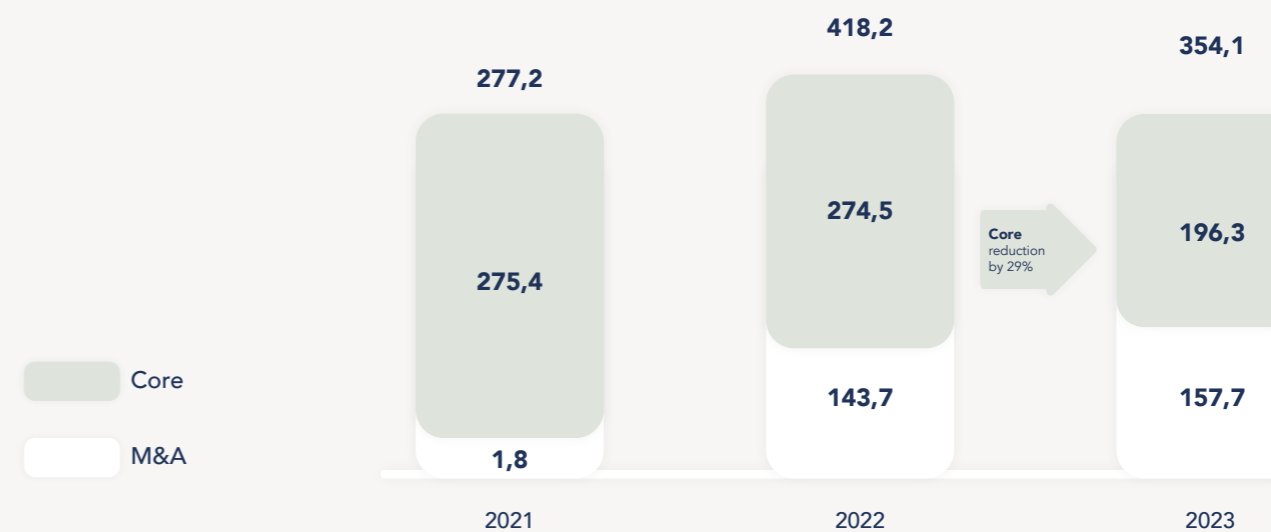
[16]Correction in split between core and M&A for 2022. Absolute numbers saw no changes

Environmental Performance & Competence

In our constant pursuit of improving environmental performance across the Group, **several initiatives** and **recognitions** are described below. These reveal some of the work carried out by internal and external experts and management teams.

All4Labels UK, Hull celebrates **Two Years** with **Oh Yes! Net Zero**[17] and Wins **2023 Environmental Company of the Year**

When All4Labels UK, Hull first joined the **Oh Yes! Net Zero** initiative, there were 40 supporters. Now the number has grown to **over 180**. All4Labels UK, Hull has hosted participating companies and shared with them its **sustainability journey**, with the aim of improving the sustainability performance of its peers.

Oh Yes! Net Zero focuses on bringing individuals and businesses together to **reduce their carbon footprint** and to spread the message across the region and the UK. The city of Hull, in the UK, is where All4Labels UK, Hull aims to achieve Net Zero and lead the way for the UK to achieve this.

Their dedication to sustainability over the last 4 years led to them winning the **Environmental Company of The Year Award** at the **Digital Labels & Packaging Awards in June 2023**[18].

Fully Automatic Carton Packaging Line

The **first fully automated carton packaging line** was commissioned in April 2023 at All4Labels Hamburg GmbH & Co. KG, located at our Trittau (Germany) site.

By using continuous corrugated cardboard boxes, this machine produces customized cardboard packaging for our finished goods and enables **100% packaging flexibility** in box sizes.

The cardboard used is produced in a single-stage operation instead of a three-stage operation as with conventional packaging cardboard. **This alone reduces CO_2 emissions from the raw material by 25%**[19].

In addition, this **fit-to-size** principle **reduces pure cardboard consumption** by approx. 15%; saves approx. 95% of the packaging filling material; and **reduces transportation costs for delivering** the cardboard packaging material by approx. 75%[20].

Furthermore, the new packaging line contributes to a reduction in packaging errors, and therefore rejects, while at the same time maintaining packaging speed. **It represents an important step towards enabling shorter lead times**.

Regenerative Exhaust Air Purification

In 2023, All4Labels Folienprint GmbH, located in Gallin (Germany), commissioned a **regenerative exhaust air purification system**.

A molecular sieve downstream of the existing flexographic printing machines **recovers energy from solvent emissions**.

In addition to the system's exhaust gas purification function, the focus is on **saving local natural gas** consumption through improved energy utilization of emissions at the site.

Energetic utilization of solvents in the exhaust air is designed in such a way that the operation of the **system** is largely **autothermal**.

The remaining excess heat can be used to reduce the heating requirements of the printing presses and the ventilation systems.

This not only substantially **reduces the previously high energy requirement for the exhaust air purification** operation itself, but also **the energy requirement for both the printing presses** and the air conditioning systems.

Overall, we expect a reduction in local natural gas consumption of around 20%, equal to approximately 750 MWh[21].

Crystal Clean Connect (CCC) Linie

Our newly established CCC in our Witzhave (Germany) site, was developed in collaboration with different technology technologies manufactures. It is an **automated plate making solution for the flexographic printing industry**, and is based on a water-washable, **VOC-solvent-free** process. The components are an image setter, inline water-wash plate developer, dryer, light finisher and connecting bridges, and inline cutting table. All components are tied together with a **central communications hub**, which integrates the process from end to end.

This system has enabled our Witzhave site to **reduce waste** from the in-house production process of our printing plates – **from 26% to 20%**. Our overarching target is to reduce this further, **down to 16%**[22].With a total quantity of 9,000 m² per year, this results in a reduction of over 500 m². In addition to the pure material savings, the **transportation of raw materials from the Japanese manufacturer will also be reduced**.

All this leads to an approximate reduction of approximately 8,800 kg CO_2 per year[23]. Through further optimization over the service life, a reduction of a further 4,200 kg of CO_2 is therefore possible and our declared target.

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[17]https://www.ohyesnetzero.co.uk/about-us/
[18]https://www.linkedin.com/posts/springfield-solutions_we-won-we-are-extremely-happy-to-announce-activity-7080470508151918592-m-N-/?trk=public_profile_like_view
[19]Machine manufacturer
[20]Machine manufacturer and local technical teams
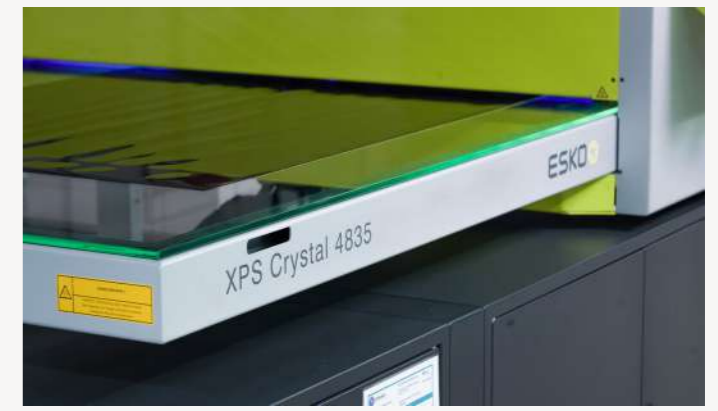
[21]Machine manufacturer and local technical teams
[22]Estimation from site's management in conjunction with service provider
[23]Life Cycle Assessment (LCA) from machine manufacturer

New facility in Zeithain

Two of our production sites located Zeithain (Germany) moved to a new consolidated production facility in 2023.

This was the perfect opportunity to develop an even **more efficient production site**, achieved by carrying out an assessment under **ISO 14064** while involving all major relevant stakeholders. **Several energy efficiency technologies were installed**.

For instance, a combined heat and power plant (CHP) now drastically improves efficiency by capturing und utilizing heat as a by-product of electricity generation. **The CHP unit generated 48.2 MWh in 2023**.

Technical building equipment (TGA) to manage all technical facilities was implemented – related to building systems and installations that provide essential functions such as heating, ventilation, air conditioning, electrical systems, plumbing, fire safety, and other mechanical and electrical services.

This is digitally controlled by state-of-the-art sensor technology.

At the same time, **energy efficiency management systems** have been implemented to allow **permanent energy evaluation** and **analysis**. All other decisions consider sustainability to the extent that newly purchased cars are either electric or hybrid.

This mindset will continue to direct future decisions.

"At Label Print 24, brand of the All4Labels Group, we promote a fully digitalized value chain.

Our unique business model not only streamlines our operations but also enhances our commitment to sustainability, allowing us to meet our efficiency goals while minimizing our environmental impact."

Stefan Harder
*Managing Director
Label Print 24*

Zeithein, Germany

4. PEOPLE

All4Labels
GLOBAL PACKAGING GROUP

04 2023 GLOBAL
SUSTAINABILITY
REPORT

BACK TO INDEX ⌃
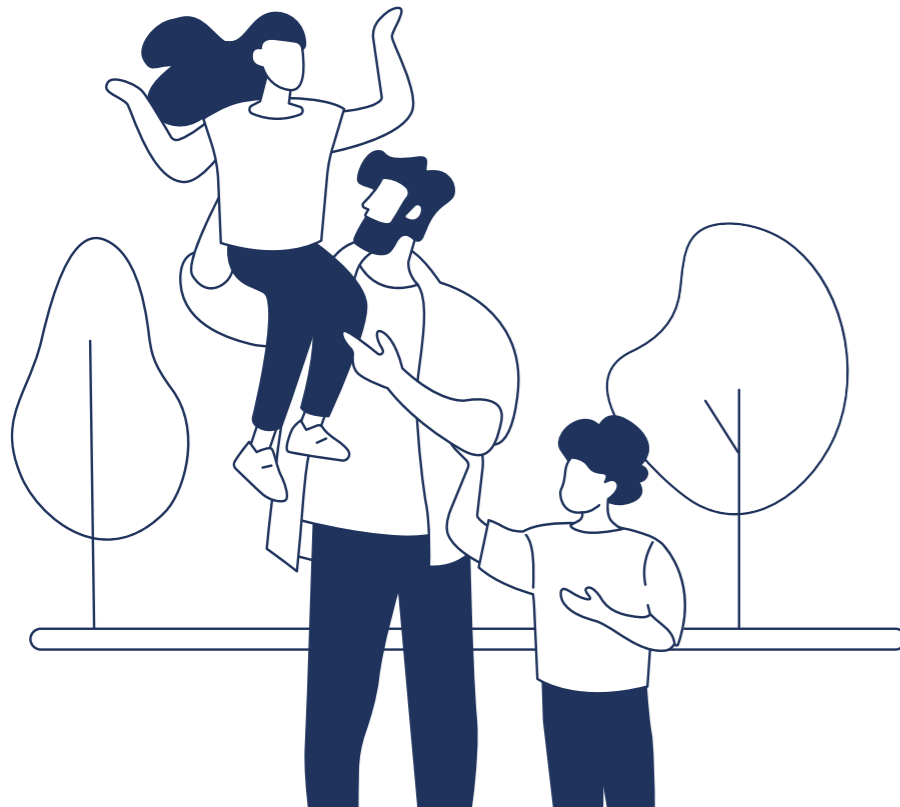
4.1 Employee Development and Wellbeing

Employee Composition

Subsequent post-merger integration activities ensured a **seamless integration of our employees**, with cross-functional onboarding processes, comprehensive training, and consistent engagement through regular meetings.

These efforts have fostered a unified company ethos while also respecting local culture, practices, and traditions, and ensuring a high retention rate of **>85%** globally, thereby **improving collaboration across our sites**.
We further increased our headcount by 37% in 2023, in addition to the 25% increase we made in 2022. In light of this trend, it has become fundamental to look at our population not only at the local level but also from a global perspective. **The company is continuously reshaping itself through acquisitions and organic growth**.

A robust process is necessary to assess in a continuous way who we are, which values are driving our workforce, and which skills have been added to the organization. HR Analytics provides rigorous and relevant information to improve decision-making by offering guidance, not just benchmarking or best practices.

To achieve this, by the end of 2023 we finalized the reconfiguration of our **HR Information System platform** (SAP Success Factors). We changed some approval processes to integrate data from the companies we acquired over the past few years and aligned the current data in the system to accurately represent our existing organizational structure.

We also set up a **Fast Integration Track** – an internal process to upload all employee data into an Excel file and build up a very comprehensive database. This database provides on-demand up-to-date snapshots of our organization, including the recently acquired companies, and feeds any needs from our other systems.

We are also training our local HR team members how to use the SuccessFactors platform to **maintain up-to-date information and track all organizational changes**. Reliable information is already stored for one-third of the entire company, and our goal is to cover 70-80% by the end of 2024.

To improve our HR analytics, we decided to have one dedicated **resource focused on corporate HR data and processes**.

A new employee joined the All4Labels Group at the beginning of 2024 and the results of this role will be seen soon, with a particular focus on the fast i**ntegration initiative** and on defining **global processes**, such as onboarding and offboarding, to be rolled out to all locations where we operate.

These processes are closely integrated with the SuccessFactors platform. On this journey, HR Analytics provides firm ground to set up key Global HR Processes that apply at the local level. These focus on workforce experience; delivering training on skills not roles; and upgrading the quality of HR professionals with competencies that have an impact on stakeholder outcomes.

In addition, our DE&I journey has begun to coincide with those of our key customers, **working with them on common driving principles**.

	Number of employees who are women	Total headcount in 2023	Number of women at leadership level
	2,229	**6,368**	**13**

Category	2021	2022	2023
Employees & new hires			
Total headcount	3,198	4,199	6,368
Net change in headcount	N/A[24]	1015	2,169
Total FTEs	3,008	3,968	6,148
Net change in FTEs	N/A	959	2,180
Organic net new hires	N/A	426	129
Nationalities	58	59	59
Languages	14	18	18
Diversity, Equity & Inclusion			
Number of employees who are women	825	1,377	2,229
Percentage of employees who are women	27%[25]	33%	35%
Number of employees who are men	2,373	2,822	4,139
Percentage of employees who are men	73%[26]	67%	65%
Number of women at leadership level	N/A	10	13
Percentage of leadership level who are women	N/A	19%	20%
Number of men at leadership level	N/A	52	52
Percentage of leadership level who are men	N/A	81%	80%
Employment type			
Number of employees with permanent contracts	2,957	3,731	6,230
Number of temporary employees	105	468	138

[24] Data collection started in 2022 for all indicators marked.
[25] Due to a reporting error in 2021 report, this number was adjusted in this year's report.
[26] Due to a reporting error in 2021 report, this number was adjusted in this year's report.

Employee Engagement

The All4Labels Group's CORE values (Curiosity, One Team, Responsibility, Empowerment) **set a foundation** and **provided inspiration for numerous initiatives related to employee engagement**. Highlighting our initiatives aimed at fostering a diverse, sustainable, and '**One team**' workplace not only attracts a broader pool of talent but also enhances our reputation as a socially responsible company.

In 2023, we continued to feature our employees prominently using the **diversity campaign** started the year before, together with the new company values.

For example, there is regular content from employees that authentically showcases life at All4Labels Group, and our Instagram account dedicated to highlighting '**life at All4Labels Group**' features job opportunities and insights. **These help to foster our dedication to supporting talent recruitment**.

At the All4Labels Group, we want to hear feedback from our employees regarding their job satisfaction, motivation, and overall engagement, through the **Employee Net Promoter Score** (eNPS). This metric guides our efforts in creating a supportive and motivating work environment, ensuring that our team feels valued and empowered. We plan to run the

engagement survey every two years, with a meaningful comparison of eNPS scores over the years to achieve our 75% target by 2030.

Following the pilot exercise in 2022, we conducted a survey in Brazil to identify **areas for improvement**, to lay the ground for implementation of the eNPS across All4Labels Group entities. A number of key actions were taken to enhance the survey results from 2022 to 2023.

These included appointing a dedicated resource to strengthen internal communication by facilitating inter-site communication; promoting campaigns to integrate teams; and fostering a sense of belonging to a global company while supporting activities for underprivileged communities.

Mental health training sessions for blue-collar workers were organized, and we promoted a **strong culture of safety**. Good transparency was ensured by sharing with all employees the actions taken and planned (based on the previous survey results).

Care was taken to make sure that all leadership remains engaged in the aforementioned action plans.

"Embracing DEI policies is essential for fostering a **culture** where **diverse voices** thrive, sparking innovation and driving All4Labels Group toward our **sustainability goals** while uniting our team's talents for greater success."

Zeno Ordan
VP Human Resources

Salerno, Italy

Employee Benefits and Management

The All4Labels Group is committed to adhering to all relevant **Collective Bargaining Agreements** (CBA) in every country where we operate. When collective bargaining agreements are in place, All4Labels Group strictly follows the **legal requirements set at the national or regional level**, ensuring full compliance in all situations. In some locations, these provisions are explicitly outlined in the agreements, while in others they may not be specifically detailed.

In addition, we aim to actively contribute to the communities we serve, **promoting well-being** and **creating opportunities both for community members and our employees**.

In Germany, for example, we offer numerous benefits, including a nationwide program for employees interested in joining a gym or sports club. **Through these initiatives, we**

aim to support the health and well-being of our entire German workforce.

Additionally, we are dedicated to promoting and celebrating our diverse culture through various campaigns and events for our employees across the German sites. We are proud to become a member of the '**Charta der Vielfalt**', **an organization specializing in Diversity, Equity, and Inclusion**.

By joining this organization, we aim to promote **recognition**, **appreciation**, and **integration of diversity** in our business culture – understanding that leveraging employee diversity enhances company success and makes us an attractive employer.

Other examples come from our sites in Brazil. **Employee well-being is a priority** when it comes to mental health, and we offer talks with psychologists (service suppliers) and organize various campaigns that address this topic in an integrated and positive way.

To further promote healthy habits, we also have an internal running group at our site located in Blumenau, and the company pays for every race organized in the city. **We also encourage and promote gymnastics and provide breaks during working hours to prevent repetitive strain injuries**.

We openly promote activities that involve the families of our employees, such as drawing competitions, talks and activities where all family members can get involved, and opportunities to get to know our sites and the production environment.

This is because we understand that we have a duty not only to the people in the company, but also to the entire community around us.

Our Blumenau site has around 320 employees, and more than 500 people – including employees and their families – took part in an event, called '**Portas Abertas**' (Open Doors) in 2023. This will be extended to other Brazilian locations in 2024.

Listening to our employees is important to ensure that they are satisfied with what the company has to offer. In Brazil, for example, an annual survey is conducted to gather this feedback, and in 2023 more than 80% of employees were positive about the internal events promoted.

In 2023, All4Labels Group did not undertake any restructuring plans that impacted groups of employees. **Instead, our primary focus remained on fostering sustainable growth.**

Blumenau site opens the door once a year to employees' family members so they can visit the work environment

Diversity, Equity & Inclusion (DEI)

All4Labels Group fosters a range of perspectives, experiences, and skills, and **we create a more innovative and dynamic work environment every time we prioritize diversity and inclusion in our activities**.

Such commitment aligns not only with our values, but also results in **increased employee satisfaction**.

For example, in some regions, we conduct **annual surveys** to understand how employees feel about working in a diverse workplace in terms of age, ethnicity, gender, and sexual orientation.

There is a positive response rate that averages 88%.

As an example of our commitment, we have a **Diversity Committee in Brazil**, established many years ago with the aim of raising awareness about respecting diversity and combating prejudice, through engaging lectures and interactive activities.

The program addresses various topics related to human diversity, including cultural, racial, ethnic, age, religious, gender, and sexual diversity, as well as prejudice against people with disabilities.

Every year we promote a Diversity Week at some of our Brazilian production sites.

The 2023 event was entitled '**Diversity and Inclusion, Prejudice No**'.

The content covered essential concepts such as **diversity**, **equity**, **equality**, and **inclusion**.

It also included discussions about biological sex, gender, sexual orientation, the acronym LGBTAIAP+, and the experiences of people with disabilities.
Some activities were promoted to enhance engagement

on the theme of people with disabilities.

Employees were challenged to identify objects in a box solely through touch, simulating the experience of blind individuals who rely on their heightened senses to perceive the world.

Another activity was to write xenophobic phrases on crumpled pieces of paper.

When the papers were opened, the lasting effects of such prejudice were evident, highlighting the lasting damage done to the victims of xenophobia.

Our global campaign, '**We label products, not people**', launched during the previous year and continues to resonate in 2023, highlighting the **importance of diversity and inclusion in the workplace** and the company's commitment to creating an inclusive and welcoming work environment for all employees.

Simultaneously, our external communication showcases All4Labels Group's position and dedication, recognizing our responsibility as a **global company** and employer.

We continue to publish content around international days, language days, and other national holidays in the countries where we operate.

The goal is to foster a sense of belonging and appreciation of different cultures within our workforce.

In addition to the activities already launched the year before, we have significantly expanded DEI activities in 2023:

- **E-learning modules**, online training sessions, and on-site workshops centered on Diversity.

Initially, the emphasis has been on developing internal, informative content across dimensions of diversity such as **cultural**, **religious**, and **gender topics**.

We seek to foster understanding and inclusivity within our organization, laying the groundwork for delving deeper into **DEI topics**.

- **Internal communication campaigns** addressing unconscious biases via Corporate Screens and Intranet every month.
- A **Diversity Brochure** distributed to more All4Labels Group countries: Brazil, Argentina, and Mexico, including translation in the local languages.

- An updated **diversity video** reflecting current statistics.
- Continuous **diversity content** dissemination across our internal and external channels.

Representation within our management board is an example of how the All4Labels Group deals with diversity. As of December 2023, our CEO and her direct reports comprised the following:

Diversity by gender and age within our management board

Female **20%**

Male **80%**

Gender diversity within our management board

Female

Age <= 30	30<Age<=50	Age>50
0	1	1

Male

Age <= 30	30<Age<=50	Age>50
0	3	5

To increase the **number of women in leadership positions**, we have developed an action plan to ensure that at **least one woman is considered as a potential candidate for each leadership role** whenever a position is open. Implementation will begin in early 2024.

Training & Development

Our goal is to implement continuous learning and development initiatives around the globe.

This means streamlining training programs and establishing clear career development paths for all employees.
By investing in the provision of continuous learning opportunities, we help our employees to improve their

knowledge and **skills** so they can thrive in a dynamic business environment.

The company benefits from increased **productivity** and **efficiency**, and adoption of best practices. We not only increase employee satisfaction but also play a key role in advancing **our long-term sustainability goals**.

All4Labels Group continues **monitoring the hours of training invested per employee**, per year, for employees with access to the online platform.

Average **number of training hours** per employee

28.6

22.98

2022   2023
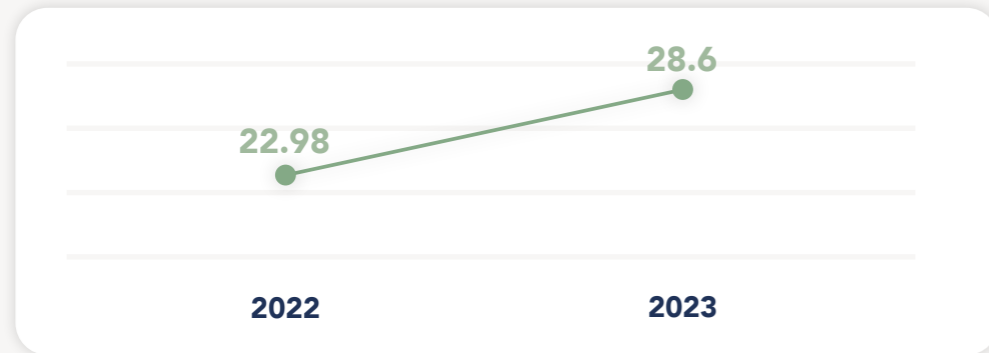
Thanks to many training and development initiatives, and the expansion of existing programs, **the number of training hours per employee increased by over 5% in 2023**, in comparison with the year before.
In 2023, we also trained 12.8% of our people on both

the DEI policy and Unconscious Bias. This was conducted via on-site trainings and through our KnowB4 platform where employees from all levels, including C-level, were trained. We plan to roll it out to more and more employees by translating the training deck into multiple languages.

Below are some examples of **initiatives implemented in 2023:**

Implementation of the first company-wide learning program accessible to all employees, spanning both commercial and production environments.

Through on-demand videos and courses covering relevant topics, we empower independent, **self-directed learning**.

1.

Extension and enhancement of **leadership training** and coaching initiatives for managerial teams at both headquarters and production facilities.

2.

Launch of an **Academy page** to elevate the **visibility** and **significance of training** within the company.

This centralized platform offers a comprehensive overview of all available **training programs**.

3.

Expansion of recurring language courses in English, German, Italian, and Spanish to facilitate inter-regional communication.

4.

Enhanced training sessions tailored to enhance specific skills, **such as communication training at our headquarters**.

5.

"Joining a global Group like All4Labels that **prioritizes sustainability** through **innovation**, **automation**, and **digitalization** fills me with immense excitement. It's a unique opportunity to collaborate with like-minded individuals who are passionately committed to **shaping a sustainable future**.

Together, we will leverage cutting-edge technologies to meet **critical sustainability requirements**, driving meaningful change across industries."

Justine Bufe

*Managing Director
All4Labels Durban,
South Africa*

4.2 Health & Safety

Increased productivity and engagement are being promoted by **prioritizing employee health and safety measures** while providing access to healthcare and promoting work-life balance. **Health**, **safety** & **well-being** are of paramount importance for All4Labels Group's sustainable development.

Health and Safety Management

The Global Safety, Health, and Environment team (**Global SHE team**) directly supports Managing Directors and safety managers across all All4Labels Group sites, ensuring alignment with the company's strategy.

In 2023, the global SHE welcomed two new additions to their team, **making a total of 7 people**.

The team is characterized by **diversity** and **inclusivity**, with representatives from 4 different nationalities who are proficient in 5 distinct languages. Women constitute half of the team. The team's focus revolves around technology and automation, with a **central emphasis on people**.

The All4Labels Group adheres to a Health and Safety Management System that embraces German regulations and **US OSHA requirements**[27], meeting or exceeding national guidelines and covering all personnel - employees, contractors, and visitors - as outlined in our Safety, Health & Environment Policy.

This policy was renewed in 2023, and **health promotion and accident prevention measures are managed globally and locally using safety management software**.

The use of common software across the All4Labels Group is a way of increasing collaboration between sites, as data can be shared if required.

It is also a reliable tool for quickly **analyzing trends** and **accessing information** from anywhere in the world, which is why the software offers an important advantage when it comes to digitalization.

The All4Labels Group routinely performs comprehensive analyses of occupational risks, hazards, and potential damage across all work environments.

From these assessments, we develop and implement additional protective measures tailored to guide our employees, who receive training at least annually, and often more frequently so they can maintain a high level of **knowledge** and **awareness** for ensuring their **health and safety at work**.

The **Safety Management System** also includes detailed procedures for safety protocols, accident investigations, facility alarms, and emergency response plans.

As communicated in last year's report, the practice of issuing directives has been introduced to provide **clear guidelines** and **standards** for health and safety practices within the organization, and to ensure a consistent approach across different sites.

These directives focus on the most critical and hazardous topics, and prioritize them according to their frequency and severity.

During 2023, **11 directives** were issued, while one of the **12 originally planned directives was turned into an internal project**, all accompanied by extensive training and a gap analysis to identify areas for improvement.

Where necessary, action **plans** were initiated at relevant locations to meet the Group's internal requirements.

In addition to compliance with our standards and directives, the Global SHE team also **supports the plants** so that they know and comply with HSE legal requirements.

An **external service** is used for this purpose, which monitors **regional**, **national**, and **overarching laws** and **guidelines**, and explains any changes or innovations in the local language as well as in English.

Occupational Health & Safety

The All4Labels Group offers **local medical consultations**, vaccination campaigns, and other initiatives at the site level as part of its occupational health program.

In addition, each production site has trained first responders for **emergencies**, **minor injuries**, or **symptoms of illness**.

Regular risk assessments are carried out at the site level, including an evaluation of psychosocial risks. Where appropriate, corrective action is taken locally and monitored by the Global Safety, Health, and Environment team.

In 2023, we updated our **safety performance reporting** with a focus on recordable incidents, including lost time injuries and fatalities, and total recordable incident rates **(TRIR)**. This is in line with regulatory reporting requirements and provides sufficient comparability between companies.

	2021	2022	2023
Total Recordable Incident Rate (TRIR)	1.25	0.77	0.63
Recordable Cases	37*	28**	31
Fatalities	0	0	0

* Due to a reporting error in the 2022 and 2021 reports, this number was adjusted in this year's report.

** Due to late reporting in 2022, this number was adjusted in this year's report.

The significant reduction of the TRIR from 2021 to 2022 continued in 2023, with a further reduction of 18% compared to 2022.

Despite the increase in recordable cases from 28 in 2022 to 31 in 2023, it is noteworthy that the company has experienced significant growth, expanding from approximately **4,000 to more than 6,000 colleagues**.

Safety Walks are unstandardized walks of the sites by leaders, with a focus on unsafe acts, unsafe conditions, and improvement potential, which have been monitored on the group level using an Unsafe Acts and Conditions Rate as a KPI since 2022.

Toolbox Talks are dedicated small training sessions conducted during production or shift changes. They train on current safety-related topics, incident reports, or safety and health-related topics outside of work (e.g. safe driving).

Best Practice sharing happens regularly across sites, utilizing communication channels such as corporate TVs and weekly safety exchange meetings with all safety representatives and managers.

Our achievements in health & safety have shown All4Labels Group's ability to **analyze near-misses and find solutions to avoid re-occurrence**.

Over 15,000 **Safety Walks** were performed by our leadership teams in 2023, showing an **increase of 43%** compared with the previous year. Notably, more than **14,000 unsafe observations** have been observed during Safety Walks.

Further accidents and injuries were prevented by acting upon and solving these. **In total, there was an increase of 60% in the reporting of unsafe acts and conditions**. Both these initiatives have improved our preventive safety culture and awareness of risks for colleagues working on-site.

By the end of 2023, **positive observations will also be tracked to positively emphasize** the importance of safety and to recognize safe, proactive behavior, exemplary workplace organization, and above-average employee commitment.

A key catalyst for this increased reporting has been the Toolbox Talks in previous years. **In 2023, 37 Toolbox Talks were published and translated into all languages present in All4Labels Group**.

Furthermore, the All4Labels Group has become more efficient in creating and sharing knowledge, and potential solutions, with a total of **52 Best Practices published**, with contributions from 16 sites sharing their innovative ideas.

"When we invest in our people, nurturing their talents and well-being, we're not just building a stronger workforce, but we are helping to cultivate the mindset and capabilities needed to address the complex challenges of today and tomorrow, **ensuring a more sustainable future**"

Kristina Toussaint
HR Director Germany

Highlights of our Health & Safety Initiatives

As part of the integration of the acquired sites into the All4Labels Group, the Global Safety, Health, and Environment (**Global SHE team**) ensures that **new sites have a safety culture program as a priority from the start**.

Safety summits were also promoted in 2023. For example, all safety managers from the German entities attended a **two-day in-person summit**.

This type of meeting provides a valuable platform not only to promote our safety community but also to **foster collaboration and cultivate a strong safety culture within our organization**.

To further support safety representatives and the local leadership teams conducting the Safety Walks, the Global SHE team developed the **All4Labels Safety Walk Deck**. The decks have been produced in English, Portuguese, German, Italian, and Spanish, and distributed to all production sites.

50 different cards help safety representatives and their colleagues mix up their **safety walks** and have **meaningful safety dialogues and toolbox talks with our colleagues on the shop floor**.

With a plan to publish a directive every month in 2023, accompanied by toolbox talks and best practices, the year began with the **Life Saving Rules** directive to specify the knowledge and expected behaviors required to protect all personnel from life-threatening incidents, the environment from disasters and All4Labels Group' assets from destruction.

To aid understanding of the policies, they have all been **accompanied by online training**.

Recorded training sessions are always available for future reference. The **Global SHE Consequence Management** document was also published in early 2023, defining the knowledge, roles, responsibilities, and minimum requirements needed to **effectively promote and manage compliance with all approved global documentation**.

Our SHE Management System Definitions included a guideline on this topic, which was shared at the beginning of the year to provide a common language and clarity.

Having established the basics of terminology, roles related

to consequence management, and the behaviors expected to maintain a safe workplace, the focus turned to the most serious issues on site.

The first topic was **Sharp Objects**, and the directive dealt with general requirements relating to sharp objects used as tools in our facilities. In the second half of the year, the topic was highlighted again, since sharp objects, hands, and power tools are a common part of the daily work at the sites.

A "Hand Safety Initiative" was launched, and in the first week, the safety representatives trained more than 1,600 employees in countless sessions on the shop floor.

Hand Safety training

We also conducted monthly training on key safety topics, for example a warehouse and storage safety directive, on-site traffic, working at height, hazardous substances, and emergency response.

These sessions were supplemented with Toolbox Talks and Best Practices to provide safety representatives with the tools they need to effectively communicate and apply the content of the directives.

In the area of health, an Ergonomics Directive was published to help sites assess ergonomic risks and

implement measures to promote employee health. In total, six workshops were held at the German sites to raise awareness and encourage behavioral change.

The last directive launched in 2023 focused on a Mental Load risk assessment, emphasizing the importance and impact of mental well-being.

Through employee surveys on mental stress, risks are identified, and solutions are jointly developed in workshops.

At the headquarters, for example, we identified the need to improve the working environment by reducing noise levels and interruptions at work through the installation of acoustic rooms in our offices

Our **Step-by-Step-Together Challenge** was organized once again to promote employee health.

Over 331 colleagues in 52 teams across 27 locations took part in this virtual challenge. The aim was to reach more than 10,000 steps per person per day, and 21 teams achieve it.

A machine safety campaign was carried out in July and August, during which every machine and power-driven tool in the All4Labels Group with an emergency stop and/or safety device was checked and inspected to identify faulty safety equipment or unsafe conditions, followed by immediate repair and maintenance.

Hand Safety training

4.3 Respecting Rights in the Value Chain

All4Labels Group is committed to **respecting all internationally recognized human rights** within our business areas and our supply chain, with high standards of compliance, due diligence, and integrity.

In 2022 a **Human Rights Officer** was appointed to strengthen the **protection of human rights** within the global supply chain and ensure diligent monitoring of human rights, environmental risks, and safeguarding compliance. They report regularly to the Management Board.

A full Human Rights strategy for the All4Labels Group has been developed. **Our Code of Conduct forms its central part**. This code is available on our website and intranet. We also further reinforce messaging and expect our suppliers to follow our **Supplier Code of Conduct**, which is publicly available.

To set the tone within our company culture, we have involved various departments, particularly **Human Resources and Health and Safety**, in creating awareness and a common understanding of objectives. **The goal is ensuring that human rights are protected in our own operations and across the value chain**.

As part of this, we implemented All4Labels Group-specific training dealing with diversity, covering our values, guidelines, and reporting channels. Recurrent **internal risk analyses** and **audits** are also carried out to establish the level of adoption: **how human rights practices within our group's companies are paving the way for further possible improvements**.

We are committed to monitoring and promoting good business practices that comply with applicable laws and regulations in our supply chain through quality audits of our suppliers. We also assess environmental and social risks. More information can be found in the **Product chapter – Partner Monitoring and Development**.

Furthermore, we enforce compliance standards and continuously promote our global policies and whistleblower system. **We drive actions via our Code of Conduct,**

Supplier Code of Conduct, and Human Rights Policy, in alignment with the United Nations Universal Declaration of Human Rights **(UN-UDHR)**; the conventions and recommendations of the International Labor Organization **(ILO)** on labor and social standards; and the principles of the United Nations Global Compact **(UNGC)**.

To spread high sustainability performance across the value chain, the All4Labels Group conducts an **annual self-assessment questionnaire**. This evaluates suppliers based on their compliance with legal, social, and environmental criteria.

In 2023, **no critical environmental** or **social issues** were identified in our supply chain, and there was no risk to freedom of association and collective bargaining, child labor, or forced or slave-like labor in supplier operations. Our procurement team prioritizes working with suppliers who share our commitment to these standards.
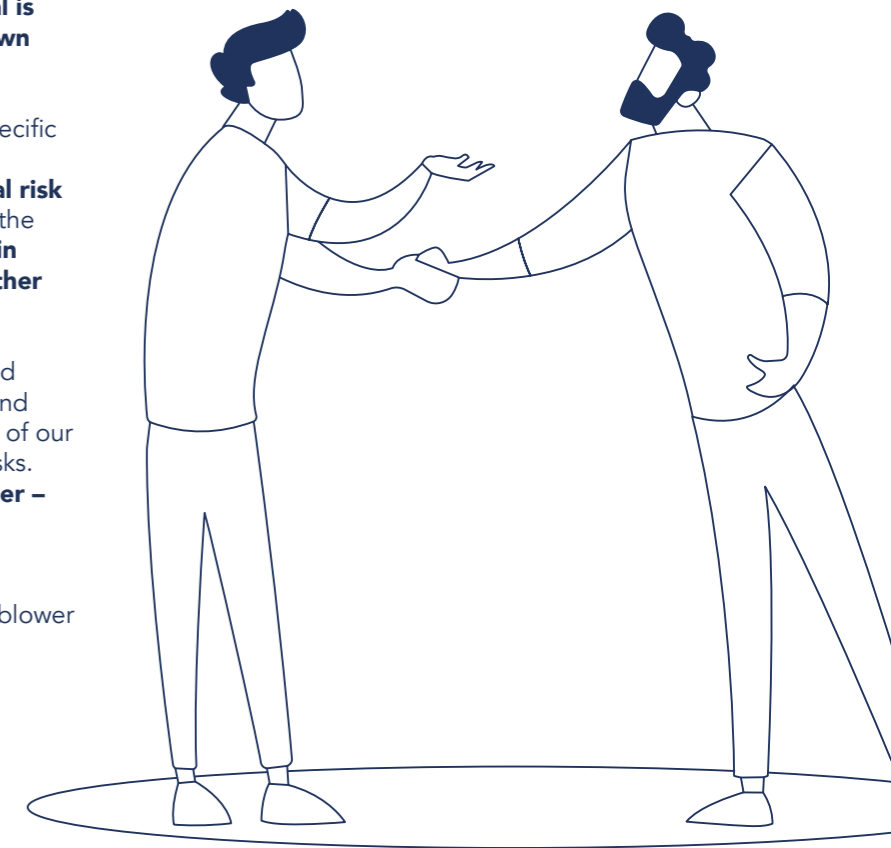
5. GOVERNANCE

5.1 Sustainability Governance

A combination of skills and cultures is the basis of the Global Sustainability Team, **which advances the ESG agenda using a holistic approach and by proactively responding to stakeholder demands**.

This key team works closely with global teams and all production sites to develop and streamline projects. Several regular routines are deployed such as the C**orporate Carbon Footprint**, monthly sustainability KPIs, and renewable electricity investment among others. One of the pivotal projects integrated into the ESG agenda was the **Corporate Sustainability Reporting Directive** (CSRD).

CSRD requires all large companies and all listed companies (except listed micro-enterprises) to disclose **information on the risks** and **opportunities** arising from social and environmental issues and the impact of their activities on people and the environment.

In 2023 we started to prepare the company's CSRD Concept Development. We approach this regulatory topic not only under the eyes of compliance but also as an opportunity to keep creating value for the organization via improved ESG practices.

A pre-kick-off was carried out in 2023 with the involved global ESG teams, in preparation for the official start of the project in January 2024. **This project entails three major phases: readiness assessment; double materiality assessment and concept development; and implementation**.

It requires engagement with all incumbent ESG teams in order to bridge the regulation changes and the content that needs to be reported. Above all, **the sustainability governance structures will be revised and improved**, aimed at ensuring a solid basis for CSRD to thrive.

This paves the way for new **KPIs**, improved reporting routines, more transparency to all stakeholder groups, and above all **continues to create value through ESG compliance**.

"**We are restless pioneers, dedicated to pushing the boundaries of sustainable packaging.**

Our approach to sustainability is cross-regional and is a value shared by all companies in the group, including those that have recently merged."

Fernando Gabel
President SCA and CE Europe and Head of M&A
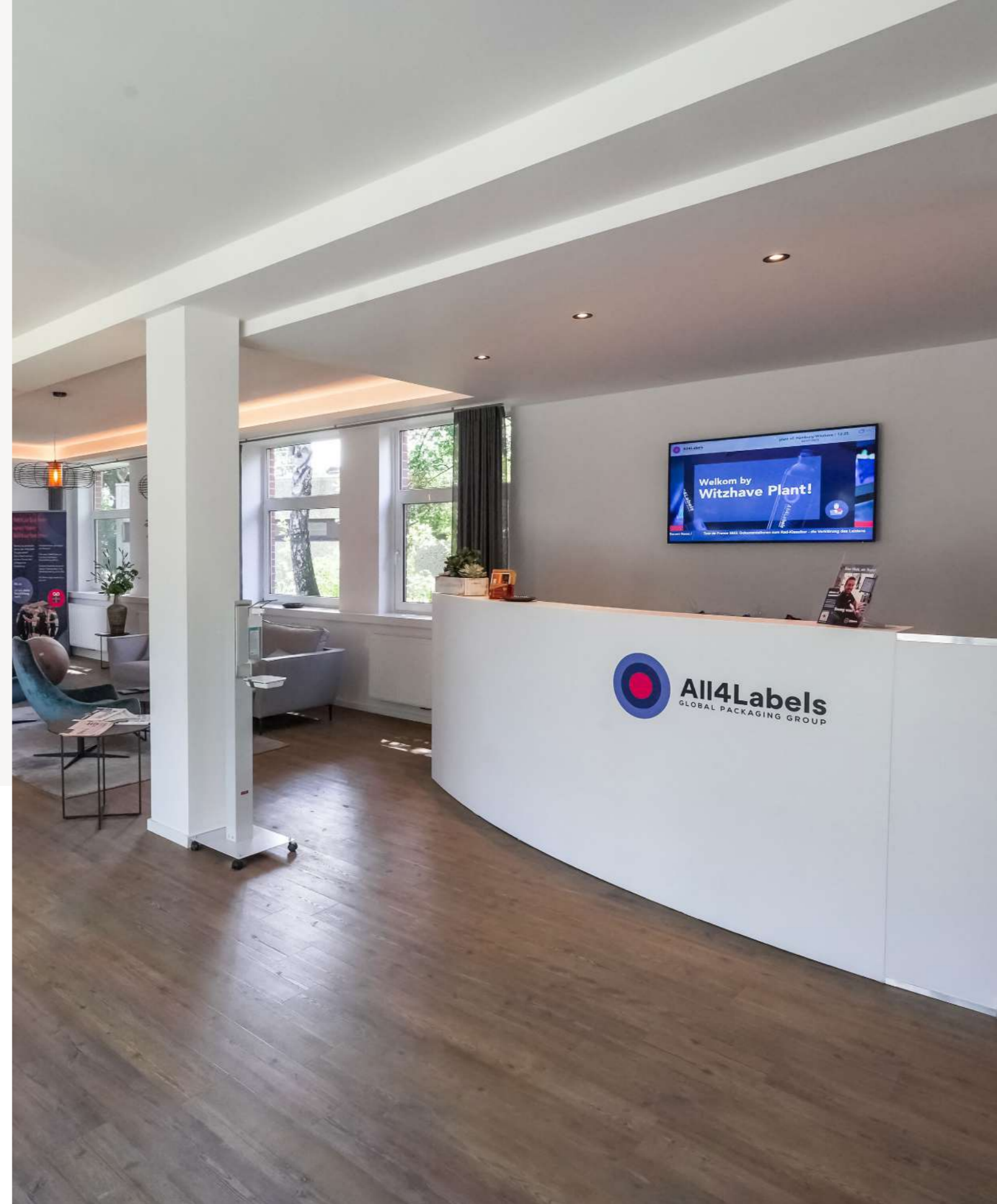
Witzhave, Germany

Board Composition

At All4Labels Group, we place a strong emphasis on corporate governance and compliance, both locally and globally. Responsible management processes, compliance with many different legal requirements, and cultural sensitivity are cornerstones for being successful in our international markets.

Our strong culture of business ethics is led and driven by our senior management. The governance structure of the All4Labels Group starts with our **Management Board,** which coordinates closely with the various regional business units as well as corporate functions.

Relevant strategic decisions are made by the Board that apply to the entire company's operations. This includes developing, approving, and updating the overarching organizational strategy along with our **3Ps Business**

Model (People, Planet, and Product) – a model where strengthening ESG performance is a key component.

Our functional and regional managers implement these standards in their respective areas of responsibility and ensure compliance with them. **This team, together with the Management Board and regional managers, has global responsibility for all preventive and reactive measures related to governance and compliance.**

It supports the entire company, including local entities, in carrying out their business activities in compliance with relevant external laws and internal regulations.

The team is supported by our integrated management system and organizational structure, **where team members have clearly defined responsibilities**.
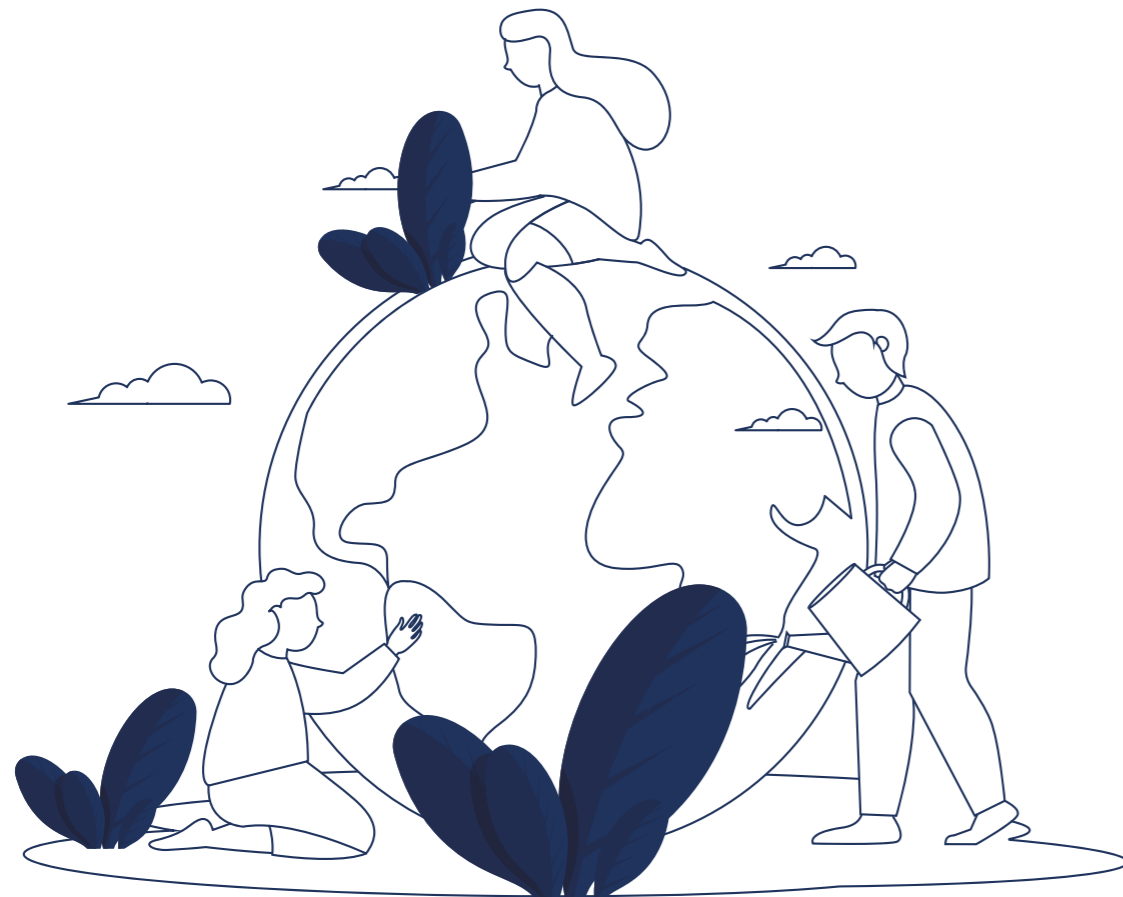
Board Composition - Chart[28]
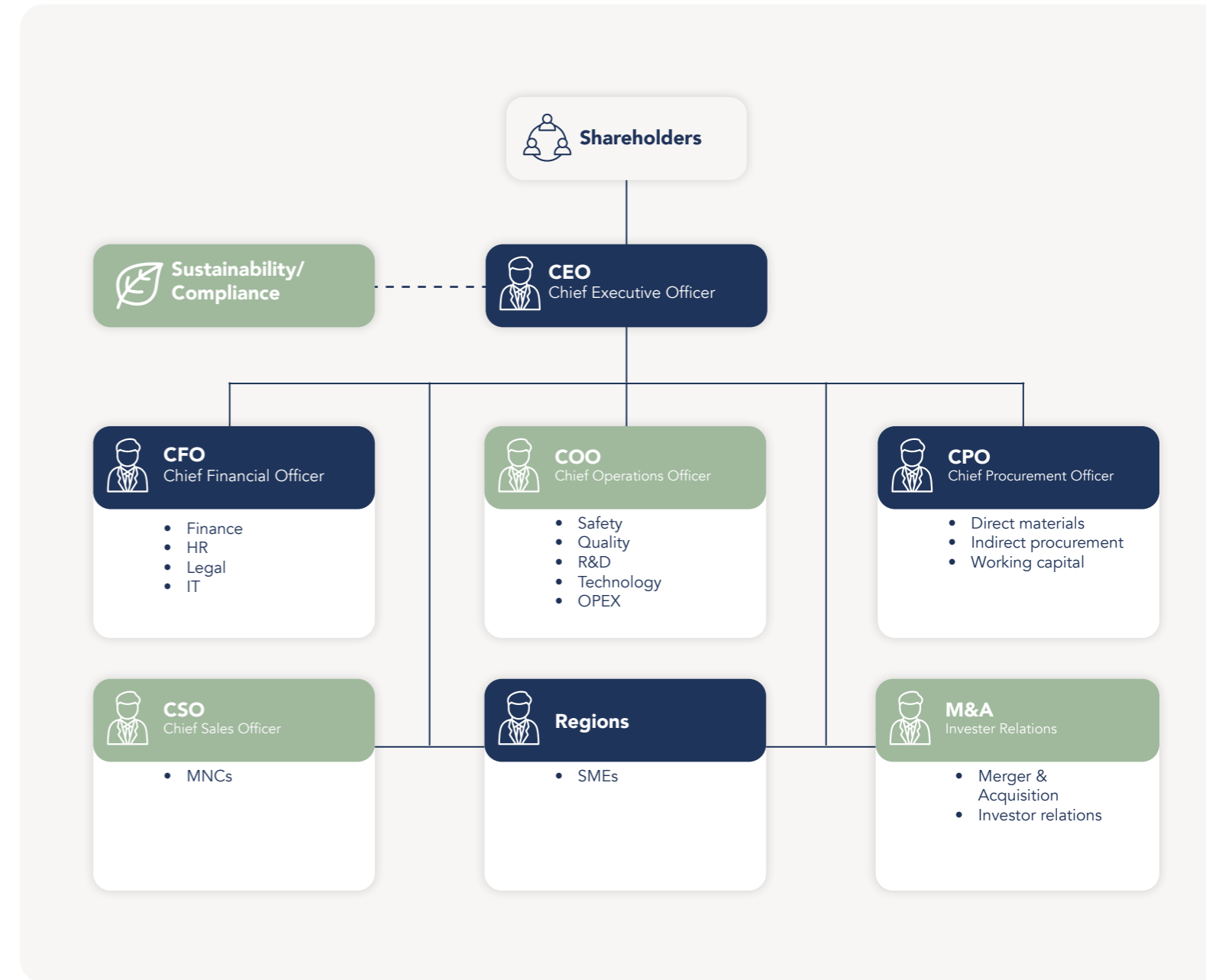
Our private equity committee advises our senior management, which includes the **CEO**, **CFO** and **COO**. The management team is complemented with the **CPO**, **CSO**, regional heads and M&A.

The CIO and CTO positions mentioned in last year's report

are still important in the All4Labels Group, reporting directly to the CFO and COO respectively.

The same applies to the **Sustainability** and **Compliance teams**, which report indirectly (but with a regular agenda) to the CEO and all senior management as required.

[28]MNC - multinational corporation, SME - small and medium-sized enterprise.
Sustainability and Compliance teams report indirectly, but with a regular agenda, to the CEO

Compliance Management

Over the past year we have worked diligently to expand and enhance our **compliance management system**, in line with our **Board's strategic decision**, and taking into account the overall **growth of the company**, as well as new and upcoming **legislation and regulatory requirements**.

We believe that **moral commitment** and economic success go hand in hand to promote a positive and **sustainable business**.

It is important for All4Labels Group that our employees understand the importance of **compliance** and their role in maintaining it. This awareness is essential for fostering an **organizational culture** that values ethical behavior and compliance.

Therefore, **effective communication** is a cornerstone of our **Compliance Management System** to ensure that **compliance policies** are understood and implemented across all levels of our organization. In addition to various information channels, we have established a **document library** in which all our policies are available in all the languages of the countries where we operate.

Moreover, our employees receive regular **training** via our **e-learning platform, KnowBe4**. All All4Labels Group employees who have access to this platform must complete the **training sessions**.

The All4Labels Group as a company maintains high standards of **compliance** and **integrity**. It is committed to respecting all internationally recognized **human rights** in our business areas and our supply chain.

Our commitment to **human rights** is documented in a globally binding Group regulation, the **All4Labels Policy Statement on Corporate Human Rights Strategy**. This commitment is based on internationally recognized human rights such as the **United Nations Universal Declaration of Human Rights (UN-UDHR)**; the conventions and recommendations of the **International Labor Organization (ILO)** on labor and social standards; and the principles of the **United Nations Global Compact (UNGC)**.

The Management Board has directly authorized this commitment. It applies to all All4Labels Group employees worldwide along with our **business partners**, including suppliers, customers, and other stakeholders, and is publicly available on our website.

Since 2022, All4Labels Group has designated a **Human Rights Officer (HRO)** responsible for overseeing risk management relating to human rights. They report directly to the Management Board. The implementation of our **human rights strategy** and of standards in business operations is regulated by Group regulations, processes, and management and monitoring systems.

Our **Code of Conduct** contains the most important corporate principles and behavioral rules, and represents an **ethical compass** for our employees.

As our predominant global policy, it has been designed to support our employees in meeting the ethical and legal challenges they may encounter in their daily work, and to feel empowered with the tools and the knowledge to be able to act responsibly, appropriately, and legally in the case of critical situations.

By following the **Code**, our employees can remain compliant and contribute to the protection of the company and each employee. In addition to **human rights** and environment-related topics, the Code also contains specifications on matters of **business ethics, anti-corruption, and conflicts of interest**.

Additionally, the All4Labels Group actively seeks out and favors **business** partners who place **integrity** at the heart of their business activities and who share our **ethical standards** for human rights, working conditions, and environmental and social responsibility.

Our **Supplier Code of Conduct** reflects the company's culture, principles, and values, and describes fundamental environmental, social, and ethical principles to which business partners should align themselves. The

cornerstones of this **Supplier Code of Conduct** are relevant national and international laws and legal regulations as well as international conventions.

These regulations are supplemented by guidelines that provide details on specific areas (e.g. **anti-corruption, conflict of interest, and antitrust**). Our Group policies are regularly reviewed. The results of the annually conducted risk analyses and the requirements from the **German Supply Chain Due Diligence Act** are accounted for in the latest version.

The integration of our **legal** and **compliance teams** in 2023 strengthens the company's ability to proactively manage risk and quickly address **compliance issues**. It also enhances efficiency by streamlining processes and promoting better communication and coordination to ensure consistent interpretation and application of laws and regulations.

Ultimately, this merger supports a cohesive strategy for compliance and corporate responsibility, with a unified approach to **ethical behavior and legal compliance**.

To underline the importance of **compliance** within the All4Labels Group, the **Compliance Committee** is comprised of the **CEO, COO, CFO, CIO, VP of Legal and Compliance, and Chief Compliance Officer**. This committee steers our **compliance management system**.

"Our **commitment to sustainability** is deeply connected with our **dedication to legal compliance and ethical standards**.

By promoting fairness of information, adherence to regulations, and respect for rights, we are committed to creating a legacy of social responsibility that can **inspire future generations**."

Maria Weyhing

VP Legal & Compliance

Compliance Training

To strengthen our **compliance culture**, All4Labels Group provides clear conduct rules, regular **training courses**, and **effective communication measures**, in order to help employees avoid conflicts and uphold ethical standards.

We ensure uniform **compliance expectations** across all global locations, strictly opposing any violation of laws and **unfair business practices**. Adhering to national and international **anti-corruption** and **fair competition laws** is a core principle, and the company competes based on product quality and price, not improper advantages.

Continuous development of **training materials** supports our commitment to these values. Numerous **guidelines** and **policies** have been released over the past four years, intended to provide security to our employees in unclear situations.

Training on our **Code of Conduct, anti-corruption, antitrust law, anti-money-laundering, conflicts of interest, diversity, respect at work, whistleblowing,**

and **data protection are fundamental elements of our Compliance Management System**. We endeavor to offer courses in the language of the countries where our sites are located, and we require employees to take these courses based on their exposure to risk.

We have been working continuously to align our data **sources** to ensure consistent **measurement frameworks** during the integration of diverse operations and **organizational structures**.

Each year, the company publishes a new, obligatory **training course** for all All4Labels Group employees to ensure that we continuously educate our employees on existing and new **compliance requirements and guidelines**.

In 2023, we launched revised versions of our **safety**, **health**, and **environment** (**SHE**) and **data protection policies**, while subjects such as **cybersecurity, whistleblowing**, and corporate **human rights** received dedicated new policies.

We have diligently requested our sites to facilitate comprehensive **training sessions** for all employees, particularly those without digital access to our **KnowBe4 portal**, emphasizing the code of **conduct and policy statement** on **corporate human rights**.

This commitment has been confirmed by our **managing directors** in the **ESG Assurance Letter**, with local processes established at each site. Ensuring awareness and adherence to **compliance** remains paramount for All4Labels Group, fostering a culture of responsibility and integrity in daily operations.

Our **senior management** – including **C-level, general managers, plant managers, and senior vice presidents** - is part of the governance body that is expected to complete en rule **anti-corruption training**. They receive the anti-corruption policy by email, but also as online training via the KnowBe4 platform.

An essential part of our **training system** is that management also feels responsible for ensuring that our employees complete their training. We believe managers must promote a culture of lifelong learning and communicate the importance of training. For this reason, management receives regular reports on the current training status of their employees.

Our **anti-corruption policies** and our position on anti-corruption are summarized in our **Code of Conduct and Supplier Code of Conduct**, which we also share with our business partners upon request. All documents are also easily accessible on our website.

In 2023 we started conducting **internal compliance audits**, which have been supplemented by our **internal risk analyses** and the annual **compliance site check**, to help to adhere to the corporate **compliance principles** and to identify **governance-related risks** within our organization.

Considering the scale/size of our company, we have decided to set up an **internal audit department** which will be a significant step for our organization. **Group Internal Auditing** is a designed concept for audit procedures and regularly reviews functions, processes, and legal entities worldwide.

These reviews include an assessment of the effectiveness of the respective **guidelines and policies**, processes, and structures in place to ensure the functionality of the **internal control system**.

A roadmap for a comprehensive **risk assessment** has been prepared, which focuses on the results of our conducted assessments.

Area	2022				2023			
	Headcount	Relevant employees to be trained	Number employees*	% Employees trained	Headcount	Relevant employees to be trained*	Number employees**	% Employees trained
Anti-Corruption & Anti-Bribery	4199	1601	38%	1521	36.2%	6368	2086	33%	1877	29.5%
Anti-Money Laundering	4199	1601	38%	1313	31.3%	6368	2086	33%	1877	29.5%
Antitrust & Competition Law	4199	1601	38%	1521	36.2%	6368	2086	33%	1794	28.2%
Code Of Conduct	4199	1601	38%	1537	36.6%	6368	2086	33%	1919	30.1%
International Sanctions Policy				1297	30.9%	6368	2086	33%	1940	30.5%
Cyber Security [1]						6368	2086	33%	1982	31.1%
Data Protection [2]						6368	2086	33%	1877	29.5%
Safety, Health & Environmental [2]						6368	2086	33%	1982	31.1%
Policy Statement on Corporate Human Rights Strategy [1]						6368	2086	33%	1608	25.3%
Whistleblowing [1]						6368	2086	33%	1919	30.1%

* 'Relevant employees to be trained' refers to employees assigned for participation based on their role and responsibility.

** From 2023 onwards, we report the number of employees trained during the last 2 years.

Based on previous and current activities, some of the areas that are or will be assessed include:

Human rights: identifying and prioritizing actions based on the severity of the potential violation and the likelihood of occurrence, and evaluating risks to identify potentially detrimental effects of our business activity on human rights.

Procurement and supply chain management: assessing risks related to bribery, kickbacks, favoritism, and conflicts of interest in procurement, supplier selection, and contract management processes.

Financial transactions: evaluating risks associated with money laundering, fraudulent accounting practices, and improper use of funds.

Gifts, hospitality, and entertainment: examining risks relating to inappropriate giving or accepting of gifts, hospitality, or entertainment that could be perceived as bribes or improper influence.

Conflict of interest: identifying and managing risks arising from situations where employees or key stakeholders have personal interests that may conflict with their duties and responsibilities.

Compliance with laws and regulations: assessing the organization's adherence to anti-corruption laws, regulations, and industry standards.

Data privacy: identifying and mitigating potential risks to personal data. This involves analyzing how data is processed, identifying vulnerabilities, and assessing the potential impact.

We **continuously review** our **compliance portfolio** and **update our initiatives and programs** where necessary.

By **embarking** on these **risk assessments**, we aim to advise the organization's due diligence process and reinforce the importance of ethical conduct and compliance within **All4Labels Group**.

Any **questions**, **comments** or **violations** to the laws, guidelines and the **Code of Conduct** can be reported to the **Compliance team** or via our electronic 'Here4You' whistleblowing system.

All information is duly checked, and where appropriate investigated with confidentiality.

Reporting of abuses concerning **ethical and/or moral reasons** plays a **key role** in preserving our **social values** and the **rule of law**, and therefore impacts the success of our company.

The **All4Labels Group** therefore urges its **employees** and **business partners** to **report** any possible or actual **violation** of **laws, regulations, or internal compliance guidelines**.

Any **concerns** can be reported via various channels to **Management, the Compliance Department, members of the Compliance Committee, Human Resources, directly to a supervisor, or via our online reporting portal, 'Here4You'.** This **whistleblowing system** (BKMS® System, https://www.bkms-system.net/all4labels) is available **globally, 24 hours a day, 7 days a week in multiple languages** and enables submission of both open and anonymous reports.

Every **report** is carefully investigated to ensure an adequate response to **compliance violations** while being treated confidentially. The **All4Labels Group's position on whistleblowing** and further details are outlined in our **Code of Conduct** and our whistleblowing policy.

We ensure that no employee faces disadvantages or retaliation for reporting a suspected compliance violation in good faith.

If it is determined that an **employee** is responsible for **disadvantaging** or **retaliating** against another employee due to the **reporting in good faith** of a suspected **compliance violation**, appropriate steps are taken against the **employee responsible** according to the aforementioned **catalog of measures**.

In 2023, the **compliance organization** received a total of 8 **compliance reports** worldwide in this way. The majority of suspected violations reported through our **Here4You whistleblowing system** were not compliance-related.

They were assessed after our **compliance investigations** as subjectively perceived **misconduct** and/or **lack of communication**. Overall in 2023, no case of **discrimination** or **corruption** was registered at the **All4Labels Group, either by internal or external audiences.**

Channels for contacting the Ethics Committee

🌐 https://www.bkms-system.net/all4labels

✉ E-mail: compliance@all4labels.com

📱 Phone No.: +49 152 01450387

📍 Mail address: All4Labels Group GmbH, Watermark Tower, Überseeallee 10, 20457 Hamburg, Germany

Data Protection

The **importance of data protection** for a company cannot be **overstated**. In today's digital age, **personal data** has become a **core component** of any organization's activities.

The **All4Labels Group** is committed to **protecting and respecting** the **personal data** of all **stakeholders, including employees, business partners, stakeholders, suppliers, or customers.**

Our **Group-wide understanding of data protection** is based on **European legislation**, in particular the **European Union General Data Protection Regulation (EU GDPR).** Additionally, we take measures to comply with local data protection requirements if they are stricter than our **Group-wide standards.**

The establishment of our **data privacy policy**, along with **clear standards and procedures**, is a crucial step towards ensuring **compliance, securing trust, and preventing the misuse of data**.

The requirement for **data transfer agreements** before

sharing personal information with **third parties** further reinforces this commitment.

Regular employee training and clear guidance on data protection underscore the importance placed on **responsible data handling and risk awareness**.

By adhering to these practices, the **All4Labels Group** maintains a **strong ethical foundation** and ensures the **confidentiality** and **integrity** of personal information.

In **2023, four complaints** were identified and sustained by the organization regarding a **personal data breach**, and were swiftly reported to the **supervisory authority**. No fines were imposed.

Our **ongoing commitment** to enhancing our **data protection measures** and **training programs** demonstrates a **forward-thinking approach**, aiming to strengthen a **comprehensive** and **resilient framework** for **privacy-compliant operations worldwide.**

Blumenau, Brazil

6. APPENDIX

6.1 How we report

This is the third year that **All4Labels Group** has published a report that discloses **sustainability policies**, **targets**, **strategies**, and **initiatives**, as well as the performance of our global operations.

The **Global Sustainability Report 2023** discloses progress for the calendar year **2023** (January 1, 2023 - December 31, 2023), and this also includes work underway in **2024**.

This report was published in **September 2024** which does not coincide with the same reporting period as covered in the **consolidated financial reporting**. This report is structured in accordance with the **revised GRI standards**. The information in the report was not verified through **external assurance**, but rather the content was reviewed externally for **quality control**.

At the same time, financial figures were verified externally. **The GRI index is presented here.**

Given the global footprint of our operations, most of the content and disclosures have a global focus, and "**All4Labels Group**" is used to describe the entire company. When a local approach is described, the respective **production site** or location is highlighted with the name of the **country** and/or **city**, for example, "All4Labels Italy".

Lastly, due to the ongoing and active **merger and acquisition process**, in some cases, we refer to newly acquired sites simply as "M&A".

Our **2023 reporting** consolidates information from All4Labels Group's **50 sites and locations**. Our **Core Portfolio** comprises the sites and locations that were part of the Group in **2020**, and this is mentioned throughout the report as the **baseline** for different **performance indicators**.

Every year we include the respective **production sites** and **locations** of the **newly acquired companies**.

"By transparently sharing our journey and inspiring action through a consistent narrative, All4Labels Group encourages our stakeholders to join us in creating a more sustainable future.

Together, we can amplify our impact and make sustainability actions resonating worldwide."

Paola Iannone
VP Marketing and Communications

South Africa / Durban
Romania / Bucarest
United Kingdom / Hull
Chile / Santiago de Chile
Brazil / Linhares
Brazil / Betim
Brazil / Goiânia
Brazil / Anápolis[1]
Brazil / Manaus
Italy / Bolzano
Italy / Latina
Brazil / São Paulo
Spain / Terrasa
Paraguay / Luque
Brazil / Marialva
Brazil / Indaiatuba
Brazil / Tubarao
Italy / Marcallo
Italy / Pomezia
Italy / Settimo Milanese
Denmark / Birkerød
Denmark / Langå
United Kingdom / Pudsey
Italy / Riccione
Germany / Zeithain
Germany / Witzhave
Germany / Trittau
Germany / Solignen
Germany / Gehrde
Germany / Enger
Germany / Trittau
Germany / Kassel
Germany / Hamburg (HQ)
Germany / Gallin
Germany / Erfurt
Russia / Saint Petersburg
Switzerland / Saint Gallen
Italy / Salerno
Italy / Nocera
Italy / Milan
Italy / Schio
Italy / Schio
France / Blois
Romania / Ploiesti
Argentina / Pablo Podesta
Mexico / Mexico City
Brazil / Blumenau
South Africa / Cape Town
China / Hangzhou
China / Guangzhou

25 sites — 2020
28 sites — 2021
40 sites — 2022
50 sites — 2023

[1]Includes three production sites in the same city

Restatements of information made from **previous reporting periods** are highlighted in our **data tables**, with **footnotes** provided.

The description of **indicators**, **scope**, **boundaries**, and **methodology** applied for **calculation** are presented below.

In addition, some **terminologies** and **data sources** are also referenced to facilitate the overall comprehension of this report.

Please reach out to the **Global Sustainability Team** at **sustainability@all4labels.com** for report questions or feedback.

PRODUCT

Absolute number and costs for **Non-Conformities** graphs are not included in this year's report for simplicity reasons.

Non-conformity: non-conformity is a deviation from a customer's specification. A product complaint can lead to production downtime, reworking, or recalls at a customer's production site.

ppm: stands for "parts per million" and is defined as the millionth part of a unit.

Non-Conformity Rate: this is calculated by subtracting the number of labels claimed to have defects from the total number of labels delivered, in ppm.

A non-conformity that directly leads to the non-use of the product, to stop or to downtime the customer production process counts with the full quantity of the labels delivered. Any other administrative complaints, for example missing

documents or any incorrect delivery form, are also documented and count as quantity "1".

Number of Non-Conformities: the number of non-conformity complaints.

Number of Quality Audits: refers to the audits with a focus on quality aspects, besides environmental and social, performed through self-evaluation or performed by All4Labels Group in loco at the supplier facilities.

Strategic suppliers: All4Labels Group suppliers with spend over 1 million euro/ year and which provide critical materials or services that are crucial to business continuity.

Tier 1 suppliers: deal directly with A4L, providing components for final products, while Tier 2 suppliers supply parts to Tier 1 suppliers, operating one level down in the supply chain.

PLANET

Emissions, Energy, Waste and Water

Emissions, Energy, Waste, and Water were calculated for the entire year in 2023, independent from the dates when new sites became part of the group.

Number of entities assessed

In alignment with the list of All4Labels Group sites and locations provided at the beginning of the Appendix, in 2023 we assessed 14 new production sites, an increase of 39% in comparison with the previous year.

There are small variations for the final integration date which reflects following the due diligence and M&A processes. So, environmental management KPIs are applicable for Romania/Bucarest in 2023, while Brazil/Jandira started in 2024.

Also, some sites have been consolidated. That's the case for Spain / Terrasa and Spain / Barcelona, which now report as a single site. The same goes for United Kingdom / Pudsey which combines figures for Print Leeds into a single report. In other cases, the construction of new facilities meant integrating two sites into one, Germany / Zeithain.

At the same time, we maintained the quality of assessments across all core and new sites.

Emissions

Greenhouse Gas Emissions Principles: In preparing the corporate carbon footprint, five basic principles were observed in accordance with the GHG Protocol[2].

Relevance: The calculation should account for all GHG emissions that contribute significantly to All4Labels Group's carbon footprint.

Completeness: The report must include all GHG emissions within the selected system boundaries.
Consistency: Consistent methodologies are used so that

All4Labels Group's emissions can be compared over time.

Transparency: All important aspects of All4Labels Group are recorded objectively, and any assumptions, data gaps, and resulting extrapolations or data exclusions are presented clearly and openly.
Accuracy: The calculations of GHG emissions are designed to ensure that they are neither over - nor undervalued.

Data collection and calculation

CO_2e emissions were calculated using All4Labels Group's consumption data and emission factors researched by an external consultancy.

All relevant greenhouse gases were considered in the calculations.

These include carbon dioxide (CO_2), methane (CH_4), hydrofluorocarbons (HFC), perfluorocarbons (PFC), sulfur hexafluoride (SF_6), and nitrogen trifluoride (NF_3).

Wherever possible, primary data were used. If no primary data were available, secondary data from highly credible sources were used.

Emission factors were taken from scientifically recognized databases such as Ecoinvent[3] and DEFRA[4].

Biogenic emissions

For our calculations, we are excluding the emissions and removals of biogenic CO_2, while including emissions of biogenic non-CO_2 gases (such as methane (CH_4).

With this approach we are following the recommendations of the IPCC. The GHG Protocol and ISO 14067 recommend a separate reporting of biogenic and fossil carbon.

Since carbon removal, storage, and emissions usually equal each other out, we are not including them in a separate reporting but only include emissions as indicated above.

[2]Green House Gas Protocol https://ghgprotocol.org/
[3]https://ecoinvent.org/
[4]https://environment.data.gov.uk/

Operational System Boundaries

The following A4L Group activities are being considered for the individual carbon footprint.

All4Labels Group's various emission sources were divided into three scopes in accordance with the GHG Protocol:

Scope 1 includes all emissions generated directly by All4Labels Group GmbH, for example by company-owned equipment or vehicle fleets.

Scope 2 lists emissions generated by purchased energy, for example, electricity and district heating.

Scope 3 includes all other emissions that are not under direct corporate control, such as employee travel or product disposal.

Kassel, Germany

System Boundaries

For 2023 we maintained the enhanced system boundaries first introduced in 2021. As such, Scope 3 emissions encompass all **product-related emissions**; **purchased goods and services**, **production materials and packaging materials**, **inbound and outbound logistics**, and **end-of-life treatment** of sold products. Hence, Scopes 1-3 are comparable across all three years (2021-2023).

This increased visibility in all product-related emissions enables All4Labels Group to continue to contribute with further **CO_2 reduction programs** along with suppliers and third parties, thus further integrating our sustainability vision across the entire value chain.

CO_2e avoided – Renewable Electricity

Calculated using the **market and location-based method approach** recommended by the GHG Protocol.

Avoided emissions changed from 0.319 kg CO_2e/kWh (2022) to 0.285 kg CO_2e/kWh (2023).

Changes can always occur when the market mix of renewable vs fossil energies changes over the years as we compare green emissions (0 kg CO_2e/kWh) to the **national electricity grid**.

As countries become greener, avoided emissions decrease as well. More prominent, though, is the fact that **All4Labels Group acquired new sites mostly in new sites in Brazil** where the grid mix is made up of a higher share of renewables and therefore is below the previous year's average.

Material / Energy / Carbon Intensity

Material intensity: calculated as the ratio of total material purchased (tons) and net revenue (million EUR).

Energy intensity: calculated as the ratio of total energy consumed (kWh) and total material purchased (tons) .

CO_2 emission intensity: calculated as the ratio of total CO_2 emissions and total material purchased (tons).

👥 PEOPLE

Headcount: number of people employed in the organization, independent of the employment type, at the end of the last calendar year.

FTE: a full-time equivalent (FTE) is a unit to measure employees by comparing an employee's average number of hours worked to the average number of hours of a full-time worker. A full-time person is therefore counted as one FTE, while a part-time worker gets a score in proportion to the hours worked, at the end of the last calendar year.

Net change in headcount or FTE: number of employees in December 2023 minus the number of employees in December 2022.

Organic net new hires: total number of net new full-time hires who joined the organization in the last calendar year, excluding employee movement as a result of a business acquisition or divestiture.

Nationalities and languages: number of distinct nationalities/ethnicities and mother tongue languages in our workplace across all All4Labels Group sites and locations, as of the end of the last calendar year.

Number or % of employees who are women and men: refers to the headcount, as of the end of the last calendar year.

Number or % of employees who are women and men at leadership level: refers to the headcount that reports directly to C-level, as of the end of the last calendar year.

Number of employees with permanent contracts: refers to the number of employees with a contract without an end date, as of the end of the last calendar year.

Number of employees with temporary contracts: refers to the number of employees with a contract for a limited period (i.e., fixed term contract) that ends when the specific time period expires, or when the specific task or event that has an attached time estimate is completed, as of the end of the last calendar year.

Occupational Health at All4Labels Group

Data only covers employees from All4Labels Group. Contractor accidents get reported internally but are not included in our **TRIR**.

In 2023, we updated our safety performance reporting with a focus on recordable incidents, including lost time injuries and fatalities, and total recordable incident rates (TRIR), as this is in line with regulatory reporting requirements and provides sufficient comparability between companies.

OSHA (Occupational Safety and Health Administration): Part of the United States Department of Labor, OSHA was created in 1970 to ensure safe and healthful working conditions for workers by setting and enforcing standards and by providing training, outreach, education, and assistance.

Total Recordable Incident Rate (TRIR): calculated in accordance with OSHA as (total number of injuries and illnesses X 200,000) / (Employee hours worked).

In the case of workers who are not employees but who work in our workplace, incidents are reported internally and controlled by All4Labels Group, but are not included in the TRIR.

Recordable Cases: according to OSHA, recordable injuries or illness are any work-related fatality, injury, or illness that results in loss of consciousness, days away from work, restricted work, or transfer to another job, medical treatment beyond first aid, and any work-related diagnosed case of cancer, chronic irreversible diseases, fractured or cracked bones or teeth, and punctured eardrums.

Schio, Italy

6.2 GRI Content Index

Disclosure	Description	Omission or explanation	Reference location	Page
GRI 2: General Disclosures 2021				
Organization and reporting practices				
2-1	Organizational details		Introduction	8
2-2	Entities included in the organisation's sustainability reporting		Introduction Appendix	20, 105
2-3	Reporting period, frequency and contact point		Introduction Appendix	19, 104
2-4	Restatements of information		Appendix Footnotes in People and Planet	104
2-5	External assurance		Appendix	104
Activities and workers				
2-6	Activities, value chain and other business relationships		Introduction Product	12, 24, 30, 42
2-7	Employees	Incomplete data due to recent M&A processes. Breakdown of employees by region, gender and employment contract is planned for future reporting	People	73
2-8	Workers who are not employees	Incomplete data due to recent M&A processes. Number of workers who are not employees and whose work is controlled by the organization is planned for future reporting	People	

Disclosure	Description	Omission or explanation	Reference location	Page
Governance				
2-9	Governance Structure and Composition	Not applicable - All4Labels Group is owned by private equity firm, Triton. Our highest governance structure is determined by the Triton	Governance	92
2-10	Nomination and selection of the highest governance body	Not applicable - All4Labels Group is owned by private equity firm, Triton. Our highest governance body is the Triton management body	Governance	
2-11	Chair of the highest governance body	Not applicable - All4Labels Group is owned by private equity firm, Triton. Our highest governance body is the Triton management body	Governance	
2-12	Role of the highest governance body in overseeing the management of impacts		Introduction Governance	90
2-13	Delegation of responsibility for managing impacts		Governance	90
2-14	Role of the highest governance body in sustainability reporting		Governance	90
2-15	Conflicts of interest		Governance, Code of Conduct, p.5	97, 98

Disclosure	Description	Omission or explanation	Reference location	Page
2-16	Communication of critical concerns	No critical concerns have been communicated in the reporting period	Governance	99
2-17	Collective knowledge of the highest governance body	The management body receives information on sustainable development from the Sustainability team and is made aware of the company's status through ad hoc meetings		
2-17	Collective knowledge of the highest governance body	The management body receives information on sustainable development from the Sustainability team and is made aware of the company's status through ad hoc meetings		
2-18	Evaluation of the performance of the highest governance body	Not applicable - All4Labels Group is owned by private equity firm, Triton. Evaluation of the performance of the highest governance body is dictated by Triton		
2-19	Remuneration policies	Confidentiality constraints		
2-20	Process to determine remuneration	Confidentiality constraints		
2-21	Annual total compensation ratio	Confidentiality constraints		
Strategy, policy and practices				
2-22	Statement on sustainable development strategy		Introduction CEO Letter	7

2-23	Policy commitments		People; Governance; Human Rights Policy, Code of Conduct	87, 90, 94
2-24	Embedding policy commitments		Product Governance	90, 94
2-25	Processes to remediate negative impact	All4Labels Group has processes in place to remediate negative impact, but not an official grievance mechanism	Introduction Governance	
2-26	Mechanisms for seeking advice and raising concerns		Governance	99
2-27	Compliance with laws and regulations		Governance	94, 95
2-28	Membership associations		Product	46
Strategy, policy and practices				
2-29	Approach to stakeholder engagement	Refer to 2021 Sustainability Report, page 23	Introduction	16
2-30	Collective bargaining agreements	Incomplete data due to recent M&A processes. Number of employees covered by collective bargaining agreements is planned for future reporting.	People	76
GRI 3: Material topics 2021				
3-1	Process to determine material topics		Introduction	20
3-2	List of material topics		Introduction	20

GRI 205: Anti-corruption				
205-1	Operations assessed for risks related to corruption	Data not available. A roadmap for a comprehensive global risk assessment, to help identify corruption-related risks within the organization, is planned for future reporting	Governance	97, 99
205-2	Communication and training about anti-corruption policies and procedures		Governance	96, 97
205-3	Confirmed incidents of corruption and actions taken	Incomplete data. All4Labels Group is planning to disclose on this in future reporting	Governance	99
3-3	Management of material topic		Governance	90
GRI 301: Materials				
301-1	Materials used by weight or volume		Planet	53, 55
301-2	Recycled input materials used	Data not available. Percentage of recycled input materials used per specific product will be disclosed in future reporting	Product	
3-3	Management of material topic		Product	52
GRI 302: Energy				
302-1	Energy consumption within the organisation	Incomplete data. Total cooling and steam consumption will be disclosed in future reporting	Planet	58, 59

302-3	Energy intensity		Planet	59
3-3	Management of material topic		Planet	58

GRI 305: GHG Emission

305-1	Direct (Scope 1) GHG emissions	Biogenic emissions, refer to reporting principles - Pg. 107	Planet	63
305-2	Energy indirect (Scope 2) GHG emissions		Planet	63
305-3	Other indirect (Scope 3) GHG emissions	Biogenic emissions, refer to reporting principles - Pg. 107	Planet	63
305-4	GHG emissions intensity		Planet	64
3-3	Management of material topic		Planet	62

GRI 306: Waste

306-1	Waste generation and significant waste-related impacts		Planet	56
306-2	Management of significant waste-related impacts		Planet	56
306-3	Waste generated		Planet	57
306-4	Waste diverted from disposal	Incomplete data. Breakdown of waste diverted from disposal onsite and offsite is planned for future reporting	Planet	57

306-5	Waste directed to disposal	Incomplete data. Breakdown of waste diverted from disposal onsite and offsite is planned for future reporting	Planet	57
3-3	Management of material topic		Planet	56

GRI 308: Environmental impact

308-1	New suppliers that were screened using environmental criteria		Product	44
308-2	Negative environmental impacts in the supply chain and actions taken		Product	43, 44
3-3	Management of material topic		Product	43

GRI 401: Employment

401-1	New employee hires and employee turnover	Incomplete data. Breakdown of employee turnover and new hires by region, gender and age group is planned for future reporting	People Appendix	73
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		People	76
3-3	Management of material topic		People	72

GRI 402: Labor

402-1	Minimum notice periods regarding operational changes	Data not available. All4Labels Group plans to disclose this in future reporting	People	76
3-3	Management of material topic		People	72

GRI 403: Health and Safety

403-1	Occupational health and safety management system		People; Safety, Health & Environment Policy	82
403-2	Hazard identification, risk assessment, and incident investigation		People	82, 83
403-3	Occupational health services		People	83
403-4	Worker participation, consultation, and communication on occupational health and safety		People	85
403-5	Worker training on occupational health and safety		People	85
403-6	Promotion of worker health		People	83
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		People	82, 83, 85

403-8	Workers covered by an occupational health and safety management system		People	82
403-9	Work-related injuries		People Appendix	83, 109, 110
3-3	Management of material topic		People	82

GRI 404: Training and Education

404-1	Average hours of training per year per employee	Incomplete data. Breakdown by gender and employee category is planned for future reporting	People	80
404-2	Programs for upgrading employee skills and transition assistance programs	There is no official procedure for transition assistance but there is support in managing retirement or termination of employment	People	80, 81
404-3	Percentage of employees receiving regular performance and career development reviews	Data not available. All4Labels Group plans to disclose this in future reporting		
3-3	Management of material topic		People	80

GRI 405: Diversity, Equity & Inclusion

405-1	Diversity of governance bodies and employees	Not applicable - All4Labels Group is owned by private equity firm, Triton. Diversity of governance bodies is determined by Triton	People	73, 78, 79
405-2	Ratio of basic salary and remuneration of women vs men	Confidentiality constraints		

3-3	Management of material topic		People	78

GRI 406: Non-discrimination

406-1	Incidents of discrimination and corrective actions taken		Governance	99
3-3	Management of material topic		Governance	94

GRI 407: Freedom of association and collective bargaining

407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		People	87
3-3	Management of material topic		People	41

GRI 408: Child Labor

408-1	Operations and suppliers at significant risk for incidents of child labor		People	87
3-3	Management of material topic		People	41

GRI 409: Forced or compulsory labor

409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor		People	87

3-3	Management of material topic		People	41

GRI 414: Supplier social assessment

414-1	New suppliers that were screened using social criteria		Product	43, 44
414-2	Negative social impacts in the supply chain and actions taken		Product	43
3-3	Management of material topic		Product	41

GRI 416: Customer Health and Safety

416-1	Assessment of the health and safety impacts of product and service categories		Product	39
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		Product	39
3-3	Management of material topic		Product	41

GRI 418: Customer Privacy

418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		Governance	100
3-3	Management of material topic		Governance	41

6.3 Graphics Appendix

Economic Performance - Pg. 13

Net revenue (million euros)

814.0

719.1

528.0

Adjusted EBITDA (million euros)

159.6

133.6

91.2
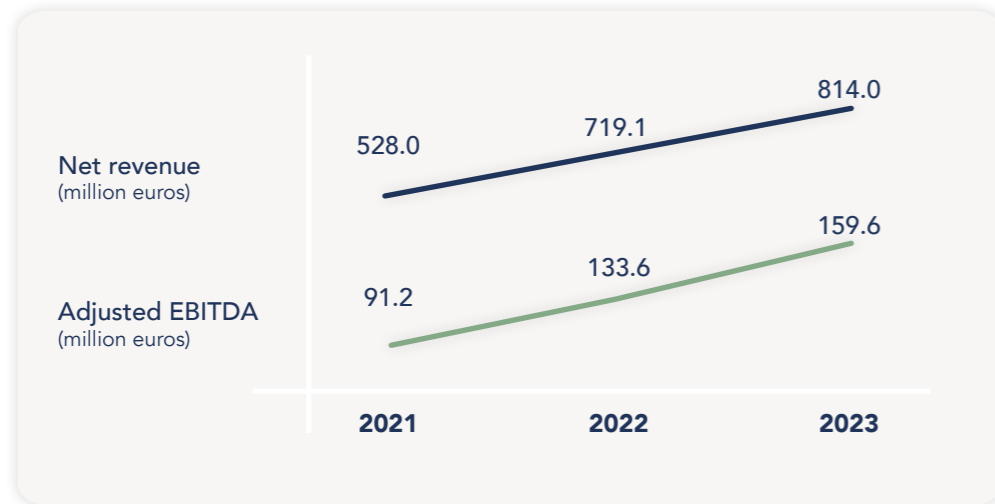
2021   **2022**   **2023**

% of the total direct value generated - Pg. 13

% of the total direct value generated	2021	2022	2023
Income taxes	1.0	1.9	1.1
Personnel expenses	58.7	56.7	53.8
Capital expenditure	14.5	15.7	16.2
Shareholder remuneration	0.0	0.0	0.0
Interest and rent paid	25.7	25.6	28.8
Community	0.1	0.1	0.1

3Ps Business Model - Pg. 16

GOAL	TARGET	SDG
PRODUCT		
Most sustainable materials, products and solutions	Portfolio 100% recyclable, reusable or renewable by 2030	
Innovate to shape a sustainable future	Expand digital printing to 25% by 2030	
Customer partnerships to minimize product footprints	Development of a 2030 roadmap for sustainable solutions sales conversion rate together with our top customers no full stop	
PLANET		
Best technologies to mitigate climate change	Achieve carbon neutrality[1] (Scope 1-2) by 2030 & reduce 38% of emissions intensity in our operations	
Recycling, green energy, and responsible sourcing	30% reduction of total waste generation intensity by 2030	
Associations, circularity and eco-initiatives	> 95% recyclable and reusable waste by 2030	
PEOPLE		
People´s health and wellbeing	Total Recordable Injury Rate <0.2 by 2025	
Attractive and equal employer	40% women in leadership roles by 2030	
Empower, engage and develop talent	Net Promoter Score (NPS) above 75 by 2030	

Materiality Matrix - Pg. 20

MATERIALITY MATRIX

Pillar	Topic	Sub-topic	Stakeholders	Enablers
People	Employee development and wellbeing	Employee Composition	Suppliers, leaders, employees, community	Policy Statement - Human Rights, Code of Conduct, Anti-Harassment Policy, Diversity & Inclusion Policy, Supplier Code of Conduct, Safety Health & Environment Policy, Life Saving Rules
		Diversity, Equity & Inclusion		
		Health & Safety		
		Employee Recognition		
		Training & Education		
	Respecting rights in the value chain	Human & Labor rights		
Planet	Environmental management	Circular Operations & Resource Efficiency	Government, customers, suppliers, leaders, employees, associations	Sustainability Policy & Roadmap, Sustainability Strategy 3Ps – People, Planet, Product, Sustainability team, SHE Policy
		Energy		
		GHG Emissions		
		Waste		
		Water		
Product	Sustainable innovation	Product & Sustainability	Customers, suppliers, associations	Sustainability Policy & Roadmap, Sustainability Strategy 3Ps – People, Planet, Product, Golden rules, R&D and Technology teams, Guidelines for Recycling, ISO standards, Partnerships with customers, suppliers, and associations
		Product Design		
	Product stewardship	Life Cycle Management		
		Product Safety & Quality		
	Value chain transparency and collaboration	Supply Chain Management		
		Strong Customer Relationships		
Governance	Ethics, integrity, and accountability	Board Composition	Government, regulators, board, employees, customers, suppliers	Sustainability Policy, Global Code of Conduct, Supplier Code of Conduct, Anti-money-laundering policy, Anti-bribery policy, Sustainability team.
		Sustainability Governance		
		Anti-money laundering		
		Anti-corruption and Anti-bribery		
		Data Protection		

Non-Conformity Rate in ppm - all sites - Pg. 40

2150	868	500
2021	**2022**	**Target 2024**
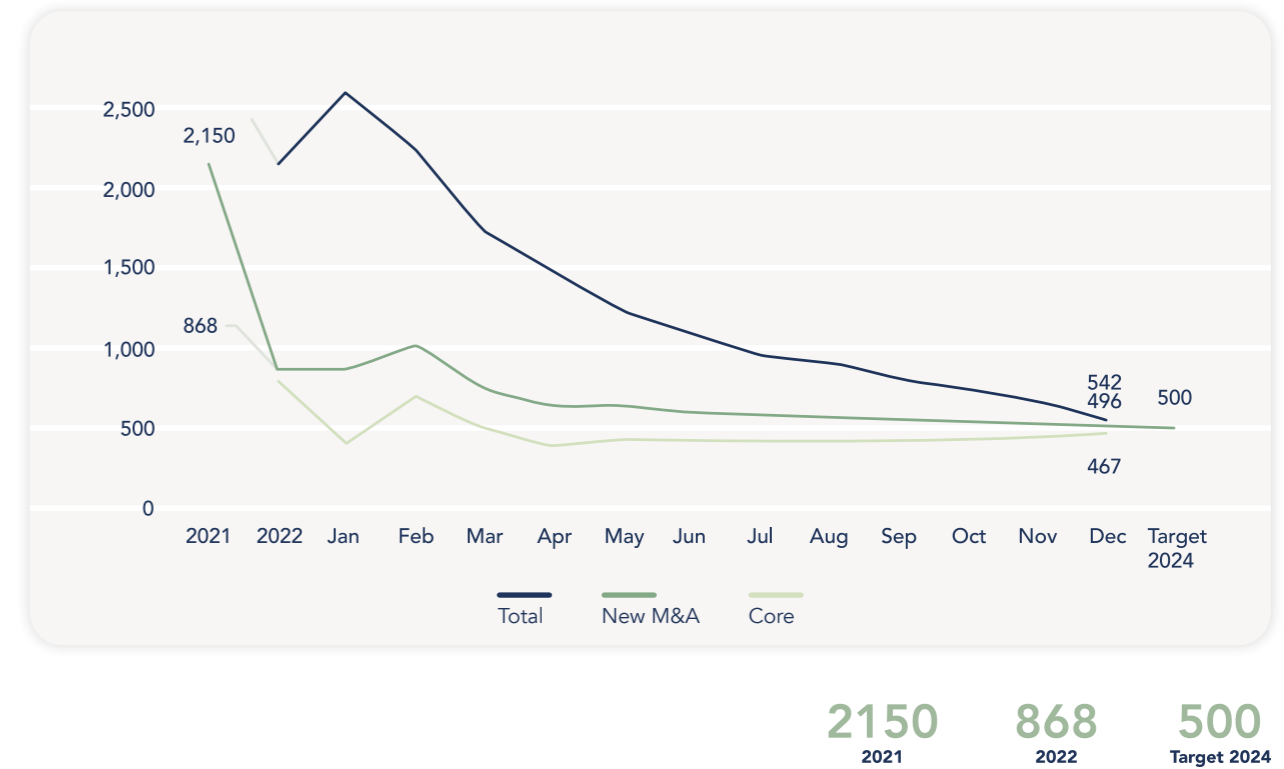
Number of Audits in Suppliers
Last 3 years - Pg. 43

	Approved	Failed
Self-evaluation	517	3
In-person	7	0
TOTAL	524	3

Materials purchased at All4Labels Group by weight (kilograms) - Pg. 53

EMEA			
Materials (kg)	2021	2022	2023
PSL film-based	22,653,546	23,757,059	18,743,317
PSL paper-based	12,726,321	16,320,304	13,341,445
Inks and Varnishes	1,803,359	1,684,904	1,854,094
Monomaterial film-based	6,476,346	8,145,431	9,735,966
Monomaterial paper-based	--	--	4,948,056
TOTAL	43,659,572	49,907,697	43,476,645

Materials purchased at All4Labels Group by weight (kilograms) - Pg. 54

LATAM			
Materials (kg)	2021	2022	2023
PSL film-based	3,633,338	4,766,206	5,591,763
PSL paper-based	813,872	2,222,151	5,023,205
Inks and Varnishes	357,474	611,011	5,276,222
Monomaterial film-based	1,050,799	3,554,938	6,082,374
Monomaterial paper-based	2,062,169	1,878,070	102,955,780
TOTAL	7,917,652	13,032,376	124,929,344

Materials purchased at All4Labels Group by weight (kilograms) -Pg. 53

APAC			
Materials (kg)	2021	2022	2023
PSL film-based	**	1,034,493	1,468,642
PSL paper-based	**	115,382	474,480
Inks and Varnishes	**	53,666	273,847
Monomaterial film-based	**	141,420	568,449
TOTAL		1,344,962	2,785,418

**Material monitoring started in 2022

Overall - Pg. 54

Bar chart of materials by category:

Category	2021	2022	2023
PSL film-based	26,286,884	29,557,758	25,803,722
PSL paper-based	13,540,193	18,657,837	18,839,130
Inks and Varnishes	2,160,833	2,349,581	7,404,163
Monomaterial film-based	7,527,145	11,841,789	16,386,789
Monomaterial paper-based	2,062,170	1,878,070	107,903,836
TOTAL	51,577,225	64,285,035	176,337,639

⬜ 2021   🟩 2022   🟦 2023

Material intensity - Pg. 55

	2021	2022	2023
Total material purchased (tons)	51,577	64,285	176,338
Net revenue (M EUR)	528	719	814
Material intensity rate (tons / M EUR)	98	89	217

Materials by source (kg) - Pg. 55

Material Source	2021	%	2022	%	2023	%
Renewable	15,602,363	30%	20,535,907	32%	126,742,966	72%
Non-renewable	35,974,862	70%	43,749,127	68%	49,594,674	28%

Portfolio Effects:
2021 vs 2022 vs 2023 Global Waste Generation (k tons)* - Pg. 56
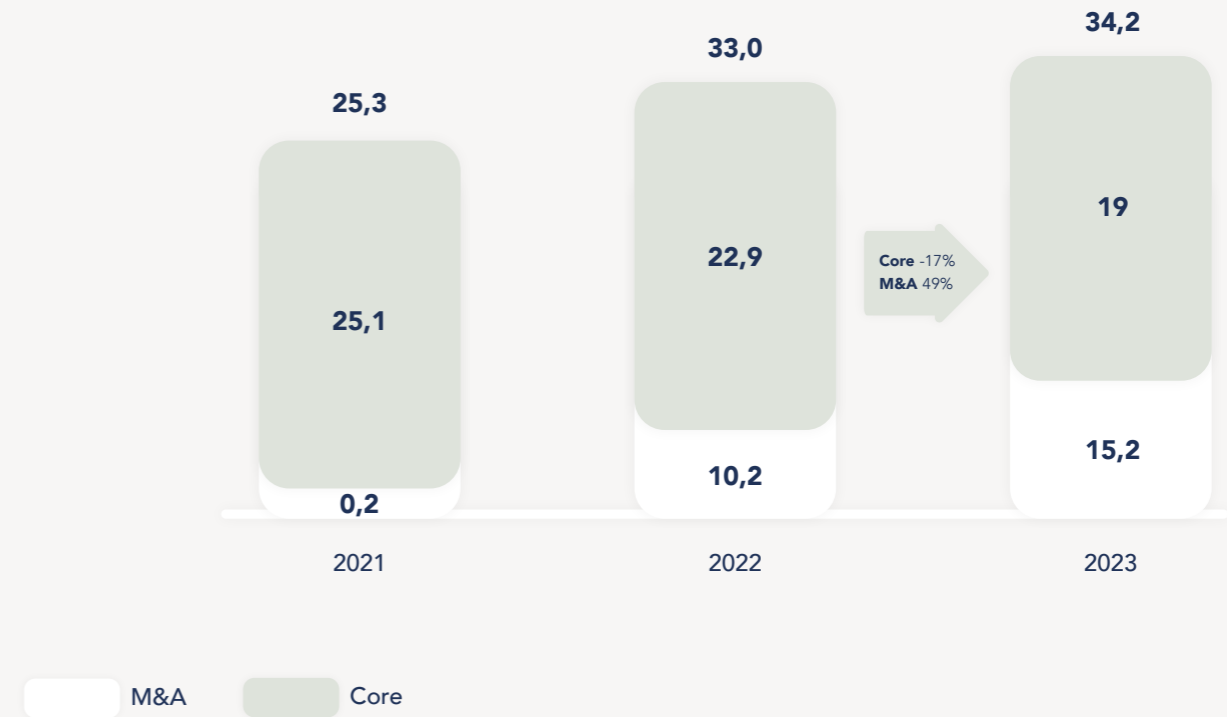
25,3 | 33,0 | 34,2

25,1 | 22,9 | 19
0,2 | 10,2 | 15,2

Core -17%
M&A 49%

2021 | 2022 | 2023

M&A   Core

Total hazardous and non-hazardous waste - Pg. 57

		2021	2022	2023
TOTAL		25,322,944	33,047,068	34,154,563
NON-hazardous waste		24,232,876	31,407,966	33,171,407
Hazardous waste		1,090,068	1,639,102	983,155
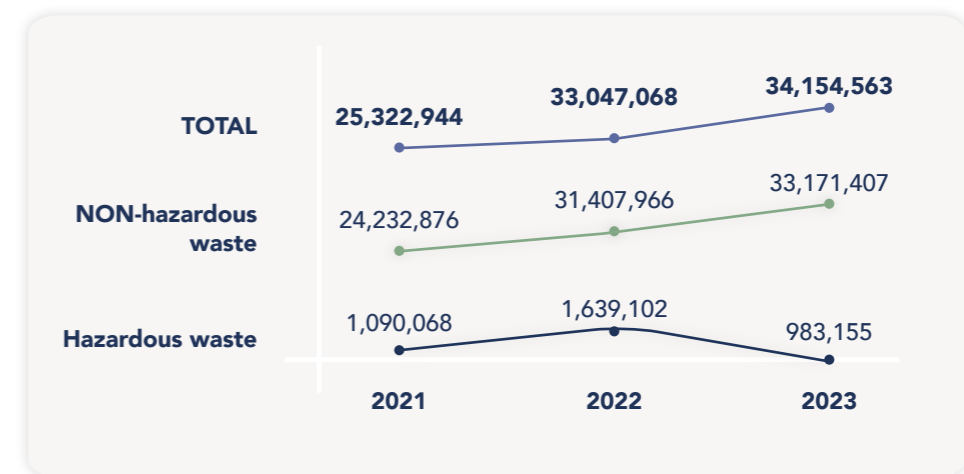
*In 2022 report the unit was also intended to be k tons

Hazardous and non-hazardous waste, by final disposal - Pg. 57

Volume (kilograms)		2021	2022	2023
NON-hazardous waste	Recycling	11,595,997	18,272,725	20,206,913
	Incineration	10,574,701	10,494,686	5,869,586
	Landfill	2,062,178	2,640,556	7,094,908
Hazardous waste	Recycling	257,765	240,837	266,795
	Incineration	662,322	817,177	417,272
	Landfill	169,981	581,089	299,089
TOTAL		**25,322,944**	**33,047,068**	**34,154,563**
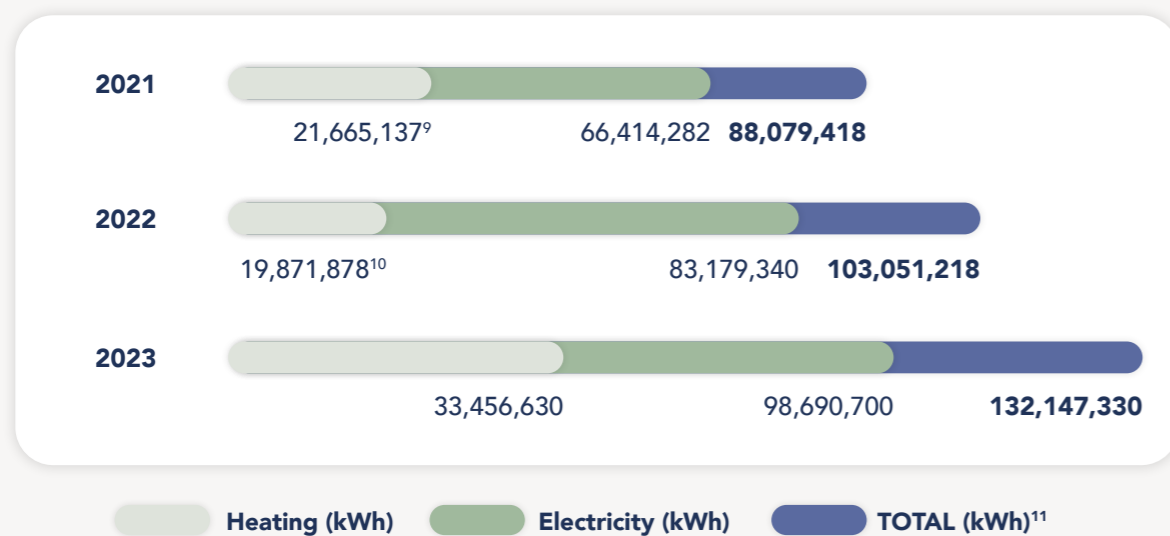
Energy consumption within the organization - Pg. 59
(Share between Core and M&A Sites)

	2021	%	2022	%	2023	%
Heating kWh	21,665,137		19,871,878		33,456,630	
Core	21,597,910	99.69%	18,028,616	90.72%	25,177,445	75.25%
M&A	67,226	0.31%	1,843,262	10.22%	8,279,185	32.88%
Electricity kWh	66,414,282		83,179,340		98,690,700	
Core	65,893,997	99.22%	64,185,770	77.17%	60,967,103	61.78%
M&A	520,285	0.78%	18,993,570	22.83%	37,723,597	38.22%
TOTAL	**88,079,418**		**103,051,218**		**132,147,330**	

Energy consumption within the organization - Pg. 58

2021 21,665,137[9] 66,414,282 **88,079,418**
2022 19,871,878[10] 83,179,340 **103,051,218**
2023 33,456,630 98,690,700 **132,147,330**

Heating (kWh)   **Electricity (kWh)**   **TOTAL (kWh)**[11]

Energy intensity - Pg. 59

	2021	2022	2023
Total energy consumed (kWh)	88,079,418	103,051,218	132,147,330
Purchased raw material (ton)	51,577	64,285	176,338
Energy[12] intensity rate (kWh/ton)[13]	**1,708**	**1,603**	**749**

[11]Total energy consumption refers to renewable and non-renewable sources.

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BACK TO INDEX ⌃ 131

Portfolio Effects: 2021 vs 2022 vs 2023
Global Electricity Consumption (MWh) - Pg. 60

66,4
65,9
0,5
2021

83,2
64,2
19,0
2022

Core -5%
M&A 99%

98,7
61,0
37,7
2023

Core   M&A

Greenhouse Gas Emissions (tons) - Pg. 63

(tonCO2eq)	2021	2022	2023
Direct emissions (Scope 1)	6,136.50	6,143.00	8,545.03
Indirect emissions (Scope 2)	406.00	556.90	3,902.95
Other indirect emissions (Scope 3)	270,610.40	411,549.30	341,605.30
TOTAL (Scope 1-2)	6,542.50	6,699.90	12,447.98
TOTAL (Scope 1-3)	277,152.90	418,249.20	354,053.28

Water Consumption - Pg. 61

Water consumption (m³)

57,120 — 2021
88,853 — 2022
143,216 — 2023
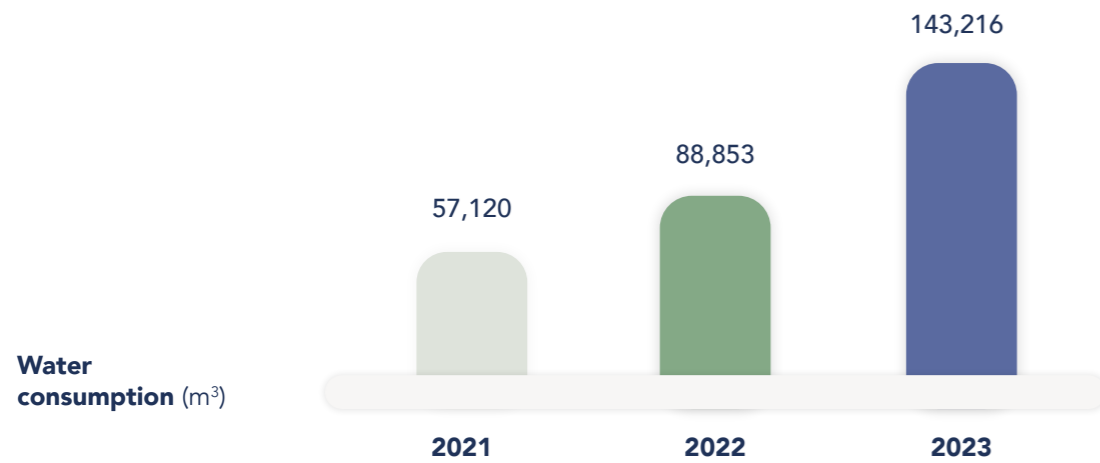
Greenhouse Gas Emissions (tons)
(Share between Core and M&A Sites) - Pg. 63

(tonCO2eq)	2021	%	2022	%	2023	%
Total (Scope 1-3)	277,152.90		418,249.20		354,053.31	
Core	275,396.88	99%	274,533.74	66%	196,339.28	55%
M&A	1,756.02	1%	143,715.46	34%	157,714.03	45%

Intensity of Greenhouse Gas Emissions (Scope 1-2) - Pg. 64

	2021	2022	2023
Total Scope 1-2 emissions (tonCO2eq)	6,543	6,700	12,448
Purchased raw material (tons)	51,577	64,285	176,338
Emission intensity rate (Scope 1-2) (tonCO2eq/ton)	0.13	0.10	0.07

Intensity of Greenhouse Gas Emissions (Scope 1-3) - Pg. 64

	2021	2022	2023
TOTAL (Scope 1-3)	277,153	418,249	354,053
Purchased raw material (tons)	51,577	64,285	176,338
Emission intensity rate (tonCO2eq/ton)	5	7	2

2021 vs 202216 vs 2023 Global GHG – Scope 1-2-3 (t CO_2e) - Pg. 65

Scope 1
Scope 2
Scope 3

277,2 | 418,2 | 354,1

2021: 6,1 / 0,4 / 270,6
2022: 6,1 / 0,4 / 411,5
2023: 8,5 / 3,9 / 341,6

15% overall decrease
Scope 3 reduction by 17%

Core
M&A

277,2 | 418,2 | 354,1

2021: 275,4 / 1,8
2022: 274,5 / 143,7
2023: 196,3 / 157,7

Core reduction by 29%
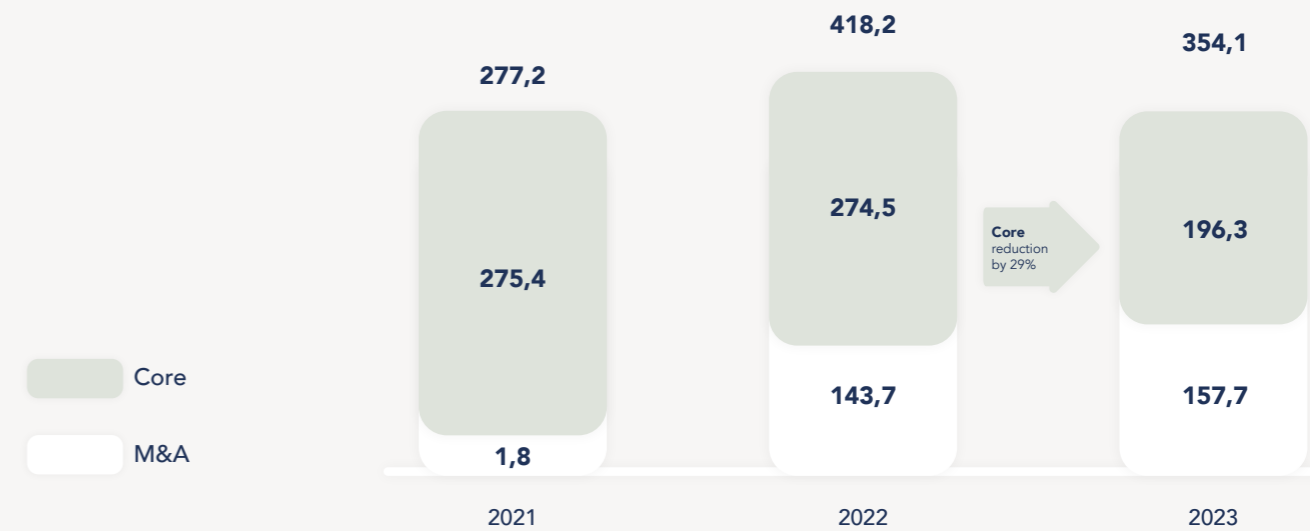
Employee Development and Wellbeing - Pg. 73

Category	2021	2022	2023
Employees & new hires			
Total headcount	3,198	4,199	6,368
Net change in headcount	N/A[24]	1015	2,169
Total FTEs	3,008	3,968	6,148
Net change in FTEs	0	959	2,180
Organic net new hires	N/A	426	129
Nationalities	58	59	59
Languages	14	18	18
Diversity, Equity & Inclusion			
Number of employees who are women	825	1,377	2,229
Percentage of employees who are women	27%[25]	33%	35%
Number of employees who are men	2,373	2,822	4,139
Percentage of employees who are men	73%[26]	67%	65%
Number of women at leadership level	N/A	10	13
Percentage of leadership level who are women	N/A	19%	20%
Number of men at leadership level	N/A	52	52
Percentage of leadership level who are men	N/A	81%	80%
Employment type			
Number of employees with permanent contracts	2,957	3,731	6,230
Number of temporary employees	105	468	138

Employee Development and Wellbeing - Pg. 72

Number of employees who are women
2,229

Total headcount in 2023
6,368

Number of women at leadership level
13

Diversity by gender and age within our management board - Pg. 79

Female
20%

Male
80%

Gender diversity within our management board - Pg. 79

Female

Age <= 30	30<Age<=50	Age>50
0	1	1

Male

Age <= 30	30<Age<=50	Age>50
0	3	5
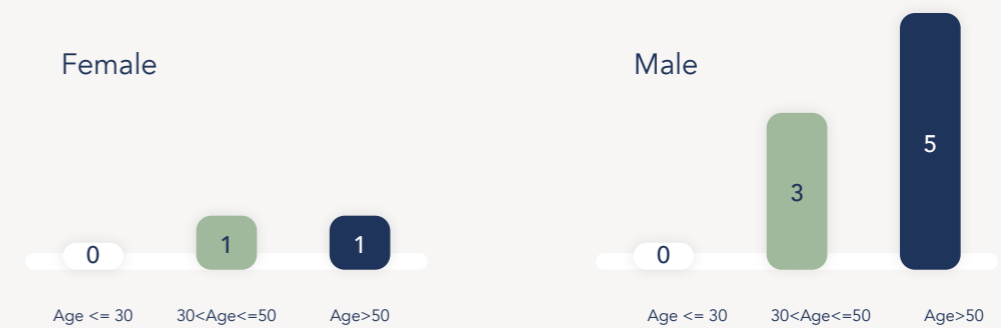
Average number of training hours per employee - Pg. 80

28.6

22.98

2022   2023

Occupational Health & Safety - Pg. 83

	2021	2022	2023
Total Recordable Incident Rate (TRIR)	1.25	0.77	0.63
Recordable Cases	37*	28**	31
Fatalities	0	0	0
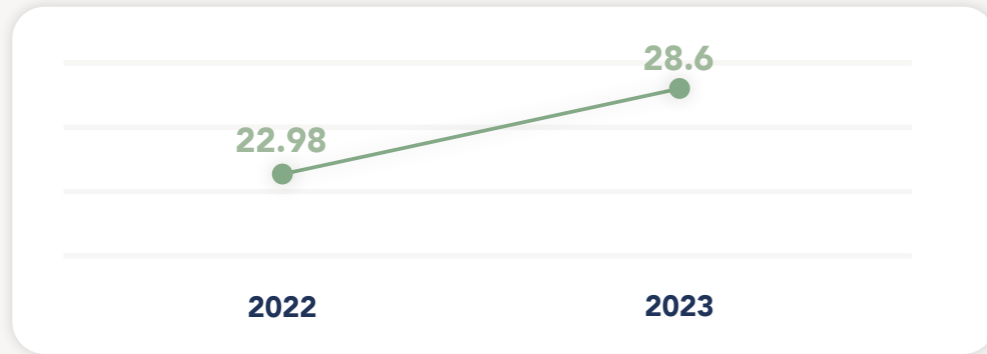
* Due to a reporting error in the 2022 and 2021 reports, this number was adjusted in this year's report.

** Due to late reporting in 2022, this number was adjusted in this year's report.

Board Composition - Chart - Pg. 93

Shareholders

Sustainability/ Compliance

CEO
Chief Executive Officer

CFO
Chief Financial Officer
- Finance
- HR
- Legal
- IT

COO
Chief Operations Officer
- Safety
- Quality
- R&D
- Technology
- OPEX

CPO
Chief Procurement Officer
- Direct materials
- Indirect procurement
- Working capital

CSO
Chief Sales Officer
- MNCs

Regions
- SMEs

M&A
Invester Relations
- Merger & Acquisition
- Investor relations

Compliance Training - Pg. 96

Area	2022				2023			
	Headcount	Relevant employees to be trained	Number employees*	% Employees trained	Headcount	Relevant employees to be trained*	Number employees**	% Employees trained
Anti-Corruption & Anti-Bribery	4199	1601	38%	1521	36.2%	6368	2086	33%	1877	29.5%
Anti-Money Laundering	4199	1601	38%	1313	31.3%	6368	2086	33%	1877	29.5%
Antitrust & Competition Law	4199	1601	38%	1521	36.2%	6368	2086	33%	1794	28.2%
Code Of Conduct	4199	1601	38%	1537	36.6%	6368	2086	33%	1919	30.1%
International Sanctions Policy				1297	30.9%	6368	2086	33%	1940	30.5%
Cyber Security [1]						6368	2086	33%	1982	31.1%
Data Protection [2]						6368	2086	33%	1877	29.5%
Safety, Health & Environmental [2]						6368	2086	33%	1982	31.1%
Policy Statement on Corporate Human Rights Strategy [1]						6368	2086	33%	1608	25.3%
Whistleblowing [1]						6368	2086	33%	1919	30.1%

All4Labels Group sites and locations - Pg. 105

South Africa / Durban
Romania / Bucarest
United Kingdom / Hull
Chile / Santiago de Chile
Brazil / Linhares
Brazil / Betim
Brazil / Goiânia
Brazil / Anápolis[1]
Brazil / Manaus
Italy / Bolzano
Italy / Latina
Brazil / São Paulo
Spain / Terrasa
Paraguay / Luque
Brazil / Marialva
Brazil / Indaiatuba
Brazil / Tubarao
Italy / Marcallo
Italy / Pomezia
Italy / Settimo Milanese
Denmark / Birkerød
Denmark / Langå
United Kingdom / Pudsey
Italy / Riccione
Germany / Zeithain
Germany / Witzhave
Germany / Trittau
Germany / Solignen
Germany / Gehrde
Germany / Enger
Germany / Trittau
Germany / Kassel
Germany / Hamburg (HQ)
Germany / Gallin
Germany / Erfurt
Russia / Saint Petersburg
Switzerland / Saint Gallen
Italy / Salerno
Italy / Nocera
Italy / Milan
Italy / Schio
Italy / Schio
France / Blois
Romania / Ploiesti
Argentina / Pablo Podesta
Mexico / Mexico City
Brazil / Blumenau
South Africa / Cape Town
China / Hangzhou
China / Guangzhou

25 sites	28 sites	40 sites	50 sites
2020	2021	2022	2023

[1]Includes three production sites in the same city

6.4 Data Table

Report Section	Indicator	Unit of Measure	2021	2022	2023
	Economic Performance				
	Net revenue	M EUR	528	719.1	814
	Adjusted EBITDA	M EUR	91,2	133.6	159.6
	% of the total direct value generated				
Introduction	Income Taxes		1	1.9	1.1
	Personnel expenses		58.7	56.7	53.8
	Capital expenditure	% of the total direct value generated	14.5	15.7	16.2
	Shareholder remuneration		0	0	0
	Interest and rent paid		25.7	25.6	28.8
	Community		0.1	0.1	0.1
	Sustainable Innovation				
	STAR Portfolio	absolute number		13	14
	Quality				
	Non-Conformity Rate	ppm	38%	25%	43%
Product	Non-Conformity Quantity	number of complaints	3,050	2,286	2,409
	Quality				
	Self-evaluation - approved		90	233	194
	Self-evaluation - failed	number of audits	2	0	1
	In person - approved		1	0	6
	In person - failed		0	0	3

	Materials Purchased				
	PSL film based	kg	22,653,546	23,757,059	18,743,317
	PSL paper based	kg	12,726,321	16,320,304	13,341,445
EMEA	Inks and Varnishes	kg	1,803,359	1,684,904	1,854,094
	Monomaterial film based	kg	6,476,346	8,145,431	9,735,966
	Monomaterial paper-based	kg	-	-	4,948,056
	TOTAL EMEA	kg	43,659,572	49,907,697	43,476,645
	PSL film based	kg	-	1,034,493	1,468,642
	PSL paper based	kg	-	115,382	474,480
APAC	Inks and Varnishes	kg	-	53,666	273,847
	Monomaterial film based	kg	-	141,420	568,449
	TOTAL APAC	kg	-	1,344,962	2,785,418
	PSL film based	kg	3,633,338	4,766,206	5,591,763
	PSL paper based	kg	813,872	2,222,151	5,023,205
LATAM	Inks and Varnishes	kg	357,474	611,011	5,276,222
	Monomaterial film based	kg	1,050,799	3,554,938	6,082,374
	Monomaterial paper based	kg	2,062,169	1,878,070	102,955,780
	TOTAL LATAM	kg	7,917,652	13,032,376	124,929,344
	PSL film based	kg	26,286,884	29,557,758	25,803,722
	PSL paper based	kg	13,540,193	18,657,837	18,839,130
LATAM	Inks and Varnishes	kg	2,160,833	2,349,581	7,404,163
	Monomaterial film based	kg	7,527,145	11,841,789	16,386,789
	Monomaterial paper based	kg	2,062,170	1,878,070	107,903,836
	TOTAL	kg	51,577,225	64,285,035	176,337,639

Planet

Material intensity				
Total material purchased	ton	51,577	64,285	176,338
Net revenue	M EUR	528	719	814
Material intensity rate	ton / M EUR	98	89	217
Materials by Source				
Renewable	%	30%	32%	72%
Non-renewable	%	70%	68%	28%
Energy Consumption				
Heating	kWh	21,665,137	19,871,878	33,456,630
Electricity	kWh	66,414,282	83,179,340	98,690,700
TOTAL	kWh	88,079,418	103,051,218	132,147,330
Energy intensity				
Total energy consumed	kWh	88,079,418	103,051,218	132,147,330
Purchased raw material	ton	51,577	64,285	176,338
Energy intensity rate	kWh / ton	1,708	1,603	749
Renewable Electricity				
Wind and solar	%	100%	100%	100%
Greenhouse Gas Emissions Avoided	ton CO_2e	22,199	25,618	32,423
Greenhouse Gas Emissions				
Direct emissions (Scope 1)	ton CO_2e	6,136.5	6,143.0	8,545.0
Indirect emissions (Scope 2)	ton CO_2e	406.0	556.9	3,903.0
Other indirect emissions (Scope 3)	ton CO_2e	270,610.4	411,549.3	341,605.3
TOTAL	ton CO_2e	277,152.4	418,249.2	354,053.3

Planet

Intensity of Greenhouse Gas Emissions				
Total Scope 1-2 emissions	ton CO_2e	6,543	6,699.9	12,448.0
Purchased raw material	ton	51,577	64,285	176,338
Emission intensity rate	ton CO_2e / ton	0.13	0.10	0.07
Total Hazardous and Non-hazardous Waste				
NON-hazardous waste	kg	24,232,876	31,407,966	33,171,407
Hazardous waste	ton CO_2e	1,090,068	1,639,102	983,155
TOTAL	kg	25,322,944	33,047,068	34,154,563

Hazardous and Non-hazardous waste (final disposal)					
NON-hazardous waste	Recycling	kg	11,595,997	18,272,725	20,206,913
	Incineration	kg	10,574,701	10,494,686	5,869,586
	Landfill	kg	2,062,178	2,640,556	7,094,908
Hazardous waste	Recycling	kg	257,765	240,837	266,795
	Incineration	kg	662,322	817,177	417,272
	Landfill	kg	169,981	581,089	299,089
	TOTAL	kg	25,322,944	33,047,068	34,154,563

Total Water Consumption				
	m³	57,120	88,853	139,562

Planet

Employees Composition				
Total headcount	absolute number	3,198	4,199	6,368
Net change in headcount	absolute number	-	1,015	2,169
Total FTEs	absolute number	3,008	3,968	6,148

People

People					
	Net change in FTEs	absolute number	0	959	2,180
	Organic net new hires	absolute number	-	426	129
	Nationalities	absolute number	58	59	59
	Languages	absolute number	14	18	18
	Diversity, Equity & Inclusion				
	Number of employees who are women	absolute number	825	1,377	2,229
	Percentage of employees who are women	%	27%	33%	35%
	Number of employees who are men	absolute number	2,373	2,822	4,139
	Percentage of employees who are men	%	70%	67%	65%
	Number of women at leadership level	absolute number	-	10	13
	Percentage of leadership level who are women	%	-	19%	20%
	Number of men at leadership level	absolute number	-	52	52
	Percentage of leadership level who are men	%	-	81%	80%
	Diversity in upper management - Female	%	-	22%	20%
	Diversity in upper management - Male	%	-	78%	80%
	Employment type				
	Number of employees with permanent contracts	absolute number	2,957	3,731	6,230
	Number of temporary employees	absolute number	105	468	138

Governance					
	Training & Development				
	Average hours of training	hours / employee	-	22.98	28.6
	Training & Development				
	Total Recordable Incident Rate (TRIR)	absolute number	1.25	0.77	0.63
	Recordable Cases	absolute number	37	28	31
	Fatalities	absolute number	0	0	0
	Safety Walks	absolute number	3,907	10,557	15,000
	Training & Development				
	Anti-Corruption & Anti-Bribery - relevant employees trained	%	33.10%	36.20%	32.60%
	Code of Conduct - relevant employees trained	%	33.40%	36.60%	33.30%
	Anti-Money Laundering	%	-	31.30%	32.60%
	Antitrust & Competition Law	%	-	36.20%	31.20%
	International Sanctions Policy	%	-	30.90%	33.70%