

**Sustainability and Responsibility
at Avery Zweckform**



Dear reader,

although today's climate change has already begun with the industrial revolution around 180 years ago, since the 1990s we have been experiencing, thanks to the help of improved computer models and information, a deeper understanding and greater awareness of the complex environmental, geographical and climate-related correlations and changes on our planet. Important parameters such as growing CO₂ emissions and the associated global warming, concern science, politics and us humans much more today than in the past.

But other environmental issues are also taking up more and more space in the political and social discussion: Questions about avoiding or reducing waste or the recyclability of natural resources are right at the top of the agenda, and the green energy transition is taking up speed. The "Fridays for Future" movement has become the synonym and voice for the young generation to draw attention to the pressing environmental problems of our time.

Because we have become aware: If we do not completely rethink and change direction in the coming years, the irreversible environmental and climate damage on earth will assume ever more threatening proportions and the world that we will leave to our children will be a different one!



What does this have to do with Avery Zweckform? Well, for us, the protection of the environment and the conservation and recycling of natural resources are not a fast-fashion issue, but have been common practice for a long time. As part of the Steinbeis consortium, the Zweckform brand had already started to expand its range of recycled paper products in the 1980s, and in the 2000s a large part of our virgin fibre paper products was converted to materials from sustainable forestry, verified and documented by the strict FSC® certification. In addition, we as a company have continued to meet our ecological and social responsibility through a large number of further projects and measures over the past 40 years – for the environment as well as in the interest of our customers and employees. We reached our latest milestone in 2020: Avery Zweckform has been certified as a climate-neutral company - incidentally as one of the first companies in our industry.

We are pleased to be able to show you in this brochure how sustainable entrepreneurship is implemented at Avery Zweckform. Find out more about where we currently stand and what we have planned for the next few years.

Because even if we have already achieved a lot - there is still a lot more to be done.

Kind Regards

Peter Sperl

Managing Director, Avery Zweckform



By 2025, Avery Zweckform aims to ensure that all products, including production and supply chain, meet our high sustainability requirements.

That's what we have already achieved:

Products and Packaging

Over 900 of our labels and form books already meet one of the following criteria:

- **FSC® certification**
- **Blauer Engel certification**
- **100 % recycled material** or
- **Co₂ neutral product.**

They also have one thing in common: **All products are manufactured CO2 neutrally at the site.**

Almost every raw material we process as well as the packaging materials come **from Germany or EU countries.** When it comes to packaging, we use alternatives that are as sustainable as possible, with a high proportion of recycled materials

Production Site Bavaria

Since 2020, **Avery Zweckform has been awarded CO2 neutral company,** certified by "Fokus Zukunft". We are pioneers in two respects: With an equivalent of 3.36 tons of CO2 emissions per employee, we are in the low range, compared to other companies of similar size and industry. In addition, Avery Zweckform is one of the first companies in the

industry to voluntarily offset its emissions according to the "Clean Development Mechanism".

The majority of our products is **produced in Bavaria.** The required raw materials are being procured as close to the production site as possible in order to also minimize transport routes.

Logistic and Management

Since 2007, production and warehousing have been in the same place, enabling significantly reduced transport routes. In our logistics centre, we engage in supply chain management at the highest level.

Stock levels are continuously being adapted to the current market needs. This means that there are no excess quantities that would have to be disposed of in the event of changes in product or packaging.

Sustainability has been a priority at Avery Zweckform for decades now and encompasses all areas. Our commitment is worth it: **We have been climate neutral since 2020!**

The basis for this success consists of many individual milestones: We prefer sustainably certified raw materials for our products. When it comes to packaging, we also choose environmentally friendly variants with a high percentage of recycled content. In addition, we have continuously achieved important sustainability successes in the areas of production, logistics and management over the past few decades; for example, we have been producing with green electricity and clean natural gas since 2014. We have already achieved a lot, but we still want to go even further in the future.



In 2021, we will revise the packaging of all label products to present the sustainability criteria at a glance.

(please see also the following page)

We have been using **100% green electricity and clean natural gas** since 2014. We are continuously working on further reducing our energy consumption by using the most modern devices and technologies. Since the introduction of ISO management in 2012, we have been able to continuously reduce our production rejects year after year. We either recycle the remaining waste as

part of a circular economy or it is disposed of in an environmentally-friendly way. The implementation is verified by independent inspection bodies according to **ISO 14001 and ISO 45001**.

In 2000, we introduced the World Class Manufacturing System in order to standardize processes, avoid wasting resources and to continuously improve processes. The management system was further developed into Six Sigma and

then into Enterprise Lean Sigma. We have been pioneers in our industry for a comprehensive integration of systematically resource-efficient processes for many years.

By 2025, Avery Zweckform aims to ensure that all products, including production and supply chain, meet our high sustainability requirements.

These are our goals for the years to come

Each of our products should fulfil at least one of the following sustainability criteria until the end of 2025:



FSC certification:

FSC® certified paper from responsibly managed forests. The purchase of this product helps to protect the forests.



Blauer Engel:

Certified with the eco-label „Blauer Engel“, made of 100 % recycled paper.



100 % recycled material:

Made of 100 % recycled paper.



CO₂ neutral products:

CO₂ emissions of the product material and the manufacturing process compensated by climate projects.



CO₂ neutral company:

CO₂ emissions on site compensated by climate projects.



Made in Germany:

100 % produced and processed in Germany.

Wherever possible, we continue to use **no substances that are harmful to the environment or health.**

The respective sustainability criteria of our products can be clearly seen on the product packaging.

(as example: criteria shown on two labels and one form book product):



Next year we will focus on changing the sustainability criteria in the product categories form books and Z-Design stickers.

We support our customers to use Avery Zweckform products in a responsible and environmentally friendly way from start to end.

That's what we have already achieved:

Our products pass through twelve quality levels before they make their way to retailers and consumers. From our in-house laboratory to the daily checks of raw material and production to the final inspection during shipping - we continuously guarantee the highest quality. This reliability, together with the optimal functionality of the products, ensures a high level of customer satisfaction, ease of use without rejects and a long service life for the products.

Always the right solution: consumers can choose the perfect label for their needs from over 2,400 different shapes, sizes and materials in our range. We have developed this **enormous range** in order to always enable an **optimal product use**.

We have significantly increased the market share of **recycled products**, especially for labels and form books. Contrary to the standard pricing of many manufacturers, our sustainable products are not more expensive than standard products, even if the manufacturing process is associated with higher costs for us. We have consciously taken this decision in order to steer purchasing decisions in favour of **recycled products**. Convincing by testing: we offer consumers free product samples for testing to get to know and appreciate our environmentally friendly product variants.

These are our goals for the years to come:

Inspire: We want to convince more and more of our consumers to choose eco-friendlier products. We will invest in specific campaigns and sampling to make our environmentally friendly solutions better known and to promote awareness of more sustainability in the office or for the work from home.

The use of sustainable raw materials together with an environmentally friendly production are the cornerstones of an environmentally conscious corporate management. Avery Zweckform goes one step further and actively supports consumers in being able to use the products responsibly throughout the entire life cycle. Are environmentally friendly products more expensive? Not ours. We deliberately offer most of our **recycled products at the same price** as the congruent products made from virgin fibre paper. We want to encourage a rethink towards the more environmentally friendly variant.

Waste nothing, use the products optimally and dispose of them responsibly after use: We pull out all the stops for a sustainable product use.

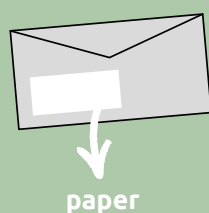
No waste

	Big packs	Medium packs	Office&Home-Packs	Choose individually from 1 sheet
For every need the right amount of labels				
Application	100 to 220 label sheets: for large companies and heavy users	20 to 40 label sheets: for medium sized companies	10 label sheets: for small and private offices	Individually picked packs, starting with 1 label sheet: for small and private offices and specific needs

Correct recycling

Correct disposal of labels: That's how it works!

Labels are usually disposed of together with the product they are attached to.



Label on paper:
e.g. on letter or card



Label sheet
or single label



Label on glass:
e.g. on jam jar or bottle

Consumers can find comprehensive information on the disposal of labels and packaging at www.avery.eu/sustainability or alternatively they can contact the Avery Zweckform Consumer Service Centre.

Customize: Exactly the right amount of exactly the right product – in order to avoid unnecessary excess that has to be disposed of. That's why we are working intensively on further customization options for all of our products.

Inform: There is still a lot of uncertainty among consumers: which product is really sustainable? What does environmentally friendly use look like? In order to provide more clarity, we want to inform better. That's why we will, for example, create information material for retailers, publish comprehensive dossiers on our website and run campaigns in the media.

We offer our employees modern and flexible working conditions that meet the ecological and social needs of a modern society.

That's what we have already achieved:

Health Program & E-Mobility

The protection of employees is a top priority at Avery Zweckform. We are committed to high health and occupational safety standards beyond the legal requirements and have had them certified according to the international standard **ISO 45001**. Prevention has the highest priority. With the proven occupational health and safety system, we reduce the risk of injuries and illnesses at the workplace - always aiming at avoiding them all together. Avery Zweckform has health ambassadors who regularly put together proven and new **health offers** for all employees. The basis for a continuous update of the

program are employee surveys, which are carried out voluntarily and anonymously. From back training and massage to cardio tests and positive psychology - the offer varies to meet as many needs as possible. An all-round health program also includes a **healthy diet** with an adequate supply of fluids.

Integration & Social Engagement


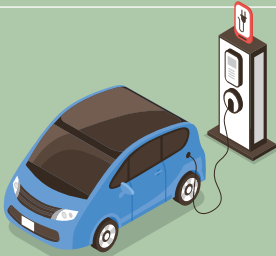

For more than 15 years, people with disabilities from the Oberland workshops have been fully involved in our company. For us, this is an essential component of a modern, responsible work culture. There are currently around 25 employees at Oberland Werkstätten (OLW) working in production. They support us with the picking and manual packing of small shipping units. Everyone benefits from the cooperation. We offer these employees a demanding job, which is also accompanied by OLW group leaders, making it ideal for people with

physical, mental or intellectual disabilities. Here is another win-win situation: We combine the recycling concept with the support of social institutions. Since we rely on the latest IT technology, we donate our used, but nevertheless very high-quality IT equipment whenever we update and replace our devices. The same applies to our office equipment.

These are our goals for the years to come:

Flexible work – in the office, work from home or on the go. Mobile working combines the individual needs of employees with those of a modern company. We are working intensively on concepts that enable our employees to combine professional and private requirements even better. The offer is also intended to help reduce commuter traffic and protect the environment.

From people for people: Our employees are head, heart and hands of the company and are committed every day anew, enabling our consumers to benefit from our innovative ideas and the highest quality. Even if Germany has high labour law standards and requirements - we do far more to offer our employees good working conditions. We offer a wide-ranging **preventive health care program**, which should be included in any comprehensive protection concept. **Integration** is a matter of course for us. We specifically support **equality of opportunity** through support measures and flexible working conditions. The proportion of female managers at Avery Zweckform has been high for decades and is currently 32%. For a better work-life balance, we offer a wide variety of part-time models, including leading positions. From **e-mobility** to **healthy eating**: For us, there are many aspects to a contemporary work environment.

	Job-Bikes	Hybrid and E-company cars	E-filling stations
Eco-friendly commute: E-mobility at Avery Zweckform			
	Leasing program for employees (normal and E-bikes)	45 % eco-friendly hybrid and fully electric cars	For cars: 12 charging stations For E-bikes: 14 charging stations

„I really enjoy working at Avery Zweckform because I really like packing Z-Design products or labels on rolls. And, there is almost always a good atmosphere in our workplace.“

Birgit Schlehan
Oberland Werkstätten



„I like working at Avery Zweckform, especially packing photo paper and taking care of the maintenance like looking after the conference rooms and cleaning water dispensers. And I really enjoy working with the employees“

Andreas Kreitner
Oberland Werkstätten



Eco-friendly mobility is going to be one of our big goals for the coming years. Our company car fleet will be 100% equipped with hybrid or electric drives. Additional charging stations - also at employee parking spaces - will be added.

Provision is good, tailored provision is better. We will continue to expand our **health program**, taking a close look at the needs of a ever changing work environment. This will include, for example, offers for an aging workforce and stress management courses for the increasingly dynamic living environment.

My favourite project



„Business trips by car are part of everyday work in our sales department. That’s why I am particularly happy that Avery Zweckform has converted its vehicle fleet to alternative drive solutions so quickly and that many company cars will be hybrid or e-vehicles. I think it is very important that our company thinks progressively and uses resources carefully. This sustainable approach is comprehensive and also includes the employees’ commute to work. It gives me a good feeling when I drive to work CO2 neutrally and this way can make a small contribution to environmental protection.“

Claudia Lioumbas
Sales Director Central Europe

„The environment is and has always been very important to us. That’s why we have had labels made from 100% recycled material in our range for years. The production of recycled paper requires 60% less energy and water than virgin fibre paper. We want to offer our consumers an environmentally friendly alternative. I very much support our corporate goal of making the entire range more sustainable and I am pleased that our team has currently expanded the range of recycling labels even further.“

Anja Gehrke
Head of Product Management Labels





„When I drive to work, I still experience a lot of intact nature all around here in the middle of beautiful Upper Bavaria. That’s why I very much welcome the fact that Avery Zweckform is also considering the commute of all employees with a comprehensive sustainability concept. In addition to the emissions from the production at the site, the generated emissions of the commute are also compensated by supporting various climate and environmental projects. Avery Zweckform has been certified climate neutral since 2020 - that means we have taken a very important step towards greater sustainability. We completely offset our emissions, which are already very low compared to the industry. I look forward to driving this development forward and making our processes and products even more sustainable in the future.“

Ariane Forster

Head of Product Management
Core Categories & Sustainability

„Being an enthusiastic mountain biker, I immediately took advantage of the job bike offer. It’s great to be environmentally friendly on your bike and have a lot of fun at the same time. Thanks to the discounted conditions, I was able to treat myself to a high-class, state-of-the-art e-bike. When the weather is nice, I cycle to work with e-support and on the weekends or after work I use my muscles to cycle up the mountains. It feels good to be able to reduce my carbon footprint this way. Also great: we have secure storage facilities for the bikes on our company premises. Here we can also recharge our e-bikes - of course with 100% green electricity.“

Christopher Götz

Head of Web & E-Commerce (D2C)



Sustainability? No fast fashion for us!

Because protecting the environment is part of our DNA

„Since our company was founded in an old farm, we have been leading the way when it comes to sustainability! We have used wood-free, recycled and chlorine-free materials for decades, and we have been anchoring resource-efficiency in our certified processes for over thirty years.

We have been climate neutral since 2020!„

1969

Form books made from wood-free paper

Since 1969 we use wood-free paper for the production of our form books



1992

Form books made of chlorine-free paper

Our form books are converted to chlorine-free paper. We also offer many form books in recycling quality certified with the eco label "Blauer Engel".



2005

Integrated team "Oberland Werkstätten"

People with disabilities from the "Oberland Werkstätten" work fully integrated at Avery Zweckform. Up to 25 employees of the integrated team Oberland work on site with us every day and support us in various activities in production and logistics.



March 9th, 1946

Business formation in old farm house

The company building is an extension of a former farmhouse and is still used today. This saves resources and reduces land consumption.



1976

Recycled listing paper

As a market maker for recycled papers, we have developed "the green one" as early as the 1970s, a recycled listing paper that was available on the market from 1976 to 1985.



2000

Implementation of process systems (WCM)

We are introducing the so-called World Class Manufacturing System to standardize processes, avoid wasting resources and continuously improve processes. Over the decades, the system evolved into Six Sigma and then Enterprise Lean Sigma.

2009

FSC® certification for labels and form books

Most of our labels and form books are converted to sustainable, FSC® certified base material.



2007

Opening logistics centre

The new, ultra-modern logistics centre at the company location enables direct delivery within Germany. This reduces emissions when transporting the goods.



2014

100% green electricity and green gas

At the company site in Oberlaindern, Bavaria, 1,500 labels and 220 form products are produced with 100 % green electricity and green gas.



2020

Sustainable Z-Design stickers

New Z-Design stickers, completely sustainable: The paper material of the stickers comes from certified responsible forest management. The package insert is made from 100% recycled paper and the packaging film from the renewable raw material corn starch. Both are biodegradable.



2012

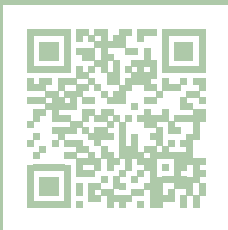
Certification acc. to DIN ISO 14001

Our sustainable environmental management in production and logistics is certified by TÜV Süd acc. to ISO14001. This includes active energy management, waste avoidance, protection of waters and reduction of CO2 emissions.



2020

Avery Zweckform is climate neutral



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