

Enlabeling Sustainability

2022

Sustainability Report
CCL Industries Inc.



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Reporting at CCL Industries Inc.

This report covers Environmental, Health & Safety (EHS) and Social data for the calendar year 2022. All data is global in nature (unless otherwise noted) and includes all facilities where CCL Industries Inc. (CCL Industries or the Company) holds financial control, defined as at least a 50% ownership stake. This includes manufacturing plants and nonproduction-related facilities, such as distribution centers and headquarters/sales offices. Emissions are calculated in compliance with the Greenhouse Gas Protocol reporting standard and verified by an independent third party, included as an appendix at the end of this report.

After identifying a gap in reporting, we have updated our 2021 emissions data this year. Additionally, to more accurately reflect the greenhouse gas accounting methodology under which we measure our joint ventures in 2022, we set the organizational boundary as financial control, per the Greenhouse Gas Protocol Corporate Standard. The Company continues to collect data from Scope 1, 2 and 3 using the market-based methodology for Scope 2 calculations. In aggregating data where supplier engagement was required, CCL Industries set a threshold of collecting over 80% of relevant data, in particular for purchased materials. In 2023, the Company will be assessing any gaps in our reporting coverage in advance of releasing science-based targets in 2024.



Employees gather with their families on April 23rd in Turkey, where we have one of our busiest production locations for apparel labels, to celebrate National Sovereignty and Children's Day.

A Letter from the President & CEO

"CCL Industries has committed to set science-based targets and to align with the net-zero greenhouse gas emissions standard requiring a 90% reduction by 2050."



In 2022, CCL Industries continued to strive to be the innovation leader of our industry, with our business segments focused on developing internal manufacturing processes and sustainable product lines that address a variety of environmental impacts. After publicly releasing several years of comparable environmental data, the Company committed in June 2022 to the target setting process set by the Science-Based Targets Initiative which many of our large global customers have already embraced. Consequently, over the next two years, our team will be working to develop a detailed low carbon strategy plan, ensuring any targets we set are realistic and achievable.

Many countries are looking towards regulatory requirements for emissions and environmental reporting in the coming years as global companies like CCL Industries wait to see how different national requirements may align or differ. Our team remains hopeful that the hard work we have put into aligning our disclosures with current best practices will pay off, positioning the Company to be able to adapt to these changing and evolving requirements while maintaining the foundation of our initial years of Environmental, Social and Governance disclosures and reporting.

A handwritten signature in black ink, appearing to read "Geoffrey T. Martin". The signature is stylized and fluid, with a long horizontal stroke extending to the right.

Geoffrey T. Martin

President & Chief Executive Officer

Company Overview

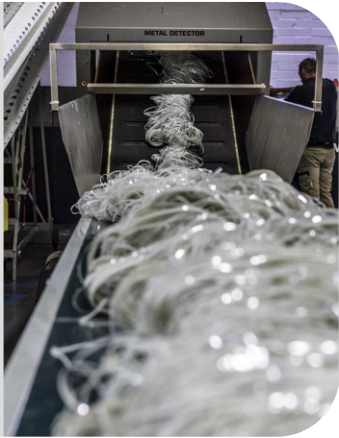
Financial Data 2022 *in millions of Canadian dollars except per share

Net Sales: **\$6,382.2**

Adjusted EBITDA: **\$1,231.4**

Net Earnings: **\$622.7**

Adjusted Basic Earnings per Class B Share **\$3.57**



Employees: **25,300**

% Female: **37%**

Production Facilities: **205**

Countries: **43**

Continents: **6**



Purchases by Material

Plastic: **52%**

Forest Products: **32%**

Metals: **6%**

Other: **4%**

Inks/Solvents: **3%**

Adhesives: **2%**

Textiles: **1%**

Production by Substrate Material¹

Forest Products: **26%**

Metals: **7%**

Plastic: **66%**

Textiles: **1%**



¹Measured by volume



60.4% of Sales

CCL is the world’s largest converter of pressure sensitive and specialty extruded film materials for a wide range of decorative, instructional, functional and security applications for government institutions and large global customers in the consumer packaging, healthcare & chemicals, consumer electronic device and automotive markets. Extruded & laminated plastic tubes, aluminum aerosols & specialty bottles, folded instructional leaflets, precision decorated & die cut components, electronic displays, polymer banknote substrate and other complementary products and services are sold in parallel to specific end-use markets.

Production by Substrate in Metric Tons ²

Plastic:	Paper:	Aluminum:	Steel:
95,301	64,135	25,860	436



12.8% of Sales

Checkpoint is a leading developer of RF and RFID-based technology systems for loss prevention and inventory management applications, including labeling and tagging solutions, for the retail and apparel industries worldwide.

Production by Substrate in Metric Tons ²

Paper:	Textiles:	Plastic:	Electronics:
15,337	480	2,741	2,178



14.3% of Sales

Avery is the world’s largest supplier of labels, specialty converted media and software solutions for short-run digital printing applications for businesses and consumers available alongside complementary products sold through distributors, mass-market stores and e-commerce retailers.

Production by Substrate in Metric Tons ²

Paper:	Cardboard:	Plastic:	Steel:
15,055	17,705	6,756	3,797

Aluminum:
70



12.5% of Sales

Innovia is a leading global producer of specialty, high performance, multi-layer, surface engineered films for label, packaging and security applications.

Production by Substrate in Metric Tons ²

Plastic:	Aluminum:
172,156	73

² Measured by volume



Corporate Governance

The Board of Directors of CCL Industries is responsible for the stewardship of the Company, and for overseeing the management of its business and affairs. This includes oversight of Environmental, Social and Governance (ESG) risks, including climate change, the impacts of which are assessed on an ongoing basis by management and reviewed periodically by the Board of Directors from a strategic and risk management perspective.

The Nominating and Governance Committee of the Board is responsible for assessing the Company's governance-related policies and proposing amendments to the Board, including with respect to the Company's ESG policies and practices.

The Corporate Social Responsibility (CSR) Committee of the Board oversees the Company's policies, management systems, quarterly performance, and acquisition due diligence with respect to EHS matters including compliance with regulatory requirements. The Committee also monitors the Company's sustainability risks and practices including climate change and oversees public reporting of its annual data.

The Human Resources Committee of the Board is responsible for overseeing the Company's Ethics Policy as part of its charter.

The Mandate of the Board and the Charters of its various Committees are available on the Company's website at www.cclind.com.



Kathleen L. Keller-Hobson
Lead Director

Donald G. Lang
Executive Chairman

Risk Management: The Company is committed to preserving the environment, not just because it's the right thing to do, but because we all breathe the same air, drink the same water and live with the limited resources of this planet. We believe all companies, as well as people, have an inherent responsibility to do their part, and we are no different. Risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate limits and controls and to monitor performance and regulatory compliance. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and business activities.

Climate Change Risks are assessed on an ongoing basis including the frequency and severity of weather-related events, which could damage facilities, disrupt operations, impact revenues and cash flow and create financial risk. These could result in substantial costs such as emergency response efforts during the event, reinstatement of regular business operations and repair or replacement of premises and equipment. With over 200 locations spread around the world, our climate change event risk is broadly distributed geographically with average annual sales per site at approximately \$31 million. The Company maintains insurance coverage for its facilities that we believe is customary or reasonable given the cost of procurement and current operating conditions. Global climate change also gives rise to other risks to the Company's business and operations, including supply chain disruptions, increased regulation and market shifts in availability and demand.

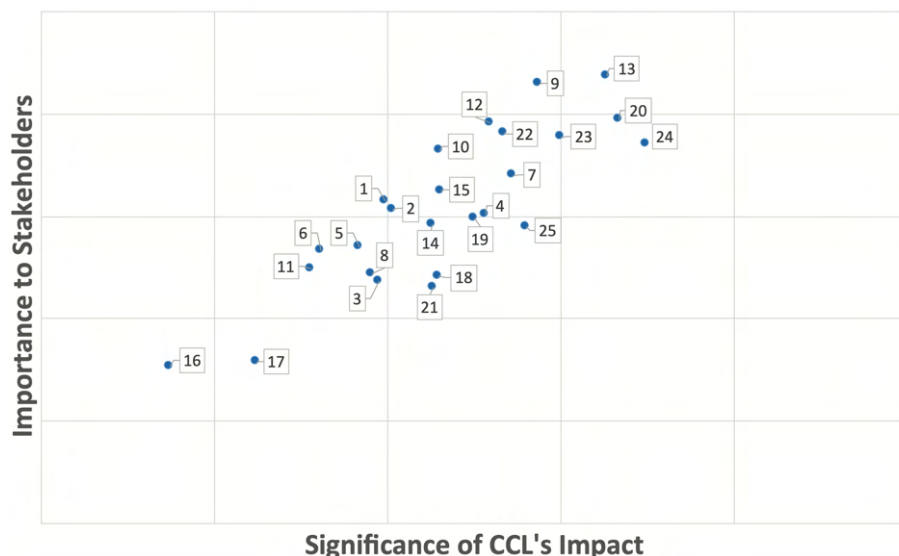


Turning Risks into Opportunities: Our global businesses work closely with customers to innovate products that address their sustainability needs often driven by the changing demands of consumers. We have increasingly adopted sustainable practices and deployed initiatives to reduce our carbon footprint, create cost-savings and position the Company as an innovation leader in the field. Our global businesses deploy the best ideas from employees and supply chain partners to create additional opportunities out of climate-related market shifts including investing in resource-saving technologies and waste-reducing processes.

Regulatory Compliance: We closely monitor all regulatory matters including environmental and social compliance using resources reporting directly to the Chief Executive Officer.

Materiality Assessment

In 2020, CCL Industries conducted its first Materiality Assessment in line with Global Reporting Initiative (GRI) materiality guidance to identify the priority CSR topics and issues for the Company. CCL Industries invited customers, suppliers, investors and employees to rank areas of greatest importance to them as key stakeholders. The results of this assessment are presented below and will continue to guide our sustainability reporting, goal-setting and related initiatives.



The graph shows the distribution of materiality assessment results ranked from lowest significance of CCL Industries' impact and lowest importance to stakeholders to highest significance of CCL Industries' impact and highest importance to stakeholders. Results have been weighted to represent each of our stakeholder categories equally.

- | | | |
|----------------------------------|---|--|
| 1. Climate Risks | 10. Diversity & Inclusion | 19. Supply Chain Social Responsibility |
| 2. Emissions | 11. Compensation, Remuneration, & Benefits | 20. High Quality Products |
| 3. Energy | 12. Human Rights | 21. Sustainability Project Partnerships |
| 4. Waste | 13. Legal Compliance | 22. Data Privacy & Security |
| 5. Hazardous Waste | 14. Compliance with Standards | 23. Economic Performance |
| 6. Water | 15. Talent Management | 24. Long-Term Strategy |
| 7. Circular Innovation | 16. Corporate Citizenship & Philanthropy | 25. Transparency |
| 8. Life Cycle Assessments | 17. Local Impacts | |
| 9. Workplace Safety | 18. Supply Chain Environmental Engagement | |

The results of the survey showed that priority issues for CCL Industries' stakeholders include workplace safety, legal compliance, high quality products, economic performance and long-term strategy. These categories align with the policies and programs in place at the Company to deliver high quality and innovative products, establish a safe and healthy workforce and increase economic performance and stakeholders' value.

Corporate Reporting & United Nations

CCL Industries supplies our corporate data on an annual basis to key platforms that rank the Company's ESG performance for a variety of stakeholders, including investors and customers. While there are many different platforms that rate companies on publicly available data and/or may request data submissions, the Company actively engages with the following platforms to ensure accurate reporting of the Company's performance: CDP, EcoVadis, and S&P Global. ESG data for the Company are integrated into and can be found throughout several key documents, which can be found at www.cclind.com.

	Average Industry Performance			
	CCL Industries Score	Light Manufacturing Average Score	North America Average Score	Global Average Score
CDP Climate	B	C	C	C
CDP Water	B	B-	B-	B
CDP Supplier Engagement	A-	C	C	C

	CCL Industries Score	Average Industry Score	Ranking
EcoVadis	55	50.1	64 th percentile
S&P Global	40	29	78 th percentile



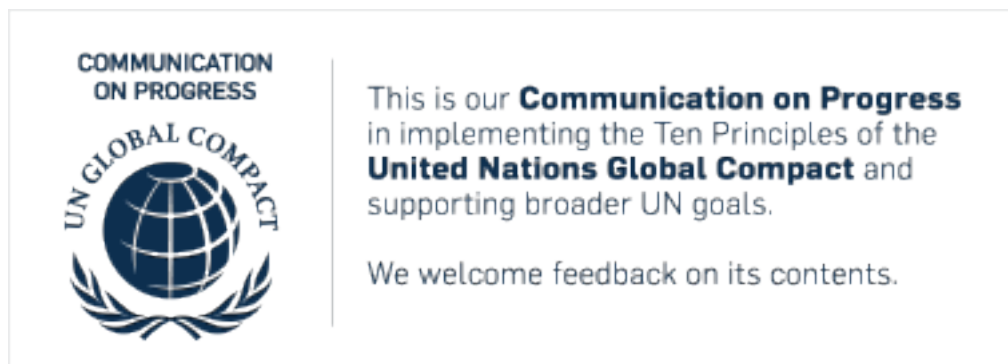
SUSTAINABLE DEVELOPMENT GOALS



UNSDG: Improving long-term sustainability performance is one of our primary corporate objectives. To demonstrate our commitment, CCL Industries adopted the 17 United Nations Sustainable Development Goals (UNSDG). Each goal has specific targets to be achieved by 2030 providing a framework to benchmark performance and identify next steps to improve. In 2019, CCL Industries identified seven of these goals most closely interlinked with the five pillars of our CSR program: Sustainability, Ethics, Health & Safety, Responsible Supply Chains and Circular Innovation. Initiatives relating to these goals are marked with the corresponding UNSDG logos throughout this report.



UNGC: After signing onto the Ten Principles of the United Nations Global Compact (UNGC) on human rights, labour, environment and anti-corruption in 2021, the Company completed its first Communication on Progress in 2022 as we start to align our corporate goals with the mission. The mission of the UNGC is to mobilize a global movement of sustainable companies and stakeholders to create a better world in alignment with the following Ten Principles of the UNGC:



Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Corporate Social Responsibility Initiative

CCL Industries' CSR initiative is designed to enhance the integration of social and environmental concerns into our business operations and interactions with stakeholders. Five key pillars have been identified under this program to align with previous and existing corporate initiatives: Sustainability, Ethics, Health & Safety, Responsible Supply Chains and Circular Innovation.





Sustainability: The Company is committed to helping customers meet their targets by developing new products while reducing the environmental impact of its manufacturing processes. In June 2022, the Company committed to setting science-based targets for emissions through the Science-Based Targets Initiative (SBTi) to be finalized and released by June 2024. This commitment will further our progress toward reducing the overall environmental footprint of our business in addition to working toward achievement of the waste reduction goals that the Company has set for 2025 and 2030.



Ethics: The Company's Global Business Ethics Guide, enhanced in 2021 to align with the Company's CSR strategy, is the primary policy on workplace practices, human rights, health and safety, ethical conduct and fair business practices for all employees. Reviewing the Global Business Ethics Guide is an important part of new hire training and global facilities are audited to ensure all new hires receive a copy of the ethics guide and sign a commitment of adherence to the code.



Health & Safety: The health and safety of the Company's employees around the world is a top priority. The Company's current EHS policy and robust safety reporting programs address the statutory requirements of the countries where the Company does business. The EHS policy is reviewed and revised as needed as part of our annual Sustainability Report disclosure. Quarterly reporting of health and safety performance statistics to management and the CSR Committee is required, with the objectives of an injury-free workplace and appropriate responses to all incidents. Each facility is assessed a color code ranking for safety in each calendar year, with a focus on improvement of their health and safety standards.



Responsible Supply Chains: The Company continues to work with its supply chain partners to reduce the overall environmental and social impacts of its products including transportation, secondary packaging and material sourcing. Through predictive forecasting and responsive production, the Company is able to drive down lead times and help lower inventory throughout the supply chain with the added benefit of reducing waste and obsolescence and reducing the effects on the environment.

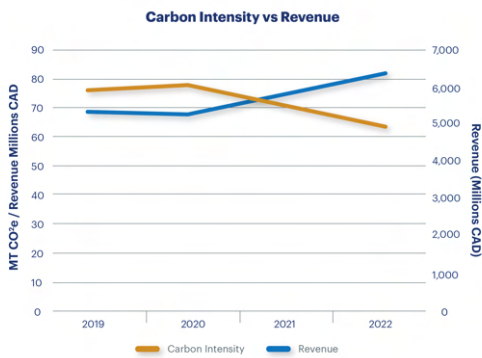


Circular Innovation: The Company's product innovation teams work directly with customers to create sustainable products enabling the circularity of customers' primary packaging while supporting end consumer sensitivity to minimize waste in the environment and reduce overall environmental impacts.

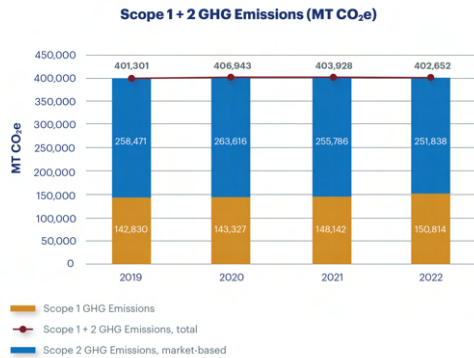
In 2022, the Company continued to build a robust baseline of environmental data. The Company's emissions were calculated using the Greenhouse Gas Protocol and the market-based methodology for Scope 2 calculations. Categories for disclosure were defined based on the results of the 2020 Materiality Assessment and the Sustainability Accounting Standards Board (SASB) Containers and Packaging standard. Scope 3 categories identified as material to CCL Industries and included in this report are: Purchased Goods & Services (including Water), Inbound Deliveries, Outbound Deliveries, Waste, Business Travel, Employee Commuting and Fuel & Energy-Related Activities.



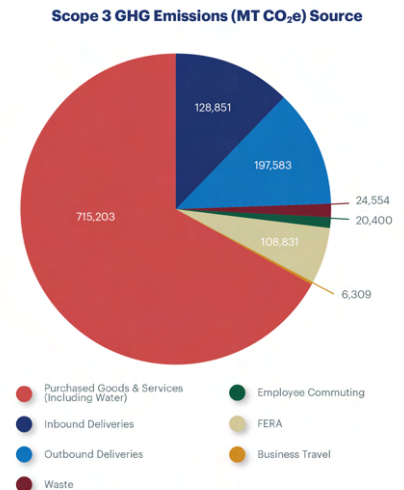
Emissions: In order to align our environmental reporting with our commitment to set science-based targets through SBTi, CCL Industries has begun tracking emissions intensity per unit of revenue to more accurately measure progress. Since 2019, emissions intensity has declined approximately 16%. 2020 saw a slight increase in emissions intensity as COVID affected many aspects of production for our business segments. As we returned to business as usual, emission intensity decreased in 2021 below 2019 levels and decreased even further between 2021 and 2022. Absolute emissions across all scopes have increased since 2021 due to changes in reporting boundary from acquisitions as well as from increased production.



This graph depicts the relationship between carbon intensity and revenue for the Company over time.



This chart displays the Company's Scope 1 and 2 emissions data from 2019 through 2022.



This pie chart breaks down the Company's total 2022 Scope 3 data by emissions source.

Waste: In 2022, the Company continued to make progress toward our 2025 waste targets. While revenue increased 11% from 2021 levels, waste to landfill decreased 2.5% and recycling rates increased 6% across the Company.

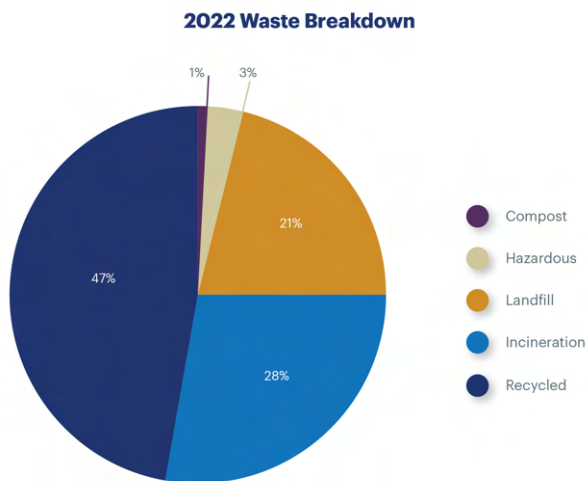
CCL Industries maintains and continuously builds new partnerships with recyclers, contractors, and vendors around the globe who utilize innovative ways, such as chemical recycling, mechanical recycling, and co-processing, to reuse and recycle materials in a closed-loop system.

The Company's business units work collaboratively with customers to offer a range of sustainable solutions that take into consideration end-of-life treatment for product packaging. CCL Industries aligned ourselves with a number of associations, such as the European PET Bottle Platform, Petcore, Association of Plastic Recyclers (APR), Sustainable Packaging Coalition, Ellen MacArthur Foundation, and others to ensure our products meet specific regional standards required by customers.

Water: CCL Industries strives to use water responsibly by minimizing consumption and maintaining the quality of wastewater leaving our facilities. CCL Industries knows water is often a critical resource in the local communities where we do business. Approximately one in three of our global facilities are based in water stressed regions³ but the overall impact from our operations and related risks are considered low with water primarily used for sanitation, cleanup processes and cooling systems within the manufacturing process. Most of the chillers and cooling systems incorporated within our manufacturing equipment are closed-loop, requiring no additional water consumption. There were no known incidents of non-compliance associated with water quality permits, standards and regulations in 2022.



CCL Label invested in a new regenerative thermal oxidizer (RTO) at our Völkermarkt site in Austria that supports us in realizing the lowest emissions possible in label and sleeve production. The RTO functions as a centralized system for the entire production process and provides a total air volume up to 60.000 m3/h.



This pie chart breaks down total waste produced by the Company in 2022 by end-of-life treatment method.

³ CCL Industries identified areas with water stress as locations with High (40-80%) or Extremely High (>80%) Baseline water stress according to the WRI Aqueduct tool

Targets and Goals: Developing a robust baseline of data from which to assess the Company's environmental impact has been the priority for the past several years, a key first step towards setting targets and goals on key environmental impact areas. CCL Industries is committed to thorough and transparent environmental disclosures and to setting targets that are aligned with scientific and industry standards.

In June of 2022, CCL Industries committed to set emissions reduction targets through SBTi. Over the next year, the Company will develop and approve a low-carbon transition plan with necessary steps to achieve these competitive goals. Through this initiative, the Company has committed to the following:

- Set near-term science-based targets approved through SBTi by June 2024.
- Become a member of the Business Ambition for 1.5°C campaign.
- Align with the net-zero standard, requiring the Company to halve emissions by 2030 and reduce emissions by 90% by 2050.

The Company continues to make progress against the following waste goals as part of the New Plastics Economy Global Commitment, a part of the Ellen MacArthur Foundation:

- By 2025, customers of CCL Industries will be able to choose label products and solutions that will not hinder consumer-packaged goods to be recyclable, reusable or compostable.
- CCL Industries will limit industrial waste ending up in the environment or in landfills by implementing waste reduction strategies. CCL Industries is setting goals of cutting waste to landfill by 90% globally by 2025 and eliminating all landfill from our manufacturing process by 2030 in North America and Europe.
- CCL Industries will use a fixed financial percentage of its research and development (R&D) resources annually towards further development of sustainable and circular products.
- CCL Industries will continue to work collaboratively across the plastic value chain to ensure packaging is sorted and recycled in practice and at scale by developing enabling label solutions.



A 1452 kilowatt project, consisting of 2,664 solar panels was installed atop the roofs of 2 facilities in Bangkok, Thailand. The project produced 1,918,709 kilowatt hours of electricity in its first year online (2022).



Ethics

Ethical excellence values are the foundation of our success. They reflect our history and define our future, demonstrating a commitment to high standards, honesty and integrity. Our Global Business Ethics Guide, updated in 2021, represents the primary policy on ethical conduct and fair business practices for all employees. Reviewing the Global Business Ethics Guide is an important part of employee training and our global facilities are audited to ensure it is widely available and all new hires receive a copy as part of their induction to the Company.

Human Rights and Community Relations: CCL Industries respects the human rights of all employees globally, does not tolerate harassment or discrimination and is committed to the communities in which we do business. We are dedicated to diversity and inclusion in the workplace providing equal opportunities to all employees and applicants respecting applicable laws and regulations. We adopt best global practices and comply with all applicable regulations protecting human rights including but not limited to child labor, forced labor, discrimination and human trafficking. We seek to improve the communities in which we do business by supporting local health and social services, community development, protection of the environment and other local initiatives by encouraging our employees to volunteer their time to such programs.

Data Security: CCL Industries' assets and information include physical property and equipment, technology and confidential & proprietary information. The Company considers data a corporate asset and as such, has implemented many security initiatives to protect data from unauthorized access. All authorized users of computer resources are required to protect these assets against unauthorized usage, access, modification, destruction, disclosure, loss or transfer of data, whether accidental or intentional. Violation of this policy could result in termination and, where appropriate, criminal prosecution of the responsible person(s).

Diversity: CCL Industries prides itself on having a diverse workforce. In 2022, 41% of employees identified themselves as "white"⁴ and the Company workforce was made up of 37% female employees and 63% male employees. We remain deeply committed to the principle that our people must reflect the cultural norms where our plants, distribution centers and offices are located globally. On the Company's Board of Directors, there are four women, representing 40% of Directors, and one member of a visible minority representing 10%; one Director is a member of more than one designated group. There are currently no persons who identify as members of other designated groups on the Board.

Product Quality & Safety: As a global company, CCL Industries serves a variety of markets where the quality of our products is critical to consumer safety. In Healthcare, a printing error can result in altered label content and potentially negative health outcomes for patients. High quality standards and strict adherence to regulatory requirements at our global facilities protect the consumer, reducing overall risk for customers. All global facilities follow Good Manufacturing Practices (GMPs) and have Standard Operating Procedures (SOPs) in place to identify quality issues prior to shipment of our products while minimizing scrap and waste. Additionally, many of our facilities carry externally audited certifications of their quality systems.

⁴Balance of Latin, Asian (including Indian subcontinent), African and other origins.

Health & Safety

CCL Industries is committed to protecting the health and safety of its employees. While the Company operates with many highly diverse manufacturing plants around the world, including emerging markets, our employees are treated with the same respect and care no matter the jurisdiction.

Health & Safety Data

Rate Per 100 Employees	2019	2020	2021	2022
Total Incident Rate	1.33	1.08	1.03	0.89
Lost Time Injury Rate	0.84	0.72	0.70	0.67

3 GOOD HEALTH AND WELL-BEING



The Company ensures all global locations provide a safe work place for employees through our EHS policy and ongoing performance assessments implemented worldwide, setting the following enhanced expectations to create a world-class safety culture:

- All locations are required to have a Safety Handbook available in local languages, integrating EHS considerations into operating practices and employee training programs.
- Quarterly reporting of health and safety performance statistics to management and the CSR Committee with the objective of an injury free work place and best practice incident response protocols; each facility is ranked with a color code⁵ every year.
- All facilities must comply with applicable local and international laws & regulations adopting global industry best practices that meet or go beyond country or regional standards.
- All locations must establish a Safety Committee with representation from both management and employees.
- All General Managers must annually certify that all required and relevant EHS processes are in compliance and trainings have been completed.
- CCL Industries has a goal of performing safety audits at 25% of plants on an annual basis.

⁵The color coding system ranks facilities according to health and safety performance standards on the following scale: Gold - outstanding; green - good; pink - warning; red - action needed.

Responsible Supply Chains

CCL Industries' supply chain model seeks to reduce waste and obsolescence for customers, suppliers, and our own operations with a focus on optimization of resources and minimization of environmental impacts. Where local manufacturing is not economically viable, CCL Industries globally deploys near site distribution centers, minimizing our combined carbon footprint through reduced transportation and obsolescence.



Responsible Packaging: While CCL Industries engaged in many initiatives in 2022, a few stand out. In May 2022, Innovia announced the opening of a new state-of-the-art multi-layer co-extrusion line in Plock, Poland. This \$36 million investment is dedicated to the manufacture of EcoFloat® shrink sleeves, which facilitates easy separation of labels from plastic bottles and containers in the recycling process. Innovia has also earned the International Sustainability and Carbon Certification (ISCC) at the Zacapu, Mexico facility.



Innovia Plock team at ribbon cutting ceremony for new multi layer co-extrusion line.



“The goal of our investment in Poland is to significantly increase the capacity in polyolefin shrink films which were hardly available so far. Through our global network of CCL Label sites, we are able to convert the recycling friendly material into EcoFloat® sleeves.”

-Gunther Birkner, President of Food & Beverage, Healthcare & Specialty and Innovia Worldwide



Sustainability-focused manufacturing floor in Hai'An, China facility.

In 2022, Checkpoint committed to further participating in the Facility Social and Labor Module (FSLM), which measures the social impact of manufacturing across areas such as wages and benefits, working hours, health and safety and employee treatment. Checkpoint also actively engages with the Sustainable Apparel Coalition's (SAC's) widely recognized Higg Materials Sustainability Index (MSI). Checkpoint's Hai'An facility, located in China, was designed specifically with sustainability in mind. The facility boasts solar panels, battery storage technology to preserve renewable energy, improved insulation, LED lights, and multiple smart control systems that maximize building energy efficiency and provide insight on trends and efficiency of renewable energy consumption and carbon emissions.

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Avery A4 paper labels

Avery increased the overall sustainability of their sheet fed paper labels for laser and ink jet printers with recycled content in both product and packaging, largely eliminating the use of shrink-wrap film, utilizing paper tape to close outers, replacing bubble bags with card stripes made of cardboard waste, and including instructions on the packaging for product recycling by the consumer.

In November 2022, CCL Secure’s Wigton facility won the Energy Management Award at the U.K.’s Energy Institute Awards ceremony in London, earned on their remarkable sustainability efforts, achieving a 26% reduction in CO₂ emissions, 31% reduction in overall energy consumption and 40% reduction in water usage per metric ton of production since 2018.



- CCL Secure Wigton team pictured:
- Martin Armstrong (Plant Manager)
 - Ellen Pollock (Supply Chain Coordinator)
 - Paul Collins (Production Shift Manager)
 - Wayne Pearson (OHSE Manager)
 - Gary Frizell (Engineering & Sustainability Manager)
 - Katie Leyland (HR Manager)
 - Carl Bowe (Project Engineer)

Material Sourcing: All our manufacturing operations have full disclosure and traceability of their purchased materials. The vast majority of our paper suppliers are certified for sustainable forestry including Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification (PEFC), and Sustainable Forestry Initiative (SFI) certifications. Thirty-six sites company wide and several suppliers are FSC chain of custody certified. In 2022, the Company continued expanding data collection for paper and wood-based materials, working with suppliers to aggregate additional information on material sourcing such as origin, certifications and recycled content. Most aluminum purchases come from suppliers certified under the Aluminium Stewardship Initiative (ASI) Performance Standard.

Most large customers specify the raw materials for their applications. Regardless, we work with both suppliers and customers to offer sustainable alternatives that reduce the environmental impact of our products.

Circular Innovation

In order to best serve our customers, the Company must continuously innovate new sustainable options that target a variety of environmental impacts.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



14 LIFE BELOW WATER



15 LIFE ON LAND



Imprint Plus developed reusable and highly recyclable name badges, eliminating the need for single use products for businesses, meetings, conferences and other applications: Bamboo Name Badge and HDPE Eco-Badge.



CCL Label Voelkermarkt in Austria launched the thinnest stretch sleeve on the market (30 micron). As compared to the standard sleeve offering of 45 micron, this 30 micron sleeve offers a material efficient solution that can save beverage brands up to 32 tons of plastic per 100 million sleeves.

The Company's portfolio of Eco Vision tubes used over 2.6 million pounds of PCR resins in the United States in 2022. Recycle Ready tubes meet APR Critical Guidance for the HDPE recycle stream, including NIR sortable Eco Black option, contain up to 70% PCR content along with HDPE closures, and align with Ellen MacArthur goals.



Checkpoint's Global Recycled Standard (GRS) accredited recycled yarn accounts for 65% of all yarn used in woven label production. The aim is to move to 100% recycled yarn for all projects, unless otherwise specified by the customer.

Checkpoint's Fighter ECO Hard Tags for apparel labeling and security are made with recycled ABS. Our hard tag closed-loop recycling program has collected, processed and reused over 250 million units.

In Europe, Innovia also developed a down gauged polypropylene label face material that requires fewer fossil fuel inputs during production, does not feature a water-intensive coating, and shows overall energy savings and reduced life cycle assessment impact, as compared to the current market offering.



Near Leipzig in Germany, Innovia invests in a new 8 meter wide multi-layer co-extrusion line that will produce highly engineered thin gauge label films to support growing, sustainability-driven demand for lower resin content materials.

Appendix 1: Environmental Data

Greenhouse Gas Emissions MT CO₂e

	2019	2020	2021	2022
Scope 1	142,830	143,327	148,142	150,814
Scope 2	258,471	263,616	255,786	251,838
Scope 3	1,005,548	837,777	1,047,957	1,201,730
Total	1,406,849	1,244,720	1,451,885	1,604,382

	2019	2020	2021	2022
Total Scope 3	1,005,548	837,777	1,047,957	1,201,730
Purchased Goods & Services	639,025	594,464	705,071	715,203
Water	1,494	1,128	454	927
Inbound Deliveries	92,623	46,949	69,662	128,851
Outbound Deliveries	107,825	61,575	108,136	197,583
Waste	25,475	23,940	25,545	24,554
Business Travel	21,250	6,023	7,559	6,309
Employee Commuting	20,400	20,400	20,400	20,400
Fuel & Energy-Related Activities	98,950	84,426	111,585	108,831

Environmental Data Usage

	Unit	2019	2020	2021	2022
Energy Consumption	MWH	1,280,213	1,322,114	1,364,239	1,369,568
% of renewable energy	%	2	4	5	10
on-site renewable energy	MWH	33	37	789	2,752
grid electricity	MWH	572,14	600,948	618,357	601,851
electric vehicle electricity consumption	MWH	-	27	30	101

Water

Renewable Groundwater Supply	m ³	292,296	342,719	367,715	405,520
Municipal Water Supply	m ³	1,287,596	1,136,038	1,176,195	1,199,659
Total Water Usage	m ³	1,579,892	1,478,756	1,543,910	1,605,179

Waste

Landfill	MT	27,964	27,313	27,386	26,692
Incineration	MT	24,170	21,745	26,688	34,965
Recycled	MT	38,341	44,561	55,744	59,089
Compost	MT	1,698	532	2,192	1,505
Hazardous	MT	-	3,203	3,686	4,375
Hazardous Waste Recycled	MT	-	1,255	1,438	1,819
% Hazardous Waste Recycled	%	-	39	39	42

Material Purchases

Paper	MT	82,295	73,794	100,018	94,553
Cardboard	MT	28,371	15,338	30,025	60,408
Aluminum	MT	16,627	25,266	31,964	26,957
Steel	MT	4,146	4,660	4,465	4,696
Other Metals	MT	-	32	61	440
Total Plastic	MT	210,043	260,933	277,895	276,953
Recycled Plastic	MT	434	787	865	3,130
Adhesives	MT	-	5,576	9,651	10,146
Inks/Solvents	MT	-	13,463	17,636	16,541
Yarn/Textiles	MT	-	468	8,531	507
Chipboard/Wood	MT	-	4,005	11,218	21,335
Electronics Components	MT	-	193	290	2,240
Other	MT	-	39	18,429	21,539

Appendix 2: SASB Index

CCL Industries SASB Disclosure:

Resource Transformation – Containers & Packaging (RT-CP)

Topic	Code	Metric	Unit of Measure	Response
Greenhouse Gas Emissions	RT-CP-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Metric tons (t) CO ₂ e, Percentage (%)	Pages: 22
	RT-CP-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	N/A (Discussion)	Pages: 13, 14, 15, 22
Air Quality	RT-CP-120a.1	Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , (3) volatile organic compounds (VOCs), and (4) particulate matter (PM)	Metric tons (t)	CCL Industries complies with applicable regulatory requirements regarding air quality in the locations where CCL Industries do business. Air emissions from VOCs, NO _x , SO _x , and particulate matter are not material to the Company at this time.
Energy Management	RT-CP-130a.1	1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	Gigajoules (GJ), Percentage (%)	Pages: 22
Water Management	RT-CP-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Thousand cubic meters (m ³), Percentage (%)	Pages: 14, 22
	RT-CP-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks	N/A (Discussion)	Pages: 14
	RT-CP-140a.3	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Number	Pages: 14
Waste Management	RT-CP-150a.1	Amount of hazardous waste generated, percentage recycled	Metric tons (t), Percentage (%)	Pages: 22
Product Safety	RT-CP-250a.1	Number of recalls issued, total units recalled	Number	Recalls are not materially relevant to the Company.
	RT-CP-250a.1	Discussion of process to identify and manage emerging materials and chemicals of concern	Number	

Topic	Code	Metric	Unit of Measure	Response
Product Lifecycle Management	RT-CP-410a.1	Percentage of raw materials from: (1) recycled content, (2) renewable resources, and (3) renewable and recycled content	Percentage (%) by weight	Pages: 3, 4, 18, 19, 22
	RT-CP-410a.2	Revenue from products that are reusable, recyclable, and/or compostable	Reporting currency	Not disclosed. As a publicly traded company, CCL Industries is unable to disclose metrics related to sales outside of those included in our financial reporting.
	RT-CP-410a.3	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	N/A (Discussion)	Pages: 6, 13, 14, 15, 18, 19, 20, 21
Supply Chain Management	RT-CP-430a.1	Total wood fiber procured, percentage from certified sources	Metric tons (t), Percentage (%)	Pages: 3, 4, 18, 19, 22
	RT-CP-430a.2	Total aluminum purchased, percentage from certified sources	Metric tons (t), Percentage (%)	Pages: 3, 4, 18, 19, 22
Activity Metrics	RT-CP-000.A	Amount of production, by substrate	Metric tons (t)	Pages: 3, 4
	RT-CP-000.B	Percentage of production as: (1) paper/wood, (2) glass, (3) metal, and (4) plastic	Percentage (%) by revenue	Pages: 3, 4
	RT-CP-000.C	Number of employees	Number	Pages: 3

Appendix 3: Verification Statements



VERIFICATION OPINION DECLARATION GREENHOUSE GAS EMISSIONS

To: The Stakeholders of CCL Industries Inc.

Apex Companies, LLC (Apex) was engaged to conduct an independent verification of the greenhouse gas (GHG) emissions reported by CCL Industries Inc. (CCL) for the period stated below. This verification opinion declaration applies to the related information included within the scope of work described below.

The determination of the GHG emissions is the sole responsibility of CCL. CCL is responsible for the preparation and fair presentation of the GHG statement in accordance with the criteria. Apex's sole responsibility was to provide independent verification on the accuracy of the GHG emissions reported, and on the underlying systems and processes used to collect, analyze and review the information. Apex is responsible for expressing an opinion on the GHG statement based on the verification. Verification activities applied in a limited level of assurance verification are less extensive in nature, timing and extent than in a reasonable level of assurance verification.

Boundaries of the reporting company GHG emissions covered by the verification:

- Financial Control
- Worldwide

Types of GHGs: CO₂, N₂O, CH₄, HFCs

GHG Emissions Statement:

- **Scope 1:** 150,814 metric tons of CO₂ equivalent
- **Scope 2 (Location-Based):** 244,287 metric tons of CO₂ equivalent
- **Scope 2 (Market-Based):** 251,838 metric tons of CO₂ equivalent
- **Scope 3**
 - Category 3 – Fuel and Energy Related Activities: 108,831 metric tons of CO₂ equivalent

Data and information supporting the Scope 1, Scope 2 and Scope 3 GHG emissions statement were generally historical in nature, and in some cases estimated.

Period covered by GHG emissions verification:

- January 1, 2022 to December 31, 2022

Criteria against which verification conducted:

- World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2)
- WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (Scope 3)

Reference Standard:

- ISO 14064-3 Second Edition 2019-04: Greenhouse gases -- Part 3: Specification with guidance for the validation and verification of greenhouse gas statements

Level of Assurance and Qualifications:

- Limited
- This verification used a materiality threshold of $\pm 5\%$ for aggregate errors in sampled data for each of the above indicators

GHG Verification Methodology:

Evidence-gathering procedures included but were not limited to:

- Interviews with relevant personnel of CCL;
- Review of documentary evidence produced by CCL;
- Review of CCL data and information systems and methodology for collection, aggregation, analysis, and review of information used to determine GHG emissions;
- Site visits to CCL manufacturing facilities in Clinton, SC; Charlotte, NC and Greensboro, NC; and
- Audit of sample of data used by CCL to determine GHG emissions.

Verification Opinion:

Based on the process and procedures conducted, there is no evidence that the GHG emissions opinion declaration shown above:

- is not materially correct and is not a fair representation of the GHG emissions data and information; and
- has not been prepared in accordance with the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2) and WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3).

It is our opinion that CCL has established appropriate systems for the collection, aggregation, and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries.

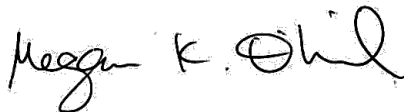
Statement of independence, impartiality, and competence

Apex is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 30 years history in providing these services.

No member of the verification team has a business relationship with CCL, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Apex's standard methodology for the verification of greenhouse gas emissions data.

Attestation:A handwritten signature in blue ink that reads 'Megan K. O'Neil'.

Megan O'Neil, Lead Verifier
ESG Program Manager
Apex Companies, LLC
Atlanta, Georgia

A handwritten signature in blue ink that reads 'Trevor Donaghu'.

Trevor Donaghu, Technical Reviewer
ESG Director
Apex Companies, LLC
Pleasant Hill, California

June 12, 2023

This verification opinion declaration including the opinion expressed herein, is provided to CCL and is solely for the benefit of CCL in accordance with the terms of our agreement. We consent to the release of this declaration by you to the public or other organizations but without accepting or assuming any responsibility or liability on our part to any other party who may have access to this declaration.



INDEPENDENT LIMITED ASSURANCE STATEMENT

To: The Stakeholders of CCL Industries Inc.

Introduction and objectives of work

Apex Companies LLC (Apex) has been engaged by CCL Industries Inc. (CCL) to provide limited assurance of its global water consumption. This assurance statement applies to the Subject Matter included within the scope of work described below.

This information and its presentation are the sole responsibility of the management of CCL. Our sole responsibility was to provide independent assurance on the accuracy of the Subject Matter.

Scope of work

The scope of our work was limited to assurance over water consumption data for the period January 1, 2022 to December 31, 2022 (the 'Subject Matter'). Our assurance does not extend to any other information reported by CCL.

Reporting Boundaries

The following are the boundaries used by CCL for reporting sustainability data:

- Financial Control
- Worldwide Operations

Limitations and Exclusions

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined assurance period;

This limited assurance engagement relies on a risk based selected sample of sustainability data and the associated limitations that this entails. The reliability of the reported data is dependent on the accuracy of metering and other production measurement arrangements employed at site level, not addressed as part of this assurance. This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

Responsibilities

This preparation and presentation of the water consumption data are the sole responsibility of the management of CCL.

Apex was not involved in the development, tracking, or reporting of the water consumption data. Our responsibilities were to:

- obtain limited assurance about whether the Subject Matter has been prepared in accordance with the Reporting Criteria;
- form an independent conclusion based on the assurance procedures performed and evidence obtained; and
- report our conclusions to the Stakeholders of CCL.

Assurance Standards

- We performed our work in accordance with Apex's standard procedures and guidelines for external Assurance of Sustainability Reports and International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after Dec. 15, 2015), issued by the International Auditing and Assurance Standards Board. A materiality threshold of ± 5 -percent was set for the assurance process.

Summary of Work Performed

As part of our independent verification, our work included:

1. Assessing the appropriateness of the Reporting Criteria for the Subject Matter;
2. Conducting interviews with relevant personnel of CCL;
3. Site visits to CCL manufacturing facilities in Clinton, SC; Charlotte, NC and Greensboro, NC;
4. Reviewing the data collection and consolidation processes used to compile Subject Matter, including assessing assumptions made, and the data scope and reporting boundaries;
5. Reviewing documentary evidence provided by CCL;
6. Agreeing a selection of the Subject Matter to the corresponding source documentation;
7. Reviewing CCL systems for quantitative data aggregation and analysis; and
8. Assessing the disclosure and presentation of the Subject Matter to ensure consistency with assured information.

Reported Data

The global water consumption within the defined boundary was 1,605,179 cubic meters.

Conclusion

On the basis of our methodology and the activities described above:

- Nothing has come to our attention to indicate that the Subject Matter is not fairly stated in all material respects; and
- It is our opinion that CCL has established appropriate systems for the collection, aggregation and analysis of quantitative data.



Statement of Independence, Integrity and Competence

Apex is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 30 years history in providing these services.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

No member of the assurance team has a business relationship with CCL, its Directors or Managers beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest.

The assurance team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Apex's standard methodology for the assurance of sustainability data.

Attestation:

A handwritten signature in black ink that reads 'Megan K. O'Neil'.

Megan O'Neil, Lead Assuror
Program Manager
Apex Companies, LLC
Atlanta, Georgia

June 29, 2023

A handwritten signature in blue ink that reads 'Trevor Donaghue'.

Trevor Donaghue, Technical Reviewer
ESG Director
Apex Companies, LLC
Pleasant Hill, California



CCL Industries Inc.

111 Gordon Baker Road, Suite 801
Toronto, ON M2H 3R1, Canada
Tel +1 (416) 756 8500

161 Worcester Road, Suite 403
Framingham, MA 01701, U.S.A.
Tel +1 (508) 872 4511

www.cclind.com

