



ENVIRONMENTAL POLICY

Publication date: 09/12/2024

Version No. 5

Contents

- 1. INTRODUCTION..... 3
- 2. SCOPE OF APPLICATION AND RECIPIENTS..... 3
- 3. THE METLAC GROUP’S ENVIRONMENTAL OBJECTIVES AND COMMITMENTS..... 3
- 4. MANAGEMENT METHODS 5
- 5. IMPLEMENTATION, CONTROL AND MONITORING 6
- 5.1 APPROVAL AND REVIEW 6
- 5.2 DISSEMINATION 6
- 6. GLOSSARY 7



1. INTRODUCTION

The METLAC Group produces paints and inks for the metal packaging market, in particular for the food and beverage industry. It is aware of the potential and actual impacts that its operations can have on the environment, as well as the need to manage and reduce these impacts where possible. As a result, it undertakes to pursue high levels of environmental performance and it recognises its responsibilities in this regard. With reference to the environment and safeguarding it, the METLAC Group, being aware of its responsibility towards future generations, undertakes to use natural resources responsibly and to contribute to the fight against climate change.

2. SCOPE OF APPLICATION AND RECIPIENTS

This Environmental Policy applies to all processes, activities and operations carried out by the METLAC Group. It extends to every business area, from production and logistics processes to administrative and commercial activities, ensuring a systematic, integrated approach to environmental management.

Specifically, the Policy covers:

- **The production activities:** to minimise the company's environmental impact through the continuous improvement of processes, the adoption of sustainable technologies and the monitoring of emissions, energy consumption and waste.
- **The supply chain:** to ensure that suppliers, partners and contractors meet equivalent environmental standards, promoting responsible practices.
- **The products and services:** to design and offer solutions that comply with the principles of sustainability, from eco-compatible design to recycling and to managing products at the end of their life.
- **The community and surrounding areas:** to minimise the impact of the company's operations on local communities through the continuous monitoring of environmental effects and the implementation of mitigation measures.
- **The employees and collaborators:** to ensure that all METLAC Group staff are sensitised and trained on the issues of environmental sustainability, promoting responsible behaviour in the workplace and at a personal level.

This Policy is binding for every individual working on behalf of the METLAC Group or who has any relationship with it and it represents a commitment to comply with applicable environmental regulations, to pursue strict sustainability goals and to safeguard the planet for future generations.

3. THE METLAC GROUP'S ENVIRONMENTAL OBJECTIVES AND COMMITMENTS



The METLAC Group has identified the principles with which it intends to comply on the basis of its operational activities and which encompass the entire product life cycle (*Life Cycle Assessment-LCA* perspective), involving suppliers and customers, i.e. the entire value chain, both upstream and downstream.

The METLAC Group, in line with its Sustainability Policy, with the SDGs (the UN's Sustainable Development Goals) and with its Business Model, undertakes to:

- Maintain **compliance** and constantly assess regulations, in environmental matters, regarding substances subject to studies or verifications and considered potentially dangerous in terms of health, safety or the environment.
- Encourage opportunities to be identified to improve the Group's environmental impact and their consequent implementation, promoting, for example, practices aimed at **reducing the consumption of natural resources**.
- Innovate and design technologies and processes with a particular focus on reducing the risk of pollution, pursuing **continuous improvement** aimed at reducing environmental impacts to a level "corresponding to the economically viable application of the best available technology".
- **Reduce the use of hazardous chemicals** and their quantities, including by developing careful management of their storage and packaging.
- Prevent and mitigate the impacts of its activities on **soil and groundwater** (in particular the discharge of wastewater into sewers), through the constant monitoring and adoption of all prevention systems.
- Mitigate the effect of climate change by reducing **greenhouse gas** (GHG) emissions. In line with SDG 7.2, the METLAC Group undertakes to reduce its *Scope 2 GHG* emissions by 50% by 2025 (2020 baseline). By 2030, the METLAC Group undertakes to establish *SBTs (Science Based Targets)* on reducing its *carbon footprint*.
- Prevent and **reduce air pollution** in terms of CO₂ emissions by promoting the use of renewable energy sources and reducing direct and indirect emissions through the application of life cycle logics.
- Reduce the amount of **waste** generated from production operations and progressively eliminate the disposal of waste in landfills; reduce the waste sent to waste-to-energy facilities through the development of targeted projects in collaboration with service providers, aimed at increasing the percentage of waste sent for recovery. In line with SDG 12.5, the METLAC Group undertakes to reduce the amount of waste generated per tonne of products produced by 15% by 2025 (2015 baseline).
- In line with the European *Green Deal* policy, the METLAC Group is committed to promoting and applying **circular economy practices**, for example, by encouraging the use of recyclable packaging that can be reused directly on-site in production processes. It also undertakes to extend, by 2025, research and development concepts to the concept of *packaging* and the *supply chain* with the involvement of manufacturers, and to review the impacts of *packaging* on the upstream and downstream supply chain in order to reduce the amount of waste generated and increase the quantity of materials recycled.
- Expand and extend the **environmental assessment criteria for suppliers**.
- Promote **the energy efficiency** of buildings.
- Eliminate *PFASs* from extinguishing agents

- Promote and disseminate an **environmental culture and sensitivity** among employees, customers and suppliers through information, training and the dissemination of good practices.

Regarding the consumption of resources, the METLAC Group has identified some areas in which it generates a significant impact:

- The consumption of electricity by its facilities and production process. The METLAC Group plans to reduce its dependence on the national electricity grid by installing a photovoltaic system that will work in synergy with a multi-purpose system used for space heating and cooling. The goal is to reduce the supply of electricity from non-renewable sources by 10% by 2025 compared to 2020.
- The consumption of water in its production cycle and its administrative structures. By 2030, the METLAC Group plans to reduce the use of drinking water by using rainwater for services not related to human consumption, such as watering green spaces, a fire reserve, technological services, toilets.

From an innovation perspective, the METLAC Group is working to:

- Reduce VOC emissions by 47% by 2025, (base period 2015-2021), through the evolution of high solid content and water-based products.
- Develop “*free by design*” products, i.e. innovative products which are free of components dangerous to human health and safety as well as the environment. For example, the METLAC Group plans to have 100% *PFAS free* and *BPANI* products in its portfolio by 2026.
- Formulate products that use increasingly smaller quantities of raw materials obtained from fossil sources, achieving a reduction in impacts on the environment and on the health and safety of operators and consumers. The target is to formulate 10% of products containing at least 20% of raw materials from *renewable* sources, i.e. derived from recycling or obtained using energy from renewable sources, by 2030.
- Provide a significant contribution to the circular economy with the products and packaging used and exercise constant control and monitoring across all its activities, the impacts and effects that might derive from them on the environment, energy consumption, waste production and water use. For this reason, the METLAC Group undertakes to extend *LCA* studies to all marketed product families by 2030.

4. MANAGEMENT METHODS

With the intention of fulfilling these commitments, the METLAC Group plans to:

- Implement, set up, maintain and improve its Environmental Management System (EMS) over time with reference to ISO 14001 for which it is certified.
- Constantly monitor the degree of compliance of the EMS through internal and external audits and the correction of non-conformities.
- Determine its compliance obligations and ensure that they are met in the application of all business processes.
- Provide the necessary resources for the Environmental Management System to be implemented and maintained.

- Identify and assign the roles, responsibilities and authorities necessary for the operation of the Environmental Management System (the Manager of the Management System, SQHSE team and supervisors).
- Promote the growth process and the active involvement of all employees in promoting good environmental practices, implementing specific training programmes.
- Disseminate and inform parties, within the company and externally, of the Environmental Policy, the results achieved and the improvement plans.
- Measure and monitor its environmental performance through a system of indicators and metrics, in line with the main non-financial reporting standards, and to communicate impacts.

5. IMPLEMENTATION, CONTROL AND MONITORING

5.1 APPROVAL AND REVIEW

This Policy document has been prepared by *SQHSE* in collaboration with the main corporate functions of the METLAC Group forming part of the Operations Committee. This version has been approved by the METLAC Group's Board of Directors.

This document may be revised or amended in the event of a change or update to the Strategic Plans, as a result of mandatory regulatory aspects or organisational needs. The METLAC Group, therefore, undertakes to monitor any development, both internal and external, in every country in which it operates, which might affect the Policy, constantly evaluating its performance and implementing the necessary actions with a view to continuous improvement.

5.2 DISSEMINATION

This Policy is made available to all Stakeholders and can be accessed via the company's website at: <https://www.metlac.com/sostenibilita/>. The commitments and principles listed above are communicated to staff, suppliers and customers and are made available to all Stakeholders through the appropriate channels. The heads of corporate functions are responsible for incorporating the environmental commitments laid out in this Policy into strategic and operational decisions, promoting the continuous improvement of environmental performance within their respective areas of responsibility.

In addition, the METLAC Group undertakes to report its environmental performance in its Sustainability Report, following the main international and European reference standards.

CEO
Pier Ugo Bocchio



General Manager Italy
Enrico Buriani



CRO
Guido Chiogna



6. GLOSSARY

Internal and external audits. Independent assessment aimed at obtaining evidence relating to a given object and assessing it objectively, in order to establish to what extent the pre-established criteria have been met. In the case of this Policy, it refers to internal or external checks carried out in order to validate compliance with the Management System according to ISO 14001 (the technical standard of the International Organization for Standardization (ISO) on environmental management systems, EMS) (page 6).

BPANI. “BPA” means Bisphenol A, a chemical used mainly in combination with other substances to produce materials, including resins used in the formulation of paint products. BPA is considered an endocrine disruptor, that is, a substance capable of damaging an individual’s health by altering their endocrine balance. “NI” indicates *non-intent*, that is, not intentionally added (page 5).

Carbon Footprint. This is a measure that expresses the total greenhouse gas emissions, generally expressed in tonnes of CO2 equivalent, directly or indirectly associated with a product, service or organisation (page 4).

Regulatory aspects. These are aspects which are mandatory for the organisation (page 6).

Operations Committee. This is the organisation’s internal body which is composed of representatives from the top management team who periodically (on a monthly basis) meet to discuss the general performance of the company’s operations and specific aspects in the ESG field (page 6).

Eco-compatible design. This refers to the type of eco-compatible design that involves the integration of environmental assessments into the product development process, with the aim of creating products with the minimum environmental impact throughout their entire life cycle (page 3).

Free by Design. The company slogan that indicates how the design and development of products are free of substances of concern to human health (page 5).

GHG. Green House Gas(es) (page 4).

Scope 2 GHG. This refers to indirect emissions (Scope 2) of greenhouse gases resulting from the energy purchased or acquired, such as electricity, steam, heat or cooling, generated off-site and consumed by the company (page 4).

Green Deal. The European *Green Deal* is a set of policy initiatives proposed by the European Commission that have the overall goal of achieving climate neutrality in Europe by 2050 (page 4).

Life Cycle Assessment (LCA). The “Life Cycle Assessment (LCA)” is a methodology that evaluates the environmental footprint of a product/service throughout its entire life cycle (pages 4-5).

Packaging. This identifies the packaging; the METLAC Group mainly operates in the *Metal Packaging* sector, i.e. metal packaging for food and beverages (pages 4-5).

Partners. The parties who work together with each other in activities that require the participation of them both in order to achieve a desired result. In this specific case, it refers to consultants or collaborators outside the company (page 3).

Performance. This refers to the result obtained by a party, who is an individual or a team, in the execution of a certain task (page 6).

PFAS. Meaning perfluoroalkyl and polyfluoroalkyl substances, including PTFE (polytetrafluoroethylene). These are substances that are persistent and of suspected toxicity. PFAS-free refers to paint products which are free of (do not contain) these substances (page 5).

Strategic Plans. Refers to the Strategy and Action Plan for Sustainable Development from an ESG perspective (Environmental, Social, Governance) carried out on an annual basis and adopted by the METLAC Group and its subsidiaries (page 6).

Supervisors. In this specific case, reference is made to the Safety Officers, that is, to the people who supervise the work activities done by workers, ensuring the directives received from the employer are implemented, checking that the directives are executed properly by the workers (page 6).

Renewable. Sources that can be renewed (e.g. sources with which to generate electricity or heat, materials) (page 5).

SBT. Meaning “Science Based Target” or an approach used to define emission reduction targets for companies (page 4).

SDG 7.2. Sustainable Development Goal 7.2 of the UN’s 2030 Agenda states: Significantly increase the share of renewables in total energy consumption by 2030 (page 4).

SDG 12.5. Sustainable Development Goal 12.5 of the UN’s 2030 Agenda states: reduce the production of waste generated by the organisation’s activities through prevention, recycling and reuse (page 4).

SQHSE. The corporate *Sustainability, Quality, Health, Safety, the Environment* function (page 6).

Stakeholder. Any individual, group or organisation which has an interest or is affected, directly or indirectly, by a company’s activities or decisions (page 6).

Non-financial reporting standards and international and European reference standards. Non-financial reporting is a report containing qualitative data of the business with respect to the environmental, social and governance aspects. Specific standards recognised at the domestic, EU and international levels are used to draft it, such as, for example, the GRIs and the ESRS, which allow an organisation to provide a complete picture of its most significant impacts on the economy, the environment and people, including those on human rights and how it manages these impacts (pages 6-7).

Supply Chain. This refers to the category of supplies of goods and services that the organisation needs in order to carry out its activities (page 4).

Target. Intended as an objective which is specific, measurable, achievable, realistic and time-bound and set by the organisation (page 5).

VOCs. This are Volatile Organic Compounds which are a large, heterogeneous class of chemical compounds that have the characteristic of evaporating easily, even at room temperature, transforming into gas of vapour (page 5).