



DCM<sup>TM</sup> | ESG

2023 Report



From the  
**Ground Up**



Following wide-ranging internal consultations, extensive peer research involving a range of ESG topics and detailed discussions with third-party experts, we have established the topics presented in the following pages as initial focus points for our very first Environmental, Social and Governance (ESG) report and related data sharing. GRI (Global Reporting Initiative) is an international not-for-profit organization which provides a global framework for sustainability reporting. DCM has aligned its disclosures in this report with many GRI guidelines.

Data from Moore Canada Corporation, which was purchased by DCM in April 2023, is incorporated into certain statistics highlighted in this report. Please refer to the related notes for further information.

We anticipate including additional data in subsequent reports, as our approach to this annual document broadens and matures.



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FROM THE DESK OF  
**RICHARD KELLAM**

# ESG's Role in DCM's Ongoing Transformation

## September 2024

With some 60-plus years of continuous operation, DCM's roots in the printing services sector run deep. To say that the last 10 years have brought great change to this space is an understatement. The days when our business consisted mainly of presses steadily applying various colours of ink to paper are long gone.

In DCM's case, we now think of ourselves as a "digital-first" printing services company. We are as fluent in traditional print colour management systems as we are in the latest marketing technology solutions. Every day, we are helping clients solve complex problems by putting our proprietary digital tools to work. Yes, we still run those large presses, but that is not all.

Similarly, attitudes towards ESG matters as they relate to the print services sector have also shifted.

Clients, understandably, want to know that the raw materials we use are responsibly sourced, environmentally friendly, and contributing to a sustainable environment.

Employees and leaders at all levels want to know their employer is consciously trying to make the internal corporate environment as welcoming as possible for today's diverse workforce.

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Employees and leaders at all levels want to know their employer is consciously trying to make the internal work environment as welcoming as possible.

And investors? They know that companies with detailed internal policies, procedures and charters have created clear accountabilities for their staff, managers and board members, and understand how these internal supports can contribute to enterprise success. This means increasing interest in our governance practices and demands for policy transparency.



My next statement may sound intentionally provocative, but I truly believe it: management teams that feel that they can ignore the reputational and economic risks of not having a strong ESG framework in place are gambling with their future. Stakeholders are much more comfortable going public with ESG-based concerns, and businesses must be equally comfortable publicly highlighting their ESG-related actions.

While DCM has long had a strong tradition of what we once called “corporate social responsibility,” our self-initiated ESG journey started in earnest in 2021. This journey has touched virtually every aspect of DCM’s activities. Reflecting the theme of this inaugural ESG report, our work began “from the ground up.” That is, we first had to lay down a strong, durable foundation for further environmental, social and governance-linked initiatives. That foundation has encouraged us to think long-term about our ESG plans and goals.

The integration of ESG across DCM that has followed involves everything from devising new ways to track, analyze and report on data derived from our internal operations, to changing how we structure our relationships with our suppliers — to formally recognizing and incorporating new celebrations in our annual team calendar.

We have carried all this forward through our integration of Moore Canada, a transformative acquisition that we completed in April 2023. This single transaction almost doubled DCM in size as a result.

As part of our post-acquisition integration activities, we have not only focused on identifying operational efficiencies and aligning our selling efforts. We are also harmonizing our company-wide ESG approach and using it to strengthen and energize our newly-enlarged team’s sense of overall purpose.

This report will familiarize you with specific steps we’ve taken on ESG in 2023 — including publicly committing ourselves to internationally-recognized standards and guidelines as part of setting formal greenhouse gas (GHG) emissions reduction targets. We are also starting to map out the emissions generated by our supply chain.

As of the release of this ESG report (September 2024), we have also just marked the planting of two million trees on behalf of our clients, in locations around the world. This is through an innovative partnership dating back to 2021 to offset paper consumption with our valued partners at PrintReleaf.

This report also details the programs that we have initiated to advance DCM’s view of social responsibility and diversity. Our goal is to foster a truly welcoming and supportive culture inside the company — just as we are also working with various partners to advance social good in the communities where we live and do business.

As with any goal, organizations need transparent guideposts, policies and other official statements of principles and objectives to ensure unity of effort. This is especially true at DCM, with a workforce dispersed among 19 separate facilities. This report therefore also explores what we have accomplished from a governance point of view to keep us focused, and accountable for, our broad ESG goals.

While we are proud of the steps we have taken on ESG to date, we know there are many more milestones ahead of us. In all our ESG activities, we want to be disciplined and strategic. Being accountable through this document is one way to keep us focused on the right things.

With warm thanks for your continuing interest in DCM and our ESG efforts,

**Richard Kellam**

President and CEO, DATA Communications Management Corp., and Chair of DCM’s ESG Committee

**PS** – We welcome your feedback on this first ESG report. Please address your comments and questions to [esg@datacm.com](mailto:esg@datacm.com)



# About DCM's Business Strategy + Operational Performance

DCM is a marketing and business communications partner that helps companies simplify the complex ways they communicate and operate, so they can accomplish more with fewer steps and less effort. DCM serves major brands in key vertical markets, including financial services, retail, healthcare, energy, other regulated industries and the public sector. We integrate seamlessly into our clients' businesses thanks to our deep understanding of their needs, our use of technology-enabled solutions, and our end-to-end service offering.

Our ESG policy is available at [www.datacm.com](http://www.datacm.com).

Whether we are running technology platforms, sending marketing messages, or managing print pieces, our goal is to make every interaction with us simple. We serve our clients through the following primary solutions:

- Print and communications products and services, and related offerings
- Technology-enabled subscription services and fees
- Technology-enabled hardware solutions
- Marketing and other services

We operate 19 facilities across Canada and in the State of Illinois in the United States. Historically, we have derived most of our revenues from sales to clients in Canada.

Our customers are comprised of:

- FP500 companies
- Mid- to large-sized businesses

As of December 31, 2023, we had a total of approximately 1,800 employees (including a substantial proportion represented by labour unions) in various positions, including production, warehousing, sales, marketing, client service, senior leadership and general and administrative support functions.

## Fiscal 2023 Financial Highlights



**\$447.7M**  
Revenue

+63.5% vs. 2022



**\$118.9M**  
Gross Profit

+41.2% vs. 2022



**19.5%**  
SG&A as %  
of Revenues

vs. 19.9% in 2022



**\$53.4M**  
Adjusted  
EBITDA\*

+30.3% vs. 2022



**26.6%**  
Gross Margin

vs. 30.8% last year

(reflects lower Moore Canada gross margin contributions)



**-39%**  
Net Debt  
Reduction  
to \$85.8M since  
acquisition of  
Moore Canada

\*Adjusted EBITDA is a non-GAAP measure. For a reconciliation of Adjusted EBITDA to Net Income, see DCM's most recent MD&A filed on [www.sedarplus.ca](http://www.sedarplus.ca).



# Why Has DCM Embraced ESG?

“DCM strives to be an industry leader in sustainable practices that soften our footprint. It makes good business sense, and it’s good for the communities in which we live and work. We’re grateful to be in a position to give back and make a real difference to causes that are important to all of us.”

– Richard Kellam  
DCM President & CEO



# Pillars of DCM's ESG Approach and Our 4 Commitments



## Environment

Reducing the environmental impact and increasing the sustainability of our facilities by setting science-based targets to reduce our carbon emissions.



## Social

Improving the quality of life of our people by being socially responsible and ensuring a welcoming, diverse work environment.



## Governance

Holding ourselves to rigorous and transparent standards through strong corporate governance.

## Our Commitments

### Lowering Our GHG Emissions

We have received validation by the Science-Based Targets initiative (SBTi) of our near-term target to reduce our scope 1 and scope 2 GHG emissions 44% by 2030 (compared to 2020). (Note: GHG emissions were calculated using the GHG Protocol Corporate Accounting and Reporting Standard. Please see additional disclosure on page 14.)

### Helping to Create a Greener Planet

We will continue to make reforestation a priority and expect the Moore Canada acquisition will contribute to growth in our annual reforestation efforts—we supported, through our partnership with PrintReleaf, planting 716,000 trees in 2023 alone.

### Building a More Inclusive Workplace and Supporting Communities

At DCM, we are committed to ensuring our associates feel supported, included and empowered to be their authentic selves. With support from our dedicated Diversity, Equity and Inclusion (DEI) Council and partnerships with industry-

leading DEI collaborators, including Habitat for Humanity Canada, Global Learning Inc., Pride at Work Canada, The Red Dress Ball Foundation, The Canadian Women's Foundation, The Canadian Aboriginal Minority Supplier Council, Women Business Enterprises Canada Council and Canada's 2SLGBTQI+ Chamber of Commerce, DCM ensures we remain at the forefront of building inclusive, meaningful and sustainable relationships throughout all areas of our organization.

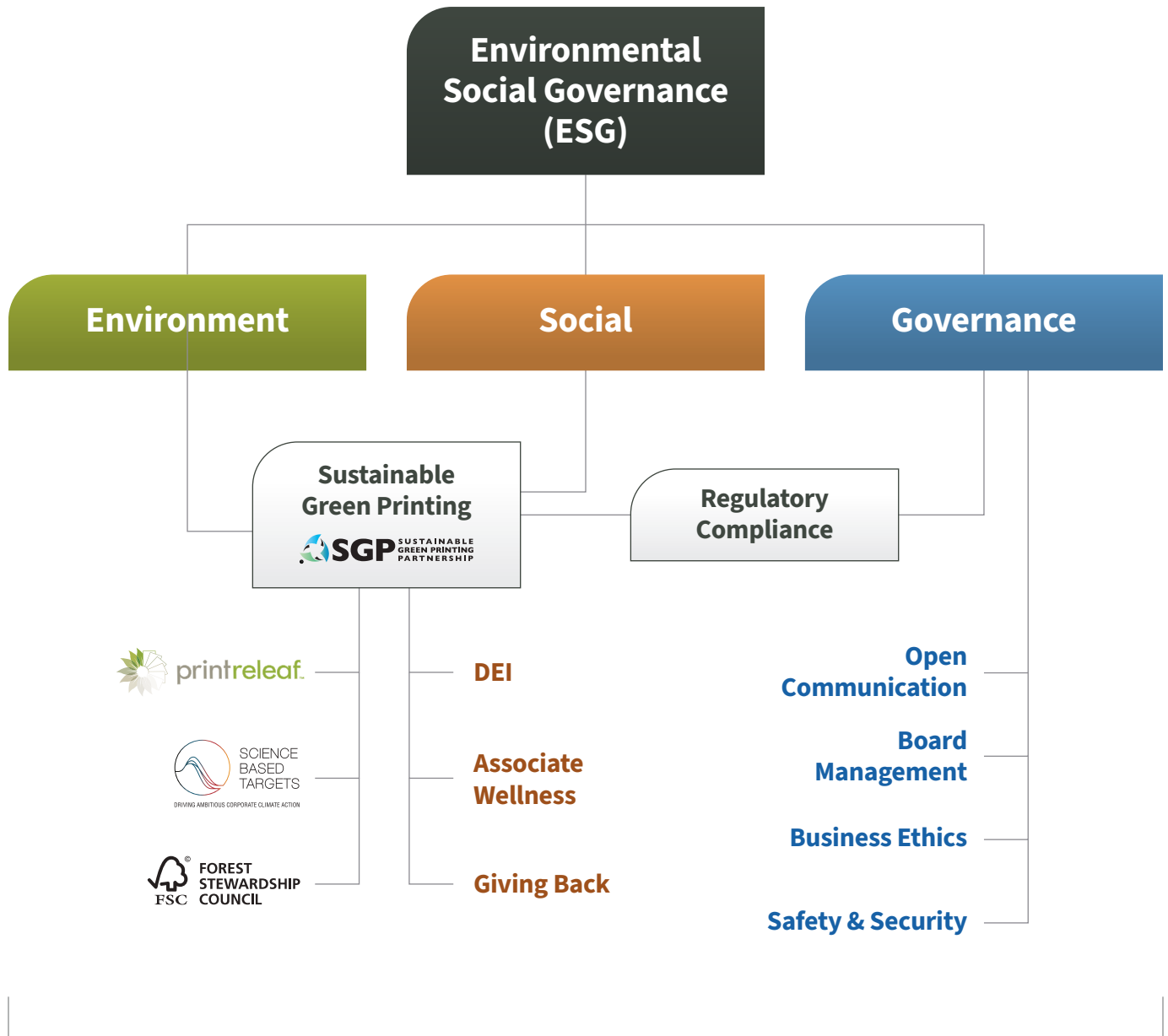
### Improving the Sustainability of Our Operations

Our target of having 75% of our suppliers by spend (covering purchased goods and services, and upstream transportation and distribution) implement science-based targets by 2026 to reduce their Scope 1 and Scope 2 GHG emissions has been validated by SBTi.

As well, we have implemented a procurement process enhancement that:

- Enables our enterprise resource planning (ERP) system to easily identify raw material SKUs, from over 9,000 paper and label materials, based on their sustainability attributes
- Has established reporting and traceability guidelines necessary for many of our ESG-related programs

# Key Accountabilities



As this chart shows, when it comes to ESG, everyone at DCM, at every level, has a role to play in advancing the company’s vision. Clarity around who is responsible for what will, we believe, contribute to our continued progress towards our goals.

# 2023 ESG Highlights at DCM

- Through **SBTi**, we have obtained validation of a carbon footprint reduction target to bring down absolute Scope 1 and 2 GHG emissions by 44% by 2030, based on 2020 data. We are also aiming for 75% of our suppliers, by spend, to have science-based targets by 2026 to reduce their Scope 1 and 2 GHG emissions.
- Celebrated in September 2023 the cumulative planting of one million trees worldwide on behalf of DCM's clients through partnership to offset paper consumption with **PrintReleaf** (from start of partnership in 2021 to 09/2023).
- Continued in-kind and charitable support for **Habitat for Humanity Canada's** efforts to help families build strength, stability, and independence through affordable homeownership. This builds on a close relationship between DCM and Habitat Canada that dates back to 2014. (Note: Habitat is also a long-standing DCM commercial customer.)
- Instituted three new company-wide policies to enhance our governance: our Anti-Bribery, Anti-Corruption and Modern Slavery policies.
- Marked 16 years of ongoing cooperation with the **Forest Stewardship Council (FSC)**. FSC's system of evaluating forests from a responsible management lens helps us to source paper in a sustainable fashion from our supply chain.
- In keeping with our efforts to diversify DCM's supply chain, we completed another year of collaboration with the **Canadian Aboriginal Minority Supplier Council, Women Business Enterprises Canada Council, and Canada's 2SLGBTQI+ Chamber of Commerce**.
- A total of seven DCM facilities obtained status under the **Sustainable Green Printing Partnership (SGP)** to reduce their Scope 1 and 2 GHG emissions. Conceived in 2007, this organization issues a sustainability certification which involves publicly available, industry-specific criteria and third-party auditors.
- **CDP gave DCM a grade of "B" in 2023**, up from "D" the previous year. Formerly known as the Carbon Disclosure Project, CDP was founded in 2000 and provides a disclosure system to help companies manage and track their environmental impact. CDP's rating system looks at 17 different aspects of company activity as it relates to climate change, including Governance, Business Strategy, Value Chain Engagement and aspects of emissions.



PrintReleaf planted **tree number 1,000,000** on behalf of DCM clients



Marked **16 years of cooperation** with Forest Stewardship Council



Through SBTi, we have set a reduction target for our carbon footprint to **reduce absolute Scope 1 and 2 GHG emissions by 44% by 2030 (based on 2020 data)**



**Seven DCM facilities obtained status** under the Sustainable Green Printing Partnership



**CDP gave DCM a grade of "B"** — up from "D" year previous.



**Continued charitable support** for Habitat for Humanity Canada






# Environment

At DCM, we believe it is possible to operate a successful company while being kinder to the planet. We're committed to seeking ways to minimize our environmental impact, including by using science-based targets to guide our GHG emissions reduction objectives in our operations. In addition, our third-party partnerships with like-minded groups located in the UK and US put us in a position to learn from leading environmental practices and leading initiatives that create real and lasting change.

This vision of combining success as a business with a sense of environmental responsibility had special internal relevance for DCM in 2023. Last year, we completed the purchase of Moore Canada; we have benefited from having a clear environmental vision to rally the entire organization around, enhancing cultural synergies as part of our integration activities.





# Climate Change

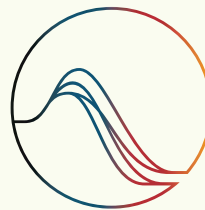
In 2023, DCM made a submission to the SBTi regarding our intent to establish near-term science-based targets to reduce GHG emissions. We subsequently received official SBTi validation of those near-term science-based targets.

The targets relate to:

- Scope 1 emissions, which are from combustion of natural gas for facility heating and hot water and fuel used in DCM-owned vehicles;
- Scope 2 emissions, which are from the generation of electricity used at DCM; and
- Scope 3 emissions, which represent contributions from many indirect emission sources; the major contributor is from the energy used to harvest, refine, manufacture and deliver raw materials such as paper to DCM. (See next section for more detail on our Scope 3 plans.)

Thus, our reduction target for our carbon footprint to reduce absolute Scope 1 and 2 GHG emissions is **44% by 2030**, based on 2020 data — to be consistent with science limiting global warming to 1.5°C. (Note: The reduction target incorporates or assumes the closure of several facilities including Ambassador (2021), DCM Edmonton (2022), MCC Edmonton (2023), Thistle (2024), Fergus (2024) and Trenton (2024).)

As part of our emissions initiative, we have implemented processes to collect monthly energy usage statistics and calculate Scope 1 and 2 GHG emissions.



SCIENCE  
BASED  
TARGETS

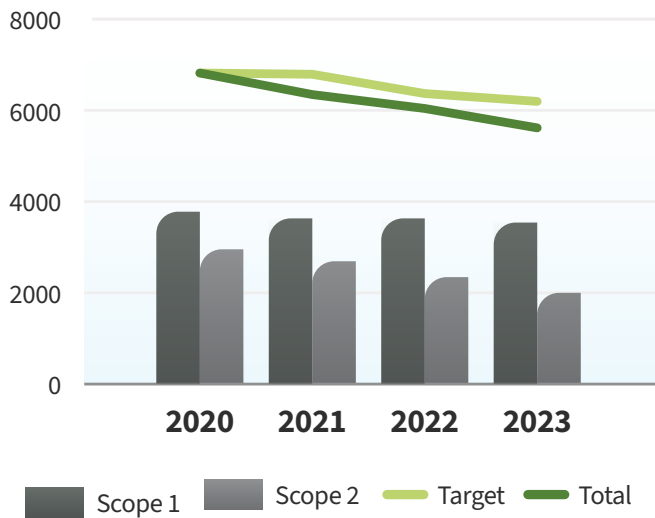
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

## What is SBTi?

Based in London, UK, SBTi was launched in 2015 to support companies in their efforts to reduce greenhouse gas emissions. SBTi represents a collaboration of CDP Global, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). Visit [www.sciencebasedtargets.org](http://www.sciencebasedtargets.org) to learn more.

## Scope 1 & 2 Emissions

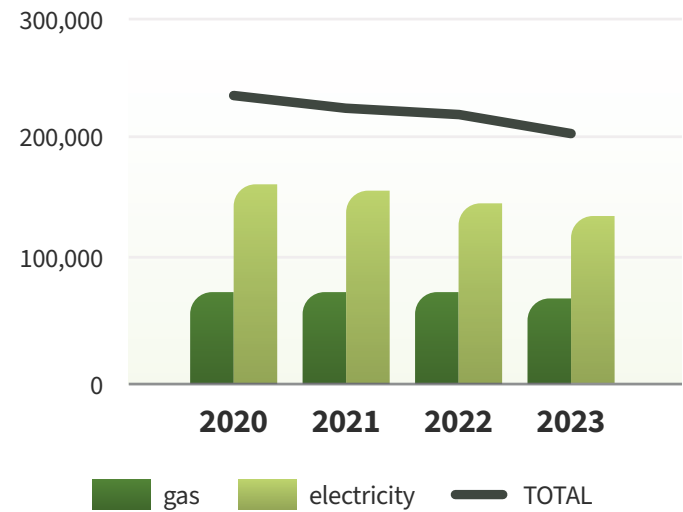
in metric tons of CO<sub>2</sub> equivalent



This chart illustrates DCM's Scope 1 and 2 emissions and shows how the company is thus far on pace to meet its 2030 SBTi target. Baseline 2020 and annual data reflected in the chart above have been proforma adjusted to incorporate the acquisition of MCC.

## Energy Use 2020–2023

in gigajoules



Baseline 2020 and annual data reflected in the chart above have been proforma adjusted to incorporate the acquisition of MCC.

## Where Do We Stand in Our Multi-Year Effort to Reduce Emissions?

We have made measurable progress towards this SBTi commitment (see accompanying chart). Much of this has been through our previously-announced plans to consolidate a portion of our physical footprint, following our successful acquisition of Moore Canada.

Our retrofit over the last two years of lighting systems across several of our facilities with LED and other energy-efficient products and technologies has contributed to our progress on this SBTi objective. This program has helped reduce our energy consumption.

DCM is also making investments in new machinery to refresh our capital goods holdings that we believe can further lower our energy use over time.

Finally, we are exploring the purchase of clean energy credits to help accelerate the progress we are making towards meeting our targets.



## Why Do We Believe Science-Based Goals Are Important?

1. These goals position us ahead of potential future emissions regulations. We are independently setting targets now, rather than waiting for government mandates, hopefully putting us ahead of any formally required emissions reduction.
2. Adopting public targets and interim goals requires us to start adapting our business now. These commitments give us a shared goal on which we can concentrate DCM's collective expertise and capacity to innovate.
3. We also believe that setting formal targets will allow us to identify ways to use less resources, or use resources more efficiently, reducing operating costs.



# Integrating Science Based Targets into DCM Supply Chain

In our ongoing commitment to sustainability and reducing our environmental footprint, DCM has taken steps to engage our suppliers in setting science-based targets.

Our SBTi Scope 3 engagement target is to ensure that by 2026, 75% of our suppliers, by spend coverage, will have committed to science-based targets to reduce greenhouse gas emissions.

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By understanding our supply base spend distribution, we can strategically focus our engagement efforts.

In early 2024, DCM launched a comprehensive supplier survey targeting our top suppliers by spend. The survey aims to assess whether our suppliers currently have sustainability programs in place and to gauge their readiness to commit to science-based targets.

We also are initiating a baseline assessment of our suppliers by spend for the year 2024. This assessment will help us prioritize suppliers based on their financial impact and their

potential contribution to our overall sustainability goals. By understanding our supply base spend distribution, we can strategically focus our engagement efforts on the suppliers who have the most significant impact.

Recognizing the importance of effective supplier engagement, we are also in the process of evaluating various tools and platforms to facilitate this engagement across our supply base.







## The Way Forward

In the next two years, we are planning to formalize the supplier engagement program to drive commitments from our supply partners in line with our Scope 3 target. (Note: DCM's Scope 3 GHG emissions target is to ensure that 75% of our suppliers by spend coverage will have committed to SBTs to reduce their GHG emissions targets by 2026. This target does not involve a commitment to reduce a specified absolute amount of GHG emissions.)

This would include:

- 1. Customized Engagement Plans:** Based on the data analysis from our supplier survey and baseline assessment, we will develop customized engagement plans tailored to different categories of suppliers. These plans will include targeted ESG assessments, engagement and action plans to support suppliers at various stages of their sustainability journey.
- 2. Collaboration and Support:** DCM will collaborate with our supply partners to guide them through their sustainability journey over the next couple of years. This collaboration will ensure that suppliers receive the necessary support to commit to and achieve their science-based targets.
- 3. Recognition Programs:** We will establish continuous monitoring and reporting of our suppliers' progress towards setting and achieving SBTs.

## Timeline – Supply Chain and SBTs Initiative



By engaging our suppliers in setting science-based targets, we are reinforcing our commitment to reducing emissions and contributing to global efforts to help mitigate climate change.



# Resource Management

Sustainable procurement is a critical component of our ESG strategy. Paper is the largest raw material input into our operations. Our commitment to sustainability is reflected in the company policies and measures in place to ensure that our paper sourcing practices are environmentally responsible and align with our overall ESG commitments.

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## DCM's Supplier Code of Conduct requires our supply partners to adhere to stringent requirements when it comes to paper sourcing practices.

DCM's Supplier Code of Conduct requires our supply partners to adhere to stringent requirements when it comes to paper sourcing practices. DCM's Sustainable Procurement Policy provides our procurement team with guidelines to incorporate sustainable sourcing practices in their day-to-day interactions with our supply partners.

We prioritize sourcing paper from suppliers who are certified by reputable organizations such as the Forest Stewardship Council (FSC), the Sustainable Forestry Initiative (SFI), and the Programme for the Endorsement of Forest Certification (PEFC). These certifications ensure that the paper we purchase is produced from responsibly managed forests that meet high environmental and social standards.



In keeping with our responsibilities under Canada's Forced and Child Labour in Supply Chains Act legislation, our Supplier Code of Conduct formally requests suppliers to confirm compliance with requirements including but not limited to the following:

- Having in place policies and due diligence processes relative to forced labour and child labour;
- Identifying areas of its business and supply chain that carry a risk of forced labour and child labour and the necessary steps it must take to assess and manage that risk;
- Measures to be taken to remediate and manage that risk;
- Awareness and training provided to employees and suppliers on forced labour and child labour; and
- Processes in place to assess the effectiveness that forced labour and child labour are not being used in its business and supply chains.

We are also FSC Chain of Custody (FSC COC) certified, ensuring our ability to maintain the integrity of that chain of custody throughout our production processes.

**Responsible Supply Chain:** We engage in frequent conversations with our supply partners, clients, and other stakeholders about our ESG commitments and the importance of responsible paper sourcing. We work with our suppliers on qualifying sustainable product alternatives and stay close throughout the process. We engage with our clients on recommendations for sustainable material alternatives that contribute to reduction of their carbon footprints.

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## Sustainable paper sourcing is a cornerstone of DCM's ESG strategy and reflects our commitment to environmental stewardship, social responsibility and economic sustainability.

Our approach to sustainable paper sourcing involves several key practices designed to minimize environmental impact while supporting a responsible supply chain:

**Recycled Fibre:** In addition to sourcing certified virgin paper, we encourage our suppliers to offer recycled content. DCM also provides recommendations to our clients on recycled content paper as an option. By incorporating recycled paper into our product offerings, we reduce the demand for virgin wood pulp, thereby decreasing the pressure on forests.

**Carbon Footprint Reduction:** To attempt to further reduce our environmental impact, we prioritize sourcing paper from mills and merchants that are located close to our operations.

We also work with suppliers who have implemented energy-efficient processes and renewable energy sources in their production facilities.

**Recycling Programs:** We have also established fibre recycling programs with suppliers and recycling partners to extend our circular economy practices.



**Reforestation Program:** We have partnered with PrintReleaf to offset our paper consumption through PrintReleaf's tree-planting initiatives located in carefully-managed areas.

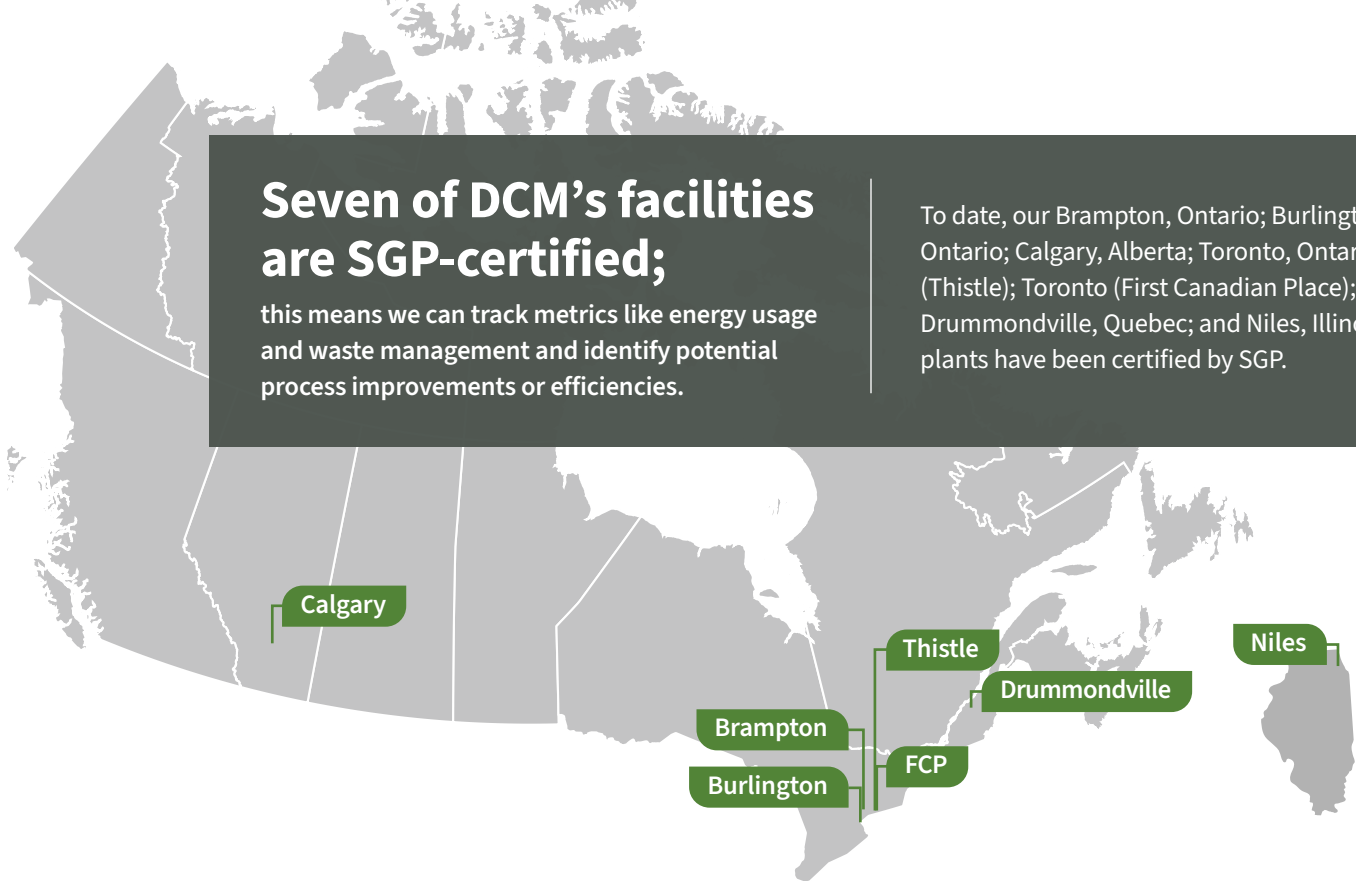
Sustainable paper sourcing is a cornerstone of DCM's ESG strategy and reflects our commitment to environmental stewardship, social responsibility and economic sustainability. Through our focus on certification, supplier engagement, carbon footprint reduction and a responsible supply chain, we are working to ensure that our paper products are sourced in a manner that aligns with our values.

As we continue to evolve our sustainable sourcing practices, we remain committed to continuous improvement in this space. We will continue to engage with our stakeholders, monitor our progress and seek out new opportunities to enhance our sustainability performance. By doing so, we aim to not only meet our ESG goals but also inspire others in the industry to adopt sustainable practices that benefit both people and the planet.

## Seven of DCM's facilities are SGP-certified;

this means we can track metrics like energy usage and waste management and identify potential process improvements or efficiencies.

To date, our Brampton, Ontario; Burlington, Ontario; Calgary, Alberta; Toronto, Ontario (Thistle); Toronto (First Canadian Place); Drummondville, Quebec; and Niles, Illinois plants have been certified by SGP.



# Sustainable Green Printing Partnership

The Sustainable Green Printing Partnership (SGP) certifies sustainability management systems in printing and packaging facilities. Certification involves publicly available, industry-specific criteria and third-party auditors.

Seven of our manufacturing facilities are SGP-certified. This means a documented sustainability management system (SMS) has been developed and implemented in each of these sites. We are continuing to work on certifying additional manufacturing sites, seeking recertification for the sites already certified and reviewing suppliers for certification.

An SMS is a set of written procedures and best practices that drive continuous improvement in energy and raw material usage, carbon emissions and chemical and waste management.

Together these procedures promote implementation of our ESG Policy. By auditing our SMS each year, we're able to measure our ESG performance. Our findings are uploaded to our SGP Impact Tracker, a web-based tool that enables us to plot our performance over time and track the trends in any of our metrics.



SGP is a non-profit organization that certifies printing and packaging facilities and their suppliers' sustainability best practices.

## Why did DCM Choose to Work with SGP?

**Reason #1** – SGP mandates a highly-rigorous criteria for participating firms; aligning aspects of DCM's operations to SGP's standards, we believe, will help the company achieve production efficiencies that save money.

**Reason #2** – SGP provides an online impact tracker to monitor progress across all facilities, giving us regular access to data that we can use to track our progress.

# PrintReleaf



For every 83 pounds of paper consumed in DCM printing facilities, we support the planting of a new tree to help sustain and grow forests in North America and throughout the world.

How is this accomplished? PrintReleaf, a DCM partner organization that measures paper consumption at DCM's manufacturing facilities, calculates how many trees were used in our printing activities for our clients, and then plants the number of standard trees that were harvested to support that consumption.

In 2023, our PrintReleaf Annual Impact Statement certifies that we have reforested 716,345 trees on behalf of our customers. Between the start of our partnership with PrintReleaf in 2021 and the publishing of this ESG report in September 2024, DCM has planted 2 million trees through projects within North America and throughout the world.

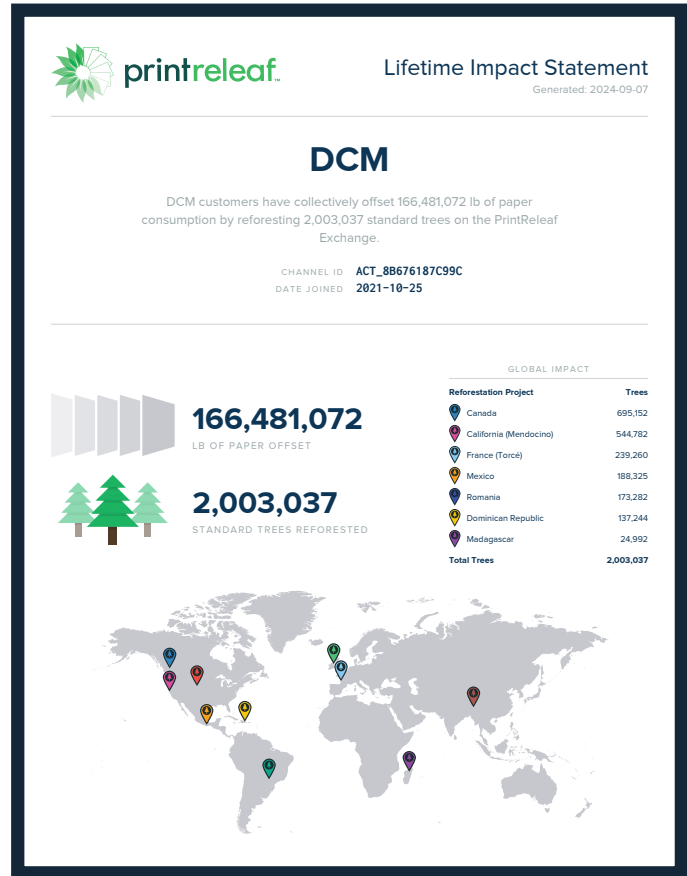
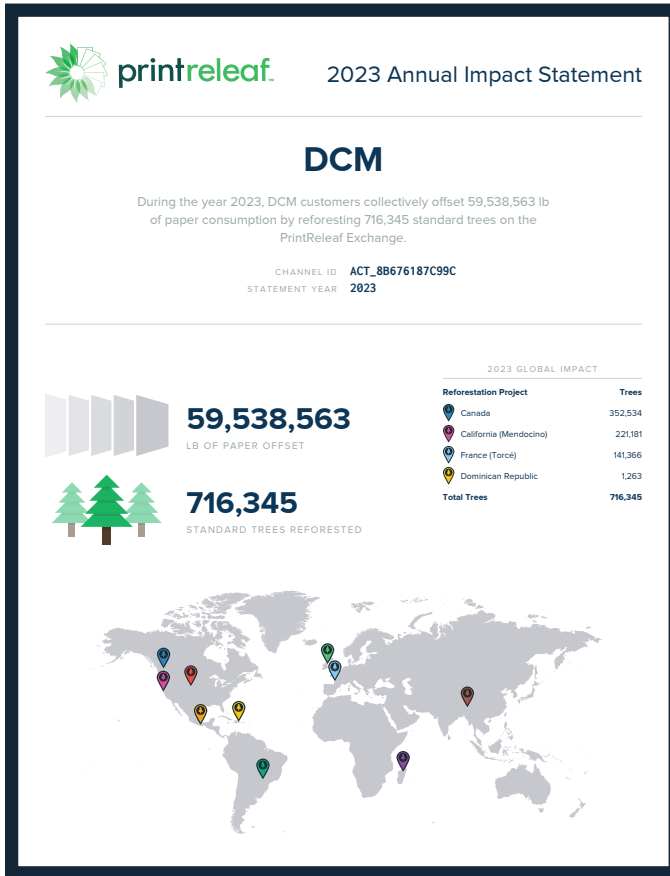
Furthermore, through access to and utilization of the PrintReleaf Technology Platform (The PrintReleaf Exchange) our clients are able to track and share their own individual reforestation efforts with their clients and stakeholders directly and through QR codes.



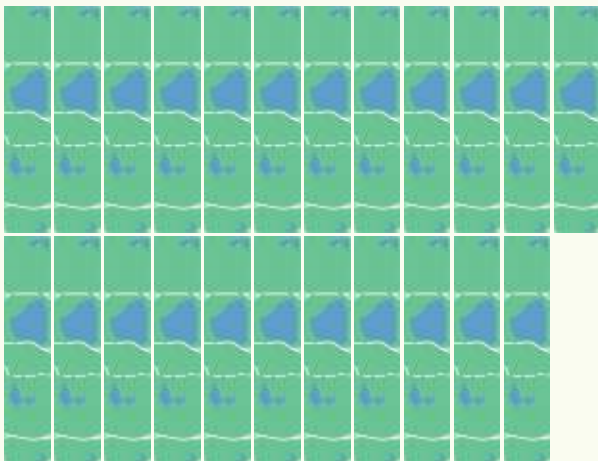
Based in Boulder, Colorado, PrintReleaf is a technology company which provides a platform to help companies meet their sustainability goals.

## Why did DCM decide to work with PrintReleaf?

Participating in PrintReleaf's reforestation solution means supporting the global push to replenish vital natural systems such as forests. Planting new trees to replace those consumed through human economic activity is one way to support those systems.



Data from the Moore Canada business purchased by DCM in 2023 began to be incorporated into PrintReleaf reporting in September 2023. All data on the number of trees planted in our reforestation program was provided by PrintReleaf and is current as of December 31, 2023. PrintReleaf calculates how much paper was used in DCM's printing facilities on behalf of clients and determines the trees required to plant and offset that paper consumption according to the PrintReleaf Standard: [www.printreleaf.com/standard](http://www.printreleaf.com/standard).



## What Does One Million Trees Look Like?

To put the number in perspective, one million trees is equal to approximately 20,000 acres of mature forest. That's roughly two times the City of Charlottetown, PEI. Or **23 Central Parks**. Or 15,000 football fields.









# Social

VOLUNTEER

When we support people, we invest in our collective well-being. At DCM, that investment involves giving back to our communities, improving quality of life for our associates, and fostering diversity, equity and inclusion across our business.

We are committed to empowering our employees, both at work and within their communities, to speak their truths and live authentically by creating a non-judgmental, inclusive environment through education, collaboration and community engagement. This aspect of our work assumed even greater importance in 2023, following the announcement of DCM's acquisition of Moore Canada. We have fully engaged in the welcoming and onboarding of hundreds of new colleagues into DCM and our broader team.

When we embrace our differences and stand as one through diversity, equity and inclusion, we can deliver thoughtful and engaging solutions to help our customers win.





# Embracing Diversity

“At DCM, we celebrate and encourage diverse perspectives—diversity, equity and inclusion are at the heart of everything we do. When we know that each one of us has something that makes us unique, we can come together and do great things.”

– Geneviève Gravel  
Vice President, People & Culture  
Chair, DEI Council

# Diversity, Equity and Inclusion

DCM is committed to meaningfully maintaining and evolving its culture of inclusion, safety and belonging by embedding our diversity, equity and inclusion (DEI) values into everything we do. Our DEI strategy is designed to guide our journey and sustain an environment where all associates, collaborators, and clients feel confident and comfortable enough to be their authentic selves. To further embed this strategy in our work, we have created a DEI Champion Structure and resources comprised of various elements, including our DEI Council, formal DEI Policies and Procedures, DEI eLearning and training and a DEI Playbook.

Additionally, DCM has adopted a Diversity Policy for our board of directors. Expanding the representation of identities within our Board and executive management team will result in a diversity of perspectives, which, in turn, can enhance DCM’s leadership, competitive edge and effectiveness. “Diversity” includes, but is not limited to, identity characteristics such as gender, sexual orientation, geographical representation, education, background, regional and industry experience, ethnicity, age and disability.

## 2023 Representation

|                           | Org Wide | Management | Board |
|---------------------------|----------|------------|-------|
| Men                       | 48.8%    | 47.9%      | 75.0% |
| Women                     | 45.5%    | 46.8%      | 25.0% |
| 2SLGBTQ+* People          | 2.9%     | 1.4%       | 0%    |
| Racialized People         | 25.6%    | 19.4%      | 0%    |
| Indigenous Peoples        | 2.0%     | 3.5%       | 0%    |
| Persons with Disabilities | 3.6%     | 2.8%       | 12.5% |

Information from Moore Canada is not included in this table. Results come from voluntary employee survey.

To extend the impact of our DEI work, DCM has also adopted a Supplier Code of Conduct and engaged in partnerships with underrepresented suppliers under the Supplier Diversity Alliance Canada (SDAC) to remain aligned with DEI best practices that are consistent with those of DCM and our clients.

In the years ahead, DCM will continue to enhance our culture of inclusion and respect through measures like additional DEI eLearning and training, representation tracking, and more, improving on the carefully built foundations we have established over the past few years to become an organization that reflects and considers the communities where we live and work.



## Pride At Work

DCM has partnered with Pride at Work Canada to help create safer, more inclusive workplaces that recognize the skills of 2SLGBTQIA+ people.



We work extensively with our external DEI advisor, Global Learning, Inc. to advance our DEI commitment — both internally and externally. This includes training, development, surveys and measurement, sponsorship and creation/updating of an internal DEI playbook.



# Indigenous Reconciliation

## Land Acknowledgement

DCM acknowledges the land where our head office is located as part of the Treaty Lands and Territory of the Mississaugas of the Credit. For thousands of years, Indigenous Peoples inhabited and cared for this land, and continue to do so today. This is the traditional territory of the Anishinabek, Huron-Wendat, Haudenosaunee and Ojibway/Chippewa peoples. We honour these Nations, and the many diverse First Nation, Inuit and Métis peoples who call this land home.

We also acknowledge the rich history of North America, where our associates live and work, known to many as Turtle Island. Turtle Island is a name that stems from a creation story common to many Indigenous Nations across North America.

## Our Commitment to Reconciliation

In 2015, the Truth and Reconciliation Commission (TRC) — set up in 2008 to document the effects of residential schools in Canada on Indigenous Peoples — defined reconciliation as the process of “establishing and maintaining mutually respectful relationships between Indigenous and non-Indigenous Peoples.”

## DCM is proud to uphold the Truth and Reconciliation Commission’s 94 Calls to Action.

DCM is proud to uphold the Truth and Reconciliation Commission’s 94 Calls to Action, including # 92, which calls upon the corporate sector in Canada to adopt the United Nations Declaration on the Right of Indigenous Peoples as a Reconciliation framework and to apply its principles, norms and standards to corporate policy and core operational activities involving Indigenous Peoples and their lands and resources.

We are committed to embarking on a continuous learning pathway towards reconciliation. This process includes acknowledging current and past injustices that have impacted and continue to impact Indigenous Peoples and communities.



## Indigenous Works

### Indigenous Works

DCM is proud to work with Indigenous Works, a national not-for-profit and Indigenous-led organization that champions the employment, inclusion and engagement of Indigenous employees.

# Employee Development and Wellbeing

In our view, the most fulfilling careers come from a balanced approach to work and life outside of work. As part of our responsibilities to all DCM associates, we consistently explore new ways to support the development of their skills, career and personal growth, and their ability to feel safe and appreciated both in and outside of the workplace.

We work diligently to create an environment that engages opportunities to work with market-leading clients and cutting-edge technology, supported by programs focused on associates' physical, mental and financial well-being. These include: a flexible hybrid working model, health/dental insurance, pension plan, employee assistance program, employee stock ownership plan and tuition reimbursement.

## In our view, the most fulfilling careers come from a balanced approach to work and life outside of work.

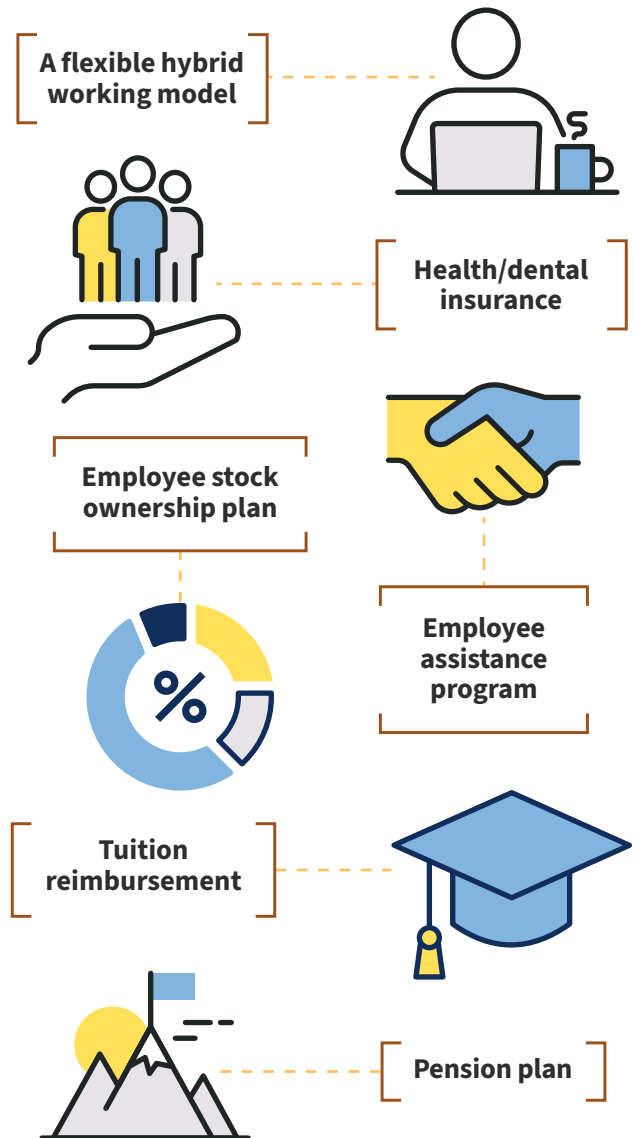
On the employee health & safety side of the equation, DCM has a written health and safety program that is based on our health and safety policy and documents safe work procedures, training requirements and accountability.

The general manager of each of DCM's manufacturing facilities develops and implements an annual plan with objectives and tasks required by the health and safety program. And each new DCM associate undergoes a thorough training program that familiarizes the individual with job hazards and the necessary procedures to protect themselves. The program identifies who needs training in which topics and how often.

A regulatory health and safety compliance audit is completed every two years at each of our manufacturing facilities. Performance is measured using KPIs related to accident rates and severity.

Each site has a Joint Health and Safety Committee comprised of both management members and hourly associates in equal ratios. Together they review the health and safety program and make recommendations to management to improve it.

Having completed our acquisition of Moore Canada in 2023, we have subsequently invested time and energy in harmonizing health and safety standards across the additional facilities that are now part of DCM.





# Community Engagement

DCM recognizes that supporting the communities around us provides us with an opportunity to see the world through other perspectives, and enables us to understand the role we can play in making it better.

We strongly believe everyone deserves access to decent, affordable housing, which is why we are such ardent advocates of Habitat for Humanity Canada.

Since 2014, we have worked with Habitat for Humanity Canada to expand the impact of its national brand and highlight the crucial role its ReStore network plays in making affordable homeownership a reality.

Through services ranging from brand strategy and retail design to email marketing and digital workflow management, DCM partners with this remarkable organization to maximize its fundraising investment and marketing efficiency. In 2022, we were proud to become the digital agency of record for Habitat for Humanity Canada.

## Additional Examples of DCM Charitable Activities

In 2023, DCM donated nearly \$77,500 to various organizations, supporting initiatives that align with our commitment to social sustainability.\*

This support (a mix of in-kind and monetary donations) included children's hospitals in Montreal and Ottawa, the Centers for Exceptional Children (a US children's charity), the United Way and the Red Dress Foundation's work on HIV/AIDS initiatives.

\*Incorporates data from the Moore Canada acquisition purchased by DCM in 2023.

# Supplier Diversity Program

As part of DCM's evolving commitment to embedding diversity, equity and inclusion in all we do, we have developed a Supplier Diversity Program. This program is designed to ensure that our procurement practices reflect the evolving state of society and its relationships while also facilitating partnerships that support the economic growth of underrepresented communities. From early engagement, to qualification, onboarding, execution and reporting, our supplier diversity program promotes fair inclusion of certified supplier diversity in procurement activities.

DCM's Supplier Diversity Policy Statement and Sustainable Procurement Policy establish corporate guidelines around the promotion and use of certified diverse suppliers in our supply chain.

We proudly support and partner with several key organizations dedicated to advancing supplier diversity in Canada:



#### **Canadian Aboriginal and Minority Supplier Council (CAMSC)**

As a corporate sponsor, we actively engage with CAMSC to identify and support Indigenous, racialized and Black-owned businesses.



#### **Canada's 2SLGBTQ+ Chamber of Commerce (CGLCC)**

Our sponsorship of CGLCC demonstrates our commitment to supporting 2SLGBTQ+ owned businesses.



#### **Women Business Enterprises Canada Council (WBE Canada)**

We sponsor WBE Canada to promote the inclusion of women-owned businesses in our supply chain.

DCM is committed to continuously expanding the reach of our Supplier Diversity Program. In the next few years, we are working to formalize a plan to increase engagement both internally and externally as part of our engagement focus. This would include:

- **Internal Collaboration:** Collaborating with internal departments to integrate supplier diversity into procurement strategies and business plans.
- **External Partnerships:** Strengthening partnerships with organizations under the SDAC (e.g., CAMSC, CGLCC, WBE Canada), extending our partnership to the Inclusive Workplace and Supply Council of Canada (IWSCC) to support businesses owned by persons with disabilities and veterans, and attending networking events.
- **Mentorship Programs:** Establish mentorship and capacity-building programs to support diverse suppliers' growth and development.
- **Team Capacity Development:** Conducting supplier diversity training for our procurement team to raise awareness and promote our supplier diversity program.
- **Monitoring, Measurement and Reporting:** Formalizing measurement, tracking and reporting of the program's progress and our spending as a result of DCM's increased focus on supplier diversity.

**“It is our policy to promote an inclusive supply chain and ensure equitable opportunities for underrepresented businesses to collaborate with DCM and participate in sourcing exercises and events. Procurement of goods and services shall be made with effort and, to the fullest extent possible, consistent with this policy and the efficient performance of our operations.”**

– Excerpt from our Supplier Diversity Policy Statement

Our Supplier Diversity Program is a key component of our broader commitment to creating inclusive and equitable environments and interactions. By supporting businesses owned by underrepresented identities, DCM has an opportunity to enhance our supply chain and underline our dedication to helping create a more inclusive and equitable business environment.





# Governance

DCM recognizes that effective governance practices are critical to our success and sustainability as an organization.

To this end, we have implemented risk management processes that emphasize transparency and accountability. We strive to continually improve our governance practices and are committed to aligning, and to reviewing and updating, our corporate governance framework in light of changing practices, expectations and legal requirements.

In 2023, following DCM's purchase of Moore Canada, we have invested resources to align corporate policies across our entire team. Given how the acquisition almost doubled DCM in size, this is a vital "behind-the-scenes" element in our effort to bring about a smooth, successful post-acquisition integration.

We firmly believe that responsible and sustainable practices are integral to achieving long-term success. By prioritizing good governance, we aim to mitigate risks and create lasting value for our shareholders, associates and the communities we serve.

As part of our commitment to effective corporate governance, all directors, officers and employees of DCM must act in accordance with our Business Conduct Guidelines.

These guidelines, which have been adopted by our Board, require every director, officer and employee of DCM to observe high standards of business and personal ethics as they carry out their duties and responsibilities. They include policies and procedures which comprise the core principles applicable to all, and address ethical conduct, conflicts of interest and compliance with applicable laws.




# Oversight

DCM's vision of good corporate governance begins with our Board of Directors. As noted in our Board Charter, "[t]he primary responsibility of the directors is to exercise their business judgment to act in a manner they reasonably believe is in the best interests of the Corporation and in a manner consistent with their fiduciary duties."

Our Board provides general oversight of our sustainability objectives and performance. Our Board will also review and report on the Corporation's ESG performance to evaluate the effectiveness of the existing policies and make recommendations if required.

Responsibility for our overall sustainability performance resides with our Environmental, Social and Governance Executive Steering Committee. Richard Kellam, our President and Chief Executive Officer, serves as committee chair; the committee includes key stakeholders from our operations, finance, sales, procurement, human resources and marketing teams.





# Practices and Policies

We recognize that one of DCM's most valuable assets is our reputation for integrity, professionalism and fairness. We have an extensive suite of policies that summarize and demonstrate the high standards and principles that must guide the actions of our employees, senior leaders and board members.

These include:

- Code of Conduct
- Business Conduct Guidelines
- Pay Equity Policy
- Health and Safety Policy
- Workplace Anti-Violence, Harassment & Sexual Harassment Policy
- Insider Trading Policy
- Non-Discrimination in the Workplace Policy
- Accommodation Policy
- Privacy Policy
- Whistleblower Policy
- Fair Employment Policy
- Anti-Corruption Policy
- Anti-Bribery Policy
- Modern Slavery Policy
- Board of Directors Charter
- Corporate Governance Guidelines
- Board Committee Charters
- Formal Board Committee Role Descriptions

In addition, all new employees receive our Employee Handbook, which sets out guidelines that promote a respectful, ethical, diverse and dynamic workplace.

We also have instituted a formal Supplier Code of Conduct that specifies the core principles and standards that we expect our suppliers to adhere to while conducting business with DCM.

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**Our reputation for integrity, professionalism and fairness is one of DCM's most valuable assets.**

This includes suppliers committing themselves to uphold the human rights of workers and to treat them with dignity and respect as understood by the international community. This also covers compliance with all the requirements outlined in Canadian legislation outlawing forced labour and child labour.

To keep our governance structure relevant, we will examine the need for additional policies and procedures that can enhance our overall approach — especially given the likely dynamic of evolving regulatory frameworks around ESG commitments in the years ahead.



# Resilience

Our operations to support our thousands of clients across Canada and the US rely upon secure IT systems for data holding, processing, storage and reporting.

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**Our operations rely upon secure IT systems.**

In a world where cyber security threats are top of mind for organizations of all sizes, we have implemented security measures to prevent unauthorized access of confidential information — and to reduce the likelihood of disruptions to our IT systems.

These measures include monitoring and testing maintenance of protective systems and contingency plans (incorporating a formal Disaster Recovery Plan), and annual validation via third-party independent experts.



# Where We Are Headed

As we look to the future of our ESG efforts, we are keeping a close eye on how climate-related disclosure requirements and standards continue to evolve. These include the potential for mandatory reporting requirements.

Similarly, we are also aware of how ESG expectations and requirements of our stakeholders, in particular investors, customers and governments, are constantly progressing.

This ESG framework provided in this report will continue to evolve. New priorities will arise, and new demands will have to be addressed – particularly, for example, around our need to continue to ensure rigorous processes to collect and analyze ever-more-detailed data and information concerning aspects of DCM’s operations.

We will incorporate additional tools to manage these shifts. We also will bring into place supplier risk and engagement processes plus training and tools.

As we consider how our overall ESG approach may evolve further in the years ahead, we recall the following wise observation:

**“One’s destination is never a place, but a new way of seeing things.”**

# Appendix

| Focus Area  | Subtopic                            | Background Info  | Criteria (GRI) | Page #* |
|-------------|-------------------------------------|--|----------------|---------|
| Environment | Climate Change                      | Total energy consumption   | GRI 302-1      | 15      |
|             |                                     | Reduction of energy consumption  | GRI 302-4      | 15      |
|             |                                     | Reduction of GHG Emissions   | GRI 305-5      | 15      |
|             |                                     | Scope 1 emissions  | GRI 305-1      | 15      |
|             |                                     | Scope 2 emissions  | GRI 305-2      | 15      |
|             |                                     | Scope 3 emissions  | GRI 305-3      | 16–17   |
| Social      | Employee Development and Wellbeing/ | Diverse representation on employees, management, Board (female, Indigenous representation, etc.) | GRI 405        | 27      |
|             | Stakeholder Engagement              | Dollars donated (charitable initiatives)   | GRI 204-1      | 30      |

\*Reference in this Report.

# Caution Regarding Forward-Looking Statements

Certain statements in this document constitute “forward-looking” statements that involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, objectives or achievements of DCM, or industry results, to be materially different from any future results, performance, objectives or achievements expressed or implied by such forward-looking statements. Forward-looking statements in this document include, but are not limited to, statements regarding DCM’s approach to managing environmental, social and governance (ESG) matters, and DCM’s sustainability-related objectives, vision, commitments, goals, metrics, and targets, including DCM’s greenhouse gas (GHG) emissions reduction targets.

When used in this document, words such as “may”, “would”, “could”, “will”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “plan”, and other similar expressions are intended to identify forward-looking statements. These statements reflect DCM’s current views regarding future events and operating performance, are based on information currently available to DCM, and speak only as of the date of this document.

These forward-looking statements involve a number of risks, uncertainties, and assumptions. They should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such performance or results will be achieved. Many factors could cause the actual results, performance, objectives or achievements of DCM to be materially different from any future results, performance, objectives or achievements that may be expressed or implied by such forward-looking statements. With respect to DCM’s ESG and sustainability-related goals, such factors include, but are not limited to, the absence of standardized methodologies for classifying sustainability-related terms (including in their meaning and scope), the absence of standardized methodologies for classifying sustainability-related activities or for evaluating their impact, and the availability of comprehensive and high-quality data (including climate-related data, diversity metrics, social indicators, and data from third-parties on whom DCM may be required to rely for information). We caution readers of this document not to place undue reliance on our forward-looking statements since a number of factors could cause actual future results, conditions, actions, or events to differ materially from the targets, expectations, estimates or intentions expressed in these forward-looking statements.

Additional factors are discussed elsewhere in this document and under the headings “Liquidity and capital resources” and “Risks and Uncertainties” in DCM’s Management Discussion and Analysis and in DCM’s other publicly available disclosure documents, as filed by DCM on SEDAR+. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described in this press release as intended, planned, anticipated, believed, estimated or expected. Unless required by applicable securities law, DCM does not intend and does not assume any obligation to update these forward-looking statements.

## Additional Caution Regarding Sustainability-Related Disclosures

DCM also cautions readers of the following regarding the sustainability-related disclosures included in this document:

- The terms “ESG” and “sustainability” and similar terms, taxonomies, methodologies, criteria and standards are evolving in terms of both meaning and scope. DCM’s use of such terms may vary over time to reflect this evolution. Any use of such terms in this document are intended as references to DCM’s internally defined criteria and not to any jurisdiction-specific regulatory definitions or voluntary standard that may exist.

- There could be changes to the market practices, taxonomies, methodologies, criteria and standards that regulators, non-governmental bodies, civil society, DCM and its suppliers and clients use to classify, measure, determine the eligibility of, report on and verify environmental and social activities for inclusion toward DCM’s sustainability-related goals, or to evaluate the impacts of such activities. DCM may update its sustainability-related goals, its progress towards those goals, and the eligibility of certain activities, as appropriate, in light of new and evolving market practices, taxonomies, methodologies, criteria, and standards.
- In making and implementing its sustainability-related goals, DCM must rely on data obtained from third-party sources. DCM’s use of third-party data must not be taken as an endorsement of the third-party or its data or be construed as granting any form of intellectual property. Although DCM believes these sources are reliable, DCM has not independently verified any third-party data or assessed the assumptions underlying such data, and cannot guarantee the accuracy of such third-party data or assumptions. The data used by DCM in connection with its sustainability-related goals may be limited in quality, unavailable, or inconsistent. Certain third-party data may also change over time as market practices, taxonomies, methodologies, criteria and standards evolve. These factors and related uncertainties could have a material effect on DCM’s sustainability-related goals and DCM’s ability to meet them.
- DCM may need to or elect to purchase carbon and clean energy instruments, including carbon offset and removal credits and renewable energy credits, to meet sustainability-related goals. The market for these instruments is still developing and their availability may be limited. Some of these instruments are also subject to the risk of invalidation or reversal, and DCM provides no assurance of the treatment of any such instruments in the future. There may also be changes to applicable regulations and standards that impact the market for carbon and clean energy instruments. The maturity, liquidity and economics of this market may make it more difficult for DCM to achieve its sustainability-related goals.
- The information contained in this document is unaudited and was not subject to any assurance engagement.

## Additional Disclaimers

This document is intended to provide information from a different perspective and in more detail than is required by DCM to be included in mandatory securities filings. The information contained in this document should not be read as necessarily rising to a level of materiality of disclosure required in DCM’s securities law filings, and the use of terms such as “important”, “significant”, or similar words and phrases should also not be read as necessarily rising to the level of materiality for securities or other regulatory filings.

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# DCM<sup>TM</sup> | ESG

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