

# **SMASH PACKAGING**

**2020 Annual Update**

The life science business of Merck KGaA, Darmstadt, Germany operates as MilliporeSigma in the U.S. and Canada.



# SMASH PACKAGING PLAN

The SMASH Packaging Plan is our four-year approach to drive improvement in the sustainability of our packaging to match our life science leading product sustainability framework. We are setting new standards and goals to SHRINK, SECURE, SWITCH, and SAVE packaging while still meeting the required performances requirements and transit safety regulations.

PILLAR	OPTIMIZE RESOURCES	MORE SUSTAINABLE MATERIALS	DESIGN FOR CIRCULAR ECONOMY	
GOAL	<b>Shrink</b> Reduce amount of packaging 	<b>Secure</b> Achieve zero deforestation 	<b>Switch</b> Improve plastic sustainability 	<b>Save</b> Maximize recycling 
2022 TARGETS	<ul style="list-style-type: none"><li>• New product packaging aligned with our standards for weight and volume</li><li>• 20 key improvement projects for existing packaging</li><li>• 20% reduction of air space in distribution boxes</li></ul>	<ul style="list-style-type: none"><li>• New product packaging aligned with our zero deforestation standards</li><li>• 90% of existing packaging aligned with our zero deforestation standards</li><li>• 100% of packaging from deforestation-risk countries certified sustainably sourced</li></ul>	<ul style="list-style-type: none"><li>• New product packaging aligned with our plastic sustainability standards</li><li>• 20 improvement projects to replace existing plastic packaging by more sustainable solutions</li><li>• 20% reduction of expanded polystyrene (EPS) use</li></ul>	<ul style="list-style-type: none"><li>• New product packaging aligned with our standards for recyclability</li><li>• 100% of fiber-based packaging not compatible with recycling, replaced</li><li>• 100% of products with packaging recycling / disposal guidance</li></ul>

## OPTIMIZE RESOURCES

### Goal 1: Shrink

# REDUCE AMOUNT OF PACKAGING

#### What does it mean?

We will reduce the size and weight of the packaging we use to pack and safely ship our products



## 2022 TARGETS

### New product packaging aligned with our standards for weight and volume

- Optimize packaging weight and volume
- Investigate reusable or bulk packaging solutions
- Avoid requirement of specific distribution packaging

#### Actions we'll take include:

- Implement new sustainability standards and guidelines during new product packaging design
- Provide training and support to development teams
- Assess and ensure alignment of sustainability characteristics of new product packaging

### 20 key improvement projects for existing packaging including:

- Elimination of unnecessary packaging components
- Substitution of materials with lighter ones
- Optimization of internal packaging
- Development of bulk packaging solutions

#### Actions we'll take include:

- Identify and prioritize key opportunities for improvement
- Develop clear action plans for improvement with internal and external stakeholders
- Share best practice case studies to repeat and improve

### 20% reduction of air space in distribution boxes

- Adjustment of box sizes to better suit common orders
- Optimization of computerized pack-out configuration system
- New processes and training to minimize unused airspace in boxes

#### Actions we'll take include:

- Identify and prioritize key opportunities for improvement
- Develop clear action plans for improvement with internal and external stakeholders
- Share best practice case studies to repeat and improve

## MORE SUSTAINABLE MATERIALS

### Goal 2: Secure

# ACHIEVE ZERO DEFORESTATION

#### What does it mean?

We will ensure that the wood and fiber-based packaging materials that we use to pack and ship our products do not contribute to deforestation. We will focus on demonstrating responsible sourcing and increasing recycled content



## 2022 TARGETS

### New product packaging aligned with our zero deforestation standards

- Use of certified wood and fiber-based packaging materials
- Demonstration of responsible sourcing
- Maximization of recycled content

#### Actions we'll take include:

- Implement new sustainability standards and guidelines during new product packaging design
- Provide training and support to development teams
- Assess and ensure alignment of sustainability characteristics of new product packaging

### 90% of existing packaging aligned with our zero deforestation standards

- Use of certified wood and fiber-based packaging materials
- Demonstration of responsible sourcing
- Maximization of recycled content

#### Actions we'll take include:

- Survey our supply chain to identify sources and characteristics of wood and fiber-based packaging
- Collaborate with our vendors to demonstrate and increase responsible sourcing
- Identify and prioritize key opportunities for increasing recycled content of existing packaging

### 100% of wood fibers from deforestation-risk countries certified sustainably sourced

- Materials are certified (FSC, PEFC or SFI) with chain of custody

#### Actions we'll take include:

- Survey our supply chain to identify sources and characteristics of wood and fiber-based packaging
- Develop plan to ensure that all the wood and fiber-based packaging materials coming from deforestation-risk countries are certified sustainably sourced with chain of custody

## MORE SUSTAINABLE MATERIALS

### Goal 3: Switch

# IMPROVE PLASTIC SUSTAINABILITY

#### What does it mean?

We will improve sustainability of the plastic materials used in packaging applications, including increase use of materials with lower environmental impacts and reduce materials of concern



## 2022 TARGETS

### New product packaging aligned with our plastic sustainability standards

- Use of alternative plastics with lower impacts
- Use of recycled content
- Use of renewable content
- No use of materials of concern

#### Actions we'll take include:

- Implement new sustainability standards and guidelines during new product packaging design
- Provide training and support to development teams
- Assess and ensure alignment of sustainability characteristics of new product packaging

### 20 improvement projects to replace existing plastic packaging by more sustainable solutions including:

- Replacement of plastics with ones with lower impacts
- Replacement of conventional plastic by material produced from renewable materials
- Introduction of recycled content

#### Actions we'll take include:

- Identify and prioritize key opportunities for improvement of plastic packaging
- Develop clear action plans for improvement with internal and external stakeholders
- Share best practice case studies to repeat and improve

### 20% reduction of expanded polystyrene (EPS) use

- Replacement of EPS used in secondary and distribution packaging in non-reusable applications
- Minimize introduction of new packaging made of EPS

#### Actions we'll take include:

- Define process to measure and track use of EPS
- Identify and prioritize key opportunities for replacement of EPS
- Develop clear action plans for replacement of EPS packaging items with internal and external stakeholders

## DESIGN FOR CIRCULAR ECONOMY

### Goal 4: Save

# MAXIMIZE RECYCLING

#### What does it mean?

We will reduce the amount of non-recyclable materials we use, reduce packaging techniques that make it difficult to recycle and improve packaging labelling and education



## 2022 TARGETS

### New product packaging aligned with our standards for recyclability

- Avoid use of any material or treatments that interfere with recycling of fiber-based materials
- Avoid use of multi-layer plastic or any plastic type that is incompatible with recycling

#### Actions we'll take include:

- Implement new sustainability standards and guidelines during new product packaging design
- Provide training and support to development teams
- Assess and ensure alignment of sustainability characteristics of new product packaging

### Replace 100% of fiber-based packaging not compatible with recycling

- Replacement of any specific treatments that interfere with recycling
- Replacement of multi-layer packaging materials
- Replacement of hot-melt adhesives

#### Actions we'll take include:

- Identify fiber-based packaging items not compatible with recycling
- Develop plan for replacement with internal and external stakeholders

### 100% of products with packaging recycling / disposal guidance

- Provide recycling / disposal guidance for any primary, secondary and distribution packaging received by our customers





#### Actions we'll take include:

- Develop reference document with recycling / disposal guidance for all our packaging material types
- Develop plan to communicate effectively packaging recycling / disposal guidance to customers

# RESULTS DASHBOARD

2020 Report Card

Our four-year SMASH Packaging Plan is our approach to drive improvement in the sustainability of our packaging. Below are the top-level measurements by which we track our progress toward our 2022 targets. See more details on our SMASH Packaging webpage.

PILLAR	OPTIMIZE RESOURCES	MORE SUSTAINABLE MATERIALS	DESIGN FOR CIRCULAR ECONOMY	
GOAL	<p><b>Shrink</b></p> <p>Reduce amount of packaging</p> 	<p><b>Secure</b></p> <p>Achieve zero deforestation</p> 	<p><b>Switch</b></p> <p>Improve plastic sustainability</p> 	<p><b>Save</b></p> <p>Maximize recycling</p> 
OUR 2022 TARGETS & PROGRESS	<ul style="list-style-type: none"> <li>New product packaging aligned with our standards and transit regulations for weight and volume</li> </ul>	<ul style="list-style-type: none"> <li>New product packaging aligned with our zero deforestation Standards</li> </ul>	<ul style="list-style-type: none"> <li>New product packaging aligned with our plastic sustainability standards</li> </ul>	<ul style="list-style-type: none"> <li>New product packaging aligned with our standards for Recyclability</li> </ul>
<ul style="list-style-type: none"> <li>Enhanced Design for Sustainability framework including our new packaging sustainability standards and created resources to help our development teams to design more sustainable product packaging solutions. Packaging of recently launched greener alternatives products aligned with our new packaging sustainability standards.</li> </ul>				
<ul style="list-style-type: none"> <li>20 key improvement projects for existing packaging</li> </ul>	<ul style="list-style-type: none"> <li>90% of existing packaging aligned with our zero deforestation standards</li> </ul>	<ul style="list-style-type: none"> <li>20 improvement projects to replace existing plastic packaging by more sustainable solutions</li> </ul>	<ul style="list-style-type: none"> <li>Replace 100% of fiber-based packaging not compatible with Recycling</li> </ul>	
<ul style="list-style-type: none"> <li>10 product and distribution packaging improvement projects resulting in a total annual reduction of 200+ metric tons.</li> </ul>	<ul style="list-style-type: none"> <li>100% of packaging from deforestation-risk countries certified sustainably sourced</li> </ul>	<ul style="list-style-type: none"> <li>Five key distribution packaging initiatives initiated with projects at multiple locations.</li> </ul>	<ul style="list-style-type: none"> <li>Identification done through deforestation assessment process. Two replacement projects initiated.</li> </ul>	
<ul style="list-style-type: none"> <li>20% reduction of air space in distribution boxes</li> </ul>	<ul style="list-style-type: none"> <li>70% of packaging (sourced directly) aligned with our zero deforestation standards. This represents a 6% increase from 2019 resulting primarily from the rebranding process of our packaging boxes. 1,500 metric tons of corrugated and paperboard materials in the process of getting certification.</li> </ul>	<ul style="list-style-type: none"> <li>Reduce Expanded Polysterene (EPS) use by 20%</li> </ul>	<ul style="list-style-type: none"> <li>Clear recycling / disposal communications for 100% of products</li> </ul>	
<ul style="list-style-type: none"> <li>Global improvement plan development was reactivated in early 2021. "Packaging for smalls" projects in progress at several distribution centers which will result in an annual reduction of 10+ metric tons of packaging.</li> </ul>		<ul style="list-style-type: none"> <li>Three million molded pulp inserts used annually in replacement of EPS for glass bottle inserts. Pilot implementation of a greener cooler certified recyclable alongside corrugated materials. Roll out in US expected by end of 2021, resulting in annual EPS reduction of 60+ metric tons.</li> </ul>	<ul style="list-style-type: none"> <li>Global packaging recycling guidance approach in development.</li> </ul>	
<p> <span style="color: #FF69B4;">●</span> Not Started             <span style="color: #90EE90;">●</span> On track             <span style="color: #FFD700;">●</span> Focus required             <span style="color: #FF69B4;">●</span> Off track             <span style="color: #4169E1;">●</span> Achieved         </p>				

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