



**American
Packaging**
CORPORATION

TM

CORPORATE RESPONSIBILITY

DEDICATED TO IMPROVING THE FUTURE



DELIVERING THE TOTAL PACKAGE®

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About Our Report

American Packaging Corporation's (APC) Corporate Responsibility overview presents our activities and performance related to social, economic, and environmental sustainability.

Dedicated to Improving the Future

APC believes in giving back to our local communities, investing in ourselves and our incredible team, and ensuring we do our part to promote a healthy global environment. Our company's longstanding success—more than 120 years and growing—is due in large part to this philosophy. It has inspired our philanthropy, guided our technical upgrades and team development, and fueled innovations in materials and processes.

About American Packaging Corporation

Established in 1902, APC is a family-owned flexible packaging converter and renowned leader in the North American packaging industry. With over a century of experience serving a wide range of markets, APC specializes in flexographic, rotogravure, and digital printing, multi-ply extrusion, and adhesive lamination of film, paper, and foil, as well as pouch and bag fabrication to meet a variety of requirements. With more than 120 years of history, APC has experienced only one major ownership change, when the Schottland family purchased the company from the Kardon family in 1986. Today, APC operates six Centers of Excellence in the United States and employs approximately 1,200 talented, motivated professionals, including nationwide sales reps and field technical support.

At APC, we've built a reputation as the go-to source for effective solutions in flexible and specialty packaging serving the unique needs of many industries and even the most demanding applications. We're able to uphold this reputation by delivering more unmatched quality of materials, unparalleled customer service and the most innovation possible, delivering a high-quality product on time, every time.



1200+

Employees



6

Converting Centers of Excellence



Growing & Expanding Company

Our Vision, Mission & Values



VISION

To be the preferred choice in flexible packaging, committed to innovation, sustainability and customer delight.



MISSION

Powered by the most talented professionals in the industry, we help our customers package their products in a way that's impactful, sustainable and cost-effective.



VALUES

“It’s all about treating everyone as family, and families watch out for and support each other, period.” — Stan “The Man” Schottland

- **Entrepreneurial Spirit:** A passionate drive to succeed; courage to take calculated risks; vision to see emerging opportunities; channeled competitiveness; disciplined determination; the spirit on which the company was founded.
- **Respect:** For our employees and their families—they are the foundation of our company, and their safety, health and well-being are our highest priority. Respect for clients, community, and self; for the environment and sustainability; for the industry and our competitors.
- **Community:** Taking an active role in the communities in which we are honored to serve, demonstrating social responsibility; committing wholeheartedly to the causes we champion; leading by example; helping families succeed.
- **Integrity:** Our word is our bond; our best, every day, every client; transparency, confidentiality and trust.
- **Innovation:** Pioneering new approaches; rapidly adapt to change; commitment to continual improvement.

A Message from Jeff Koch, CEO

I look back at 2023 with pride regarding American Packaging Corporation's (APC) accomplishments and I also look forward with great optimism as we move into 2024. With strategic determination and mindful purpose, we are building an ever more capable and service-oriented company with the goal of being the best partner to our employees, customers, suppliers and communities. APC's core values – Entrepreneurial Spirit, Respect, Community, Integrity and Innovation – are reflected in our company goals, strategic initiatives, and daily responsibilities, as we focus on being the preferred choice in flexible packaging and delivering the highest value in the industry.

At the beginning of 2024, APC's leadership implemented a carefully planned succession transition: Peter Schottland became Executive Chairman of the Board, I became CEO, and Ray Graham became President of APC. Upon my retirement at the end of 2024, Ray will become President and CEO. Our collective commitment and leadership guiding this company remains unchanged and unwavering, as each of us moves into new roles that will steer APC towards an even brighter future.

Our priority and first commitment will always remain the safety, health, career, and corporate culture experience of our APC team members. We work every day to be the “employer of choice” to our APC family members, providing a positive and safe work environment filled with opportunities to make meaningful contributions towards the company's success and their individual success. We developed a motto – **Good Job, Great Life** – highlighting that our employees can enjoy a good job and a career path that will provide the opportunity to comfortably support their families' daily needs and future retirement.

Protecting and enhancing our local and world communities is paramount for every company and every human being. APC continues to step up to that responsibility, elevating our efforts each and every year by focusing on three pillars of our commitment: social, economic and environmental responsibility.

Social Responsibility

APC brings forward problem-solving ideas, resources and volunteers to address challenges in our communities – locally, nationally and globally. This includes many philanthropic investments, like our support of The Hole in the Wall Gang Camp, an organization that's especially dear to APC. The Hole in the Wall Gang Camp helps seriously ill children and their families heal through enriching camp experiences tailored to their medical needs. We foster a greater sense of purpose among our APC family by promoting meaningful ways to contribute to the communities in which we work and live. By providing a platform for our employees to advocate for their charitable passions, we cultivate deeper relationships inside and outside of APC, making a positive impact to the lives of many.

Economic Responsibility

We know that economic responsibility is vital to not only our business, but also our employees, customers, and suppliers. APC has an unmatched history of strategic investment in greenfield manufacturing facilities, state-of-the-art equipment, innovative technologies, and the best human talent. Because of that commitment, we can drive profitable sales growth at a rate typically twice the industry average. For our customers, this economic responsibility means APC is a solid financial supplier, capable of supporting their needs as part of a long-term partnership.

Environmental Responsibility

APC's environmental stewardship is embedded in our culture and our business strategy. It's core to our culture, our operational capabilities, and our product management strategy, including the end-to-end life cycle of the supplies we procure, the production and waste-minimization methods we use, sustainable packaging technologies we develop and downstream programs we support.

In 2023, APC's extensive line of **RE® Sustainable Packaging** options delivered another award-winning technology, recognized by the Flexible Packaging Association for Sustainable Excellence in Packaging – we're incredibly pleased to bring forward more sustainable packaging options that serves our customers, their consumers, and the environment. We also opened our sixth Center of Excellence in Cedar City, Utah, another state-of-the-art greenfield facility, built with world class automation and energy efficient infrastructure, demonstrating our commitment to the environment and our collective well-being.

We continue to elevate our company performance each year, invest in more sustainable products and capabilities, and contribute more to our communities. American Packaging Corporation is stronger and more capable than ever and growing at a rate that will sustain our company, our employees, and our key stakeholders well into the future.



Jeff Koch
CEO
American Packaging Corporation



Principles of APC Sustainability Program

APC's sustainability program is a fundamental part of long-term profitability and viability of our company and is a natural outgrowth of our Core Values. APC's goals are to be accountable and responsible for our actions while remaining focused on improving the environment for future generations through, working with our employees, funding education support, continuing internal research, preserving natural resources, minimizing waste and continually evaluating our manufacturing operations and suppliers for efficiencies and reduction of environmental impacts.



Sustainability Mission Statement

TO VIEW environmental responsibility as an integral part of principled corporate citizenship and as an essential element in the products manufactured, materials procured, and processes incorporated into our research and development activities.

TO COMMUNICATE cost-effective solutions, technological advances, improved product performance and environmentally responsible developments to our valued customers.

TO ENRICH our sustainability competence in the areas of reducing, renewing, reusing, and recycling materials and all related by-products.

TO IDENTIFY ways to effectively integrate economic progress, social development and environmental concerns to ensure an improved quality of life for future generations.



SOCIAL SUSTAINABILITY

SUPPORTING THE COMMUNITY

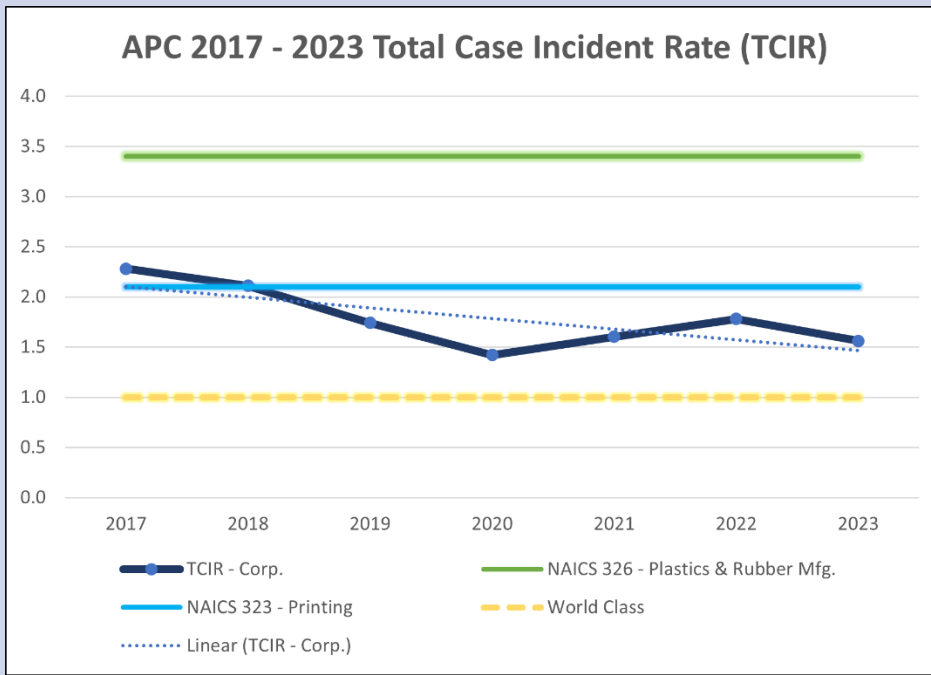
APC is involved in our local, regional, national, and international communities through a range of community involvement and charitable contributions, as well as key initiatives that help improve overall quality of life for our employees and our neighbors.

Safety

APC is committed to providing a safe working environment for our employees, with zero preventable injuries. And we're dedicated to continually striving to reduce the environmental impact of our operations, partnering with our customers and vendors on solutions that will reduce the overall environmental impact of our products.

"APC's ownership, along with our leadership team, is committed to maintaining and continuously improving all aspects of our safety systems. World class safety begins with us, and we pledge to never stop learning, stop investing, stop coaching or empowering our APC team, our greatest assets." – Jeff Koch, CEO

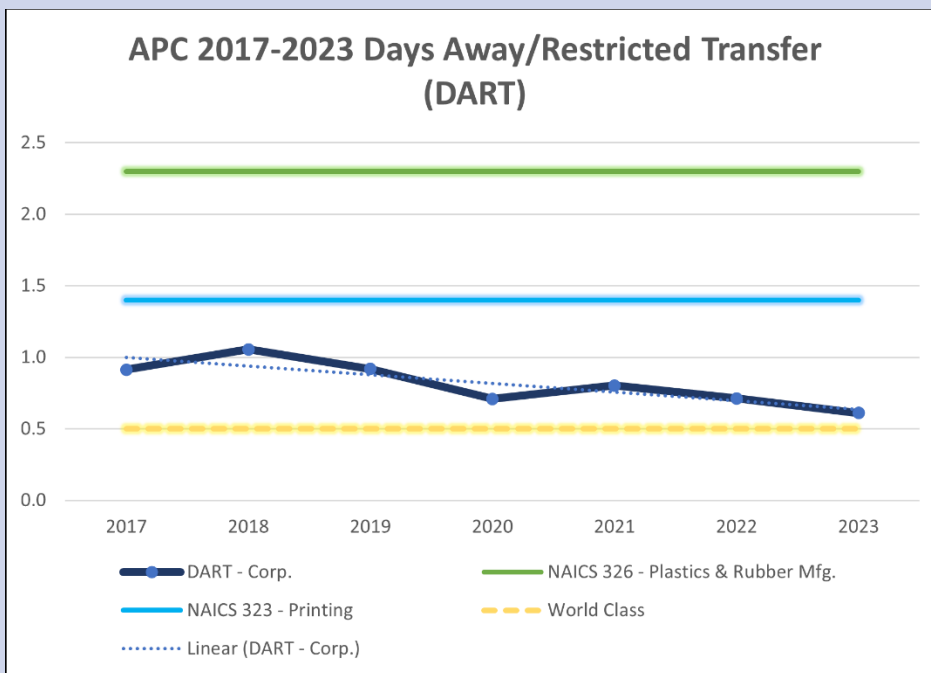
Since 2022, APC has been driving down incidents and injuries through a strong corporate-wide incident reduction team. This cross-functional team consists of over fifty active members ranging from VP/Executive Committee level through production line supervision, including members from all six Centers of Excellence. This collaborative team approach has significantly reduced incidents across the Corporation and greatly improved communication, awareness, and consistency across all six APC sites.



APC continues to move the needle on driving down the Total Case Incident Rate, TCIR, across the corporation. The company TCIR is well below the industry average.

TCIR = Total Case Incident Rate

= # of OSHA Recordable Injuries x (200,000) / Total Number of Hours Worked (Lost), Restrictions of Transfer x (200,000) / Total Number of Hours Worked.



DART, Days Away Restricted Transfer measures injury severity. APC's DART rate is well below the industry average.

DART = Days Away Restricted Transfer Rate

= # of OSHA Recordable Injuries with Days Away (Lost), Restrictions of Transfer x (200,000) / Total Number of Hours Worked.

Environmental, Health and Safety Accomplishments



Cedar City Zero Injuries in 2023!

Since production hours began being tracked in August '23, Cedar City has operated injury-free.

Story City Achieves 1 Year Without Lost Time

May 2023 marked 1 year without a lost time incident for the Story City site.



Chili Achieves World Class TCIR & DART in 2023!

APC as a whole continues to strive towards world class health and safety at all of our sites.

Health & Well-Being



APC offers a range of competitive benefits that are continually benchmarked against the industry and markets we are in. These include health, pharmacy, dental and vision insurance, an Employee Assistance Program (EAP), work-site wellness activities, flu shots, learning opportunities and programs, communication materials and incentives. We believe it's important that employees and their families have the opportunity to be informed about and involved in their health and well-being choices.

Training & Developing Talent for Our Industry

APC believes it's a top priority to attract and recruit emerging talent that's required to grow our business organically. We have a commitment to developing our internal talent, allowing our employees to grow and expand their careers with us. The mission of the Training team is to provide innovative training and development through continuously enhanced programs that empower our APC team members to grow with the vision and goals established for the continued success of our business.

Training & Development

Our training and development program works to help fulfill American Packaging Corporation's commitment of providing a "Good Job, Great Life" for all our employees. An essential element within this commitment is to develop our internal talent, to establish a pathway for their successful career with us. Employee engagement is a vital ingredient to these pathways, and we hope to build a culture of continuous improvement. The training and development department has been charged with creating this culture through technical



training processes, individualized career development plans, and succession plan pathways within the arenas of safety, leadership, and technical skill building. By providing continuous enhanced programs that empower our APC team to grow we are establishing the continued success of our business.

A Guide to Career Pathways – APC's goal is to provide all employees with a career that is fulfilling and offers the opportunity for growth and advancement. For our production level employees, we have established job qualification standards that communicate the expectations of each role and what is needed to complete these levels for advancement within their career. The company has also created a career pathway document that

shows how an entry level production employee can progress through various roles with an increasing level of skill and pay as they become more proficient within their position. We want to provide the transparency and established criteria needed for employees to utilize in order to define their own career growth. For our administrative personnel, we have created individual development plans that focus upon employee's yearly goals and the creation of career succession pathways. Each plan is reviewed and readjusted as needed to reflect new career development objectives. To help our employees achieve essential knowledge of their professional skills, we have established partnerships and programs connected with all six of our Center of Excellence locations. These programs enhance the opportunities of our operations employees for future career mobility within APC, as well as provide employment in our local communities for individuals who are looking to build a career in manufacturing.

Leadership Development – Both new and experienced leaders at the company are given the opportunity to participate in a variety of leadership development activities. These programs are focused on building and reinforcing skills and behaviors that APC believes are important. The company provides these trainings through our internal teams and partners with several outside experts to ensure that our managers have access to the latest methods, techniques and thought leadership. This includes programs focused on leading and developing people and programs focused on leading and developing the business. Topics include skills such as leading with motivational intelligence, communication, and team execution. We have an established new supervisor and leadership skills program. We recognize that the movement from an individual contributor role to a people manager role can be one of the hardest transitions in an employee's career and we aim to provide targeted training and support that new supervisors and managers need to accomplish this successfully.

Diversity and Inclusion – We believe it is essential to foster an atmosphere where all employees feel comfortable working and interacting with each other and their management teams. Our diversity and inclusion training aims to bring awareness to the importance of a diverse and inclusive workplace, as well as the benefits of working with a team of individuals with unique perspectives and experiences. Our goal is to maintain our culture where thoughts can be shared and ideas can be implemented to benefit employees, the company, and our customers.

Diversity & Human Rights

APC complies with all Equal Employment Opportunity laws.

- We have a process to fully investigate any complaints regarding discrimination or misconduct of any kind, with no tolerance for retaliation. We believe in creating an atmosphere where employees can feel comfortable raising concerns without fear of retaliation, believing in the company's commitment to addressing those concerns.
- Diversity of thoughts, perspectives, ideas and experiences is an important part of being able to be responsive to our customers' (and their customers') needs.
- We actively partner with community groups and agencies that support career opportunities for veterans and minority candidates.
- Hiring and promotion decisions are made based on an assessment of competencies, skill sets, contributions relevant to the open position and supporting the direction of company goals.

We have a defined code of conduct, discussed with each employee, which emphasizes the importance of a positive culture, ethical behaviors, and the expectations of our employees when interacting with each other, customers, and vendors. We are committed to working with the highest standards of honesty and integrity.

Employee Engagement

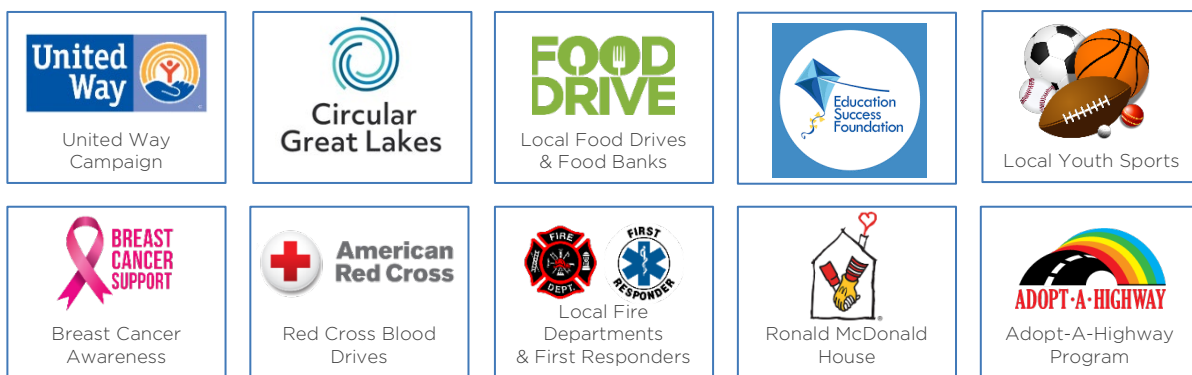
Our employees are the key to our success, and their engagement has a direct impact on our ability to successfully meet our commitments to our customers. We believe it's important to recognize and reward our employees who have served our company over time through formal years-of-service awards. We also encourage our leadership team to connect with employees at all levels on a regular basis by spending time on the floor, engaging in bi-weekly safety discussions and holding periodic employee focus groups, all in an attempt to gather and respond to feedback directly from employees. In addition, we survey our employees



to solicit their thoughts and ideas as we define policies and to identify opportunities to improve our operations, performance, and culture. APC also takes a holistic view of our commitment to our employees by focusing on their well-being not only at work, but also outside of work. We offer extremely competitive benefit plans with a focus on wellness initiatives, targeted at helping employees with their overall health, wellness, and financial security through access to services and information. We intend to continue to focus on ways to increase the engagement and overall well-being of our employees.

Community Involvement

We partner with agencies and community groups local to each of our Centers of Excellence to provide services supporting the local community. Employee groups are active in community activities, such as



Philanthropic Activities

In addition, APC is adopting local charitable organizations on an annual basis to provide support for organizations that our meaningful to our employees and the communities in which our sites are based. We support a range of national and international charitable organizations. We believe it's our responsibility to give back as much as possible to the local and regional communities that support us and each of our valued team members. Most recently, APC is proud to be a sponsor with a storefront at the Paychex Junior Achievement Discovery Center in



Rochester, NY. Providing students the opportunity to experience and work in a simulated economy and budget their personal financial futures first-hand. APC is a long-time proud supporter of The Hole in the Wall Gang Camp and its mission to provide "a different kind of healing" for sick children and their families.



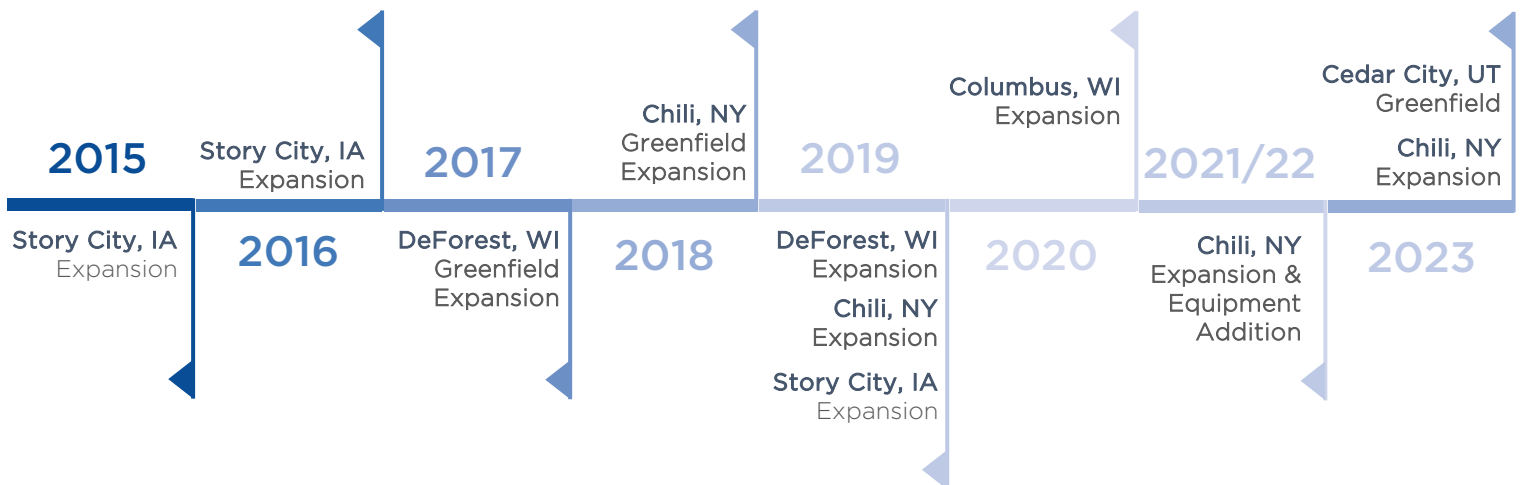
ECONOMIC SUSTAINABILITY

AT THE CORE OF OUR LONG-STANDING SUCCESS

We believe our company's longstanding success through more than 115 years is due in large part to our economic responsibility and dedication to our employees.

Reinvestment

Over the past 10 years, APC has invested over \$560 million in new capital equipment and facility upgrades, demonstrating our confidence in our position in the industry and commitment to expanding our business.



Our three pillars of sustainability are incorporated into each expansion by understanding all environmental, social, and economic aspects of the project.

- Using local contractors and creating new job opportunities results in a positive influence on the community and the economy.
- New equipment (presses, laminators, and slitters) with state-of-the-art high-efficient safety controls, components, and electronics to reduce energy demand.
- Natural lighting, high-efficiency lighting, energy-efficient insulation, alignment of equipment to support automation, increased use of robots.

Ethics

The APC family believes in the highest level of integrity and ethics in the way we conduct business. This applies to our customers, employees, and supplier relationships, which have been a cornerstone in our culture since 1902 and are an essential ingredient in our future success.



Code of Conduct

At APC, we conduct our business with honesty and integrity, and we expect our business partners' values and business practices to mirror ours. APC

maintains relationships with customers and suppliers who share our commitment to the:

- Protection of human rights of employees and the treatment of all employees with dignity
- Creation of safe working conditions and a healthy work environment for all workers
- Stewardship of the environment and an ongoing effort to reduce the environmental impact of our operations
- Highest standards of ethical conduct and compliance with fair business practices

We fully expect our partners to meet or exceed our expectations set forth in this code and believe that through a true partnership with customers and suppliers, we will consistently build on our respective principles. This code applies to all APC Centers of Excellence, as well as others with whom we do business. Our partners will ensure that the code is communicated to their employees and subcontractors in a manner understandable to all.

When local laws are less restrictive than the principles set forth by APC, we expect our partners to follow our principles. Conversely, when local laws are more restrictive than our principles, we expect our suppliers to follow local laws.

Business Continuity Management



For years prior and throughout 2023, APC's Information Technology (IT) teams have been preparing for a huge advancement and change in our daily operations. APC has implemented a new ERP system to improve the way we work, the specificity of deliverables, and overall improvements to our effort estimations to integrate many parts of our business. This crucial tool will enable APC to sustain its growth and make our work more efficient, automated, and accurate. Moving forward we will continue to invest in and improve our ERP and integrated systems to better serve our business, employees, and our customers. This enhancement is a significant milestone in our One APC and IT Modernization journey.

APC's enterprise-wide Disaster Recovery (DR) and Business Continuity (BC) plan is a fundamental part of our ability to continue business-critical functions and meet the expectations of our customers during any significant business disruption.

- To maintain a resilient manufacturing environment, management has committed to a strategy that provides redundant equipment and capabilities within different geographical locations within our corporation.
- To maintain a resilient information technology environment, management has committed to a strategy that aims for near zero downtime and near zero data loss for all applications that support critical business processes.
- APC's DR and BC plans are continually being reviewed and improved.

Supplier Management

APC's Code of Conduct is fundamental to how we hold ourselves and our suppliers accountable, including:

- Human rights and labor (including child labor section 1502 Dodd Frank Act)
- Create safe working conditions and a healthy work environment
- Environmental stewardship
- Business conduct and ethics
- Monitoring and compliance

APC maintains a formal supplier diversity program with specific goals for maintaining and growing spend.

- APC records and reports all of our Minority Business Enterprise and Women Business Enterprise spending each quarter.
- Quarterly reports are submitted to all of our customers who track their Tier 2 spend in these areas.
- Identified Companies - 169 diverse suppliers in our supplier list with 68 active in 2023.
- Total Spend - 3% average spend in 2023 with diverse suppliers.
- APC is a member of Wisconsin, Iowa and Central Illinois Minority Supplier Development Council, an affiliate of the National Minority Supplier Development Council

The above ensures suppliers and materials purchased meet our expectations for quality and food safety through a supplier approval process and an ongoing supplier assessment process.

APC chooses suppliers:

- Who display our shared values in commitment to the environment, safety, health and well-being of employees and the communities and world in which we operate.
- Who participate in carbon emission reduction programs, energy usage reduction programs, reuse of byproducts, recycling programs, continuous improvement goals and safety initiatives.
- Who are recognized for their responsibly managed fiber; APC's largest paper purchase volumes come from suppliers who are using renewable paper resources to manufacture their product.



ENVIRONMENTAL SUSTAINABILITY

STEWARDSHIP OF OUR LOCAL & GLOBAL ENVIRONMENTS

APC features a range of programs and policies designed to make us the best possible steward of our local and global environments. We also have extensive recycling programs at all of our APC Centers of Excellence, which has led to a significant reduction of our impact on the waste stream.

Environmental Sustainability

Taking an active role in the communities in which we are honored to serve, demonstrating social responsibility, committing wholeheartedly to the causes we champion, leading by example, and helping families succeed is only one of American Packaging's values. Employee opportunities for engagement takes many forms including roadside and park cleanups, recycling drives for plastics, electronics, and batteries, recycling challenges, and giving out seeds or trees in honor of Earth Day.



Product Sustainability

APC continues to proactively build a robust portfolio of sustainable packaging solutions for all the markets and product applications we support and market these products under the RE® trademark. These offerings include solutions for source reduction, design for recycle including both film and paper, post-consumer recycled and circular content, renewable content, as well as design for compost applications. Innovations in materials, technologies and equipment continue to advance and APC is actively engaged and collaborate with producers of materials,

of materials, films, and equipment to ensure we continue to make progress on solutions that are easier to implement for our customer base. We also see a responsibility to stay abreast of the latest changes in standards, regulations, and legislation and engage with industry groups and collaboratives to stay up to date on the latest information that may affect the pursuit of our customer's targeted sustainable goals. Additionally, APC also invests in manufacturing technologies and required certifications to ensure that we can offer the breadth of products that may be required by our customer base.



Education

Sustainable Times Quarterly - Newsletter focused on providing highlights on new topics in the industry including new industry topics, sustainable product solutions, regulations and legislation, as well as product innovations.

Sustainability Playbook - Developed in 2018 as a platform to illustrate the variety of sustainable options available for consideration as brand-owner considers transition from traditional packaging to a more sustainable offering. This roadmap continues to develop as new technologies become available and has been updated with the newest option, certified circular content which is enabled through chemical or advanced recycling.

Webinar - In 2021, APC hosted a webinar with Packaging World titled, "Getting it Right the First Time" - PCR based packaging as a means to discuss and inform the challenges related to packaging design for end of life strategies and how this strategy may be impacted by the limited infrastructure. This webinar hosted a prominent attorney who highlight the top considerations to watch when making claims on packaging.

Life Cycle Analysis (LCA) – LCA is one of the new offerings provided by APC assisting customers with making informed decisions when transitioning from traditional to sustainable packaging offerings. LCA accounts for environmental inputs related to the materials, resource extraction, manufacturing processes, transportation, use and end of life for the various components of the packaging construction. This tool provides quantified measures of the traditional packaging compared to the future state and includes measurements of fossil-fuel use, global warming potential, water consumption, and freshwater eutrophication allowing the customer to make informed decisions relative to their packaging choice.



Detailed Sustainability Comparisons – Often compiled for our customers depicting the current packaging and the sustainable option(s). These include a comparison of the physical and barrier properties along with a comparison of the final product attributes.

Collaboration

Collaboration is critical as the evolution in sustainable products continue. Sustainable packaging materials can differ in behavior and physical properties from traditional packaging. As a result, we need to be able to characterize these differences and work to further innovate materials and the associated conversion and packaging processes to ensure that the breadth of applications, shelf life, packaging functionality, and rates of production can be maintained. Development of the infrastructure for end-of-life applications is also most critical as we need to ensure the efforts of sustainable packaging redesign can be directed to the proper end-of-life channels.

- The **Rochester Institute of Technology (RIT)** Education and Research Center, promoted through a collaboration between APC, the Wegman Family Charitable Foundation and RIT. This center focuses on accelerating the development of realistic solutions in flexible packaging
 - APC sponsors and guides RIT research and development of material through education and workshops on packaging and sustainability.
- **Iowa State Polymer and Food Protection Consortium** is focused on the in-depth and research related to industry topics such as PFAS, bio-materials, PCR content, recycling, as well as in-depth testing and

characterization processes.

- Collaboration with suppliers to enhance and develop materials that will facilitate transition to more sustainable solutions while maintaining desired packaging performance and integrity
- **Flexible Packaging Association (FPA)** membership supporting the sustainable benefits of flexible packaging versus alternative packaging forms through life-cycle analysis and comparative packaging assessments
- **Sustainable Packaging Coalition (SPC)** membership focusing on the advancement of sustainable packaging solutions
- **How2Recycle** membership focuses on the development of recyclable packaging solutions as well as pre-certification
- **CEFLEX**, a European consortium representing the entire value chain of flexible packaging. Membership focuses on enhancing the performance of flexible packaging in the circular economy by designing and advancing better system solutions
- **Association of Plastic Recyclers** are focused on improving recycling for plastic including the establishment of design guidelines for plastic materials and certification for recycled materials.
- **Circular Great Lakes**, focused on forging a future without plastic waste in the Great Lakes region and enhancing the quality, demand, collection and recycling of plastic materials.
- **Pet Sustainability Coalition (PSC)** is a non-profit dedicated to transforming the pet industry through sustainable change and their initiative of elevating sustainable packaging, proteins, and CSR within the pet industry.

APC is making significant progress in the development of sustainable options for its customer base. Some of these activities involve subtle changes to existing packaging laminates. Other developments have required multi-party collaborations to debut new technologies.

RE® DESIGN FOR RECYCLE

APC has a broad portfolio of design for recycle PE-based options suitable for most packaging formats and product applications. The portfolio continues to evolve as materials, technologies, and the supply chain introduces enhanced products that offer the potential to further improve packaging performance and machinability.

RE® Design for Recycle Film Technology



Design for recycle has been a popular choice for sustainable developments. For flexible packaging, the target is the front of store drop-off recycle stream with the How2Recycle label with materials that are proven to be compatible with polyethylene. Customers have pursued activity in all of the market space with product formats including HFFS, VFFs, and premade pouches. Markets includes coffee and tea, confectionary, dry foods, fresh cut produce, frozen and refrigerated foods, healthcare, and pet care.



The process of converting packages made of PE-compatible materials can be a challenge but considerable strides are being made with both the materials and converting equipment to deal with the lower melting point and less dimensionally stable PE materials. Innovation continues as a means to bridge the gap between the traditional, multi-material laminates and the mono-material designs. APC has invested in equipment to help customers navigate the changes. Typically, rotogravure print processes are less suitable for less heat resistant, extensible films. APC has purchased two newer W&H presses that have been engineered to process these materials suitably providing customers with the high-quality graphics they desire.

Material innovations continue to evolve in this space and the exploration of new materials continues. APC recently joined the Association of Plastic Recyclers (APC) and has been evaluating new, innovative materials using their Critical Guidance protocol. To date, APC has collaborated with industry partners and have had success demonstrating that cold seal cohesiveness can be included in PE, recycle stream. In a separate example, APC had successful results with the inclusion of another innovation which included a patterned metalized ink in another customer application.

APC is also a member of the How2Recycle group and has successfully pursued over 100+ pre-qualification letters facilitating our customers pursuit of the How2Recycle label.

Design for Recycle Paper Technology



Customers are actively seeking solutions for curbside recycling. The current limitation for flexible packaging is that only approved paper constructions can be included in this recycle stream. These paper constructions must be deemed both repulpable and recyclable when tested according to the current standards. APC has been active in this space and has evaluated a number of paper technologies including commercially available papers and various coatings.

Packaging applications continue to evolve with newer technologies providing enhancements to sealability, grease resistance, and barrier properties. Machinability advancements continue to evolve on both the HFFS and VFFS equipment side with adjustments to the flow of material through the machine which has enabled both higher processing speeds and efficiencies.

Inclusion of Renewable Content



The inclusion of bio or renewable content continues to be an industry target with the US Plastics PACT providing a target for an average of 30% of plastic packaging to contain 30% recycled content or responsible sourced bio-based content by 2025. The variety of potential offerings tend to be limited but the target to use renewable feedstocks in place of virgin, fossil-fuel derived plastics is a common target by many brands. The inclusion of renewable content can have significant impact on reducing greenhouse gas emissions.

The Alexia Sweet Potato product is a print example where the brand was able to capture the starch derived from the processing of potatoes and reintroduce it into the packaging at a level of 20%.

RE[®] Post-Consumer Recycled (PCR) Content

PCR is a major industry target with the US Plastics Pact targeting an average of 30% of plastic packaging to contain 30% recycled content or responsibility sourced bio-based content by 2025. Increasing legislation in the form of EPR and the establishment of minimum targets for PCR tends to be another motivating factor. PCR is predominantly available in both PET and PE materials that are sorted and mechanically recycled into new resins for use in packaging products. Often this material contains gels or inclusions which may be unmelted materials or inclusions from the previous heat history and can be more prone to loss of properties after a number of subsequent processes. Numerous grades have a LONO (letter of non-objection) and are suitable for use in food-safe applications.

APC is seeing much activity in this space typically often in laminates that are challenged to redesign. A prime example is the case of a multi-layer, high barrier laminates that no not yet have a solve for a design for recycle solution due to barrier and performance considerations. The shakeology pouch is a 3-layer laminate comprised of PET, MetPET, and PE. In this case, the PCR is included in all three layers for a total of 45% PCR overall.

PCR is a benefit in reducing the virgin, fossil-fuel derived plastics, enhancing circularity, and lowering the greenhouse gas emissions versus virgin plastic.



RE[®] Design for Compost

APC continues to develop designs for compost laminates targeted for those packaging applications that are too small for the recycle stream, too highly contaminated, or simply seeking renewable options. Laminates designed for composting are designed to breakdown under specific conditions in a specified period of time evaluated using standardized testing protocols.

APC has a broad range of offerings serving packaging including bar wraps, sachets, and snack packaging in both metalized and non-metalized.



Certified Circular-Content

Advanced or chemical recycling is a newer technology that is a complement to PCR. The most common process involves the use of heat and chemicals to break down the waste plastic to an oil called pyrolysis. This oil can be repolymerized into plastic polymer that is indistinguishable from virgin plastic and removes all traces of color or contamination from the previous product. The process is capable of accommodating a broader stream of inputs so sortation is not as critical. PET and PE products can be produced using circular content as well as some new streams of PP.

Manufacturers of circular content must be certified according to the ISCC+ certification scheme. APC is ISCC+ certified at 5 of our 6 facilities.



Five APC Centers of Excellence achieved ISCC PLUS certification, allowing APC to convert **Circular Content** resins and films for a wide variety of flexible packaging. APC's award-winning **RE[™] Sustainable Packaging** portfolio will expand with new flexible packaging technologies containing **Circular Content** resins and films, suitable for direct food contact, pet food, healthcare and other demanding applications.



Source Reduction

APC works collaboratively with customers as they consider transitioning from traditional rigid to flexible packaging formats yielding benefits for reductions in carbon footprint and transportation efficiencies.

Flexible Packaging Creates Less Footprint*

Energy consumption and environmental impact during transportation is greatly reduced.

Truckloads needed to transport packaging for equal amounts of product

26 Truckloads of unfilled glass jars



1 Truckload of unfilled flexible pouches



*Source: Flexible Packaging Association

Flexible Packaging Uses Less Resources*

Examples of packaging needed to package 60 pounds of beverage.

50 Pounds of Glass



6 Pounds of Rigid PET



3 Pounds of Aluminum



1.5 Pounds of Flexible Plastic



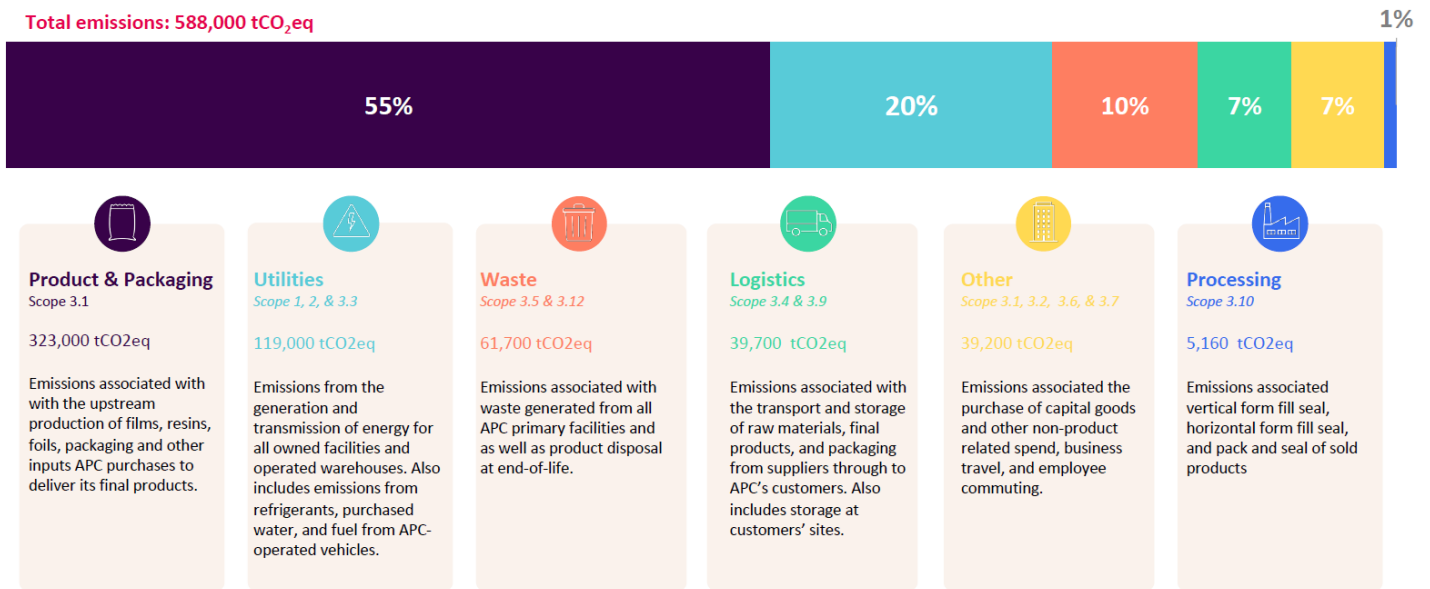
Energy & Emissions Management

Annually, APC discloses its greenhouse gas (GHG) emissions and reduction goals to the Carbon Disclosure Project, (CDP), and to the Ecovadis platform. In 2023, APC was ranked in the 72nd percentile, receiving a bronze medal from Ecovadis.



2023 was a pivotal year for APC in terms of emissions and reductions – as of March 2023, APC has officially committed to setting science-based targets. The Science-Based Target initiative (SBTi) is the corporate climate action NGO that works to review company emissions data and establish targets for compliance as well as monitoring the progress of those reductions on an annual basis.

2023 emissions data will be used as the baseline year for setting near-term targets. An overview of the emissions breakdown by category for 2023 are shown below.



Reductions in Scope 3 emissions related to the supply chain are a major focus as this category is the largest contributor to APC's overall emissions.

By September of 2024, emissions reduction targets will be submitted to the SBTi. An element of this work will include development of an abatement and action plan on how to achieve those ambition targets.

Waste Management & Recycling

All APC facilities follow all federal, state and local regulations that pertain to management of hazardous and non-hazardous waste. Waste performance is tracked monthly and rolled up to an annual corporate report. Waste reduction activities are continually scrutinized with the goal of minimizing expenses related to raw materials, waste handling and disposal. All of our facilities have recycling programs in place. Even with the changes in the recycling market, APC is continually evaluating potential opportunities with waste handling vendors that will allow us to minimize our contributions to local landfills.

Water Conservation

Water use for industrial purposes is only a piece of the global issue surrounding water demand. In fact, North Americans have the largest water footprint in the world at approximately 2,060 gallons per person per day, according to Nature magazine. At APC, water consumption is not a major issue in our production processes. In fact, the majority of our water is reused via a closed-loop technology that minimizes our need for purchased chilled water.

Electricity & Fuel Use

APC continually invests in projects that reduce energy, including lighting upgrades and energy-efficient manufacturing equipment.



APC has begun taking steps towards reducing GHG emissions – in fact, our Cedar City, UT facility currently operates using 100% renewable electricity through the Blue Sky program as of January 2023! We supported 1,595,000 kilowatt hours of renewable energy, which reduced our carbon footprint by 1,996,924 pounds of CO₂e.

Additionally, the Cedar City, UT site was constructed using many LEED principles: energy efficient windows and insulation, natural lighting, dimmable LED, best available pollution controls technology (RTO), natural vegetation in landscaping (w/limited water requirements), evaporator systems for zero discharge to sanitary sewer, and an emphasis on zero solid waste via recycling and waste to energy.

Solvent Use

At APC, solvent usage is considerable given our production processes including printing, laminating and coating operations. Solvent recovery systems are routinely used that allow us to recycle a considerable amount of the solvents we use. Rags and towels that become saturated with solvent are laundered and reused, recovering a substantial percentage of the solvents retained in these materials.





MEMBERSHIPS & AWARDS

APC LEADERSHIP IN FLEXIBLE PACKAGING

Thanks to our incredible team of industry experts, we've been repeatedly recognized on the national level for the quality of our work, our commitment to sustainability and for creating a great place to work. We're proud of our industry and honored to be a member of its most important organizations.

Associations

American Frozen Food Institute (AFFI) – Member-driven national trade association that advances the interests of all segments of the frozen food and beverage industry. AFFI works with its members to advance food safety, advocate for frozen and provide resources to boost category performance.

Association of Plastic Recyclers (APR) – A national non-profit and the only North American organization focused exclusively on improving recycling for plastics.

Carbon Disclosure Project (CDP) – APC contributes data to CDP which is a global disclosure system that enables companies, cities, states and regions to measure and manage their environmental impacts. CDP is recognized as the most comprehensive collection of self-reported environmental data in the world.

Circular Economy for Flexible Packaging (CEFLEX) – Collaborative initiative of a European consortium of companies and associations representing the entire value chain of flexible packaging to enhance the performance of flexible packaging in the circular economy.

Diversity Jobs Powered by Circa – #1 Job board for underrepresented individuals.

Flexible Packaging Association (FPA) – One of the leading trade associations for converters of flexible packaging and suppliers to the industry.

Flexographic Technical Association (FTA) – Leading technical society devoted to the flexographic printing & in-line converting industry.

Gravure Association of the Americas (GAA) – Promotes the use of the gravure printing process for publication printing, package printing and product (specialty) printing.

International Fresh Produce Conference (IFPA) – Leads and drives change for members and the produce and floral industry on the national and global stage. Create beneficial changes through action.

National Confectioners Association (NCA) – Trade organization that promotes the unique role of chocolate, candy, gum and mints in a happy, balanced lifestyle and the companies that make these special treats.

National Coffee Association of USA, Inc. (NCA) – Leading trade association for the U.S. coffee industry, they provide market research, consumer information, and lobbying services.

Printing United Alliance – The premier trade association for printing professionals looking to grow their business.

SNAC International – International trade association of the snack food industry representing snack manufacturers and suppliers.

Supplier Ethical Data Exchange (SEDEX) – Not-for-profit membership organization dedicated to driving improvements in ethical and responsible business practices in global supply chains and is one of the largest collaborative platforms for sharing ethical supply chain data.

Sustainable Packaging Coalition (SPC) – Industry working group dedicated to a more robust environmental vision for packaging. Through an informed and science-based approach and supply chain collaborations, the SPC promotes packaging systems that encourage economic prosperity and a sustainable flow of materials. APC supports both the GreenBlue project (dedicated to the sustainable use of materials in society) and How2Recycle® project (standardized labeling system that clearly communicates recycling instructions to the public).

The Circular of the Great Lakes Region (CGLR) – A binational, collaborative initiative of the Council of the Great Lakes Region, seeks to end plastic waste by closing the loop and accelerating a circular economy for plastics across the region.

The Pet Sustainability Coalition (PSC) – Dedicated to creating a more sustainable pet industry with assessment tools, strategic support, accreditation and events.

Wisconsin Cheese Makers Association (WCMA) – Serves dairy processors and their industry supplier partners as a strong policy advocate, networking hub, and trusted source of education and information.

WCMA proudly hosts the renowned US and World Championship Cheese Contests, as well as CheeseExpo and CheeseCon (formerly Cheese Industry Conference)

World Pet Association (WPA) – Brings the pet world together, so quality interaction and education between and among product suppliers and pet owners can create healthier, happier pets and a healthier, more productive pet industry.

Awards

RECOGNITIONS

- Chili, NY Center of Excellence: The Joseph Entress Memorial Economic Development Award
- Rochester, NY Center of Excellence: Rochester Top 100 (since 2006)

SUSTAINABILITY

- Corporate: All Centers of Excellence – ISO 14001:2015
- Corporate: Avery Dennison/Eco Vadis – Corporate Social Responsibility Award
- Corporate: GSK Holistic Approach Special Recognition
- Corporate: Sonoco Products – Supplier Sustainability Award (4 years)
- Corporate: Sustainable Packaging Coalition (SPC) – Honorable Mention for the Development of a 100% Recyclable Stand-Up Pouch
- Corporate: 2018 Sustainable Packaging Coalition (SPC) – Honorable Mention for the Development of a 100% Recyclable Stand-Up Pouch
- Iowa Center of Excellence: Environmental Excellence in Recycling
- Iowa Center of Excellence: IA/IL Safety Council – Hazard Control Award/President’s Choice Award
- Iowa Center of Excellence: Iowa Governor’s Environmental Excellence Award
- Iowa Center of Excellence Sonoco Recycling – Gold Star Award
- Wisconsin Center of Excellence: Clif Bar & Company Recognition as a Climate Leader for using 50% Green Power for their Products

AMERISTAR AWARDS (Sponsored by Institute of Packaging Professionals)

- Mars/Wrigley Design Award Orbit Reclose Adhesive (2015)

EXCELLENCE AWARDS (Sponsored by Package Printing)

- Hershey's Special Dark Nuggets (2019)
- Quaker Oats Old Fashioned Oats (2018)
- TCHO Bites Toffee & Sea Salt & TCHO Bites Almond & Sea Salt (2017)
- Bare Naturally Baked Crunchy Cinnamon Apple Chips (2016)
- Sahale Snacks Raspberry Crumble Cashew Mix (2014)
- John Soules Chicken Fajitas (2013)
- General Mills Betty Crocker Pumpkin Spice & Clif Builders Bar & Snack Factory Pretzel Crisps (2012)

EXCELLENCE IN FLEXOGRAPHY AWARD (Sponsored by Flexographic Technical Association)

- Honest Organic Gummies Pouch (2024)
- Kodiak Peak Banana Nut Oatmeal Pouch (2024)
- Community Coffee LSU Special Dark Roast (2021)
- Hershey Assortment Reese's Party Pack (2020)
- Bertolli Classic Meal - Chicken Florentine & Farfalle Wrapper (2014)
- 1.5 Liters Meridian Vineyards Chillable Red (2013)

FPA AWARDS (Sponsored by Flexible Packaging Association)

- Beachbody PCR (incorporated SUP) (2022)
- Nestle Smarties 203g SUP (2022)
- Lamb Weston - Alexia Sweet Potato Fries (2022)
- John Soules 32oz Chicken Patties Value Size (2022)
- Crunch Pak's Toy Story Lunch Kitz (2021)
- Nestle Toll House Artisan Collection Premium Baking Chips (2020)
- Knorr One Skillet Meals (2018)
- Banquet Dino - Shaped Chicken Nuggets & Nudges Grillers Dog Treats (2016)
- Ghirardelli Sea Salt Pouch & PF Chang Mongolian Style Beef (2015)
- SC Johnson Glade PlugIns Winter Collection (2014)
- Lindt Lindor Assorted Chocolates (2013)

GOLDEN CYLINDER AWARDS (Sponsored by Gravure Association of the Americas)

- Clif Luna ECG (2022)
- Hershey Mounds Miniatures Dark Chocolate & Coconut (2019)
- American Packaging Gravure G7 Qualification (2018)
- Ghirardelli Melting Wafers (2016)
- Lindt Lindor Assorted Chocolate (2014)

GOLD INK AWARDS (Sponsored by PrintMedia & Printing Impressions)

- Mars Milky Way Fun Size Big Bag, Nestle Toll House Pumpkin Spice Truffles & Cargill Truvia Naturally Sweet (2020)
- Quaker Oats Old Fashion Grits & POPTime Jalapeno Chip Snacks (2018)
- Velvet Hammer Coffee Dark Roast Blend, John Soules Grilled Chicken Breast Strips, Coach's Oats & P.F. Chang's Korean Style BBQ Chicken (2017)
- Nestle Aero Milk Chocolate Truffle & Nudges Steak Grillers Dog Treats (2016)
- Snack Factory Buffalo Wing's Size Pretzel Crisps (2015)
- Kirkland 5ct Face Wipes (2014)
- Parrot Bay Tropical Rum Punch & John Soules Chicken (2013)
- General Mills Betty Crocker Pumpkin & Gingerbread, Clif Bar - Gary's Panforte (2012)

NCA Ruby Awards (Sponsored by National Confectioners Association)

- Nestle Smarties - 203g SUP (2022)

PREMIER AWARDS (Sponsored by Printing United Alliance)

- Perdue 26oz. Buffalo Boneless Chicken Bites (Best in Category 2022)
- Hershey's Special Dark Nuggets, Hershey Reese's Miniature Cups (2019)
- Quaker Oats Quick 1- Minute (2018)
- Lindt Lindor Assorted Chocolate & Lindt Lindor Milk Chocolate (2017)
- Quaker Real Medleys Super Grains Cinnamon Apple Walnut (2016)
- Snack Factory Buffalo Wing's Size Pretzel Crisps (2015)
- Bertolli Chicken Marsala (2014)

- Parrot Bay Coconut Water Flavored Pina Colada (2013)
- General Mills Betty Crocker Gingerbread & P.F. Chang's Spring Rolls Teriyaki Chicken (2012)

Certifications & Compliance Databases

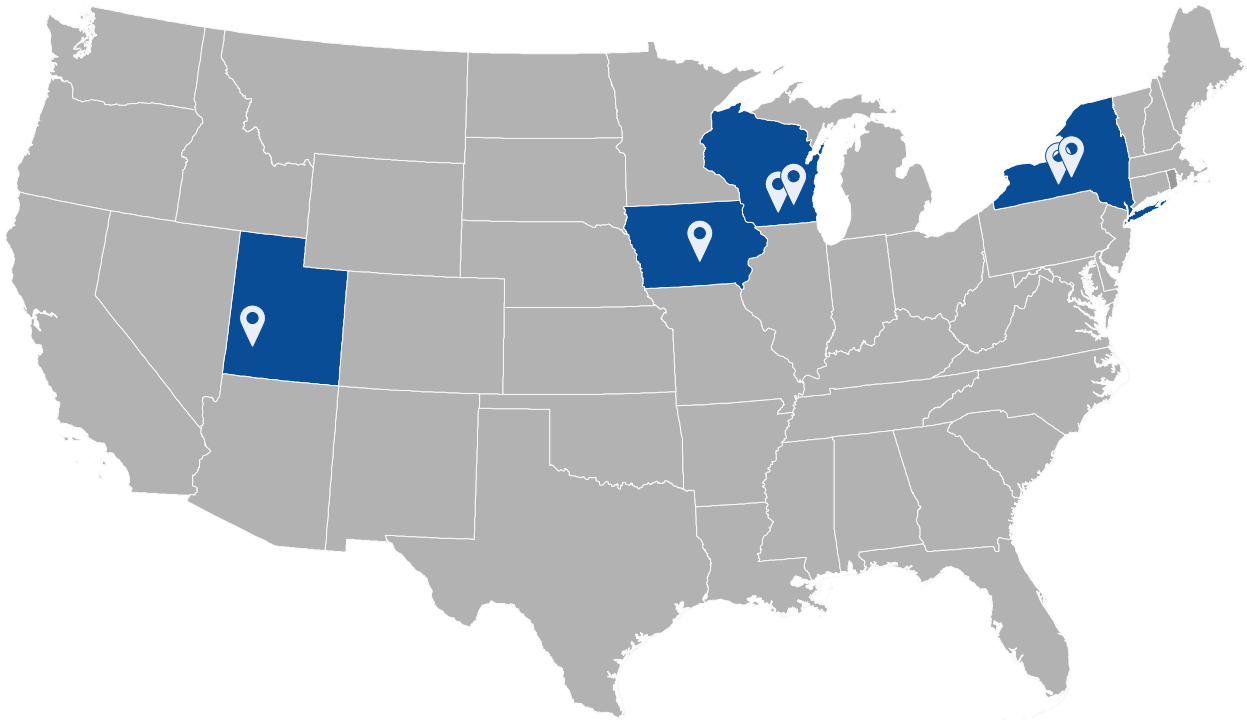
- OSHA VPP Star Worksites (2 Centers of Excellence, since 2003) – Story City & Rochester
- ISO 9001:2015 Certified –Chili, Columbus, DeForest, Rochester, Story City
- ISO 14001:2015 Environmental Certified – Story City, Rochester, DeForest, Columbus
- ISO 45001 – Chili, Columbus, DeForest, Rochester, Story City
- GFSI: FSSC 22000 v.5.1 – Chili, Columbus, DeForest, Rochester, Story City, Cedar City
- Graphic Measures International (GMI) Certified
- G7 Master Certified – Columbus & DeForest
- IMS Listed – Chili, Columbus, DeForest, Rochester, Story City
- SMETA 4-Pillar Audit (Sedex Members Ethical Trade Audit) – Chili, Columbus, DeForest, Rochester, Story City
- FSC (Forest Stewardship Council) Certified – Chili, Columbus, DeForest, Rochester, Story City
- ISCC+ Certified – 2023 All Sites
- Supplier Leadership on Climate Transition Badge – Scope 3
- FDA DMF (Drug Master File) Registration Available for all Facilities
- Ecovadis Assessed
- CDP – Carbon Disclosure Project Assessed



**American
Packaging**
CORPORATION

CORPORATE HEADQUARTERS

100 APC WAY • COLUMBUS, WI 53925
WWW.AMERICANPACKAGING.COM



Locations:

Rotogravure Printing & Laminating
Columbus, WI • DeForest, WI

Flexographic Printing & Laminating
Story City, IA • Chili, NY • Cedar City, UT

Engineered Laminations & Coatings
Rochester, NY