



SUSTAINABILITY
REPORT
2020

TEKNIPLEX[®]

Global strength. Superior solutions.

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To Our Employees, Customers, Suppliers and Investors,

Fiscal year 2020 began with many of the same ambitions and opportunities as any other year – pushing ourselves to be the best at everything we do – keeping our manufacturing employees safe, growing our business, delighting customers and innovating great technologies and products.


But in February, the pandemic brought significant challenges to the world... and our business. And at the same time, in the United States, a string of high-profile racial injustice cases involving African Americans challenged us to look at ourselves and our company.

In true Tekni-Plex fashion, we embraced the opportunity to always do better. Sometimes, we weren't certain how to go about that, but just knew that we had to begin, and we would find our way. We let our values guide us, leaning on trust, respect, safety and valuing each other. We proactively acted to keep our manufacturing teams safe, allowing us to provide our customers with the products that were critical in the fight against the pandemic. We created TekniServes and TekniGives to support our employees and the communities in which we operate during some desperate times. We focused on supporting foodbanks to help with the growing food insecurity problem.

As we ended 2020, and moved into 2021, we began to strengthen our voice on many of the environmental, social and governance challenges facing us all. We will continue to face them together, working with all of our stakeholders and building on what we've learned. By doing so, we will become better corporate citizens, better stewards of our company, and better stewards of this earth. This first sustainability report reflects our efforts to be just that – better. As with everything we put our minds to, we will become better and better at sustainability efforts. You should expect us to do our part – our best.

Paul J. Young

President and CEO, Tekni-Plex



Headquartered in Wayne, Pennsylvania, Tekni-Plex employs 3,800 people throughout its operations in Belgium, Brazil, Canada, China, Costa Rica, Germany, India, Italy, Northern Ireland, and the United States.

WHO WE ARE

As a global leader in advanced plastic and rubber technology, Tekni-Plex engineers solutions to meet customer needs in critical applications that touch every aspect of life, from medical devices to food packaging.

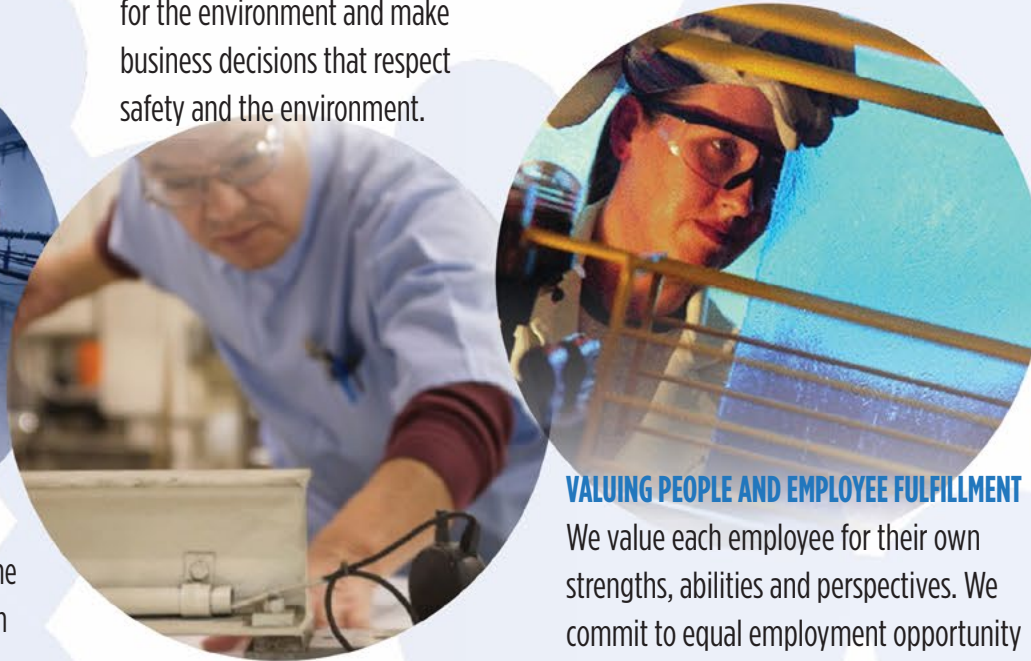
Since 1967 Tekni-Plex has been a pioneer in using advanced polymer technology to develop innovative packaging materials, dispensing components, and medical tubing.

We leverage more than 50 years of expertise, in partnership with our customers and suppliers, to provide innovative and sustainable solutions that are good for business and the environment.

OUR CORE VALUES

SAFETY AND ENVIRONMENT

We ensure our own safety and the safety of others. We act with care for the environment and make business decisions that respect safety and the environment.



INTEGRITY AND TRUST

We are personally accountable for the highest standards of behavior, which include being honest in intent and actions, setting high personal standards and living by them, and being trustworthy and respecting confidentiality. We will treat customers and company resources with the respect they deserve.

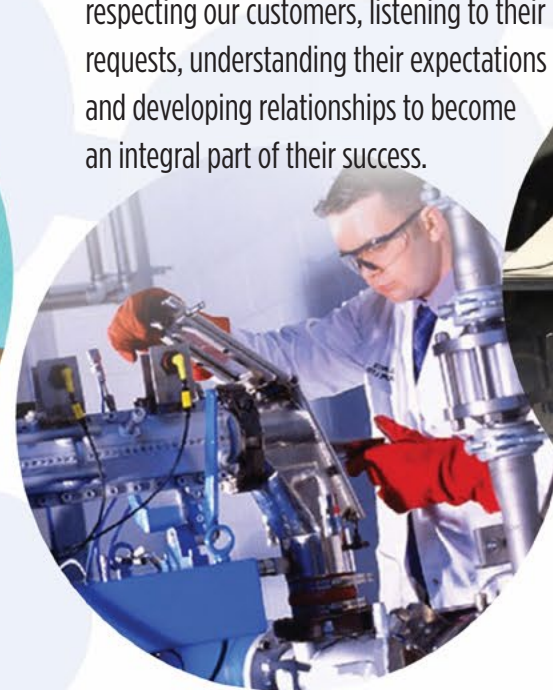


VALUING PEOPLE AND EMPLOYEE FULFILLMENT

We value each employee for their own strengths, abilities and perspectives. We commit to equal employment opportunity and balanced work and life. We recognize that people have a need to define how to grow as human beings, expand their horizons, and meet new challenges.

CUSTOMER LOYALTY AND SATISFACTION

We strive to instill customer loyalty by ensuring customer satisfaction. This means respecting our customers, listening to their requests, understanding their expectations and developing relationships to become an integral part of their success.



EXCELLENCE

We seek that our products and services will be “best in class” and we will be professional in everything we do.



INNOVATION

We constructively challenge for a better way and sponsor creativity and the sharing of ideas. We embrace ideas for improvement, proactively identify opportunities for growth, and capture and share knowledge.



TEKNIVISION

HIGHLIGHTS FROM 2020

We have
already come
a long way ...
we know we
can go further.

Sustainability has always been part
of what we do at Tekni-Plex and goes
hand-in-hand with our Core Values.

Filtered through the lens of the UN
Sustainable Development Goals, this
2020 Sustainability Report looks to the
past and all we have done by just being
who we are as a company.



At Tekni-Plex, sustainability
is at the heart of Product Innovation.
We embrace the design principles supported
by the Ellen MacArthur Foundation and
develop products that are recyclable in
common waste streams and/or contain
recycled content, in order to reduce the
footprint on the earth we share.

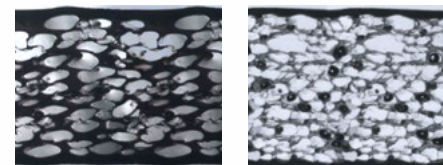
PRODUCTS

Closure Liners Reduce, Reuse, Recycle

REDUCE: Lightweight Polyethylene (PE) Liners

For applications where the proven performance characteristics of PE are required, Tekni-Plex offers a lightweight alternative that weighs up to 33% less than the traditional PE/LDPE coextruded foam liner, providing the same characteristics with a more sustainable footprint. With this addition to the portfolio, Tekni-Plex takes a unique position in the market by offering the largest range of foamed liner densities in single- and multilayer structures.

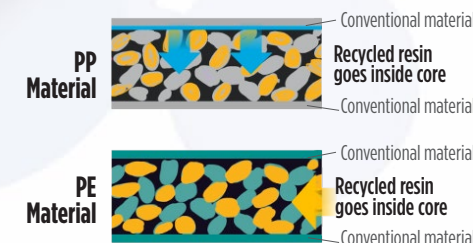
Same Functionality & Similar Performance Up to 33% weight reduction.



Standard Foam Liner

Lightweight Alternative

REUSE: Recycled content in the core layer of certain products



For suitable applications, we offer liner products with a core layer that includes post-industrial recycled content made from the skeleton remaining after a PE or PP sheet is punched by our customers. Our customers then return the punched PE or PP skeleton to Tekni-Plex to be pelletized and reused in other products.

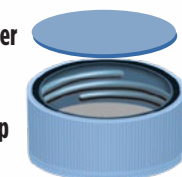
RECYCLE: Polypropylene (PP) Liners

Substituting a PP closure liner for a PE closure liner makes the closure and the liner (together) easier for recycling into a single recycling stream.

Foamed closure liners are traditionally made from PE, which has excellent foaming, mechanical, and compression-set properties. These closure liners are typically inserted in closures made from PP, where PP is preferred due to stiffness, gloss, hinge properties and stress crack resistance. Closure liners are inserted behind the threads of closures, and the liners stay in place during the lifetime of the packaging. When a closure containing a PE liner is discarded, it will be rejected from the recycling stream because of the mixture of PE and PP materials.

PP Liner

PP Cap



Fully Recyclable

Tekni-Plex offers a PP closure liner that provides the same performance characteristics as a PE liner, but has the added benefit of making the closure fully recyclable in a single stream.

Tekni-Plex offers LDPE dispensing tubes made with 100% PCR and HDPE/PP dispensing tubes made with 80% PCR. A key requirement for products manufactured using PCR is that they have the same performance characteristics of products manufactured using conventional resin. The PCR used to manufacture our dispensing tubes offers similar processability as conventional resin and produces products with similar performance characteristics.

Mechanical recycling of plastics refers to the processing of plastics waste into secondary raw material or products without significantly changing the chemical structure of the material and, as the primary type of recycling available, can provide a reliable stream of PCR.

Waste streams that provide clean plastic of a single type, in large quantities, are ideal for mechanical recycling and represent a win-win environmentally and economically. Environmental benefits from substituting mechanically recycled, chemically equivalent post-consumer materials generally exceed that of collecting, sorting, transporting, and recycling commingled materials. In addition, the costs of mechanical recycling are offset through selling the recycled materials.

Source: Plastics Europe
(Association of Plastics
Manufacturers in Europe)

Post-Consumer Mechanically Recycled Resin (PCR)





TekniMD® and Tekniflex® PX

A Sustainable and Recyclable Alternative to PVC and PETG

Packaging plays a critical role in ensuring the integrity of life-saving medical devices and pharmaceutical products.

Until recently, this type of packaging was not easy to recycle.

Tekni-Plex's TekniMD® PX and Tekniflex® PX are high-performance, thermoformable, proprietary copolyester films that are suitable for #1 PET stream recycling, alongside soft drink bottles.

They offer an ideal alternative to PVC and PETG structures. Tekniflex® PX film and TekniMD® PX have been evaluated by an independent third-party laboratory to determine its suitability for recycling in the #1 polyethylene terephthalate (PET) waste stream.

No. 1 plastics, commonly found in soft drink, food, and other containers, are collected and recycled by most municipalities.

First Pharmaceutical Blisters Containing Circular Polymers

Tekni-Plex has been a long-time provider of high quality, reliable products to the pharmaceutical blister market, offering a variety of barrier film structures to protect sensitive drugs over their shelf life. Historically, PVC has been the material of choice for such structures, often complemented with barrier layers such as PVDC or PCTFE (Aclar®).

Tekni-Plex was one of the first suppliers to offer a complementary series of polyolefin blister films, Tekniflex® COC and Tekniflex® ECO, demonstrating high recyclability scores in the PP waste stream. These substrates provide the same superior barrier to moisture and oxygen and can easily be used in place of other substrates on existing thermoforming equipment.

Tekniflex® COC and Tekniflex® ECO are formulated with PP skin layers. Tekni-Plex has secured access to circular polymers and introduced alternative versions of Tekniflex® COC and Tekniflex® ECO now containing chemically recycled PP resin.

There are two main advantages to chemically recycled PP:

1. This process allows the recycling of mixed plastic waste that cannot be recycled via traditional mechanical recycling processes.
2. New resins generated through this process exhibit the exact same properties compared to conventional resins, including meeting all regulatory requirements for pharmaceutical applications.

Through the chemical recycling process, Tekniflex® COC and Tekniflex® ECO can be manufactured with up to 30% chemically recycled material.





Recyclable Paper Materials For Healthcare Applications

Tekni-Plex healthcare packaging produces multiple recyclable options for use in medical device packaging. Paper is a commonly used packaging material for multiple product applications. Both coated and uncoated paper are considered recoverable within the waste stream.

The coatings use ingredients that include PVA polymers, EVA/LDPE components, tackifiers, waxes, and/or polychloroprene ingredients to achieve the appropriate end-use performance. The coatings represent a minority of the total weight of the coated paper structure such that 80% or more of the product is recoverable as paper fibers.

Whether these products can be recycled into paper pulp is largely a function of the types of available collection systems, the repulping equipment capability, and the desired end product of the recycler. The coatings on the products can be physically separated from the pulp by screening or with the use of a centrifugal separator.

Keeping food safely and securely packaged is a critical part of our food supply chain, and Dolco Packaging's polystyrene (PS) foamed egg cartons, poultry and meat processor trays, and other products are an essential part of the solution.

Each year Dolco uses about 10 million pounds of post-industrial recycled PS, all of which was previously sent to a landfill. Dolco also regrinds and reuses almost all of the PS scrap generated in production. In addition, all Dolco manufacturing facilities accept PS egg cartons for recycling and a few locations also accept other types of PS products.

For example, Dolco's Wenatchee, Washington, manufacturing location has partnered with chemical recycler Agilyx to expand recovery and recycling of not just the PS packaging manufactured and collected by Dolco, but also other PS consumer packaging collected from the local community. Agilyx uses its proprietary recycling technology to create new, next-generation PS, which can be used by Dolco, with the goal of increasing global plastic recovery.

In addition, Dolco's Decatur, Indiana, manufacturing location partners with Walmart and its recycling partner to collect and reprocess used clothes hangers from Walmart stores. This post-consumer recycled plastic makes up 5% of the egg carton composition shipped to Walmart stores from the Decatur manufacturing facility.

Food Packaging

Reduce, Reuse, Recycle



Keeping employees safe,
protecting the environment,
and doing more with less
are not only good for business,
they are the right thing to do.

OPERATIONS

STEWARDSHIP

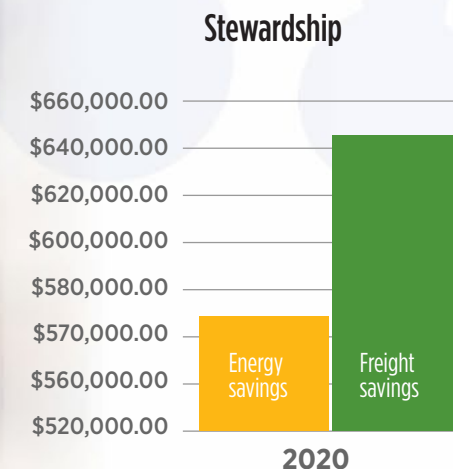
Carefully and responsibly managing freight and energy through strategically placing stock, reducing rushed and partial shipments, and optimizing operations to minimize energy consumption.

Tekni-Plex treads lightly.

In 2019, the United States alone used 143 billion gallons of fuel for transportation.¹ Discovery, drilling, refining, and transporting that fuel takes billions of gallons more. Tekni-Plex understands that transportation and conversion energy are resource intensive, and we have a responsibility to conserve wherever we can. We are both consumers of transportation and energy and stewards of them as limited resources.

FREIGHT SAVINGS EQUALING 71 FOREST ACRES

Notable Projects:
Winston-Salem LED Lighting Upgrade
Dallas Reduce Intercompany Transfers
Ridgefield Chiller Bypass Oct. - April



Blauvelt, New York, adiabatic cooling system reduces water and energy consumption and eliminates chemicals.

Investing in safety, efficiency, and the environment is a priority for Tekni-Plex. The capital improvement at our Blauvelt packaging manufacturing facility is an example. That facility produces a wide variety of single- and multilayered foam or foil/film closure liners for products marketed in glass, metal, and plastic containers. The Blauvelt facility also manufactures pressure-sensitive, tamper-evident, and peelable induction-seal liners.

Blauvelt replaced a 2,100-ton forced draft cooling tower, a 60-ton central chiller, and five water cooled chillers with an adiabatic cooling system, which yielded many sustainable benefits including:

- 80% reduction in water usage
- Future energy savings of 375,000 kWh per year
- Elimination of chemicals used to prevent Legionnaires' disease from entering the water system without sacrificing employee safety

Learning from Blauvelt's three years of success, Tekni-Plex Medical's facility in Belfast, Northern Ireland, is installing a similar system in FY2021.

Tekni-Plex endeavors to do more with less through targeted investment.

In 2018 alone, an estimated 359 tons of plastic entered markets around the world.¹ While Tekni-Plex knows its products contribute to a healthier, safer, more convenient world, we are mindful of the limitations of our shared world resources. Through targeted investment and continuous-improvement programs, Tekni-Plex knows doing more with less is good for business and the world we share.

Efficiency



\$1.6 M WORTH OF MATERIALS NOT REMOVED FROM EARTH

Notable Projects:
Wujiang, China, Scrap Reduction
Blauvelt, New York, Reprocessed Material
Erembodegem, Belgium, Reuse Top Seal LDPE

Continuous improvement and superior engineering reduce scrap that would otherwise be generated by unnecessary changeovers, equipment failures, and process upsets.

EFFICIENCY



1. <https://oilprice.com/Energy/Energy-General/How-Much-Crude-Oil-Does-Plastic-Production-Really-Consume.html>



In Madison, Wisconsin, dedicated waste bailers for corrugated boxes, chipboard, and paper make it easier to recycle.

Our Madison, Wisconsin, healthcare packaging manufacturing facility has focused on reducing the waste it generates and recycling as much of that waste as possible.

The only two sources of waste that leave this manufacturing facility are:

- Hand-carried garbage bags.
- Separated recyclable waste.

This facility has dedicated waste bailers and compactors for four waste streams, including corrugated boxes, chipboard, and paper.

And, as an added measure, trash must be carried the length of the plant, whereas recycling bins are available throughout, making it easier to recycle rather than sending waste to a landfill.



As a global company, we recognize our responsibility to our employees, the local communities in which we operate, and our shared environment.

We are committed to providing a safe and inclusive workplace, investing in people so they have the training and skills they need for today and for the future, and participating in and supporting the communities in which we operate.

EMPLOYEES AND OUR COMMUNITIES

At Tekni-Plex, our top priority is to keep our people and our communities safe.

The TekniGives program was established to provide assistance to our employees and the communities in which we operate during the current COVID-19 global pandemic and for other future crises, in a variety of ways:

The TekniGives Employee Relief Fund

Created from individual donations made almost entirely by the Tekni-Plex Executive Leadership Team to help employees facing financial hardship following a qualified disaster; initially focused on supporting full and part-time regular employees experiencing financial hardship due to circumstances related to the COVID-19 pandemic.

TekniGives Solidarity Food Drive

Participating facilities provided collection bins for food and other non-perishable items as well as the option to make monetary donations to any active food drive recipient organization.

In our communities, the TekniGives campaign also donated more than \$300,000 to certain charitable organizations.¹ The purpose of these contributions was to directly support the communities in which we operate and to help them through the struggle with COVID-19. In addition, Tekni-Plex has committed to match contributions by our individual employees.

Fighting COVID-19

Investing more than \$3.5M on worker safety and additional employee payments to ensure financial security, including continuity of childcare and education.



1. <https://www.tekni-plex.com/teknigives/>

We are committed.

While Diversity, Equity and Inclusion (DEI) are not new concepts at Tekni-Plex, we are embracing a level of commitment, transparency, and investment that is new.

Firstly, we believe that we have a moral and ethical responsibility to provide a safe and equitable environment for all employees – an environment where diverse backgrounds and perspectives are valued.

Furthermore, we know that living up to this belief is good for our business and our customers in addition to our associates; diverse teams are six times more likely to be more innovative, three times more likely to be high performing, eight times more likely to have better business outcomes, and two times more likely to meet financial targets.¹

We are at the very beginning stages of our deliberate journey towards enhancing diversity and inclusion. We have formed an internal working group to focus on DEI at Tekni-Plex, engaged an outside expert in DEI, and rolled out a study within Tekni-Plex to better understand how certain existing practices, policies, programs, and behaviors are impacting employee experiences at Tekni-Plex.

Employee input will inform our next steps as we work to transform our organization.

Racial Injustice Initiatives



1. <https://www.forbes.com/sites/sap/2020/10/15/fostering-an-inclusive-culture-is-a-business-imperative-not-a-trend/?sh=339b52224302>

Safety

In FY20, Tekni-Plex invested \$2.1M¹ across 37 projects to make our operations and facilities safer.

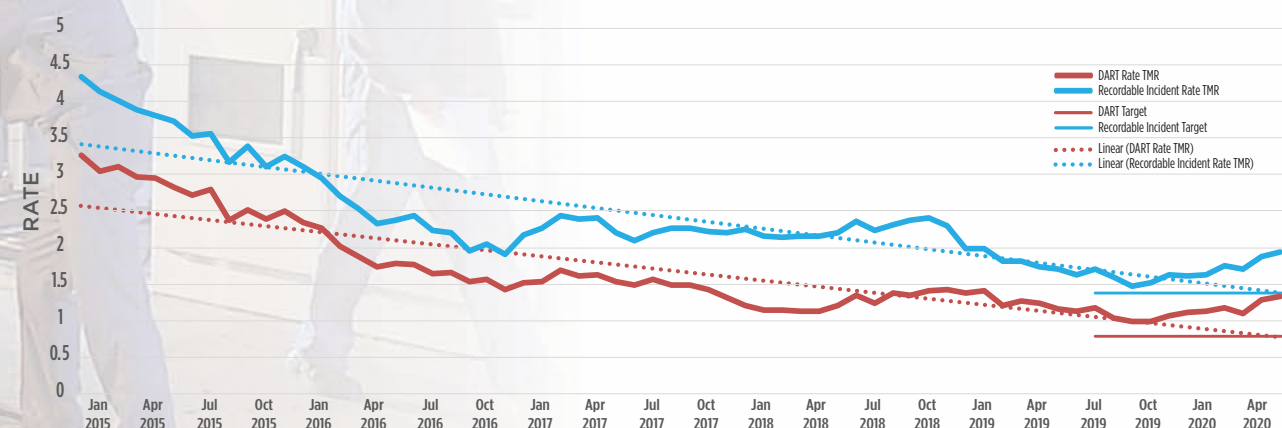
Tekni-Plex strives for zero accidents.

2.3 million women and men around the world succumb to work-related accidents or diseases every year.² At Tekni-Plex, we know

**MY CHOICE IS
ZERO
ACCIDENTS
TEKNI-PLEX**

it can be better. Employees should leave work in the same condition they arrived. In addition to various safety programs including site safety committees with robust employee engagement, semi-annual employee safety sentiment surveys, behavioral-based safety observations, and local and global safety recognition, Tekni-Plex invests significantly in improving safety throughout the company to protect our most valuable assets – our people.

Injury Rate Trends (TTM)



3 GOOD HEALTH AND WELL-BEING



8 DECENT WORK AND ECONOMIC GROWTH



1. This is in addition to COVID-19 Funds from Page 20.

2. https://www.ilo.org/moscow/areas-of-work/occupational-safety-and-health/WCMS_249278/lang-en/index.htm

Talent Management and Leadership Training

Tekni-Plex's strategic objective for talent management and leadership training is to develop our people and organizational capabilities in line with our Core Values so we can continue to provide industry-leading solutions to our customers.

With Core Values like Innovation, Integrity and Trust, and Employee Fulfillment, Tekni-Plex offers every employee around the world the opportunity to stretch, grow, and succeed every day. Our employees are challenged to bring new ideas to the table, jump in, get involved, and make an impact. Tekni-Plex has a proud history and a compelling future. Behind every great Tekni-Plex product is a team of dedicated employees who are truly making a difference for our customers.

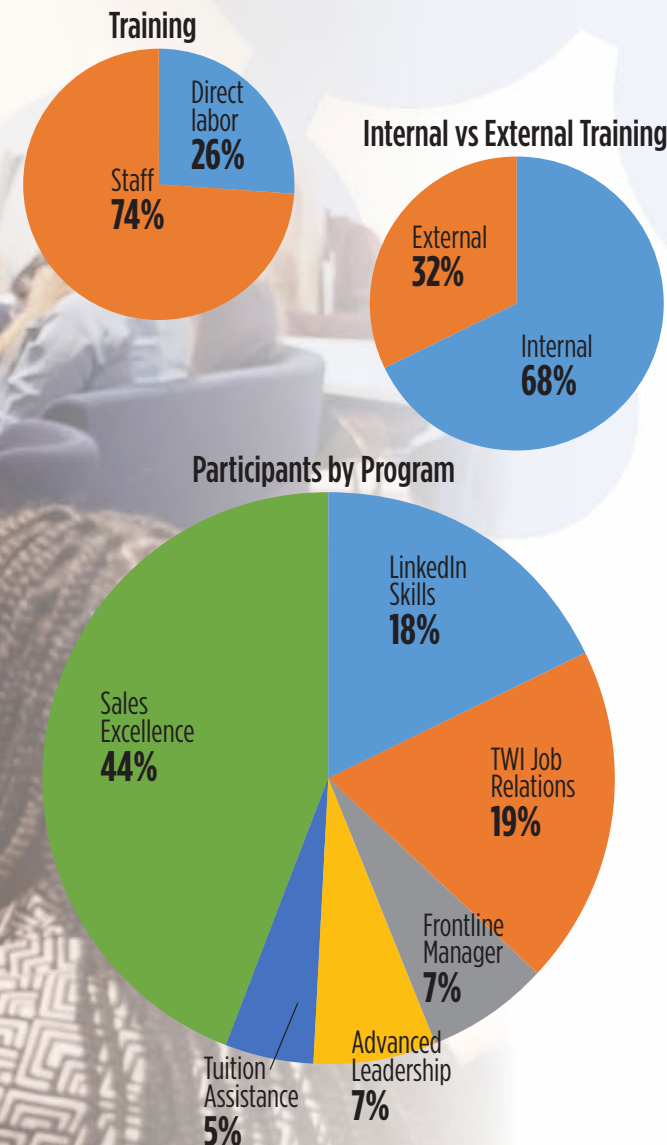
We are driving a culture that rewards those employees who demonstrate our Core Values with excellent opportunities for professional and personal development – at locations around the world.

We live our company values by recognizing peoples' individual and unique strengths and by looking for ways that they can contribute to the business. We focus on training our employees for skills they need today and the capabilities they will need tomorrow to ensure our future success.

Every Tekni-Plex employee has access to varied and comprehensive training programs led by either internal or external trainers in a variety of different disciplines, and we invest in our supervisors so that they can

motivate, develop, and drive the performance of their teams.

**\$700,000 INVESTED
IN 267 EMPLOYEES
ACROSS 6 COUNTRIES**



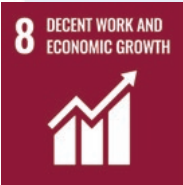
Investing In Our People

Tekni-Plex realizes our people are our most valuable asset.

Tekni-Plex Medical's teams in Belfast, Northern Ireland, Ridgefield, New Jersey, and Sparks, Nevada, achieved Investors In People Silver Accreditation for their deep employee engagement through leadership, support, and continuous improvement.



**INVESTORS
IN PEOPLE** | Silver



Integrity is the foundation on which sustainable businesses must be built.

Without integrity as a fundamental principle, there can be no sustainable business, no trust, and no culture of ethics and legal compliance.

ETHICS AND INTEGRITY

ETHICS AND INTEGRITY

Integrity and Trust are Core Values of Tekni-Plex, forming the foundation of all our global divisions and business operations and a key factor in our world-class relationships with our customers.

We hold ourselves personally accountable for the highest standards of behavior, which include being honest in intent and actions, setting high personal standards and living by them, and being trustworthy and respecting confidentiality. Customers and company resources are treated with the respect they deserve.

The Tekni-Plex Code of Business Conduct and Ethics, along with other global policies, summarizes long-standing principles that Tekni-Plex follows to ensure that our business is conducted with integrity and in compliance with the law.

Code of Business Conduct and Ethics:

This policy provides a framework for making ethical business decisions. It is designed to educate and sensitize employees to legal and ethical issues that they may encounter and to help guide them to do the right thing. The Code addresses employees' responsibilities to the Company, to each other, and to customers, suppliers, and governments. The policy includes a set of detailed standards and guidance related to areas such as business integrity, labor practices, health and safety, legal compliance, anticompetitive practices, confidentiality, conflicts of interest, fair dealing, risk management, and the escalation and proper reporting of issues through our global, dedicated, multilingual hotline available 24 hours a day via an independent third-party service provider. This policy also ties to our Supplier Code of Conduct through which we cascade these principles to our supply chain.

Anti-Bribery and Foreign Corrupt Practices Act Policy:

This policy, reinforced by training, describes Tekni-Plex's prohibition against bribery and corruption, provides information and guidance to recognize and deal with related issues, and outlines the steps Tekni-Plex takes to manage associated risks.

Export Controls and Sanctions Policy:

This policy, reinforced by training, describes Tekni-Plex's approach to compliance by its businesses with all applicable export and import control laws, anti-boycott laws, and trade and commercial embargoes. This policy also provides guidance to recognize related issues and outlines the steps Tekni-Plex takes to manage associated risks.



TEKNIVISION 2021 AND BEYOND

We have
already come
a long way ...
we know we
can go further.

Looking forward,
with sustainability
in the spotlight,
it will be exciting to
see what we can
accomplish in 2021
and beyond.

Working in partnership with UNITAR over the past three years, our facility in Erembodegem, Belgium, has become an example of what is possible for all of Tekni-Plex.

One of the goals of UNITAR is to accelerate implementation of the UN Sustainable Development Goals (SDGs). UNITAR offers resources and services that enable countries and organizations to align their strategies and policies with the SDGs, as well as to build the knowledge and skills of their staff to design and implement evidence-based decisions, maximizing positive impacts across all goals and pillars of the UN 2030 Agenda.

Through clear focus and hard work, the Erembodegem manufacturing facility has demonstrated sufficient evidence in all 17 of the United Nations Sustainable Development Goals to achieve certification in 2021.



2021 and Beyond

Targets and Key Performance Indicators

Tekni-Plex will set long-term, broad sustainability goals for the organization in addition to the targeted goals we regularly achieve as part of cost savings and operational efficiencies.

Data Collection and Reporting

We will more completely and efficiently track our sustainability efforts and outcomes through implementation of tracking tools and changes to internal practices designed to collect information related to sustainability.

Partnerships and Third Party Certifications

We will partner with organizations that can help us further our sustainability goals and vision and work to achieve certification that demonstrates our achievements as a more sustainable organization.

TEKNIPLEX[®]
Global strength. Superior solutions.