



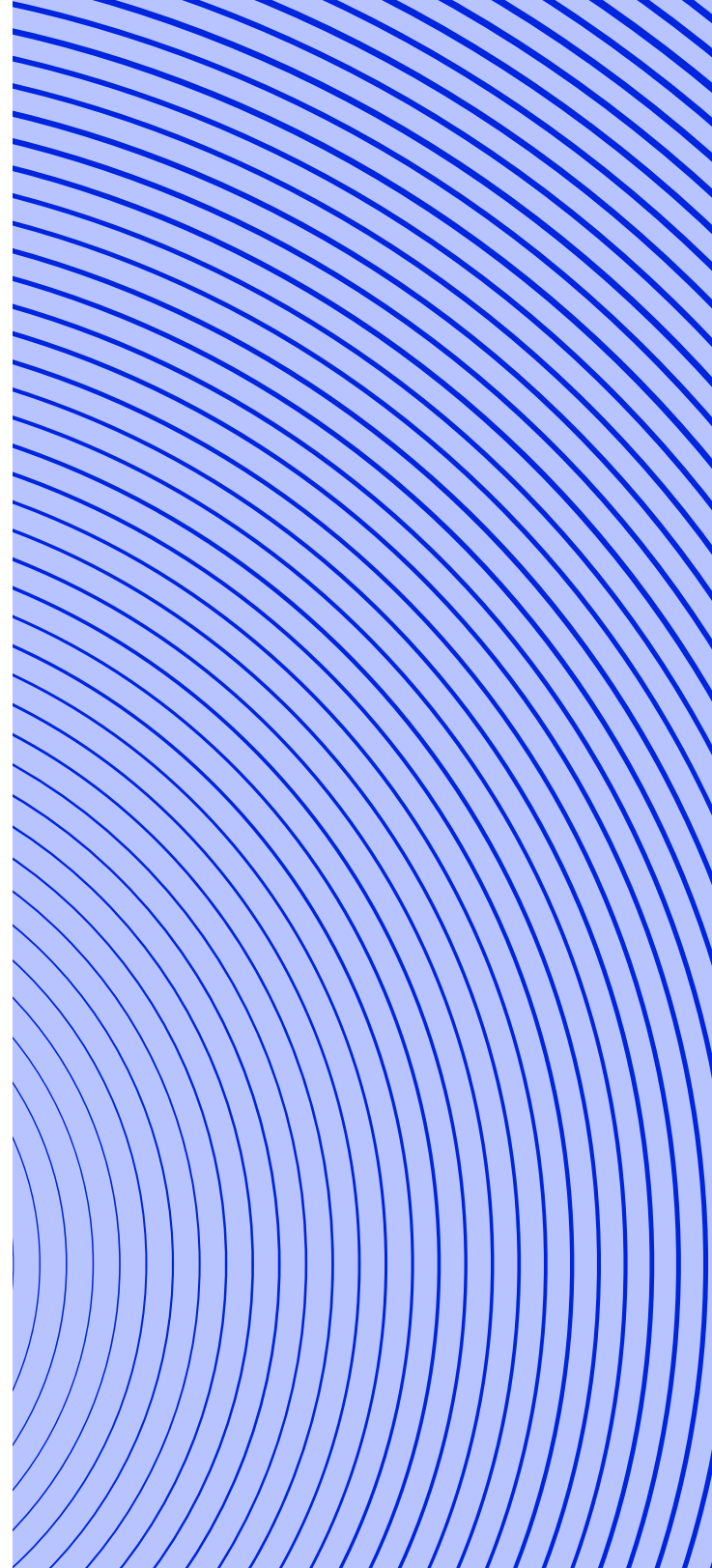
**Sustainability
Impact Report
2023**



Making a positive
impact on our
community, society,
and the environment.



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A Message from Shaun McDonough

Chief of Staff of FLEXcon Holdings Trust

Since my grandfather, Myles, founded the company 67 years ago, our philosophy transcends mere business. It's a commitment, deeply ingrained within our family roots, to have a positive impact that extends far beyond our time. For us, time isn't measured in quarters or fiscal years; it's measured in generations.

Our approach is one where every decision we make is guided by three pillars: social, environment & circularity.

Firstly, social. They're more than just employees or stakeholders; they're the lifeblood of our company. We believe in treating them with the utmost respect, valuing the dignity of their work. Why? Because we understand that by empowering them, we're not just building a stronger business, but stronger communities.

Then there's environmental. We're not content with just existing in the present; we're committed to minimizing our footprint on the environment. That means constantly refining our internal operations to reduce waste, conserve resources, and leave the planet in a better state than we found it.

And finally, circularity. Every innovation, every iteration is crafted with a singular purpose: to enhance the lives of those who use them and elevate the industries we serve while increasing the circularity of our products. Because we know that by creating sustainable, impactful solutions, we're not just ensuring our own longevity, but the prosperity of future generations.

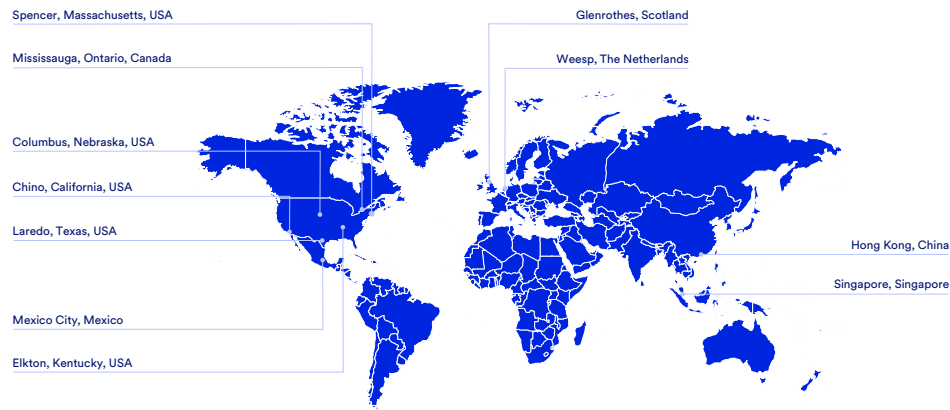
It's about doing what's right, simply because it's the right thing to do. It's about tackling the pressing issues of today with an unwavering focus on the needs of tomorrow.

In essence, sustainability isn't just a buzzword for us; it's our guiding light, illuminating the path toward a better, brighter future.



Who We Are

We are a preferred provider of innovative coatings, film laminations, and functional technologies. Flexcon is committed to understanding customer challenges and co-creating solutions that positively impact society and the environment. A family-owned business for 67 years, Flexcon develops and manufactures quality products with precision and efficiency for markets such as healthcare, sustainable packaging, transportation, consumer durables, electronics, industrial, retail & advertising, and construction & energy with a goal of advancing bonds, innovation, and our world. Headquartered in Spencer, MA, USA, the company has operations and distribution throughout North America, Europe and Asia.



At Flexcon, sustainability involves extending the legacy of ethical practices into a broader and long-term perspective. It encompasses a holistic view of emphasizing the well-being of people, continuous process improvements, and the development of sustainable products.

This commitment aims to have a lasting influence, not only for the next generation, but for the next 1,000 years.

Year in Review with Aimee Peacock, CEO for Flexcon

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When you think about 2023, how would you describe Flexcon's sustainability efforts?

This was a pivotal year for Flexcon, as we prioritized compiling and quantifying the current state of all of our sustainability efforts. Sustainability has been very important to Flexcon; we just have not been sharing all we are doing to support this initiative. We are engaged in all 3 pillars of sustainability focused on social, environmental, and circularity. This year, we made it a strategic initiative with clear project owners. We continued to enhance our product portfolio of sustainable products, to focus on reducing our carbon footprint, and to supporting our employees through safety, training, development, community philanthropy and implementation of several business resource groups.

What do you think is the biggest challenge Flexcon faces when it comes to sustainability?

While the products Flexcon produces are plastics, and we do use chemicals such as solvents, it is our responsibility to reduce VOCs through oxidizer upgrades and reduce negative impact through improvements. We look to become carbon neutral, if not carbon negative.

There is a lot of work for us to do to continue down this path, and we now have goals and plans for how to turn those goals into reality.

Can you discuss any partnerships or collaborations your company has established with organizations or initiatives focused on sustainability?

A huge initiative for us in 2023 was diverting 50% of our waste from our Nebraska facility away from landfills to generate renewable energy.



Year in Review with Aimee Peacock, CEO for Flexcon

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This was completed by a team of extremely dedicated employees who found an outlet to turn the waste into fuel pellets. They started by manually bailing all the material, which led to the purchase of an automated bailer to enhance the process. We continue to look for outlets to reduce the amount of waste going to landfill.

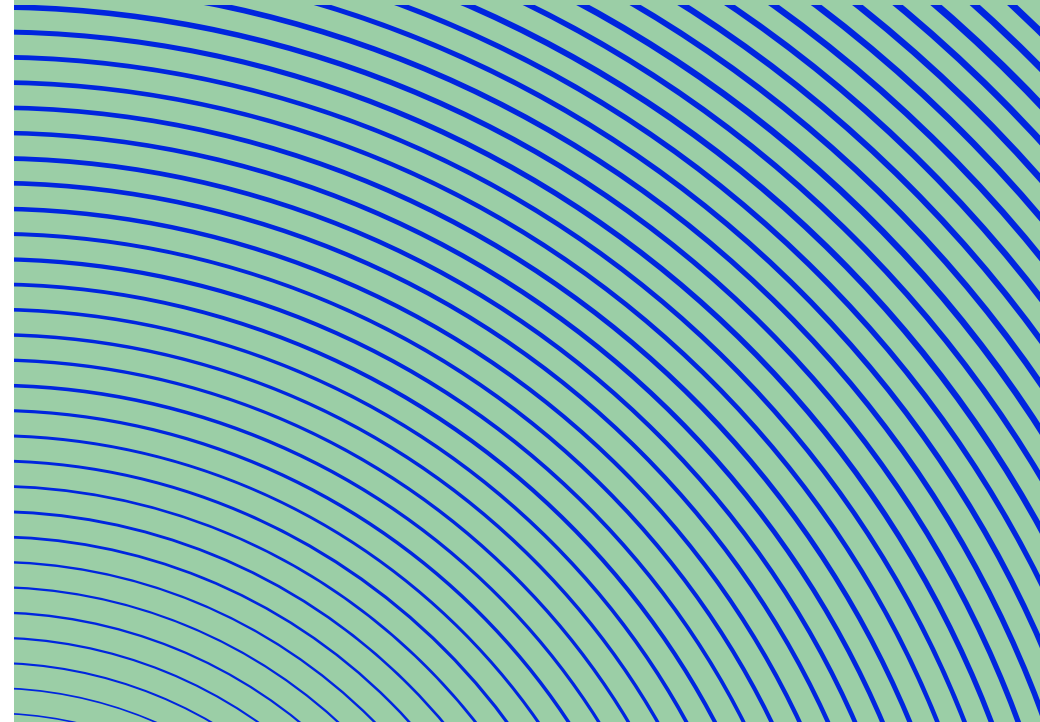
As an industry leader, how do you see the role of Flexcon evolving in the broader context of sustainability and environmental stewardship?

We will continue to define our sustainability strategy and enhance our goals while we support industry organizations. This includes adopting release liner recycling, developing new sustainable solutions, and furthering the mission of sustainability through the supply chain with our customers and suppliers.

It is our responsibility to ensure we are acting in a way that supports environmental stability and improvements for the future generations. We want to be seen as a partner to share ideas with and to help innovate ways to be more sustainable.

“It is our responsibility to ensure we are acting in a way that supports environmental stability and improvements for the future generations.”

Aimee Peacock



Flexcon 2028 Sustainability Goals

Social

A people-focused approach drives Flexcon forward, participating in groups and events that connect with our employees and the wider community.

Environmental

Targeted strategy to develop and fulfill commitments related to our impact by advancing internal processes and addressing various types of waste and energy use that Flexcon can actively improve in the future.

Circularity

Identification and execution of key initiatives that tie to an emphasis on developing sustainable market solutions which will make a positive impact on a circular economy and the downstream use of products.

Initiatives:

Safety goal KPI reduction driving towards

0 Incidents

Increase employee participation in improvements to

Above 80%

Initiatives:

Track Carbon Footprint in scope 1 & 2 GHG to reduce Flexcon carbon footprint by

35%

90%

waste reduction by diverting away from landfills

Natural resource improvement by reducing natural gas & electrical usage by

35%

Initiatives:

50%

of all products manufactured by Flexcon will be EcoFocus® sustainable solutions

25%

of all products manufactured by Flexcon will improve people's lives

Rating Certifications and Associated Partners

Flexcon's commitment to a circular economy is demonstrated by the following certifications and partnerships:



Flexcon Europe



Member of
**SUSTAINABLE PACKAGING
COALITION**



Social: Community Impact

School Stock Program

Flexcon's School Stock is a program where outer wraps, end rolls and aged sample stock of our self-adhesive material is made available to teachers and individuals from non-profit organizations. We invite our community members in need of materials for projects and crafts to visit our Spencer location.

It's important to Flexcon that we give back to the communities where we operate.

Throughout Flexcon, employees are encouraged to participate in and donate to a variety of charitable causes. In 2023, Flexcon collaborated with over 43 different charities that impact the communities where Flexcon operates.

Highlights from 2023

- American Heart Association Heart Walk sponsorship - employees created teams and raised funds that went directly to medical research and to help prevent heart disease.
- Company-wide food drive that netted nearly 1/2 ton of food donated by employees at our Nebraska facility alone.
- Habitat for Humanity partnership - members of Flexcon's operating team gave back by building two farmyard themed playhouses for local veteran families.
- Toys for Kids: Annual toy drive to support the local Spencer, MA community: in 2023 employees donated a truck load of toys.



Social: Community Impact

United Way Campaign

Flexcon is proud to run a United Way campaign in our workplace. In 2023, Flexcon was able to donate \$51,000 to United Way across North America. This donation helped families and organizations most in need in our neighborhoods.

Over the last three years, Flexcon has raised over \$150,000 in support of the United Way.

Through our support of the United Way, we spark positive change in the lives of our friends, family members and ourselves.

The United Way

- Invests in programs that demonstrate visible, measurable results.
- Keeps contributions in our communities to help local people.
- Utilizes hundreds of volunteers.



\$150,000

Amount contributed by Flexcon employees over the last 3 years

Social: Workplace Diversity

The purpose of a Business Resource Group (BRG) is to be a strategic partner within Flexcon to promote a culture of diversity, inclusion, and belonging through continual learning.

The BRG advances the understanding and inclusion of employees with a common background, set of interests and/or goals. Bottom-up input arrives through employee efforts. BRGs are open to all employees, in all locations, through virtual and in-person meetings.



Flexcon's four active Business Resource Groups:

United Diversity Network

Celebrating and educating diverse cultures at Flexcon.

F.L.A.S.H. (Flexcon Armed Services Heroes)

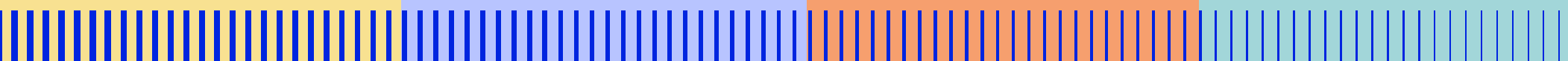
Honoring and connecting Veterans of the armed services at Flexcon.

FlexPride Alliance

Educating, celebrating, and building a community of those that identify with and allies of the LGBTQUIA+ Community.

Women's Initiative Network for Success

Building a network of women to support and inspire each other.



Social: 2023 Highlights

Flexcon Armed Services Heroes

- Sponsored a team to participate in the Veterans Inc. 5K to raise money to help homeless veterans in need.
- Hosted a veteran employee appreciation walk-through where veteran employees were presented with a flag lapel pin and thank you coin on Veteran's Day to show appreciation for their service to our country.

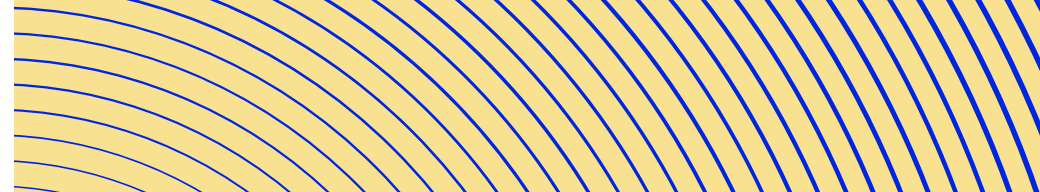


Women's Initiative Network for Success

- Sponsored the Girls on the Run annual 5k. The event encompasses physical activity along with dynamic discussions while encouraging healthy habits.
- Hosted a group of 30 girls from Girls Inc. to help demonstrate how women in the industry can have a powerful and effective impact on the success of a company. Girls Inc. is a non-profit organization based in Worcester, Massachusetts, that focuses on empowering and supporting girls to become strong, smart, and confident individuals.

United Diversity Network

- Hosted a celebration of Hispanic Heritage Month that included great food, fun dancing, and education.
- Employees learned about the rich history and diverse backgrounds of these communities, while fostering a greater understanding, appreciation, and unity across our company.



Social: Safety & Wellness Initiatives

Programs highlighting Flexcon's commitment to safety excellence and a culture of well-being.

Flexcon Wellness Program:

- We have established an onsite wellness facility staffed with a doctor, nurse practitioner, and nurse to promote employee health and well-being.
- In 2023, Flexcon launched three programs that allow team members to get recognized and rewarded for their hard work, improve physical and mental well being, and develop financial fitness.
- Flexcon conducts incentive programs annually aimed at reducing healthcare expenses and encouraging a healthier lifestyle.
- Our commitment extends beyond our workforce; we offer services on campus to the local school district staff at our Spencer, MA facility.

Flexcon's Safety Program:

- We are proud to announce the launch of two proactive initiatives aimed at incident prevention across all of our global sites:
 - Safety Walks
 - Safety Go-to-Sees

Both programs share common objectives:

- Enhance safety measures.
- Prioritize process-focused improvements.
- Ensure the well-being of every individual, ensuring a safe return home every day!



Environmental Impact

Flexcon's waste reduction teams are actively engaged in multiple projects aimed at minimizing waste across various operations and products.

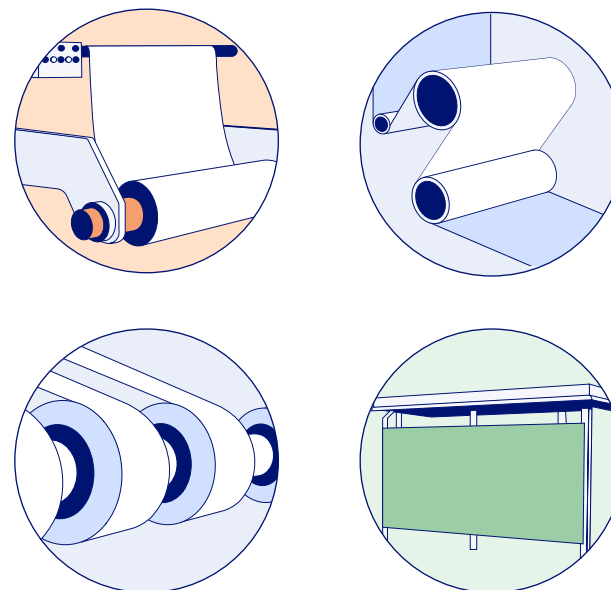
Ongoing initiatives

- Junk roll waste reduction
- Start-up roll reduction
- Rewind waste reduction
- Finishing and packaging waste reduction

These teams are dedicated to identifying and implementing strategies to enhance efficiency and reduce waste throughout the production process, demonstrating Flexcon's commitment to sustainability and environmental responsibility.

Scope 1 and 2 Reductions

We have made a dedicated commitment to identify, measure and reduce Scope 1 and Scope 2 greenhouse gas emissions.



Percentage of material recycled

2021	2022	2023
20%	25%	51%

Supplier Packaging Return Program

Flexcon collaborates with suppliers to implement sustainable solutions for recycling packaging materials.

These materials encompass pallets, endplates, cores, core protectors, foam H-channels, suspension pieces, and steel racks.

Environmental Impact

Nebraska Waste Diversion Program

This program highlights our 2023 commitment to reducing waste and promoting environmental stewardship.

From March 1st to December 31st, we successfully diverted 386.08 tons of waste from the Butler County Landfill.

Additionally, the materials we sent to Convergen Energy in Green Bay generated an impressive 2,599,865 kWh of renewable energy.

This sustainable initiative produced enough energy to power 209 homes (averaging 2000 sq ft) in the Columbus, NE area for an entire year.



386

Tons of waste diverted from Butler County Landfill.

Landfill free

North American headquarters and European facilities are landfill free.

Environmental Impact

EV charging – Spencer campus

Flexcon has installed electric car charging stations at its Spencer facility as part of our commitment to sustainability and environmental stewardship.

This reflects Flexcon's dedication to reducing carbon emissions, supporting green transportation options, and fostering a culture of sustainability within the organization.

Rideshare Program - Encourages Carpooling

Flexcon also offers a ride share program to encourage employees to reduce environmental impact through emission reduction. Each quarter, employees who carpool to/from campus at least 50% of the time receive a small incentive.



Circularity: Sustainable Solutions

Flexcon dedicates 25% of its innovation resources to developing new sustainable solutions that minimize impact on the environment and improve people's lives.

Flexcon® EcoFocus® is a series of pressure-sensitive label stocks designed with an added element of sustainability, such as enabling recyclability or compostability, the manufacture of materials from recycled content, biobased components or containing sustainability sourced materials.

OptiFlex® EcoFocus® label materials are designed to lower the environmental impact of packaging by enhancing recyclability of PET and HDPE containers. Label printers can further their sustainability goals without sacrificing performance.

Our OptiFlex® EcoFocus® product line is only the beginning. Flexcon is building its 3-5 year product roadmap focused on packaging sustainability. We're thinking beyond the conventional to develop the next generation of solutions and minimize plastic waste.



Circularity: Improving Human Lives

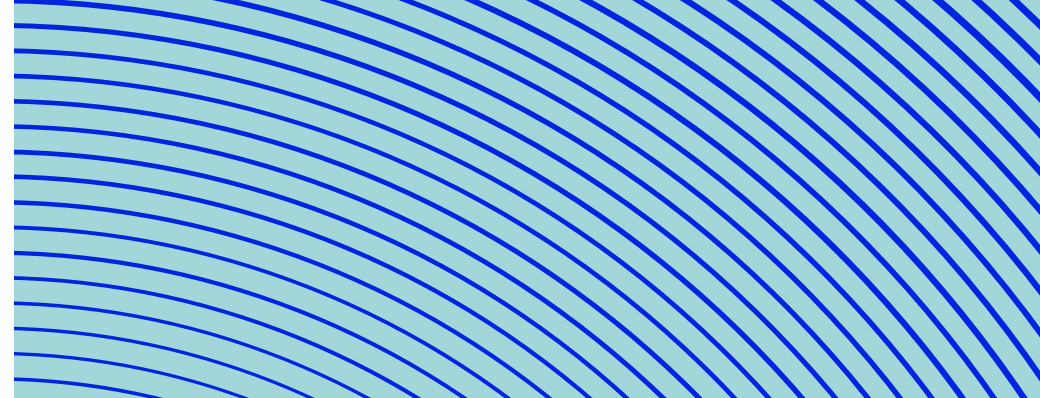
Flexcon is creating advancements in healthcare that will improve human lives. Through the development of innovative products such as Flexcon® Omni-Wave™ hydrogel-free bio-sensing technology, Flexcon is paving the way to improved outcomes, comfort and safety.

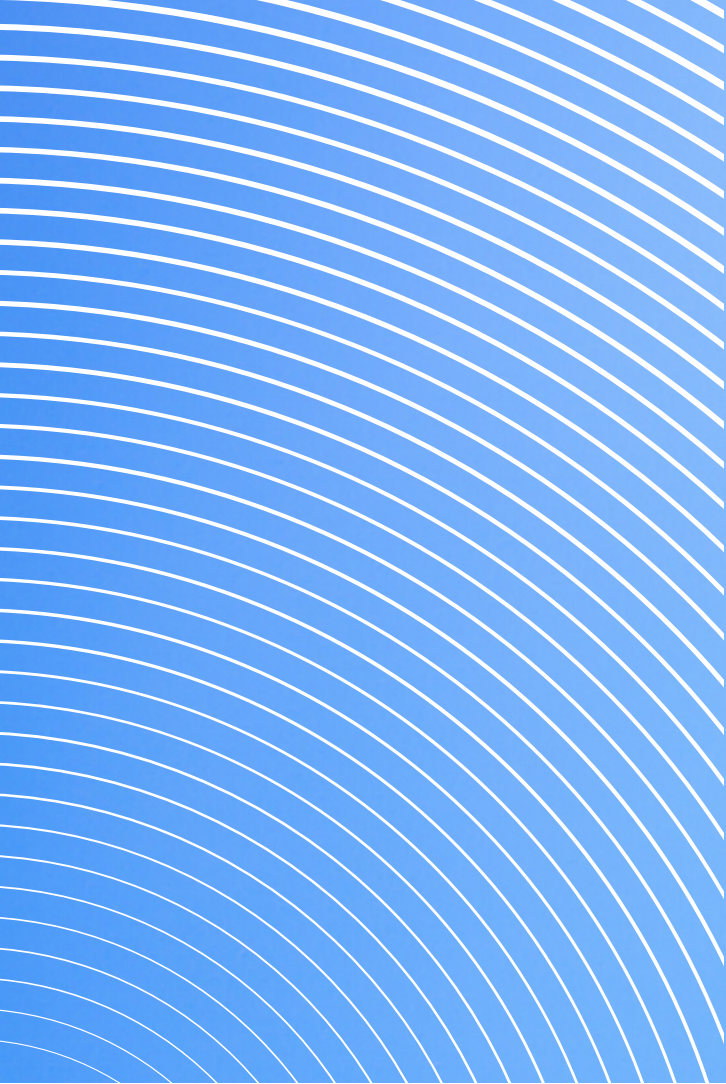
Omni-Wave™ is a disruptive healthcare innovation that provides a better experience for patients free from hydrogel-related skin reactions. Omni-Wave™ also yields reduced waste and substantial cost savings.



Awards for Omni-Wave™

- Winner - 2023 Med-Tech Innovation Award
- Winner - Worcester Business Journal 2023 Manufacturing Excellence Awards for Innovation & Top Product Design
- Finalist - 2023 Best in Sensors for Wearables
- Finalist - 2023 Best in Sensors for Medical Technology





For more information on how Flexcon is striving for a better tomorrow visit flexcon.com/sustainability

