



PRIMEX SUSTAINABILITY ••

2023 Annual Report



A BETTER TOMORROW, STARTING TODAY.

At Primex, sustainability is a principle of continuous improvement and constant evolution. That is why we say, "Primex Sustainability, a better tomorrow starting today." This naturally leads to our sustainability <u>Mission Statement and supporting Charter</u>.



PRIMEX MANAGE MANAGES OF Sustainability Of Susta

5M'S OF SUSTAINABILITY

Most people have heard of the 3P's (People, Planet, Profit) and ESG (Environmental, Social, and Governance). To break it down into manageable buckets and organize our efforts, Primex approaches these concepts by separating them into 5M's.

What are the 5M's of sustainability?



The concept of sustainability at Primex is a broad, allencompassing topic.

To break it down into manageable buckets and organize our efforts, Primex approaches these concepts by separating them into 5M's.

Mankind, Method, Materials, Mandate, and Message.





Mankind

In all things - always do the right thing. This encompasses the company's impact on both internal and external stakeholders.

Method

Considers how every area of operations can impact resources and the environment. Reduction of waste and efficient utilization of resources will create a measurable and meaningful reduction in Green House Gas (GHG) Emissions.

Materials

Compromising form or function will generate more waste downstream and, therefore, will never be a sustainable option regardless of the materials used. Always create the best fit for the product while using minimal resources and lessening it's impact on the environment. Continue to research and test new or evolving materials. Remember, what may have been the best solution previously may not be now.

Mandates

Staying in tune with the ever-changing policies and laws and being ready to plan and implement changes to meet requirements accordingly. This includes those directly impacting your company and your customers. Mandates might include EPR (Extended Producer Responsibilities), specific chemical or material bans or company sustainability goals.

Message

The message companies send surrounding all aspects of sustainability is just as important as their sustainability practices. Whether it ends in success or a return to the drawing board, transparent communication creates a momentum of change and equips others with knowledge to build on. Transparency inspires action and new ideas drive change.

PRIMEX SUSTAINABILITY COMMITTEE

Why was the Primex Sustainability Committee created?

Now more than ever, sustainability is at the forefront of our business. To meet that growing need, the Sustainability Committee was created as an initiative by our president Mike Cramer. The committee is comprised of members from all business units of Primex.

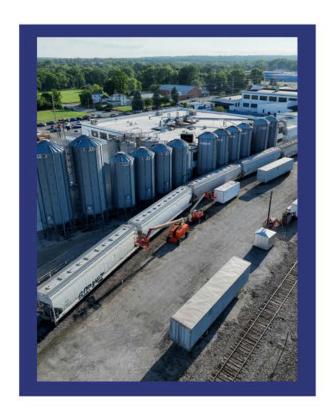
The goal of the Sustainability Committee is to participate and contribute to furthering sustainable, circular economy initiatives. Not just by looking for ways that Primex can be a responsible member of the plastics industry, but to actively participate via networks and associations and pursue Good Manufacturing Processes (GMP), evaluate business opportunities, and pursue continuous improvement throughout the enterprise. The overall desire is to be proactive and promote our industry and the qualities of materials and products we manufacture.



OPERATION CLEAN SWEEP

For more than 25 years the plastics industry has promoted Operation Clean Sweep, a campaign dedicated to helping every plastic resin handling operation achieve zero plastic resin loss. Operation Clean Sweep gives Primex the direction and tools to improve our overall plant cleanliness. It also increases awareness among all of our employees that each of us is able to protect the environment.

Part of our responsibility with Operation Clean Sweep is raising awareness with our suppliers and customers, extending our commitment through the entire value chain. Primex will continue to improve processes and facilities as needed to assure we meet and exceed the requirements of OCS.

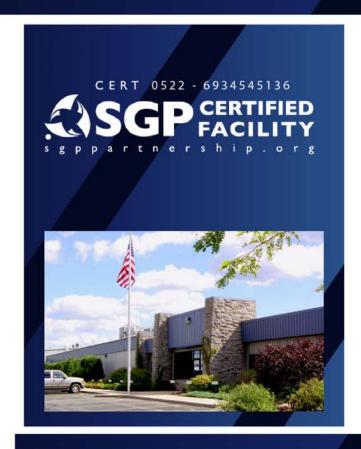


Operation Clean Sweep intends to use Primex's implementation as a future case study on how to go about the process of achieving certification. Specific areas of note were the creation of focus teams, infrastructure planning, and involvement of location members in every step of the process, including identification, auditing, and spill reporting.



Scan the code to hear our President, Mike Cramer, speak on Primex's commitment to Operation Clean Sweep.





PRIMEX REEDSBURG ACHIEVES SGP SUPPLIER CERTIFICATION

Primex's Reedsburg, WI location was the first supplier facility to be certified through the Sustainable Green Printing Partnership (SGP), the leading authority in sustainable printing certifications.

The foundational infrastructure, policies and procedures created via the SGP Certification will help to leverage Primex locations seeking certification under ISO 14001.

By year end 2023, Primex Plastics Ltd will be the first Primex location to achieve ISO 14001 certification.

SUSTAINABILITY TRAINING

In conjunction with the Packaging School, Primex team members participated in the creation of online training regarding sustainability. The Packaging School's mission is to provide education to a global audience in the art and science of packaging.

Sustainable Packaging training is centered around material selection and design, sustainable options, manufacturing, and end of life process.

Packaging School curriculum is available to everyone and is being offered at no charge to Primex employees.













www.primexplastics.com

THE JOHN J FARBER TECHNOLOGY & INNOVATION CENTER

CREATING GROUNDBREAKING SUSTAINABLE PRODUCTS FOR THE FUTURE.

With analytical and mechanical analysis, large and small-scale extrusion lines, and in-house thermoforming capabilities, our independently certified A2LA lab is well-equipped to test a wide range of materials as well as develop new product solutions.

We are constantly searching for new, sustainable, high-performance materials. Our team of technicians in the innovation center work with the latest in technology to ensure the quality of the products you know and trust from Primex, while at the same time expanding our portfolio of sustainable, value-added solutions.

A few examples:

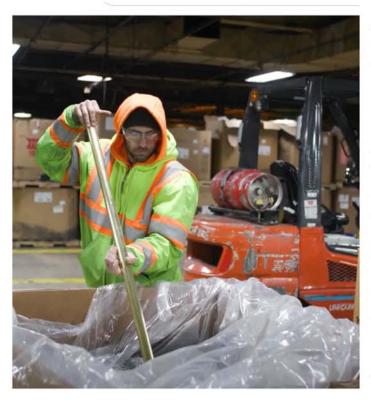
- Polymer Displacement options such as mineral fillers
- Bioplastic options generated from renewable feedstocks
- Additive materials that enhance compostability and biodegradability
- Recycled materials such as PIR, PCR, Ocean Bound, and Ocean Plastics
- Circular solutions based on material composition and construction



(Certificate Number 4071.01)



LOOKING AHEAD



All five of our sheet manufacturing locations are currently engaged in process improvements that will allow an independent 3rd party to validate our recycled material claims.

Primex has both an ethical and business interest in certification sustainable supply chain traceability. Customer demand is increasing for sustainable solutions and closed-loop recycling systems are becoming a focus of state and federal agencies as they work to define and regulate those systems.

We are investing heavily in our processes to prepare our business for the future, as well as maintain our position as a good steward for the planet, our customers, and our own families. It is the right thing to do!

Primex Plastics believes that a business can't improve what they don't know. With that in mind, Primex has committed to tracking Green House Gas (GHG) Levels 1 and 2 as well as certain Level 3, through 3rd certification. We have begun the process of defining, measuring, tracking, and accurately reporting carbon emissions from both direct and indirect determine future sources to improvements and reductions.

This process will allow us to create the framework and report on our data and progress year over year so we can work to reduce the size of our carbon footprint - leaving a positive effect on the environment.







2022 PRIMEX FACILITY UPDATES



Richmond

- Upgraded capacitor bank to improve power factor and conserve energy in this large facility.
- Installed a completely new raw material handling system, resulting in improved employee safety and massive reduction of spillage.

"This was a huge improvement to the safety of our material handlers and to overall material control, also a huge step forward for OCS initiative" - Jeff Longsworth, Richmond General Manager



Reedsburg

- Upgraded barrel, screw, and air-cooled heaters on select lines. The air-cooled barrel heaters are more efficient than the water-cooled heaters originally fitted to the machines, resulting in less power and water usage.
- Continued to convert to LED lighting in both the plant and office areas. Currently 94% complete.



Oakwood

- Installed a new joist system for the lamination stand as well as a non-ferrous material detector for customer regrind to detect and remove non-ferrous material prior to going into the extruder. This reduces waste and downtime.
- Installation of new air-cooled heaters on three of our lines, eliminated water waste and improved response time for heating and cooling of the extruder.



Mesquite

- Air-cooled heaters were installed as opposed to water.
- Capacitor bank upgrades to improve power factor.
- New electronic breakers with a faster trip response to reduce ARC Flash rating.
- Scrap lumber donated for local consumption.
- · Pallet recycling programs.



Garfield

- Modified equipment layout to reduce material handling by 20%.
- Moved material connections from outside the facility to inside reducing contamination risk.



UK

- Through investment in new AC drives/motors and optimizing our production, we have managed year over year, not only to increase production but to reduce our carbon footprint at the same time.
- The ISO 14001 system is now written and will be implemented fully in 2023, which will improve the monitoring of all our waste and its effects on the surrounding area.
- 100% of our energy requirements are from green generation (wind and solar), we are RCS (recycled claim standard) and GRS (Global recycled standard) accredited.



Primex Color, Compounding & Additives - New Jersey

• Addition of a new ventilation fan in the maintenance department, removing about 2500 cfm of nuisance dust.



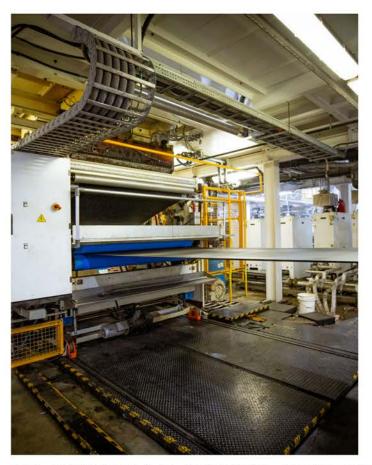
Primex Color, Compounding & Additives - TN

 Much thought was put into keeping pellets out of water sources, including the installation of a speed hump constructed to keep pellets inside of the building and an eco-friendly mat (made of natural, renewable coconut fibers) to help keep trenches clean.



Primex Design & Fabrication

- A new guard railing was added to the digital printer feeder/stacker tracking.
- Added area scanners to the wire machine spooling and bending areas.
- Revamped our safety messaging board for employee notifications.
- Increased efficiency in digital print by working to implement dual lane printing capabilities on the new printer. By being able to run two fully printed sheets at a time, print output is doubled for applicable projects.



BUSINESS OVERVIEW

Primex, as one of the largest custom sheet extruders in the United States since 1965, specializes in a wide selection of product families to serve a variety of markets and industries. Through vertical integration with our business units, we offer our customers the entire supply chain - from pellet to package.

Primex is the industry leader in state-of-theart production and testing facilities. All of our locations are ISO 9001:2015 registered and one facility, Primex Design and Fabrication, is FDA registered in order to provide our customers with the highest level of quality products that have come to be associated with the name Primex.

Our commitment to sustainable plastic solutions encompasses all of our operations. We prioritize careful stewardship today and creative innovations for the future. Our recycling and sustainability initiatives divert more than 100 million+ lbs of plastic every year, much of which goes directly into our product lines.

> To stay up to date on our sustainability initiatives, visit our website. www.primexplastics.com/sustainability



Scan the code above to hear the Primex Sustainability Committee chair, Blake Pace, speak about sustainability at Primex in our latest video.



