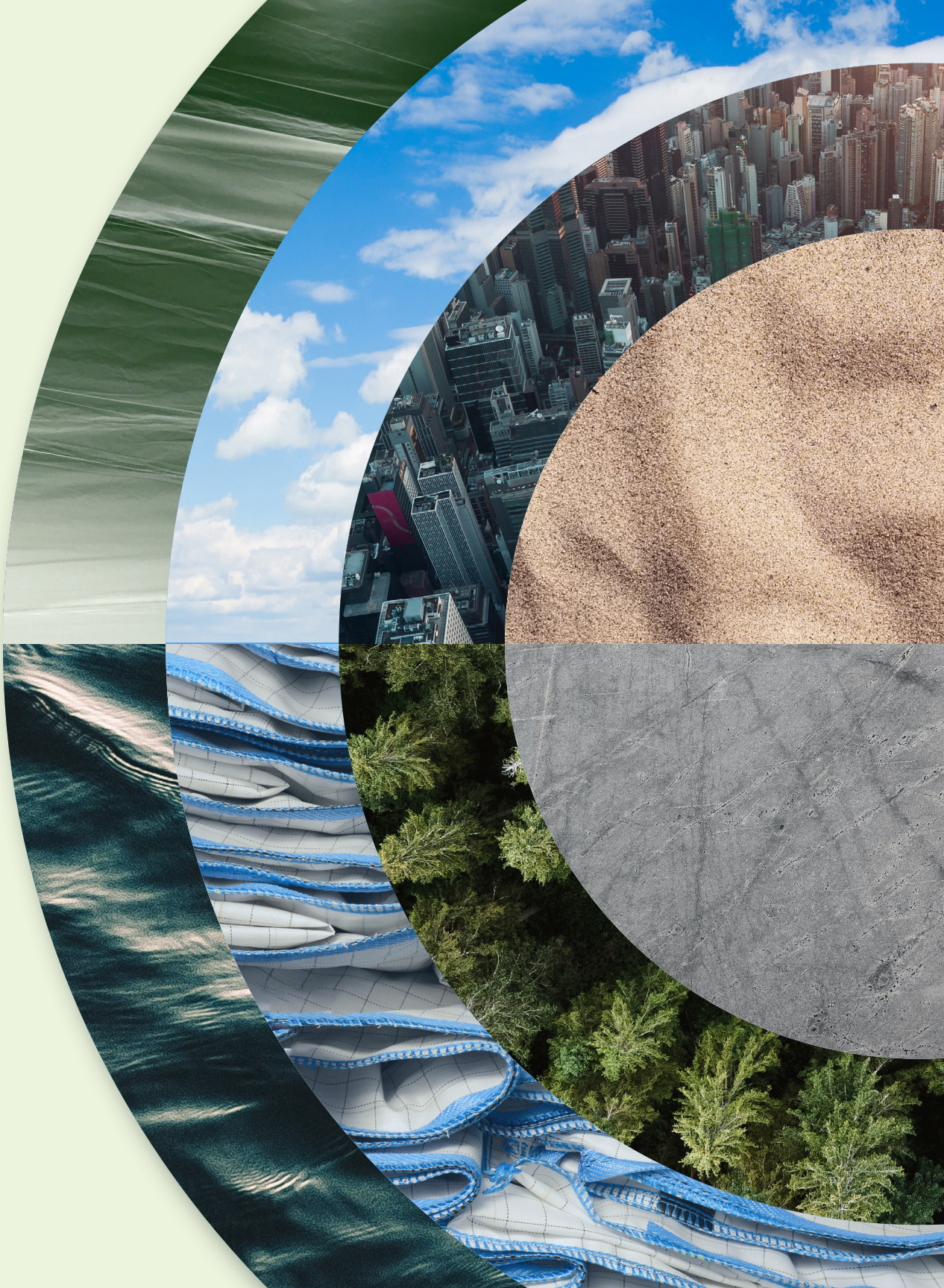


SUSTAINABILITY REPORT 2022

CIRCLE FOR CHANGE



CONTENTS

02 Message
from the CEO

03 About FPS

08 About
this Report

10 Sustainability
at FPS

14 Corporate
Governance

20 Driving Circular
Solutions in Packaging

26 Minimizing our
Environmental Impact

30 Valuing
our People

Message from the CEO

Dear Stakeholders,

It is with great excitement that we introduce the inaugural sustainability report for FPS Flexible Packaging Solutions: *Circle for Change*. Transparency and delivering on our sustainability commitments are critical to building trust with our stakeholders. Our intention with our first report is to establish a transparent reporting cycle and to begin sharing all the good work we are doing to embrace circularity within the packaging industry and drive meaningful change for the environmental well-being of our world.

In this report, you will find information on our sustainability strategy, goals, initiatives, and performance in 2022. This report covers a wide range of issues, including our efforts to transition to a circular economy, enhance our governance practices, reduce our negative environmental impact, and improve social outcomes. To ensure we focus on the sustainability issues most relevant to our business and stakeholders, we conducted an independent topic prioritization assessment, and the results inform the content of this report.



Sustainability is not a one-time event, but an ongoing journey—a continuous circle for change.

Change is inevitable, and 2022 marked a year of transition for FPS. Our ownership changed hands and FPS moved completely under the umbrella of the Al-Dabbagh Group (ADG). Our teams have been working tirelessly to ensure this transition remains smooth and without interruptions to our product delivery and sustainability commitments. We built a solid reputation for customer satisfaction and started several sustainability initiatives under our prior ownership structure, and we continue to build on that foundation by establishing our own commitments.

Our inaugural sustainability report represents a significant milestone in our sustainability journey. It reflects our dedication to integrating environmental, social, and governance (ESG) practices in our strategy and operations. At FPS, we believe it is our responsibility to create a positive impact on the economy, environment, and people. Our vision and purpose, operations, and products reflect our commitment to create positive impact. We recognize that not all progress is achieved in a straight line, so we are committed to transparent reporting as we work toward our goals.

As a packaging company with operations in over 16 countries, we are leading the transition to a circular economy in our own operations and by helping our customers, suppliers, and other stakeholders identify opportunities for collaboration and innovation. FPS announced an industry-leading target to include 30% post-consumer recycled material in our packaging products by 2025. As a market leader in reducing, reusing, and recycling packaging products, we invested in a world-class recycling hub in Romania, Negrești-Oaș in 2022.

Providing exceptional customer service is critical to our success. FPS builds strong relationships with our customers and actively seeks their feedback to improve our products and overall customer experience.

Diversity of thought fuels the innovation that is critical to our success. FPS fosters an environment where everyone feels valued, respected, and empowered to succeed. Proof of our commitment to diversity, equity, and inclusion is our certification as a “Great Place to Work” across 11 countries.

Sustainability is not a one-time event, but an ongoing journey—a continuous circle for change. As such, we intend to annually update our report to communicate our progress and evolving sustainability strategy. I would like to thank our colleagues, customers, suppliers, and other stakeholders for their continued support and dedication to our sustainability journey.

Hari Kumar
Chief Executive Officer





ABOUT FPS

FPS Flexible Packaging Solutions ('FPS' or the 'company') provides Flexible Intermediate Bulk Containers (FIBCs) or big bags, container liners, and other flexible packaging solutions for chemicals, foods, pharmaceuticals, agriculture, and many other sectors. With over 4,200 colleagues in 16 countries, 13 production plants, and 22 sales locations, the company has an extensive and integrated global manufacturing and distribution network providing world-class technical expertise and local customer service. We pride ourselves in providing the highest quality FIBCs to various industries and providing the most sustainable plastics in the industry.

Our Products¹

Standard FIBCs: Our extensive range of Standard FIBCs serves a wide variety of dry bulk handling applications including the chemical and food sectors, providing customers with safe and reliable semi-bulk packaging solutions.

Formstable FIBCs: The unique and effective FIBC construction allows our customers to fill more products, helps to prevent deformation of the bag, and ensures that the FIBC retains its square or rectangular shape during transportation and storage.

FIBCs with Liners: We provide FIBCs with customized Inner Liners to enable additional containment of products. These FIBCs can be tailored and fixed to the outer polypropylene (PP) FIBCs.

Static Reducing FIBCs: Our specialist big bags provide protection against electrostatic hazards in Types, B, C, and D formats, in accordance with IEC (Electrostatic Classification of Flexible Intermediate Bulk Containers) regulation 61340-4-4. These bags are used in sensitive applications and environments where risk of static electricity may occur.

MAPGuard: Our products developed using the Modified Atmosphere Packaging (MAP) technology allow producers to slow the deterioration of perishable products, providing high-level containment and resistance to moisture ingress as well as containment of odor.

United Nations (UN) FIBCs: Developed for the safe handling and transportation of hazardous products. UN FIBCs are designed, tested, and manufactured with full adherence to the UN regulations for the transport of dangerous goods.

Aggregate FIBCs: Our range of aggregate FIBCs provide safe packaging solutions for transportation of bulk aggregates such as sand, stone, and gravel.

1 and 2 Loop FIBCs: These cost-effective and easy-to-handle bags promote fast filling and can also be provided in a bag-on-roll format for automated filling systems for fertilizers seed, cement, lime, and fish feed.

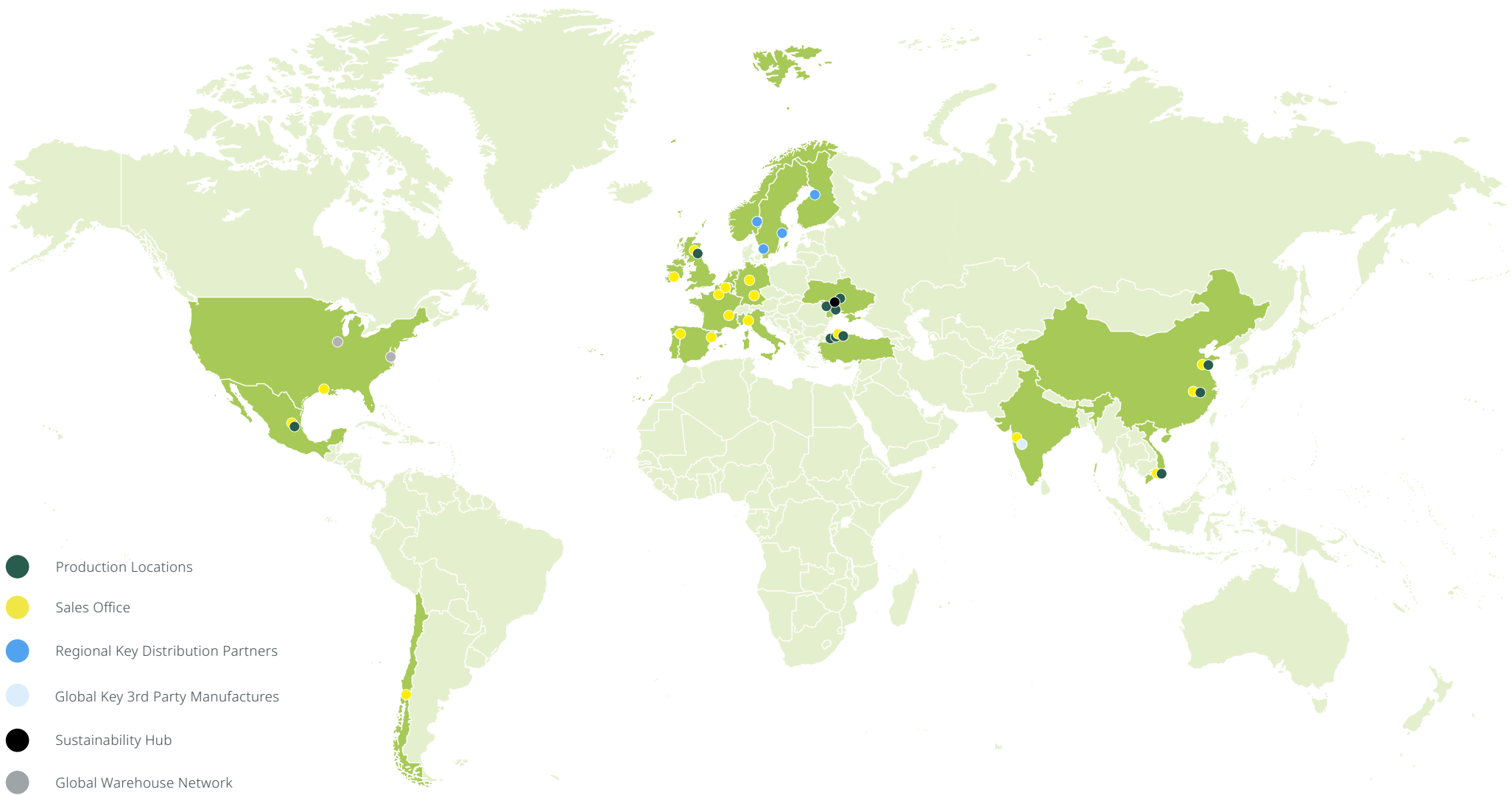
Container Liners: Designed for optimized sea container shipping delivering best-in-class product protection and leakage prevention, while enabling simple bulk handling for 20-foot and 40-foot sea containers.

FPS are able to include post-consumer recycled (PCR) and post-industrial recycled (PIR) content in packaging products. Our reconditioning program, REBU also offers services related to emptied FIBC collection, inspection, cleaning, and preparation for reuse.

¹ For more information on our products, please visit our website at [Products and Solutions—FPS—Flexible Packaging Solutions](#).



Global Footprint



FPS was established through the 50/50 joint venture of Greif, Inc. and ADG in 2010. On April 1, 2022, ADG acquired the shares of Greif to become the sole owner with the goal of creating a market leader within flexible industrial packaging.

ADG is a family conglomerate, established in 1962. The Group employs more than 15,000 colleagues globally through its 62 portfolio companies with a manufacturing presence in 35 countries and sales, services, and projects in over 60 countries. It has five strategic business portfolios with a flagship company for each. These include Food, Petroleum & Auto services, Housing, Packaging, and an Incubation portfolio. ADG is governed by its home-grown philosophy of Omnipreneurship. Its three principles: Giving, Earning and Sustaining are the basis of ADG’s day-to-day operations.

In addition to delivering our top-tier sustainable products, we value our colleagues’ satisfaction and well-being. Our people are our greatest asset. We are committed to creating a work environment characterized by inclusive and accountable leadership with the absence of bias and discrimination.

Purpose

To continuously support the well-being of stakeholders and communities we touch and improve the sustainability of our products.

Vision

Be the first, safest, and sustainable choice in flexible industrial packaging.

Business Priorities



People Excellence



Sustainability



Customer Experience



Growth

Sustainability Vision

Drive meaningful change for the environmental well-being of our world; ensuring transparency and effective governance principles, and continuous improvement for the people and communities we touch.

FPS believes circularity is our future. We strive to create a more sustainable world by transitioning toward a circular economy, and we aim to achieve this by moving away from the ‘take, make, dispose’ mindset, doing more with less virgin materials, and minimizing waste. Through innovation, each product we develop takes us one step closer to our vision to become the first, safest, and most sustainable choice in flexible industrial packaging.



Core Values



Integrity

Always make the right choice even if it is difficult. We subscribe to honesty, high moral and ethical standards.



Passion

Believe in what we do and enjoy it. Are skilled, love what we do, and create unmatched value from our work.



Forward Thinking

We will not get comfortable with our success. We are constantly learning, improving and adapting to rapid change.



Respect

Treat others like they want to be treated. Embrace and leverage our differences.



Trust

Earn and keep the trust of our customers, colleagues, partners and stakeholders. We can be relied on and keep our promises.



Diversity and Inclusion

Take pride in the diversity of thinking, gender, language and culture of our global business and our stakeholders.



ABOUT THIS REPORT

FPS' first annual sustainability report highlights our continued commitment to transparency and summarizes our evolving ESG strategy, efforts, and performance, through the calendar year of January 1 to December 31, 2022. The report content is informed by findings of an assessment conducted by the company to identify ESG topics most relevant to our business. See the section on Sustainability at FPS for our process and relevant topics. The reporting boundary covers all facilities under our operational control unless noted otherwise.

The report has been prepared with reference to the Global Reporting Initiatives (GRI) Standards 2021. The GRI Index, provided at the end of the report, compiles disclosure information, and explains any omissions to the reported data. We also highlighted our contributions to the Sustainable Development Goals (SDGs), adopted by the UN to end poverty, protect the planet, and ensure prosperity for all. This report has not been externally assured.

We welcome your feedback about our report and performance and invite you to contact us at: sustainability@fps.com.

2022 Year in Review

Governance



- Recorded zero cases of corruption or bribery.
- Recorded zero cases of non-compliance with laws or regulations.
- Set up a new FPS Sustainability Leadership Team, which will be responsible for crafting and implementing sustainability strategy and initiatives across our operations.

Product



- Built and established a one-of-a-kind recycling hub in Romania to support our target of incorporating 30% post-consumer recycled materials in our packaging products by 2025.
- Developed an in-house post-industrial recycling (PIR) solution at our manufacturing plants, enabling a minimum of 30% recycled content in our products.

Environment



- Diverted 95% of waste from landfill.
- Achieved zero waste to landfill status at 9 of our 11 plants.

Social



- Gained in workforce gender parity, with women making up 47% of all colleagues² and 21% of leaders.
- Certified by the global authority on workplace culture as a Great Place to Work at all our global locations.
- Averaged a minimum of 21 hours of training received by colleagues.
- Covered 100% of our colleagues in our occupational health and safety management system.
- Recorded customer satisfaction score of 97%.

² The gender diversity statistics covers all full-time and part-time colleagues.

Other Accreditations and Partnerships



- FPS is a member of the Alliance to End Plastic Waste. The Alliance to End Plastic Waste is an organization that has rallied over 70 companies to work with them and act toward reducing plastic waste in a variety of ways.
- The company is a member of Sedex, an ethical trade membership organization working with businesses to improve working conditions in global supply chains.
- Our Global Sustainability Head and General Manager, UK, and Ireland presides over the European Flexible Intermediate Bulk Container Association (EFIBCA), which serves as a platform for knowledge exchange and cooperation on quality, safety, and regulatory issues within our industry.
- In January 2022, we joined the European Plastics Converters (EuPC), the professional representative body of plastics converters in Europe.





SUSTAINABILITY AT FPS

Today's business agenda is shaped by evolving megatrends such as the climate crisis, fragile global supply chains, geopolitical instability, and the intersection of technology and sustainability. These changing conditions favor businesses that are agile. FPS understands the implications of an evolving business landscape and is working to stay competitive and up to date with market needs.

We are proud to share that sustainability has always been an integral part of our company culture. It is at the center of our strategy to achieve growth, create value for all stakeholders, and accelerate the transition to a sustainable and inclusive world. The key tenets of our sustainability approach include:

- Enhancing the sustainability of our products through investment, innovation, and design;
- Protecting, conserving, and preserving our natural ecosystems; and
- Creating a diverse and inclusive workplace that provides equal opportunities to all.

Stakeholder Engagement

At FPS, we value the unique and diverse perspectives of our internal and external stakeholders. They enable us to understand their expectations, identify risks and opportunities, and integrate their insights in our sustainability approach and business strategy.



| Stakeholder Type | Engagement Method |
|---------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Customers | Corporate website Marketing materials, brochures Net Promoter Score (NPS) surveys Customer audits/visits Dedicated account managers and customer service teams Key Account Management structure Webinars & Newsletters |
| Suppliers and other service providers | Cadence meetings Onboarding and auditing process |
| Third-party manufacturers | Cadence meetings Onboarding and auditing process Regulatory compliance, ethics, ESG principles |
| Colleagues | Engagement surveys Other grievance redressal mechanisms Collective bargaining agreement with workforce Dedicated and confidential colleague helpline |
| Industry associations | Periodic industry/EFIBCA association meets, events, and seminars EuPC communiques Forums/workshops |
| Government | Forums/workshops/training courses |
| Local communities | Initiatives to positively impact lives such as WaterSafe, partnerships with aid foundation in Kenya |
| Al-Dabbagh Group | Periodic performance updates Sustainability council meeting |

Priority ESG Topics

In 2022, FPS engaged an independent consultant to identify ESG topics relevant to our business, the plastic industry, and our internal and external stakeholders. This exercise was informed by robust research of business drivers, evolving sustainability concerns, emerging sectoral trends, and peer analysis. Review of globally recognized sustainability reporting standards, including the GRI and Sustainability Accounting Standards Board (SASB) standards, was a key component of this exercise. Our senior management and Sustainability Leadership Team validated the topics list.



Environment

- Energy and Emissions
- Waste Management
- Water and Effluents



Social

- Talent Retention, Development, and Attraction
- Customer Satisfaction
- Diversity, Equity, and Inclusion
- Occupational Health and Safety
- Local Communities and Stakeholder Engagement



Governance

- Business Ethics and Integrity
- Cybersecurity and Data Privacy



Product

- Circular Economy
- Building Sustainable and Resilient Supply Chain
- Innovation by Design
- Material Reduction

Moving forward, FPS will periodically conduct a detailed materiality assessment to identify and prioritize topics that represent our most significant impacts on the economy, environment, and people.



Contribution to UN SDGs

The United Nations Sustainable Development Goals provide a shared blueprint for peace and prosperity for people and the planet. Global challenges—ranging from climate, ecosystem degradation, water, and food crises to poverty and inequality—need targeted solutions. FPS believes that businesses, through their technological innovation and financial resources, have a critical role to play in realizing the targets laid down by the UN SDGs.

We contribute to all 17 UN SDGs through our day-to-day operations, partnerships, and other community development activities. However, we have focused our sustainability targets on 9 of the UN SDGs. We identified these UN SDGs by assessing the links between our operations and sustainability targets with the 9 selected UN SDGs and their targets.



| Our Sustainability Target | UN SDGs | Actions to Date |
|-----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Positively impact 25 million lives by 2025 | <div><div>3</div> Good Health and Well-Being</div> <div><div>5</div> Gender Equality</div> <div><div>8</div> Decent Work and Economic Growth</div> <div><div>16</div> Peace, Justice, and Strong Institutions</div> | <p>FPS aims to continuously support the well-being of stakeholders and communities we touch, including colleagues, shareholders, customers, regulators, and partners. Our community engagement efforts are managed at the local level, with local plant managers taking an active role in communication with stakeholders in the communities where our colleagues live and work. We are working to define and implement initiatives to support our target of positively impacting 25 million lives. To achieve this goal, FPS developed the Omniversal Life Impact Program (OLIP). WaterSafe Initiative, conceptualized as a part of the OLIP, aims to provide a cleaner, safer alternative to the often-contaminated containers used in developing countries to transport water from source to home.</p> <p>Please refer to Valuing our People, and sub-section on WaterSafe Initiative for more details.</p> |
| Minimum 25% recycled content globally by 2025 | <div><div>12</div> Responsible Consumption and Production</div> <div><div>14</div> Life Below Water</div> | <p>We apply the principles of circular economy across our operations. We value reducing, reusing, and recycling resources. Our focus in 2022 was on reducing FIBC plastic waste by recovering and reprocessing used materials. Our investment in building a world-class recycling hub in Romania is a testament to our commitment to transition toward circular and sustainable packaging.</p> <p>Please refer to the section on Driving Circular Solutions in Packaging for more details.</p> |
| Contribute to nature positive by 2030 | <div><div>7</div> Affordable and Clean Energy</div> <div><div>13</div> Climate Action</div> | <p>Globally, the momentum behind the nature-positive concept has been growing. Businesses are moving away from a ‘do no harm’ approach to implementing nature-positive strategies. In response, FPS committed to contribute towards nature positive by 2030. We are working to assess our current performance, develop our baseline, and define our nature-positive strategy.</p> |
| Become zero waste to landfill by 2023 | <div><div>6</div> Clean Water and Sanitation</div> <div><div>12</div> Responsible Consumption and Production</div> | <p>We take actions to reduce and recycle our operational waste and prevent sending it to landfill. We optimize our products to create new features that minimize raw material content. Our internal plant waste has been reduced through reprocessing and reusing materials. We are proud to share that 9 of our 11 plants have achieved zero waste to landfill during the reporting period.</p> <p>Please refer to the section on Minimizing our Environmental Impact for more details.</p> |



CORPORATE GOVERNANCE

Governance Framework

Robust corporate governance practices underpin the long-term success and growth of businesses. FPS strives to uphold the highest standards of corporate governance practices. Creating an operating environment of accountability, transparency, and trust is a top priority.

FPS has an established governance structure with delineated roles and responsibilities. The Board of ADG, our parent company, has oversight responsibility for our company's business strategy and performance. As of the date of this report, ADG's Board consists of 11 members, including 7 non-executive members and 3 executive members. His Excellency Amr Al-Dabbagh is the current Chairman and Chief Executive Officer (CEO) of ADG.

Following the transition from the Greif joint venture to sole ownership by ADG in 2022, we revisited our management structure. Chaired by Hari Kumar, CEO, FPS's leadership team comprises five executives representing the company's significant business units. The leadership team operates under the guidance of the ADG Board and is responsible for the company's day-to-day operations.

Our Legal and Compliance Department plays a key role in upholding our standards of ethical conduct and compliance by keeping senior management informed of emerging regulations and laws, identifying risks to our business from financial and reputational losses, and implementing mitigation measures. Other procedural matters and transactions carried out under the supervision of the Legal and Compliance Department may include but are not limited to conducting General Assembly and Board meetings; drafting, negotiating, and revising investment agreements; incorporating more locations; and liquidating companies.

Leadership Team



Hari Kumar,
Chief Executive Officer



Rob Videler,
Chief Financial Officer



Nilüfer Arıdil,
Global Human
Resources Director



Stephan Leferink,
Vice President Sales



Wolfgang Lehman,
Vice President
Operations



Laurent Platon,
General Manager
South Europe and
Global Key Accounts

Sustainability Governance

“Drive meaningful change for the environmental well-being of our world; ensuring transparency and effective governance principles, and continuous improvement for the people and communities we touch” is our sustainability vision. We created a new FPS Sustainability Leadership Team in 2022, responsible for crafting and implementing sustainability strategy and initiatives across our operations. Our Sustainability Leadership Team comprises five core members. Our CEO chairs the team with four critical supporting team members, and this group meets every two weeks.

To embed sustainability in our operations, FPS is formulating a sustainability council with representatives from our different plants to incorporate regional perspectives into the sustainability strategy and seek their support in implementation. The sustainability council will consist of four stakeholder groups focused on circular economy, diversity, equity and inclusion, climate change, and nature positivity:

- Alliance to End Plastic Waste Representatives
- Diversity & Inclusion Ambassadors
- Climate Champions
- The Green Projects Working Group



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We are working to build a sustainability business, instead of a business that has elements of sustainability.

HARI KUMAR, CEO OF FPS



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Transformative change requires broad partnerships. We are working with multiple stakeholders in our sustainability journey for that reason.

WOLFGANG LEHMAN, VP, OPERATIONS



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Integrating sustainability into our business is not only the right choice, but also a must do for our future generations and the long-term well-being of our planet.

CHRIS POOLE, GLOBAL SUSTAINABILITY HEAD, GM UK & IRE



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I am passionate about making real change happen, which begins with each of us and the choices we make every day.

JAMES DUNHAM, DIRECTOR OF GLOBAL SUSTAINABILITY & COMMERCIAL UK



//

We can express our gratitude to mother nature by looking after our planet. Remembering to leave a better place for the future.

CAGLA AKSOY, SR. MANAGER GLOBAL SUSTAINABILITY

HIGHLIGHT STORY

The Hayati Kaptı Sustainability Award

To continue motivating our teams toward a more sustainable future, FPS developed a new sustainability award to recognize sites that demonstrate superior efforts and achievements in furthering FPS’s sustainability performance for 2023. The award has been named after Hayati Kaptı, our esteemed Operations Director at Turkey who passed away on April 30, 2020.



Business Ethics and Integrity

FPS is committed to conducting our business with the highest standards of ethics and integrity. We prohibit all forms of bribery, corruption, and anti-competitive behavior within our business and abide by the laws and regulations of the jurisdictions where we operate.

Management Approach

Our team of six in-house lawyers within the Legal and Compliance Department is responsible for the development and implementation of all FPS's policies and contractual arrangements related to business ethics and integrity. The team is led by FPS's Global Legal and Compliance Director, who reports to the CEO.

Our team monitors and maintains the following policies and procedures:

- [Anti-Bribery Compliance Policy](#)
- [Anti-Trust Competition Compliance Policy](#)
- [Economic and Trade Sanctions Policy](#)
- Record management policy
- Legal entity governance policy
- Legal guidelines and procedures

Annual training on our policies is conducted for all colleagues. Since the transition from joint venture with Greif, FPS has developed new and updated colleague training materials.

Code of Conduct

FPS has developed a [Code of Conduct](#) to set out our expectations regarding business ethics and integrity as well as compliance for our colleagues across our operating regions. The document outlines our expectations for ethical behavior and our approach to addressing ethics violations and stipulates whistleblowing channels. We are in the process of developing online training modules. All our colleagues are expected to complete the training annually to ensure that they understand and apply the Code of Conduct to their work.

We expect everyone to do their part in protecting our reputation, company, and customers. If a colleague violates our Code, our policies, or the law, they may be subject to disciplinary action up to and including termination of employment. Violations of law could also lead to more severe penalties, even criminal prosecution, for anyone involved. Our [Code of Conduct](#) is reviewed and updated in line with any changes in our vision and values, as well as related policies.

HIGHLIGHT STORY

Trade Sanctions Risk Management

2022 was a significant year for FPS. We are proud to share that our company stood firm by our ethical beliefs, even when we may suffer an economic loss.

The conflict between Ukraine and Russia has strongly impacted our business. The trade sanctions related to the conflict have been monitored closely by customers and suppliers. We have declined to purchase raw materials from the sanctioned companies or countries. In line with our commitment to ensure the safety of our colleagues in Ukraine, we also transported them to safe zones.

We also developed and deployed a risk management system for trade sanctions. This system by NAVEX is being utilized to make routine checks of trade sanctions globally and provide FPS with risk reports to prevent falling into the scope of any sanction. We launched this system in the first quarter of 2023.



Programs and Initiatives

We support our colleagues’ right to speak about their concerns with ease. In 2022, FPS launched a 24/7 ethics and compliance hotline hosted by a third-party provider (ETHICO) to provide colleagues with a place to report violations of our ethical policy that may impact the business, without fear of repercussions. Colleagues are encouraged to report fraud, bribery, accounting, auditing, other financial practices, discrimination, harassment, violation of a law, or other unethical activity. Human Resources (HR) and the Legal Department evaluate these reports and determine disciplinary actions based on the severity of the violation, up to and including termination of employment regardless of the position. For less severe cases, the team develops an action plan outlining steps that a colleague can take to address the issue. Our ethical hotline is handled with care and confidentiality through cooperation among HR, Legal, and senior leadership.



Our Metrics on Business Ethics and Integrity



Cybersecurity and Data Privacy

Cybersecurity and data privacy have emerged as significant issues for many companies, including FPS. We strive to keep pace with the changing landscape associated with the widespread adoption of digital technologies. We invest in cybersecurity measures to adapt to the risks presented by technology and digitalization. Our cybersecurity program is designed to protect the integrity and confidentiality of the information we own or store on our systems.

Management Approach

Information Protection and Cybersecurity (also called Information Security) includes data belonging to our customers, colleagues, and business partners, and we protect it as an ethical business practice. We ensure protection of our data through a series of robust policies, including:

- Access control
- Backup and disaster recovery
- Business resilience
- Change management
- Cloud
- Information classification
- Information security
- Information Security Management System
- IT End-user
- Secure development

Our colleagues play a crucial role in protecting our internal and external stakeholders’ information and data. Each facility has an IT representative or manager responsible for monitoring the performance of our information security systems. They generate a monthly report on our security system performance and share it with the global service team and FPS’s Global Director of IT. Any updates to the global system, policies, hardware, and software changes emerging due to the regular monitoring and analysis are approved by the senior leadership team.

We provide training to colleagues annually to equip them with the most up-to-date information, allowing them to monitor any malicious activity and implement rapid response, to mitigate the threats.

Programs and Initiatives

FPS generates and holds a wide variety of information, including Personal Identifiable Information and Personal Health Information. Such information must be protected against unauthorized access, disclosure, modification, or misuse. Efficient protection of such assets is also necessary to comply with legal and regulatory obligations such as relevant Data Protection legislation.

To ensure our firewalls are secured, our global team works with a third-party vendor, who monitors and updates our systems regularly. We have also collaborated with another company to conduct vulnerability assessment and penetration testing twice a year.

Training our colleagues is also a vital part of the process. The training program is divided into five modules covering different types of cybersecurity threats. Our colleagues are required to complete each module in two months. We follow their progress using our internal dashboards.

We periodically send phishing emails to test our colleagues and redirect them to FPS’s cybersecurity training if colleagues do not “pass” the testing email. All phishing e-mails can be reported through Phish Alert Button in the Outlook, or by sending out an e-mail to FPS IT Service Desk team. There was no incident reported as a threat/attack this year.

Since 2018, three Turkey operations have been ISO 27001 certified, reflecting our commitment to securing our customers’ information assets. The certification demonstrates that our information security management systems meet international best practices and shows the significant efforts made by FPS Turkey toward compliance with the General Data Protection Regulation (GDPR) in Europe.



0

cases of substantiated complaints received concerning breaches of customer privacy received from outside parties or regulatory bodies

0

cases of identified leaks, thefts, or losses of customer data



DRIVING CIRCULAR SOLUTIONS IN PACKAGING

Circular Economy

FPS is proud to share its commitment to transitioning toward a circular economy through our packaging products. Our goal is to create a more sustainable future by reducing the use of virgin materials and waste generation, while providing accessible ways for our customers to recycle our products. By prioritizing innovation, we constantly evolve our approach to reduce single-use flexible packaging and create products that can be reused and recycled.

We are excited to be at the forefront of the FIBC circular economy transition and are dedicated to continuously improving our practices and products to achieve a truly circular economy. We also hope to inspire others toward a more sustainable future.

Management Approach

FPS aims to manufacture products that contain a minimum of 25% recycled material by 2025. To achieve this, we have implemented a range of measures that will transform the way we design, manufacture, use, and recycle our products. Our product development team manages circularity

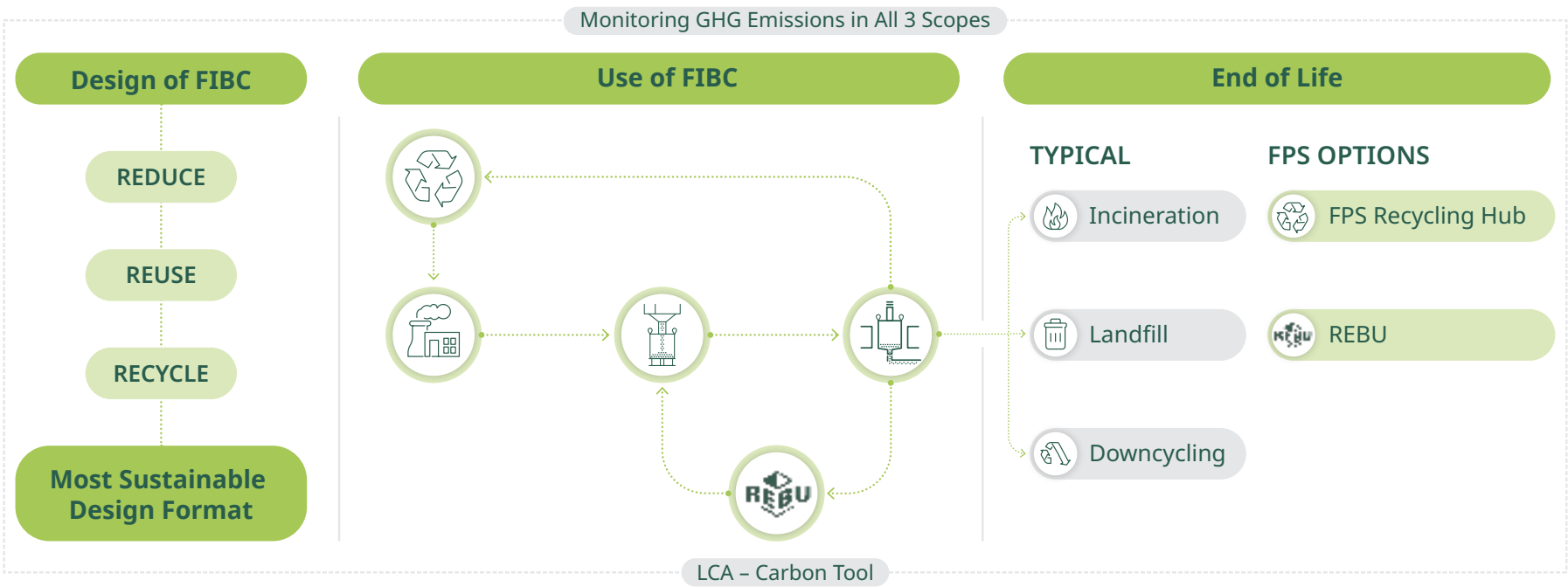
and designs innovative products that utilize minimal virgin raw material content. Within our manufacturing process, we implemented the latest technology and machinery to reduce energy consumption. We also installed water treatment and recycling systems at our production plants to enable water recovery and reuse. We minimize the use of new plastic materials through our reconditioning business: REBU. We are closing the loop by recycling post-consumer and post-industrial waste by recovering plastic waste and reprocessing it for utilization in our products.

In addition, we work closely with our customers to promote the use of sustainable packaging.



FPS's Vice President of Operations oversees our circularity strategy and programs. The manufacturing department is responsible for identifying potential substitutions for packaging materials that contain more recycled inputs. In addition, the product development and design teams are responsible for designing products that require minimal energy and materials use, while keeping reusability and recyclability in mind.

Our commitment to a sustainable supply chain underpins our approach to a circular economy. We only work with suppliers and third-party manufacturers who adhere to the highest environmental and social standards, defined in our Supplier Code of Conduct and enforced in our audit protocols for third-party manufacturers. Please refer to the section on [Building a Sustainable and Resilient Supply Chain](#) for more detail.



Programs and Initiatives

INTERNAL RECYCLING INITIATIVES

We have the power to make a positive impact on the world and create a better future for the environment, people, and communities. It is our intent to create an impact by investing in technology and innovative solutions, evolving from linear to circular economies.

We invested in machinery and processes over the last three decades to fully utilize internal recycling. For more than 25 years, our reconditioning service, REBU, has offered emptied FIBC collection, inspection, cleaning, and preparation for bag reuse.

In addition to these long-standing practices, we took the initiative to further our efforts in meeting the circular economy model by incorporating post-consumer recycled and post-industrial plastic in the reproduction process. After FIBCs are used once, various options exist for reusing woven plastic bags at their end-of-life stage. Most post-consumer woven bags are qualified for mechanical recycling, which means these bags can be processed into granulate on a recycling machine. Big bags are particularly well suited to recycling due to their large size and lightweight quality. Depending on the condition of the post-consumer woven bags and the recycling equipment used, certain bags may undergo a fully closed-loop REBU process. We recycle the woven bag by crushing, multi-stage washing, and re-granulating the material to give the same bag new life with a minimum of 30% recycled content.

We construct big bags in a variety of formats using recyclable materials. Big bags are made of coated or uncoated polypropylene fabric and can be lined with polyethylene (PE). These variations make our big bags suitable for different applications according to the preferences of specific markets and product applications. Post-consumer big bags are sorted according to their source, material type, color, and contamination level. After the big bags are shredded and washed, the plastic materials are then re-granulated into pellets in our unique FIBC recycling hub and extrusion line, allowing them to be utilized in our standard manufacturing processes.



HIGHLIGHT STORY

Building a Recycling Hub in Romania

With the support of our owner, ADG, and our ambition to find solutions to meet our clients’ product packaging needs, FPS has invested in building a one-of-a-kind and custom-designed FIBC recycling plant in Romania, Negrești-Oaș. Through this post-consumer material usage initiative, we aim to recycle around 7,000 tons per year of big bags and convert them into big bags again in our facilities. This recycle rate only represents the initial stage of the process. As we continue to build on our ambition in this space, we expect to keep evolving and growing our innovation. We are currently installing two recycling lines and expanding our capability to recycle 14,000 tons of plastic a year by end of Q2 2024.

Recycling plastic bags has a significant impact on the greenhouse gas (GHG) emissions footprint of the product. Based on our estimates, emissions can be reduced by 15% on average when a FIBC is produced with minimum 30% recycled material. Approximately 1.3 kg of carbon di-oxide equivalent (kgCO₂eq) emissions can be avoided for every 1 kg of recycled material usage. Reuse 14,000 tons of recycled material instead of virgin material will lead to saving of approximately 18,000 tons CO₂ annually.

In 2022, we established our goal of recycling up to 7,000 tons of plastic bag every year, and we implemented steps toward achieving that goal. Moving forward, in 2023, our goal is to expand our facility and annually recycle 14,000 tons of plastic, beginning in 2024. This initiative was made possible by collaborating with our customers, suppliers, shareholders, and FPS colleagues.



RECYCLING PROCESS FLOW





Building a Sustainable and Resilient Supply Chain

FPS's suppliers are essential to the business. They provide raw materials and services that keep our business running and help us stay resilient to the evolving market. In 2022, more than 2,000 suppliers supported our business, enabling us to withstand supply chain pressures around the world. We strive to build a sustainable and resilient supply chain that not only reduces negative environmental and social impacts, but also prepares us to withstand unexpected disruptions. We cascade sustainable practices through the supply chain and build trusted relationships with supplier partners, particularly with those that operate with agility and with sustainability in mind. FPS is proud to have developed and adhered to procurement practices that mitigate environmental and social risks within the supply chain. We continue building capacities of our suppliers

through regular engagement. We honor each partnership by acting in accordance with the values FPS upholds in the workplace, the marketplace, and the global community.

Management Approach

Building a sustainable and resilient supply chain is of utmost significance for FPS. FPS is responsible for managing two streams of suppliers: raw materials and third-party manufacturers. Within the leadership team, our Business Development Director leads the strategy development and management of our third-party manufacturers. Every month, the Director meets with the CEO to review our initiatives to build a sustainable supply chain and develop an action plan. Our teams across the regions conduct meetings with suppliers and share quarterly reports to the leadership. Separately, our local entities managers directly manage the relationship with raw material suppliers.

With each of our suppliers, our team sets our expectations in terms of quality and operational practices in line with the Global Policy on [Sustainable Procurement](#) and [Supplier Code of Conduct](#).

Supplier Code of Conduct

Our [Supplier Code of Conduct](#) sets out the standards of ethical and sustainable conduct we expect from our suppliers. It applies to our raw material suppliers as well as third-party manufacturers. By working with suppliers who share our commitment to these standards, we seek to:

- Ensure that the workplace is safe and free from discrimination, harassment, and child labor.
- Promote diversity and fair wages and uphold the freedom of association and right to collective bargaining.
- Uphold high standards of ethical conduct, commit to improving and managing finances responsibly, and protect intellectual property rights as a responsible stakeholder in the marketplace.
- Be a global citizen in the community by being serious about sustainability, making continuous efforts to reduce environmental impacts, and practicing ethical procurement.

All suppliers are required to declare and update proof of documents annually. Furthermore, FPS requires all suppliers to comply with applicable national and local laws, rules, regulations, and requirements. When federal or local laws are less restrictive than the expectations in the Supplier Code of Conduct, we encourage our suppliers to follow our Supplier Code of Conduct.

Onboarding and Auditing

Over the years, FPS has actively addressed customers' requests and enforced a more rigorous supplier screening and auditing process to ensure everything we source exceeds industry standards.

Every new and current supplier to provide manufacturing services must follow our five-step approach:

1. Complete self-assessment questionnaire and provide certificates and declarations for review.
2. Provide a work sample for examination.
3. Host a site visit, which may include an audit.
4. Submit to a final evaluation.
5. Sign off on all purchasing agreements.

At the beginning of every partnership, suppliers must complete a self-assessment survey and declare a list of certifications and regulatory compliance documents, including British Retail Consortium Global Standards (BRCGS), Food Safety System Certification (FSSC) 22000, ISO 9001, and ISO 14001, to ensure that basic requirements are met. Material samples are then sent to our headquarters for further testing. Our dedicated team arranges a scoring assessment and proposes an audit plan with the supplier. A physical visit, interviews, and on-site sampling will then be arranged to ensure the facilities meet our manufacturing practices and produce safe and well-controlled products. A list of recommendations and corrective actions will then be shared with the suppliers, allowing time for response and action.

Programs and Initiatives

MATERIAL SOURCING

As the market evolves, we recognize customers want evidence of where our packaging products are sourced and produced. To truly claim our products are sourced responsibly, we have gone the extra mile to trace our materials from the source through on-site visits and strengthening our monitoring system. Currently, our management system tracks materials by batch number and can trace them to the tier-2 suppliers. We are proud to claim that we can verify where our materials are sourced from for each product line.

BUILDING FLEXIBILITY AND CONTINGENCY PLANS WITHIN OUR SUPPLY CHAIN

FPS's suppliers are divided by material type, not by continent or geographic location. Suppliers across the globe are accessible to all facilities. This is part of our contingency plan. In situations like the recent conflict in Ukraine, our facilities are equipped to pivot

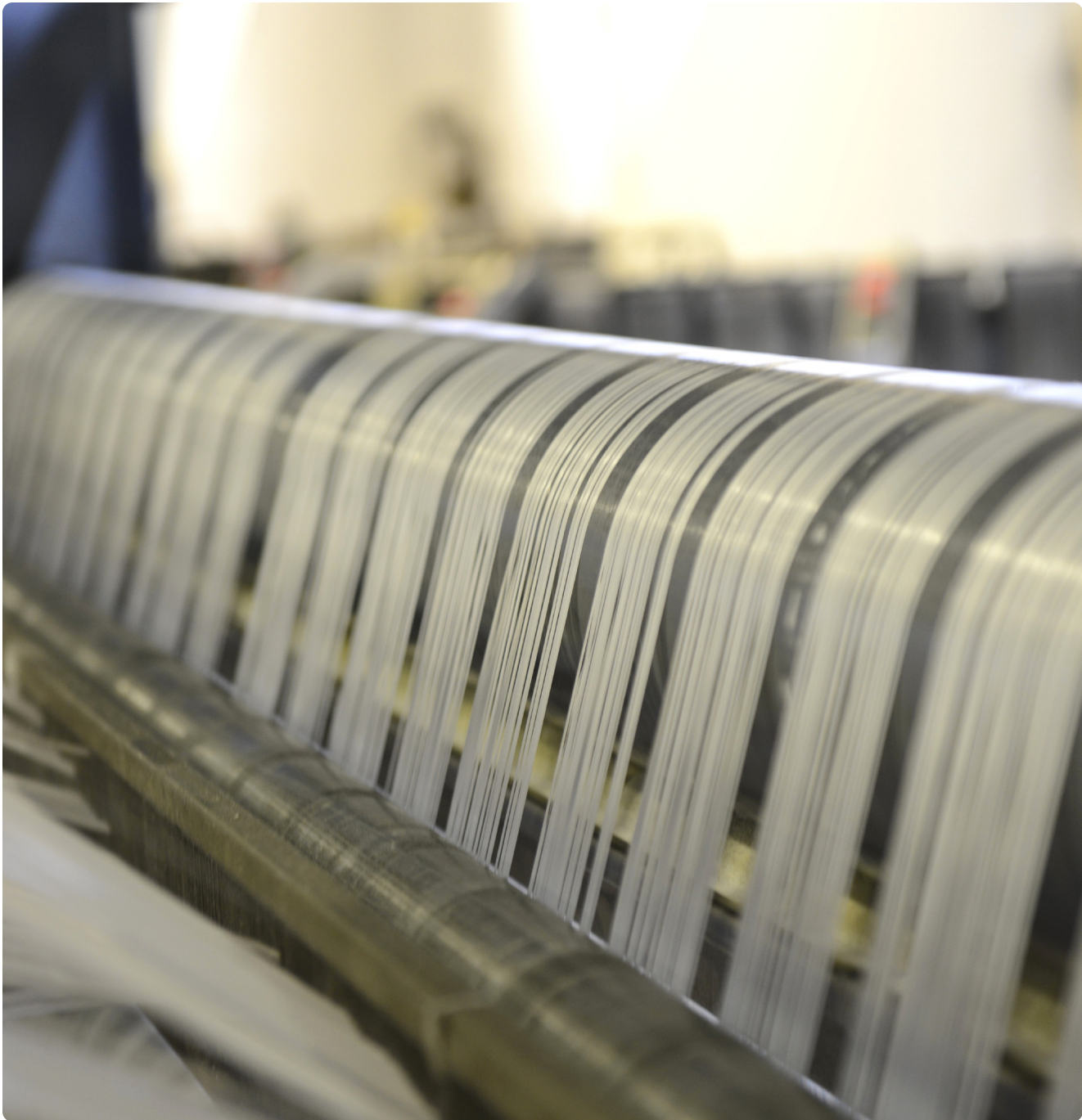
quickly by contacting alternative raw materials and third-party suppliers within our network to ensure our production line continues. FPS's manufacturing facilities supplement backup manufacturing sites and suppliers' alternatives to ensure our operating plants run uninterrupted.



HIGHLIGHT STORY

Customer Retention During COVID-19

We are proud to share that, despite challenges related to the COVID-19 pandemic, we lost zero customers between 2019 and 2021. Our achievement is due to the robustness and resiliency we built within our supply chain system. This has enabled a significant level of trust by our customers toward our ongoing commitment to effectively servicing their needs while ensuring frequent communications regarding market situation developments.





Innovation

We use innovation to inspire our sustainable packaging solutions while keeping customer satisfaction at the center of our attention. By adopting the latest technologies, we provide innovative packaging solutions that align with our customers’ needs. We invest in research and development to resolve key business and industry challenges and devote time towards research to identify opportunities for improvement in our approach and product offerings. This allows us to stay competitive in an evolving market. We have dedicated research and development teams, laboratories, and testing facilities at multiple locations to ensure every single one of our innovations meets the industry best practices.

Programs and Initiatives

HIGHLIGHT STORY

MAPGuard

Our Innovative MAPGuard solution prevents product deterioration through Modified Atmosphere Packaging (MAP) Technology. MAPGuard protects the commercial value of products in the food and chemical sectors by controlling the inner bag’s atmosphere (gas composition) to preserve the packed commodity (like nuts, rice, and more). Our technology can increase the shelf life, product quality, and freshness of the product. During the design phase and selection process of the liners, rigorous testing was performed to determine MAPGuard’s specifications. Through rigorous quality testing, we proved that its design, materials, and processes are up to par, enabling containment and protection of valuable customer products stored and transported inside.

Examples of innovations that enhanced our production process:

- Automated zigzag sewing machines are fully adopted in our Ji’An and Changzhou facilities to reduce human errors and process complexity.
- Automated accessory cutters are adopted in all our facilities to reduce labor effort and produce consistent output.
- Semi-robotic arm handles are adopted in raw material feeding processes at some locations to reduce the repeatable heavy movements.
- Fully internally manufactured big bag folding machine is used to reduce labor effort.



MINIMIZING OUR ENVIRONMENTAL IMPACT

Management Approach

Environmental sustainability is at the core of our operations. We embrace our responsibility to conduct operations with a focus on environmental stewardship. This goes hand in hand with the work of various functions to identify and implement initiatives to enhance energy efficiency, increase reliance on renewable energy, divert waste from landfills, and utilize water more efficiently. We follow the principles laid out in our [Environmental Policy](#), guiding us to adhere to the regulatory requirements and raise awareness among our colleagues regarding resource conservation.

Our Vice President of Operations oversees the management of environmental stewardship initiatives at FPS. We track our resource consumption on a quarterly basis. The General Manager of each region provides updates on the consumption figures to the Vice President. Moving forward, we look to develop a sustainability council where selective plant representatives will become climate champions. The council will meet monthly to share best practices across the globe and support other plants' development.

To cascade best practices across FPS, each plant's environmental stewardship responsibilities are distributed to our colleagues. Internal best practices, experiences, and successes are shared throughout our FPS Practices Platform and through monthly calls with the plant managers.

Energy and Emissions

Energy and emissions are key focus areas of our sustainability journey. We can make positive environmental impacts by effectively managing energy and emissions through reduced energy use and increased energy efficiency, ultimately resulting in fewer GHG emissions. FPS is committed to reducing GHG emissions across our operations and value chain. Internally, we are upgrading our equipment and introducing process changes to enhance energy efficiency. Increasing energy consumption from renewable sources is also a key element of our strategy. We maintain compliance with legal and regulatory requirements and sustain a culture of transparency and accountability throughout our organization.

Programs and Initiatives

We prioritize internal energy reduction initiatives to reduce our carbon footprint. Our recycling efforts are key in reducing our carbon footprint since recycling eliminates the need for new raw materials. Every year, we re-evaluate our internal energy reduction targets to contribute to a culture of continuous improvement.

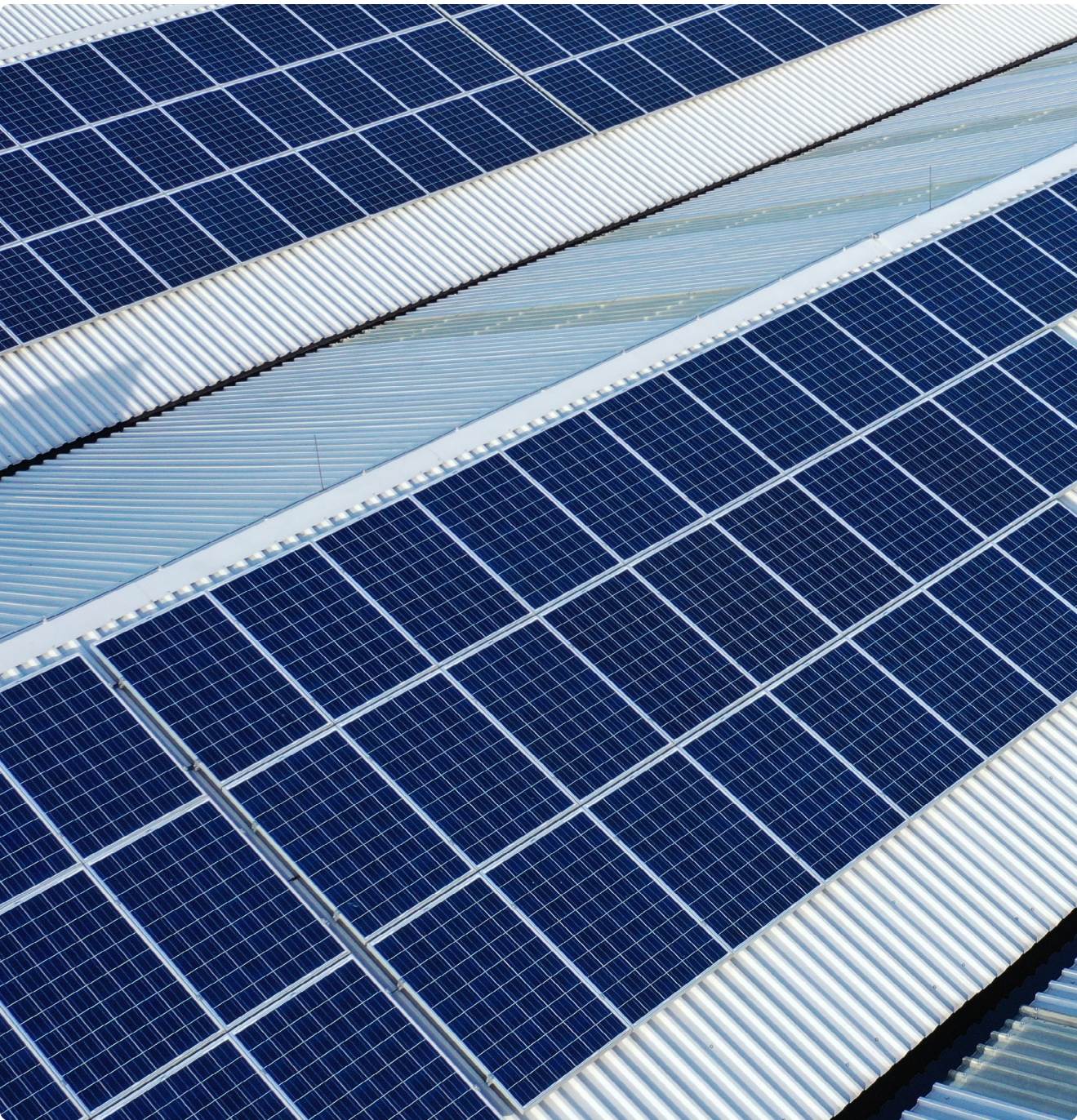
As a sustainable packaging supplier, FPS has an investment plan to replace and upgrade old machinery with more efficient and less energy-intensive appliances. This project will save an estimated 6 gigawatt hours of



energy, 4,400 tons of GHG emissions, and 400 tons of polypropylene (PP) and polyethylene (PE) scrap per year. Replacing traditional lightbulbs with energy efficient and long-lasting LED lightbulbs across our operations will also contribute to energy savings and reduce GHG emissions. We also optimize transportation and distribution efforts to ensure that our deliveries are efficient and minimize emissions.

We are also taking steps to manage air pollution and non-GHG air emissions in line with the local regulations at production activities at each of our locations. In the UK, we utilize a local exhaust ventilation system in the printing room to remove volatile organic compounds

from the workplace air, thus minimizing indoor air pollution and protecting the health of our employees. In Turkey, we have installed a dust extraction system for our lamination machines to avoid dust pollution. At our location in Negrești, Romania, FPS continuously monitors air quality to assess and prevent pollution. In Vietnam, a vacuum device is utilized to control waste and dust particles from the sewing process. In addition, the exhaust systems are treated with activated carbon before discharging to reduce contaminants from entering the environment.



CARBONTOOL

Our CarbonTool gives customers the capability to compare the environmental impact of sustainable packaging solutions to make an informed choice and help them meet their sustainability goals. The tool evaluates the environmental impact of different packaging choices over their life cycles and assesses a variety of what-if scenarios, such as changes in product specifications, raw materials used, transportation, or shipping destinations. CarbonTool calculates the overall carbon emissions for each of our product lines, comparing new, reused, and reconditioned packaging solutions to show customers. Such information is useful to demonstrate how customers’ packaging choices can improve their sustainability progress and reduce their environmental footprint.

LOW-ENERGY TEMPERATURE CONTROL

At our new recycling plant in Romania, we are leveraging the surrounding natural environment and local climate to minimize our energy use. During the winter, our recycling plant is designed to use cold air from outside to cool our machinery.

SOLAR PLANT IN VIETNAM

During the reporting period, FPS installed solar panels to power our plant in Vietnam with renewable energy. Currently, around 70% of the energy consumed is from solar power. Due to the success of this solar installation in Vietnam, we are planning to install over 2,000 pieces of solar panels in China. Each solar panel will generate 445 watts per hour on average. We look forward to utilizing this solution to run 25% of our China plant in the new future.

| Emissions ³ | Units ⁴ | 2022 Data |
|----------------------------------------------|--------------------------|------------|
| Gross direct (Scope 1) GHG emissions | tCO ₂ e | 1,800.18 |
| Energy indirect (Scope 2) GHG emissions | tCO ₂ e | 26,588.35 |
| Gross other indirect (Scope 3) GHG emissions | tCO ₂ e | 330,277.11 |
| Total Scope 1, 2, and 3 emissions | tCO ₂ e | 358,615.64 |
| Emission intensity | kgCO ₂ e/ USD | 0.36 |

3 Since this is the first year FPS is reporting its standalone sustainability report, we are disclosing our emissions data using 2022 as the base year. All emissions are calculated using the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report. The reporting boundary was set based on operational control approach.

4 We report our emissions data in tons of carbon dioxide equivalent (tCO₂e).

Total energy consumption within FPS:

67,732,829

kilowatt hours (kWh)

Energy intensity ratio for the organization:

1.19

kWh/unit

Waste Management

At FPS, we take actions to reduce the generation of our operational waste and prevent sending waste to landfill, with the goal of achieving zero waste-to-landfill by 2023 status across all operations. We manage, monitor, and measure hazardous and non-hazardous waste generated while maintaining compliance with legal and regulatory requirements. The Operational Excellence (OpEx) function aims to identify and implement measures to enhance efficiency in our manufacturing processes. Waste management across the manufacturing life cycle is a focus area for the function.

Programs and Initiatives ➔

FPS is committed to recovering and reprocessing used materials to reduce our material and energy consumption. Our plant managers communicate with one another to realize our “learn from the best” program to compare, learn, and implement best practices and examples from all our facilities across the globe. Representatives from OpEx and the health and safety group meet monthly to discuss selection and implementation of best practices. During the implementation of selected initiatives to reduce waste generation, bi-weekly progress calls are also undertaken. Through research, innovation, and product design, we optimize our products to create new features that minimize raw material content. We implemented manufacturing processes that consume less energy and water. Our internal plant waste has been reduced through reprocessing and reusing

materials. These efforts have allowed us to achieve 95% waste diversion, recycling a total of 3,639.75 tons of waste and reusing 261.63 tons of waste throughout our global operations. In 2022, 208.95 metric tons of waste were sent to landfill, which is about 2.5% of total waste generated.

We are proud to share that 9 of our 11 plants have already achieved zero waste-to-landfill. Our plants will continue to monitor our waste metrics and find innovative ways to reuse waste to prevent disposal to landfills. All three of our plants in Turkey have also attained zero-waste government certification.

We promote the reuse of materials through our REBU concept for FIBC reconditioning. We are proud that we are the first in the industry to develop machinery for recycling big bags. Our REBU service collects empty FIBCs from end users and undergoes a process of cleaning, inspection, and repair before returning the products to our customers for reuse. We encourage our customers to use this process by minimizing transportation costs, offering customer support and training, and supporting correct usage of our pelleting system for empty FIBC collection. Reconditioning analysis reports are provided to customers to support and maximize reusability while capturing their waste for landfill reduction. In previous years, we were able to recondition around 200,000 bags per year. In the coming year, FPS aims to increase our capacity by 3 times and offer 600,000 reconditioned bags to our customers by 2024.

OUR METRICS ON WASTE MANAGEMENT

Total waste generated

547.17
metric tons
hazardous waste

6,227.38
metric tons
non-hazardous waste

Water and Effluents

Water plays a critical role across our communities and ecosystems around the world. As a responsible water steward, we work to understand the unique and complex water-related challenges at a site level while exploring ways to reduce water usage and impacts on our communities. We monitor and assess our water use in high-stress areas so that we can implement plans to minimize freshwater use and increase the use of recycled water. Currently, none of our facilities operate in high-water stress areas. Recognizing our role in managing water discharge quality, our facilities ensure that the water we discharge does not have an adverse effect on the environment and the communities where we live and work.

Programs and Initiatives

We monitor water consumption at each of our manufacturing plants and track associated metrics on a monthly basis. In 2022, we used 76.26 megaliters

of water across our sites. Our water management practices utilize a variety of methods to reduce our use of fresh water. All our plants have closed-loop systems for water cooling, which only require replacing the evaporated water. Closed-loop water systems preserve water volume and quality through an enclosed structure. This processed water is also diverted to our manufacturing processes, such as tape extrusion. The result of our water management efforts is that only 5% of our water use is from our production processes. All other water usage is from on-site showers, toilets, and handwash stations. We installed sensors at a few of our handwash stations, minimizing the amount of running water.

Recycling plastic waste is a water-intensive activity. It takes about 60,000 liters of water to recycle one ton of plastic waste. To minimize water withdrawal for this process, we installed a water treatment and recycling system at our recycling hub in Romania. As a result, we will be able to reuse approx. 98% of water.



VALUING OUR PEOPLE

Our vision is to be the first, safest, and most sustainable choice in flexible industrial packaging. To achieve this vision, we have linked our own values with ADG's Omnipreneurship Ecosystem, constructed upon the three principles of Giving, Earning, and Sustaining. Aligned with ADG's principles, we focus on business growth, while promoting a sustainable future and supporting our philanthropic efforts. We are conscious of the short-and long-term impacts of the business choices we make and take actions to make a better world. our values are: Integrity, Passion, Forward Thinking, Respect, Trust, Diversity and Inclusion are communicated and reinforced among all our colleagues throughout our day-to-day operations.





Diversity, Equity, and Inclusion

We strive to create a diverse, equitable, and inclusive culture where all FPS colleagues are empowered to bring their authentic selves to the workplace. At FPS, we advance diversity, equity, and inclusion (DEI) efforts to ensure fair hiring processes and remuneration across all levels. We encourage principles of inclusive leadership and accountability among managers and uphold a zero-tolerance policy for discriminatory behavior, such as bullying or harassment. We also prohibit harassment of any kind and are committed to taking prompt action in response to any complaints from our colleagues. Our managers and staff are provided with the tools, guidance, and resources they need to help

us contribute to a culture where all colleagues can thrive and have a sense of belonging. Through periodic DEI training, we create a broader awareness of the diverse culture, gender, ages, and disabilities represented throughout our company and the communities we live and work in. Our inclusive leadership training is conducted once every three years, and is designed to support Plant and Production Managers, HR Managers, and other functional managers in developing an inclusive leadership skillset.

Management Approach

At FPS, our DEI management approach is based on a strategic, centralized, and cohesive communication process. Local HR teams, under the stewardship of our Head of HR, also share the responsibility for coordinating DEI initiatives and practices within

their local teams. Our global HR Calendar allows us to share best practices and processes globally. In 2022, we hired a new communication manager to focus on increasing engagement efforts. We are currently in the process of transitioning to a new HR system, which will help us integrate DEI across all phases of talent management. The system is divided into three modules. The first module titled Employee Central was implemented in 2022, with the objective of tracking employee data and diversity metrics. Implementation of remaining modules on Performance and Development and Talent Review will be completed by October 2023.

Policies

Our policies outline the expectations we have of ourselves and our colleagues; they lay out the foundation for everything we do. Our [Equal Employment Opportunity Policy](#) acknowledges that FPS will provide equal employment opportunities and a workplace free of discrimination for all colleagues. The [Fair Treatment of Others Policy](#) identifies the expectations of all colleagues, as well as the behaviors that are prohibited, including any act that violates the federal or local laws of our locations. It also outlines how colleagues can and should report workplace behavior that violates expectations.

Respect for human rights is fundamental to FPS and the communities and countries in which we operate. Our [Human Rights Policy](#) is built upon our commitment to ensure others are treated with dignity and respect. This applies to all our customers, colleagues, suppliers, and other stakeholders. FPS does not tolerate discrimination, harassment, forced,

or child labor of any kind. Our [Anti-Harassment and Anti-Discrimination Policy](#) and [Child Labor Policy](#) outline FPS's stance regarding the creation and maintenance of a work environment in which people are treated with dignity, decency, and respect, with the absence of intimidation, oppression, and exploitation. Through enforcement of this policy and education of our colleagues, we seek to prevent, correct, and discipline any behavior that violates this policy. Our Code of Conduct requires all colleagues and contractors to observe and obey all applicable laws, rules, and regulations at all times.

We also respect our colleagues' rights to join or form a labor union without reprisal, intimidation, or harassment. Where colleagues are represented by a legally recognized union, FPS is committed to establishing a constructive relationship with such a union. During the reporting period, 65% of all colleagues were covered by collective bargaining agreements. Employment contracts and benefits for colleagues not covered by such agreements have been developed in line with regional market requirements and industry best practices.

Programs and Initiatives

We are committed to maintaining a culture where our colleagues feel engaged and motivated to thrive in their roles while contributing to the overall success of our company. We host events to encourage our colleagues to get involved, including our Annual Skill Competition, Annual Outing with our colleagues' family members, Annual Team Leader Team Building, and our Quarterly Employee Townhall Meeting.

CELEBRATING TOGETHER WITH OUR COLLEAGUES

We celebrate our colleagues during key milestones. To share the success of our business performance, we offer customized gifts to all colleagues to recognize each team member's contribution. We also celebrate festivities, including traditional holidays and colleagues' birthdays. Every year in China, we provide all qualified colleagues a New Year travel gift during the Chinese Spring Festival, enabling them to reunite with their loved ones. We celebrate our colleagues in Romania with Christmas treats and provide food and gifts to our Mexican colleagues during festival days in Mexico.

Our Metrics on Diversity, Equity, and Inclusion

GENDER DIVERSITY

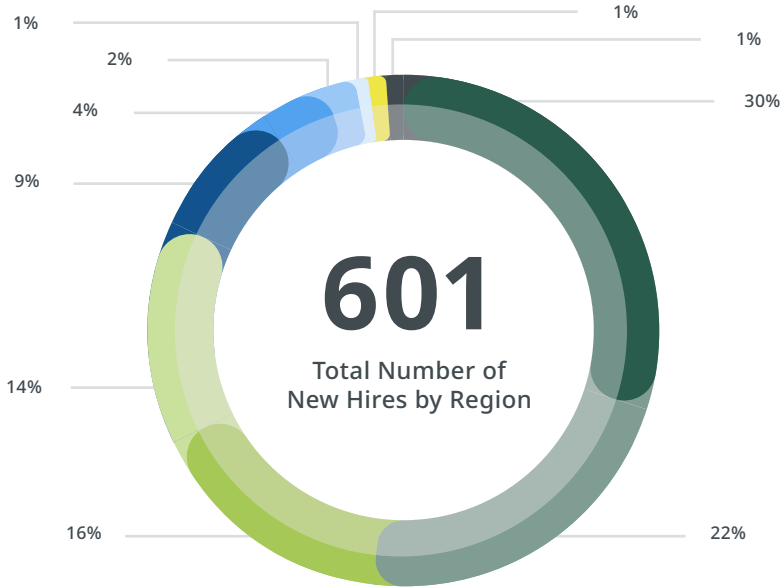


0 incidents of discrimination

Across senior management

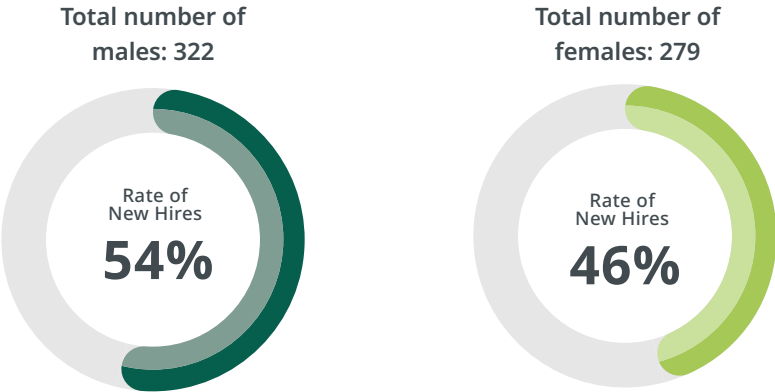
78.2% of our colleagues are male & 21.8% of our colleagues are female

TOTAL NUMBER AND RATE OF NEW HIRES BY REGION

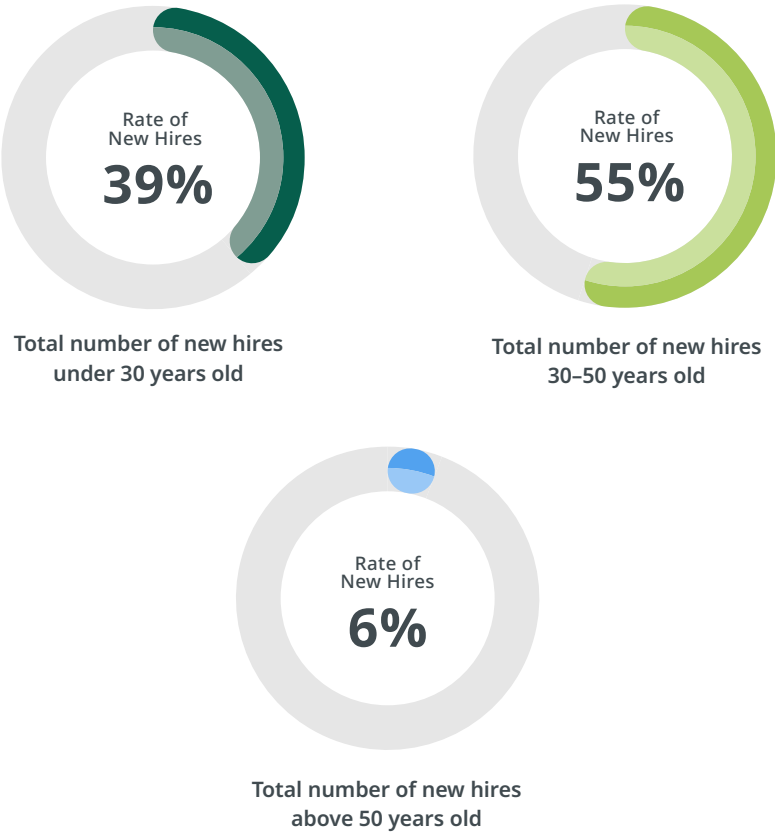


| Region | Number | Rate |
|----------------|--------|------|
| China | 179 | 30% |
| Turkey | 132 | 22% |
| Mexico | 96 | 16% |
| Ukraine | 82 | 14% |
| Romania | 53 | 9% |
| Vietnam | 26 | 4% |
| Netherlands | 10 | 2% |
| Germany | 4 | 1% |
| United Kingdom | 7 | 1% |
| France | 5 | 1% |
| USA | 3 | 0% |
| Poland | 1 | 0% |
| Hungary | 1 | 0% |
| Chile | 2 | 0% |

TOTAL NUMBER AND RATE OF NEW HIRES BY GENDER



TOTAL NUMBER AND RATE OF NEW HIRES BY AGE GROUP



Talent Retention, Development, and Attraction

We recognize the value of our talent and are building a culture that fosters growth, purpose, and appreciation of all colleagues. Investing in colleagues allows us to sustain a talent pool that is highly skilled and qualified to meet the evolving needs of our business and tackle the challenges our customers are facing. We value all our colleagues and offer competitive wages and benefits to ensure our talent feels recognized.

Management Approach

We emphasize three key values at our workplace:

RESPECT

At FPS, respect is in our DNA, which means we recognize team members for their contributions to our success. We recognize team members’ contributions during townhall meetings and inform members of the Leadership Team to share successes across all levels of the organization.

DIVERSITY AND INCLUSION

Colleagues from different regions, countries, and areas are involved in key decision-making processes that will impact our organization. Our intent is to

employ the best and brightest talent across our operation and achieving this objective requires creative tactics to recruit diverse applicants across a variety of spectrums. We encourage upskilling and career growth for all colleagues, emphasizing career mobility opportunities that align with our commitment to leadership diversity. We strive to ensure there is no difference in the remuneration of male and female colleagues, and that remuneration is solely based on merit and performance.

TEAMWORK

The challenges we faced in 2022 reinforced the value of teamwork throughout our organization. With ongoing challenges presented by the COVID-19 pandemic and economic challenges, we worked together and supported each other, which led to our outstanding annual performance in 2022. To reduce the risk of exposure to any illness or infection, we offered remote work opportunities for our office team and implemented a two-shift structure for plant colleagues. FPS made additional payments to the colleagues who were impacted by substantial inflation in their countries, enabling them to maintain their living standards.

Every FPS colleague plays a key role in the success of our company. We consider performance evaluation and management crucial to maximize the potential of our colleagues. To monitor performance, each department determines which Key Performance Indicators it will use, in line with our strategic priorities. All team members set their personal goals to support department goals and strategy of

the company. We regularly evaluate and provide feedback to colleagues. All our permanent employees receive annual performance development reviews. Our framework for review has two key categories: Goals and Competencies. Individual and team goals are defined in collaboration with the management at the beginning of the year and reviewed at the end of the year. Competencies are typically specific to the position. We also maintain open lines of communication with our colleagues to listen to their concerns and suggestions.

Employee Benefits

We offer a variety of market-competitive benefits to our colleagues. Some of these benefits may include:

- **Medical Benefits and Health Insurance Coverage** for all colleagues that work more than 30 hours per week to provide access to quality health care at reasonable rates, and to offer financial protection against unexpected illness, injury, and other catastrophic events.
- **Retirement and Pension Plans** with employer contribution.
- **Bonus and Incentive Programs** including long-term incentive plans, short-term incentive plans, local short-term incentive plans, sales incentive plans, and local bonuses for professional colleagues that are not covered by any other incentive plans.
- **Award Programs** including our seniority awards, discretionary bonuses, value award program, and omni award program.

- **Allowances** including mail vouchers, shopping ticket, commuting allowance, car allowance, education allowance, Christmas allowance, family allowance, and remote work. Additionally, FPS makes overtime payments or holiday pays for all colleagues at the worksite and additional days off for our non-manager colleagues at our offices.
- **Paid Vacations** for bereavement, parental leave, patient accompaniment, training, compassionate, and additional paid time off.
- **Training and Development Programs** to upskill our talent and give them the tools they need to succeed in their roles and advance throughout our organization.
- **Sponsor Events** to help our colleagues lower their stress levels, and promote overall satisfaction through team dinners, breakfasts, and a variety of social events.
- **Gratuity** for contribution to company performance and company culture.



Programs and Initiatives

COMMUNICATIONS

We want all our colleagues to feel comfortable voicing their concerns and ideas. To increase communication between key players throughout our company, we provide physical mailboxes for our colleagues so they can write letters to directly communicate with leadership each month. In addition, colleagues can also share letters through the company intranet. Leadership will then read and respond to the letters.

This method of communication gives an opportunity for our leadership team to explain the rationale behind a process change or implementation of new practices and technologies in the plants. This practice builds trust and confidence among our colleagues, involving them in the decision-making process. Colleagues can leverage this platform to seek clarifications on new rules or ways of working. For example, a new operations layout was implemented in one of our production plants. In response to a letter asking about the change, the Plant Director held a conversation session with colleagues at the plant to explain the reasoning and benefits of the new layout.

To give all colleagues the chance to play a role in our hiring process, we created our colleague suggestion system. While announcing a new position opening, we encourage our colleagues to suggest internal candidates for the job. If a suggested internal candidate is placed in the role for which they were recommended, the referring colleague is rewarded with a bonus. In 2022, 120 of our colleagues were hired to new positions through the referral process.

HIGHLIGHT STORY

Great Place to Work

We are proud to share that FPS across every location was recognized as a Great Place to Work® by the global authority to certify companies with great workplace culture. FPS scored an overall 91% within the Trust Index report and had 95% of our employees participating in the survey. Compared to 57% of colleagues at a typical US-based company, 89% of our colleagues say we are a great place to work. We were ranked highest at our FPS Germany and UK locations. FPS Germany was recognized in four different categories and ranked within the top 10 companies in the following categories: Best Employer in Production & Industry; Best Employer in the region of Münsterland, Germany; Best Employer in North Rhine-Westphalia; and Best Employer in Germany in the Group of 50–100 Employees. FPS UK was recognized with the Best Workplaces™ Award. 100% of our colleagues consider management approachable and easy to talk with. This recognition is a testament to the positive culture, values, and practices that have been embedded across the organization.

FPS Vietnam was acknowledged for its commitment to providing an exceptional workplace environment. FPS Vietnam proudly secured the fifth position in the medium category among the awardees where 25 local companies were honored across three distinct categories: Small, Medium, and Large.

In the category of companies with 1,000+ employees, FPS Turkey has secured an impressive eighth position in the Best Workplaces List.



TRAINING

We prioritize investing in talent attraction and retention because our people are the greatest asset to our company. Our education and training programs provide guidance to colleagues to help them succeed in their roles and advance within our company.

Our colleagues participate in mandatory trainings for topics of high importance, including the Code of Conduct Training and Cybersecurity Training. We design local trainings based on our ESG framework and local requirements. Conducted on an annual basis, these trainings help to integrate sustainability

into every employee's job as we work toward operationalizing our sustainable business model. Our diversity awareness sessions and inclusive leadership training help reinforce our values by reemphasizing the importance of each colleagues' contributions to our DEI culture.



HIGHLIGHT STORY

Suggestion and Reward System at FPS China

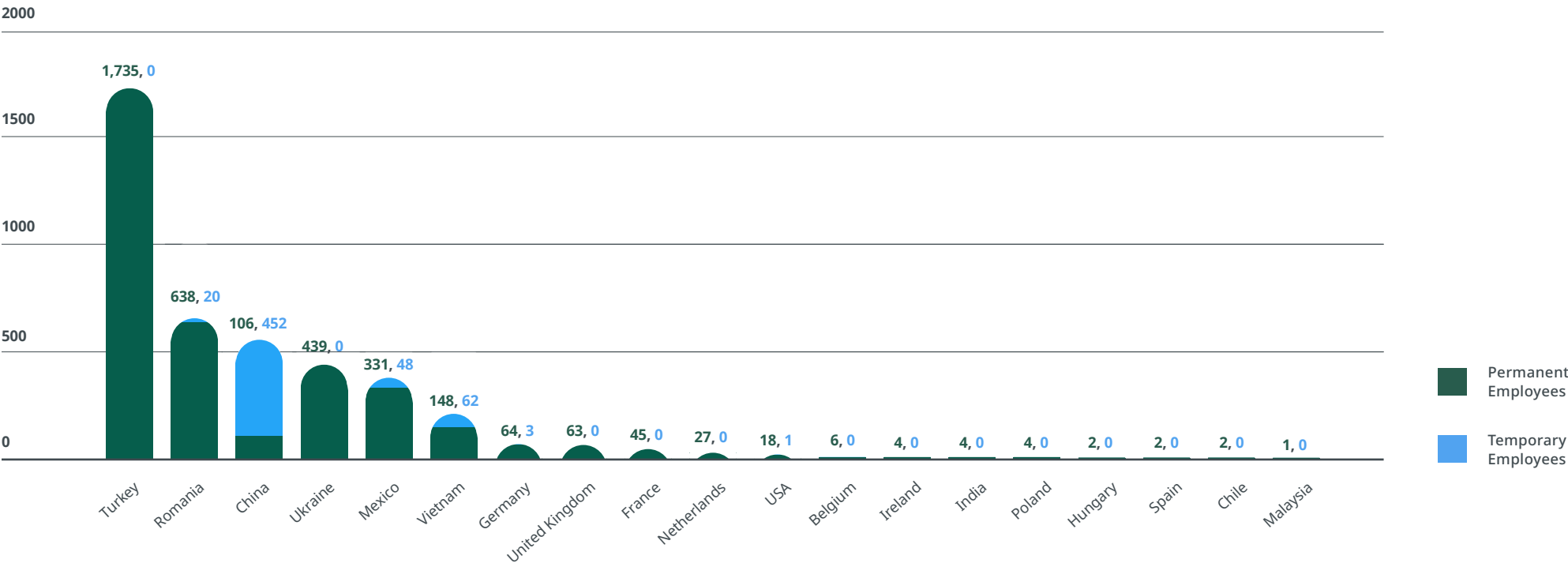
FPS China’s Suggestion and Reward System gives every colleague the opportunity to share their innovative ideas to improve FPS’s work processes, products, and other workplace-related topics. All suggestions are systematically collected and documented by OpEx representatives at each plant and evaluated by the OpEx Management Committee. Once suggestions have been deemed useful, our team works to implement their suggestions. OpEx representatives also organize local meetings to review the progress of implementation of these suggestions. We reward our colleagues who introduce innovative ideas because of the value they add to the company. If the savings caused by the improvement are above CNY50,000, we recognize that employee as the Annual OpEx Star, and offer additional praise during the Annual Employee Townhall meeting. In 2022, 334 suggestions were given by the colleagues through the system, and 262 of them were implemented and rewarded.

5 FPS defines full-time colleagues as those whose working hours per week, month, or year are defined according to national law or practice regarding working time. On the other hand, the working hours of part-time colleagues are less than the working hours of full-time colleagues.

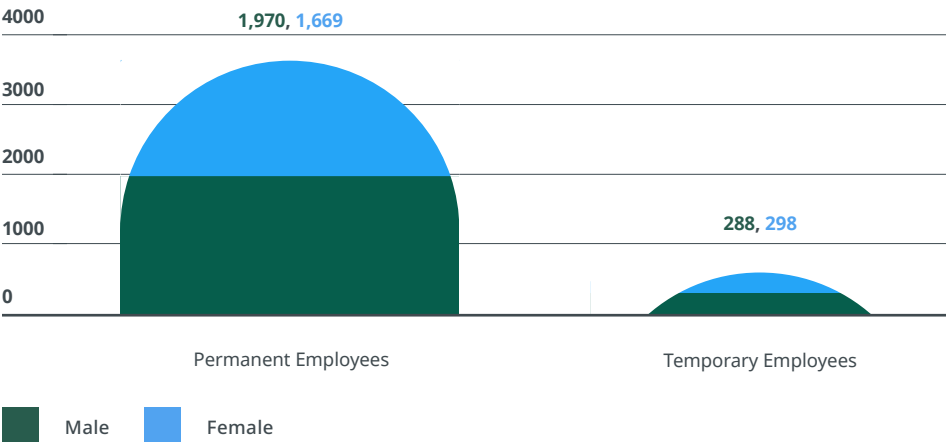
6 Temporary colleagues have a contract for a limited period (i.e., fixed term contract) that ends when the specific time period expires, or when the specific task or event that has an attached time estimate is completed (e.g., the end of a project).

Our Metrics on Talent Retention, Development, and Attraction^{5, 6}

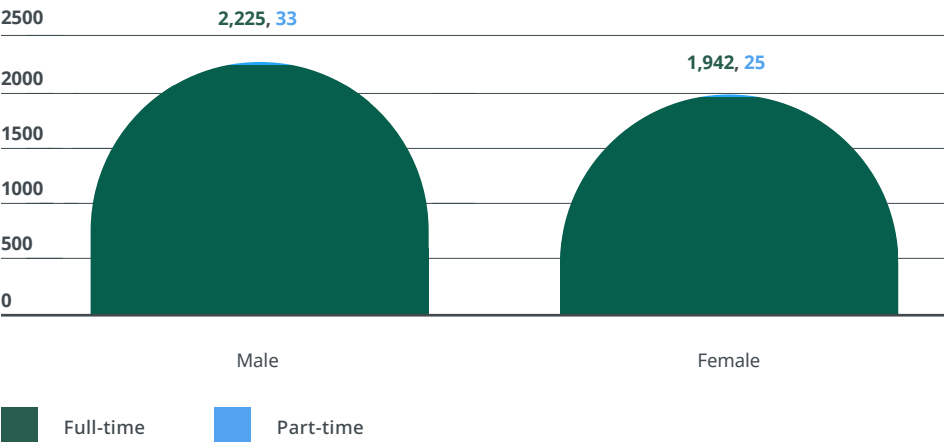
NUMBER OF PERMANENT AND TEMPORARY COLLEAGUES BY REGION



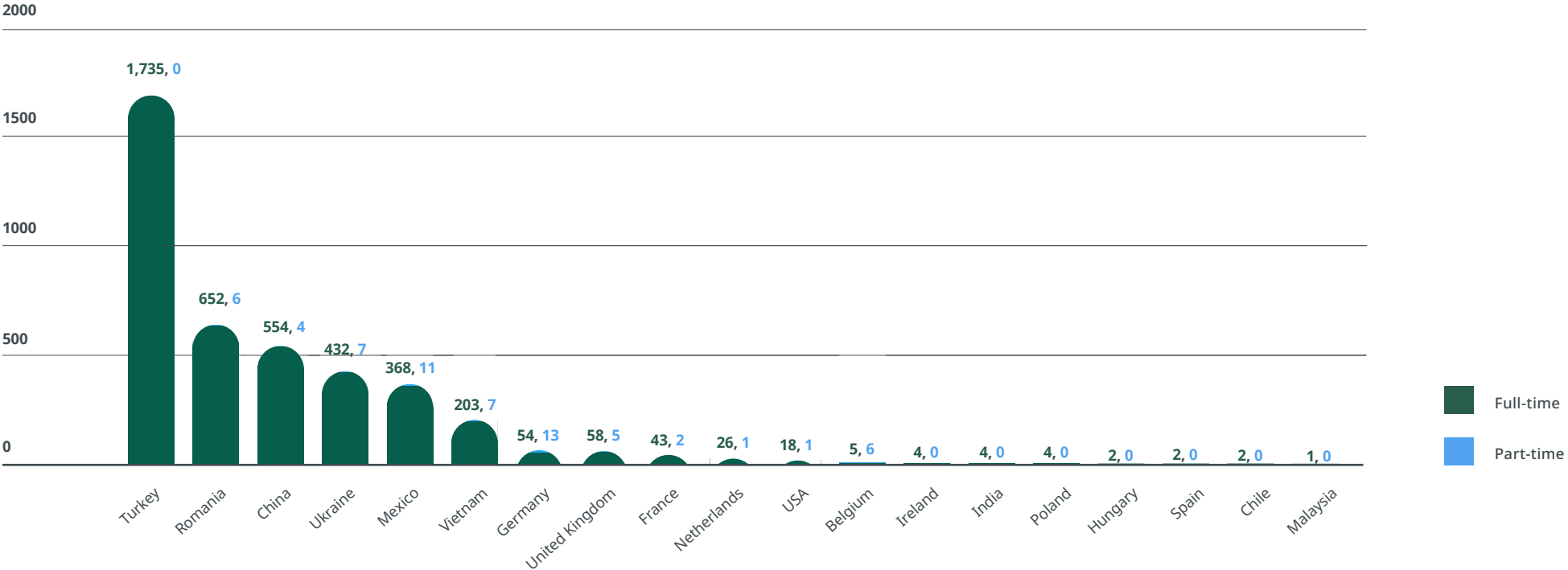
NUMBER OF PERMANENT AND TEMPORARY COLLEAGUES BY GENDER



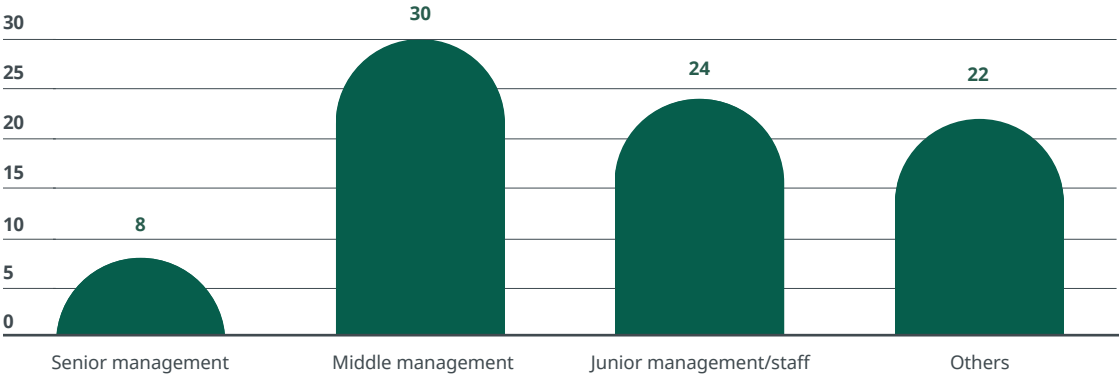
NUMBER OF FULL-TIME AND PART-TIME COLLEAGUES BY GENDER



NUMBER OF FULL-TIME AND PART-TIME COLLEAGUES BY REGION



AVERAGE NUMBER OF TRAINING HOURS BY COLLEAGUE CATEGORY



21

hours of training received
by each colleague during
the reporting period

In 2022,

137

colleagues took maternity
and paternity leaves and

31

colleagues have
returned from their
parental leave

Occupational Health and Safety

With over 4,200 colleagues, the safety of our workers is our most vital consideration. Our proactive approach to health and safety provides our colleagues with the tools they need to complete their work and return home safely each day.

Management Approach

To support the physical and mental well-being of our colleagues, all our operating sites organize annual Safety Events. The events include a variety of activities, such as trainings, competitions, safety talks, and discussions of best demonstrated practices (BDPs). The 2022 edition focused on fire prevention.

HIGHLIGHT STORY

Recognition and Award to Our Colleagues Who Keep Us Safe

Our team has worked tirelessly to ensure we excel in our safety standards. To recognize our team's efforts across the operation, we developed the **Chairman's Safety Award from David B. Fischer** in 2022 and launched in 2023. This award will go to FPS sites and locations that demonstrate exemplary safety records and performance throughout the year.

To ensure healthy and safe working conditions for all, we identify and reduce exposure to health and safety-related risks through our safety management system. Five of our facilities, located in China, Vietnam, Romania, and Ukraine, are certified to [ISO 45001](#) for Occupational Health and Safety, representing 22% of our total facilities. Our dedicated safety lead and committee at each facility monitors, observes, and tracks key safety metrics, conducts safety cross checks, and provides proper safety training and equipment to our colleagues. Our colleagues are encouraged to voice their safety concerns so we can develop and implement solutions. We hold daily safety talks on pre-determined topics. However, colleagues can also use this opportunity to point out and discuss any other safety risks deemed relevant. In addition, our safety teams implement behavior-based safety observations (BBSOs), with the inputs and involvement of all colleagues. BBSO is a proactive approach to identify and address unsafe behaviors before they lead to accidents or injuries. We comply with applicable health and safety laws, regulations, and internal requirements. Employee health and safety risk assessments are also conducted at all sites and reviewed on an annual basis.

Every month, we bring together colleagues across the organization from a variety of departments and roles for our Health and Safety Committee meetings, with a representative from every FPS location present. These meetings allow different views to be considered as we work to evaluate our current state and prepare for potential situations that could arise. Our Health and Safety Committee meetings help colleagues learn about our organizational priorities and the safety issues facing our organization.

We facilitate knowledge exchange of BDPs on health and safety among our colleagues. Locally implemented practices are shared with the global health and safety team by the plant representatives. These practices are discussed during monthly Health and Safety Committee meetings and shared with shopfloor colleagues during safety weeks, performance reviews, and other events.

To reduce our employees' chances of ill health at work, we provide personal protective equipment to all colleagues, awareness training, and work to improve our infrastructure to reduce risk in our working environment. We also regularly evaluate the safety of our existing equipment in the plants.

Programs and Initiatives

We prioritize our safety culture by providing our colleagues with up-to-date and comprehensive safety trainings. During the reporting period, we focused on eliminating fatal incidents and implemented programs to help mitigate risk. In 2022, our life injuries were zero, indicating the success of our heavy incident mitigation programs. We are targeting to reach a Medical Case Rate⁷ (MCR) of zero in all facilities by 2025.

Our Annual Safety Week helps raise awareness of safety topics throughout our organization to help ensure safety culture is understood and practiced every day. All FPS production colleagues receive safety training, with an average of 15.3 hours in 2022.

⁷ We define Medical Case Rate as the frequency of injuries at our workplace that requires medical treatment. This rate is measured as the number of injuries per 200,000 staff hours worked in a year.

OUR METRICS ON OCCUPATIONAL HEALTH AND SAFETY

100%
of our colleagues covered by an occupational health and safety management system

Number of hours worked
8,342,619.41

Number of recordable work-related injuries (including first aid, medical case, lost work day cases, restricted work day cases):

14
Number of high-consequence work-related injuries

0
Lost time injury frequency rate for the direct workforce:

0.6
Lost time injury severity rate for direct workforce:

0.03
LWCR (Lost Workday Case Rate) rate for direct workforce:

0.12
Achieved a best-in-class MCR performance of **0.12**



Local Communities

We are committed to making a positive impact in the communities we operate in. We aim to positively impact at least 25 million lives by 2025 by taking an active role in communicating with local communities and implementing initiatives to create positive impact. Our Sustainability Leadership Team, climate champions, green projects working group, and DEI Ambassadors are working to identify innovative ideas and initiatives to support this goal.

Management Approach

Our community engagement efforts are managed at the local level, with local plant managers taking an active role in communication with stakeholders in the communities where our colleagues live and work. We empower our plant leadership to manage their local community outreach practices.

We foster transparent dialogue with stakeholders in our communities by engaging with and listening to the needs of FPS’s partners. In 2022, 8% of our

operations engaged with local community for consultations and 42% directly worked with local councils, which include local worker unions, municipality communication and employment support groups, public employment services, and NGOs. Our engagement methods range from periodical visits to discuss potential collaboration opportunities, focus meetings and support, or collaboration on projects.

Programs and Initiatives

In Turkey, we implemented a variety of initiatives and programs that will have a beneficial impact on the environment, including the installation of 1.2-million-watt capacity windmills, cleaning water by osmosis, and planting trees on-site, as well as assembling groups who volunteered to collect garbage in remote places.

COMMUNITY ENGAGEMENT IN MEXICO

In Mexico, FPS hosts several well-being activities for colleagues. We support our local communities by donating supplies to schools and students in need and sending holiday gifts to underprivileged children. We celebrate holidays and traditions that matter to our colleagues. For example, we celebrate Mexican traditions, including independence days and parades, in the communities near our plants. We also host volleyball tournaments to help our colleagues stay active and to encourage team building.

UKRAINE

FPS Ukraine is making a positive impact on the economy of Ukraine by continuing operations despite the ongoing armed conflict with Russia. FPS Ukraine is also supporting Ukrainian communities by providing donations to shelters for people and animals in need.

The conflict in Ukraine has caused significant human suffering and has had far-reaching consequences for the region and beyond. We are making a positive impact on the economy of Ukraine by continuing operations despite the ongoing conflict. To ensure the safety of our colleagues, we are providing transportation to safe zones as needed and are supporting our communities by providing donations to shelters.

WATERSAFE INITIATIVE

To positively impact at least 25 million lives by 2025 and as part of our Omniversal Life Impact Program (OLIP), we have developed the WaterSafe by FPS Initiative. WaterSafe was designed to provide a cleaner and safer alternative to transport water in developing countries. It will serve as a solution to the often-contaminated containers used in developing countries to transport water from source to home. This product can be used in areas that have experienced natural disasters, where access to clean water is often the most urgent need for affected people. Watersafe features an ergonomic, gender-neutral design with adjustable shoulder straps and a removable liner and can carry up to 20 liters of water over long distances which will help to provide clean water to communities.



Customer Satisfaction and Product Quality

Our customers are at the center of everything we do and every decision we make. We adopt a customer-centric approach that allows us to understand and respond to each customer’s unique concerns, needs, and expectations so we can develop innovative product solutions in a timely manner. We are committed to delivering high-quality products that meet and exceed customer expectations while upholding the highest standard of ethics throughout our processes and practices.

Management Approach

We measure our customer satisfaction and loyalty through two key metrics: Customer Satisfaction Index (CSI) and Net Promoter Survey (NPS).

We calculate CSI monthly and report results to all general managers and key leaders within the business. Regional business perspective is collected from each manufacturing facility and collated globally. In 2022, our CSI score was 97%. We engage with our customers every year to compute the NPS score. We strive to increase our NPS score in every survey and achieve excellence in customer satisfaction.

FPS holds the highest quality and food contact regulatory compliance standards in the FIBC industry. When customers order packaging for their product, they expect an FIBC that meets all relevant industry and regulatory requirements and consistently performs to specification. FPS has a robust Quality Program, guided by our [Quality Policy](#) to ensure our finished products meet mandatory industry and legal requirements. All our manufacturing plants have ISO 9001 Quality Management System Certificates. In addition, manufacturing plants where food-grade 4-loop bags are produced are certified according to BRCGS PM/FSSC 22000 standards.

| Plant | ISO 9001 | BRCGS PM | ISO 14001 | ISO 45001 | ISO 27001 |
|-------------------------------|----------|----------|-----------|-----------|-----------|
| Changzhou, China | ✓ | ✓ | ✓ | ✓ | |
| Montceau-Les-Mines, France | ✓ | ✓ | | | |
| Matehuala, Mexico | ✓ | ✓ | | | |
| Botosani, Romania | ✓ | ✓ | ✓ | ✓ | |
| Negresti Oas, Romania | ✓ | | ✓ | ✓ | |
| İstanbul, Hadımköy, Turkey | ✓ | ✓ | | | ✓ |
| İstanbul, Samandira, Turkey | ✓ | ✓ | | | ✓ |
| İstanbul, Sultanbeyli, Turkey | ✓ | ✓ | ✓ | | ✓ |
| Thirsk, UK | ✓ | | | | |
| Zhytomyr, Ukraine | ✓ | | ✓ | ✓ | |
| Trangbom, Vietnam | ✓ | ✓ | ✓ | ✓ | |

We support our customers in achieving their sustainability ambitions. By being transparent with our customers, we help them understand our energy and waste reduction efforts. In 2022, we had no compliance incidents with regard to regulations or voluntary codes concerning product and service information and labeling.

HIGHLIGHT STORIES

Sharing Ambitions With Our Customers

We work with our customers to help them achieve their goals throughout their sustainability journey. Our customer, Yara, aims to contribute to a nature-positive future and transition to a circular economy. Yara set an ambition to achieve 30% recycled content in their big bags by 2023. We share this ambition with Yara and have found ways to work together to help them achieve their goal while ensuring their bags continue to meet the same high standards that Yara's farmers and distributors expect. By investing in the recycling hub in Romania, we contributed to Yara's sustainability goals, and we look forward to watching their progress in this area as they create a more sustainable future.

Tronox Supplier Excellence

FPS Flexibles UK has been recognized for its outstanding performance by Tronox Management. During the inaugural supplier day at Tronox Stallingborough, only four awards were presented to top-performing suppliers, and FPS Flexibles UK was one of the recipients of the Supplier Excellence Award. This is a significant achievement for FPS. The award is a testament to our commitment to providing excellent customer service, successful incorporation of 30% PIR in our products, and dedication to sustainability initiatives, including the recycling hub and reconditioning.



A Dynamic Partnership Built on Quality and Trust

Since 2016, FPS China Team's partnership with Huayou has garnered us the prestigious 'Excellent Supplier' and 'Best Quality Supplier' awards seven times.

Driven by our relentless commitment to quality and service, we have consistently surpassed expectations, revolutionizing the market along the way. Our collaboration has not only inspired us to push boundaries but has also empowered Huayou to achieve remarkable success.

As recipients of these esteemed awards, we proudly celebrate our shared dedication to excellence, fueled by trust and a shared vision for the future.



GRI Content Index

| GRI Standard | # | Disclosure | Location | Page # |
|----------------------------------------------|-----|------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|----------------|
| Universal Standards | | | | |
| The Organization and its reporting practices | | | | |
| GRI 2: General Disclosures 2021 | 2-1 | Organizational details | About FPS Headquarters: The Netherlands— Amstelveen, Van Heuven Goedhartlaan 7, Amstelveen, Netherlands | Page 03–05 |
| | 2-2 | Entities included in the organization's sustainability reporting | About this Report | Page 08 |
| | 2-3 | Reporting period, frequency, and contact point | About this Report Publication Date: August 2023 | Page 08 |
| | 2-4 | Restatements of information | Not applicable as this is the first year FPS is publishing its Sustainability Report | |
| | 2-5 | External assurance | Sustainability Report 2022 has not been externally assured | |
| Activities and workers | | | | |
| GRI 2: General Disclosures 2021 | 2-6 | Activities, value chain, and other business relationships | About FPS Driving Circular Solutions in Packaging | Page 03–05, 23 |

| GRI Standard | # | Disclosure | Location | Page # |
|---------------------------------|-----|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| GRI 2: General Disclosures 2021 | 2-7 | Employees | About FPS Valuing our People Contextual information: Full-time employee—Employee whose working hours per week, month, or year are defined according to national law or practice regarding working time Part-time employee—Employee whose working hours per week, month, or year are less than the number of working hours for full-time employees Temporary employee—defined as an employee with a contract for a limited period (i.e., fixed term contract) that ends when the specific time period expires, or when the specific task or event that has an attached time estimate is completed (e.g., the end of a project or return of replaced employees) Non-guaranteed hours employees—Employee who is not guaranteed a minimum or fixed number of working hours per day, week, or month, but who may need to make themselves available for work as required. FPS does not have any non-guaranteed hours employees. | Page 03, 35–36 |
| | 2-8 | Workers who are not employees | There are 87 of non-employees whose work is controlled by FPS. They are mostly cleaners and security guards. The data was compiled using month-end and quarter-end data. No significant fluctuation has happened during the reporting period. | |

| GRI Standard | # | Disclosure | Location | Page # |
|-----------------------------------------|-------------|-----------------------------------------------------------------------------|-----------------------------------------------------|-------------|
| Governance | | | | |
| GRI 2: General Disclosures 2021 | 2-9 | Governance structure and composition | Corporate Governance | Page 15 |
| | 2-11 | Chair of the highest governance body | Corporate Governance | Page 15 |
| | 2-12 | Role of the highest governance body in overseeing the management of impacts | Corporate Governance | Page 15 |
| | 2-13 | Delegation of responsibility for managing impacts | Corporate Governance | Page 16 |
| Strategy, policies and practices | | | | |
| GRI 2: General Disclosures 2021 | 2-22 | Statement on sustainable development strategy | Message from the CEO | Page 02 |
| | 2-23 | Policy commitments | Business Ethics and Integrity Valuing our People | Page 17, 31 |
| | 2-25 | Processes to remediate negative impacts | Business Ethics and Integrity | Page 18 |
| | 2-26 | Mechanisms for seeking advice and raising concerns | Business Ethics and Integrity | Page 18 |
| | 2-27 | Compliance with laws and regulations | Business Ethics and Integrity | Page 18 |

| GRI Standard | # | Disclosure | Location | Page # |
|---------------------------------------------------------|--------------|--------------------------------------------------------------------------|-------------------------------------------|------------|
| GRI 2: General Disclosures 2021 | 2-28 | Membership associations | 2022 Year in Review | Page 09 |
| Stakeholder engagement | | | | |
| GRI 2: General Disclosures 2021 | 2-29 | Approach to stakeholder engagement | Sustainability at FPS | Page 11 |
| | 2-30 | Collective bargaining agreements | Valuing our People | Page 31 |
| Disclosures on material topics | | | | |
| GRI 3: Material Topics 2021 | 3-1 | Process to determine material topics | Sustainability at FPS | Page 12 |
| | 3-2 | List of material topics | Sustainability at FPS—Priority ESG Topics | Page 12 |
| Topic-Specific Disclosures | | | | |
| Priority Topic: Business Ethics and Integrity 16 | | | | |
| Anti-corruption | | | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | Corporate Governance | Page 17–18 |
| GRI 205: Anti-Corruption 2016 | 205-2 | Communication and training about anti-corruption policies and procedures | Corporate Governance | Page 18 |
| | 205-3 | Confirmed incidents of corruption and actions taken | Corporate Governance | Page 18 |

| GRI Standard | # | Disclosure | Location | Page # |
|------------------------------------------------|--------------|---------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| Anti-Competitive Behavior | | | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | Corporate Governance | Page 17–18 |
| GRI 206: Anti-Competitive Behavior 2016 | 206-1 | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | Corporate Governance | Page 18 |
| Priority Topic: Circular Economy 12 14 | | | | |
| Material | | | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | Driving Circular Solutions in Packaging | Page 21 |
| GRI 301: Materials 2016 | 301-1 | Materials used by weight or volume | Driving Circular Solutions in Packaging Non-renewable materials used: 46,704,790 Renewable materials used: 0 | Page 21 |
| | 301-2 | Recycled input materials used | Driving Circular Solutions in Packaging 7% of recycled input materials were used to manufacture the organization's primary products and services | Page 21 |

| GRI Standard | # | Disclosure | Location | Page # |
|-------------------------------------------|--------------|--------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| Priority Topic: Energy and Emissions 7 13 | | | | |
| Energy | | | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | Minimizing our Environmental Impact | Page 27 |
| GRI 302: Energy 2016 | 302-1 | Energy consumption within the organization | Minimizing our Environmental Impact FPS uses natural gas, diesel and other fuels such as propane, acetylene, and liquified petroleum gas (LPG) for stationary combustion. Diesel, petrol, and LPG are also used at sites for powering fleet. | Page 28 |
| | 302-3 | Energy intensity | Minimizing our Environmental Impact | Page 28 |
| Emissions | | | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | Minimizing our Environmental Impact | Page 27 |
| GRI 305: Emissions 2016 | 305-1 | Direct (Scope 1) GHG emissions | Minimizing our Environmental Impact | Page 28 |
| | 305-2 | Energy indirect (Scope 2) GHG emissions | Minimizing our Environmental Impact | Page 28 |
| | 305-3 | Other indirect (Scope 3) GHG emissions | Minimizing our Environmental Impact | Page 28 |
| | 305-4 | GHG emissions intensity | Minimizing our Environmental Impact | Page 28 |

| GRI Standard | # | Disclosure | Location | Page # |
|--------------|---|------------|----------|--------|
|--------------|---|------------|----------|--------|

Priority Topic: Waste Management 12

Waste

| | | | | |
|------------------------------------|--------------|-------------------------------------------------|---------------------------------------------------------|----------------|
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | Minimizing our Environmental Impact | Page 29 |
| GRI 306: Waste 2020 | 306-2 | Management of significant waste-related impacts | Minimizing our Environmental Impact Circular Economy | Page 29, 21–22 |
| | 306-3 | Waste generated | Minimizing our Environmental Impact | Page 29 |
| | 306-4 | Waste diverted from disposal | Minimizing our Environmental Impact | Page 29 |
| | 306-5 | Waste directed to disposal | Minimizing our Environmental Impact | Page 29 |

Priority Topic: Water and Effluents 6

Water

| | | | | |
|-----------------------------------------|--------------|----------------------------------------------|-------------------------------------|---------|
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | Minimizing our Environmental Impact | Page 29 |
| GRI 303 Water and Effluents 2018 | 303-1 | Interactions with water as a shared resource | Minimizing our Environmental Impact | Page 29 |
| | 303-5 | Water consumption | Minimizing our Environmental Impact | Page 29 |

| GRI Standard | # | Disclosure | Location | Page # |
|--------------|---|------------|----------|--------|
|--------------|---|------------|----------|--------|

Priority Topic: Talent Retention, Development and Attraction 8

Employment

| | | | | |
|------------------------------------|--------------|----------------------------------------------------------------------------------------------------|--------------------|------------|
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | Valuing our People | Page 33–34 |
| GRI 401: Employment 2016 | 401-1 | New employee hires and employee turnover | Valuing our People | Page 32 |
| | 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | Valuing our People | Page 33 |

Training and Education

| | | | | |
|---------------------------------------------|--------------|-------------------------------------------------|--------------------|------------|
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | Valuing our People | Page 33–34 |
| GRI 404: Training and Education 2016 | 404-1 | Average hours of training per year per employee | Valuing our People | Page 36 |

Freedom of Associations and Collective Bargaining

| | | | | |
|------------------------------------------------------------------------|--------------|----------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | Valuing our People | Page 31 |
| GRI 407: Freedom of Associations and Collective Bargaining 2016 | 407-1 | Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | There were no operations and suppliers across our operating countries or geographic areas that may be at significant risk of collective bargaining violation. | Page 31 |

| GRI Standard | # | Disclosure | Location | Page # |
|-----------------------------------------------------------|--------------|----------------------------------------------------------|--------------------|-------------|
| Priority Topic: Diversity, Equity, and Inclusion 8 | | | | |
| Diversity and Equal Opportunity | | | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | Valuing our People | Page 31–32 |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 | Diversity of governance bodies and employees | Valuing our People | Page 32, 35 |
| Non-Discrimination | | | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | Valuing our People | Page 31–32 |
| GRI 406: Non-Discrimination 2016 | 406-1 | Incidents of discrimination and corrective actions taken | Valuing our People | Page 32 |
| Priority Topic: Occupational Health and Safety 3 | | | | |
| Occupational Health and Safety | | | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | Valuing our People | Page 37 |
| GRI 403: Occupational Health and Safety 2018 | 403-1 | Occupational health and safety management system | Valuing our People | Page 37 |

| GRI Standard | # | Disclosure | Location | Page # |
|-----------------------------------------------------|---------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| GRI 403: Occupational Health and Safety 2018 | 403-4 | Worker participation, consultation, and communication on occupational health and safety | Valuing our People | Page 37 |
| | 403-5 | Worker training on occupational health and safety | Valuing our People | Page 37 |
| | 403-9 | Work-related injuries | Valuing our People | Page 37 |
| | 403-10 | Work-related ill health | Valuing our People Number of fatalities among employees due to work-related ill health: 0 Number of fatalities among workers due to work-related ill health: 0 | Page 37 |
| Priority Topic: Customer Satisfaction | | | | |
| Marketing and Labeling | | | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | Valuing our People | Page 39 |
| GRI 417: Marketing and Labeling 2016 | 417-2 | Incidents of non-compliance concerning product and service information and labeling | Valuing our People | Page 39 |

| GRI Standard | # | Disclosure | Location | Page # |
|--------------|---|------------|----------|--------|
|--------------|---|------------|----------|--------|

Priority Topic: Local Community
16

Local Communities

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|----------------------------------------|--------------|------------------------------------------------------------------------------------------|---------------------------------------------|-----------------|
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | Valuing our People | Page 38 |
| GRI 413: Local Communities 2016 | 413-1 | Operations with local community engagement, impact assessments, and development programs | Sustainability at FPS Valuing our People | Page 11, 37, 38 |

Priority Topic: Cybersecurity and Data Privacy

Customer Privacy

| | | | | |
|---------------------------------------|--------------|----------------------------------------------------------------------------------------------|----------------------|---------|
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | Corporate Governance | Page 19 |
| GRI 418: Customer Privacy 2016 | 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data | Corporate Governance | Page 19 |

| GRI Standard | # | Disclosure | Location | Page # |
|--------------|---|------------|----------|--------|
|--------------|---|------------|----------|--------|

Priority Topic: Building Sustainable and Resilient Supply Chain

Procurement Practices

| | | | | |
|--------------------------------------------|--------------|-------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | Driving Circular Solutions in Packaging | Page 23–24 |
| GRI 204: Procurement Practices 2016 | 204-1 | Proportion of spending on local suppliers | 87% of the procurement budget used for significant locations of operation that is spent on suppliers local to that operation FPS defines local as countries where our production sites are located. | |

Supplier Environmental Assessment

| | | | | |
|------------------------------------|------------|-------------------------------|-----------------------------------------|------------|
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | Driving Circular Solutions in Packaging | Page 23–24 |
|------------------------------------|------------|-------------------------------|-----------------------------------------|------------|

Supplier Social Assessment

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|------------------------------------|------------|-------------------------------|-----------------------------------------|------------|
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | Driving Circular Solutions in Packaging | Page 23–24 |
|------------------------------------|------------|-------------------------------|-----------------------------------------|------------|

FPS Topic: Innovation

| | | | | |
|------------------------------------|------------|-------------------------------|-----------------------------------------|---------|
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | Driving Circular Solutions in Packaging | Page 25 |
|------------------------------------|------------|-------------------------------|-----------------------------------------|---------|

