



Building A Future That Is Secure

SUSTAINABILITY REPORT 2024

Phoenix Closures, Inc.

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About the Report

The PHOENIX Executive Staff and Sustainability Committee are proud to release our 2024 Sustainability Report.

This report follows our inaugural 2023 Sustainability Report and showcases our ongoing dedication to fostering environmental responsibility and positive social impacts. It also details how PHOENIX continues to embed sustainable business practices in our operations.

This report is prepared in accordance with the Global Reporting Initiative standards and Sustainability Accounting Standards Board standards for the Containers & Packaging industry for the period of November 1, 2023, through October 31, 2024, and covers all PHOENIX facilities.

For questions about this report, contact: greatpkg@phxpkg.com

Message from the Co-Presidents

We are pleased to present PHOENIX's second annual sustainability report, highlighting our continued progress in building a more sustainable future for our planet, our people, and the communities we serve. For 135 years, our family-owned company has been guided by a steadfast commitment to doing what's right—balancing innovation, responsibility, and long-term growth.

In 2024, we reached key milestones that reflect our dedication to sustainability. We earned a Silver EcoVadis rating, an improvement from Bronze, in recognition of the enhancements we've made to our policies, operations, and governance. We also increased our focus on environmental responsibility by adding a dedicated role to advance sustainability initiatives. Additionally, we are working to get ahead of recycled content mandates and Extended Producer Responsibility (EPR) legislation, helping our customers navigate the evolving regulatory landscape while reducing environmental impacts.



This year, we also celebrated the opening of the Firebird Design & Innovation Center (FDIC), a state-of-the-art space created to foster best-in-class customer collaboration. With cutting-edge technology and expertise under one roof, we can now take a project from “art to part,” all within the same building—enhancing speed, efficiency, and innovation for our customers.

Safety remains a core value at PHOENIX. We are honored to have been named the Illinois Manufacturers' Association's Safety Champion of the Year, a testament to our company-wide commitment to workplace safety and continuous improvement.

Beyond our operations, we take pride in the ways our team gives back. In 2024, PHOENIX employees led several different collection drives, donated thousands of dollars to charity, and volunteered their time to support a variety of local organizations.

Our team's dedication to service was stronger than ever, with a 41% increase in Volunteer Time Off (VTO) hours, underscoring our commitment to community engagement.

As we reflect on 2024, we are proud of our achievements and energized for the future. Together, we will continue driving positive changes for our planet, our people, and the communities we serve. Thank you for being part of this journey with us.



Alby Miller & Giles Miller
PHOENIX CO-PRESIDENTS



About Phoenix Closures

PHOENIX (“we,” “our,” “us,” the “company,” or “PHOENIX”) is a privately held packaging provider in the U.S., with headquarters in Aurora, Illinois, and manufacturing locations in Davenport (IA), Newport (TN), Greencastle (IN), and Bloomington (IN). Our family-owned company has been creating packaging solutions for well over a century. For six generations, we have invented, re-invented, and patented seals, caps, and closures that have become industry standards. We invest heavily in high-quality infrastructure and equipment for packaging design, innovation, and production.

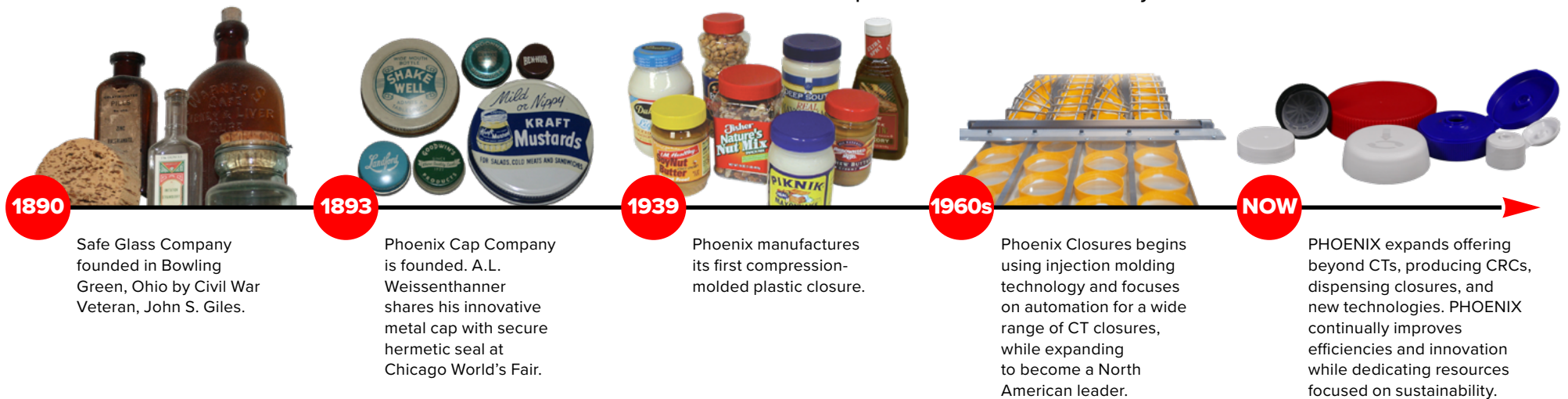
PHOENIX is committed to the security of our products, our customers’ products, our employees, and our communities. Providing security goes beyond producing exceptional packaging; it requires a commitment to safety, quality, and integrity in the lives touched by every cap we make. In collaboration with our employees, customers, and communities, PHOENIX strives to create a legacy that inspires innovation, confidence, and trust.

With a diverse range of customized products, we empower clients to personalize their packaging with unique branding and design. We have a strong footprint in multiple markets, including Food, Beverage, Consumer Healthcare, Home Care, Ag-Chem, Industrial, and Personal Care.



The History of Phoenix Closures

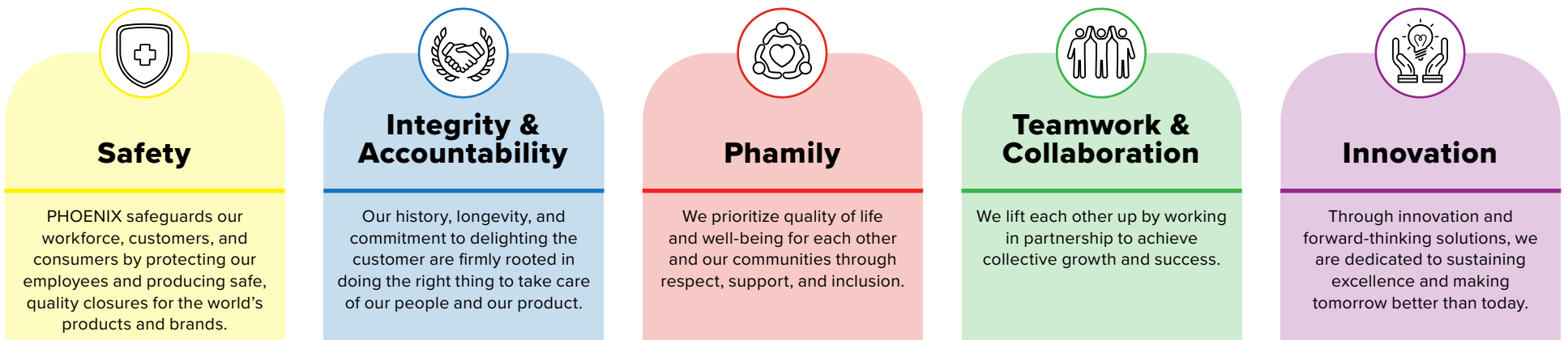
We were not born as a plastic cap manufacturer; instead, the PHOENIX you see today is an evolution of the company’s development for well over a century.





Core Values

Our core values define the attitudes, behaviors, and culture we actively foster at PHOENIX to enable both our people and our business to thrive.



Sustainability Highlights



EcoVadis Silver

Earned a Silver Medal in our 2024 submission



Energy Efficiency

Reduced energy intensity by 15% compared to our 2021 baseline



PCR Portfolio

Expanded our Post-Consumer Recycled (PCR) resin portfolio to offer up to 100% PCR content



Employee Engagement Survey

Relaunched our company-wide employee engagement survey, and 4 out of 5 employees would recommend PHOENIX as a great place to work



Food Safety & Quality

Maintained “Excellent” Safe Quality Food certification ratings at all production facilities



Safety Excellence

Recognized as the Safety Champion of the Year by the Illinois Manufacturers' Association (IMA)



Formalized Sustainable Procurement Initiatives

Implemented our first Sustainable Procurement Policy and completed sustainable procurement training for all members of the purchasing team

Sustainability Governance

Our sustainability initiatives are led by a cross-departmental Sustainability Committee (“the committee”) of 15 members. Headed by the Senior Manager of Sustainability and Innovation and supported by the Sustainability Specialist, the committee implements sustainability programs informed by employee engagement at our corporate offices and manufacturing sites.

Over this past year, the committee has led key efforts towards making PHOENIX a more sustainable business, including publishing our first sustainability report and creating our first Sustainability Specialist position to support continued program enhancements.

Executive Sponsorship

The Executive Staff, our highest governing body, provides strategic input and direction to the

committee’s work. To carry out this responsibility, the Executive Staff participates in an annual planning meeting to review critical initiatives and set expectations for the Sustainability Committee to meet for the upcoming year. Three of the 11 Executive Staff members sit on the Sustainability Committee and keep the rest of the Executive Staff informed of progress throughout the year.

Sustainability Data Dashboard

One of our 2025 initiatives for continual improvement of our sustainability programs is the development of a centralized data dashboard to support better analysis and decision making for our material sustainability impact areas. This new system will consolidate and simplify data collection from multiple sources, providing an opportunity for more frequent reviews of performance with better data quality.



To address our growing sustainability business needs, we developed our first Sustainability Specialist role. We selected Erica Belling for the job. She quickly adapted to the role and earned two professional credentials to strengthen her expertise. In 2024, Erica earned the Sustainability Excellence Associate (SEA) certification through the International Society of Sustainability Professionals and a certificate in Business Sustainability Strategy through the MIT Sloan School of Management.



Third Party Standards



PHOENIX submits to the **EcoVadis** assessment annually to benchmark our sustainability efforts against our peers and identify improvement opportunities. EcoVadis is a global third-party sustainability rating system for suppliers that evaluates how well sustainability principles are integrated into our business across the themes of Environment, Labor and Human Rights, Ethics, and Sustainable Procurement.

In the 2024 assessment, PHOENIX received a Silver Medal, placing us in the top 15% among all rated companies and 3% within our industry, Manufacturers of Plastics Products.



Supplier Ethical Data Exchange (Sedex) is a global non-profit membership organization dedicated to driving improvements in responsible and ethical business practices within supply chains. It provides a secure online platform for companies to share and manage data on labor standards, health and safety, the environment, and business ethics.

As a Sedex member, we assess the consistency of our operations and procurement practices with reference to the Ethical Trade Initiative (ETI) Base Code, a benchmark of environmental standards and labor and business ethics protocols. Additionally, the program allows PHOENIX to report our actions and communicate progress to our customers.

This transparency fosters a culture of accountability and continuous improvement for us to be proactive in identifying potential risks and implementing corrective actions.

Our Corporate Sedex Coordinator works in conjunction with local Sedex coordinators to ensure PHOENIX remains compliant with the internal programs and procedures we have built to reflect the expectations of the ETI Code. This compliance is further assured by the Sedex Members Ethical Trade Audit (SMETA) 4-pillar audit that all PHOENIX sites undergo every three years. In 2025, we plan to renew our Sedex membership and complete the SMETA certification audits for all manufacturing facilities.



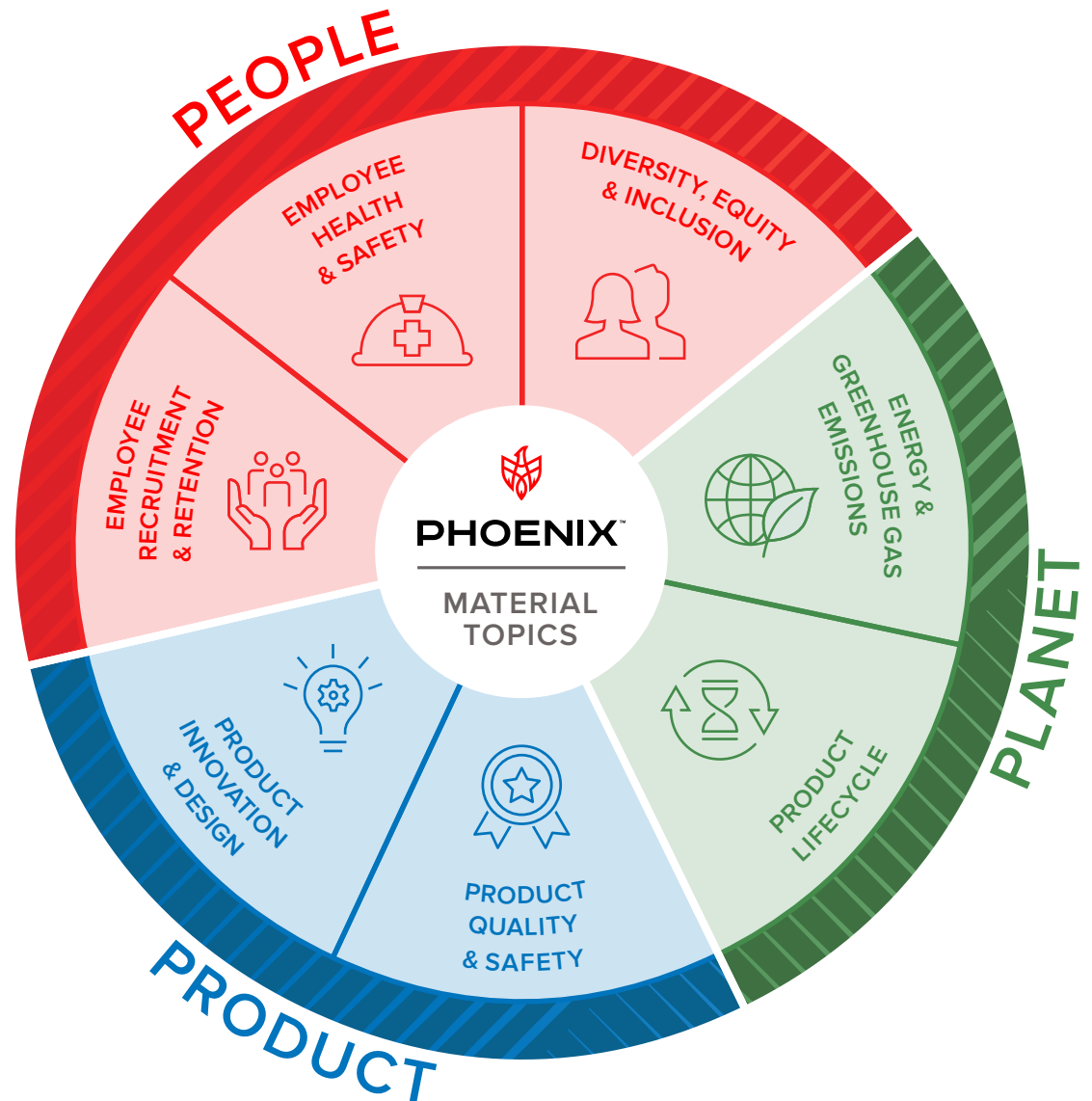
Materiality Assessment

In 2024, we conducted our first double materiality assessment to determine a list of high-priority topics that are the focus of our sustainability plan and reporting. Our analysis considered both financial effects on PHOENIX as well as broader impacts on the environment, economy, and society; it also incorporated guidance set by key reporting frameworks such as GRI, SASB, and EcoVadis.

Our materiality assessment process included the following steps:

- 1 Interviews with cross-functional leaders across PHOENIX to discuss organizational priorities
- 2 Benchmarking analysis versus key customers and peers
- 3 Survey of PHOENIX employees
- 4 Evaluation of sustainability topics based on impacts, risks, and opportunities

The assessment identified topics that align with the three pillars of PHOENIX's corporate social responsibility commitment: **People**, **Product**, and **Planet**. The PHOENIX Executive Staff review and approve these topics on an annual basis, and they remain unchanged from our 2024 assessment.



People



Our “people-first” philosophy shapes how we lead, develop, and retain our workforce, built on the belief that a supportive work environment drives long-term business success. Creating this supportive work environment is the joint responsibility of our Vice President of Human Resources and Vice President of Quality and Social Impact, who oversee PHOENIX’s employee health and safety, recruitment and retention, and diversity, equity, and inclusion (DEI) initiatives.

Retaining a strong and reliable workforce is a challenge in the manufacturing industry due to the growing competition for skilled labor. To support our people-first philosophy, we implement initiatives focused on addressing these challenges. Through this report section, we detail the specific strategies and programs that we have implemented this past year in employee recruitment and retention, employee health and safety, and DEI.

Employee Recruitment & Retention



At PHOENIX, we strive to create a culture and environment where employees have meaningful work and the opportunity to grow their careers. We see these as necessary ingredients for our ability to attract and retain the labor and talent we need to be a successful business.

Our VP of Quality and Social Impact and VP of Human Resources oversee this area, focusing on employee engagement, employee training and development, and employee well-being and benefits.

Employee Recruitment

We manage our employee recruitment by focusing on outreach, cultivating a talent pipeline, and developing top talent internally. Our 2024 outreach efforts included participation in job fairs, partnerships with local schools, a new apprenticeship program at our Davenport facility, and a pilot GED program at all manufacturing facilities.

Bloomington Economic Development Corporation

Our Bloomington, IN, facility is a proud member of the Bloomington Economic Development Corporation (BECD), an organization dedicated to driving innovative economic performance in the community where we operate. By being a part of the BECD, our recruitment efforts gain exposure within the Bloomington community.

Partnerships with Local Schools

Through our partnerships with local schools, we are able to expand the outreach of our recruitment programs. We have joined Indiana University’s recruitment networks through our membership with BECD to strengthen the exposure of our recruitment efforts. Additionally, we collaborated with the local Ivy Tech Community College to create programs that strengthen the skillsets for both current and incoming employees in topics such as robotics, industrial internet, and technology in smart manufacturing.

In addition to post-high-school education opportunities, we also bring our recruitment efforts to local high schools and summer camps dedicated to career planning. These opportunities engage the future workforce and get kids excited about the potential of working within the manufacturing industry.

“Our employees’ feedback is crucial in helping us understand how we can make our workplace even better. It’s a valuable tool for us to make informed decisions that will help shape the future of our workplace.”

—Mark Slattery,
VP of Manufacturing

Maintenance Transfer Program

The new maintenance transfer program at our Davenport facility serves and provides hands-on training for those in entry-level maintenance roles to further advance their careers. Through this program, individuals are taken through a full curriculum that partners with the local community college to advance their knowledge and prepare them for more senior roles within the maintenance field.

GED Program

To attract candidates who have great potential for a career in manufacturing but may not fully meet the minimum educational requirements for a given job, we launched a GED program to give applicants the opportunity to pursue their GED after signing on with PHOENIX. The program aligns with and expands our existing benefits to aid employees who are interested in advancing their educational journey.

“Everyone has their own opinions about what is or isn’t going well. What matters is that we create opportunities for employees to speak up—whether at a town hall meeting, during shift changes, or through a survey.

—Jamie Shoup,
Production Supervisor in Bloomington

It opens the door to individuals who are looking for employment without having earned a high school diploma or equivalent. Through this program, PHOENIX will provide financial reimbursement to participants for the cost of obtaining a GED for as long as they remain employed with the company. This effort supports our inclusive hiring practices which are detailed in the section Diversity, Equity, & Inclusion, pg. 18.

Employee Engagement

To retain our employees, we aim to meet their needs for fulfilling work, opportunities to make an impact, and forums for meaningful conversation. With this in mind, our Culture Teams remain active and open to all employees, and we introduced a new way for our workforce to make their voices heard by rolling out a fully revamped Employee Engagement Survey.

Culture Teams

All PHOENIX locations have Culture Teams that any employee may join voluntarily to organize events that strengthen the workplace culture in their respective locations. These teams may focus on holidays and heritage months, such as Black History Month, Hispanic Heritage Month, and Veterans Day, or a shared interest, such as giving back to local charities and community organizations.

Culture teams that support non-profits in their community have the autonomy to decide how and when to host collection drives, participate in group volunteering, and distribute their annual giving budget based on employee feedback and local needs. For additional information on how we engage our community, please see the section Community Outreach & Philanthropy, pg. 34.



Employee Engagement Survey

Near the end of 2024, we relaunched our company-wide employee engagement survey, achieving an 89% response rate with four out of five employees saying they would recommend PHOENIX as a great place to work. Additionally, employees reported a clear understanding of not only how to succeed in their roles but also how their work contributes to the company’s overall success.

The survey also highlighted areas for improvement, particularly in strengthening communication across the organization and enhancing our recognition and development programs. Employees expressed a desire for greater acknowledgment of their contributions and more professional growth opportunities. Before the completion of the survey, we had already begun implementing programs that aim to support professional growth opportunities; these programs can be found in the following section on employee training and development.

At the time the survey was launched, we let our workforce know that they would have the chance to participate directly in developing action plans to respond to key opportunities raised within their facilities. We are following through on this commitment in FY25 by assembling Engagement Focus Groups at all locations to address site-specific feedback from the FY24 Engagement Survey. Moving forward, we aim to conduct an engagement survey at least once per year to continue gathering employee feedback and identifying opportunities to further enhance workplace satisfaction.

EMPLOYEE TYPE BREAKDOWN

	2022	2023	2024
Total Employees	544	510	506
Permanent Workers	98%	98%	99%
Temporary Workers	2%	2%	1%
Full-Time Workers	99%	99%	99%
Part-Time Workers	1%	1%	1%

RETENTION & RECRUITMENT METRICS

	2022	2023	2024
Number of New Hires	165	137	116
Turnover Rate	24%	35%	25%

Employee Training & Development

At PHOENIX, we encourage continuous learning and professional growth by providing employees with opportunities for self-improvement. This includes on-the-job skills training, such as coaching programs, peer-led technical committees, and external job development courses. We also offer reimbursement for continuing education through accredited colleges and universities, which cover 85% of tuition and 50% of course-related supplies.

TRAINING & DEVELOPMENT HOURS METRICS

	2023	2024
Average Number of Hours Employees Spend on Training and Development	22.3	18.1


“I value the open and consistent communication with my team—it helps us stay aligned, respond quickly to challenges, and provide a higher level of service to our customers.”

—Karen Anderson,
Director of Customer Success

Performance Reviews & Talent Assessments

In line with our commitment set in 2023 to implement better tools for performance feedback and talent assessment, we launched a new talent assessment process utilizing a 9-Box Assessment Tool in 2024. This process was designed to enable managers to think differently about each of their employees’ unique skills, aspirations, and developmental needs. Through this tool, managers can more easily identify potential future leaders and implement a development plan to build their skills. Our 9-Box Assessment evaluates employees on four criteria: historical performance trends, potential to move into higher level roles, readiness for the next role in their career plan, and personal preferences and constraints that may have an impact on their engagement.

GOAL

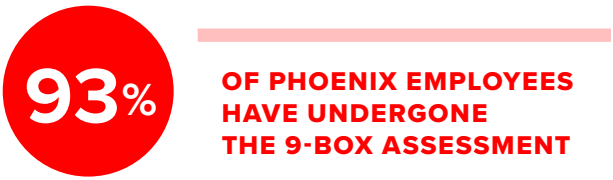


By the end of 2026:

Train 100% of managers/supervisors on emotional intelligence to improve leadership effectiveness

Our managers and leadership team use the findings from this assessment to identify high-potential talent and potential risks to business continuity and employee retention. To equip our managers to effectively implement these assessments, we provided training on best practices for performance reviews. The training provided guidance for giving effective performance reviews, such as using objective measures wherever possible, covering the full span of the review period, and allowing enough time for a two-way dialogue.

To make the 9-Box Assessment more relevant to employees and to promote ongoing communication between employees and managers, we implemented a quarterly check-in feedback cycle in 2024 for all



employees to supplement our annual performance review process. These semi-formal check-ins provide employees with the opportunity to connect with their managers and discuss progress year-to-date, align near-term goals, and identify unique needs for support or training. Additionally, these scheduled feedback sessions allow for more frequent documentation of achievements and opportunities for improvement, reducing the chance of key accomplishments being overlooked or opportunities being missed in traditional year-end evaluations.



Effective Leadership Training

To support our managers with our new approach for performance feedback and talent assessments, we partnered with a professional coaching firm in 2024 to launch our new leadership training program, PHOENIX LDR, our shorthand for Leader. This program is part of our response to address rising turnover and consistent feedback from exit interviews and engagement surveys pointing to a need for stronger supervisory support. We saw positive results with our turnover rate in 2024 dropping to 25% compared to 35% in 2023. Offering PHOENIX LDR training to our employees as they advance in their careers gives them the opportunity to build the skills they need to achieve continued success, especially as it relates to managing others.



**OF PHOENIX MANAGERS
COMPLETED QUARTERLY
REVIEWS DURING 2024**

Open to plant supervisors, leads, and corporate staff (including executive leaders and directors), the first six-week cohort focused on the PHX Core Values, emotional intelligence, leadership styles, and active listening through workshops like “Leading Courageous Conversations.” Looking ahead, additional modules will cover conflict resolution, communication, change management, and team building.



Employee Well-being & Benefits

At PHOENIX, we integrate wellness into our workplace programs—including our benefits package and other amenities—recognizing its role in fostering higher job satisfaction, reducing turnover, and enhancing overall employee engagement.

PHOENIX’s benefit packages offer our employees the support and resources they need to succeed both personally and professionally. These benefits include:

- 401k retirement savings program
- Paid time off for holidays, vacation days, volunteering, and sick/personal days
- Paid parental leave
- Medical, group life, and accidental death and dismemberment (AD&D) insurance
- Flexible spending plans for health care and dependent care
- Educational assistance and training
- Scholarships and tuition reimbursement
- Employee Assistance Program
- Short- and long-term disability assistance
- Military family leave

Employees who participate in these programs have shared positive experiences, particularly with parental leave, educational assistance, tuition reimbursement, and student scholarships. These benefits provide valuable support for career growth, financial stability, and personal well-being.

WELL-BEING & BENEFITS METRICS

	2022	2023	2024
Percentage of Employees Covered by Parental Leave	100%	100%	100%

To continue enhancing our wellness benefits for employees, PHOENIX plans to introduce the Thrive Wellness Program in 2025. The Thrive Wellness Program takes a holistic approach to support our employees and their families across four dimensions of wellness—financial, workplace, health, and social wellness—and all employees are eligible to enroll. The voluntary program rewards participants for completing various wellness activities and building healthy habits. Rewards are intended to include reductions in medical insurance premiums and points which can be redeemed for gift cards.

We also seek to build employee wellness into the designs of our new locations. The newest PHOENIX locations are equipped with on-site fitness centers as well as permanent wellness rooms that offer privacy to employees with various needs. For example, they allow nursing mothers to express and store milk in privacy. The wellness rooms are also open for reservation if employees need a quiet space for religious practice or meditation.

Employee Health & Safety

PHOENIX’s health and safety programs, aligned with the SMETA 4-pillar audit standards, support our goal of eliminating workplace injuries and promoting a strong culture of health and safety. To mitigate safety risks, we provide employees with the necessary tools, training, and resources to identify and prevent workplace safety hazards.

Our Director of Safety oversees our processes and policies that promote a safe working environment. At each facility, the Safety Coordinators and Safety Committee serve as champions for our safety culture, while all employees share the responsibility of maintaining a safe working environment.

GOALS

By the end of 2025:

- We aim to have a TRIR that is 1.0, 70% below our industry average of 3.6
- We aim for 100% of our facilities to earn 90% on their MSAP audits



EMPLOYEE HEALTH & SAFETY METRICS

	2022	2023	2024
Total Recordable Incident Rate (TRIR)*	NR	1.6	1.3
Number of Recordable Incidents	3	8	6
Number of Fatalities	0	0	0
Number of Cases of Work-Related Illness	0	0	0
Days Away, Restricted, or Transferred (DART)	3	3	1
Number of Health and Safety Training Hours Delivered	NR	11,392	18,293

*TRIR rate is calculated based on 200,000 hours worked.
NR = Not Reported

PHOENIX Safety Committees

Each PHOENIX location has a dedicated Safety Committee, led by a Safety Coordinator and composed of employees from different departments. They conduct routine audits to identify potential hazards and assess the effectiveness of safety procedures. Safety Committees meet monthly to review audit results, discuss emerging issues, and develop necessary corrective actions, which are then communicated to employees through various channels to raise awareness. Each facility’s Safety Coordinator is responsible for regularly reviewing the site safety maps, the ongoing oversight of Occupational Safety and Health Administration (OSHA) compliance, and the periodic maintenance



of safety equipment (e.g., fire extinguishers, first-aid kits, eye wash stations, and AEDs).

During 2024, our Safety Committees’ improvement activities included the following initiatives:

- Established safety maintenance, repair, and overhaul (MRO) services, which allow employees to enter a repair order for safety issues without going to management. This new system will result in quicker repairs and mitigate the risk of employee injury due to faulty equipment.
- Conducted the first Member Safety Audit Program (MSAP) for each plant. More details on the audit can be found in the MSAP section on the following page.

Open Door Policy

To foster an environment of open communication, PHOENIX uses an Open-Door Policy that gives employees permission to remove themselves from unsafe working conditions and voice concerns without the fear of retaliation. All managers are expected to listen to and address any employee concerns regarding safety. To ensure those issues are not just heard but also resolved, we have created a reporting path for employees that begins with their immediate supervisor. If an employee does not see a resolution, they can raise it to the Plant Manager and, if necessary, continue to the leadership level with the VP of Manufacturing and the VP of Human Resources.

Corporate Safety Scorecard

New to 2024 is our Corporate Safety Scorecards. The Scorecards track key safety metrics for both leading indicators, such as training completion rates and resolved MRO issues, and lagging indicators, such as recordable incidents and TRIR. By reviewing plant-specific data for each of our safety KPIs, our safety teams obtain insights to drive improvements, mitigate potential risks, and monitor progress toward our safety goals at the facility level.

This tool also serves as a mechanism to launch a root cause analysis so that we can implement corrective actions as quickly as possible within our facilities. Each incident recorded within the Safety Scorecards undergoes a thorough root cause analysis, followed by corrective actions to prevent recurrence.

Emergency Action Plan

In 2024, we developed a comprehensive Emergency Action Plan (EAP) to protect the health and safety of all facility occupants if a natural or man-made disaster were to strike. This plan establishes clear protocols and response procedures for various potential emergencies, guiding employees on how to act swiftly and effectively in critical situations.

The EAP covers our highest risk scenarios such as:

- Facility evacuations in the event of a fire, structural hazards, or other emergencies
- Severe weather protocols for hurricanes, tornadoes, and extreme weather conditions

- Power outage response procedures to maintain safety and minimize operational disruptions
- Chemical spill containment and response measures to prevent exposure and environmental impact
- Workplace violence prevention and response strategies to enhance security and employee safety

To support the effective implementation of this plan, we conduct regular training and emergency drills, ensuring that employees understand procedures and can respond appropriately when needed.

MSAP Audits

We successfully completed our first MSAP audits across all PHOENIX facilities. This audit, created by our Director of Safety and the Safety, Training and Compliance Manager, is based off the MSAP audit produced by the Workers' Compensation Trust of Illinois (WCTI). The audit was created to help identify opportunities for improvement within a facility's safety program and provide a plan on how to complete them.

We used the requirements from the audit to complete a comprehensive evaluation of our safety procedures, workplace conditions, and infrastructure. The results of these assessments help us strengthen workplace safety by identifying potential risks, improving hazard mitigation strategies, and reinforcing compliance with regulatory standards.

By completing this audit, we anticipate a lower number of safety incidents and boosted employee morale, resulting in a safer workplace and healthier workforce. Additionally, it is anticipated that this audit will result in increased plant productivity as a result of decreased safety incidents. Looking ahead, in 2025, we are aiming to have a 90% audit result for each of our facilities.



2024 SAFETY CHAMPION OF THE YEAR

As a result of these efforts, we were honored as the **Safety Champion of the Year** in 2024 by the **Illinois Manufacturers' Association**. This award recognizes organizations that demonstrate excellence in safety protocols, employee training, and proactive hazard prevention.

Diversity, Equity, & Inclusion

At PHOENIX, DEI refers to the efforts we take to create a culture and an environment that enables individual and team success across our entire operation.

From the skills we develop in our employees, to the partnerships we cultivate with our suppliers, to the trust we build with our customers and the ways we give back to the community: we firmly believe that people—and the way we treat them—matter. We strive to foster an environment where diversity of thought and lived experience are valued.

In doing so, PHOENIX is committed to building an inclusive culture rooted in courtesy, dignity, and respect that promotes positive working relationships and enables our employees to remain authentic to who they are when they come to work.

Our VP of Quality and Social Impact and our VP of Human Resources oversee all aspects of our DEI programming.

DEI METRICS

		2022	2023	2024
Employees	Male	78%	78%	77%
	Female	22%	22%	23%
	Racial or Ethnic Minority	NR	NR	16%
Executive Staff	Male	75%	58%	54%
	Female	25%	42%	46%
	Racial or Ethnic Minority	8%	8%	9%

NR = Not Reported

GOALS

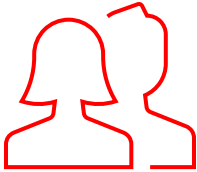


By the end of 2025:

- Deliver behavioral-based interview training to additional employees at 100% of our facilities to remove biases from the hiring process
- Host at least 3 professional development events that promote inclusive leadership and interpersonal skills growth

Diversity, Equity, & Inclusion Training

In 2024, we introduced new DEI training courses leveraging resources from the Illinois Manufacturing Excellence Center (IMEC), an organization that provides Illinois manufacturers with tools to compete with manufacturers globally. The training provided by IMEC focuses on the foundational aspects of DEI, such as accessibility accommodations, cultural competence, and inclusive leadership.



This training was offered to a subset of our managers to build knowledge of inclusive leadership principles and practices. Within this group, several managers voluntarily participated in IMEC’s 21-Day DEI Challenge which provided participants with tools and knowledge to build interpersonal relationships, enhance communication skills to have sensitive conversations, and act on best practices that can improve work culture.

Upon completion of the DEI Challenge, we conducted a DEI Readiness Assessment prepared by IMEC and received a detailed feedback report on our DEI practices, including company culture, talent, social responsibility, and retention. We were categorized as ‘Tier 2 – Effective’ indicating that while we have established policies, processes, and practices, our DEI program is still in its early stages of development. In 2025, we will use these findings to create an action plan to guide future initiatives within our company.



Inclusive Hiring

To support our recruitment efforts, we take an inclusive approach to our hiring to broaden our pool of candidates, foster innovation, and create a welcoming workplace that appeals to top recruits. We use inclusive language in job postings to evaluate candidates based on their core skills and competencies and minimize the impact of personal bias. Inclusive language in job postings can be seen through neutral and accessible wording that welcomes candidates from diverse backgrounds and avoids exclusionary or discriminatory terms.

To support this effort in 2024, we introduced a Behavioral Based Interview Guide and associated training. This content helps our managers recognize and overcome unconscious biases and prioritize questions that are competency based and focused on PHOENIX's values.

With our Fair Chance Hiring principle, we strive to provide opportunities to qualified candidates whenever possible. This principle promotes equitable employment opportunities by reducing barriers to employment for individuals with criminal records, emphasizing skills, qualifications, and potential over past convictions.



Product



PHOENIX delivers innovative and reliable solutions. As a full-service, Safe Quality Food (SQF) certified manufacturer of plastic closures, we partner with customers from initial design to the production of fully functional molded caps. Our post-consumer recycled (PCR) resin portfolio offers sustainable alternatives to virgin plastics, contributing to a reduced environmental footprint. Through our design and innovation center, we continue to develop inventive solutions while maintaining high product quality.

Our quality management system, which is aligned with SQF standards, upholds strict quality and safety requirements, ensuring we remain a trusted partner to our customers. Every cap produced by PHOENIX undergoes rigorous design, testing, and quality control to meet health and safety standards. We believe this is a significant competitive advantage for us to provide caps with customized features and sustainability enhancements while remaining fully compliant with food contact applications.

Product Innovation & Design

Our product innovation and design process uniquely balances customization, sustainability features, and safety requirements. This is largely due to PHOENIX's engineering and marketing teams' collaboration on developing product concepts based on market research and consumer focus groups. Through this work, we are maintaining our commitment that 100% of our product launches are responsibly designed to be recycled.

GOALS



- Host at least 2 Innovation Roadshow events in 2025
- In 2025, develop a Sustainable Product Development Policy

Firebird Design & Innovation Center

When we opened our corporate headquarters in 2022, we prioritized having a dedicated space for customer collaboration throughout the product development process. The Firebird Design & Innovation Center, launched in 2024, was created to support this vision by providing an environment where customers can join our team on an immersive tour, conceptualize designs with the latest technologies, and witness proof-of-concept prototyping.

The center is equipped with an ideation room, design studio, prototype molding space, and a fully outfitted metrology lab. It also houses advanced prototyping and testing machines to validate that each product's



A TYPICAL CUSTOMER JOURNEY AT THE FIREBIRD DESIGN & INNOVATION CENTER



The Ideation Room

Explore market research insights and collaborate on brainstorming sessions

Firebird Design Studio

Work alongside our R&D engineers to conceptualize and refine product designs



3D Printing

See concepts brought to life with state-of-the-art 3D printed prototypes

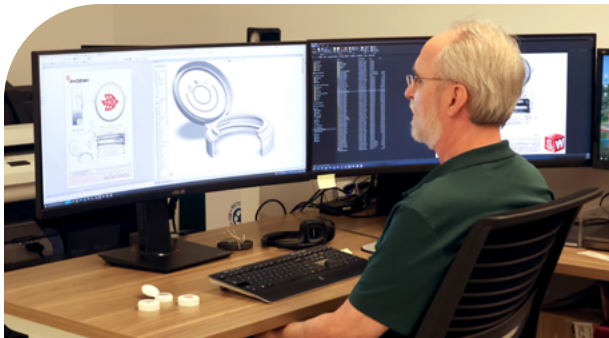
Prototyping Presses

Witness the real-time manufacturing of molded prototype parts, validating design concepts through immediate production testing



Metrology Lab

Observe live demonstrations of quality testing to ensure packaging meets the highest standards



form, fit, and function aligns with customer needs. Additionally, the center serves as a hub for focus groups, innovation sessions, and employee training.

By combining collaboration, technology, and expertise, this multi-functional center enhances our ability to develop innovative solutions that drive customer success.

Product Sustainability

One of our key objectives in product innovation is to minimize environmental impact while helping customers achieve their sustainability goals. Our approach includes:

- Designing all products to be recycled
- Right-weighting products by balancing material use and performance
- Ensuring maximized case counts with unique stacking features which reduce emissions in transportation
- Offering multiple PCR resin grades

In our research and design pipeline, we also are exploring additional alternatives to virgin plastics, including post-industrial recycled (PIR) resins, bio-resins, biodegradable resins, and resin additives. In 2025, we will formalize these sustainable design principles into a Sustainable Product Development Policy to further integrate sustainability into our innovation strategy.

Onyx Essential: 100% PCR Packaging

In 2024, we launched Onyx Essential, a PCR material designed for beauty, personal care, and home care products. It expands our PCR portfolio to include the option of up to 100% PCR content, complementing our food-contact safe PCR closures that contain up to 30% PCR content.

Onyx Essential plays an important role in supporting customers as they navigate emerging legislation on EPR and PCR Content mandates.



The Innovation Roadshow

In 2024, PHOENIX launched the Innovation Roadshow, an ongoing series of workshops, which bring our manufacturing employees into the innovation process. These sessions were created with the purpose of providing an opportunity to teach creative thinking and to cultivate ideas for new products, new materials, new technologies, and new processes with employees, suppliers, and customers.

Our Innovation Team leads these collaborative workshops, which rotate through our different facility locations and engage employees at each site. This approach extends idea generation beyond research and design engineers and encourages plant-level employees to actively participate in brainstorming and problem-solving solutions to issues that impact them day to day. In 2024, we successfully completed two sessions, the details of which can be found below. Looking ahead, our goal is to host at least two Innovation Roadshow events in 2025 and continue this initiative annually to further engage employees in the innovation process.

Communication Improvements

At our Greencastle, IN, facility, our Innovation Roadshow provided a dedicated space for cross-departmental discussions. These conversations brought to light that there are communication gaps during shift changeovers that can lead to duplication of efforts, unnecessary machine downtime, and scheduling issues.

Through the workshop, employees were able to determine that communications could be improved through reinstituting shift handoff meetings and an electronic notes system to highlight key information for the incoming team. Through these changes, the team is anticipating a more effective communication system between shifts, and ultimately improved operating efficiencies.

Improved Facility Ergonomics

One of the focus areas discussed at our Bloomington, IN, Innovation Roadshow was the physical routes employees needed to take to do their tasks within the facility. Employees raised concerns that the paths they traveled were inefficient and time-consuming, which could lead to excessive step counts per shift among employees. If not resolved, employees could be at higher risk of making fatigue-related mistakes, injuring themselves, or experiencing low morale which ultimately could manifest in staffing issues. To remedy this, the team decided to implement the following:



Engage a project team at the University of Illinois to visit the facility to conduct value stream mapping and propose ideas for more efficient plant layouts



Bring in new technology to automate some of the most repetitive and time-consuming tasks



Add step-over and step-through stairs to allow more direct routes to areas of interest within the plant

Since implementing the changes, employees have averaged 6,000 less steps per shift and we anticipate further decreases as more modifications are installed.

PHOENIX Think Tank

In 2024, we introduced the PHOENIX Think Tank, a cross-functional team of PHOENIX's Marketing and Engineering experts. The Think Tank was created to evaluate market trends and develop new concepts for our innovation pipeline, positioning us as a breakthrough innovator over the next five years and beyond. It's a hub for collecting ideas, evaluating them, and making them a reality.

This synergetic approach to product development utilizes a variety of perspectives that work together to achieve common goals. This team employs and exemplifies our core values of Innovation and Teamwork & Collaboration.

The Think Tank leverages tools such as market research, competitive analysis, focus groups, and ideation sessions. This work results in the development of key product elements being designed with consumer feedback at the forefront. In addition to this process contributing to advances in new products, this team has also found improvement opportunities in our existing products, supporting a continual improvement mindset within our product development process.



University Partnerships

In 2024, PHOENIX collaborated with multiple resources in academia to advance product materials, processes, and system enhancements. Through our partnership with the University of Illinois, we supported a senior capstone project where students developed a specialized device by utilizing computer-aided design, computational fluid dynamics simulations, prototyping, and validation testing. The final product became a valuable tool in our current research and development efforts, demonstrating the impact of university-industry collaboration.

Following this success, we plan to sponsor additional capstone projects and leverage academic partnerships that drive innovation and strengthen our talent pipeline.

Product Quality & Safety

PHOENIX upholds high standards of quality and safety for both our products and manufacturing processes. Our quality management system aligns with SQF standards, ensuring continuous monitoring and risk prevention. To reinforce food safety, we maintain one or more third-party certifications across all manufacturing sites:



SQF Certification ensures compliance with Global Food Safety Initiative (GFSI) benchmarked food safety standards



Interstate Milk Shipper Listing authorizes us to manufacture single-service closures for milk and dairy products

To further support product safety and compliance, our Metrology Lab at the Firebird Design & Innovation Center offers critical resources for quality testing throughout the product lifecycle, from initial design validation to final commercialization.

GOALS



- Maintain 0 incidents of consumer health and safety non-compliance per year
- By the end of 2025, we aim to have Quality and Food Safety Culture Dashboards developed for 100% of our facilities

QUALITY METRICS

	2022	2023	2024
Number of Customer Health and Safety Incidents	0	0	0
Number of Customer Complaints Received Regarding Product Safety	0	0	0
Number of Product Recall Issues	0	0	0
Number of Total Unit Recalls	0	0	0

Defect Trend Reporting

In 2024, we strengthened our quality detection and prevention efforts by enhancing reporting, equipment, and employee training. Site management teams collaborated to modify their defect trend reporting processes to improve analysis and response times. We also installed new equipment and test methods to enhance quality control.

To support these upgrades, we developed guidance materials to improve employee proficiency in test methods and operational troubleshooting. Key resources include:

- **Defect Identification and Troubleshooting Guide**
A standardized reference for identifying and addressing quality issues
- **General Defect Inspection Guide**
Detailed work instructions for routine closure inspections
- **Inspection Standard Operating Procedures**
Developed for newly installed equipment to standardize testing and verification processes



We plan to evaluate the effectiveness of these new processes through internal audits and trends in product quality KPIs over time, ensuring continuous improvement in defect detection and product quality.

Process Correction Reports

A key metric for us to track the effectiveness of our Defect Trend Reporting Program is the number of Process Correction Reports submitted. These reports are a fundamental element of our food safety culture and the “find it, fix it” mentality we want all employees to adopt in alignment with our culture of accountability and commitment to quality.



Through training, we educate manufacturing personnel on how to spot a defect and the expectation that it is immediately reported. Collecting this information right away limits compromised products from getting to our customers and identifies potential needs for equipment repairs. Process Correction Reports also serve us in the long term, as each report serves as a data point and can help identify emerging data trends, the need for new processes or tools, and any other risks that could compromise product or process quality.

As we are advancing our Defect Trend Reporting program, we anticipate seeing the number of Process Correction Reports increase year over year. We interpret and celebrate this trend as evidence that our employees are increasing their awareness of and empowerment to raise potential quality concerns. When discussing this process with our team members, we communicate that submitting a PCR shows integrity, accountability, and ownership, and these behaviors exist not only in our performance expectations for employees but also in our company’s core values.

NUMBER OF PROCESS CORRECTION REPORTS SUBMITTED

2022	2023	2024
1,861	1,985	2,345

SQF Certified

All PHOENIX facilities maintain SQF certification and have consistently earned the highest possible rating of “Excellent” (scores of 96-100) during their recertification audits for several consecutive years. The SQF certification is a globally recognized food safety and quality program benchmarked by the GFSI. It assures retailers, brand owners, and food service providers that products have been produced, prepared, and handled according to the highest standards.

SQF AUDIT SCORES

	2021	2022	2023	2024
Bloomington, IN	N/A	Excellent (98)	Excellent (99)	Excellent (99)
Davenport, IA	Excellent (98)	Excellent (97)	Excellent (98)	Excellent (99)
Greencastle, IN	Excellent (99)	Excellent (99)	Excellent (99)	Excellent (99)
Newport, TN	Excellent (98)	Excellent (100)	Excellent (100)	Excellent (99)



Planet



At PHOENIX, our commitment to environmental responsibility reflects our understanding of the complex relationship between the plastic industry and the environment. We recognize that while plastics have significant consumer benefits related to product safety, durability, and affordability, they also have significant environmental challenges related to end-of-life and other areas. We are dedicated to mitigating these challenges through innovation and working across our industry ecosystem to develop more holistic solutions.

Through our materiality assessment, we identified two focus areas for our environmental efforts: energy and greenhouse gas (GHG) emissions, and product lifecycle management. By concentrating on these areas of impact, we can create meaningful change in our own operations and contribute to sustainable change throughout our value chain.

Energy & Greenhouse Gas Emissions



PHOENIX recognizes that as part of an energy-intensive industry, reducing our energy consumption and GHG emissions is both a responsibility and an opportunity to lower costs and enhance operational efficiency. Reducing energy consumption and GHG emissions is crucial for mitigating climate change, conserving natural resources, and supporting the long-term sustainability of our business and the planet.

GOAL



Reduce our energy intensity by 25% by 2031, compared to our 2021 baseline

Our VP of Quality and Social Impact, VP of Manufacturing, and VP of Engineering and Innovation oversee this area, which focuses on our key priorities of energy intensity reduction, carbon-free energy management, and greenhouse gas emissions reductions.

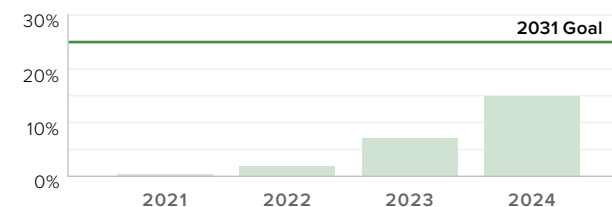


Energy Intensity

Electricity is the primary energy source for our operations and a significant operational cost that we manage closely. In 2021, we joined the U.S. Department of Energy's Better Plants Program to create and pursue energy efficiency targets. As part of this initiative, we set a goal to reduce energy intensity by 25% by 2031 versus a 2021 baseline. We have seen a 15% reduction in our energy intensity, which can be attributed to the following initiatives that were implemented in 2024:

- Replacement of four hydraulic injection molding machines with newer, more energy-efficient hybrid presses.
- Scrap reduction efforts focused on color change efficiency and molding best practices. Color change efficiency was driven by optimizing scheduling practices such as run order grouping and sequencing, and by improving equipment cleanout procedures. We also made continuous improvements to our molding and automation processes to reduce scrap generation.
- Improved press utilization through higher sales volume, which reduced equipment idling time and lessened the impact of overhead energy usage.




ENERGY INTENSITY REDUCTIONS (PERCENT)*



*Percentages represent our reductions in energy intensity compared to our 2021 baseline

GHG Emissions Management

Alongside our energy intensity reduction goal, we are preparing to set a GHG reduction target in 2025. To establish a meaningful and achievable target, we agreed to engage a third-party consulting firm to:

-  Identify potential emission reduction strategies
-  Conduct emission forecast models
-  Benchmark potential targets against industry peers

To ensure data accuracy and reliability, we focused our efforts in 2024 on refining energy consumption and GHG emissions tracking to establish a baseline emission year. We formally delegated data governance responsibility to a member of our Accounting Team, an effort that will be furthered through a cloud-based solution that will automate our data. One of our first initiatives to reduce our emissions will include investigating the feasibility of solar power at our facilities.

We continue to explore ways to increase the renewable portion of our energy mix and reduce reliance on fossil fuels. Our partnerships with MidAmerican Energy and Tennessee Valley Authority have allowed us to source carbon-free electricity for two of our facilities. In 2024:

- **89%** of our Iowa facility's electricity came from carbon-free sources
- **52%** of our Tennessee facility's electricity came from carbon-free sources

SCOPE 1 EMISSIONS SOURCES & METRICS (MT CO₂e)

	2023	2024
Natural Gas	608	530
Gasoline	2	1
Refrigerants	159	299
Total Scope 1 Emissions	769	830

SCOPE 2 – MARKET BASED EMISSIONS SOURCES & METRICS (MT CO₂e)

	2023	2024
Aurora, IL	742	72
Naperville, IL	1,407	294
Bloomington, IN	2,889	4,305
Davenport, IA	6,700	852
Greencastle, IN	13,208	16,209
Newport, TN	8,051	5,297
Total Scope 2 Emissions	23,607	27,027

Year Over Year Emissions Comparisons

Due to an increase in our production volume, we have experienced an increase across all three emission scopes. However, with this increase we saw our emissions intensity decrease, most likely due to the energy reduction measures we implemented detailed on pg. 27. These efforts showcase our dedication to reducing emissions when possible. Once we set our absolute emissions reductions target, we will evaluate and begin implementing emission reduction measures that will support emissions reductions even while our sales and production volumes increase.

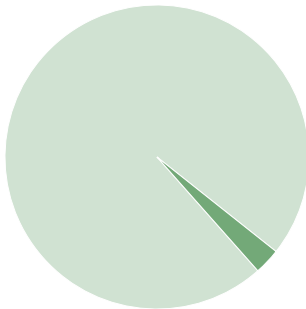
SCOPE 3 EMISSIONS SOURCES & METRICS (MT CO₂e)

	2023	2024
Purchased Goods & Services (C1)	213,253	237,495
Capital Goods (C2)	2,198	1,244
Fuel- and Energy-related Activities (C3)	7,024	7,064
Upstream Transportation and Distribution (C4)	2,306	1,390
Waste Generated in Operations (C5)	1,278	1,949
Business Travel (C6)	254	229
Employee Commuting (C7)	886	790
Downstream Transportation and Distribution (C9)	433	184
End-of-life Treatment of Sold Products (C12)	7,977	9,574
Downstream Leased Assets (C13)	1,571	3,099
Total Scope 3 Emissions	237,181*	263,018

*Scope 3 emissions in 2023 were restated to correct a reporting error that included depreciation and sales of assets, which had understated the actual emissions in scope 3 categories like capital goods.

2024 SCOPE 1 AND 2 EMISSIONS (MT CO₂e)

- **Scope 1** (830)
- **Scope 2 - Market Based** (27,027)



Our scope 3 emissions rose due to an increase in raw material procurement to support our growing sales. Because the scope 3 category of purchased goods and services comprises over 80% of our total scope 3 emissions, we are investigating opportunities to reduce these emissions going forward.

Product Lifecycle

At PHOENIX, we are working to reduce the environmental footprint of our products throughout their entire lifecycle, with a particular focus on shipping efficiency and end-of-life impact.

Our engineering team utilizes computer-aided design simulations and lifecycle assessments to evaluate embodied carbon and identify opportunities for improvement in primary packaging, shipping, and recyclability. These assessments guide decisions on material selection, design optimization, and logistics enhancements to minimize environmental impact.

GOAL



100% of new products developed in 2025 will conform to the APR Design Guide

WEIGHT OF RAW MATERIALS IN PHOENIX PRODUCTS

	2022	2023	2024
Recycled Content (lbs)	282,328	297,133	296,719

Expanding Our Industry Knowledge

As part of our efforts to innovate in this area, we look for ways to expand our knowledge and contribute what we have learned through industry memberships and conferences.

Industry Memberships

We are an active member of two sustainability-focused organizations: Sustainable Packaging Coalition (SPC)¹ and Association of Plastics Recyclers (APR)². These memberships keep PHOENIX informed of the best practices, regulatory developments, and technological advancements in sustainable packaging and plastics recycling. The knowledge and resources gained from these organizations support our efforts to remain a competitive and environmentally responsible manufacturer.

Industry Conferences

During 2024, we sent our team to industry conferences and summits, including events hosted by APR, such as their Annual Meeting, Recycling Summit and Fall Member Meeting. APR is dedicated to improving plastic recycling through technical guidance, advocacy, and industry-wide initiatives. By attending these meetings, our team gained insights into the successes and challenges of plastic recycling, as well as emerging policies aimed at improving the recycling system.

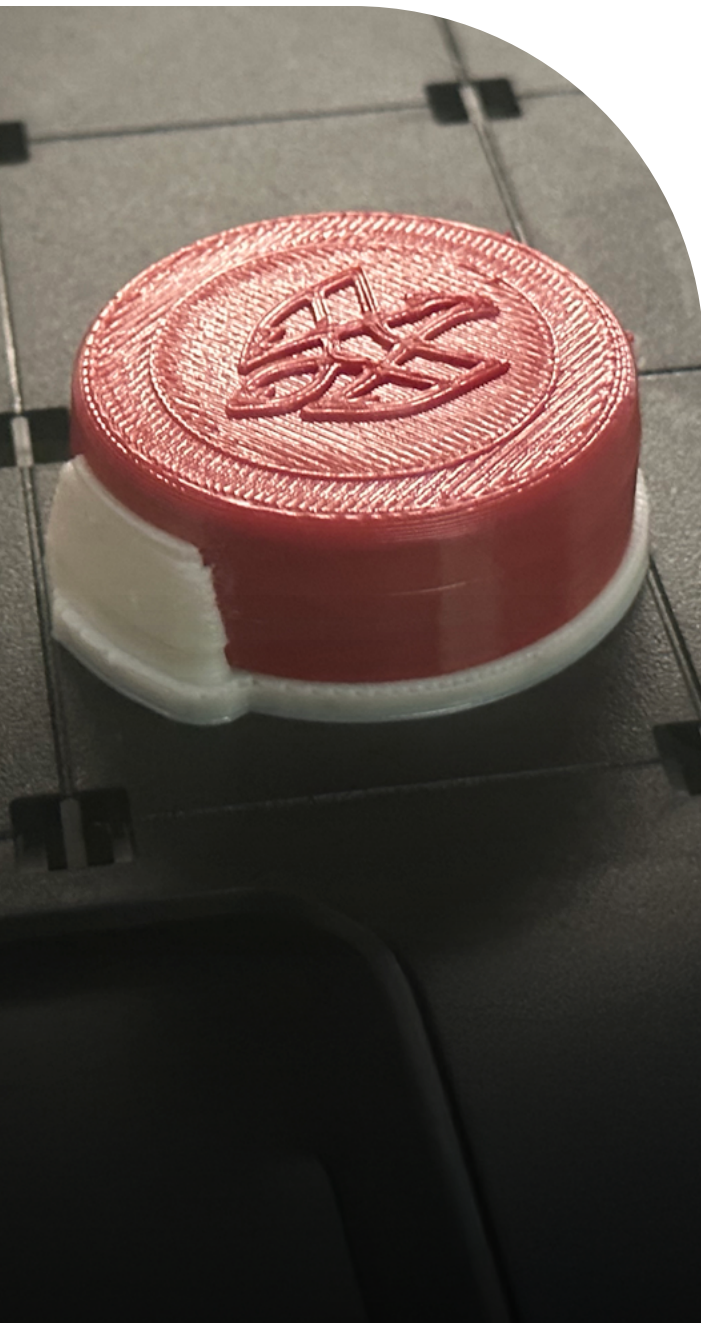
1. The SPC is a collaborative organization that brings together businesses, academia, and government to promote sustainable packaging solutions.
2. The APR is a U.S.-based international non-profit dedicated to improving plastic recycling through technical guidance, advocacy, and industry-wide initiatives. As an APR member company, PHOENIX is committed to following the APR design guidelines to maintain product compatibility within recycling streams.



Additionally, our team attended SPC events, like their Impact and Advance Conferences. At these events, our team explored eco-friendly packaging design, plastic waste reduction strategies, and industry innovations that are instrumental in achieving our sustainability goals.

Attending these events deepens our team members' expertise in plastics sustainable innovations, macrotrends, designing for recyclability, new legislation, and a chance to learn from industry thought leaders. By actively engaging in industry discussions and learning opportunities, we continue to advance reuse and recyclability initiatives, integrating the latest sustainable solutions into our operations and product development.





3D Printing

Our Innovation Team began integrating CAD simulation tools and 3D printing in the research and design process. Traditional pilot tools require an average of 15+ weeks from design to prototype. By utilizing 3D-printed mold inserts, we have accelerated the “art-to-part”³ timeline to just three weeks, with a goal to reduce it further down to two weeks. This accelerated timeline enhances speed to market, giving us a competitive edge in securing new business.

This agile approach not only streamlines development and lowers costs but also reduces energy consumption and GHG emissions by minimizing material waste and decreasing reliance on traditional, resource-intensive prototyping methods. 3D-printed molds have these sustainability benefits due to their variation in process compared to the traditional molds. Traditional molds begin with a large block of steel and remove unnecessary pieces until the mold takes shape, creating waste from these removed parts and consuming energy that is necessary to remove these pieces. 3D-printed

molds are created by only using the amount of metal needed to form the mold and utilize a less energy-intensive machine compared to traditional methods.

Customer Education

To manage the impact our products, have at the end of their life, we engage and educate our customers and the end users of our products through various initiatives, including:

- **Molding Resin Identification Codes**

These codes are pressed onto our closures to indicate plastic resin type. This information is typically leveraged to determine how to properly recycle our products.

- **Product Recyclability Statements**

These statements are provided to customers, offering transparency and guidance on how and why our products can be recycled.

- **Social Media Content**

Throughout the year, we launch social media campaigns to raise awareness about how our products can be recycled and reused. This information encourages end users to make environmentally responsible choices with our products.



Earth Day PLASTIC CAP RECYCLING CHALLENGE

To celebrate Earth Day, we engaged employees in a plastic cap recycling challenge, asking, “How do you reuse a plastic closure?” The creative responses were later shared in a LinkedIn post, inspiring our broader audience to consider new ways to repurpose and recycle plastic caps.



3. “Art-to-part” is the process of making CAD design (art) into molded sample (part).

Stewardship



Due to the nature of our business, some topics were not deemed as material and therefore were not included in our report. However, due to the importance of these topics to our stakeholders, we have included information on business ethics, sustainable procurement, community engagement, and additional environmental metrics within our Stewardship section.

For additional information on these topics, please contact greatpkg@phxpkg.com

Business Ethics

PHOENIX upholds the highest standards of ethical leadership. Our expectations for business ethics are clearly communicated to all employees through the Sedex Manual, Business Ethics Policy, PHOENIX Anti-Corruption Policy, and PHOENIX Code of Conduct. These policies cover key areas of ethical business conduct, including anti-corruption, gifts and entertainment, conflicts of interest, fraud prevention, the prohibition of child and forced labor, and information security.

All employees are required to complete training in business ethics to uphold the ethical standards outlined in our policies. In 2024, employees received training on the following topics:

- Child and/or forced labor prevention
- Anti-harassment and discrimination
- Corruption and bribery prevention
- Information security

Employees can report concerns regarding potential ethical violations through our whistleblower procedure. Our Whistleblower Policy provides safeguards to protect individuals who raise concerns, ensuring that reports made in good faith are free from retaliation. The confidentiality of complainants is maintained to the extent possible. All reported cases are taken seriously and

thoroughly investigated. The Co-Presidents receive information on each report and follow up on actions taken. In 2024, one case of critical concern was reported to the Co-Presidents.

ETHICS PREVENTATIVE METRICS

	2022	2023	2024
Employees Trained in Ethics	NR	100%	100%
Employees Trained in Information Security	NR	100%	100%

NR = Not Reported

ETHICS INCIDENTS METRICS

	2022	2023	2024
Number of Whistleblower Reports	0	0	1
Number of Confirmed Corruption Incidents	0	0	0
Number of Confirmed IT Incidents	0	0	0
Number of Confirmed Child and/or Forced Labor Incidents	0	0	0



Sustainable Procurement

Our impact not only exists within our own operations, but also within the value chain in which we operate. With this in mind, we are acting to better understand, manage, and monitor our suppliers. In 2024, we strengthened our supplier management framework by implementing or improving initiatives that align supplier practices with our long-term sustainability goals. This framework includes key components such as our Sustainable Procurement Policy, Supplier Code of Conduct, supplier training, and supplier scorecard.

Our efforts are led by our Director of Procurement.

GOALS



- 100% of procurement personnel will receive annual training on our Sustainable Procurement Policy
- 100% of critical raw materials suppliers will be assessed via a bi-annual supplier evaluation by January 31, 2026

SUPPLY CHAIN MANAGEMENT METRICS

	2023	2024
Percentage of Suppliers who Signed the Supplier Code of Conduct	100%	100%
Percentage of Suppliers who Completed a Supplier Scorecard	100% of Top 10 Strategic Suppliers	100% of Top 10 Strategic Suppliers

PROCUREMENT MATERIALS BREAKDOWN (LBS)

	2022	2023	2024
Corrugated	11,774,234	11,772,921	12,324,281
Wood Pallets	7,095,603	7,279,826	8,432,656
Labels	27,401	27,309	29,870

Sustainable Procurement Policy & Supplier Code of Conduct

To supplement our existing Supplier Code of Conduct, we developed and implemented our inaugural Sustainable Procurement Policy in 2024, formally outlining the environmental, social, and economic considerations we use in our supplier selection and evaluation process.

In addition to outlining criteria for selection, the policy also enshrined our commitment to maintaining our procurement program, by committing our team to training goals and establishing a timeline for our supplier assessment program.

Supplier Assessments

Our procurement department conducts supplier scorecard reviews every six months to evaluate performance to ensure alignment with our corporate objectives. This structured assessment is based on predefined criteria and facilitates transparent communication, enhanced accountability, and stronger supplier relationships. By leveraging data-driven insights, the reviews support continuous performance tracking and improvement, ultimately reinforcing alignment with our broader business goals.



Sustainable Procurement Training

To promote employee understanding and application of sustainable sourcing principles in our new policies, we provided relevant training to 100% of our purchasing team with subject matter from the American Purchasing Society. The Purchasing Manager and the Senior Buyer each completed the prep course and examination to be certified as a “Green Purchasing Professional” through the American Purchasing Society. This course covered topics including the definition of sustainability and how it applies to procurement, our main drivers for sustainability and the return on investment, and a review of our new procedures and policies to support the sustainable procurement program.

Community Outreach & Philanthropy

PHOENIX is committed to building stronger, more equitable communities through volunteerism, charitable giving, and employee-driven initiatives. We recognize that supporting diverse communities and fostering equity extends beyond our workplace and into the broader world.

Our **Employee Match Program** matches employees’

323

**HOURS SPENT BY
EMPLOYEES VOLUNTEERING
IN THEIR COMMUNITIES**



individual donations to organizations of their choice. Participation in this program grew by 164% in 2024, more than doubling the number of employees engaged compared to FY23. We attribute this growth to our employees’ response to the devastating impacts of Hurricane Helene on the community in which our Newport, TN, facility operates.

Our VTO Policy allows employees to dedicate paid time to supporting charitable organizations that align with their values and promote social impact. In 2024, we saw a 43% increase in VTO hours used, demonstrating our employees’



growing commitment to giving back. Similarly to the Employee Match Program, we attribute this growth to the overwhelming support of our employees in response to the extensive damage in their own and neighboring communities after hurricanes struck the area.

Rising Together AFTER HURRICANES HELENE & MILTON

Following the devastation caused by Hurricanes Helene and Milton, **PHOENIX employees rallied to support impacted communities**, including those surrounding our facility in Newport, TN. In the aftermath of the storms, employees took action to help those in need by:

- Clearing debris and assisting with property cleanup for neighbors, family, and friends in the Newport area
- Donating 300,000 caps to Sauer Brands for use in filling gallon jugs of water to distribute to local relief centers
- Supplying several pallets of bottled water and shipping a portable handwash station to Newport, TN
- Contributing monetary donations to the Cocke County Relief Fund
- Hosting collection drives across multiple facilities to send water and other essential supplies to Newport

These and other community efforts reflect the spirit of our motto, **“Rise with Us.”**



Empowering Next-Gen Manufacturers

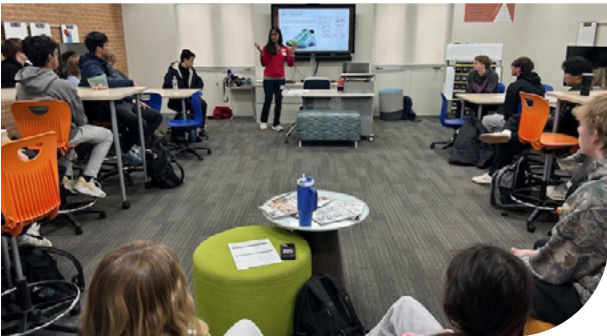
We feel a responsibility to invest in the next generation of manufacturing talent. Education, development, and trade-based career programs are all valuable channels to inspire youth and young adults to enter our industry. With this vision, PHOENIX became a partner of the Business INCubator Entrepreneurship Course for high school students in Naperville Community Unit School District 203. 2024 marked the third year since PHOENIX developed and began leading the manufacturing module.

“I have a new appreciation for all the factories and workers that operate [with] such precision and attention every single time.”
 —Business INCubator Student

COMMUNITY OUTREACH & PHILANTHROPY METRICS

	2022	2023	2024
Total Volunteer Hours (Using VTO)	213	228	323
Amount Donated to Organizations through our Employee Match Program	\$5,758	\$8,364	\$7,765
Number of Organizations Supported by Employee Donations and Company Sponsorships	42	43	43
Scholarships Awarded	\$7,500	\$10,000	\$10,000

Business INCubator is an annual course offered by District 203 as a part of their Career Technical Education curriculum and is intended to help students develop business skills. In 2024, our volunteers spent two days training students on “The 10-Step Manufacturing Checklist” and guiding students through the manufacturing phase of their entrepreneurial journey from design to launch. Through this course, five PHOENIX volunteers engaged 202 students to get them excited about what a future in manufacturing could look like.



Additional Environmental Metrics

AIR EMISSIONS (LBS)

	2022	2023	2024
Volatile Organic Compounds	11,583	9,985	11,900
Particulate Matter	4,476	3,814	4,599

ELECTRICITY CONSUMPTION METRICS

	2021	2022	2023	2024
Total Electricity Consumption (kWh)	57,132,425	54,637,133	53,657,971	56,268,484
Energy Intensity (GJ/ thousand lbs. resin)	3.27	3.31	3.52	3.17

WATER CONSUMPTION

	2022	2023	2024
Total Water Consumed (Gallons)	18,577,110	22,344,181	24,464,300
Operations Water Intensity* (Gallons/lbs resin)	0.29	0.40	0.36

*Water Intensity only includes operational facilities and not our corporate office due to the corporate office not producing resin products

WASTE MANAGEMENT (TONS)

	2023	2024
Hazardous Waste Generated	0	0
Hazardous Waste Sent to Landfill	0	0
Hazardous Waste Diverted from Landfill	0	0
Non-Hazardous Waste Generated	2,207	4,595
Non-Hazardous Waste Sent to Landfill	5%	5%
Non-Hazardous Waste Diverted from Landfill	95%	95%

Reporting Standards Indexes



Global Reporting Initiative Index

Statement of Use

Statement of use	Phoenix Closures, Inc. has reported in accordance with the GRI Standards for the reporting period November 1, 2023 to October 31, 2024
GRI 1 used	GRI 1 Foundation 2021

General Disclosures

GRI CODE	GRI DISCLOSURE	PAGE/RESPONSE
2-1	Organizational details	About Phoenix Closures, pg. 4
2-2	Entities included in the organization's sustainability reporting	About the Report, pg. 2
2-3	Reporting period, frequency, and contact point	About the Report, pg. 2
2-4	Restatements of information	Our 2023 GHG scope 3 emissions were restated to correct a reporting error that included depreciation and sales of assets, which had understated the actual emissions in scope 3 categories, like Capital Goods
2-5	External assurance	PHOENIX is not seeking assurance for this year's report; however, we are investigating feasibility to do this in the future
2-6	Activities, value chain, and other business relationships	About Phoenix Closures, pg. 4
2-7	Employees	Diversity, Equity, & Inclusion, pg. 18; PHOENIX does not have non-guaranteed hours employees
2-8	Workers who are not employees	PHOENIX does not have any stakeholders who meet the definition for workers who are not employees
2-9	Governance structure and composition	Sustainability Governance, pg. 7
2-10	Nomination and selection of the highest governance body	As a privately held company, there is no nomination process for members of the Executive Staff
2-11	Chair of the highest governance body	The Executive Staff does not have a chair. Albert R. Miller II and H. Giles Miller serve as company Co-Presidents. Albert R. Miller serves as CEO.

GRI CODE	GRI DISCLOSURE	PAGE/RESPONSE
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Governance, pg. 7; Materiality Assessment, pg. 9
2-13	Delegation of responsibility for managing impacts	All positions at PHOENIX are assigned a designated backup. All employees are trained and expected to comply with the best practices in recordkeeping to assure integrity of data related to impact reporting.
2-14	Role of the highest governance body in sustainability reporting	The Executive Staff has an oversight of the availability, monitoring, and disclosure of data related to sustainability reporting. For more information, please see Sustainability Governance, pg. 7.
2-15	Conflicts of interest	Business Ethics, pg. 32; Employee Training, pg. 13
2-16	Communication of critical concerns	Zero critical concerns were communicated to the highest governance body. For more information, please see Business Ethics, pg. 32.
2-17	Collective knowledge of the highest governance body	Sustainability Governance, pg. 7
2-18	Evaluation of the performance of the highest governance body	For reasons of confidentiality, PHOENIX does not publish specific details on the performance of our highest governing body
2-19	Remuneration policies	For reasons of confidentiality, PHOENIX does not publish specific details about salary and remuneration
2-20	Process to determine remuneration	For reasons of confidentiality, PHOENIX does not publish specific details about salary and remuneration
2-21	Annual total compensation ratio	For reasons of confidentiality, PHOENIX does not publish specific details about salary and remuneration
2-22	Statement on sustainable development strategy	Message from the Co-Presidents, pg. 3
2-23	Policy commitments	Business Ethics, pg. 32
2-24	Embedding policy commitments	Sustainability Governance, pg. 7
2-25	Process to remediate negative impacts	Business Ethics, pg. 32

GRI CODE	GRI DISCLOSURE	PAGE/RESPONSE
2-26	Mechanisms for seeking advice and raising concerns	PHOENIX maintains a whistleblower procedure for serious and sensitive concerns, including those relating to financial reporting, unethical or illegal conduct. Reports must be made directly to the Compliance Officer that is the VP of Human Resources. Employment-related concerns are reported through normal channels such as employees' direct supervisor or manager. For more information, please see Business Ethics, pg. 32.
2-27	Compliance with laws and regulations	PHOENIX had 0 instances of non-compliance with laws and regulations during the reporting period
2-28	Membership associations	Valley Industrial Association, Illinois Manufacturers' Association, National Association of Container Distributors, Sustainable Packaging Coalition, Better Plants, Association of Plastic Recyclers
2-29	Approach to stakeholder engagement	Materiality Assessment, pg. 9; Employee Engagement Survey, pg. 13; Customer Education, pg. 30
2-30	Collective bargaining agreements	3% of our employees were covered by collective bargaining agreements until March 28, 2024. The working conditions and terms of employment of other non-union employees are not influenced or determined based on other collective bargaining agreements.

Material Topics

GRI CODE	GRI DISCLOSURE	PAGE/RESPONSE
3-1	Process to determine material topics	Materiality Assessment, pg. 9
3-2	List of material topics	Materiality Assessment, pg. 9; No changes were made to the material topics in the reporting period

Materials

GRI CODE	GRI DISCLOSURE	PAGE/RESPONSE
3-3	Management of Material Topics	Product Lifecycle, pg. 29
301-1	Materials used by weight or volume	For reasons of confidentiality, PHOENIX does not publish specific details regarding our material inputs and outputs
301-2	Recycled input materials used	Product Lifecycle, pg. 29
301-3	Reclaimed products and their packaging materials	Product Lifecycle, pg. 29

Energy

GRI CODE	GRI DISCLOSURE	PAGE/RESPONSE
3-3	Management of Material Topics	Energy & Greenhouse Gas Emissions, pg. 27
302-1	Energy consumption within the organization	Energy & Greenhouse Gas Emissions, pg. 27
302-2	Energy consumption outside of the organization	Energy & Greenhouse Gas Emissions, pg. 27
302-3	Energy intensity	Energy & Greenhouse Gas Emissions, pg. 27
302-4	Reduction of energy consumption	Energy & Greenhouse Gas Emissions, pg. 27
302-5	Reductions in energy requirements of products and services	Not applicable; PHOENIX's sold products do not require energy consumption for use

Emissions

GRI CODE	GRI DISCLOSURE	PAGE/RESPONSE
3-3	Management of Material Topics	Energy & Greenhouse Gas Emissions, pg. 27
305-1	Direct (Scope 1) GHG emissions	Energy & Greenhouse Gas Emissions, pg. 27
305-2	Energy indirect (Scope 2) GHG emissions	Energy & Greenhouse Gas Emissions, pg. 27
305-3	Other indirect (Scope 3) GHG emissions	Energy & Greenhouse Gas Emissions, pg. 27
305-4	GHG emissions intensity	Energy & Greenhouse Gas Emissions, pg. 27
305-5	Reduction of GHG emissions	Energy & Greenhouse Gas Emissions, pg. 27
305-6	Emissions of ozone-depleting substances (ODS)	Ozone Depleting Substances are not identified as a critically material indicator by our stakeholders. Nevertheless, we collect data regarding refrigerants lost to the atmosphere at the site level and report consolidated information to the global level. Our metrics collection system identifies various types of refrigerants: HFC-134A, R-404A, R-22, R-442B.
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Additional Environmental Metrics, pg. 35

Employment

GRI CODE	GRI DISCLOSURE	PAGE/RESPONSE
3-3	Management of Material Topics	Employee Recruitment & Retention, pg. 11
401-1	New employee hires and employee turnover	Turnover in 2024 was 25% and the number of new hires was 116. PHOENIX does not track employment information by age groups, but we're looking to do so in the future. For more information, please see Employee Recruitment & Retention, pg. 11.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Recruitment & Retention, pg. 11
401-3	Parental leave	All full-time employees are entitled to take parental leave. For data on full-time employees by gender, please see Employee Recruitment & Retention, pg. 11. One employee took parental leave in 2024. PHOENIX is not currently tracking return to work or retention rates for employees taking parental leave; however, we are looking to do so in the future.

Occupational Health & Safety

GRI CODE	GRI DISCLOSURE	PAGE/RESPONSE
3-3	Management of Material Topics	Employee Health & Safety, pg. 16
403-1	Occupational health and safety management system	Employee Health & Safety, pg. 16
403-2	Hazard identification, risk assessment, and incident investigation	Employee Health & Safety, pg. 16
403-3	Occupational health services	Employee Health & Safety, pg. 16
403-4	Worker participation, consultation, and communication on occupational health and safety	Employee Health & Safety, pg. 16
403-5	Worker training on occupational health and safety	Employee Health & Safety, pg. 16

GRI CODE	GRI DISCLOSURE	PAGE/RESPONSE
403-6	Promotion of worker health	Employee Health & Safety, pg. 16
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Employee Health & Safety, pg. 16
403-8	Workers covered by an occupational health and safety management system	Employee Health & Safety, pg. 16
403-9	Work-related injuries	Employee Health & Safety, pg. 16
403-10	Work-related ill health	Employee Health & Safety, pg. 16

Training & Education

GRI CODE	GRI DISCLOSURE	PAGE/RESPONSE
3-3	Management of Material Topics	Employee Recruitment & Retention, pg. 11
404-1	Average hours of training per year per employee	PHOENIX does not track average training hours by gender or employee categories. For more information, please see Employee Recruitment & Retention, pg. 11.
404-2	Programs for upgrading employee skills and transition assistance programs	Employee Recruitment & Retention, pg. 11
404-3	Percentage of employees receiving regular performance and career development reviews	Employee Recruitment & Retention, pg. 11

Diversity & Equal Opportunity

GRI CODE	GRI DISCLOSURE	PAGE/RESPONSE
3-3	Management of Material Topics	Diversity, Equity, & Inclusion, pg. 18
405-1	Diversity of governance bodies and employees	PHOENIX does not track employee demographics by age group; however, we are looking to do so in the future. For more information, please see, Diversity, Equity, & Inclusion, pg. 18.
405-2	Ratio of basic salary and remuneration of women to men	For reasons of confidentiality, PHOENIX does not publish specific details about salary and remuneration

Non-Discrimination

GRI CODE	GRI DISCLOSURE	PAGE/RESPONSE
3-3	Management of Material Topics	Diversity, Equity, & Inclusion, pg. 18
406-1	Incidents of discrimination and corrective actions taken	PHOENIX had 0 confirmed incidents of discrimination or harassment in the reporting period

Customer Health & Safety

GRI CODE	GRI DISCLOSURE	PAGE/RESPONSE
3-3	Management of Material Topics	Product Quality & Safety, pg. 24
416-1	Assessment of the health and safety impacts of product and service categories	Product Quality & Safety, pg. 24
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Product Quality & Safety, pg. 24



Sustainability Accounting Standards Board Index

PHOENIX has aligned this report to the standards prescribed for the Containers and Packaging category.

Accounting Metrics

SASB CODE	SASB METRIC	PAGE/RESPONSE
RT-CP-000.A	Amount of production, by substrate	Due to confidentiality, PHOENIX does not disclose this information
RT-CP-000.B	Percentage of production as: (1) paper/wood, (2) glass, (3) metal, and (4) plastic	During the reporting period, 100% of PHOENIX production was plastic
RT-CP-000.C	Number of employees	Employee Recruitment & Retention, pg. 11

Greenhouse Gas Emissions

SASB CODE	SASB METRIC	PAGE/RESPONSE
RT-CP-110a.1	Gross global scope 1 emissions, percentage covered under emissions-limiting regulations	Energy & Greenhouse Gas Emissions, pg. 27
RT-CP-110a.2	Discussion of long-term and short-term strategy or plan to manage scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Energy & Greenhouse Gas Emissions, pg. 27

Air Quality

SASB CODE	SASB METRIC	PAGE/RESPONSE
RT-CP-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) volatile organic compounds (VOCs), and (4) particulate matter (PM)	Additional Environmental Metrics, pg. 35

Energy Management

SASB CODE	SASB METRIC	PAGE/RESPONSE
RT-CP-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable and (4) total self-generated energy	Energy & Greenhouse Gas Emissions, pg. 27

Water Management

SASB CODE	SASB METRIC	PAGE/RESPONSE
RT-CP-140a.1	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Additional Environmental Metrics, pg. 35
RT-CP-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks	PHOENIX does not currently report on this metric, due to this topic not being identified as a material topic
RT-CP-140a.3	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	PHOENIX does not currently report on this metric, due to this topic not being identified as a material topic

Waste Management

SASB CODE	SASB METRIC	PAGE/RESPONSE
RT-CP-150a.1	Amount of hazardous waste generated, percentage recycled	Additional Environmental Metrics, pg. 35

Product Safety

SASB CODE	SASB METRIC	PAGE/RESPONSE
RT-CP-250a.1	Number of recalls issued, total units recalled	Product Quality & Safety, pg. 24
RT-CP-250a.2	Discussion of process to identify and manage emerging materials and chemicals of concern	Product Quality & Safety, pg. 24

Supply Chain Management

SASB CODE	SASB METRIC	PAGE/RESPONSE
RT-CP-430a.1	Total wood fiber procured; percentage from certified sources	Sustainable Procurement, pg. 33
RT-CP-430a.2	Total aluminum purchased; percentage from certified sources	Currently PHOENIX does not report on this metric as it is not applicable to our operations

Product Lifestyle Management

SASB CODE	SASB METRIC	PAGE/RESPONSE
RT-CP-410a.1	Percentage of raw materials from: (1) recycled content, (2) renewable resources, and (3) renewable and recycled content	Product Lifecycle, pg. 29
RT-CP-410a.2	Revenue from products that are reusable, recyclable, and/or compostable	Product Lifecycle, pg. 29
RT-CP-410a.3	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Product Lifecycle, pg. 29





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