2024/2025

Environmental Report

SUSSEX
INJECTION MOLDING

Contents

About Us

- Sussex IM is a full-service **contract manufacturer of injection molded plastic products** with integrated value-add operations including decorating, assembly, warehousing, & fulfillment.
- Our purpose is to be an **essential partner to the world's best brands**.
- We are **family owned and operated** with over 47 years in business.
- Sussex IM has **2 manufacturing and warehouse facilities** located in Sussex, Wisconsin, USA, including an **ISO Class 8 Cleanroom**.
- We serve customers across **diverse end markets**, including consumer products, industrial, agriscience, medical, and residential durables.
- Certifications under **ISO 9001**:2015, **ISO 14001**:2015, **ISO 45001**:2018 and **ISO 13485**: 2016 reflect our commitments to quality, the environment, and employee health and safety.
- We are guided by **our core values**:

BY THE NUMBERS

~350 employees	65 injection molding machines	47 Years in business
280,000 sq ft of manufacturing & warehouse space	4 ISO Certifications	2 facilities in Sussex, WI

If we can, we will... and then some

We'll figure it out

How can I help?

Own the outcome Share the credit

Treat everyone like family

Work hard, laugh hard, play hard

Our Recognition

IMDA

Best Use of In-Mold Decoration for Durable Goods

Awarded by the In-Mold Decorating Association at the September 2024 Plastic Product Decorating Summit, this recognition acknowledged Sussex IM's work on the Heinz Keystone 3.0 Dispenser. Developed for Kraft/ Heinz in partnership with InkWorks, LLC, the dispenser is molded from ABS plastic and features in-mold labeling, a type of durable decoration designed to endure heavy use in high traffic venues like stadiums and fairs. IML decoration substantially improves the product's recyclability. We invite you to read more about the sustainability benefits of IML on Page 17.

EcoVadis

2023
Silver Medal

EcoVadis, a globally recognized sustainability platform, evaluates over 100,000 companies annually across four categories: environment, labor and human rights, ethics, and sustainable procurement. Securing a medal demonstrates strong performance across all four categories, coupled with the absence of significant negative news. In the 2023 assessment, Sussex IM not only exceeded the top 25% threshold for a Silver medal, but also positioned itself in the 92nd percentile of all companies assessed by EcoVadis that year. The 2023 assessment was a marked improvement from the Bronze medal attained the year prior, further underscoring our commitment to continuous improvement.

SILVER
2023
ecovadis
Sustainability Rating

MAPP

2024 Safety Achievement Award

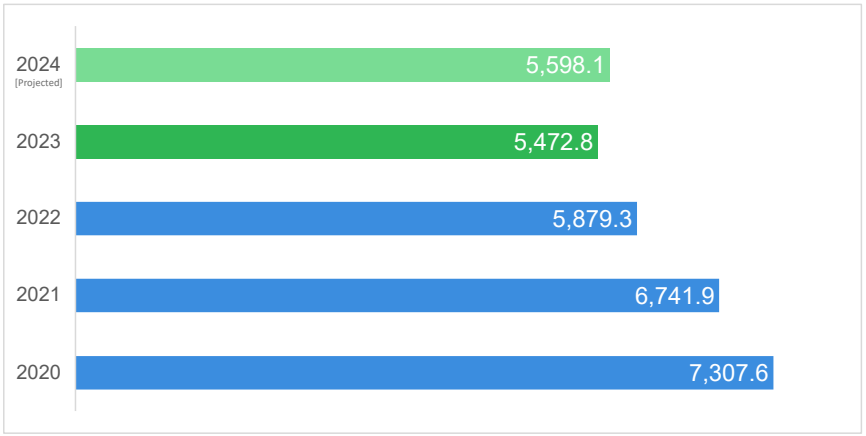
In August 2024, Sussex IM was awarded the Safety Achievement Award (Silver) from the Manufacturers Association for Plastic Processors (MAPP). The award is based on data from Sussex IM's OSHA 300 Log of Work-Related Injuries and Illnesses and recognizes our strong safety performance and commitment to workplace health and safety practices. In October 2024, Sussex IM celebrated another significant milestone: 1,500 consecutive days, over 4 years, without an OSHA lost-time accident. These achievements reflect our continuous efforts to maintain a safe working environment and support our overall commitment to employee well-being.

Environmental Performance

Through regular environmental reporting, Sussex IM stays accountable to our commitment to continuously improve our footprint. It serves as an important tool through which we communicate our performance with all our stakeholders. As such, we are constantly improving how we collect environmental data, measure our impact, and report on key metrics. Building on our inaugural report, reflected below is an overview of our environmental performance through year-end 2023[1]. Also provided is data for 2024, which is projected to cover full-year performance using data available from January 1 through September 30. Actual performance data for 2024 will be included in the next round of sustainability reporting.

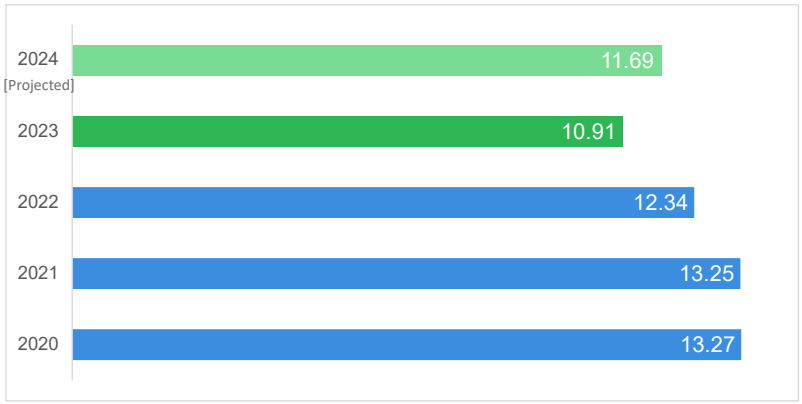
TOTAL EMISSIONS

[Metric Tons CO_2e]

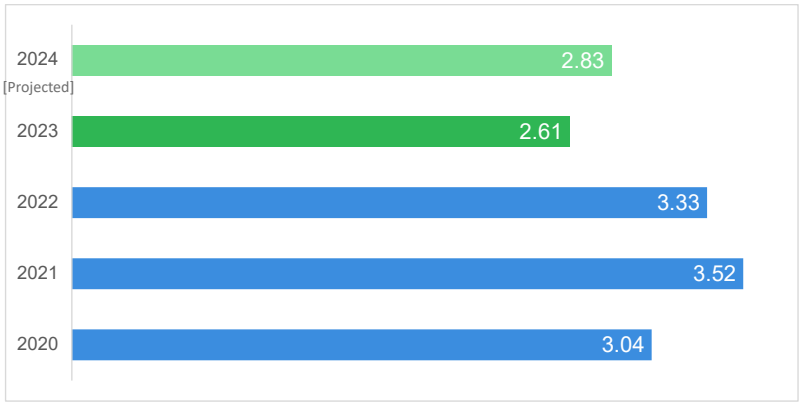


[1] This Report provides data, facts, and figures based on activities during Sussex IM's fiscal years 2020, 2021, 2022, and 2023 (January 1 to December 31). Information, data, facts, and figures based on activities during 2024 cover the period January 1 through September 30 unless stated otherwise. The environmental data in this report covers 100% of Sussex IM's owned manufacturing facilities. Environmental metrics are preliminary, unaudited, and subject to revision.

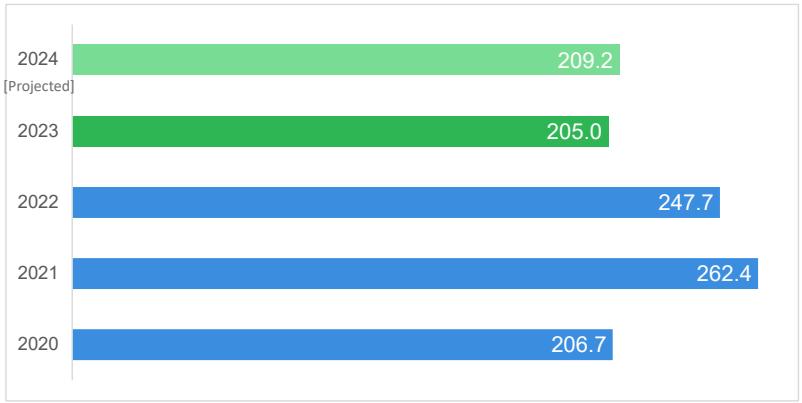
ELECTRICITY CONSUMPTION
[Million kWh][2]



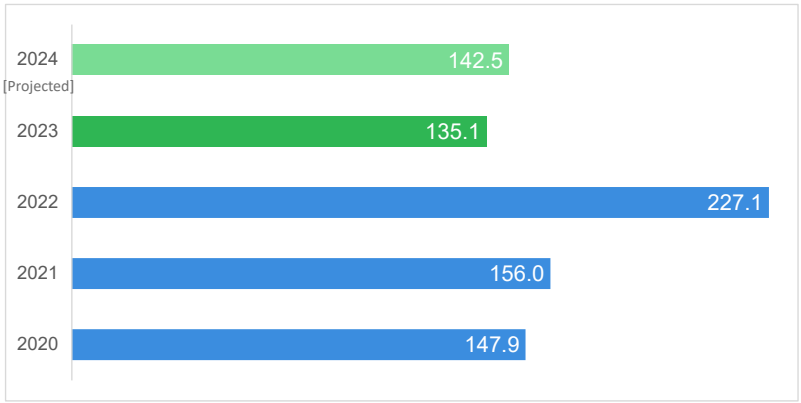
FRESHWATER CONSUMPTION
[Million Gallons][3]



TOTAL WASTE
[U.S. Tons][4]



TOTAL RECYCLING
[U.S. Tons][5]



[2] Electricity consumption refers to electricity purchased from the grid. As of year-end 2023, Sussex IM purchases 100% of its electricity from the grid and does not source any electricity from renewable sources.
[3] Freshwater Consumption refers to potable water drawn from the municipal supply. Sussex IM does not draw water from any other source. Quantities reported in the 2023 Environmental Executive Summary have been revised due to improved data collection and accounting methods.
[4] Waste includes all types of non-hazardous and hazardous solid waste, including that which is sent to landfill, incinerator, or disposed of through other methods. It excludes wastes generated which are later recycled. Waste totals reported in the 2022 Environmental Executive Summary have been revised as certain quantities previously classified as waste were found to be recycled.
[5] Recycling includes cardboard, office paper, used oil, and any other general recycling such as glass, plastic, and aluminum. Recycling figures do not include regrind plastic, wood pallets, savings from the reusable packaging program, or any other one-off or irregular materials sent for recycling.

Sustainable Product Development

The life cycle of a plastic product is determined, in large part, based on decisions made in the initial stages of product development. With over 47 years of expertise in custom plastic injection molding, this is where Sussex IM is uniquely positioned to lead the way. Our dedicated teams advise our customers on potential sustainability considerations from the beginning of their project: from incorporating recycled and alternative materials to utilizing cutting-edge automation and manufacturing technologies. By integrating sustainable material options and manufacturing strategies into their product, Sussex IM helps our customers meet their own sustainability goals.

From the onset of each new product, Sussex IM follows a comprehensive New Product Development ("NPD") process that systematically evaluates each aspect of bringing a product to market. During phase 1 and 2 of the NPD process, sustainable alternatives for product composition are considered such as the incorporation of post-consumer recycled ("PCR") plastic or the use of post-industrial plastic (or "regrind"). The use of PCR or regrind plastic has the potential to significantly reduce the amount of virgin plastic resin needed to manufacture the final product. Sussex IM also works with our customers to optimize mold design to include a hot runner system wherever technically feasible which allows us to substantially reduce the amount of raw material used during production and reduce post-industrial plastic waste.

Later in the product's life cycle, Sussex IM offers customers the opportunity to take advantage of our returnable packaging program; a mutually beneficial option that replaces single-use packaging materials with reusable containers that reduces packaging expenses and waste disposal costs. These options are presented to the customer at various stages of the NPD process and may be adopted depending on the customer's requirements and the product's intended application.

In addition to advising on sustainable alternatives for the composition, manufacturing, and transportation of the product itself, Sussex IM also conducts an internal assessment of the product's potential environmental impact on our operations. Phase 1 of the NPD process includes a review of any environmental regulatory requirements, including those related to waste streaming, post-industrial waste generation, potential scrap volumes, and air emissions, among others. Sussex IM's ability to successfully manage environmental risks and sustainability opportunities is systematically assessed against each of these items during NPD.

Sussex IM's commitment to sustainability is demonstrated through our ability to provide smart, cost-conscious sustainability options to our customers at each stage in the product development process – from ideation to the final product. By providing expert guidance on sustainable alternatives in plastic injection molding, Sussex IM enables our customers to gain competitive advantages and actively supports them in achieving their sustainability goals.

Environmental Management System

As part of our ISO 14001 certification, Sussex IM manages our sustainability initiatives via our Environmental Management System ("EMS"). Our EMS is comprised of various policies, procedures, and objectives focused on compliance, footprint reduction, and management of our environmental performance. Sussex IM's Environmental Policy and additional information about our EMS can be found on our website at https://www.sussexim.com.

EMPLOYEE ENGAGEMENT

Our employees play a key role in our ability to conserve raw materials and natural resources. As part of our EMS, we strive to actively engage them in training and raising awareness on energy and electricity conservation, responsible freshwater management, and waste reduction and sorting. For example, a new environmental topic is presented and discussed at each quarterly all-employee meeting, which includes ways that employees can conserve resources during their everyday work. Other topics discussed during all-employee meetings include the Sussex IM's Environmental Policy, our environmental performance, and real-life examples of environmental stewardship in our operations. This material is also readily available via bulletins in common areas of the facility.

On the shop floor, Sussex IM utilizes signage and visual aids at the point of use and in relevant work areas to guide employees on waste streaming, water conservation, and other environmental and safety compliance related activities. For employees with responsibilities tied to specific environmental procedures, Sussex IM provides more focused and detailed training as needed. For example, specialized training for employees who are responsible for handling potentially hazardous chemicals and substances.

MANAGEMENT OVERSIGHT

Sussex IM's management teams are highly engaged in sustainability. Top management participates in the annual Management Review meeting to ensure the suitability, adequacy, and effectiveness of the EMS. Key topics typically discussed include, but are not limited to:

- Internal and external issues, including changes in operations, resources allocation, regulatory updates, industry trends, and environmental risks;
- Consideration of the needs and expectations of interested parties;
- A review of progress towards the Company's EMS objectives;
- Review of compliance with applicable environmental laws, and;
- Opportunities for continuous improvement.

In addition to the annual Management Review meeting, Top Management is also involved in regular sustainability meetings throughout the year to discuss more frequent updates to our sustainability initiaties and environmental performance. These meetings include a review of key environmental indicators such as Scope 1 and Scope 2 CO2e emissions, electricity consumption, water consumption, waste and recycling; Progress on various sustainability projects and project proposals to reduce emissions, improve energy efficiency, and enhance waste management practices; and an evaluation of Sussex IM's environmental Aspects and Impacts.

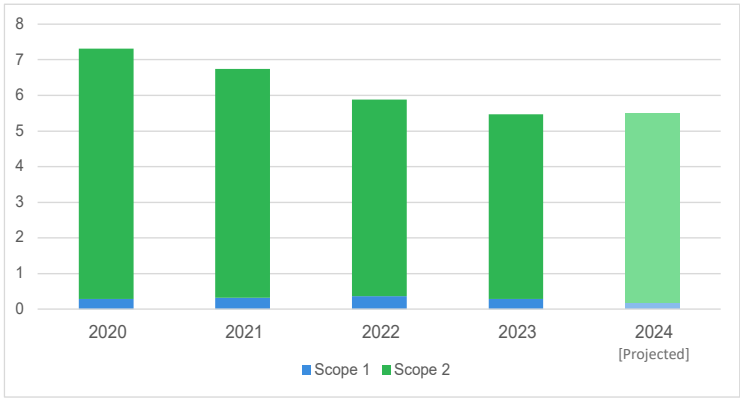
Energy & Emissions

Energy consumption is a reality of operating a manufacturing company. Sussex IM always strives to use resources conservatively, including electricity and other fuels, as integral parts of our business. However, we also recognize that such consumption leads to the release of greenhouse gas ("GHG") emissions, including carbon dioxide ("CO_2") and carbon dioxide equivalent ("CO_2e") emissions, which are key drivers of climate change. As such, we aim to reduce our energy consumption to the greatest extent possible while still meeting the needs of our customers, employees, and communities.

Sussex IM is presented with a unique set of challenges when it comes to managing our energy requirements. As a contract manufacturer, our ever-changing product mix and customer demand volumes change our energy requirements significantly year-over-year. The complexity, size, and production requirements of the products we are contracted to make also impact our energy requirements. While Sussex IM has limited influence on product composition and design, we advise our customer's on sustainable product composition and manufacturing techniques during various phases of the NPD process. The final decision to incorporate these suggestions ultimately rest with our customers. Given our limited control over product types and volumes, instead of looking at *what* we manufacture, Sussex IM's sustainability initiatives are focused on *how* we manufacture.

TOTAL ABSOLUTE EMISSIONS[6]

[Thousands Metric Tons CO_2e]



[6] Figures have been rounded to the nearest decimal.

Emissions

A key tool in measuring and tracking our environmental footprint is our emissions inventory. The following data accounts for 100% of Sussex IM's operations and includes both manufacturing and warehousing activities at our SIM North and SIM South facilities, as well as emissions from other properties owned by Sussex IM. All direct emissions from fuel combustion, including natural gas, propane, diesel, and gasoline, comprise our Scope 1 emissions. Purchased electricity is Sussex IM's only source of Scope 2 emissions. Raw data is compiled regularly throughout the year and converted to CO_2e emissions using standard conversion factors published by the U.S. Environmental Protection Agency.

TOTAL ABSOLUTE EMISSIONS [METRIC TONS CO_2e]

	2020	2021	2022	2023	2024 [Projected]
Scope 1	**290.9**	**323.5**	**365.4**	**294.4**	**295.0**
SIM North	129.5	143.5	148.3	124.5	127.1
SIM South	119.5	150.5	183.1	141.4	142.3
Shared Sources[7]	41.9	29.5	33.9	28.6	25.6
Scope 2	**7,016.8**	**6,418.5**	**5,514.0**	**5,178.3**	**5,303.1**
SIM North	6,793.6	5,996.1	5,133.1	4,741.7	4,676.9
SIM South	220.4	419.9	376.8	434.7	624.5
Shared Sources[8]	2.8	2.5	4.1	2.0	1.7
Total Emissions	**7,307.6**	**6,741.9**	**5,879.3**	**5,472.8**	**5,598.2**
SIM North	6,923.1	6,139.6	5,281.4	4,866.2	4,804.0
SIM South	339.8	570.4	559.9	576.0	766.9
Shared Sources	44.7	31.9	38.0	30.5	27.3

[7] Shared sources of Scope 1 emissions include: (i) diesel fuel in Sussex IM owned tractor trailers, and (ii) gasoline used to power landscaping and grounds equipment such as snowplows and other handheld equipment used at both facilities. These figures also include natural gas used to heat rented storage units in 2020.

[8] Shared sources of Scope 2 emissions include electricity used for lighting at several off-site locations including: (i) storage units rented between 2020 and 2021, and; (ii) lighting at Camp SIM from 2021 to present.

LIFE CYCLE ANALYSIS: SUSSEX IM'S ONETUMBLER

In April 2024, Sussex IM and Michigan Technological University collaborated to conduct a cradle-to-grave Life Cycle Analysis ("LCA") of the Sussex IM OneTumbler reusable beverage container – one of the few Sussex IM-owned products. The LCA compared the environmental impact of OneTumbler to that of single-use plastic water bottles and paper coffee cups. Using life cycle assessment software, the study analyzed emissions from raw material production through end-of-life disposal for all three types of drinkware with a focus on the GHG emissions generated by each.

The study revealed that the OneTumbler results in significant emissions savings. Sussex IM's OneTumbler produces only 5.22 kg CO_2e annually, including emissions from weekly washing, as compared to using ten plastic water bottles per week (64.8 kg CO_2e annually) or six paper coffee cup per week (31.2 kg CO_2e annually). Switching to OneTumbler from plastic water bottles translates to a 91.9% reduction in emissions, and an 83.3% emissions reduction compared to paper coffee cups over the course of one year.

Each year, Americans purchase 50 billion single-use water bottles, resulting in unnecessary waste, natural resource extraction, and emissions. The results of this LCA demonstrate that a shift to reusable containers like OneTumbler can significantly reduce such waste. Sussex IM is proud to contribute to a sustainable future that includes plastic products designed for reuse.

Electricity

Sussex IM's Scope 2 emissions consist entirely of electricity, accounting for 95% of our total emissions output. We operate approximately 65 injection molding machines (or "presses") 24 hours per day, at least five days per week. We estimate that the presses consume approximately 93% of our total electricity, with the remaining 7% attributed to everything else including lighting, HVAC, compressed air systems, computers, and other electronic equipment. As such, addressing the electricity consumption of our presses represents the most substantial opportunity to reduce our overall emissions. As of the date of publication, Sussex IM purchases 100% of its electricity from the grid and does not source any electricity from renewables.

As older model presses become obsolete, reach the end of their lifespan, or when repair costs become prohibitively high, Sussex IM continually invests in new, energy-efficient models. Newer model presses allow us to achieve more precise control over the molding process, improving energy efficiency and product quality while minimizing waste. In 2023 and 2024, we purchased six new energy-efficient presses that have the potential to reduce electricity consumption by up to 50% compared to older hydraulic injection molding machines of similar size.

We are also pleased to report on various equipment upgrades that were completed in 2023, 2024, or that which are planned for implementation in 2025. In total, we expect these projects to result in annual electricity savings of over 686,000 kWh, equivalent to 479 metric tons of CO_2e emissions per year. Through strategic upgrades and a focus on energy efficiency, Sussex IM will continue to seek new opportunities to reduce electricity consumption across our operations.

ENERGY CONSUMPTION

	2020	2021	2022	2023	2024 [Projected]
Electricity [M kWh]	**13.3**	**13.3**	**12.3**	**10.9**	**11.7**
SIM North	12.8	12.4	11.5	10.0	10.3
SIM South	0.42	0.87	0.84	0.92	1.4
Shared Sources[9]	0.005	0.005	0.009	0.004	0.004
Natural Gas [U.S. Therms]	**36,843**	**42,573**	**49,600**	**38,670**	**39,236**
SIM North	14,968	17,449	18,746	15,736	16,480
SIM South	19,596	25,124	30,855	22,935	22,756
Shared Sources[10]	2,279	0.0	0.0	0.0	0.0

[9] Other electricity sources account for lighting at several off-site locations including: (i) storage units rented in 2020 and 2021, and (ii) Camp SIM beginning in 2022.
[10] Other natural gas sources include heating at off-site storage units rented between 2020 and 2021.

AC UNIT UPGRADES

In the summer of 2024, Sussex IM upgraded several rooftop air conditioning units to new, energy efficient models. The new units consume significantly less electricity, resulting in an annual reduction of 387,115 kWh in electricity use, equivalent to 270 metric tons of CO_2e emissions saved each year. This investment not only lowers operational costs but also significantly reduces the greenhouse gas emissions associated with electricity consumption. By implementing efficient AC units, Sussex IM continues to demonstrate sustainable facility management and energy efficiency, contributing to a substantial reduction in our overall environmental footprint.

MATERIAL DRYER UPGRADES

In 2023, Sussex IM installed two new energy-efficient dryers to our material handling system, with plans to add two more units in early 2025. Material dryers are an essential step in plastic injection molding as they remove moisture from the plastic resin pellets before being sent to the press, where it is melted and shaped into the mold. Improperly dried resin can lead to defects in the final product, which are ultimately scrapped, and the energy used to create them is wasted. Thoroughly drying materials is critical to ensure high-quality products.

In addition to reducing waste, the new dryers have demonstrated considerable energy savings compared to the previous models. The upgraded units achieved power reductions of up to 48.9% and 30.6% depending on the dryer type. Together, these efficiencies are projected to save approximately 160,000 kWh, equivalent to 112 metric tons of CO_2e emissions annually, based on an estimated 4,380 annual hours of operation.

AIR COMPRESSOR AUDIT & REPAIRS

Sussex IM relies on air compressors to operate our injection molding machines, automation, and other critical machinery. The compressed air system powers the movement of key components in both the presses and the pneumatic systems that control the movement of robotic arms, conveyors, and other automated equipment.

Sussex IM partners with our supplier once per year to conduct a plant-wide audit to evaluate the efficiency of our compressed air system. In January 2024, the audit identified 52 leaks throughout our facility which accounted for an estimated electricity loss of 139,000 kWh, equivalent to 97 metric tons of CO_2e emissions, annually. While leaks are a normal occurrence in any compressed air system, regular maintenance is essential to keep the system efficient. Repair of the identified leaks is already underway, and Sussex IM's Maintenance team is committed to repairing all remaining leaks prior to year-end 2024.

Water

Reducing our water consumption is an essential part of environmental stewardship, and we're committed to applying innovation and expertise to achieve that goal. Sussex IM's operations require freshwater consumption, we are proud to operate a fully closed-loop water cooling system to support our processes sustainably.

Sussex IM operates two types of closed-loop water systems: tower water and chiller water. Both systems are designed to efficiently cool equipment while conserving water. In the tower water system, freshwater is initially drawn from the municipal supply and stored in an on-site dedicated reservoir. Cold water flows from the reservoir through a filtration system, and then moves to the presses. The use of cold water is essential because it absorbs excess heat generated from the press during the injection molding process and ensures that the equipment stays within optimal temperature ranges for production. Once the water has absorbed heat from the press, it circulates to several cooling towers where fans cool the heated water before it returns to the reservoir to be recirculated.

Our chiller water system functions similarly to the tower water system, but is instead designed to deliver even colder temperature water to specific components of the presses. Freshwater is pulled from the municipality and stored in a separate chiller water reservoir, which also has a hot and cold side. Cold water flows from the reservoir into chiller units, which function like large refrigerators that further cool the water. The chilled water then moves to the molds and thermolators on the presses. Chilled water is crucial for absorbing heat from the molds, stabilizing temperatures to ensure consistent product quality, and reducing cycle times. After absorbing the heat, the warmed water returns to the chiller water reservoir and recirculates through the system.

Both systems support our operational requirements for cooled or chilled water while nearly eliminating the need to continuously draw water from the municipality. Our closed-loop systems not only conserves water, but also stabilizes production by ensuring that presses, molds, and other components are consistently cooled, leading to fewer product defects and reduced energy use.

Besides that which is consumed and recycled through the closed-loop system, Sussex IM also consumes water for essential employee needs, such as in kitchens, restrooms, and drinking water. Sussex IM does not use water as a raw material in our products, nor do our processes produce any post-industrial effluents.

FRESHWATER CONSUMPTION [GALLONS]

	2020	2021	2022	2023	2024 [Projected]
Water Consumed	**3,040,400**	**3,516,500**	**3,325,700**	**2,606,100**	**2,826,000**
SIM North	3,026,700	3,490,100	3,303,200	2,581,200	2,793,733
SIM South	13,700	26,400	22,500	24,900	32,267
Wastewater Out	**2,606,200**	**1,648,600**	**1,658,800**	**1,540,800**	**2,698,800**
SIM North	2,622,500	1,622,200	1,636,300	1,515,900	2,666,533
SIM South	13,700	26,400	22,500	24,900	32,267

CLOSED-LOOP WATER SYSTEM UPGRADES

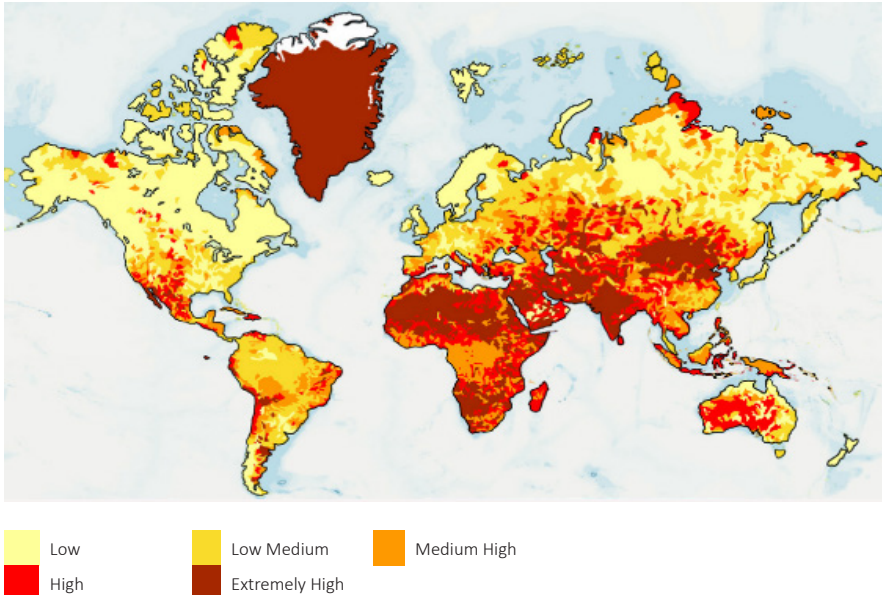
Beginning in 2025, Sussex IM is improving on our existing closed-loop water system by installing new components designed to further optimize water conservation and product quality. These improvements include a larger reservoir holding tank, which will enable the system to store a higher volume of water and nearly eliminate the need to draw in new freshwater from the municipality. Previously, the tank's limited capacity required us to discharge approximately 300 gallons of water for each weekly shutdown, which would need to be refilled from the municipal supply when operations resumed. The larger tank capacity reduces the need for weekly refills from the municipal supply, saving approximately 15,600 gallons of water per year. As a result of the larger reservoir capacity, drawing additional water from the municipality is only required to replace small amounts lost through evaporation.

Another key upgrade to the system is the advanced filtration technology installed in the tower water system. Cleaner water now circulates through the presses which may help to improve the consistency and quality of the cooling process, thereby enhancing product quality and reducing scrap. By filtering out particulates, the new filtration additions minimize the risk of contamination and leads to less wasted material. These upgrades enhance our closed-loop system's efficiency by conserving even more freshwater, and by reducing scrap as a result of a more stable production process.

WATER SCARCITY

Water scarcity, a critical global challenge intensified by climate change, directly impacts industries reliant on consistent water supplies. Defined as the insufficient availability of water resources to meet regional demands, water scarcity poses significant operational risks. To assess our exposure, we utilized the World Resource Institute's Aqueduct Water Risk Atlas to evaluate water risk levels at our two Sussex IM locations in Wisconsin, USA. The analysis showed that both Sussex IM facilities are in an area classified as having "low to medium" overall water risk in 2024. Although this ranking does not present an immediate concern, it emphasizes the importance of mindful freshwater consumption and the importance of reducing our consumption wherever possible.

GLOBAL WATER RISKS [11]



[11] Created based on the World Resources Institute's Aqueduct Water Risk Atlas (aqueduct.wri.org).

Waste & Recycling

Sussex IM strives to minimize operational waste at every stage of our process and prioritize strategies that prevent waste from being generated in the first place. When waste is unavoidable, we work to reuse and recycle wherever possible to reduce our reliance on raw materials and give them another life. By recovering and repurposing materials, we further reduce our internal waste and conserve valuable natural resources.

In 2024, Sussex IM continued the use of several key waste reduction and recycling initiatives. These efforts reflect our dedication to minimizing our environmental impact through innovative practices and partnerships that reduce waste, conserve resources, and promote the reuse of materials.

- Sussex IM repaired and reused 5,469 wooden pallets through a partnership with our pallet supplier. Damaged pallets are collected, repaired, and resold to Sussex IM for reuse, diverting over 164,000 pounds of wood from landfill.
- We continued the operation of our returnable packaging program, allowing Sussex IM and our customers to replace single-use packaging materials with reusable containers and materials.
- Wherever feasible, Sussex IM continued to incorporate hot runner systems into mold designs to reduce raw material use and eliminate the generation of post-industrial plastic waste such as runners and sprues.

To manage non-hazardous waste, Sussex IM has implemented a comprehensive recycling program for common materials, including glass, plastics, paper, and cardboard. These materials are collected in clearly labeled, color-coded bins to ensure proper sorting and disposal. Internally, we map our waste streams and track disposal methods to continually improve recycling efficiency. Employees are trained to sort and dispose of waste according to specific waste streams, reinforcing our dedication to responsible waste management practices.

For hazardous waste, Sussex IM is considered a Very Small Quantity Generator as it accounted for less than 1% of our total waste generation in 2023. Despite the small volume, employees are trained in safe handling practices, specific PPE requirements, and emergency response procedures for jobs involving such materials. We also maintain robust environmental emergency measures, such as spill response and containment kits and response protocols, to prevent the release of oil or chemicals into the environment during operational activities.

In preparation for disposal, hazardous waste is carefully segregated and managed separately in compliance with local, regional, and federal regulations. Whenever possible, Sussex IM explores the use of alternative, less hazardous substances in our processes. Where the generation of hazardous waste is unavoidable, we maintain a close partnership with a dedicated, local hazardous waste hauler who specializes in the safe handling, transportation, treatment, and disposal of all our hazardous waste streams in full compliance with applicable environmental regulations. Our agreements with them also include the transfer of waste manifests to guarantee clear documentation and precise information on the final treatment and disposal locations of hazardous waste.

WASTE & RECYCLING [U.S. TONS]

	2020	2021	2022	2023	2024 [Projected]
Non-Hazardous Waste [12]	**201.2**	**262.4**	**244.8**	**203.2**	**208.9**
SIM North	193.6	254.8	237.2	195.6	201.3
SIM South	7.7	7.7	7.7	7.7	7.7
Hazardous Waste	**5.5**	**0.0**	**2.9**	**1.8**	**0.2**
SIM North	5.5	0.0	1.3	0.5	0.2
SIM South	0.0	0.0	1.6	1.3	0.0
Waste Recycled [13]	**147.9**	**156.0**	**227.1**	**135.1**	**142.5**
SIM North	147.9	156.0	227.1	135.1	142.0
SIM South	0.0	0.0	0.0	0.0	0.5

[12] Non-hazardous waste means solid, non-hazardous waste from any source sent to landfill or incinerator. It does not include any hazardous waste that is transported and treated by our waste hauler prior to disposal.

[13] Recycled waste includes cardboard, office paper, and any other general recycling, such as glass and plastic, from the manufacturing plant and office. This total does not include the weight of regrind plastic, wood pallets, or other materials sent for recycling.

REGRIND RECYCLING

Regrind plastic is an important part of Sussex IM's sustainability practices. Incorporation of regrind into new products helps divert substantial amounts of manufacturing waste from landfills. It also conserves energy by reducing reliance on the use of virgin plastics. Regrind is post-industrial plastic that can include rejected parts, sprues, and runners. Sussex IM collects these materials, grinds them into small particles and, to the extent specified by our customers, blends regrind with virgin plastic to manufacture new products.

For regrind materials that cannot be utilized in new products, Sussex IM collaborates with recycling partners who further process our regrind into usable forms for other applications. As of November 2024, we sold 188,400 pounds of unused regrind and rejected parts to our recycling partners. Our partners repurpose the material, contributing to a circular economy by transforming plastic waste into valuable resources.

Through these efforts, Sussex IM demonstrates a commitment to sustainable manufacturing by supporting waste reduction and resource efficiency in alignment with our customers' specifications. This approach enables us to minimize environmental impacts and foster a more responsible use of plastic materials within our operations.

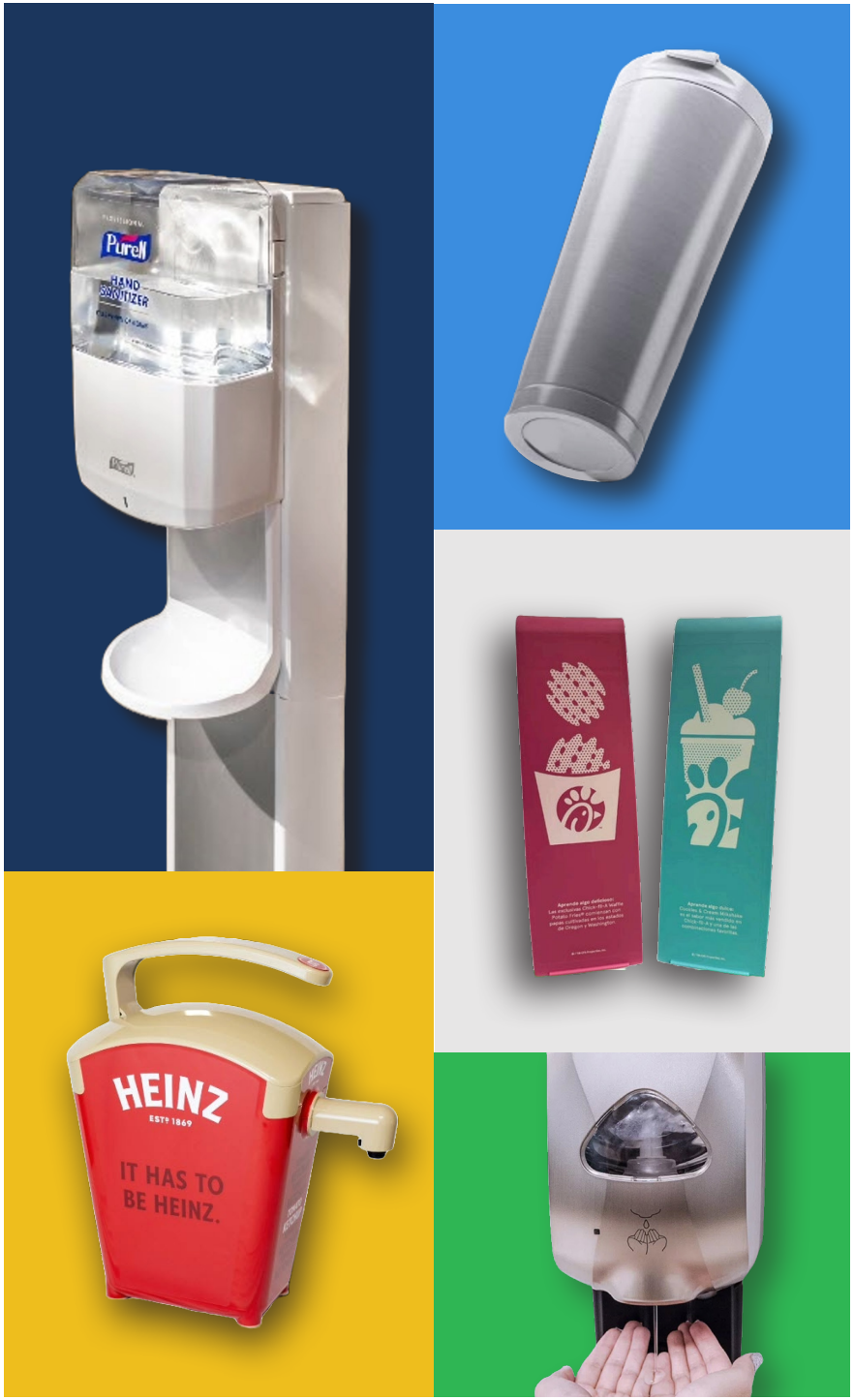
SUSTAINABLE DECORATING WITH IML

Sussex IM is a leader in sustainable product decoration through our expertise in in-mold labeling (“IML”). IML is a method where labels are integrated directly into the plastic during the molding process, eliminating the need for adhesives or post-molding decoration. Because the label becomes part of the product itself, IML is inherently more sustainable compared to traditional forms of plastic decoration because the entire product can be recycled without separation issues. Unlike traditional labels that use adhesives, IMLs are made from the same material as the product, allowing them to seamlessly blend into the recycling stream and be reprocessed with the plastic part.

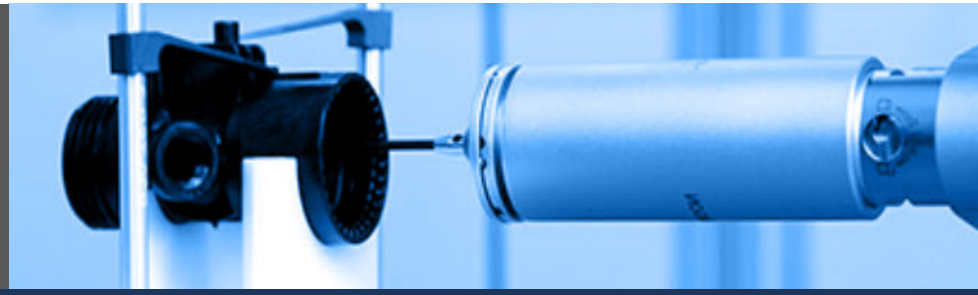
By avoiding adhesives that can “gum up” recycling equipment, IMLs contribute to a cleaner recycling stream by simplifying the sorting and processing of plastic products at the end of thier life. Additionally, because IML eliminates the need for a separate labeling process, it reduces energy consumption associated with production. This all-in-one manufacturing process minimizes material waste and streamlines production, reducing both resource usage and operational emissions.

In addition to the various recycling benefits, IMLs also extend the lifespan of the product. IML decoration is highly durable and resists wear and fading, ensuring that the product maintains its functionality and appearance for longer periods. Such durability reduces the need for replacements or rework, further conserving materials and reducing waste. Furthermore, IML technology supports lightweight product design, as the integrated label eliminates the need for heavier, multi-layered alternatives.

Sussex IM’s extensive experience with IML ensures high-quality, reliable decoration options that meet the needs of our customers while promoting environmentally responsible practices. By adopting the use of IMLs, we not only deliver superior products but also contribute to a more sustainable future by supporting recyclability, reducing waste, and optimizing manufacturing processes.



Our Sustainability Commitments



Products manufactured at Sussex IM are a part of everyday life. While they fill a diverse range of home, commercial, and industrial needs, they have one thing in common: They are all made with sustainability in mind. In fulfillment of our mission to be an essential partner to the world's best brands, Sussex IM is proud to offer innovative product solutions while advancing sustainability throughout our operations.

While we are proud of the accomplishments highlighted in this year's report, we acknowledge there is more work to be done. Sussex IM realizes that sustainability is not a one-time achievement, but an ongoing journey. We remain committed to further reducing our environmental footprint while delivering exceptional value to our customers. We are excited about the projects and initiatives in the pipeline that will enable us to make even greater strides.

Our leadership team is more dedicated than ever to integrating sustainability into every aspect of our operations. We will continue holding regular sustainability meetings to review and discuss our performance, ensuring that these considerations remain central to our decision-making process. Looking ahead, we are focused on enhancing the accuracy of our environmental data collection and reporting, particularly in the areas of waste and recycling. Such improvements will enable us to better track our progress and communicate our achievements transparently.

To further guide our efforts, Sussex IM has adopted medium-term environmental targets in line with our ISO 14001 certification. These targets focus on three key areas: reducing electricity consumption, minimizing scrap generation, and increasing recycling efforts. By addressing these critical aspects of our operations, we aim to conserve resources, lower emissions, and divert more materials from landfills. Our goals will provide a roadmap for measurable progress while further reinforcing our responsibility to our stakeholders and our planet.

Driven through three primary avenues, our sustainability stragety will continue to drive innovation, prioritize environmental stewardship, and deliver exceptional value to our customers, employees, and communities.

COLLABORATIVE CUSTOMER PARTNERSHIPS

Understand our customers' goals and recommend sustainable options to help meet green initiatives.

PROACTIVE MANUFACTURING SOLUTIONS

Continuously evaluate and improve our internal processes and procedures for optimization.

TRANSPARENT SUSTAINABILITY COMMUNICATION

Share our progress and initiatives through detailed reporting and open dialogue with stakeholders.