



Sustainability Impact Report 2025



In this report

Who We Are	3
Sustainability Goals	6
How We Partner	11
Ways We Manage	18
What We Produce	21

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



Who We Are

We are a preferred provider of innovative coatings, film laminations, and functional technologies. Flexcon is committed to understanding customer challenges and co-creating solutions that positively impact society and the environment. A family-owned business for 70 years, Flexcon develops and manufactures quality products with precision and efficiency for markets such as healthcare, sustainable packaging, transportation, consumer durables, electronics, industrial, retail and advertising, and construction and energy with a goal of advancing bonds, innovation, and our world. Headquartered in Spencer, MA, USA, the company has operations and distribution throughout North America, Europe and Asia.

At Flexcon, sustainability involves extending the legacy of ethical practices into a broader and long-term perspective. It encompasses a holistic view of emphasizing the well-being of people, continuous process improvements, and the development of sustainable products. This commitment aims to have a lasting influence, not only for the next generation, but for the next 1,000 years.



Year in Review with Nick Tucci, CEO of Flexcon

What does sustainability mean to you—and why does it matter for Flexcon?

Sustainability means making disciplined choices that create long-term value for our business, customers, and communities.

Growing up in the pressure-sensitive industry, I have seen how material, manufacturing processes, and design decisions extend beyond the factory floor. Sustainability requires disciplined operations, deliberate material selection, strategic value chain partnerships, and a steadfast commitment to responsible resource management.

At Flexcon, embracing sustainability also sharpens our competitive edge. It pushes us to innovate in practical, ethical, and forward-looking ways—developing solutions that perform at a high level while reducing waste and environmental impact. Done right, sustainability isn't a tradeoff; it's a driver of better outcomes.

How has sustainability shaped Flexcon's business strategy and decision making in your first year as CEO?

Sustainability has been a central lens in how we set priorities and make decisions.

From the start, we've focused on investing in materials, technologies, and processes that meaningfully reduce environmental impact while strengthening operational performance. That perspective naturally shifts the organization toward long-term value creation rather than short-term wins.

It has also aligned teams around shared goals: energy efficiency, waste reduction, recycling, and operational resilience. Clear sustainability metrics are part of our planning and performance objectives, making responsible growth a core operational measure and accountability standard.

What sustainability progress from 2025 best demonstrates Flexcon's commitment to responsible growth?

Our 2025 progress shows in the concrete steps we've taken to grow responsibly.

We are developing eco-friendly materials to minimize waste and enhance recyclability, while reducing our own emissions and energy consumption. Our partnerships have been strengthened to facilitate the integration of sustainable solutions throughout the value chain, and employee-driven initiatives have maintained a consistent focus on sustainability company wide.

As detailed in this report, pilot programs and new certifications are supporting our steady progress toward achieving our long-term objectives.

Looking ahead, where do you see the greatest opportunity for sustainability to drive growth and innovation at Flexcon?

The greatest opportunity lies in continuing to develop solutions that help our customers solve real environmental challenges while improving performance and efficiency.

When sustainability is grounded in lean principles — eliminating waste, optimizing resources, and improving processes it becomes a powerful engine for innovation. That's where Flexcon is especially well-positioned: combining materials expertise, manufacturing discipline, and close customer collaboration to deliver solutions that make a measurable difference.

Looking ahead, we will continue to build upon the McDonough family legacy of responsible growth—one where sustainability strengthens our business, supports our customers' success, and creates value that lasts well beyond the next quarter.

— Flexcon CEO, Nick Tucci



UN SDG Goals

Flexcon is excited to be part of a growing community of environmentally and socially responsible businesses that support the United Nations Sustainable Development Goals (SDGs)*.

The United Nations Sustainable Development Goals (SDGs) are a globally recognized set of global goals adopted in 2015 to create a more sustainable, equitable, and prosperous world by 2030.

These goals allow us to align our strategies and actions with broader global sustainability priorities.

Flexcon chose to focus on three goals that tie in with our core values and help guide our decisions and actions moving forward:

- Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.
- Ensure sustainable consumption and production patterns
- Take urgent action to combat climate change and its impacts

Throughout this impact report, you'll see these UN SDG goal icons line up with our initiatives.

*Disclaimer: Flexcon's use of the United Nations Sustainable Development Goals is intended to demonstrate alignment with globally recognized sustainability priorities. This alignment does not imply endorsement by the United Nations.



UN SDG Goals

Goals



Accelerate next-generation materials, invest in sustainable coatings and films, and deepen customer co-creation on circular solutions.



Scale circular design across product development, expand recyclable and wash-off technologies, and increase the share of Flexcon® EcoFocus® solutions toward 50% by 2028.



Integrate climate targets into business planning, expand renewable energy adoption, and improve emissions transparency across regions.

How

- Development focus on PCR content and sustainable materials
- Award-winning sustainable packaging case study
- Research papers: *Keys to Pharmaceutical Labeling Success; Elevating Sustainability Beyond the Label.*

- EcoFocus® sustainable product portfolio
- 90% landfill diversion goal by 2028
- Supplier packaging return programs
- Recyclability, linerless designs, and material reduction
- Circularity as a stated pillar of sustainability

- Scope 1 & 2 emissions tracking
- 35–50% carbon reduction targets by 2028
- Renewable energy adoption in Europe (REGO-certified wind + CO₂-compensated gas)
- Investment in LCA tools
- Formal Scope 1 & 2 reduction commitments
- Renewable energy integration across European facilities

Why

Innovation is central to how Flexcon creates value for customers and advances sustainability.

Through investment in sustainable materials and collaborative product development, we enable more efficient packaging and labeling solutions that support resilient infrastructure and responsible industrial growth.

Flexcon advances responsible consumption and production by embedding circularity into product design, manufacturing, and end-of-life considerations.

Through our EcoFocus® sustainable solutions, waste diversion initiatives, and supplier collaboration programs, we are reducing material use, increasing recyclability, and helping customers transition toward more circular packaging systems.

Flexcon is committed to reducing the climate impact of our operations by measuring, managing, and reducing greenhouse gas emissions across our global footprint.

By investing in renewable energy, improving energy efficiency, and integrating life cycle assessments into decision making, we are actively aligning our business strategy with climate action goals.

2028 Sustainability Goals

Social

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

Initiatives:

Safety goal KPI reduction driving towards

0 Incidents

Increase employee participation in improvements to

Above 80%

Environmental

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

Initiatives:

Track carbon footprint in scope 1 and 2 GHG to reduce Flexcon carbon footprint by

35%

90%

waste reduction by diverting away from landfills

Natural resource improvement by reducing natural gas and electrical usage by

35%

Circularity

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

Initiatives:

50%

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

25%

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

These 2025 milestones showcase our ongoing progress toward achieving our company goals for 2028.

Social

24% drop in safety incidents



Achieve zero safety incidents across all our facilities by 2028, building on the successful reduction of incidents in Chino, Mississauga, and Glenrothes

14% increase employee participation



Reach over 80% employee participation in company initiatives by 2028

Environmental

76% waste diverted away from landfills



Attain a 90% waste diversion from landfills by 2028

0% decrease in electric reduction per unit*



Cut our natural gas and electrical usage 35% by 2028

*Year over year usage remained flat due to a decrease in overall production for 2025

5% decrease in gas usage per unit



Circularity

22% increase in sustainable solutions year over year



By 2028, 50% of all products manufactured by Flexcon will be EcoFocus® sustainable solutions.

23% increase of products that enhance lives year over year



By 2028, 25% of all products manufactured by Flexcon will enhance people's lives.

2025 Achievements



Recognizing private company success

Flexcon has been named a 2025 U.S. Best Managed Company by The Wall Street Journal for the second year in a row. This recognition honors privately held U.S. companies that excel in strategic planning, strong execution, a people-first culture, and sound financial performance and governance.

Earning this distinction celebrates the dedication and hard work of Flexcon team members across the globe and reinforces the company's ongoing commitment to excellence.

Flexcon celebrated our tenth year being featured in Digital Output magazine's Top 50 Readers' Choice Awards. The list is based on reader engagement, highlighting the industry's most forward-thinking technology providers.

This recognition underscores Flexcon's ongoing commitment to the wide-format community and its dedication to delivering solutions that truly resonate with both customers and industry peers.

Flexcon North America significantly increased our overall EcoVadis score and earned the EcoVadis Committed Badge, demonstrating meaningful improvement in key areas such as environmental impact, labor and human rights, ethics, and sustainable procurement.

The Committed Badge signals to our customers and partners that sustainability is embedded in how we operate and how we innovate.

Flexcon Europe achieved the EcoVadis Sustainability Rating, reflecting the strength of our management systems and their alignment with key sustainability criteria. Flexcon Europe also was awarded the bronze badge from the Scottish Business Climate Collaboration, demonstrating the steps we are taking to track our carbon footprint and work toward a Net Zero action plan.

These achievements reinforce our goal of continuous improvement and delivering more sustainable solutions that support our customers' own ESG objectives.

Associated Partners

In 2025, Flexcon experts contributed meaningfully at major industry events including Labelexpo Europe (now LOUPE), the Wearable Technologies AG Pavilion at MEDICA, the TLMI Converter Leadership Meeting, and the FPA Annual Event.

Our team addressed topics that matter most to our customers, such as the innovative sustainability practices emerging in the pharmaceutical sector and the science behind consumer durable label materials that informs choosing the best material for your application.

These presentations offered practical, profitability-focused strategies for implementing sustainable solutions. Flexcon's sustainability team continues to collaborate with partners across the value chain to help lead the industry forward.

Flexcon also strengthened its partnerships with a rich network of manufacturers, printer/converters, OEMs, raw material suppliers, co-suppliers, associations, and compliance agencies.

These relationships allow us to collaborate on projects that are important to the industry as a whole: compatibility, performance, efficiency, safety and environmental responsibility.

Through these partnerships, Flexcon contributes to the development and implementation of best practices and innovations that drive continuous improvement across the industry.



Social: Safety & Wellness Initiatives

At Flexcon, safety excellence goes beyond compliance. Our wellness and safety initiatives are designed to remove barriers to care, and empower our teams to perform at their best.

Flexcon's Wellness Program

We strengthen a culture of well-being through our comprehensive wellness program, which encourages active employee participation and long-term health engagement. In partnership with HealthAdvocate.com, employees can access expert guidance that promotes healthier lifestyles and reinforces our belief that a healthy workforce is a safer workforce.

To further support this commitment, Flexcon has invested in a comprehensive onsite wellness facility staffed by a dedicated medical team, including a doctor, nurse practitioner, and nurse. This ensures employees have immediate access to care, helping to address health concerns early and reduce potential risks.

By providing access to these services during work hours, we eliminate barriers to care, enabling employees to prioritize their health without leaving the workplace. This proactive approach not only supports individual well-being but also contributes to a safer, more resilient organization.

Advanced Safety Training

Flexcon's commitment to safety excellence is also reflected in targeted initiatives that directly support workplace safety.

In 2025, Team Leads from across the organization completed a year-long leadership development program, combining 150 hours of classroom instruction with over 2,000 hours of hands-on application. As part of the program, participants were divided into cross-functional teams to lead safety-focused initiatives.

These projects reflect a strong commitment to building a culture of safety and continuous improvement. By addressing both physical safety conditions and the effectiveness of safety communication, the teams made meaningful progress toward a shared goal: ensuring every employee goes home safe and well every day.

Safety Focus on Shoe and Eyewear

We continue to offer employees convenient access to high-quality, protective footwear that meets safety standards to help reduce the risk of injury on the job.

Recognizing that clear vision is critical to maintaining a safe work environment, Flexcon also provides employees with customized safety glasses tailored to their vision needs. By improving visibility and comfort, this initiative helps ensure employees can work safely and confidently.



Employee Engagement and Well Being: Flexcon Europe

Building a strong foundation for a positive workplace culture

Flexcon Europe's goal is to become a great place to work by strengthening employee engagement and well-being, with Great Place To Work Certification as a key milestone in the 2026 People Plan.

This approach is grounded in employee survey data, aligned with business objectives, and used to identify both strengths and opportunities for improvement across European sites.

Participation in the September 2025 survey rose to 82%, demonstrating growing trust in the process and confidence that feedback will lead to action. This strengthens the credibility of the results and provides a representative view of the employee experience.

The employee survey results showed a strong cultural foundation. Employees report feeling respected and included, trusted to do their jobs with autonomy, and safe in their working environments. There is also confidence in taking time off, bringing their authentic selves to work, and having meaningful responsibility.

To address these insights, Flexcon Europe is investing in capability building through integrated training, leadership development, and project management programs. Policies and benefits are being reviewed and benchmarked, communication is being strengthened through new town halls, and employee recognition initiatives are being introduced.

Together, these actions support a healthier, more engaged, and high-performing organization.



15%

increase in employee participation
year over year.



Social: Community Impact

Community Outreach

In partnership with The Agape House of Russellville, Kentucky, Flexcon employees helped create a meaningful community outreach opportunity by producing a charity Christmas concert at Russellville High School. By collecting toys as the price of admission, the event directly supported families in need and resulted in the donation of toys for local children, strengthening holiday support across the community.

Extending this impact beyond the concert, Flexcon employees came together to sponsor local families through Brother Joe's Family Christmas (formerly Toys for Tots) in Logan County, ensuring families experienced additional relief and joy during the holiday season.

Flexcon is also fostering intergenerational community care through a collaboration with Russellville High School students on a sock drive to collect non-slip socks for Logan County nursing homes, helping improve comfort, safety, and quality of life for local seniors.

Food Drive

Flexcon employees came together in a big way for this year's Thanksgiving Food Drive, collecting more than one and a half tons of food. Team members from our Spencer, Kentucky, and Nebraska locations all contributed generously.

Reuse and Repurpose

In 2025 Flexcon expanded its School Stock program hours, making it even more accessible to the community. Through this initiative, teachers and nonprofit organizations can pick up aged sample stock of our self-adhesive materials for use in classroom projects, crafts, and other creative activities.

The program supports local educators and community groups and reflects Flexcon's commitment to sustainability by repurposing materials and reducing waste in the communities where we operate.



Flexcon employees donated 1.5 tons of food to local communities



Social: Business Resource Groups

Flexcon's Business Resource Groups foster a culture of belonging grounded in continuous learning.

These groups deepen understanding and inclusion among employees who share common backgrounds, helping to strengthen community, support professional growth, and advancing diversity initiatives.

Their work is designed to drive meaningful, positive change in direct support of Flexcon's strategic goals.

Flexcon's Active Business Resource Groups



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

Honoring and connecting Veterans of the armed services at Flexcon.

Women's Initiative Network for Success

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

Business Resource Group: F.L.A.S.H. (Flexcon Armed Forces Heroes)

Honoring Veterans of the armed services at Flexcon

At Flexcon's Veterans Appreciation Event, challenge coins were distributed to our veteran employees.

A century-old American military tradition, these coins signify membership and honor and were a meaningful token of recognition for the service members at Flexcon.

The challenge coins underscore the respect and admiration held for those who have dedicated part of their lives to serving their country.

The celebration was not only a way to thank the veterans for their service but also an opportunity to reinforce the bonds within the Flexcon community.



Business Resource Group: Women's Initiative Network for Success

Empowering the next generation of women leaders

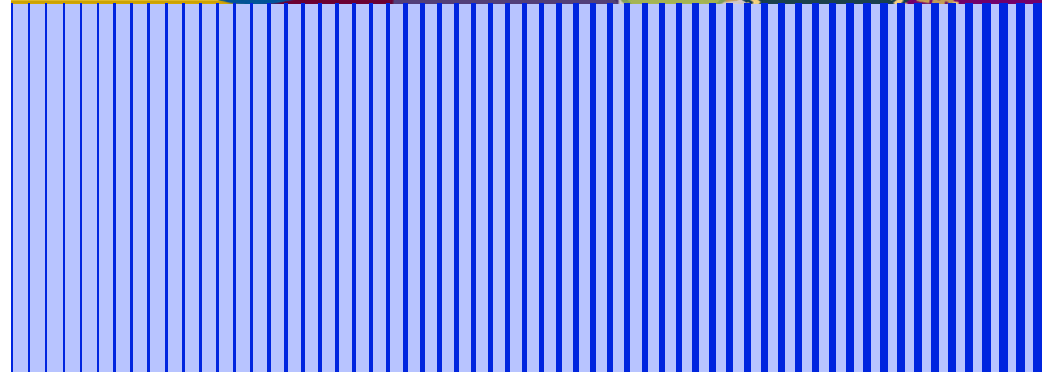
Flexcon was proud to take part in supporting the Women's Initiative of the United Way of Central Massachusetts, a volunteer-driven network of women leaders dedicated to empowering girls through mentoring, educational opportunities, and financial literacy.

In June of 2025, Flexcon hosted the 8th Annual Power of the Purse, where more than 70 purses and five live-auction packages helped raise over \$35,000 for girls-only programming in Central Massachusetts.

Flexcon also supports Girls on the Run Worcester County, a program that empowers girls in grades 3–8 through a fun curriculum that blends physical activity with social learning and confidence-building lessons.

The program helps girls recognize their inner strength and develop lifelong skills that support their well-being and success.

Together with fellow community partners, attendees helped create meaningful opportunities that build confidence, leadership, and brighter futures for young girls.





Ways We Manage

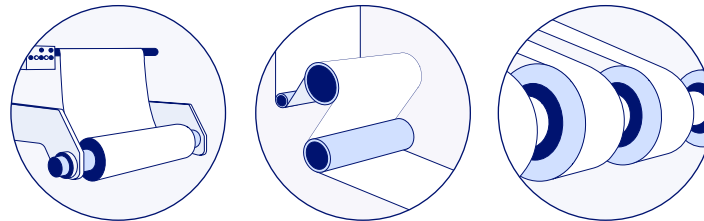
Committing to Environmental Stewardship

Flexcon's teams are renewing their collaboration with suppliers to focus on and develop sustainable solutions.

- **Natural resource management** – Reduce natural gas and electricity usage 35% reduction goal by 2028
- **Waste management** – reduce landfill waste 90% reduction goal by 2028
- **Emission and pollutions** – reduce carbon footprint 35% reduction goal by 2028
- **Water management** – minimize the environmental impact of our operations on responsible water management by focusing on water use, wastewater management, stormwater management and the protection of local water resources.

Scope 1 and 2 reductions

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



Supplier packaging return program

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

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

Reducing Environmental Impact

Percentage of waste diverted from landfills

76%

Reduction of landfill

6%

Reduction in total waste

14%

Percentage of materials recycled

65%



Manufacturing Technology

Flexcon Europe's Investment in Energy-efficient Manufacturing Technology

At Flexcon, sustainability is at the core of our mission, and this commitment is clearly reflected in our European operations, where we are expanding the use of renewable energy.

Through our partnership with Audax Renewable Energy, we ensure that our energy usage is fully certified for both wind power and CO₂-compensated gas. By securing Renewable Energy Guarantees of Origin (REGO) certification, we are making a meaningful investment in a cleaner future.

In 2025, Flexcon Europe made a significant investment in modernizing its Glenrothes manufacturing facility by replacing two older systems with a single, high-efficiency regenerative thermal oxidizer (RTO). The introduction of this next-generation technology resulted in a **30% decrease in gas use** compared to the previous equipment. These efficiencies are driven by advanced heat recovery and internal energy reuse, significantly cutting reliance on fossil fuel inputs.

Beyond immediate savings, the investment future-proofs the Glenrothes site by enabling further decarbonization and efficiency gains:

Hydrogen-ready capability - allowing a future transition away from natural gas and the potential elimination of a further 25% of gas usage.

Waste heat recovery potential - with up to 1,503 kW of recoverable heat that can be redirected back into manufacturing processes. This reduces the energy required to bring process ovens to operating temperature, delivering additional utility and CO₂ reductions.

By consolidating operations into one advanced unit, Flexcon has streamlined infrastructure, reduced complexity, and improved overall operational resilience.

39%

of Flexcon EU's electricity is generated from renewable energy sources.



Leading in Research

Leading in Research

As a manufacturer, we evaluate the entire lifecycle of our products: the materials we source, how packaging performs in real-world conditions, and what happens at end of life.

In the pharmaceutical sector alone, packaging accounts for 15–30% of supply-chain emissions, making it a critical area for sustainability improvements.

In 2025, Flexcon published a comprehensive research report on the pharmaceutical labeling landscape, reflecting our ongoing investment in understanding and advancing sustainable practices across every industry we supply.

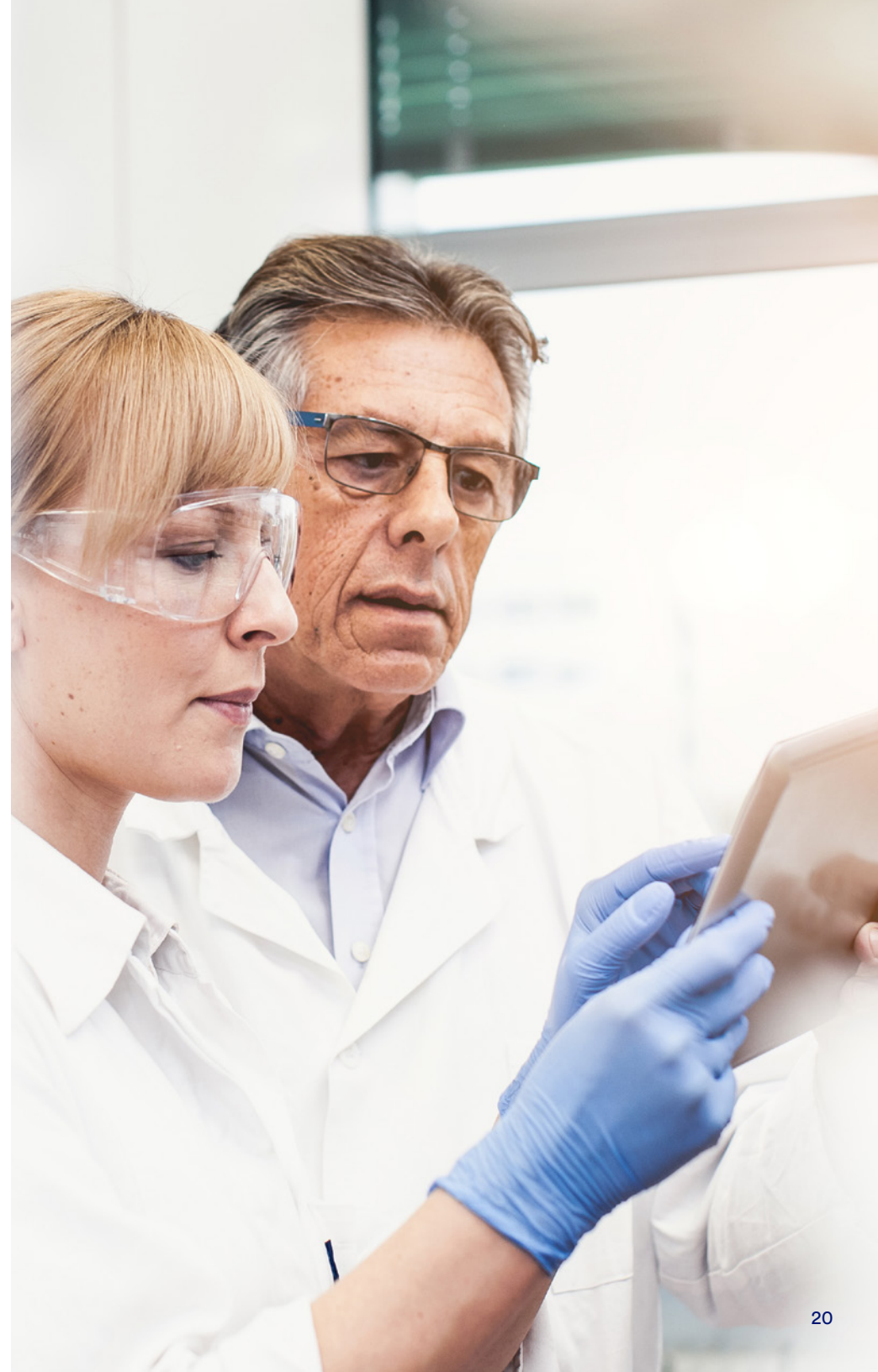
The report provides ways businesses can reduce waste, lower emissions, and create packaging that meets both regulatory demands and consumer expectations for a cleaner, greener future.

Access the research report:



“We believe meaningful progress requires meaningful investment. By investing in renewable energy, we are reducing our environmental impact while strengthening our commitment to building a more sustainable future for our customers, our communities, and the generations that follow.”

— Flexcon Sr. Director Product Management
& Corporate Sustainability, Dan Riendeau





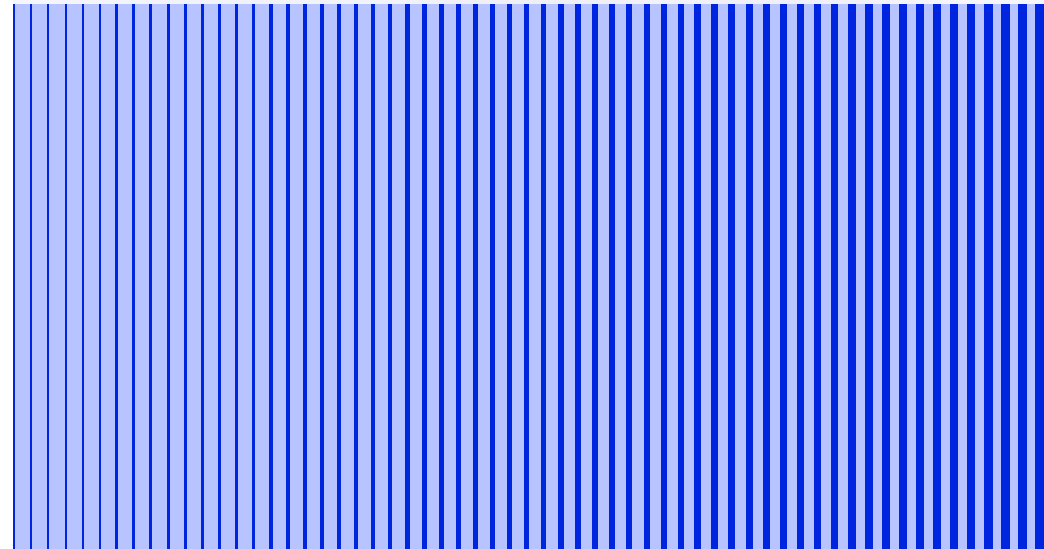
What We Produce

Across our global operations, we accelerated investments in circularity to shape the next generation of sustainable solutions. These efforts focused on expanding PCR films and liners, advancing next-generation wash-off technologies, investing in downgauging liners to decrease waste and improve efficiency, developing PCR overlaminates, and introducing new bio-based film constructions.

By redesigning materials and processes with circularity at the core, we strengthened our ability to offer lower-impact alternatives that meet evolving customer and regulatory expectations worldwide. To support these innovations with credible, measurable data, we invested in advanced Life Cycle Assessment (LCA) software that will enable a full top-product comparison in 2026.

LCAs evaluate a product's environmental footprint from raw materials through manufacturing, use, and end of life, giving Flexcon transparent insight into carbon footprint (CO₂e), energy and water consumption, waste generation, and material circularity.

With this capability, we move beyond qualitative sustainability claims to quantifiable impact data, to make informed product development decisions that align with our customers' needs.





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

