

# A BETTER TOMORROW

2021 SUSTAINABILITY REPORT





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# MAKING POSITIVE STRIDES, TOGETHER

At Sabert, we enhance and advance the way people enjoy food by providing the world with innovative and sustainable food packaging options.

More than ever, our products are playing an essential role in safe food delivery and distribution across the globe. This puts our teams in a unique position to significantly contribute to a more sustainable future.

To achieve this, our commitment to responsible and sustainable operations remains a top priority as we work to manufacture the highest quality products with the smallest environmental footprints. Across our facilities, we have made great progress toward our goals, but we have more to do.

We will continue to find new ways to protect the environment, strengthen our communities, and drive the responsible growth of our organization. We promise to always be transparent in our work, sharing our opportunities and successes as well as our challenges, and how we will solve them.

The dedication of our team to achieve our goals remains solid. I couldn't be prouder of what we've accomplished to date, and our plans for the future. We invite you to review our progress and join us in our mission towards a better tomorrow.



A handwritten signature in black ink that reads "Albert Salama".

**Albert Salama**  
*CEO and Founder of Sabert*



# 2021 SUSTAINABILITY IMPACT MODEL

## INPUTS

### Key Investments



Automation



New Equipment



Tooling

### Natural Resources



**201,760 MT**  
primary raw materials



**316,210 MWh**  
of total energy consumption



**311,333 m<sup>3</sup>**  
of total water withdrawn

### People



**2,666**  
total employees



**6,289,536**  
total working hours



**Continuous**  
learning opportunities

### Partnerships



**Industry & trade**  
associations



**Customer**  
engagement



**Community**  
engagement

### Intellectual Capital



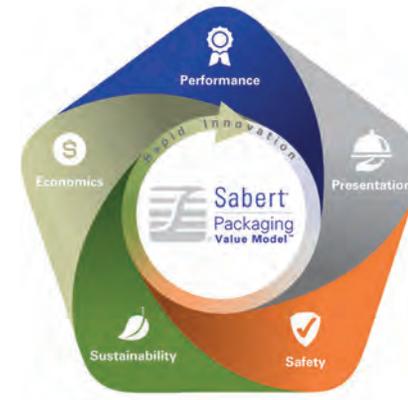
Sabert  
Brand



product  
innovations

## DRIVERS

### PACKAGING VALUE MODEL



### SABERT VALUES



Our Customers  
Come First



We Deliver  
Results



We Continuously  
Improve



We Develop Trusting  
Relationships

#### NOTES:

Scope of this data is 9 production facilities.  
MT = Metric Tons

## OUTPUTS

### PRODUCT COLLECTIONS



Catering



Green



Hot



Cold



Snack



Bakery



Kraft



Mozaik

### FINISHED GOODS

**175,223 MT**

of finished goods generated

### WASTE

**17,073 MT**

of waste generated

### GHG EMISSIONS

Scope 1:

**13,633 MT CO<sub>2</sub>e**

Scope 2:

**112,682 MT CO<sub>2</sub>e**

## IMPACT 2021

### Environmental



**36%**  
bio-based and  
renewable raw  
materials



**14%**  
total recycled resin



**54%**  
total recycled fiber

**6%**  
post consumer recycled resin

**43%**  
post consumer fiber



**51% of ton-miles**  
of freight shipped with  
SmartWay carriers



**5%**  
reduction in  
energy intensity  
from 2019



**15%**  
reduction in  
water intensity  
from 2019



**91%**  
of waste  
recycled

### Financial



**49%** share of sales from sustainable products

### Social



**Enhancing and advancing**  
the way people enjoy food



**\$37,000**  
towards student scholarships



**14**  
student internships  
offered



**Donations**  
in form of finished products,  
food and other goods



**27%**  
women in leadership

### Innovations



**131**  
new products launched



**253**  
utility & design patents held

# GLOBAL STRATEGIC COMMITMENT 2025

Sabert's deep-rooted commitment to sustainability has spanned the company's 38-year existence and is a fundamental part of our business philosophy. As a packaging company, we play a key role in being a part of the solution to the single-use packaging waste issue the world faces today. At Sabert, we recognize the importance of moving towards a circular economy and through our Global Strategic Commitment, we have pledged to do our part to increase our share of sales from sustainable products over the coming years.

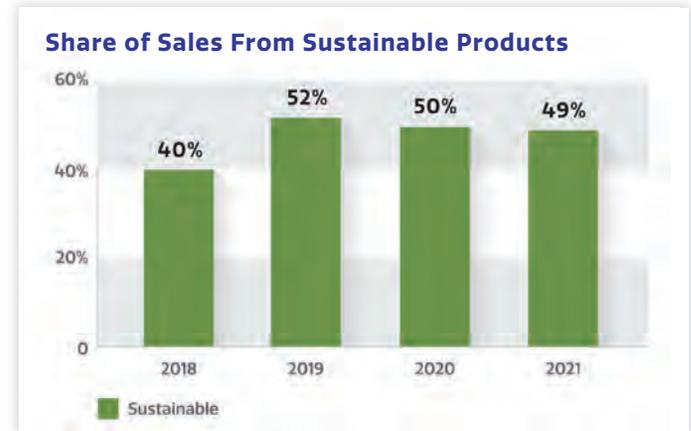
Following the circular economy principle, we have defined our sustainable products as products that are either compostable or are recyclable with an average of 25% recycled or renewable content. Through this definition, we are not only addressing the problem of packaging waste, but are also reducing our dependency on virgin fossil fuel based raw materials. This commitment is supported in part by our fully owned plastics recycling facility, Nuvida, and investments in local sourcing and manufacturing within the three substrate categories we produce: plastics, pulp, and paper packaging.

Our progress on our Global Strategic Commitment has been challenged from numerous shifts our industry and business alike have faced over the past two years. 2021 posed new challenges in terms of sourcing recycled raw materials, shifting demand and priorities, rising commodity and freight costs and a change in mix of products sold. These factors drove a slight decline in share of sales from sustainable products in 2021 compared to 2020. In 2021, 49% of our sales came from sustainable products as

defined above and 78% of our sales came from products that have at least one sustainability attribute; meaning they are either recyclable, compostable, or have recycled or renewable content.

## OUR COMMITMENT:

**We are committed to increasing our share of sales from the sustainable product category from 40% in 2018 to over 80% by 2025.**



# Earthtelligent

Earthtelligent is Sabert's comprehensive sustainability platform that drives improved environmental outcomes through innovative business thinking. Through Earthtelligent, we collaborate across our value chain, from our suppliers to end consumers, to progress in each of the five pillars that make up Earthtelligent: Waste Reduction, Energy Efficiency, Smart Sourcing, Education & Advocacy and Research & Reinvention.

Through these five critical pathways of environmental responsibility, we are directly contributing to three United Nations Sustainable Development Goals: Number 12 – Responsible Consumption and Production, Number 13- Climate Action, and Number 17 Partnerships for the Goals.

The scope of this year's report reflects outcomes from our ten primary production facilities. This report includes, four plastic manufacturing facilities, three paper manufacturing facilities, and our standalone plastics recycling facility, Nuvida, in North America. Additionally, we have included data from our plastic manufacturing facility in Belgium and pulp manufacturing facility in China.

We are committed to continuing to add our new facilities in our portfolio.



- **Waste Reduction**
- **Smart sourcing**
- **Research & Reinvention**



- **Energy Efficiency**



- **Education & Advocacy**





## RESEARCH & REINVENTION

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We are committed to investing in innovation to help reimagine more sustainable products, improve processes and encourage fresh thinking.

To transition towards a circular and low carbon economy, we recognize the need to offer products in various materials. Sabert offers a wide range of food packaging products in plastic, pulp and paper. We are committed to incorporating high levels of recycled content, making effectively recyclable packaging and optimizing products to reduce the waste of natural resources across their life cycle.

To achieve these goals, Sabert's team of experts in material science, product design, engineering, and manufacturing collaborate and influence our delivery of new, sustainable, innovative solutions to the marketplace. At each phase of development, we evaluate the impacts of our choices and inject sustainability early into our process. **Globally, our teams launched a total of 131 products, of which 84 (64%) are either recyclable, compostable or are made with recycled or renewable content. The next page highlights some of our new product launches in 2021.**

Our drive to look continually at the opportunities today to find a solution for tomorrow is supported in two ways - a team of revolutionary experts who make up our Centers for Innovation and a commitment to Blue Sky work rooted in our New Product Development teams.

While our Centers for Innovation team reflects the materials we currently use - plastics, pulp and paper - their work advances our existing solutions and disrupts our industry as we move toward a more sustainable future. With a long-term focus on material

and process development, our CFI teams are a critical link in our ability to pave a path to innovation in the products we bring to market, while simultaneously moving the industry forward. Our CFI teams help us use our current materials more thoughtfully, assuring that we continually focus on the sustainability aspects of our products, while keeping an eye to the future.

Our New Product Development team prioritizes uncovering manufacturing efficiencies and more sustainable solutions every day. The team also sets aside approximately 20% of their time annually to work on Blue Sky development projects. These projects range in focus areas but are always aimed at applying creative use of design and materials to solve our most pressing issues. Our experts use this time to focus solely on more sustainable applications that can be produced and brought to market in the near-term, ensuring we don't miss any opportunities to better serve our customers.

Driving new opportunities for greater sustainability, our team combines diverse experience in food packaging innovation, development and commercialization with strong capabilities at our facilities. Our development teams use advanced software, 3D printing, prototype and trial lines to gain proof of concept rapidly and support efficient development efforts. With our Advanced Technology Center and other internal labs, we are well equipped to maintain and expand our industry-leading, sustainably minded solutions.



**Pulp Lids**



**64oz Beverage on the Move®**



**Kraft Tamper Evident Lunch Boxes**



**PP Platters**

## **NEW PRODUCTS FROM AROUND THE WORLD**



**EUROPE**  
**Pulp Buddha Bowl**



**ASIA**  
**Pulp Wonton Tray**



# EDUCATION & ADVOCACY

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We are committed to working with our customers, employees and partners to raise awareness and understanding that helps change mindsets and promote positive packaging post-use behaviors.

Last year brought unique challenges, but provided new opportunities to strengthen our relationships across the value chain. It was a year underpinned by agility, transparency and sustainability for Sabert. We continued to drive progress on several fronts along with our customers, employees, suppliers and industry associations.

## KEY HIGHLIGHTS:

### CUSTOMER ENGAGEMENT:

We live by our value “Our Customers Come First” every single day. We closely partner with our customers to deliver quality products and services by proactively and quickly responding to their needs. We continue to engage with our customers on current and future sustainability trends. Leveraging technology and collaborative virtual industry events, we conducted 28 meetings with our customers to share our sustainability program and efforts, understand our customer’s sustainability goals and engage in two-way dialogue on how we can work together to make single-use packaging more sustainable. While our biannual customer education event, Packaging University, was postponed, we held educational, virtual sessions for our customers where we shared the latest information on packaging issues and trends.

### EMPLOYEE ENGAGEMENT:

In 2021, our goal was to safely return to the corporate office and to continue keeping our plant employees safe. We established added flexibility for corporate employees by creating twice-weekly collaboration days when everyone is in the office. Employees choose one additional day to come in and work from home the remaining two days. We encouraged our teams to support employees’ COVID-19 needs with flexible hours to accommodate those who

may not have reliable childcare. Ongoing employee surveys found that many were grateful for the flexibility and accommodation.

Throughout 2021, our plants became a primary source of information for our employees. We hosted “safety talks” 1-4 times each month to share new information about COVID-19 statistics, vaccines, social distancing, hygiene, and other topics. Additionally, we held free vaccination clinics for employees and their families at the plants and the corporate office, as well as flu shot and booster shot clinics. All employees were able to use paid sick time to quarantine, see doctors, get tested, or recover from COVID-19

Supporting employee mental wellbeing remained of critical importance in 2021. We held workshops on mindfulness and wellbeing, focusing on the SHED model: Sleep, Hydration, Exercise, Diet. Managers also increased their one-on-one time with team members, resulting in increased transparency and engagement.

To support employees in the virtual environment, various trainings were provided to the entire sales, marketing and product development teams focused on reinforcing skills and competencies, as well as best practices for virtual engagement. These efforts helped develop new competencies for our employees to effectively engage,



communicate and manage time while working from home. We also saw an opportunity to use virtual formats to communicate to our employees more broadly about our sustainability initiatives. A series of sustainability webinars were conducted to educate the workforce and raise awareness on current sustainability trends and issues. A virtual Packaging University event was also offered to our new sales team members.

Along with wellbeing, employee development was top of mind in 2021. Plant leaders participated in U-Lead, our Sabert management development initiative, attending live and virtual interactive workshops throughout the year, covering such topics as business ethics, the role of the manager, coaching techniques, self-awareness, and others. We also launched the Emerging Leaders program that identifies high-potential employees poised for development into future plant managers in the next 3-5 years. After a merit-based nomination and selection process, we were pleased to have a diverse group of highly talented people participate in the program. The Emerging Leaders met virtually and in-person with manufacturing leaders from other companies to improve their financial acumen and other skills.

We continuously strive to create an ideal work environment where employees are positioned to perform their best. We were pleased to see over 91% of our workforce participate in our Annual Engagement Survey. Human Resource managers at the plants and corporate offices worked with managers and supervisors to engage their teams. Every employee around the world participated in a feedback and action planning session where SMART goals were created. Measuring against Gallup's benchmark data, we exceeded our targets for 2021 with a global score of 4.10/5.00, keeping us on track to reach our goal of world class by 2025.

## COMMUNITY ENGAGEMENT:

As the needs and priorities of our society evolved, we took action to do our part, making contributions to our industry and communities when and where possible.

In a year where restaurants, grocers and food processors shared in many ups and downs, Sabert directed its philanthropic efforts associated with our annual National Sales Meeting to our customers, providing our team members with gift cards to spend in their local communities, supporting our industry.

Many of our teams made philanthropic contributions directly with their communities this year. In New Jersey, employees delivered essentials to local families in need, just in time for Thanksgiving. We collected 5,909 items for donation to St. Mary's, helping to feed and care for hundreds of local families.

In Indiana, our teams held the 3rd Annual Food Drive to help the Community Harvest Food Bank. Filling a box truck worth of donations, we were able to provide meals in time for the holidays. While in Kentucky, we put some of our packaging to good use, supporting local meal delivery for Thanksgiving.

Sabert also continued our efforts to support future leaders, offering 14 scholarships totaling \$37,500 for college students in our communities.



# ENERGY CONSERVATION

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We are committed to finding cleaner and more efficient ways to use energy, water and other precious resources across all of our operations.

In 2021, we continued to build on our comprehensive equipment efficiency program aimed at enhancing and expediting implementation of energy best practices at all sites. Compared to 2020, we reduced our energy intensity by 2% and water intensity demonstrated a decline from 2019 levels. Due to a data issue, we restated our 2020 numbers in our report this year. We will continue focus on reductions in energy, water and greenhouse gas emissions intensity in 2022.

## KEY HIGHLIGHTS:

### ENERGY: OPERATIONS

- Invested in new printing equipment in our Richmond facility to ensure state-of-the-art, highly efficient production. We are pleased to be retiring old technologies that consumed energy at a higher rate and look forward to realizing energy reductions in 2022. These changes will also bring environmentally friendly, water-based inks to our printing facilities.
- Replaced chiller units in our production facilities (Indiana, Kentucky, California) that will reduce our energy consumption with new, efficient units.
- Sabert has four facilities globally generating electricity from solar panels. Our New Jersey production facility generated 1.66 GWh of renewable energy through its solar panels. In total in 2021, all of our solar panels generated a total of 3GWh of electricity. We will continue to find ways to increase our share of renewable energy in 2022.

### ENERGY: WAREHOUSING & LOGISTICS

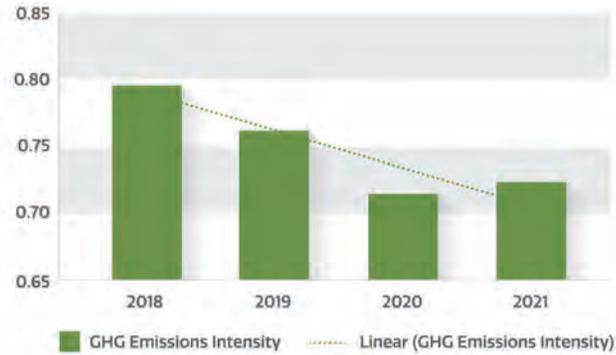
- Sabert is a US EPA SmartWay Transportation Partner. In 2021, 51% of ton-miles of freight shipped at Sabert North America were transported with SmartWay carriers. This represents a reduction from 2020 of 27%, which was a function of the tight logistics market in 2021.
- Invested in a lighting retrofit for our Richmond facility, replacing dated lighting systems with new, energy-efficient systems to reduce our energy consumption. We expect to realize a savings greater than 50% in 2022.

### WATER: OPERATIONS

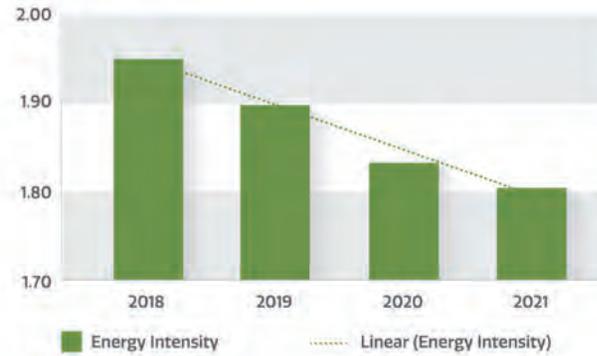
- Prevented water loss through daily system inspections for leaks.
- Reduced water consumption through closed loop water systems on all production lines.



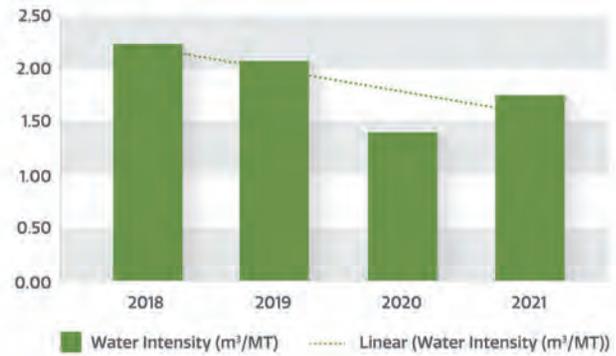
**GHG Emissions Intensity**  
(MT CO<sub>2</sub>e/MT of Finished Goods)



**Energy Intensity** (MWh/MT of Finished Goods)



**Water Intensity** (m<sup>3</sup>/MT of Finished Goods)



GHG Emissions	2018	2019	2020	2021
Scope 1 (MT CO <sub>2</sub> e)	2,127	2,957	15,530	13,633
Scope 2 (MT CO <sub>2</sub> e)	73,805	76,283	109,180	112,682
Scope 1+2 (MT CO <sub>2</sub> e)	75,932	79,240	124,709	126,315



# SMART SOURCING

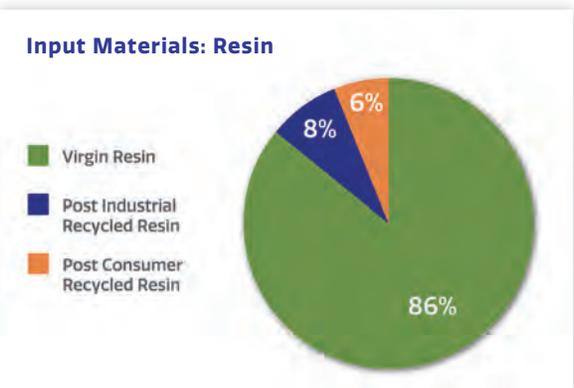
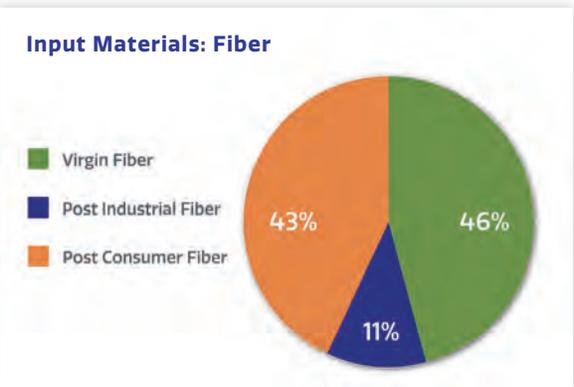
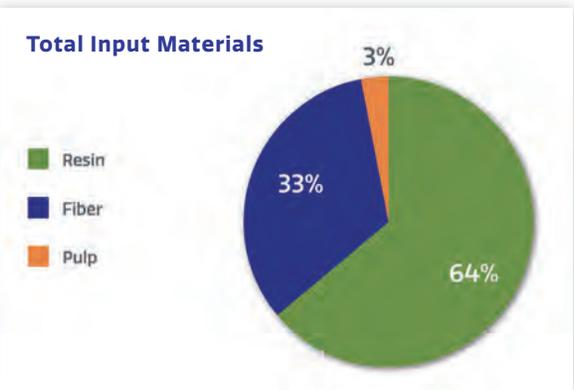
We are committed to ensuring every one of our valued partners, vendors and suppliers follow sustainable practices to ensure that we source responsibly.

At Sabert, it is imperative for us to ensure we are sourcing materials ethically and responsibly. All suppliers must demonstrate compliance with Sabert's Human Rights Policy to our satisfaction. We abide by these principles in the manufacturing and distribution of our products and do not accept products or services from suppliers that fail to comply with these principles. We believe sourcing locally not only helps us reduce the environmental impact of our supply chain but also indirectly adds to the growth of the local economy.

Sabert is committed to promoting sustainable forestry and increasing use of recycled and renewable materials. We continuously strive to decrease our reliance on virgin fibers and fossil fuel-based resins. Averaged globally across our plastics portfolio, by the end of 2021 we were using 33% recycled content in our PET products and 3% in our PP products, with higher recycled content in markets with established collection and recycling infrastructure as well policies that allow use of recycled content in direct food contact applications. On the fiber side, we used 54% recycled fibers by weight of which 80% is post-consumer fiber. We will continue to look for opportunities to increase recycled content in order to enable our customers to meet their sustainability goals. This helps us create demand for recycled materials and contribute to the growth of recovery and recycling.

## KEY HIGHLIGHTS:

- Sabert's new state-of-the-art facility in Greenville, Texas began operations in 2021, manufacturing bio-based, compostable, pulp food packaging. This greenfield facility embodies Sabert's 38-year commitment to quality, innovation and sustainability. The plant's central location aids in reduced freight and GHG emissions, along with speed to market. With this facility, we will shorten pulp new product development time and create opportunities for local sourcing of feedstock to this new facility.
- We continually look to increase the amount of recycled content used in our products across our product portfolio. In 2021, our recycled content in our plastics products rebounded to 14% after a tumultuous 2020. Of the 14% recycled content, 42% was post-consumer recycled resin.
- Strategic investments allowed all of the PET products at our Belgium facility to be made from 100% post-consumer recycled PET
- 23% of the fiber used within our paper supply chain is certified to globally recognized chain of custody programs
- Our pulp feedstocks are certified for responsible sourcing through globally recognized programs for these materials
- 80% of our raw materials in the US were sourced domestically. For China, 100% of the raw materials were sourced domestically. Our Belgium facility sources 100% of raw materials from within 400 miles from our plant.



# WASTE REDUCTION

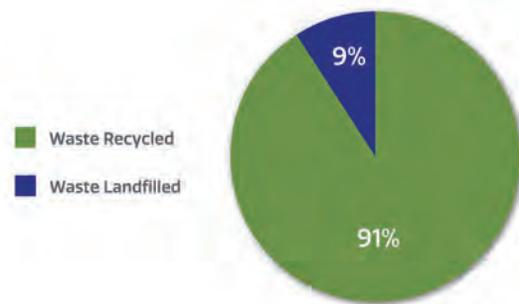
We are committed to minimizing waste and end-use landfill impact throughout our operations.

In 2021, our efforts centered on maintaining our momentum in creating a Zero Waste culture. Our teams focused on reducing our waste generation, segregating and containing our waste and identifying recycling opportunities for some of our more complicated waste streams. Compared to 2020, we reduced our absolute waste generation by 7% and landfill waste by 17% from all our reporting plants. We will continue to focus on waste reduction and internal reuse opportunities across all our plants in 2022.

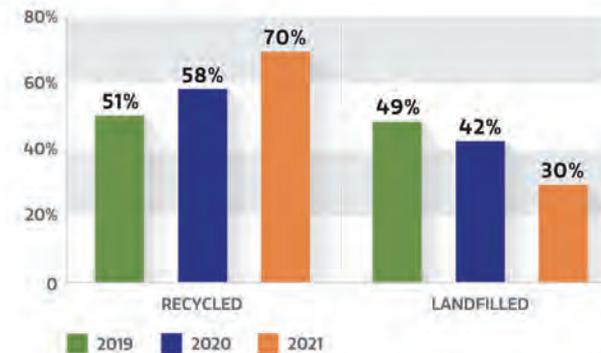
## KEY HIGHLIGHTS:

- Continued employee-led waste reduction, reuse and recycling program across facilities
- Continued our comprehensive program to further improve machine reliability aimed at reducing waste generation
- Implemented measures to prevent material leaks throughout the process thereby reducing wasted raw materials
- Completed installation of shredder grinders at all plastics facilities to ensure all resin scrap is internally reused and extruded again
- Continued segregating waste at all plants to prevent contamination thereby improving reuse and recyclability of waste streams

### Total Waste Disposal



### Waste Disposal From Plastic Plants





# NUVIDA

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Nuvida is Sabert's fully-owned, comprehensive recycling plant. Recognized as one of the world's leading processors and suppliers of food-grade recycled plastic resins, Nuvida's mission is to reduce plastic's impact on the planet by transforming waste into highest quality recycled resins.

At Sabert, we recognize the importance of closing the loop in production of our plastics and Nuvida is our contribution to that. Using advanced processing technology, the Nuvida plant collects post-use plastic waste and re-processes them into high-quality non-virgin resin used in Sabert's manufacturing lines. Nuvida's resin has obtained a letter of non-objection from the Food & Drug Administration, allowing its resins to be used in highly regulated applications with direct food contact.

Emerging from the disruption in recycling feedstocks in 2020, Nuvida had an exceptional 2021, more than doubling the waste it recycled and producing about 65% more resin when compared to 2020.



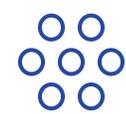
**More than 16 million pounds PCR waste**

recycled at our Nuvida plant in 2021, a 117% increase from 2020.



**7,367 MT PCR**

recycled at Nuvida



**10,597 MT food-grade resin**

produced at Nuvida

# SABERT CORPORATE OVERVIEW

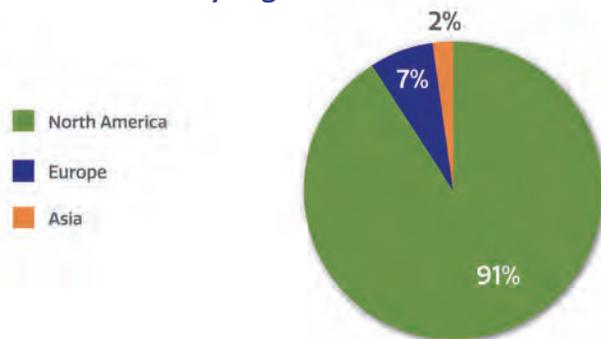
## ABOUT US

Founded in 1983, Sabert is a leading global manufacturer of innovative food packaging products and solutions. Headquartered in Sayreville, New Jersey, we operate North American facilities in New Jersey, California, Illinois, Indiana, Kentucky, Pennsylvania, Texas, and Virginia as well as manufacturing facilities in Belgium, Poland and China.

After nearly 40 years in the packaging and food service industry, we've learned many things, but above all else, we've developed a fierce commitment to quality, customization, and innovation – and it's visible in everything we do.

Our difference goes beyond words; it's infused into the product we design and service we provide ensuring we encompass performance, presentation, safety, sustainability, and economics in our packaging products.

Share of Sales by Region



## MISSION

**We exist to enhance and advance the way people enjoy food through innovative and sustainable solutions.**

This is rooted in our unwavering passion for food. We believe that we are all part of a global food family that shares responsibility for preserving, sustaining and celebrating the food the world loves to eat.

## VALUES



**Our Customers Come First:** Customers are our reason for being. We deliver quality products and services by acting proactively and responding quickly to their needs.



**We Develop Trusting Relationships:** Trust and respect are earned by our actions. It is built on a foundation of listening and honest communication. We collaborate and work together with openness to gain mutual understanding.



**We Deliver Results:** We honor our commitments through initiative and being empowered to take ownership. Seizing opportunities with a sense of urgency, we demonstrate a “can do” attitude. We hold ourselves and each other mutually accountable.



**We Continuously Improve:** Sparked by curiosity and a willingness to challenge the status quo, we are open to change and to continuously learn. We are energized by our drive to innovate, eliminate waste and make things better.



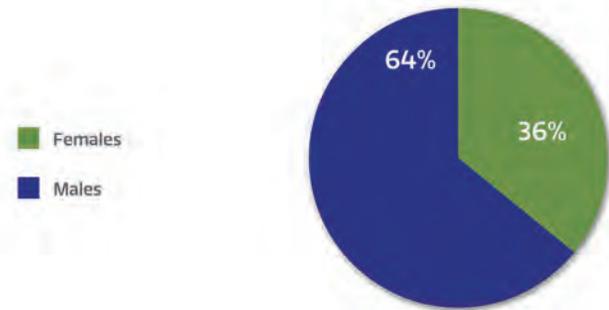


# DIVERSITY IN THE WORKPLACE

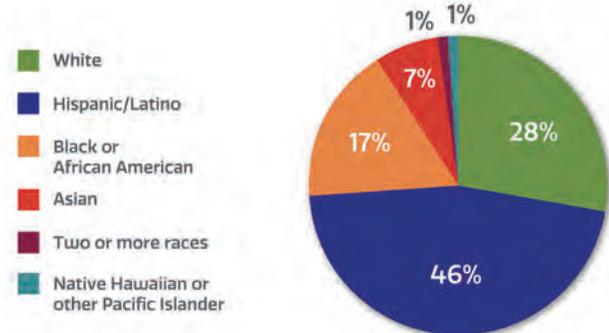
Every success at Sabert – from a first time purchase to a new product innovation – is a direct result of the efforts, dedication and accomplishments of our employees – at every level. Employees are truly our most important assets, and we are committed to protecting and investing in them. We believe the human elements, unique personality traits and individual experiences are what make us stronger as a whole. As an inclusive workplace, our employees are comfortable bringing their authentic selves to work.

We are dedicated to promoting Diversity, Equity & Inclusion in the workplace. As a company, we are actively working to acknowledge biases with the goal of promoting a workplace culture in which people are viewed as individuals. Our executive and plant leadership teams participated in workshops on unconscious bias, which we will continue to hold. The Sabert executive leadership team has and will continue to provide employees with new opportunities based solely on merit. We know our work towards greater Diversity, Equity & Inclusion is never done, and we are committed to consistently bettering our practices and policies so that all employees may truly feel part of our Sabert family.

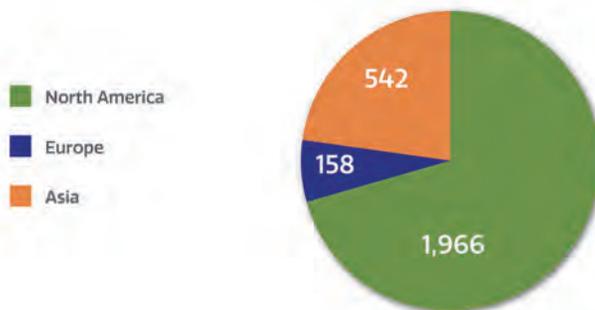
**Global Workforce Diversity**



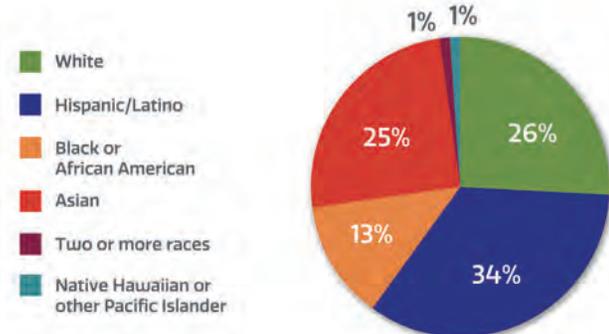
**Workforce Ethnicity in North America**



**Total Employees**



**Global Workforce Ethnicity**



# HEALTH & SAFETY

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Sabert Corporation is committed to maintaining a safe and healthy workplace for all our employees. We comply with all applicable government and local regulations. Sabert maintains a Safety and Occupational Health Management System. Systems have been established to periodically audit our processes to identify opportunities for continuous improvement.

We have developed targeted programs aimed at reducing recordable incidents that promote active participation and employee engagement. Development of Safety Champions, Safety Committees and active Job Safety Analysis programs have enabled a framework for improved communication, highly engaged workforce and a proactive approach to keeping our employees safe.

Based on the U.S. Occupational Safety and Health Administration, our Total Case Incident Rate (TCIR) was 1.80 and Lost Time Incident Rate (LTIR) was 0.30.

Our goal is to have zero recordable accidents by 2025 and improve year over year on our TCIR and LTIR metrics.

In 2021, our COVID-19 Task Force continued to develop programs around employee safety with company organized vaccination drives in several facilities and robust education and communication programs to ensure our employees continued to stay safe. Travel policies, employee quarantining policies and work from home policies were all developed to provide flexibility to our employees to perform at their best while staying safe. We developed processes to effectively monitor the health of our employees and protocols of swift quarantining actions to minimize the unintentional spread in the work place. We stayed abreast of new variants and deployed appropriate actions in our facilities. We continued to review CDC recommendations, changes in regulations and revised our internal programs to ensure our employees safety remained the highest priority.





Sabert® | Earthtelligent<sup>®</sup>

[www.sabert.com/sustainability](http://www.sabert.com/sustainability)

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