CNG
CHARTER
NEXT GENERATION

WE OWN IMPACT



2025 IMPACT REPORT

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Learn more about CNG's solutions, initiatives, and commitment to sustainability at our digital home - CNGinc.com.

A Message from our CEO

This report is about impact. And it starts with our people.

At CNG, our people are courageous. We meet challenges with solutions. We work to create better outcomes for our employee-owners, our customers, our communities, and our planet. But impact is not only about results. It is about how we think, work, and show up every day. It's how we own our impact.

2025 was a year that tested our industry. Customer behavior shifted, macroeconomic pressures intensified, and the world around us continued to evolve. Through it all, we stayed disciplined. We expanded our portfolio of sustainable solutions, invested strategically in our people and operations, and advanced our material science capabilities to create high-performance films with enhanced functionality for our customers. Those investments are strengthening CNG for the future and helping us scale solutions that deliver greater performance, resource efficiency, and value.

Our people and our culture make that progress possible. Employee-owner engagement was one of the most meaningful outcomes of the year, with CNG reaching the 90th percentile in Gallup's manufacturing benchmark. Hundreds of employee-owners earned promotions and new opportunities, and we contributed more than $750,000 to charitable organizations and causes in the communities where we live and work. Our employee-owners also logged approximately 9,000 individual safety reports, helping us achieve a Total Recordable Incident Rate (TRIR) of 1.22, meeting our goal while continuing to drive toward zero injuries.

Our focus on innovation extends to reducing the environmental impact of our operations. We are working toward net-zero emissions across our value chain by 2050, and our net Scope 1 and 2 emissions decreased 23% compared with 2024. We also set a target to reduce total water consumption by 20% by 2030 across facilities in high-risk water basins and diverted more than 23 million pounds of outbound waste from landfills in 2025.

Our portfolio of sustainable solutions, including materials designed for recyclability and solutions incorporating post-consumer recycled (PCR) content, continues to support customer innovation. Our customers look to us for materials that deliver the functionality and performance their applications require while using resources more efficiently.

> **At CNG, our people are courageous. We meet challenges with solutions. It is about how we think, work, and show up every day.**



Kathy Bolhous
Chairman and CEO,
Charter Next Generation

We are continuing to scale the use of PCR material in our products reducing reliance on virgin resin and helping increase end-market demand for recycled materials.

Across all these efforts, ownership connects our ambitions to action. Since launching our Employee Ownership Program in 2021, the valuation of employee-owner shares has increased significantly, creating meaningful value for our people. But ownership is about more than financial participation. It shows up in how our employees solve problems, take initiative, hold one another accountable, and turn opportunity into impact.

Together, we are challenging what is possible, applying our material science expertise to solve meaningful problems, and bringing our purpose to life: *Enhancing Lives for a Better World.*

This report demonstrates how we own our impact, every day. I'm proud of what our employee-owners continue to accomplish, and I'm excited for you to read more.



Kathy Bolhous
Chairman and CEO,
Charter Next Generation





» **Our ownership mindset has created something deeper than engagement. It shows up in how our people solve problems, take initiative, and hold each other accountable, and it's shaping how we build long-term impact in the communities and world around us.**

› **Together, we are challenging what is possible, applying our material science expertise to solve meaningful problems, and bringing purpose to life.**

WE OWN
IMPACT

About This Report

CNG is committed to transparently reporting both our progress and challenges as we drive sustainable innovation and growth. For us, progress in sustainability means pairing ambitious goals with science-based decisions that work for our customers, people, products, and planet.

In 2025, we evolved our reporting approach to better reflect the sustainability issues most relevant to our business and stakeholders. As global markets shift and regulatory complexity increases, the expectations of our customers and stakeholders continue to evolve. Connecting material science, innovation, employee-owner expertise, regulatory insights, and product performance helps advance our long-term sustainability goals without compromising quality or performance. In 2025, we completed our second enterprise-wide **Materiality Assessment**, identifying core areas of impact and growth for our company. Across this report, you will see how these material connections create real opportunity for impact.

OUR CONTEXT FOR IMPACT

Our planet is changing rapidly. CNG's communities, where our people reside and where our sites are located, are experiencing environmental change linked to a warming planet. We have chosen to align our environmental practices with the scale and urgency of the shared global challenges we face. As a business, we understand that our actions impact our communities and the environment, both positively and negatively. CNG is driving innovation and circularity in films and flexible packaging applications. We are reducing our greenhouse gas (GHG) emissions with the aim of reaching our short-term targets by 2030, as well as net zero by 2050. Our targets are validated by Science Based Targets initiative (SBTi) and align with a 1.5°C pathway. We are also improving energy efficiency and conserving water. By integrating these efforts across operations and product development, in partnership with suppliers and customers, we aim to advance more sustainable practices across our value chain.

The stories in this report show what impact looks like at CNG. By investing in sustainable innovation and circular solutions, we're creating opportunities for our employee-owners, strengthening our communities, and building a stronger future for **ONE CNG**.

OWNING OUR IMPACT:
CNG'S APPROACH TO IMPACT REPORTING

This report highlights our progress against the priorities identified through our recent materiality assessment and reflects our continued focus on operational excellence and sustainable solutions for our customers. Measuring progress year over year helps us understand where we are making meaningful gains and where more work is needed. By aligning with trusted international frameworks and completing external verification, we aim to strengthen accountability and build confidence with our partners.

We are clear about our priorities and intentional about where we invest. At CNG, what gets measured gets done, reinforcing our ***We Own Impact*** mindset across the business. Reporting also helps us more effectively engage stakeholders, such as our customers, employees, and communities, and creates a stronger foundation for collaboration and continued innovation.



John Garnett

Senior Vice President, Technical, Sustainability, & Innovation, CNG Employee-Owner

GUIDED BY GLOBAL ESG FRAMEWORKS

In 2025, we referenced the Global Reporting Initiative (GRI) standards for our Impact Report, further strengthening our approach to transparency and accountable reporting. We hold ourselves accountable through alignment with several recognized global reporting frameworks. Our GHG targets are validated by the Science Based Targets initiative (SBTi), establishing near-term and net-zero commitments. CNG's emissions calculations are prepared in accordance with the GHG Protocol to ensure our reporting is consistent with international standards. We align with the Task Force on Climate-related Financial Disclosures (TCFD) and CDP frameworks, which guide how we identify, assess, and disclose climate-related risks and opportunities. Each year, we report to EcoVadis to measure our sustainability progress and performance alongside more than 150,000 global companies.

In addition, as a signatory to the United Nations Global Compact (UNGC) since 2019, we submit our **"Communication on Progress"** report each year and continue to integrate its ten principles covering human rights, labor, the environment, and anti-corruption into how we operate.

SCOPE AND METHODOLOGY

This annual Impact Report covers CNG's sustainability performance from January 1 through December 31, 2025. Reporting on a calendar-year basis helps ensure consistency and comparability year over year. Prior reports can be accessed on the **CNG website**.

Unless otherwise noted, the environmental data presented in this report represents all CNG facilities. Environmental metrics include Scope 1, Scope 2, and Scope 3 GHG emissions, as well as renewable energy, water, and waste. The report also includes performance highlights related to workforce development, safety, governance, and community engagement. Our greenhouse gas emissions data is subject to limited assurance by our third-party verification partner, DEKRA. The certificate for our DEKRA verification is included in the **Appendix**.

For more information on our reporting, please be in touch at **media@cnginc.com**.

Stakeholder trust is built through transparency and measurable action. By aligning our reporting with recognized global frameworks and external verification, we provide a clearer view of our performance, progress, and priorities.



MATERIALITY OVERVIEW

In 2023, we conducted our first materiality assessment to identify the sustainability topics most critical to our operations and stakeholders. We expanded our view in 2025 by completing a double materiality assessment. The goal of this expanded assessment was to identify issues most likely to materially impact CNG as a company in the next five years, as well as where our strategy and practices could meaningfully impact the environment and society. The updated findings point to six core material topics around which our report is structured. Some materiality priorities are carried forward from 2023, while others evolved in response to changing market conditions, stakeholder expectations, regulatory requirements, and emerging business risks and opportunities.

To complete our 2025 double materiality assessment, we interviewed stakeholders including CNG leadership, suppliers, customers, trade organizations, and consultants. We identified the issues raised most consistently and evaluated their significance to CNG and our stakeholders. The results help focus our sustainability strategy, guide decision making, and ensure the priorities reflected in this report remain connected to the issues that matter most to our business and stakeholders.

OUR SUSTAINABILITY STRATEGY IS GUIDED BY SIX CORE MATERIALITY TOPICS

Innovating to Reduce Plastic Waste
Product circularity drives innovation by reducing waste, maximizing material reuse, and advancing more sustainable solutions.

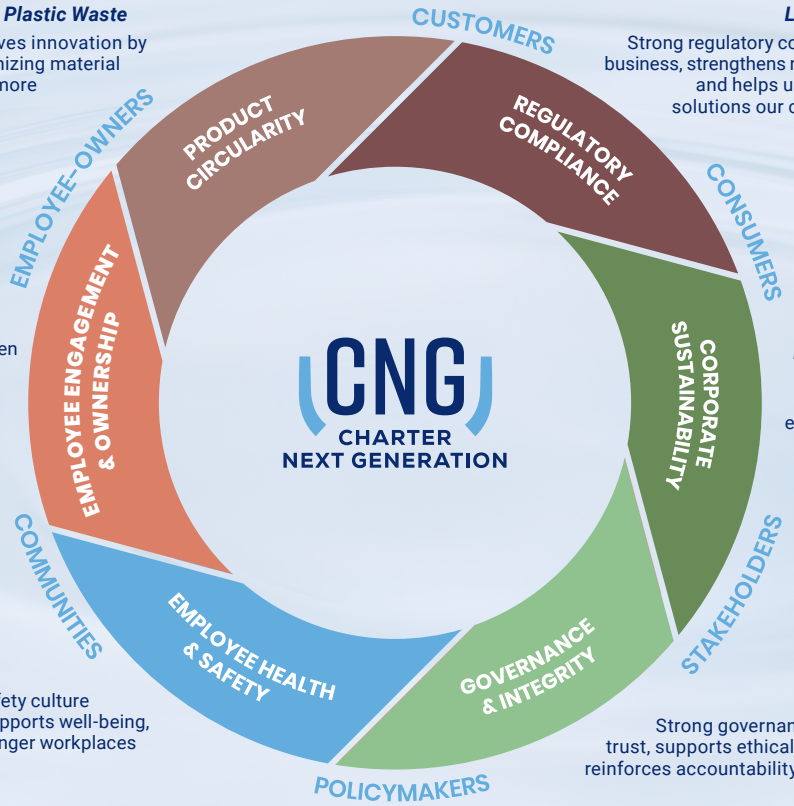
Leading with Integrity
Strong regulatory compliance protects our business, strengthens responsible operations, and helps us deliver products and solutions our customers can rely on.

Building Shared Prosperity Through Ownership
Employee engagement and ownership strengthen a high-performing culture while creating opportunities for shared economic prosperity.

Reducing Our Footprint, Expanding Our Impact
Reducing our environmental footprint strengthens long-term business resilience and supports more sustainable growth.

Caring for Employee-Owner Well-being
A strong health and safety culture protects our people, supports well-being, and contributes to stronger workplaces and communities.

Operating with Accountability
Strong governance builds stakeholder trust, supports ethical decision making, and reinforces accountability across our business.



OWNING OUR IMPACT: FROM MATERIAL TOPICS TO STRATEGY

Our 2025 double materiality assessment is a tool we use to identify and prioritize the sustainability issues most relevant to our business and stakeholders. It gives us a clearer view of where business priorities, stakeholder expectations, environmental impacts, and regulatory developments intersect.

Product innovation and circularity remain among our highest priorities, influenced by evolving regulations such as extended producer responsibility (EPR), changing customer expectations, and growing demand for more circular packaging solutions. Regularly reassessing material issues helps us refine our strategy, focus resources, accelerate innovation, and embed circular thinking more deeply across the business.



Kristin Edie
Director Sustainability & Regulatory, CNG Employee-Owner

Product Circularity

INNOVATING TO REDUCE PLASTIC WASTE



Our 2025 materiality assessment reflected a growing focus on preventing plastic waste in our environment. As a material science innovator and specialty film manufacturer, we develop products that advance the circularity of plastics and help minimize waste. Through our research and development, customer partnerships, industry collaboration, and advocacy, CNG is committed to a future where our materials are designed to be recovered and reprocessed into new products, demonstrating what is possible when innovation and sustainability work together.

We are developing products that advance the circularity of plastics to minimize waste.

We continue expanding our sustainable solutions portfolio. Our material science innovations help customers meet their goals in transitioning to recycle-ready formats, incorporating recycled materials, providing certified compostable options, and reducing product carbon footprints. This broad mix of products is driven by a sustainability-first

mindset that empowers customers to transition toward a more circular and sustainable future. Two parallel efforts defined our product portfolio innovation in 2025: expanding **Post-Consumer Recycled (PCR) content** across our product lines and further increasing the number of our films **designed for recyclability**.

"Charter Next Generation exemplifies what we value in a strategic partner, a willingness to identify emerging market needs and invest in the research required to address them. Through our collaboration on food-grade PCR, we are helping build confidence in the use of mechanically recycled content in food packaging, enabling brands to reduce environmental impact and advance a more circular economy. CNG's collaborative approach and long-term commitment to innovation make them a trusted member of the supply chain in shaping the future of packaging."

Megan Robison

Director of Sustainability, Printpack

Printpack
Preserving and Enhancing People's Lives™

Scaling the volume of PCR material used in our products is a focus for CNG and an area where we continue to innovate. In 2025, CNG was named a Recycling Demand Champion by the Association of Plastic Recyclers (APR). This honor recognizes organizations making long-term commitments to integrate domestically sourced PCR into their products. Our work to increase PCR use, which was up more than 30% from 2024, directly increases end market demand for film and flexibles collection. This results in a stronger business case for improving the collection infrastructure for films, while reducing reliance on virgin resin in the films we produce.

In late 2025, CNG launched a multi-year study to evaluate food-grade post-consumer recycled polyethylene. While food-grade PCR has long held promise for flexible film, brands have lacked the rigorous compliance data needed to confidently deploy it at scale. Working alongside longtime converter partner Printpack, CNG designed a rigorous evaluation process to be carried out in 2026. Candidate resins will undergo extensive regulatory and performance testing to build confidence in PCR use for food-contact film. This work builds on ongoing PCR collaboration with converter partners, which has resulted in up to 65% PCR content in some of the industry's most demanding flexible films. By combining rigorous testing with material science expertise, CNG is helping expand what's possible for recycled content in food-grade film.

OWNING OUR IMPACT:
LEADING TOWARD A CIRCULAR FUTURE

Our ownership mindset shapes the way we approach every challenge. We're empowered to think and to ask the difficult questions. We work side by side with our customers to find practical solutions that make a real impact.

Our solutions support designing for recyclability, recycled content utilization, and overall material circularity. And we know progress doesn't happen overnight. It comes from curiosity, collaboration, and a commitment to continuously improving every day. That's what drives our team to continue expanding what's possible through our material science solutions.



James Rosenberger

Product Manager, Sustainable Solutions, CNG Employee-Owner

PARTNERSHIPS TO BUILD A CIRCULAR ECONOMY

In 2025, CNG announced **a strategic collaboration with NOVA Chemicals** (now Borouge International) for high quality post-consumer recycled (PCR) polyethylene resin for flexible film applications. This post-consumer recycled material, sourced from recycled film and flexible packaging, offers a lower-emission alternative to virgin polyethylene.[1] A key strength in the relationship is the Midwest-based supply chain, allowing for cross-facility collaboration and transportation efficiencies. CNG's significant operational footprint across Wisconsin and Ohio aligns seamlessly with Borouge International's U.S. recycling facility in Connersville, Indiana. The facility, which the company describes as one of the largest and most advanced plastic film recycling operations in North America, is expected to produce more than 100 million pounds of PCR content annually. The PCR content is now being successfully integrated into CNG's operations.

BOROUGE INTERNATIONAL

CNG is delivering specialty films and advanced materials that reduce virgin plastic use, lower greenhouse gas emissions, and build a stronger end-market for PCR materials. By commercializing certified PCR content into high-performing film solutions, we're helping build a more circular flexible film economy. Our partnerships advance our commitment to circularity, innovation, and a reduced-carbon future.

OWNING OUR INNOVATION

Consistent capital investments and equipment upgrades yield important and meaningful results. In 2025, we **expanded our manufacturing capabilities** with the installation of new 9-layer and 5-layer extrusion lines equipped with machine-direction orientation (MDO) technology. This investment increases our capacity to innovate high-barrier, recycle-ready[2] films at scale, helping transition away from non-recyclable mixed-material structures, enhance design flexibility, and build supply-chain resilience. The production expansion strengthens CNG's position as a preferred partner for customers seeking to accelerate progress toward a circular economy while meeting performance, sustainability, and emerging regulatory requirements.

CNG has consistently been at the forefront of MDO innovation. With multiple MDO lines operating across our manufacturing facilities, CNG has one of the most comprehensive MDO platforms in North America. The addition of our new 9-layer MDO line increases manufacturing flexibility and enables more complex high-barrier film designs for our portfolio of recycle-ready films.

As customers race to meet circular material goals and prepare for the latest extended producer responsibility regulations, CNG's technology expansion and continued focus on efficiency are delivering high-performance films that combine sustainability, value, and supply-chain security at scale.

EMPLOYEE VOICE

"2025 was a year of real expansion for our MDO capabilities. With the addition of new 9-layer and 5-layer extrusion lines and the launch of our matte MDO-PE print film, CNG continues to operate one of the broadest MDO platforms in North America. As a result, brands have more paths to recycle-ready packaging designed for existing PE film recycling streams while enhancing performance."



Aaron LaPointe
Sr. Principal Engineer, CNG Employee-Owner

Our partnerships advance our commitment to circularity, innovation, and a reduced-carbon future.

Footnote

[1] Product life cycle assessments (LCAs), such as those based on ISO 14040 and 14044, performed on films containing PCR content have been shown to have lower emissions footprints than those made entirely of virgin resin.

[2] 'Recycle-ready' indicates designed for recyclability against current technical guidelines (e.g., APR/CEFLEX). It does not represent recycling availability in all communities or actual recycling rates. Final recyclability depends on the complete package structure, local program acceptance, and consumer behavior.

ENGAGING EMERGING EPR LAWS

Extended Producer Responsibility (EPR) legislation continues to evolve. CNG has supported our customers as we build shared understanding of these regulations. Before 2023, several companies, including CNG, made early commitments to develop recycle-ready films and incorporate recycled content, as these aligned with our vision for market innovation. Then in 2024 and 2025, EPR laws began to take shape across states. This led to uncertainty around how different package formats would be categorized, and developing fee structures began to slow decision making and operational planning. CNG remained ahead of the curve, continuing to innovate in recycle-ready and recycled-content applications.

More clarity in EPR regulations is emerging from state governments. CNG is well positioned to support our customers with EPR laws as many of our products are designed for recyclability and are able to incorporate recycled content. EPR is reinforcing early choices we made for product development. We are supporting our customers as they respond to EPR laws in their respective jurisdictions.

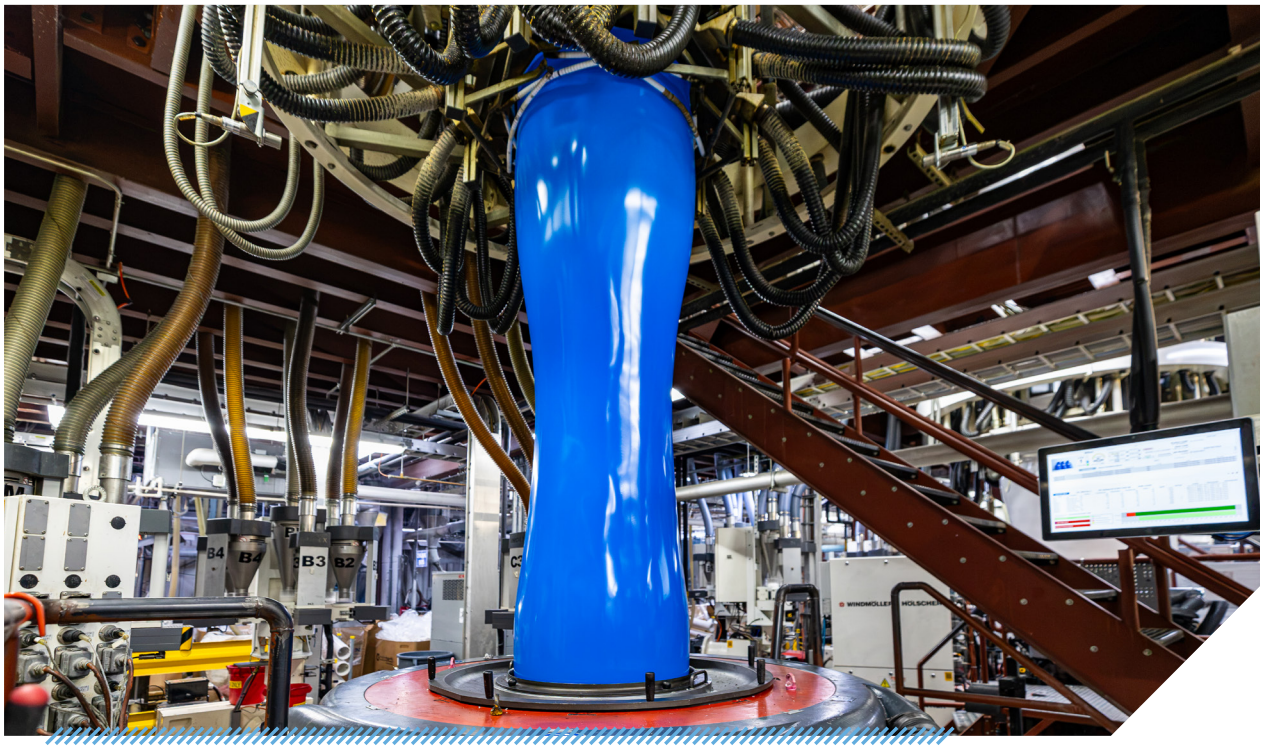
EPR frameworks will continue to validate our approach to product development. As these regulations evolve, they will play an important role in shaping the transition toward a more circular economy. Fee structures, recyclability definitions, and material categories will shape what film solutions look like for years to come.

"Extended Producer Responsibility has begun to shape the future of the films and flexible packaging industry. As operators in California, we are at the forefront of that. Our partnership with Charter Next Generation is vital to delivering future-proof solutions for our customers and is backed by their leadership in recycle-ready innovation and expertise in incorporating post-consumer recycled (PCR) content."

Kevin Kelly

Chief Executive Officer,
Emerald Packaging

EMERALD PACKAGING



» CASE STUDY: CNG x SWAY – A PARTNERSHIP ON NEXT-GENERATION SOLUTIONS

CNG is expanding our innovation partnership with Sway, a pioneering materials company transforming seaweed into breakthrough packaging alternatives. We are supporting the development of TPSea Flex™, a seaweed-based*, certified compostable film designed for flexible packaging applications across fashion, personal care, food, and beyond. The continued collaboration represents a meaningful step forward in scaling bio-based, circular material solutions for commercial applications.

THE CHALLENGE

Flexible films play a critical role across many industries, protecting products, extending shelf life, and reducing food waste. Yet most conventional films are derived from non-renewable resources and have limited collection infrastructure for recycling at end-of-life, creating circularity challenges. The industry has long sought an alternative that is made from renewable materials, high-performing, and compatible with existing converting processes. TPSea Flex™ film offers strong potential to close this gap. Yet bringing certified compostable, seaweed-based biopolymers to commercial scale requires advanced extrusion and expertise in film material science. This is where our innovation and world-class manufacturing are proving pivotal.

THE SOLUTION

Through the partnership with Sway, we have leveraged our material engineering and process innovation to translate Sway's seaweed-based resin technology into production of seaweed-based film, TPSea Flex™. This film delivers:

- Certified compostability through TÜV AUSTRIA, designed to break down in both home and industrial composting environments
- Bio-based content derived from seaweed, a fast-growing marine crop
- Strong mechanical performance
- Compatibility with existing converting and manufacturing lines

"By partnering with Charter Next Generation, Sway is evolving TPSea Flex™ from breakthrough material to market-ready solutions, bringing one of the world's first certified compostable, seaweed-based packaging film into the mainstream. Leveraging CNG's advanced extrusion capabilities allows us to commercialize this innovation at the speed and quality the industry demands and our planet needs."

Julia Marsh
CEO & Co-Founder, Sway

Sway Innovation Company



*TPSea Flex™ is made from seaweed, plants, and certified home compostable polymers.

In combining Sway's breakthrough biopolymer science with CNG's proven manufacturing platform, TPSea Flex™ was developed with end-of-life circularity in mind. This material innovation demonstrates that compostable, bio-based solutions can perform at scale.

MATERIAL IMPACT

The partnership represents a significant advancement toward a circular future. It demonstrates our commitment to investing in partnerships that accelerate environmental progress while meeting real-world performance demands. We are successfully bringing one of the world's first certified compostable, seaweed-based flexible films to commercial-scale production. TPSea Flex™ and Sway have earned recognition among sustainability and design communities, including honors from TIME's 2025 Best Inventions of the Year and an Honorable Mention in the Innovation in Bioplastics Awards. CNG and Sway are demonstrating how bio-based materials can deliver scalability and environmental benefits needed to advance circular systems across flexible film and other markets.



CERTIFICATIONS & QUALIFICATIONS

Third-party certification is another way we provide independent validation of our circularity claims. Each of our certification partners offers our customers, consumers, and the broader market a way to independently verify key sustainability attributes. As our portfolio of circular solutions grows, so do our efforts to ensure credibility and transparency.

In 2025, we continued certifying our **post-industrial and post-consumer recycled content solutions** with **GreenCircle Certified**, observing a 38% growth in certifications from 2024. The **Textile Exchange Recycled Claim Standard (RCS)** renewed our certification of four films containing recycled content. We also surpassed 500 **How2Recycle®** Store Drop-off pre-qualification letters, a milestone that reflects both the breadth of our recycle-ready portfolio and the volume of customer solutions we've been able to support. Five of our locations maintain **International Sustainability and Carbon Certification (ISCC) PLUS** certification, demonstrating traceability requirements for recycled content. Our compostable products carry **Biodegradable Products Institute (BPI)** certification for industrial compostability, and TÜV certification for home compostability.

"Charter Next Generation continues to demonstrate a commitment to transparency and accountability in the verification of recycled content used in its flexible packaging products. Through a long-standing certification relationship, we've seen CNG steadily expand its portfolio of GreenCircle Certified films, giving customers confidence that the recycled content they expect is what they receive."

Sara Risley

Certification Officer, GreenCircle Certified

Regulatory Compliance

LEADING WITH INTEGRITY



The regulatory landscape shaping our industry is evolving quickly. Extended Producer Responsibility (EPR) frameworks, labeling laws, source reduction mandates, and recycling targets are expanding at the state level, often with different requirements and definitions related to implementation in each state. For CNG and our customers, that complexity is real and materially impacts our decision making every day.

As regulations evolve, we work closely with customers to help navigate changing requirements and identify practical pathways forward. Our material science expertise helps customers evaluate their product portfolios, respond to regulatory requirements, and pursue opportunities to reduce EPR fees, meet source reduction goals, and incorporate post-consumer recycled (PCR) content into their products.

CNG is innovating and operating through change. For flexible films, some regulations will require high levels of curbside recycling access for films to be labeled recyclable. As a result, in December 2025, we made a deliberate move to

deepen our industry engagement by joining the U.S. Flexible Film Initiative (USFFI), a nonprofit industry collaboration focused on building the infrastructure and economic systems needed to recycle flexible film at scale, starting in California. We were the second associate member to join, and we're committed to being an active contributor. Advancing flexible film circularity requires data, collaboration, and the ability to navigate complexity with experienced teams. That's the posture we bring to every customer and industry conversation.

Chemical compliance is another critical part of the regulatory landscape. That means a real-time understanding of state and federal regulations, the chemistry of our raw materials, and how they intersect. These two regulatory spheres, sustainability and chemical, are becoming more entwined. In addition to long-standing regulatory frameworks such as Prop 65, REACH, and FDA compliance, new regulations such as the European Union's Packaging and Packaging Waste Regulation (PPWR) incorporate chemical regulations, as well as recyclability and PCR targets, under one framework; they are already influencing how global brands think about their material specifications, including in the U.S. market.

Consumer safety around chemicals in food-contact materials will continue to be a focus at all levels. Our role is to stay ahead of evolving requirements for our customers and protect the integrity of the products we bring to market.

EMPLOYEE VOICE

"Regulations are accelerating the need for innovation across our industry. We need to challenge ourselves to innovate faster, but speed can't come at the expense of performance. The real challenge is developing solutions quickly enough to meet regulatory timelines while ensuring they deliver the performance customers and consumers expect on the retail shelf."



Kristin Edie
Director Sustainability & Regulatory, CNG Employee-Owner

SHARING KNOWLEDGE AND EXPERTISE TO GROW OUR INDUSTRY

CNG is proactively engaging and educating stakeholders on key industry priorities through visits with policymakers in Washington, D.C., and state capitals. These industry discussions provide an important platform to brief both state and federal policymakers on the developments, technical requirements, and aspirations for our industry. These conversations allow us to share technical expertise, explain industry challenges, and support greater regulatory consistency and infrastructure development. In June 2025, CNG traveled to Washington in partnership with AMERIPEN for conversations on Capitol Hill regarding the Packaging and Claims Knowledge (PACK) Act, a bill designed to establish national standards for labeling packaging recyclable, reusable, or compostable. CNG formally supported the PACK Act upon its introduction into Congress.

OWNING OUR IMPACT: HELPING CUSTOMERS NAVIGATE REGULATORY CHANGE

Chemical regulations for food packaging continue to evolve in scope and complexity. Our team helps customers understand how those changes affect products, raw materials, and supply chains. We work closely with suppliers to maintain accurate regulatory documentation and ensure that chemicals, resins, and additives meet applicable requirements in the markets where our products are used. By staying current on emerging regulations, we help customers navigate change with greater confidence.



Karen Cooke
Corporate Regulatory Steward, CNG Employee-Owner

Building on this momentum, we met with U.S. policymakers in September 2025, along with the Flexible Packaging Association (FPA), where discussions centered not only on labeling initiatives like the PACK Act but also on advocating for federal investment in recycling infrastructure through legislation such as the STEWARD and CIRCLE Acts.

> "Charter Next Generation has been a valued partner to APR for many years and continues to demonstrate the leadership needed to advance plastics circularity. From helping shape film recyclability guidance and standards to championing the use of certified post-consumer recycled content, CNG is driving meaningful progress across the industry. Their collaborative approach and commitment to innovation are creating a strong foundation for a more circular future."
>
> **Rebecca Mick, Ph.D.**
>
> ***Program Director – Film and Packaging Innovation, The Association of Plastic Recyclers (APR)***

» **Sustainability and regulatory requirements continue to evolve. By combining technical expertise, industry insight, and active engagement, we help customers navigate complexity, reduce risk, and prepare for what's next.**



CNG is also active across several working groups of the Association of Plastic Recyclers (APR), including the Market Development and Films Committees. As part of this work, CNG supported the updating of critical guidance for testing protocols used to determine if a film or package meets all requirements for the designed for recyclability classification. This work led to updates to the protocol, bringing more clarity to test procedures, equipment specifications, and data interpretation procedures.

In addition, we partner with our PCR suppliers to ensure their production process is APR certified where required, helping support customers pursuing EPR goals.

CNG RECOGNIZED AS BRCGS 2025 CERTIFIED SITE OF THE YEAR – AMERICAS

CNG was named Brand Reputation through Compliance Global Standards (BRCGS) **2025 Certified Site of the Year – Americas**, becoming the first flexible film manufacturer to receive this honor in the Americas. The award was announced at the BRCGS Connect Americas Conference in Charlotte, North Carolina, recognizing CNG's commitment to product safety, quality, and continuous improvement.

Every CNG manufacturing site holding a BRCGS certification has achieved Grade A, AA, or AA+ year after year, across both announced and unannounced audits. This recognition reinforces CNG's strong track record in food safety and product quality across our operations.

For our customers, this recognition validates why they partner with us: reliable, high-integrity solutions that protect products, preserve freshness, and strengthen the safety of the global food supply chain. For our teams, it reflects something harder to certify but just as real: the ownership, pride, and impact that define how we show up every day.

This recognition is part of a much larger story. Every day, CNG aligns with a rigorous system of global certifications that reflect our commitment to product safety, operational safety, quality, sustainability, and ethical practices across our customer industries, from food and medical applications to automotive and dairy.

In addition to BRCGS, our sites maintain internationally and industry-recognized standards such as ISO 9001:2015, FSSC 22000, Kosher, UL for printing/label, SMETA, Interstate Milk Shippers (IMS), and ISCC PLUS. Together, these programs support product safety, operational quality, sustainability, and ethical practices across the markets we serve.



EMPLOYEE VOICE

"Being awarded the BRCGS Site of the Year was a proud moment. It reflects years of improving our processes and continually raising the bar. Our people have been at the heart of that work, coaching, leading, and upholding our standards every step of the way. This award belongs to all of us."



Laurie Ford

Director of Product Safety, CNG Employee-Owner

Employee Engagement & Ownership

BUILDING SHARED PROSPERITY THROUGH OWNERSHIP



I own | my future

Our culture is our people. CNG comes to life through how we show up every day. Our employee-owners lead our innovation and growth with their experience, their stories, and their actions. CNG moves by the strength of our people: our existence and future are powered by the talents of each individual owner. As material science experts, we lead with purpose across our plants, offices, labs, and communities. From an employee-owner's first day, they have a real stake in what we are building together.

CNG maintains a strong commitment to equal employment opportunity and welcomes candidates and employees of all races, ethnicities, genders, religions, ages, abilities, sexual orientations, gender identities, and veteran statuses, as protected by law.

When our Employee Ownership Program was first introduced in 2021, it didn't immediately click for everyone. For many employees,

ownership felt abstract or disconnected from day-to-day life. Over time, however, it became more tangible. Employees described moments that changed their perspective, from receiving confirmation of their shares to seeing how company performance could create value over time.

As that connection grew, so did engagement, and ownership showed up more clearly in how we approached our work. Employee-owners started thinking differently about how their work connects to company performance and understanding how their individual actions contribute to shared outcomes.

What happens when employees own part of the company?

In April 2025, our employee ownership structure was featured in Harvard Business Review, showcasing CNG's commitment to shared success, long-term value creation, and our people-first culture.

Scan the QR code to read more.

Own (your moment)

At our Ontario, OH, site, Rufus Armstrong, Material Handler, shows what it means to turn everyday challenges into opportunities to learn, grow, and lift others up. Over the past three years, Rufus has built a career defined by teamwork, dedication, and pride in doing things the right way. Today, he's paying it forward by sharing what he's learned, supporting new teammates, and showing others what's possible when you lean into opportunity.

"CNG will give you a chance, and they will train you. The culture is family-oriented and supportive. My favorite part is getting up in the morning, feeling blessed to come to work every day."



Scan the QR code to watch Rufus's story.

Ownership is reflected in how our people connect, contribute, and take responsibility for results. Within four years, employee-owner engagement at CNG has risen from the 32nd to the 90th percentile among manufacturing companies. These results speak for themselves: when employees own the outcome, success is shared.

At CNG, we all have stories worth sharing. In 2025, we introduced our Employer Brand as a platform to consistently and authentically share how CNG's people drive our culture, values, employee experience, and daily impact. Our Employer Brand offers structure for culture building and a shared operational mindset. We understand that our growth starts within each of us; we cannot scale externally without growing internally. Our Employer Brand positions CNG as a company where employees are valued not just for what they do but for the ownership they take when doing it.

I own | my growth |

At CNG, progress and growth aren't limited to your role. Growth is built through opportunity, development, and the ability to make a meaningful contribution. Across CNG, employee-owners are building skills, stepping into new roles, and preparing to lead what comes next.

Throughout 2025, more than 150 leaders across all CNG locations completed comprehensive leadership development programs designed to strengthen leadership capability, connection, and our ownership mindset.

A high-impact, three-day intensive for managers and directors, our **Quest Leadership Program**

EMPLOYEE VOICE

"I had the opportunity to attend the Quest Leadership seminar in 2025, and it's one of those experiences I'll carry with me. I got to dig deep with people I don't always get to work alongside. It was fun. I laughed way more than I expected to. It was genuinely thought provoking and created real self-awareness."



Jaclyn Zeigler

Director of Operations Finance, CNG Employee-Owner

Quest Cohort 1 - March 2025





Quest Cohort 2 – June 2025

helps leaders grow emotional intelligence, lead authentically, and inspire others. Through immersive learning, peer collaboration, and coaching, participants build the self-awareness, resilience, and adaptability needed to lead through change.

In March and June 2025, our two Quest cohorts participated in immersive learning experiences focused on personal and professional growth. The cross-functional cohorts strengthened relationships, shared best practices, and helped leaders build greater confidence and clarity in how they lead.

Being a part of CNG means owning your role. Owning your opportunity. Owning your voice. It means owning your moment, for our shared future.

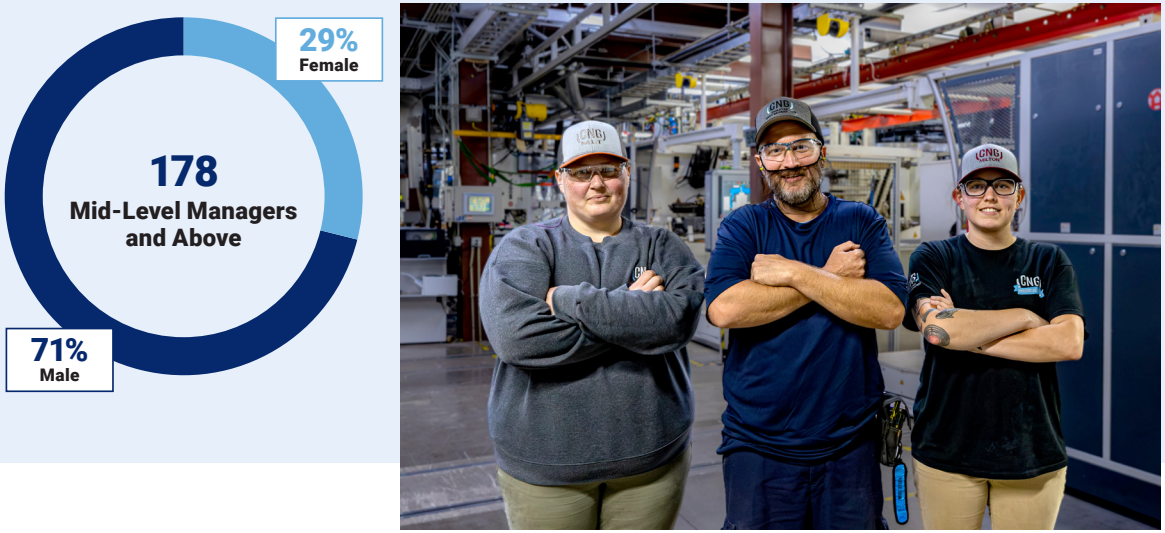
CNG's **Emerging Leaders** program is a nine-month development experience for those newer to leadership or stepping into expanded roles. Through coaching and collaborative learning, participants strengthen self-awareness, emotional intelligence, and confidence while preparing for greater leadership responsibility.

Across the program, participants engaged in coaching, reflection, and collaborative problem solving, culminating in a closing session with CNG leaders to share their growth and recommendations for the future.



2,600+
Number of Permanent Employees

Across all the ways that CNG's employee-owners are engaged, from recruitment to how they grow and develop, how they collaborate and connect, and how they innovate for the future. ***CNG's people are turning ownership into action.***



Our employee-owners are constantly building knowledge and experience in their roles, leadership qualities, and diverse skill sets. Our Ownership Essentials program offers all employees an annual recurring set of four virtual courses on Personal Finance, Ownership Mindset, Finances in our Business, and Benefits to Employees. The program helps build a shared understanding of ownership, business performance, and the responsibilities and opportunities that come with being an employee-owner.

Layers of Excellence

CNG's **Layers of Excellence** initiative, an employee peer-recognition program, was relaunched in 2025 with a new digital platform to support outstanding performance by rewarding employee-owners for going above and beyond. Team members earn points for achieving milestones, demonstrating leadership, and making a positive impact while embodying **CNG's Six Cs:** Committed, Collaborative, Caring, Courageous, Curious, and Competitive. Together, the Six Cs reinforce the behaviors that shape our culture and how we work.

In 2025, over 96% of employees completed the Ownership Essentials program.

OUR COMMITMENT: THE 6 Cs IN ACTION



OWNING OUR IMPACT:
ENGAGING THE WHOLE PERSON AT WORK AND BEYOND

At CNG, our strength comes from the experiences, viewpoints, and talents our employees bring to work each day. These unique stories and backgrounds fuel the connection, curiosity, and sense of purpose that are central to who we are. We are committed to fostering a workplace where people from all backgrounds, including underrepresented communities, can grow, thrive, and succeed.



Shelley Hickman
Director of Culture & Employee Experience, CNG Employee-Owner

I own | my team |

Our people-first culture means you don't just work with coworkers; you are part of a team that collaborates with trust and care. We create space for every employee-owner to be heard, including through annual performance reviews. Every voice and perspective matters.

Through our annual **Gallup Engagement Survey**, our employees communicate what's needed, what's working, and what deserves reconsideration. This feedback helps CNG understand where we are strong and where we have opportunities to improve. The survey results belong to every employee-owner and become a starting point for dialogue, action planning, and follow-up. Our 2025 survey closed with 91% participation, demonstrating the commitment and ownership that define who we are at CNG.

We find common ground and connection in our work and in our lives outside of CNG. In 2025, our **UNITED Women** and **UNITED Veterans employee-owner resource groups** set ambitious goals for growth, explored decentralized leadership models to support engagement, and launched plans for a mentoring program and enhanced development opportunities. Our UNITED employee-owner resource groups are evolving from networking groups to strategic partners that support



individual and collective growth. We are exploring expansion of our resource groups to include parents, Pride initiatives, mental health support, and multi-cultural networks.

Our employee-owners are supported in leading change at their workplaces through our **Employee Directed Capital** program. From outdoor gathering spaces and an on-site exercise room to cooling units, lighting, and tool upgrades, employees are choosing the investments that matter most at their locations. **In 2025, we increased our investment in the capital program by 27%**, further supporting employee-owner-driven improvements.

UNITED Women

UNITED Veterans

Our 2025 Gallup Engagement Survey closed with 91% participation, demonstrating the commitment and ownership that define who we are at CNG.

CNG meets our people where they are. For employees facing hardship, our **WeCare Fund** provides immediate financial support to help move through the challenges of the unexpected: natural disasters, medical emergencies, and life setbacks. In 2025, the WeCare Fund granted 44 awards, with contributions from CNG, partners, employees, and the public. We also offer a confidential, no-cost **Employee Assistance Program (EAP)** to support mental health, relationships, grief and loss, substance use, child and eldercare, and legal or financial issues. Support includes counseling, toll-free phone access and online resources, and services to employees and their families.

GROWING OUR TEAM IN WISCONSIN

In 2025, we celebrated the opening of our new production facility and warehouse in Green Bay, Wisconsin. CNG staff traveled on-site to ensure a successful integration into CNG systems for the newest team members. This launch reflects the cultural alignment, shared values, and commitment to quality and people that define CNG, and it's already helping move our network forward.

I own (my career)

At CNG, we have the autonomy to steer our path, the recognition to fuel our drive, and the support to reach our next milestone. Our growth is built through opportunity, ownership, and the ability to make a meaningful contribution. Our more than 2,600 employee-owners bring forward ideas, develop new skills, and help shape how CNG grows. Employee-owner engagement directly connects to the business performance that enables our mission. The path to building a world-class workplace and becoming an employer of choice is a marathon, not a sprint.

From the plant floor to corporate offices, employee-owners across CNG are stepping up with ideas that drive change. Our **Moonshot** program is proving what's possible when we all take ownership together. In 2025, more than 1,000 ideas were submitted and more than 190 ideas were implemented, delivering significant efficiency gains and cost savings across our operations. The program launched in 2024, and we anticipate it will continue uncovering employee-led innovations leading to efficiency gains and cost savings. Submissions through the Moonshot Idea Center (MIC) have increased 11-fold since launch, showing the energy and creativity flowing across CNG.

Own (your moment)

Casey Hodges joined CNG six years ago, not expecting to find such a strong sense of teamwork and connection. What she discovered was a culture grounded in purpose, collaboration, and meaningful relationships, a place where every voice has the opportunity to make an impact. To Casey, ownership means taking pride in her work and in what the team accomplishes together.

"Being invited into conversations and having a voice in the changes we make helps us find solutions that move the team forward," Casey said. "It shows the power of working together."

Scan the QR code to watch Casey's story.







I own [my impact]

Our work at CNG contributes to something greater. From safety to sustainability, every decision we make helps build a better world for today and tomorrow.

Our people make a meaningful difference in the communities where we live and work. In 2025, employee-owners contributed more than **$750,000** to causes addressing essential needs across the country, from local food banks and family assistance programs to health services, crisis care, disability resources, and therapeutic animal programs. In partnership with Feeding America®, CNG rallied together during our 2025 Back-to-School Hunger Action Month food drive, collecting more than **7,300 items** to support families heading into the school year.

Our work at CNG contributes to something greater.

Our continuing support of initiatives like **The Ohio State University (OSU) Mansfield's Engineering Technology program** equips students with real-world skills tailored to the evolving needs of our industry. The impact of Ohio State's program is gaining national attention. In 2025, the program continued to grow as a model for developing technical talent through hands-on learning and industry partnership. Our partnership with Ohio State has

2025 GALLUP Q12® EMPLOYEE ENGAGEMENT SURVEY

+0.48 IMPROVEMENT
Improved our Gallup Q12® GrandMean score (from 3.71 in 2021 to 4.19 in 2025)[1]

90TH PERCENTILE
Advanced to 90th percentile for employee engagement in Gallup's Manufacturing Company database

+0.20 INCREASE
Increased Accountability Index (from 4.03 in 2023 to 4.23 in 2025)[2]

+0.28 INCREASE
Increased Ownership Index (from 3.87 in 2022 to 4.15 in 2025)[3]

[1] Engagement is measured with Gallup Q12® Employee Engagement survey.
[2] The Accountability Index shows whether employees see their feedback drive change.
[3] The Ownership Index (OW10) measures whether employees feel, think, and act like owners, which links ownership behavior to business performance.

Own [your moment]

Tanner Hodges, Lead Extrusion Technician, owns his moment by taking responsibility for his growth and trusting the journey. As an employee-owner, Tanner believes ownership is about curiosity, initiative, and showing up every day ready to contribute. For Tanner, ownership is also about trust and connection. He describes a culture where knowledge is shared openly and experience is respected at every level. That exchange strengthens teams, builds confidence, and reinforces the belief that when we grow together, we perform better together.

"Sending knowledge upward and downward helps the company perform better. There aren't really any training roadblocks at CNG. If you have the will, they will find a way."



Scan the QR code to watch Tanner's story.

fostered a strong talent pipeline and emphasized the importance of internships and real-world projects, which help students develop problem-solving skills, adaptability, and leadership.



CNG's **Lexington team** partnered with the **United Way** on its second annual **Summer of Sustainability** event focused on giving back to the planet and supporting local communities. More than 550 cars dropped off household hazardous waste, electronics, plastics, paper, appliances, and other items that can be challenging to dispose of responsibly. In addition to recycling, community members donated canned and non-perishable food to benefit local organizations, including the Salvation Army.

Own your moment

For more than ten years, Ryan Courtright, Vice President of Operations and Finance in Lexington, OH, has seen firsthand how ownership shapes who we are at CNG. Ryan has built a deep understanding of what it means to be an employee-owner and how everyday decisions contribute to a safer, stronger, more purpose-driven company. For Ryan, ownership starts with responsibility. That mindset guides how he evaluates the metrics that matter most, especially safety. As he puts it, every employee-owner shares the same goal: ensuring every person arrives safely and goes home safely. Ownership reinforces the behaviors and accountability that keep people protected.

"The best way that I can describe ownership is treating it like it's your own company and your own checkbook. So really having that mindset when you show up to work and that everyone around you has that same attitude."

Scan the QR code to watch Ryan's story.



Every decision we make helps build a better world for today and tomorrow.

The team at **Massillon presented $6,000 grants to five local community organizations** focused on domestic violence prevention, addressing hunger, children's health, mental health and addiction recovery, and a local diaper bank supporting families.



Corporate Sustainability

REDUCING OUR FOOTPRINT, EXPANDING OUR IMPACT



As a business focused on creating circular solutions for the future, CNG is evolving as a science-first sustainability leader, integrating sustainability into our business and growth strategies. We extend our ownership mindset into our corporate sustainability initiatives to reduce the environmental impact of our facilities.

By finding new ways to reduce electricity and water usage, transitioning to renewable electricity, and driving for zero waste to landfill, we are lowering our environmental impact. We take a broad view of our corporate sustainability by building a sustainable supply chain to reduce Scope 3 emissions and supporting our customers' sustainability objectives. The well-being of our planet and communities are linked to our success.

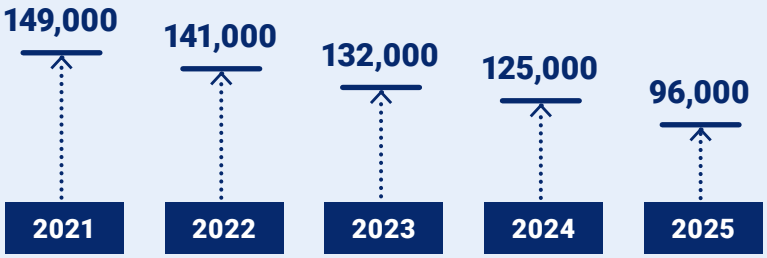
Changes in weather and climate patterns are impacting communities around the world. CNG is committed to ambitious science-based GHG reduction targets aligned with a 1.5°C pathway.

We are making meaningful progress in addressing sources of our GHG emissions, with the goal of achieving net-zero GHG emissions across our entire value chain by 2050. Our net combined Scope 1 and Scope 2 GHG emissions in 2025 were 96,221 tCO_2e, a decrease of 23% compared with 2024 and 35% compared with our 2021 baseline. Our GHG reduction strategy, including our near-term and net-zero targets, has been validated by the Science Based Targets initiative (SBTi). CNG is on pace to reach our 2030 Scope 1 and 2 reduction target.

We have a goal to achieve net-zero GHG emissions across our entire value chain by 2050.

In 2025, CNG's total electricity consumption, including renewable and non-renewable sources, was 380,283 MWh. Our renewable electricity transition plan will move us closer to our long-term Scope 2 targets year over year. To address our market-based Scope 2 emissions, we purchase or source a mix of wind and solar renewable energy certificates (RECs). In 2025, CNG purchased 188,000 MWh of Green-e® Certified RECs, resulting in us achieving 49% renewable electricity. Green-e® certification provides independent assurance that our renewable electricity purchases meet recognized environmental and consumer protection standards.

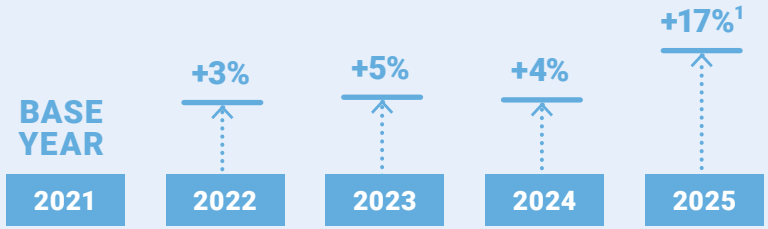
GHG EMISSIONS



*Net GHG Emissions (tCO_2e)**

*Emissions values rounded to nearest 1,000 tCO_2e

Scope 1 and 2: CNG has developed a glidepath to reach our Scope 1 and 2 science-based target by 2030. Two key components of this glidepath are a transition to renewable electricity, as well as the increasing energy efficiency of our direct operations.



Percent change in Scope 3 intensity factor vs. baseline year

Scope 3: CNG measures Scope 3 emissions intensity per kg of film produced. 2025 intensity increased significantly versus the baseline year due to supplier emissions restatement for our key raw materials. We continue to work toward our 2030 emission reduction targets.[1]

	Scope 1 and 2	Scope 3
2030 LONG-TERM TARGETS[2]	Reduce absolute Scope 1 and 2 GHG emissions **42%** by 2030	Reduce Scope 3 GHG emissions **51.6%** per kilogram of film produced by 2030
2050 LONG-TERM TARGETS[2]	Reduce absolute Scope 1 and 2 GHG emissions **90%** by 2050	Reduce Scope 3 GHG emissions **97%** per kilogram of film produced by 2050

Footnotes

[1] Suppliers restated emission factors in 2025 due to methodology changes. CNG will rebaseline in 2026 to incorporate these changes for better year-on-year comparison.

[2] These climate targets, established from a 2021 baseline, are validated and align with the SBTi criteria for a 1.5°C trajectory.

CNG continues to expand our investment in renewable energy sources for our operations. Our Milton facility completed the installation of a solar array in 2025, which will supply electricity directly to this facility. Our Turners Falls location also approved the development of a rooftop solar project, and construction is expected to start soon.

In 2025, Scope 3 emissions totaled 2,023,169 metric tons of CO_2e, which is roughly 95% of our total emissions and a 16.8% increase over our baseline-year intensity value (2021). This increase is primarily caused by the increasing emissions intensity of the resins we purchase, which is linked to changes in methodology used by suppliers when calculating their resin emission factors. We remain committed to reducing emissions across our supply chain. We are focused on engaging our suppliers to define and implement pathways to reduce emissions for raw materials. We are also increasing our use of recycled content, certified compostable products, and reduced-carbon materials. We're working with Watershed, a leading carbon data platform, on an enterprise-wide plan to cut Scope 3 emissions in line with our goal: a 51.6% reduction per kilogram of film produced by 2030, measured against a 2021 baseline. A key part of this strategy is working with suppliers to improve data quality, better understand material impacts, and identify opportunities to reduce emissions across our supply chain.

We are continuing to identify and address carbon reduction opportunities across our supply chain. Many of our customers are pursuing their own sustainability goals and are making informed



OWNING OUR IMPACT:
SUSTAINABILITY AS A DIRECTION

Our science-based targets provide a clear framework for reducing greenhouse gas emissions and strengthening accountability across the business. They help us focus investment, guide decisions, and prioritize the actions that can create the greatest impact.

Progress is supported by investments in energy efficiency, renewable electricity, and collaboration across our value chain. Together, these efforts reinforce our commitment to long-term environmental stewardship, our operational resilience, and our path toward net-zero emissions.



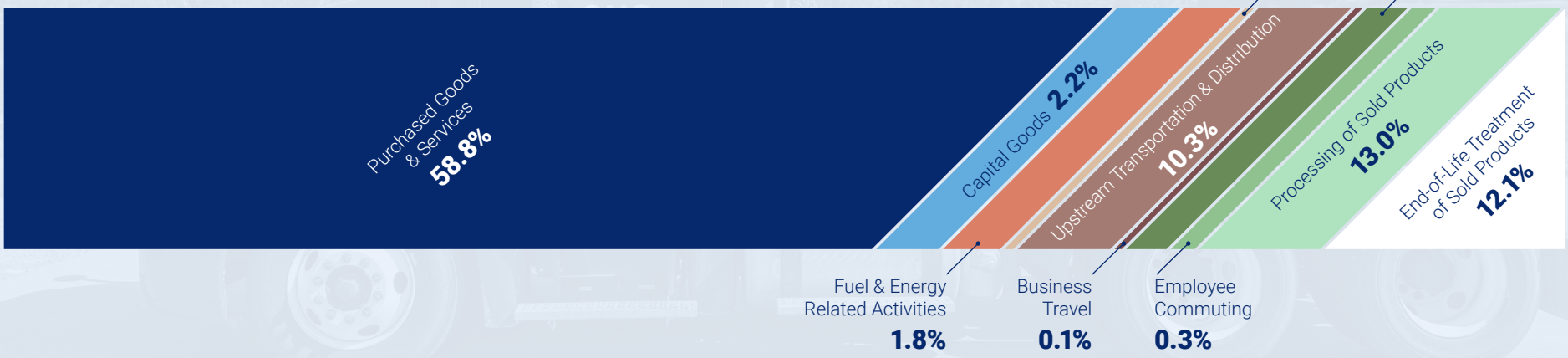
Scott Hammer
Sustainability Fellow,
CNG Employee-Owner



purchasing and partnership decisions based on the sustainability profile of products under consideration. They are increasingly focused on the greenhouse gas emissions generated across a product's life cycle, and they are requesting data to inform their procurement, product development, and production decisions. As a result, we quickly onboarded a digital platform to support more responsive generation of product carbon footprints (PCFs). PCFs provide a quantifiable view of the environmental impact of our products for customers. They are an important tool that can be used to model how changes to raw materials, like the addition of PCR content, can reduce that impact.

GHG EMISSIONS – SCOPE 3 CATEGORIES

Assertion Total (tCO_2e)



VALIDATING OUR ENVIRONMENTAL PERFORMANCE

Supplier Engagement Leader CDP 2025

BRONZE | Top 35% ecovadis Sustainability Rating FEB 2026

CNG was again recognized by **EcoVadis** for our sustainability performance and approach to greenhouse gas management. Our participation in EcoVadis supports our commitments to responsible business practices across environmental stewardship, ethics, labor and human rights, and sustainable procurement. In 2025, our overall performance remained very strong, including a 95% environmental score, placing CNG in the top 1% among our peers. Although our absolute score increased, our 2025 medal moved from Silver to Bronze as EcoVadis thresholds shifted with stronger performance across the assessed company base.

We again earned an "A" rating from CDP's annual Supplier Engagement Assessment.

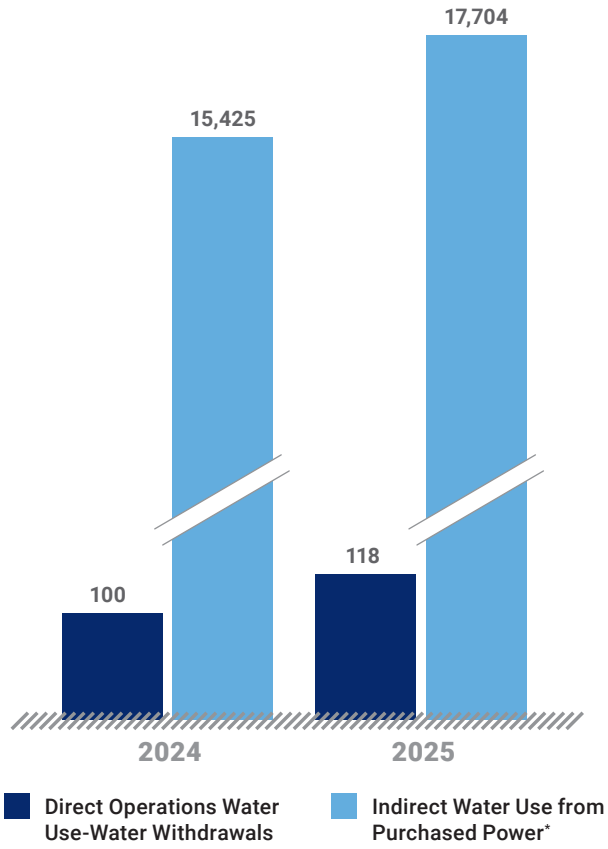
In 2025, CNG increased our EcoVadis sustainable procurement score by 17%, reflecting progress in policy development, training, supplier diversity, and our Supplier Code of Conduct. CNG's vendor engagement, outreach, and alignment efforts have been critical in advancing our sustainable supply chain. We again earned an "A" rating from CDP's annual Supplier Engagement Assessment, recognizing our leadership in driving climate action across our supply base.

Our CDP climate score increased to B, while our water score was B-, reflecting continued progress and a more consistent approach to environmental reporting. Because of private reporting by CNG to CDP, our maximum potential score is a B.

WATER-USE REDUCTION TARGETS AND INITIATIVES

We understand that life, in all its forms, depends on clean water. Following our first water footprint analysis in 2023, we continue to advance our water stewardship strategy. In 2025, we set our first water-use reduction goals. Using the World Resources Institute's (WRI) Aqueduct Water Risk Atlas, we identified seven facilities across six sites in high-risk water basins. These areas are characterized by a high ratio of water demand to renewable supply. We conducted detailed water-use assessments at each site and established a 2025 water usage baseline. Although we determined our direct water usage at operations was less than 1% of our total water footprint, we felt compelled to do our part, especially in places where our facilities are located in high-risk water basins. Based on this analysis, we set an ambitious target to reduce total water consumption by 20% across the high-risk facilities by 2030. We will continue refining reduction strategies and identifying new efficiency opportunities throughout 2026.

WATER WITHDRAWALS (1,000M³)



Footnote

*Indirect water usage is estimated based on total electricity use by source. Additional water-use data can be found in the appendix.

Early water-use reduction progress at our Blythewood site demonstrates both environmental and financial value. In late 2025, a process innovation identified by Danny Wise, Lead Recycling Technician, reduced the plant's water consumption by an estimated 56%, compared to the prior year's period. Implemented quickly, this change illustrates how targeted, employee-owner-led innovations can deliver outsized impact. Further optimizations underway in 2026 are expected to drive even greater reductions.

These successes reinforce that water efficiency initiatives strengthen our resource resilience while delivering measurable business value and innovation. Our ongoing approach leverages real consumption data, site-level insights, and continuous optimization to ensure reductions are sustained and scalable across facilities. We will be conducting our next enterprise-wide water footprint analysis in 2026.

OPTIMIZING OUR ZERO WASTE TO LANDFILL (ZWTL) STRATEGY

To help drive the circular economy of the future, we're committed to an operational ZWTL model. Across our facilities, the initiative is changing how we manage manufacturing materials and waste streams. As we progress toward our goal of reaching 100% landfill diversion, we rely on partnerships to realize impact and manage difficult-to-recycle materials. In 2025, we implemented ZWTL at an additional 3 plants, and have now reached a total of 14 plants as part of our ZWTL program. This resulted in 23.6 million pounds of outbound waste diverted, a year-over-year increase of 190% compared to 2024. The waste data is from CNG-owned operations, and this increase resulted from our increased adoption of ZWTL, as well as new acquisitions and improved waste stream reporting. See the Appendix for data on our waste streams.

Through our advisory and implementation partnership with UCBZeroWaste, a third-party waste management consultant, CNG is strengthening both the rigor and effectiveness of its ZWTL approach. Beginning with our Lexington site in 2025, the partnership has focused on identifying opportunities to reconsider both diversion and cost performance. Optimization efforts are being implemented for all manufacturing sites in 2026, and third-party verification audits will be completed for all plants in 2027.

CNG has implemented zero waste to landfill at 14 sites, up from 11 in 2024, while increasing outbound waste diversion by 190%* year-over-year.

> "Charter Next Generation has demonstrated that zero waste is more than a goal; it's embedded in how they operate. Their commitment to continuously improving resource recovery, creating measurable value, and advancing zero-waste initiatives across their facilities reflects a true culture of sustainability. We're proud to partner with CNG to support those efforts and help build on the strong foundation they've already established."
>
> **David Krasnow**
> ***President, UCBZeroWaste***

UCBZERO WASTE

Total Waste Streams	2024	2025	% Change
Landfill	7.1MM	4.9MM	**31% Decrease** ▼
Recycling - Reused in Production	107.8MM	110.8MM	**2.8% Increase** ▲
Recycling - Outbound Waste*	5.8MM	20.6MM	**255% Increase** ▲
Waste-to-Energy**	2.3MM	3MM	**30.43% Increase** ▲
Landfill Diversion Rate	94.2%	96.5%	**2.44% Increase** ▲

Footnotes

*Increase in waste diverted from landfill partially attributed to new acquisitions and improved waste stream reporting.

**Counted as diversion from landfill; not counted as recycling.

CNG'S 2025 EARTH WEEK CHALLENGE

Our annual Earth Week Challenge saw employees across our sites mobilize to steward the environments they call home. Throughout the company, more than 300 employee-owners participated and collected a record-breaking **89,991 pieces of litter**.

For the third consecutive year, our Superior, Wisconsin, team earned the top spot in the CNG Earth Week Challenge. With an 88% participation rate, Superior led all CNG locations and made a meaningful impact in the local community.



Our Chicago headquarters team participating in the Earth Week Challenge.



Environmental Health & Safety

CARING FOR EMPLOYEE-OWNER WELL-BEING



Safety at CNG is an expression of ownership. In 2024, we expanded our Environmental Health and Safety (EHS) training programs and established foundations of a proactive, team-centered safety approach. In 2025, CNG employee-owners completed a total of more than 25,000 hours of safety training. We continued building our culture of care through expanding regional safety leadership and employee-owner-driven safety teams across all our facilities. A safety-minded approach is part of how we operate every day. In 2025, our employee-owners leaned in, identifying hazards and areas of improvement, and held each other accountable in the solution making. That's ownership in action.

CNG's 2025 safety strategy intentionally connected operational, safety, and compliance initiatives through a more integrated approach to planning and execution. Three strategic pillars were the basis of our continuous improvement work: building a strong foundation, driving culture, and providing operational control.

JOURNEY TO EHS EXCELLENCE: CREATING A CULTURE OF CARE

Safety Vision: Zero injuries, 100% compliance with safety regulations and operational protocols

Our Ambition: Establish a foundation to drive culture and control operations

1.22 TRIR

Achieved a Total Recordable Incident Rate (TRIR) of 1.22, which met our TRIR goal of less than or equal to 1.25

~9,000 D.A.S.H. SUBMISSIONS

Detect A Safety Hazard (D.A.S.H.) safety reports made across the enterprise with ~80% addressed

BUILDING A STRONG FOUNDATION

Our **Safety 360 Leadership Program** helps operational leaders strengthen safety leadership through confidential 360-degree feedback and interactive workshops. Participants gain insight into their safety behaviors and develop measurable actions to create safer workplaces and reinforce CNG's safety culture.

Another big initiative of 2025 was the development of an **EHS data tracking system**. The new system will centralize safety data, improve trend visibility, and support more informed planning and decision making. It is scheduled to launch in 2026.

REALIZING A STRONG SAFETY CULTURE

Across CNG's sites, **Safety Teams** show what's possible when team members take ownership of their work environment and collaborate across departments to drive impactful changes in operations, safety, organization, and efficiency. In 2023, we empowered our employee-owners to lead plant safety teams, which had been previously managed by an outside resource.

We launched eleven employee-owner led safety teams across six facilities. These teams operate with real ownership; they are guided by a shared framework while retaining the flexibility to focus on site-specific priorities informed by local needs and data.

At our Massillon site, Safety Teams led projects ranging from relocating fire extinguishers and centralizing chemical storage to improving warehouse organization and redesigning work areas for safer, more efficient workflows.

Inspired by CNG's Safety Committee, which is led by employee-owners across the company, our interactive 2025 High Five Safety Challenge

OWNING OUR IMPACT: DEVELOPING SAFE PRACTICES WITHIN OUR CONTEXT

The more we understand how work is performed every day, the better we can support our teams. Regional safety leaders spend time in our facilities building relationships, listening, and encouraging a proactive approach focused on learning and prevention.

Some of the most valuable improvements come from employee ideas, taking a solution that worked at one facility and adapting it elsewhere. Those moments show how small improvements, driven by the people closest to the work, can create lasting impact.

Safety is personal. At its core, it is about ensuring people go home to their families in the same condition they arrived.



Stefanie Buckwalter

Regional EHS Manager, CNG Employee-Owner

competition supported employee-owners to empower each other to prioritize safety and recognize safe behaviors. In November 2025, employee-owners were given safety tokens to recognize coworkers showing great safety behaviors. Employees were encouraged to own their moment to promote CNG's culture of care by uplifting teammates and recognizing the actions that keep us all safe. Objectives for the 2025 safety challenge included raising hazard awareness, reinforcing safety protocols, encouraging personal responsibility, reducing accidents and first aid responses, and promoting a safety-first culture.

CNG employee-owners bring consistency, care, and commitment to their practice of safety each day. We celebrate our Lexington-based Films 4 team for achieving seven years without an injury. Our Rhinelander facility was recognized with the 2025 Safety Excellence Award for demonstrating excellence across all safety and risk management initiatives: a well-earned recognition for a team that embodies what a culture of care looks like in practice.

PROVIDING OPERATIONAL CONTROL

Our **Machine Safety Project** has enabled real changes that make our production areas safer. Through equipment risk assessments, we identified and prioritized machine-guarding improvements across our extrusion operations. CNG installed more than 100 treater machine guards across our facilities to better protect



OWNING OUR IMPACT:
SUPPORTING THE LAUNCH OF CNG SAFETY TEAMS

Supporting and launching our CNG Safety Teams has taught me that leadership is not about having all the answers; it is about helping others succeed and creating an environment where people feel empowered to make a difference. I work alongside safety team members to help them step outside of their comfort zones, navigate roadblocks and challenges, and become self-sufficient leaders who can drive meaningful change.

Our volunteer safety teams meet biweekly to identify hazards, develop practical solutions, and manage projects from start to finish. These team members know their sites, processes, and workflows better than anyone, making the improvements they implement both effective and sustainable.

Building a culture where people feel comfortable looking out for one another creates an environment where everyone goes home safely at the end of the day.



Thalia Hoak
EHS Technician,
CNG Employee-Owner

our people. Alongside this initiative, each facility hosted workshops tailored to the specific equipment their teams operate. These investments strengthen operational controls and help reduce risk for the people working closest to our equipment.

ENSURING PROPER DISPOSAL OF HAZARDOUS WASTE

Our partnerships with Stericycle and Omnia Partners offer our facilities compliant disposal of biohazardous materials and other potentially infectious waste. Through Stericycle's online customer portal, employee-owners can manage disposal requests and access training and compliance resources for hazardous waste handling, OSHA standards, and HIPAA requirements. By leveraging our collective spend through this partnership, we are also realizing a significant value for our operations.

CNG continued its commitment to **Operation Clean Sweep** in 2025, supporting the industry goal of preventing plastic resin loss from operations. The program reinforces our focus on keeping plastic out of the environment, protecting water quality and wildlife, and strengthening safe operating practices.

CASE STUDY: ENVIRONMENTAL GAP ASSESSMENTS

CNG took a big step forward in environmental risk management in 2025, conducting environmental baseline audits of every CNG site with the support of an environmental consultant partner. The baseline risk analysis considered air quality, wastewater, and stormwater permitting and programs, along with drinking water, hazardous waste, and radiation protection. We continue to address the site assessments, ensuring that our future strategy, permitting, and planning is grounded in the audit findings. We are constantly focused on becoming a safer, more efficient, and operationally mindful organization.



Governance & Integrity

OPERATING WITH ACCOUNTABILITY



Sound governance supports our growth and drive to innovate for the future. Through responsive leadership, operational governance, risk management, sustainable procurement, and ethical guidance, our people are empowered to make decisions that matter. In delivering against our performance goals and sustainability initiatives, we continue to review our governance practices and approach, supporting our people as they develop solutions and manage change in real time.

We understand that trust, across all our internal and external stakeholders, is earned through clear communication, transparency, and measurable action, from senior leadership to all of CNG's employee-owners.

CNG's Board of Directors' Sustainability Committee advises executive leadership on key sustainability topics, including decarbonization, regulatory developments, circularity, and sustainable product innovation, and also reviews the annual Impact Report. The Senior Vice President of Technical, Sustainability, & Innovation is responsible for updating the Sustainability Committee at least four times per year.

Across production operations, we unified our leadership structure to make operations faster and more consistent across our sites and production lines. We are standardizing processes, strengthening collaboration across sites, and aligning operations around our key portfolio segments.

The goal is to give teams closer to the work clearer accountability, stronger support, and better tools to make decisions. These new leadership roles now provide direct strategic oversight across our sites, reporting directly to the Executive Vice President of Operations. Decisions are now made more effectively and happen closer to where the work is done.

CNG's Technical, Sustainability, and Innovation organization has evolved to support shifts in operational governance. Our Technical team is now aligned with the key end markets of Food, Consumer Goods, Industrial, and Healthcare teams, strengthening collaboration with Marketing and Commercial. This structure supports joint ownership of growth plans and collaborative account strategies and provides a direct line into Operations to support our sites. New technical leadership roles help deepen expertise in specific technology and regulatory areas, along with a dedicated innovation team to manage our stage-gate process and evaluate emerging technologies.

CRAIN'S CHICAGO BUSINESS 2025

NOTABLE LEADERS IN SUSTAINABILITY

In 2025, Chairman and CEO Kathy Bolhous was recognized by Crain's Chicago Business as a **Notable Leader in Sustainability**. The recognition highlighted CNG's work across employee ownership, waste reduction, sustainable materials innovation, and community engagement.

CNG'S LEADERSHIP: MEET THE TEAM MANAGING THE FUTURE



Kathy Bolhous
Chairman and CEO



Dan Niss
President



Todd Herndon
Chief Financial Officer



Greg Jorgenson
Chief Accounting Officer



Mike Manke
Chief Information Officer



Eric Smith
Chief Procurement Officer



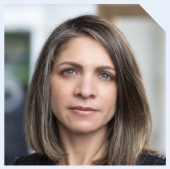
Brandon Hall
Executive Vice President of Operations



Glenn Harsh
Senior Vice President of Sales



John Garnett
Senior Vice President of Technical, Sustainability, & Innovation



Polly Baur
Senior Vice President of Marketing, Strategy, and Pricing



William Dowling
Vice President and General Counsel



Lauren Sliwka
Vice President of Human Resources

RISK MANAGEMENT

Risk management helps protect our people, operations, and ability to create long-term value. Our enterprise approach considers a broad range of risks, including weather, climate, cybersecurity, and operational resilience. In 2025, we conducted severe weather risk assessments across all facilities, enabling us to identify vulnerabilities and prioritize mitigation strategies. Our work highlighted several CNG sites located in areas with elevated risk for extreme weather. We are incorporating these insights into our enterprise risk framework and will integrate them into business continuity planning in 2026. Across CNG, we are implementing measures to ensure greater resilience for our people and operations.

In 2025, CNG partnered with Factory Mutual Insurance Company (FM) as our property insurance carrier across the portfolio, with a focus on strengthening site-level risk management. A core element of this relationship is an on-site engineering review of our operations, facilities, and equipment. After the program began in July 2025, CNG completed 19 risk-reduction recommendations across eight facilities by year-end, including both physical property-protection upgrades and human-element improvements strengthening day-to-day risk controls. FM's engineering insights are helping inform continued risk-reduction priorities across our sites in 2026 and beyond.

We're intentionally focused on mitigating risk to our business across many areas, including understanding extreme weather impacts, completing insurance risk assessments, and mitigating cybersecurity risks. These activities provide increased business resilience for both CNG and our customers.



2025 marked an important step forward in CNG's cybersecurity and data-management capabilities. During the year, we aligned our security program with the NIST Cybersecurity Framework (CSF), providing a clearer view of our security posture across the full data lifecycle. We also strengthened identity and access management, expanded single sign-on and multi-factor authentication, and improved user lifecycle controls.

Our IT team refreshed CNG's Incident Response Plan and strengthened controls across critical systems, including access reviews, segregation of duties, change management, and vendor oversight.

Cybersecurity remains an ongoing priority as we monitor emerging risks and adapt our controls alongside new technologies. The Board's Audit Committee provides oversight of CNG's cybersecurity strategy, including annual reviews of IT security initiatives, systemic risks, and platform updates.

SUSTAINABLE PROCUREMENT

Our supply chain is complex, and our Supplier Code of Conduct establishes clear expectations for responsible and ethical business practices.

CNG first published a **Supplier Code of Conduct** in 2021. In 2025, we introduced an expanded Code reflecting evolving expectations related to ethics, human rights, data protection, cybersecurity, and responsible supplier practices. Developed collaboratively by our Legal, Procurement, and Sustainability teams, the updated Code went live in 2025.

This updated Code strengthens expectations around ethical business practices, human rights, fair labor practices, information security, and data protection. Suppliers are asked to acknowledge the Code, reinforcing shared expectations and accountability.

In 2025, we formalized a Sustainable Procurement Policy that gives our procurement team a clear, shared framework for how we identify, qualify, and engage with suppliers in a way that reflects our sustainability commitments.

The policy is now embedded in annual training for Procurement employees, including education on CNG's Scope 1, Scope 2, and Scope 3 emissions and the significant role our supply chain plays in our emissions profile. This is a powerful reminder of how our commitment to sustainable procurement impacts our science-based target goals. The suppliers we choose and how we engage them are some of the most important levers we have to meet our commitments.

In 2025, 100% of our procurement function completed the training. Procurement leadership meets annually to review and update the training content before it is redistributed through our online training platform. For the Procurement team, this training empowers our team to do their jobs well and represent CNG fully in every supplier relationship.

EMPLOYEE VOICE

"Earning my Certified Professional in Supplier Diversity (CPSD) certification reflects my personal and professional commitment to championing inclusivity in procurement. As a procurement professional and a father of four daughters, I see firsthand the importance of ensuring all voices are heard and represented. A strong, diverse supply base isn't just good practice; it's essential to fairness, innovation, and reflecting the communities where we live and serve. This certification reinforces my belief that continuous learning matters, no matter where you are in your career."



Tony Bachmann
CNG Procurement Manager, CNG Employee-Owner

OWNING OUR IMPACT: SHAPING SUSTAINABLE PROCUREMENT FOR THE FUTURE

Our Procurement team considers sustainability alongside quality, cost, reliability, and performance when making purchasing decisions. We work closely with suppliers to understand their capabilities, identify opportunities for greater efficiency, and incorporate responsible sourcing practices into our supply chain. This includes evaluating materials, supplier practices, and opportunities to reduce waste and resource use while maintaining the performance our customers expect.

These decisions have a direct impact on how we operate and create value. By bringing sustainability into everyday purchasing decisions, Procurement helps CNG strengthen supplier relationships, manage risk, and build a more resilient supply chain for the long term.



Eric Smith
Chief Procurement Officer, CNG Employee-Owner

Our Supplier Diversity Program received a meaningful update at the end of 2025, moving from a foundational policy to a program with a clear roadmap and real accountability structure. In collaboration with Accounts Payable and Marketing, CNG established 13 diversity classifications aligned with customer and industry standards, including both third-party certifications and validated self-certification options. A supplier's diversity profile is captured during supplier onboarding and requires annual auditing for renewal.

The program is also covered in our Sustainable Procurement training, so our Procurement team understands why diverse supplier engagement is good for our communities, our customers, and our business. Program details are available to our customer base, which matters because supplier diversity is increasingly something our customers track in their own supply-chain assessments. This is one more way we are being intentionally responsive to customers' social and governance objectives.

ETHICS

Our approach is anchored in transparency, shared understanding of sustainable and ethical business practices, and proactive alignment with customer goals. In 2025, we responded to a customer need by completing Sedex Members Ethical Trade Audit (SMETA) assessments across three of our production sites. SMETA is a globally recognized social auditing methodology that evaluates labor standards, health and safety, environmental performance, and business ethics. This work provides a comprehensive, third-party-verified view of a site's production and operational practices. These audits support responsible sourcing expectations and provide customers with credible, standardized information to support supply-chain and sustainability decisions. When people have a safe, anonymous way to speak up, they do. Our first full year with the *EthicsPoint* Ethics Reporting Hotline reinforced the importance of providing employees with a trusted, confidential way to raise concerns. Every report was reviewed and triaged within one business day, with a median closure time of 14 days. The hotline supports reporting across a range of concerns, including harassment, discrimination, safety, fraud, conflicts of interest, and potential Code of Conduct violations. Together with a formal Conflict of Interest disclosure process, these efforts strengthen transparency, accountability, and employees' voices.

Our approach is anchored in transparency, shared understanding of sustainable and ethical business practices, and proactive alignment with customer goals.

OWNING OUR IMPACT:
ACCOUNTABILITY AND INTEGRITY AS FOUNDATION

Ownership only means something if people can see and feel what they own. This is why our executive leadership team is transparent about how the business is performing, the goals we are all working toward, and the strategies we're deploying to achieve them. When you understand the mission, how it's unfolding, and how it directly impacts you, the results become personal.

Governance works the same way. Strong governance isn't a layer we add on top of the business to constrain it; it's the foundation that keeps it honest. It is the assurance that the company will hold itself to the same standards it asks of its people. When the rules are transparent and the outcomes are consistent, accountability feels like the natural extension of being an owner.



Jake DeArvil
Assistant General Counsel, CNG Employee-Owner

Looking Ahead



The opportunities ahead of CNG demand bold thinking, disciplined execution, and a willingness to challenge what is possible. **We are ready.**

Our future is about applying material science in increasingly valuable ways. CNG is more than a packaging company. At our core, we are a material science company, engineering high-performance films that deliver the functionality our customers depend on, from barrier protection and sealability to strength, durability, processability, and circularity.

By combining deep technical expertise with manufacturing know-how, we solve complex challenges by developing high-performing films with sustainable characteristics, such as those with recycled content and designed for recyclability. As customer needs evolve, we will continue developing smarter, more sustainable solutions that improve performance, use resources more efficiently, and support more circular solutions.

Realizing that opportunity will require continued investment in technology, strategic partnerships, and innovation across our material science platform. From everyday consumer applications to increasingly complex, high-performance uses, our employee-owners are applying their expertise in new ways and helping shape the next generation of material solutions.

We will continue helping customers improve resource efficiency, increase recycled content, enhance performance, and navigate changing technical and regulatory requirements. Just as importantly, we will continue investing in the people, capabilities, and systems that make that progress possible.

That is why this report begins and ends with our people. Across CNG, employee-owners are solving problems, taking initiative, and turning expertise into impact every day. We have made meaningful progress, and there is more work ahead.

Our employee-owners have shown what ownership looks like in practice: taking responsibility, pursuing opportunities others may not see, and building for the long term. Together, we are creating a stronger material science company grounded in purpose, performance, and possibility.

The path ahead is full of possibility, and together, we own what comes next.

Appendix

EXTERNAL RATINGS & RECOGNITION

Rating	2025 Result	Note
EcoVadis 	• Bronze medal • 95% Environment score (top 1% of peers) • Sustainable Procurement score 62 (up from 53) • Overall score 70 (up from 69)	Our 2025 rating changed from Silver to Bronze despite a higher total score, highlighting the rising sustainability commitment across industry
CDP Supplier Engagement 	"A" Rating	Recognizes supply-chain climate-action leadership
CDP (Overall corporate submission)	• Climate score increased from "D" to "B" • Water score increased from "C" to "B-"	Informational gaps in 2024 impacted scoring; Watershed partnership helped close them in 2025; Due to CNG's private reporting status of CDP, the maximum score available is B

ECOVADIS PERFORMANCE OVERVIEW

ecovadis — Sustainability Performance Overview - EcoVadis Rating Details

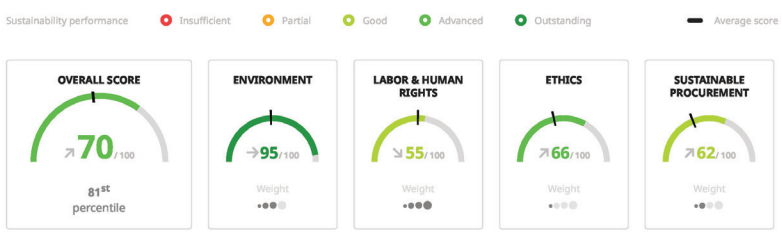
CHARTER NEXT GENERATION INC

Milton -United States of America | Manufacture of plastics products
Publication date:20 Feb 2026
Valid until:20 Feb 2027

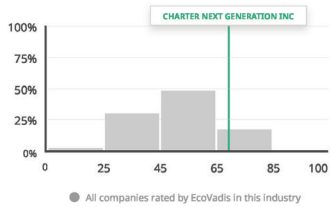
BRONZE | Top 35% — ecovadis Sustainability Rating FEB 2026 — **70**/100 — 81st percentile

SUSTAINABILITY PERFORMANCE OVERVIEW

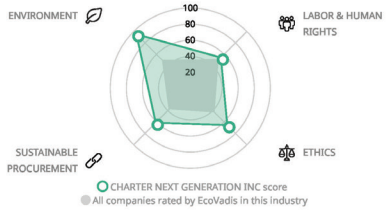
Score breakdown



Overall score distribution



Theme score comparison



*You are receiving this score/medal based on the disclosed information and news resources available to EcoVadis at the time of assessment. Should any information or circumstances change materially during the period of the scorecard/medal validity, EcoVadis reserves the right to place the business' scorecard/medal on hold and, if considered appropriate, to re-assess and possibly issue a revised scorecard/medal.

Document generated:23 February 2026

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ecovadis — Sustainability Performance Overview - EcoVadis Rating Details

HIGHLIGHTS

Overall score
CHARTER NEXT GENERATION INC is in the top **10%** of companies rated by EcoVadis in the Manufacture of plastics products industry.

Environment
CHARTER NEXT GENERATION INC is in the top **1%** of companies rated by EcoVadis in the Manufacture of plastics products industry.

Sustainable Procurement
CHARTER NEXT GENERATION INC is in the top **11%** of companies rated by EcoVadis in the Manufacture of plastics products industry.

Ethics
CHARTER NEXT GENERATION INC is in the top **13%** of companies rated by EcoVadis in the Manufacture of plastics products industry.

ecovadis — **Carbon Scorecard**

CHARTER NEXT GENERATION INC

Milton -United States of America | Manufacture of plastics products

Publication date:20 Feb 2026 Valid until:**20 Feb 2027**

Carbon Management Level



Result:
Company with a strong GHG management system and best-in-class decarbonization commitments, actions and reporting capabilities.

Insufficient | Beginner | Intermediate | Advanced | Leader

Document generated:23 February 2026

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THIRD-PARTY ASSURANCE

Limited Assurance for GHG (DEKRA)



Business Assurance Services

DEKRA

CERTIFICATE

CORPORATE CARBON FOOTPRINT

DEKRA Certification, Inc., as an independent third-party verification body, has verified the following company's corporate carbon footprint for the period January 1, 2025 to December 31, 2025, to a limited level of assurance, in accordance with ISO 14064-3:

Charter Next Generation
300 N. LaSalle Drive Suite 1575
Chicago, IL 60654

In alignment with the requirements of the Greenhouse Gas Protocol, the verified corporate carbon footprint is presented as follows:

	Market	Location	
– Scope 1:	10,705	10,705	Metric Tons of CO_2e
– Scope 2:	85,516	155,247	Metric Tons of CO_2e
– Scope 3*:	2,023,169	2,023,169	Metric Tons of CO_2e
Total GHG Emissions	**2,119,390**	**2,189,121**	**Metric Tons of CO_2e**

The following data were verified by DEKRA Certification, Inc.:

- Sample verification of the data basis
- Calculation of greenhouse gas emissions

Further details can be found in the verification report.

06/22/2026

Certificate-ID: 10051

DEKRA Certification, Inc.
Arka Pandit – Sr. Project Manager Sustainability

DEKRA Certification, Inc.
David Jonas – Vice President Sustainability

* Scope 3 encompasses emissions from the following source(s): purchased goods and services, capital goods, fuel and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting, downstream transportation and distribution, processing of sold products and end-of-life treatment of sold products.

DEKRA Certification, Inc. – 1945 Exchange S.E. Suite 300 – Atlanta, Georgia – U S A

TCFD CONTENT INDEX

Transparent corporate climate reporting remains a key priority for CNG. We continue to align our impact reporting with the framework originally developed by the Task Force on Climate-related Financial Disclosures (TCFD). The TCFD has been fully integrated into the International Sustainability Standards Board (ISSB), under the governance of the International Financial Reporting Standards (IFRS) Foundation. The IFRS Foundation continues to endorse the TCFD recommendations as a practical starting point for companies preparing disclosures.

The table below outlines the actions CNG has taken in response to the 11 recommended TCFD disclosures. Looking ahead and informed by ongoing dialogue with our investors and stakeholders, CNG plans to explore opportunities to strengthen our climate-related disclosures as part of our broader sustainability and financial reporting strategy.

TCFD Reference	Disclosure Description	Unit	Disclosure
GOVERNANCE	Describe the board's oversight of climate-related risks and opportunities.		The Sustainability Committee of Charter Next Generation's board of directors maintains overall ownership for the organization's climate risk management. The committee meets at least quarterly to receive updates from the Senior Vice President of Technical, Sustainability, and Innovation. The Sustainability Committee has two members with executive sustainability leadership experience. During meetings, the Sustainability Committee reviews sustainability-focused business strategy and growth, progress on sustainability targets, climate-related risks and opportunities, and status of sustainability-related regulatory trends.
	Describe management's role in assessing and managing climate-related risks and opportunities.		The Sustainability Committee within the board receives updates at least quarterly from the management team. The Senior Vice President of Technical, Sustainability, and Innovation and the Director Sustainability and Regulatory own the identification, scoping, and escalation of climate-related risks and opportunities to the Executive Leadership Team and Sustainability Committee. Climate risks and opportunities are identified and scoped by the sustainability leadership in collaboration with legal (e.g., regulatory impacts), product strategy (e.g., market dynamics), procurement (e.g., supply-chain risk), facilities management (severe weather impacts to facilities), and finance leadership. After presentation to the Executive Leadership Team, appropriate climate-related risks and opportunities are advanced to the Sustainability Committee and Board of Directors.
STRATEGY	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.		Climate-related risks and opportunities are assessed in two time horizons: 2030 and 2050. The process includes assessment of acute physical, chronic physical, policy, market, and technology risks. Scientific evidence has identified changes occurring to weather patterns, including rising temperatures and increased extreme weather. As a result, physical risks identified include acute risks such as the potential impact of increased flooding, tornadoes, hurricanes, and extreme winds, which increase weather-related facility risk in Charter Next Generation's manufacturing network. While the relative occurrence of an event is unlikely, risk was identified over the long term based on physical site risk assessments. An identified chronic physical risk includes increasing mean temperatures, which are expected to increase electricity usage and operating costs in the long term. Transition risks identified for all time horizons include changes to the regulatory environment and overall customer behavior changes within the flexible packaging industry, which may result in increased demand for products containing recycled content and designed for recyclability.

TCFD Reference	Disclosure Description	Unit	Disclosure
STRATEGY	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.		As physical risks, such as increasing mean temperatures, may lead to increased electricity usage and utility costs, Charter Next Generation is actively working on energy efficiency initiatives to reduce operational usage of energy, as well as green power initiatives to decarbonize purchased energy. In addition, transition risks such as market shifts are being addressed by company investments in innovation and R&D for product strategy. Sustainability-focused products, such as those with post-consumer recycled (PCR) content and/or designed for recyclability, are increasingly in demand.
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.		Resilience was reviewed under various temperature-increase scenarios (less than 1.5°C, 1.6-1.9°C, and 2.0-2.4°C). In the low temperature increase scenarios, physical events such as hurricanes, tornadoes, and floods increase over pre-industrial levels, resulting in a slightly increased risk of production disruption. Markets are also expected to shift more significantly to sustainable packaging solutions as a result of increased regulation and changes in customer behavior. These shifts create an opportunity for more significant growth in Charter Next Generation's sustainability-minded product lines such as those designed for recyclability or containing recycled content. Overall, these lower temperature increase scenarios align with Charter Next Generation's net-zero commitment, and we feel our strategy is resilient in this scenario. In a high temperature increase scenario (2.0-2.4°C), physical weather events increase significantly, resulting in a higher risk of production and facility disruptions. Facility disruptions are high-impact events; thus, production redundancy plans have been put in place, and business disruption insurance has been evaluated to ensure resilience.
RISK MANAGEMENT	Describe the organization's processes for identifying and assessing climate-related risks.		Charter Next Generation has completed a climate-related risk assessment including physical risks such as flooding (fluvial), extreme wind, extreme cold, and rising mean temperatures. Individual analyses of the potential physical risks associated with each manufacturing site were completed, as well as business continuity and insurance planning assessments. Transition risks assessed included regulatory risks, changing customer behavior, and costs to transition to lower-emission technology. Both qualitative and quantitative risk assessments were completed in cross-functional partnership among sustainability, finance, facilities, procurement/supply chain, and product strategy. Representative Concentration Pathway (RCP) 2.6 and 6 were used along with SSP1 and SSP2. An additional climate scenario was used for warming below 1.5°C.
	Describe the organization's processes for managing climate-related risks.		Charter Next Generation develops product strategies based on insights gained from climate-related risk assessments. In addition, physical risk assessments are being completed for all facilities, with plans to identify needed facilities improvements, as well as business continuity plans for facilities located in areas with higher extreme wind, tornado, or flooding risks. The board's Sustainability Committee guides and supports the management team by reviewing, advising, and approving plans to mitigate climate-related risks. Charter Next Generation has implemented a crisis management team to respond to physical climate-related risks including flooding, extreme wind, extreme cold, and rising mean temperatures to reduce the severity of disruptions such risks might inflict on the company.

TCFD Reference	Disclosure Description	Unit	Disclosure
RISK MANAGEMENT	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.		Charter Next Generation's Sustainability and Executive Leadership is responsible for assessing and ensuring appropriate mitigation of all company risks, with guidance from the board's Sustainability Committee. Climate-related risk assessments are reviewed and updated annually. Sustainability and legal are responsible for partnering with Executive Leadership to address all identified risks. The most significant climate-related risks (physical and transitional) and mitigation strategies are presented to the board of directors by management. These significant climate-related risks are incorporated by the board into their overall risk mitigation plans for the enterprise.
METRICS & TARGETS	Disclose the metrics used by your organization to assess climate-related risks and opportunities in line with its strategy and risk management process.		Charter Next Generation has approved near-term and long-term greenhouse gas reduction targets through the Science Based Targets initiative (SBTi). Based on a 2021 baseline year, we commit to reducing absolute Scope 1 and 2 GHG emissions 42% by 2030 and Scope 3 GHG emissions by 51.6% per kg of film produced within the same timeframe. Our approved long-term commitment is to reduce absolute Scope 1 and 2 GHG emissions 90% by 2050 from a 2021 baseline and reduce Scope 3 GHG emissions 97% per kg of film produced within the same timeframe. We track progress annually through calculation of a comprehensive greenhouse gas footprint, which undergoes limited assurance verification. We publish progress to stakeholders in our annual Impact Report.
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	tCO_2e	**Scope 1 greenhouse gas (GHG) emissions (market):** 10,705 tCO_2e **Scope 2 GHG emissions (market):** 85,516 tCO_2e **Scope 3 GHG emissions (market):** 2,023,169 tCO_2e
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	%	**Scope 1 and 2 Target:** Reduce 42% by 2030 (from a 2021 baseline). As of 2025, we have reduced 35.3%. **Scope 3 Target:** Reduce 51.6% per kg film produced (from a 2021 baseline). As of 2025, we have increased 16.8% over the baseline. Due to a restatement of emission factors by our raw material suppliers, our 2025 Scope 3 emissions have increased. The restatements were a result of methodology changes by our suppliers in how they calculate emissions factors. These methodology changes will be included in a revised 2021 baseline, which will be completed in 2026. While our Scope 3 emissions intensity has increased compared to the baseline year, our work to reduce raw material emissions footprints continues as we aim to achieve our 2030 goals.

UNITED NATIONS GLOBAL COMPACT – COMMUNICATION ON PROGRESS

Charter Next Generation (CNG) has been a signatory to the United Nations Global Compact (UNGC) since 2019. Our 2026 Communication on Progress, indicating our activities and management systems in support of the UNGC principles, can be reviewed here: https://unglobalcompact.org/what-is-gc/participants/136534-Charter-Next-Generation.

PERFORMANCE DATA

Metric	2024	2025
GREENHOUSE GAS EMISSIONS (METRIC TONS CO_2e)		
Scope 1 & 2 (market-based)	125,484	96,221
Scope 1 (market-based)	8,109	10,705
Scope 2 (market-based)	117,375	85,516
Scope 2 (location-based)	164,505	155,247
Scope 3 (market-based)	1,802,602	2,023,169
Total GHG (market-based)	1,928,086	2,119,390
Total GHG (location-based)	1,975,216	2,189,121
ENERGY		
Total Energy Consumption	421,079 MWh	455,411 MWh
Non-Renewable Sources	302,079 MWh	267,411 MWh
Renewable Energy Certificates Purchased (Green-e® certified)	119,000 MWh	188,000 MWh
Renewable Electricity (%)	33%	49%
WATER		
Total Water Withdrawals (Direct Operations)	100,002 m^3	117,822 m^3
Indirect Water Use from Purchased Power	15,425,000* m^3	17,704,270 m^3
Total Water Withdrawals in High-Risk Water Areas**	*Baseline established in 2025*	62,113 m^3
Water Withdrawals in Areas with Water Stress (% of Total Water Withdrawals)	*Baseline established in 2025*	53%

*Estimate based on 2025 electricity use. **CNG uses the World Resources Institute Aqueduct Water Risk Atlas to identify sites in areas with high or extremely high baseline water stress.

Metric	2024	2025
WASTE		
Outbound waste diverted from landfill	8.1 million lbs. (29% increase over 2023)	23.6 million lbs. (190%* increase over 2024)
Landfill diversion rate	94.2%	96.5%
Number of plants with implemented Zero Waste to Landfill initiatives	11	14
Earth Week litter collected	76,184 pieces	89,991 pieces (confirmed), 300+ employee-owners participated
Total Waste Streams	**Landfill:** 7,100,000 lbs. **Recycling - Reused in Production:** 107,800,000 lbs. **Recycling - Outbound Waste:** 5,800,000 lbs. **Waste-to-Energy**:** 2,300,000 lbs. **Landfill Diversion Rate:** 94.2%	**Landfill:** 4,900,000 lbs. **Recycling - Reused in Production:** 110,800,000 lbs. **Recycling - Outbound Waste:** 20,600,000 lbs. **Waste-to-Energy**:** 3,000,000 lbs. **Landfill Diversion Rate:** 96.5%
SAFETY		
TRIR	1.40	1.22
Fatalities	0	0
Detect A Safety Hazard (D.A.S.H.) reports submitted	1,615 (2024 Summer D.A.S.H. Challenge only, not full year)	~9,000 (full year, enterprise-wide)
Detect A Safety Hazard (D.A.S.H.) reports addressed/closed	1,208 (2024 challenge only)	~80% of ~9,000
WORKFORCE		
Employee engagement percentile	86th	90th
Mid-level managers and above — gender split	Male 78% / Female 22%	Male 71% / Female 29%
Total employee-owners/headcount	2,311 Full-Time, 14 Part-Time, and 0 Temporary Employees	2,636 Full-Time, 10 Part-Time, and 0 Temporary Employees
Total employees — gender split	Male 81% / Female 18% / Undisclosed 1%	Male 80% / Female 18% / Undisclosed 2%

*Increase in waste diverted from landfill partial attributed to new acquisitions and improved waste stream reporting. **Counted as diversion from landfill; not counted as recycling.

GRI INDEX

Charter Next Generation has reported the information cited in this GRI content index for the period 2025 with reference to the below GRI Standards.

Section	Disclosure	Location	Disclosure Notes
2-1	Organizational Details		CNG is owned by its employee-owners and private equity partners and operates in the United States. CNG's markets include industrial, medical, food, and consumer products. We work with our global supply-chain partners, converters, brands, and retailers to bring products to market. In 2025, CNG continues to be headquartered in Chicago, Illinois.
2-3	Reporting period, frequency and contact point	pg.6	For more information on our reporting, please be in touch at media@cnginc.com.
2-4	Restatements of information		
2-5	External assurance	pgs. 6, 32, 46	
2-6	Activities, value chain, and other business relationships	pgs. 3-4, 7-17, 27-32, 34-37	
2-7	Employees	pgs. 21, 51	
2-12	Role of the highest governance body in overseeing the management of impacts	pgs. 3-4, 38-42	
2-13	Delegation of responsibility for managing impacts	pgs. 38-39	
2-14	Role of the highest governance body in sustainability reporting	pg. 38	
2-22	Statement on sustainable development strategy	pgs. 3-4, 7	

Section	Disclosure	Location	Disclosure Notes
2-23	Policy commitments	pgs. 40-42	
2-24	Embedding policy commitments	pgs. 31, 34, 37-42	
2-25	Processes to remediate negative impacts	pgs. 35-36, 40-42	
2-28	Membership associations	pgs. 56-57	
2-29	Approach to stakeholder engagement	pgs. 16, 23, 25, 31, 41-42	
3-1	Process to determine material topics	pg. 7	
3-2	List of material topics	pgs. 5-7	
3-3	Management of material topics	pgs. 7-37	
102-1	Transition plan for climate change mitigation	pgs. 27-31	
102-4	GHG emissions reduction targets and progress	pgs. 27-31	
102-5	Scope 1 GHG emissions	pgs. 28, 46, 49-50	
102-6	Scope 2 GHG emissions	pgs. 28, 46, 49-50	
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Section	Disclosure	Location	Disclosure Notes
103-1	Energy policies and commitments	pgs. 28-29, 50	
302-1	Energy consumption within the organization	pgs. 28-29, 50	
303-1	Interactions with water as a shared resource	pgs. 31-32, 50	
303-3	Water Withdrawal	pgs. 31-32, 50	
306-1	Waste generation and significant waste-related impacts	pgs. 32, 51	
306-2	Management of significant waste-related impacts	pgs. 32, 37	
306-4	Waste diverted from disposal	pgs. 32, 51	
306-5	Waste directed to disposal	pgs. 32, 51	
403-1	Occupational health and safety management system	pgs. 34-37	
403-2	Hazard identification, risk assessment, and incident investigation	pgs. 34-37	
403-4	Worker participation, consultation, and communication on occupational health and safety	pgs. 34-37	

Section	Disclosure	Location	Disclosure Notes
403-5	Worker training on occupational health and safety	pg. 34	
404-3	Percentage of employees receiving regular performance and career development reviews	pg. 23	
416-1	Assessment of the health and safety impacts of product and service categories	pgs. 14-17, 34-37	

CNG PARTNERSHIPS FOR IMPACT

CNG collaborates with leading organizations to advance sustainability, improve recyclability, and build a more circular materials economy. Together, we're turning bold ideas into real-world impact.

American Institute for Packaging and the Environment (AMERIPEN)

AMERIPEN is a policy-focused trade association representing the entire U.S. packaging value chain, from material suppliers and packaging producers to brands, retailers, and end-of-life managers. AMERIPEN advocates for science-based, material-neutral policies that support innovation, sustainability, and responsible packaging regulation. CNG supports AMERIPEN's efforts to advance inclusive legislation that enables a more circular and efficient packaging system.

Association of Plastic Recyclers (APR)

The APR is the international trade association driving plastic packaging recyclability and advancing the circular economy. The industry-leading APR Design® Guide for Plastics Recyclability is the global gold standard for designing packaging with end-of-life recovery in mind. Referenced by groups such as the Ellen MacArthur Foundation and the U.S. Plastics Pact and embedded in legislation like California's "Truth in Labeling" law, the guide is a foundational tool for sustainable packaging development.

CNG is an active member of APR, contributing through both the Films Technical and Market Development Committees (MDC). Through the Films Committee, we help improve recyclability standards for flexible packaging, update testing protocols, and expand film-specific guidance in alignment with evolving recycling systems. Through the MDC, we support efforts to grow demand for post-consumer recycled (PCR) content via education, advocacy, and the APR Demand Champions program. We also participate in initiatives focused on materials recovery facility (MRF) optimization, chemical recycling, and PCR certification to strengthen transparency and market confidence.

Biodegradable Products Institute (BPI)

BPI is the leading certifier of compostable products and packaging to ASTM standards in North America. All products that are certified by BPI meet ASTM standards for compostability, are subject to eligibility criteria around the connection to food scraps and yard trimmings, contain no intentionally added PFAS, and must display the BPI Certification Mark. BPI's certification program operates in conjunction with education and advocacy efforts designed to help build policy that supports successful real world systems for organics.

CDP

CDP is a global nonprofit that facilitates CNG's environmental impact disclosure and benchmarking to promote transparency, accountability, and reduction of our environmental footprint. As the founder of environmental reporting, CDP believes in transparency and the power of data to drive change, with the richest and most comprehensive dataset on corporate and state action. Partnering with leaders in enterprise, capital, policy, and science, CDP surfaces the information needed to enable Earth-positive decisions.

Council of the Great Lakes Region (CGLR)

CGLR serves as a platform for government, business, NGOs, and civil society to engage on pressing sustainability challenges, find common ground, and forge solutions for a more sustainable future in the Great Lakes region. As the region undergoes rapid transformation driven by climate change, urban sprawl, rural revitalization, emerging pollution threats, technological innovation, evolving work dynamics, and global competition, these forces are reshaping its people, economy, and environment. CGLR brings stakeholders together, including CNG, to identify, prioritize, and address the most critical risks to our well-being, the health of the Great Lakes, and the strength of our shared economy.

EcoVadis

CNG partners with EcoVadis, a leading global provider of sustainability ratings, to assess and improve our performance across key environmental, social, and governance (ESG) criteria. This third-party evaluation helps us manage ESG risk, enhance compliance, and identify opportunities for stronger sustainable practices across our operations. We also leverage EcoVadis to assess the sustainability performance of our supply chain.

Flexible Film Recycling Alliance (FFRA)

The FFRA represents the end-to-end flexible plastic film value chain, serving as the central forum to promote and improve the flexible film recycling ecosystem. FFRA is committed to driving a circular economy for flexible films by ensuring their effective collection, processing, and reuse.

Flexible Packaging Association (FPA)

FPA is the leading voice and advocate for the dynamic and growing U.S. flexible packaging industry. CNG is included in its membership of innovative manufacturers of flexible packaging as well as material and equipment suppliers serving the industry.

GreenCircle Certified

GreenCircle Certified is an internationally recognized third-party certification entity whose thorough evaluation process provides independent verification that sustainability claims related to an organization's products and operations are honest, valid, and verified. GreenCircle Certified is ISO 17065 compliant, following industry requirements for bodies certifying products, processes, and services. GreenCircle Certified is recognized by the U.S. Federal Government as a recommended Ecolabel for all federal purchasing, by the Association of Plastic Recyclers (APR), and the United States Green Building Council (USGBC) as a valid third-party certification entity. In today's discerning market, third-party certification is a valuable asset in establishing brand integrity and developing consumer confidence.

How2Recycle®

How2Recycle® is a standardized on-package labeling system that provides clear, consistent recycling instructions to consumers across the United States and Canada. By improving consumer understanding and behavior, it enhances recycling outcomes and material recovery. CNG partners with How2Recycle® to pre-qualify film and flexible packaging structures, enabling accurate claims and responsible labeling aligned with recyclability standards.

International Sustainability and Carbon Certification (ISCC)

ISCC is an independent multi-stakeholder initiative and leading certification system supporting sustainable, fully traceable, deforestation-free and climate-friendly supply chains.

ISCC PLUS is the leading sustainability voluntary certification system for the circular economy and bioeconomy, applicable to regions not regulated by EU energy directives.

Science Based Targets initiative (SBTi)

SBTi is a corporate climate-action organization that enables companies and financial institutions worldwide to play their part in combating the climate crisis. They develop standards, tools, and guidance that allow companies to set greenhouse gas (GHG) emissions reduction targets in line with what is needed to keep global heating below catastrophic levels and reach net-zero by 2050 at latest.

TÜV Austria

TÜV Austria offers customized services in the areas of testing, inspection, cybersecurity, data protection, and certification, as well as training and further education. Their services bridge safety, quality, innovation, environmental protection, and entrepreneurial interests to support organizational transformation across industrial, commercial, and handicraft enterprises; health and communal sectors; and scientific and research institutions. TÜV Austria provides OK Compost HOME and OK Compost INDUSTRIAL certifications for compostable products.

United Nations Global Compact (UNGC)

The UNGC is the world's largest corporate sustainability initiative, calling on businesses to align with ten universal principles including human rights, labor, the environment, and anti-corruption. As a signatory since 2019, CNG is committed to embedding these principles into our operations and strategy.



Disclaimer

CNG makes no representation or warranty, express or implied, with respect to the accuracy, reasonableness, or completeness of any of the information contained in this 2025 Impact Report, including, without limitation, information obtained from third parties. Some of the information contained in this report has not been independently verified or assured by CNG or any third party. Unless required by applicable law: (a) CNG does not accept any responsibility for the content of such information and does not guarantee the accuracy, adequacy, or completeness of such information and any other information contained in this 2025 Impact Report; (b) the information contained in this 2025 Impact Report may change at any time without notice; (c) CNG does not have any responsibility to update this 2025 Impact Report to account for any such changes; and (d) CNG does not have any responsibility to produce additional or modified sustainability reports, including, without limitation, to provide corrections, updates, restatements, or modifications to this 2025 Impact Report. This report includes forward-looking statements (e.g., targets for 2025/2030/2050) that are subject to risks, uncertainties, and assumptions; actual results may differ.

CNG
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NEXT GENERATION

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PURPOSE

ENHANCING LIVES

for a Better World

VISION

The world's leading provider of sustainable solutions to create a better world

MISSION

We deliver best-in-class material science solutions to accelerate our customers' business growth

VALUES

Committed, Collaborative, Caring, Courageous, Curious, Competitive

Bloomer, WI ▪ Blythewood, SC ▪ Chicago, IL (HQ) ▪ Delaware, OH ▪ Green Bay, WI ▪ Lexington, OH ▪ Massillon, OH ▪ Milton, WI
Ontario, OH ▪ Rhinelander, WI ▪ Superior, WI ▪ Turners Falls, MA