

THE TOTAL PACKAGE

CONNECTING THE MAUSER PACKAGING SOLUTIONS FAMILY

SETTING OUR PRIORITIES FOR THE FUTURE

MARK BURGESS, PRESIDENT & CEO
MAUSER PACKAGING SOLUTIONS

2020 EDITION 3

I recently finished reading a book called "Endurance", the story of explorer Sir Ernest Shackleton. The book details the "failed" voyage and struggle of the ship's crew after their vessel was overcome and crushed by ice floes in the Weddell Sea leaving all aboard stranded on the pack ice.

The crew was left to redefine their survival approach as they camped on sea ice until it melted. They built and deployed small lifeboats which enabled them to reach Elephant Island. Once stranded on land, the crew constructed one durable but small lifeboat capable of sailing only a handful of crew members. While a handful of crew sailed in search of safety, the remaining crew was left behind in challenging subzero temperatures and desolate conditions. After a long and bleak three months, Shackleton was able to rescue the remaining crew members left behind. In total, the crew survived more than seven months in isolation since the sinking of the original ship (*Endurance*).



The resourcefulness the crew exhibited in pursuit of food (hunting penguins, seals and albatross) and building shelter out of the destroyed and partially sunken ship while remaining positive in outrageously difficult sub-arctic conditions (100 mile per hour winds, in wet conditions), was fascinating and a real testament to strong **leadership, commitment**, and the **ability to adapt** to an ever-changing world.

YOU, AND OUR COMPANY, HAVE ENDURED 2020. We have lived through one of the most challenging and trying years that we may encounter in all our lives. We have evolved with changing conditions to address personal and customer needs. We have taken steps to do things differently and adapted when needed. As a company, we have secured some wonderful wins; we have developed some very interesting new products and we have learned how to successfully run our plants and grow our footprint without support from external resources.

As essential workers, we have endured and continued to focus on the importance of collaboration even as in person interaction was restricted. We have stood on the frontlines and have strictly adhered to guidelines, practiced social distancing and exercised additional hygiene precautions to continue delivering quality packaging to the industries fighting COVID-19 and providing essential goods to consumers. I hope that during this unprecedented time, you have learned things about yourself, and our company, that you didn't imagine existed. I hope that you feel good about our accomplishments. It's by leveraging these accomplishments that we can learn and do things better in 2021.

2021 will bring new challenges but I know we will continue to endure as we make our company and ourselves stronger. Thanks for all you do at Mauser Packaging Solutions. I wish you and your families a happy and SAFE holiday season.

WHAT'S INSIDE

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INNOVATION

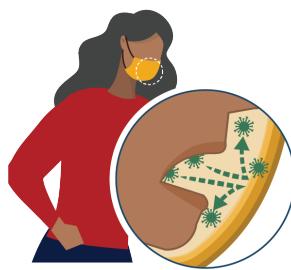
Expanding on our ability to serve customers

PROTECT YOURSELF AND OTHERS

LIVING, WORKING AND COVID-19

FOLLOW EVERYDAY HEALTH HABITS

- Stay at least 6 feet away from others
- Avoid contact with people who are sick
- Wash your hands often, with soap and water, for at least 20 seconds each time
- Use hand sanitizer if soap and water are not available



WEAR A FACE COVERING

- Wear a face covering to help protect others in case you have COVID but are asymptomatic
- Keep the covering on your face anytime you are in public
- Don't put the covering around your neck or up on your forehead
- Don't touch the covering, and, if you do, clean your hands

WEAR YOUR FACE COVERING CORRECTLY

- Wash your hands before putting on your facial covering
- Put it over your nose and mouth and secure it under your chin
- Try to fit it snugly against the sides of your face
- Make sure you can breathe easily
- Do not place a facial covering on a child younger than 2 years old



SAFETY 2021 ELEVATE YOUR STANDARDS

Focusing on safety is critical for our company, for you, for each other.

Safety is more than a priority at Mauser Packaging Solutions – it is a core value and an integral part of our culture. Protecting the safety and health of our workforce is at the foundation of what we do.

To aid in fulfilling this responsibility, Mauser Packaging Solutions will be holding two Global Safety Stand Downs in 2021.

All employees have the responsibility to work safely. "Elevate Your Standards", our stand down theme for 2021, reflects Mauser Packaging Solutions' commitment to making every effort to provide a safe and healthy environment for all those who work for and with our company.

JANUARY 2021

Global Safety Stand Down

MAY 2021

Facility Focused Activities and Training

VIRGIN PULSE: WELLNESS PROGRAM

Mauser Packaging Solutions is continuing its focus on the health and well-being of our employees with our wellness program, Virgin Pulse. The program encourages participants to become, or stay, engaged in their own health. Virgin Pulse is completely voluntary and confidential and is available to employees who enroll in the Mauser Packaging Solutions medical plan. Through the plan, eligible employees may earn points, which equate to HSA dollars, by participating in wellness activities from January 1 through November 30.



GET STARTED

Start by making a commitment to healthier living by signing up for Virgin Pulse on or after January 1. Join at join.virginpulse.com/mauser or by downloading the mobile app for IOS or Android.

*Program available only for Mauser Packaging Solutions employees eligible for North American benefits.



GROWTH IN 2020

INCREASING OUR FOOTPRINT AND DRIVING IMPROVEMENT

INDUSTRIAL SOLUTIONS HUTCHINS, TEXAS

Our Industrial Solutions facility located in Hutchins, Texas began manufacturing and reconditioning operations in June 2020. When fully operational, the state-of-the-art facility will become home to the Kemp, Texas reconditioning operations and IBC blow molding.

Advantages of the Hutchins facility when compared to the current Kemp facility include:

- ***Increased safety and efficiency***

Manufacturing and reconditioning operations are housed under one roof at the facility. By eliminating employee exposure to the elements, as well as the unfavorable conditions that may occur when reconditioning processes takes place outdoors, employees will no longer need to work on muddy terrain which can be slick causing slips, trips, and falls.

- ***Freight cost savings opportunities***

Centralized operations reduce freight costs by reducing the transportation of bottles between Mauser Packaging Solutions locations.

- ***Improved transportation logistics***

Proximity and convenience to major highways and two major airports provides a competitive advantage for shipping and customer visits.

- ***Implementation of modern technique and technology***

State-of-the-art equipment and automated processes make manufacturing and reconditioning operations at the facility safer for all employees.

The Hutchins location provides a 21st-century manufacturing site for employees and serves as a blueprint for other dual-reconditioning and large packaging facilities supporting the “One Mauser” strategy.



Bottle Insertion Line

SMALL PACKAGING MEMPHIS, TENNESSEE

A new line at the Small Packaging Metals facility in Memphis, Tennessee uses the latest F-style welding and powder application technology to improve manufacturing of F-style gallon cans.

The turnkey line provides a reduction in scrap, increased reliability, and improved versatility by allowing quick changes to product specifications such as height changes, powder application, and nozzle size.

Primary benefits of the line include technology improvements to the welder and powder processes, use of palletizer robotics, and throughput capability for all F-style gallon cans. This line is an example of Mauser Packaging Solutions' focus on continuous improvement.



Slitter and welder followed by powder oven



Paste curing oven for handles and nozzles



Quality testing machine

INDUSTRIAL PACKAGING REIDSVILLE, NORTH CAROLINA

The Reidsville, North Carolina recycling facility launched a new automated material flow and storage system for post-consumer resin (PCR) production. The new automation replicates a system in the South Plainfield, New Jersey recycling facility. The system moves clean grind material from the wash line directly into internal silos, onto the pelletizer, and finally to outside silos for bagging and shipping. Prior to the implementation of the new line, material was moved by forklift between these process stations.



Internal silos

Benefits of this automated system include:

- Improved safety
- Environmental & logistical cost reduction
- Better consistency of output
- More efficient use of facility layout and floor space

As a supplier of PCR to facilities within the Mauser Packaging Solutions network as well as to external customers, the Reidsville facility is improving the PCR supply chain by providing quality PCR efficiently and safely.

MAUSER INTERNATIONAL ERKELENZ, GERMANY

Over the past year, Erkelenz Reconditioning has undergone two projects aimed at expanding IBC re-bottling operations and addressing the growing demand for PCR. Construction of a new hall to house a state-of-the-art IBC wash line and an automated IBC re-bottle line builds on the facility's product and services portfolio and enables the Company to provide sustainable washing services near customers. These improvements reduce logistics costs and carbon dioxide impact by optimizing transport activities in the region.

Investments are also being made to:

- increase PCR production by improving the Erkelenz reground wash lines and compounding line;
- expand the current Tube Center to serve as a logistics hub to support IBC production;
- construct additional buildings to house a new magnified tube line.

Development efforts in Erkelenz, Germany, lay the groundwork for embracing resource-friendly and responsible production.

"Although we are all facing a difficult time due to COVID-19, I am happy to see successful progress for our projects in Erkelenz."

*- Alexander Zymelka, Project Engineer,
Mauser International*



New IBC wash line



Construction of new tube line center

INNOVATION

EXPANDING ON OUR ABILITY TO SERVE CUSTOMERS

Mauser Packaging Solutions has responded to the needs of our customers in 2020 by developing several new products and announcing enhancements to our existing product lines.

NEW 1-PIECE CONSUMER PACK

Introduced in the second quarter, the 1-Piece Consumer Pack is ideal for use in industries such as home care, candy and confection, pool care, and food products. Whether it's stored under a kitchen sink or on a shelf in the garage, the package's patented design protects tub contents while providing a positive end-user experience.

Product Specifications:

- Patented design
- Material: Polypropylene
- 100% Recyclable, BPA Free
- Size: 8" L x 6" W x 7.875" H
- Pack Count: 840 Nested / 200 filled
- TL: 45,360 nested / 5,400 filled



Large Billboard area for maximum brand impact

Tamper-evident tab for safety and security

Large opening for consumers to grab-and-go

MAUSER PACKAGING SOLUTIONS WINS PACKTHEFUTURE 2020 AWARD FOR INFINITY SERIES IBC

Mauser Packaging Solutions' Infinity Series IBC was recognized as a winner in the Eco Design Category of the PackTheFuture 2020 – Sustainable Plastic Packaging Award. The Infinity Series IBC was the first composite IBC introduced to the market featuring an inner receptacle made of post-consumer resin (PCR).

The PackTheFuture Award is co-sponsored by the French Plastic and Flexible Packaging Association, ELIPSO, and the German Plastics Packaging Association, IK Industrievereinigung Kunststoffverpackungen e.V. The award recognizes the innovation taking place in the European plastic packaging industry to create sustainable plastic packaging solutions. Ten innovative products were recognized across four different categories.

Winners of the Eco Design category were carefully selected based upon the following criteria: use of recycled material, recyclability, source reduction, weight reduction, and ability to maintain or improve product functionality through environmentally-friendly innovation.

Designed with sustainability in mind, the Infinity Series IBC demonstrates the advantages of Mauser Packaging Solutions' unique closed-loop-recycling system and the benefits of cascading reuse and recycling concepts to an industrial packaging product.

The Infinity Series IBC is part of a broader product line which includes multilayer drums, medical waste containers, pails, and lube oil cans made from recycled resin. The Infinity Series product line is the most comprehensive portfolio of industrial packaging made from recycled resin.



Designed to meet future UN performance criteria

Made from more than 70% recycled resin

Reusable and recyclable



We are honored to receive this prestigious award. We remain focused on providing our customers, and the market, with innovative packaging solutions that promote the circular economy, while continuing to meet performance requirements.

*- Michael Steubing,
President, International Packaging*



INNOVATIVE DRUMGUARD® SYSTEM RECEIVES DOW PACKAGING INNOVATION AWARD

The DrumGuard® load securing system, designed in partnership with Strauch GmbH, received Honorable Mention for Advancement in Industrial Distribution Systems in Dow's 32nd Packaging Innovation Awards.

As the first product of its kind, the DrumGuard® provides unmatched cargo protection while drastically reducing single-use plastic waste such as stretch wrap and strapping to secure steel, plastic and fiber drums on pallets.

Inaugurated in 1986, Dow's Packaging Innovation Awards are recognized globally as the leading packaging awards program. Formerly the DuPont Awards, the program honors innovations for technological advancement, sustainability, and enhanced user experience.



The Packaging Innovation Awards

brought to you by



Reduction in waste from single use load securing materials such as shrink wrap

95% faster instillation than conventional load securing methods

Quick and easy to remove upon arrival



DrumGuard has the exceptional ability to meet performance requirements for the safe transportation of goods while promoting the circular economy and reducing our mutual impact on the environment.

- Mark Burgess, President and CEO



FIRST 100% RECYCLED PLASTIC PHARMACEUTICAL WASTE CONTAINER



100% PCR TIGHT-HEAD CONTAINER

Part of our commitment to sustainability is our commitment to reducing our carbon footprint. In the second quarter, we expanded our offering of environmentally-friendly packaging with the UN-rated, tight-head container made from 100% post-consumer resin (PCR).



One truckload of Mauser PCR tight-heads reuses the equivalent of 445,000 disposable water bottles

~60% smaller carbon footprint vs. tight-head containers made with virgin HDPE

Recycled HDPE produced at our own Industrial Solutions facilities gives plastics a new lease on life and reduces industrial waste. This unique closed-loop material stream ensures a consistent, high-quality supply of PCR that gives plastic materials new life, reduces industrial waste, and has a smaller carbon footprint.

The new UN-rated tight-head container is ideal for use in a variety of industries including oil, building products, industrial chemicals, janitorial-sanitation, car care, and paints and coatings. It is currently available in 20L and 5G sizes and meets UN requirements for packaging groups II and III without the need for an outer pack carton.



Daniels Healthcare, a Mauser Packaging Solutions brand, introduced its first pharmaceutical waste container made from 100% recycled plastic in late 2019, early 2020. The new SHARPSGUARD® eco pharma

range combines the highest quality and safety standards with the environmental benefits of using recycled plastic.

The SHARPSGUARD® eco pharma range is designed for the disposal of pharmaceutical waste in its original packaging and is a foundational step in a longer-term plan to reduce single use plastic across all products.

"As the leading provider of sharps and clinical waste containers to the UK healthcare sector, it is our duty to innovate, respond to the needs of our customers and help to create a better future for our planet," said Kevin Cundy, Daniels Healthcare, Head of Sales and Marketing, UK & Ireland.



Quicker manufacturing time results in 284 hours of energy consumption reduction

280 ton reduction of single use plastic within Daniels Healthcare per year

Stackable flat lids and containers for efficient transportation and storage

Lid and base made from 100% recycled plastic

