



Post Consumer Recycled Plastic – Due Diligence

Berry Global continues to aggressively pursue acquisition of Post-Consumer Recycled Plastic (PCR) for use in its operations. PCR is used in products to meet customer demands for PCR containing goods and to meet Berry's public sustainability commitments for increasing the percentage of recycled content throughout its portfolio. This commitment diverts plastic waste from traditional disposal pathways, encourages innovation using recycled content and promotes circularity of plastic materials thereby reutilizing earth's resources.

One of the challenges associated with use of PCR is characterizing its chemical and regulatory profile. PCR feedstocks are variable and have chemical and impurity differences in each batch. The feedstock can contain plastic materials previously used for industrial use (e.g., household cleaning chemicals, generic plastic parts), food packaging containers, plastic overwrap, etc. Recyclers use sortation techniques to remove visible contaminants and limit the variability. Cleaning processes are then used to remove gross contamination and sink-float processes are used to separate plastic types. These processes help to improve consistency of the PCR output, however, even after these processes are run, chemical differences and residual substances are common.

One of Berry's standard processes is the collection of chemical and regulatory information for each raw material used in the manufacture of finished plastic goods. This process requires the raw material supplier to disclose basic chemical information and confirm the compliance status against more than 60 individual global regulations (e.g. 1,4-Dioxane, Bisphenol Derivatives, Endocrine Disruptors, Food Contact Status, Heavy Metals, Palm Derivatives, PFAS, Phthalates, Proposition 65, SVHC). This information is used in a regulatory review and allows Berry to make intentional decisions about the inclusion or rejection of each raw material for use in its portfolio. It is also used to assure that each approved raw material is used only in applications appropriate for the intended end use of the finished good. PCR is subjected to this same regulatory review process. We also collect information about the PCR feedstock sourcing and the process used to make the PCR to help assess the expected variability of the PCR. It is not uncommon for a PCR supplier to have limited information about their PCR due to the variability of their feedstock and this complicates the review process. As needed, Berry may collect several lots of supplied PCR and have it analyzed to supplement the information provided and better characterize the chemical profile and regulatory compliance status of the PCR. When a PCR is approved for use using this supplemental process, the PCR is subjected to confirmation testing at a 3-month interval. If the results are not consistent with the previous testing, PCR use is suspended and further characterization is required. If the results are consistent, the confirmation interval is changed to 6-months and then, if consistent, to annual verification. Berry has a PCR supplier regulatory development program to assist and partner with our suppliers when regulatory information is limited and additional information for approval is required.

Berry is committed to increasing the use of PCR throughout its portfolio of products. We will continue to grow our PCR usage and look to partner with suppliers who can help meet our sustainability and circularity goals.