



## A New Era

2017 Corporate Social Responsibility Report



# Always Advancing to Protect What's Important



"Always advancing means always stretching ourselves, our Company, and our goals, to build the future we want."

> - Tom Salmon, Chairman and CEO of Berry Global Group, Inc.

### Message from Tom Salmon

### A New Era at Berry

In 2017, we celebrated the past 50 years of Berry, but also looked towards the future and a new era for our Company. We created an updated brand for ourselves—one which represents who we are today and who we aspire to be in the future.

As part of our new branding, we created an updated mission for Berry—Always Advancing to Protect What's Important. We believe our new mission allows us to communicate a clear message about our purpose and how we provide solutions for the users of our products.

Another key element of our branding is a new logo. The icon in our logo illustrates our four new values that serve as the cultural cornerstone of Berry—Partnership, Excellence, Growth, and Safety—and, the shape of the values in the icon comes from the cornerstone of the Berry name, reinforcing the importance of our values as the cornerstone of what drives us.

We hope you enjoy this report and the glimpse it offers you about our commitment to Always Advance to Protect What's Important.







# About Our Industry

We are proud to be part of the plastics industry. Through countless applications, plastics touches and enhances everyone's life. Whether it be in healthcare, food storage and service, construction, or transportation—innovation in plastics is creating positive impacts around the globe each and every day.

Our industry actively encourages and provides education surrounding the proper disposal, reuse, and recyclability of plastic products. Additional information surrounding these initiatives can be obtained through the Plastics Industry Association (PLASTICS), www.plasticsindustry.org.

### Did You Know That...

- Plastics is the third largest manufacturing industry in the United States
- 1.76 million jobs are dependent on plastics manufacturing in the US
- Plastics contributes more than \$500 billion to the US economy
- Plastics requires less energy and natural resources to produce, and generates a fraction of greenhouse gas emissions of alternatives
- Plastics help improve fuel efficiency
- Plastic packaging is highly regulated and researched, it's helping eradicate food-related diseases and waste, and it's allowing people in the developing world to safely get the nutrients they need
- The construction industry is America's second-largest consumer of plastics
- Plastics' wide functionalities offer distinct advantages over many other traditional building materials in terms of resistance to weathering, flexibility for many uses, and lower costs
- Plastics that can't otherwise be recycled can be used to create electricity and types of fuels

Source: www.thisisplastics.com











### **About Berry**

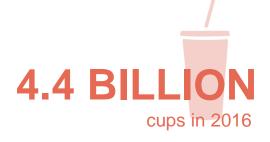
At Berry, we are committed to our mission of Always Advancing to Protect What's Important. We proudly partner with our customers to provide them with value-added customized protection solutions.

We are a leading global supplier of a broad range of innovative nonwoven, flexible, and rigid products used every day within consumer and industrial-end markets.

We are a Fortune 500 company, and are listed on the New York Stock Exchange under the ticker symbol BERY. In fiscal 2017, we generated \$7.1 billion in sales.



19,000+
customers



employees

3,755
primary manufacturing machines

92,000+ SKUs

4+ BILLION lbs

of resin purchased annually

1,637



active granted patents

### A Closer Look at Our Values

Our Values help guide our every day actions and the decisions made by our more than 23,000 employees across the globe.

### **Partnerships**



We recognize the importance of strong, sustainable partnerships throughout all aspects of our business—we view our employees, customers, suppliers, and communities as our partners.

#### Excellence



We pursue excellence in all that we do by optimizing our processes, enhancing our sustainability initiatives, and by providing the highest quality products and services to our customers. We believe in continuous training and development for our employees so that we can deliver excellence to our customers.

#### Growth



Strategic growth is imperative for our business. Growth comes in many forms—financial growth, customer growth, employee growth and development, product growth and innovation, and the global growth of our Company.

### Safety

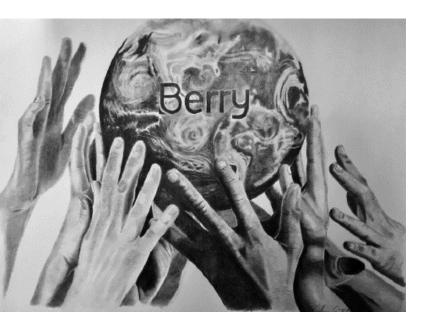


Our number one value.

We relentlessly pursue safety in all we do. We maintain high standards to ensure our facilities are safe and environmentally conscious.

### Interpretations of Our Branding

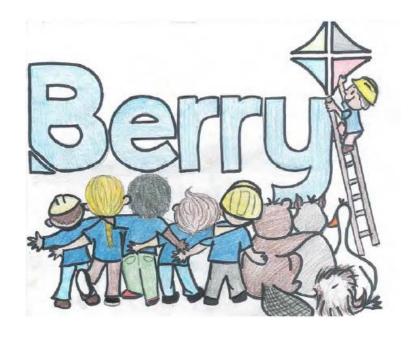
As part of Berry's 50 year celebration, and in support of our new Mission, Values, and Behaviors, we hosted an employee art contest. Employees from across the globe created original artwork they felt was representative of our new branding. Artwork was independently judged, with the winning pieces placed on display at our Corporate headquarters.



#### First Place

Our first place artwork piece was created by Jeffery Crutchfield from our Old Hickory, Tennessee facility.

In his words, the piece was created to depict those behaviors that are core to Berry's culture. The diversity of our employees and our willingness to unite for the good of our coworkers, families, communities, and our earth.



### People's Choice Award

Our People's Choice Winner was Priscila Palacios from our Lawrence, Kansas facility.

In her words, Priscila's piece represents Berry's Values of Partnership, Excellence, Growth, and Safety. She developed her piece to include people of all races and genders gathered around Berry's new logo.



# Message from Robert Flores Director of Sustainability

Often times, it is not realized that plastics is the most efficient material available for the wide variety of applications in which they are used. As a matter of fact:

- Plastics help protect us
- Plastics help reduce food waste
- Plastics help increase crop productivity

Despite these wide-ranging benefits, plastics is under tremendous scrutiny. Many non-government organizations believe plastics are bad for the environment and should be banned. Some governments have agreed. Many consumers also believe plastics are not an environmentally-friendly option despite the fact that plastics require less energy and water to produce and generate less greenhouse gas emissions than alternatives.

The primary criticism of plastics is marine debris. Marine debris is a serious issue. Alarming quantities of plastics are entering the world's oceans each year. Modern waste management and recycling infrastructure are necessary, both in developed countries and those that are still developing. Waste management infrastructure is critical in preventing waste from entering the environment. And recycling infrastructure is necessary to capture the maximum value of plastics in the waste stream and keep them in the circular economy.

We are partnering with a wide range of organizations on these issues. For example, We are a member of the Ocean Conservancy's Trash Free Seas Alliance®, which has a bold, yet achievable

- Plastics help improve fuel efficiency
- Plastics help save lives
- Plastics help enhance lives

goal to reduce the quantity of plastic waste leaking into the ocean annually up to 50% by 2025. According to the Ocean Conservancy, the majority of marine debris can be attributed to five countries within Southeast Asia, the Trash Free Seas Alliance is working to catalyze waste and recycling infrastructure investment in the region.

Our mission is Always Advancing to Protect What's Important. It is in that spirit that we believe we, as well as the plastics industry as a whole, will make significant advancements in addressing marine debris. We will do so not only to protect the environment, but also so that our products can continue to protect what's important.

To learn more surrounding the information in this article, visit www.thisisplastics.com

### Partnerships



"We have thousands of partnerships across the globe, including partnerships with our suppliers, customers, communities, industry organizations, and our employees."

Scott Farmer, EVP of Global Purchasing

### ...Within Our Industry

We understand the importance of partnering with organizations that are actively working to increase education surrounding the benefits of plastics, recycling access, and recycling rates. In 2017, we proudly joined The Recycling Partnership, a nonprofit organization that uses funding to improve recycling efforts across the United States.

"Our mission of Always Advancing to Protect What's Important is in direct alignment with the efforts pursued by The Recycling Partnership. By collaborating with The Recycling Partnership, we will be assisting in their efforts to further expand access to recycling in cities and towns across the United States," said Tom Salmon, Chairman and CEO of Berry.

"Working closely with industry leaders like Berry allows us to expand access to recycling in communities across the nation, unlocking the environmental and economic benefits of strong recycling systems. Through these partnerships we are empowering companies to create a circular economy, while building stronger communities and a cleaner, greener future," said Keefe Harrison, CEO of The Recycling Partnership.

















### Partnerships Within Our Communities

### Benson, North Carolina, facility named 2017 Business and Industry Partner of the Year

Our Benson, North Carolina facility's commitment to education afforded them the honor of being named 2017 Business and Industry Partner of the Year from Johnston Community College (JCC). The Facility has participated in four customized training projects and offered internships to JCC engineering students, as well as supporting 115 hours of training for its team, through JCC.

"Their commitment to people and their development is what makes Berry a leader in people development and such a strong partner with JCC and our greater community," said Joy Callahan JCC Dean of Economic and Workforce Development.



We believe we have a responsibility to play a positive role in the communities and environments in which we operate and serve. Both on an individual basis and through organized Company events, our employees are dedicated to giving back and making positive contributions within our communities across the globe.



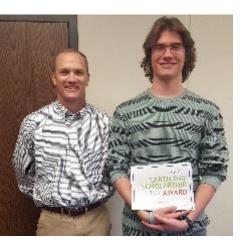








### Partnerships With Our Employees



### Earth Day Scholarships

In conjunction with our annual Earth Day Scholarship Program, in 2017, we awarded six deserving high school students a one-time \$1000 scholarship to assist in furthering their education. As part of the program, each student prepared a sustainability project and submitted an essay on their efforts. Our annual scholarship competition is open to dependents of our employees across the globe.

#### Peyton Ayers, Waynesboro, Virginia

Peyton raised funds to purchase and plant trees in a meadow that had been cleared, so it could one day return to its original state.

#### Jacob Brown, Franklin, Kentucky

Jacob designed and fabricated a working electrolytic oxyhydrogen generator into the drivetrain of his truck for better fuel economy and to dilute emissions.

#### Zachary Hausmann, Evansville, Indiana

Zachary spent time in Jamaica to help clean a dirty water supply, pick up trash, and plant various fruit trees.

#### Madilyn Horrom, Evansville, Indiana

Madilyn developed a sustainable community greenhouse concept to target obesity, poverty, and hunger.

#### John Johanning, Lawrence, Kansas

John hosted a LEGO donation and sorting event to help "The Giving Brick" recycle previously used LEGO bricks so that they can be given to underprivileged children.

#### Tyler Olender, Hickory, North Carolina

Tyler identified and removed invasive, non-native plant species from a local wetland to raise awareness and reduce threats to native species.











#### Diamonds

A long-standing tradition at Berry our annual Diamond Day celebration, where one employee at each facility is chosen as their facility's Diamond. Diamonds are chosen for their demonstrated commitment to our Values, and Behaviors - all of which are key to our culture. We by recognizing employees' individual contributions, all are able to see that we each have unique perspectives that strengthen our overall organization.

### Excellence



"We know that in order to be the employer and supplier of choice, we must drive for excellence in all that we do in every Berry facility across the globe."

~ Tracey York, Vice President of Global Talent Management

### Building Excellence...

We are keenly aware that an essential building block for excellence equipping is our employees with the knowledge and skills necessary for them to be successful in their position—whether that be on our operations floor in France, in field sales in China, or at our Headquarters in Indiana. After all, we know it is the cumulative success of our employees across the globe that fosters excellence within our organization. It is our employees' success, in their respective iobs, that fosters excellence in innovation, quality, customer satisfaction—and much more, ultimately fueling the overall success of Berry.



### Building Excellence...

In support of our drive to continually build excellence throughout our Company, we have a wide array of development tools available to our employees across the globe. Some of the training avenues include our online Berry University courses, site-and topic-specific instructor led training, as well as our Sales, Leadership, and Executive Development Programs.

Employees in our Leadership Foundations and Leadership Development programs have the opportunity to build business acumen, while gaining valuable skills surrounding situational leadership, building trust, handling conflict, providing feedback, and leading safety.

Our Executive Development Program is a geographic and strategic leadership program based on Harvard case methodology to grow future C-Suite members. Sessions are held across the globe at each location, participants are challenged to solve a real-time Berry business situation specific to that geography, along with attending development sessions with global business schools and experts.

#### Sales Leadership

Two-level sales competency and value sales programs (Core and Advanced)

#### Leadership Foundations

Introduces the fundamentals of effective leadership

#### Leadership Development Program

Prepares leaders to achieve lasting results through people

#### Executive Development Program

Strengthens the ability to manage global complexities, balance competing priorities, and lead strategically

#### Collective competencies: self-awareness, learning agility, communication, business acumen

#### Competencies

- Key account management
- Proactive customer practices
- Price sensitivity

Participants: Commercial teams

#### Competencies

- Safety leadership
- Building a highperforming team
- Organizational savvy

Participants: 1200+ front line leaders annually

#### Competencies

- Coaching and developing
- Leading team achievement
- Embracing change

Participants: 200 Global Managers & Directors

#### Competencies

- Be visionary and innovative
- Drive results
- Strategic thinking
- Leading globally

Participants: tenmonth program for 16 EVPs and VPs annually

### **Excellence Through Quality**

At Berry, we realize that at the heart of excellence is quality. As such, we are committed to providing the highest quality products and services to our customers. To reaffirm our commitment, we have created a Quality Vision Statement and Framework, and revised our longstanding Quality Policy.

### **Quality Vision**

Our Quality Vision is to be a leader in providing safe, high-quality products and services that always protect what's important to our customers, employees, shareholders, neighbors, and suppliers.

This is accomplished through responsible sourcing and utilization of resources focusing on innovation and sustainability.



### Excellence at Our Facilities

### Reducing Natural Gas Usage in Cuijk

Our Cuijk, Netherlands facility uses much steam for its production line. While natural gas in Cuijk is considered a better solution than some energy sources, it still produces CO<sup>2</sup>—a greenhouse gas. In the past, the facility reduced natural gas consumption by re-using waste heat, to heat the site. But, it was in the spirit of continuous improvement that the facility began working with a local energy company, Bio Energy Cetrale Cuijk (BECC).

BECC produces electricity for the National Grid using regionally-sourced biomass. This is considered to be 100% renewable power. Our site has signed a contract for delivery of "Green Steam," through which the facility will be connected to the BECC power plant allowing it to use the renewable heat for production processes.

It is estimated that this initiative will save 8 million m<sup>3</sup> of natural gas per year, and increase efficiency from 30% to 55%.

## Goshen & Baltimore Achieve Recognition

In 2017, our Baltimore, Maryland and Goshen, Indiana facilities were recognized by the Plastics Industry Association as Zero Net Waste facilities.

Both facilities have worked to find recycling outlets for as many of their waste streams as possible. Ultimately, Baltimore reduced waste by 5 tons/month and Goshen reduced waste by over 30 tons/month.



### Growth



"Diverse teams are more innovative, which in turn drives market growth and fosters a more positive employee experience and a strong customer experience."

Cathy Nestrick, VP and General Counsel,
 Director of Diversity and Inclusion,
 and founding member and chairperson of Plugged In







As a company, we have experienced tremendous growth during our 50 years of existence. Growth is a significant part of our culture and it runs through all facets of our business—from growth in the market and our expanding geographic footprint, to the growth that our employees experience by participating on diverse teams in an inclusive environment. The desire for growth motivates our engineers to test the limits of raw materials, product designs, and technology. It is growth that takes us into new geographic regions to fulfill unmet market needs. Our aspiration for growth further motivates us to keep our internal and external practices modern through continuous improvement, while refining how we interact with our customers, suppliers, employees, communities, and shareholders.

### Growth Through Diversity and Inclusion

Plugged In, our Diversity and Inclusion Network, creates forums for the exchange of ideas, educational programs, and other outreach so that we have continuous improvements in productivity, innovation, and employee work experience.

Quarterly Programs Breakfast with Tom

Coffee & Conversation

Peer & Employee Resource Groups

Improve cultural competence, strengthen understandings, foster inclusion, build skills / knowledge, increase innovation

Programs focus on building awareness surrounding diversity topics, learning from groups in the business world, and improving communication skills. Small-scaled group discussions with the focus of discussing topics that are relevant to the future of the company, face-toface with CEO, Tom Salmon. Employees have the opportunity to hear personal stories from other Berry employees, to learn from their unique experiences and leadership journeys. These groups provide a platform for strengthening employee connections, networking, sharing common interests, and developing skills.



"It is good to get your perspectives broadened by someone who has a different cultural background than yourself."

~ Brandon Moore, Brand Marketing Manager

Established in 2017, Spark is an aspiring leaders Employee Resource Group (ERG) within Plugged In, and launched in Evansville, Indiana.

Spark's mission is to, "Fuel engagement, growth, and partnerships among emerging leaders, by always advancing the development of our skills, community involvement, and career goals at Berry."

Although the programs are tailored to engage the emerging leaders of the Company, all employees are encouraged to participate and attend events.

Spark's focus areas include:

- Career development
- Personal development
- · Community involvement
- Networking

"Spark hosts programs centered on its focus areas. Whether it be a leadership training course, a Habitat for Humanity build day, or an interactive speaker series, Spark offers a wide variety of programs to improve the employee work experience," explained Lauren Fuhs and Taylor Scherzer, founders of Spark.



### Growth Through Acquisition





Strategic growth through acquisition has been a true differentiating factor for our Company. Through acquisitions, we have grown our geographic footprint, our technologies, and our product offerings, allowing us to be best positioned to meet our customers' ever changing global needs.

During our post-acquisition onboarding meetings, like those pictured to the left, our leaders talk through our business and culture, ensuring employees from the newly acquired company immediately feel welcome and part of the Berry team.



44 Acquisitions

Since 1988



Acquire & Integrate

Core Competency of Integration



### Growth Through Product Innovation

We strive to promote the reuse and recycling of plastic not only in our communities and facilities, but also in the products we purchase and develop.

For this reason, Post-Consumer Resin (PCR) content is an available option across many of our product lines, in addition we have many PCR content products currently under development.

The newly-launched Fetch for Pets' Burt's Bees<sup>™</sup> for Dogs tube was presented by Berry at the Association of Plastic Recyclers Recycling Showcase in 2017.

Most tubes in the market today contain 0% PCR material. This tube, however, offers 60% PCR.





### Safety



"Safety is not about numbers and statistics, it is about our employees and their families. Our commitment to one another is the relentless pursuit of making our safe workplace even safer, so that we can send every team member home to their families at the end of their shift the same way they came into work."

~ Rodgers Greenawalt, EVP of Operations

# Environmental, Health & Safety at Berry Message from Jim Alexander

I'm extremely proud to work at Berry, because the company is truly committed to conducting our operations with the highest regard for the safety and health of our employees, the public, and our customers, along with the protection and preservation of the environment. We believe that injuries and environmental impacts can be eliminated through effective awareness, accountability, training, and compliance.

At Berry, we demonstrate safety leadership by communicating a vision, requiring accountability from all employees, defining roles and responsibilities, and by taking proactive measures to prevent incidents from occurring. We also know that meaningful employee engagement is an important aspect of safety management. Tools such as Risk Assessments, Job Safety Analysis, and Framework Safety Audits give our employees the chance to recognize and identify potential hazards, and mitigate those hazards.



**Jim Alexander**, Vice President of EHS, discusses safety with employees

### Our Core Safety Beliefs







While our Executive Leadership team has both a collective and individual responsibility for the health and safety of all employees—we believe safety leadership must permeate throughout all levels of our organization across the globe. We are committed to our belief that health and safety leadership is about every employee being accountable and having the knowledge to perform operations safely. Our Core Safety Beliefs are:

- 1. All injuries and incidents can be prevented.
- 2. All employees have a fundamental right to work in an environment where risks to their health and safety are properly controlled. In the event that our employees feel they are not, they have the right to stop or pause the work task.
- 3. Everyone has a contribution to make towards improving safety.
- 4. Training employees to work safely is essential.
- 5. We each have a personal responsibility for EHS.

### Our Safety Absolutes

In addition to our Core Safety Beliefs, we have established rules called "Safety Absolutes" that we require our employees to follow, without exception. Employees are trained on both our Core Safety Beliefs and Safety Absolutes during their on-boarding orientation and via refresher training throughout their career with us.

- Lock-out/Tag-out (LOTO) procedures must be followed when working on equipment with the potential for unexpected release of hazardous energy.
- 2. Body parts shall not be placed in moving equipment unless following standard operating procedures based upon a current documented risk assessment.
- 3. All semi-trailers must physically be restrained with a mechanical barrier restraint and/or wheel chock, during loading/unloading operations. Employee stepping in or on a trailer must physically or electronically verify this condition.
- 4. Only Berry trained and authorized individuals can operate powered industrial trucks or any other motorized vehicles.
- When exposed to an unprotected elevated surface greater than 4 feet (1.219 meters), company authorized fall protection measures must be taken.
- 6. Permit Required Confined Spaces can only be entered by authorized employees/contractors.

### **Board of Directors**

The Company's Board of Directors has Audit, Compensation, and Nominating and Governance committees. Each committee has operating procedures which outline their duties as a committee member.

B. Evan Bayh Senior Advisor of Apollo Global Management and Partner at McGuire Woods, LLP Joined 2011

Jonathan F. Foster Founder and Managing Director of Current Capital LLC Joined 2014

Idalene F. Kesner Dean of Indiana University's Kelley School of Business Joined 2014 Carl J. (Rick)
Rickertsen
Managing Partner of
Pine Creek Partners
Joined 2013

Ronald S. Rolfe Retired Partner of the Litigation Dept. of Cravath Swaine & Moore LLP Joined 2013

Robert V. Seminara Member of Apollo Global Management Joined 2006 Robert A. Steele Former Vice Chairman of Health Care at Proctor & Gamble™ Joined 2014

Stephen E. Sterrett Former Senior EVP and CFO of Simon Property Group Joined 2015

Scott B. Ullem Current CFO of Edwards Lifesciences Corporation Joined 2016 Thomas E. Salmon\*
Chief Executive Officer
Berry Global Group, Inc.
Joined 2017

\* As of January 10, 2018, the Board unanimously elected Mr. Salmon as Chairman of the Board, effective February 1, 2018

### Contacts

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#### **Forward-Looking Statements**

This report contains "forward-looking" statements concerning future events and financial performance. Words such as "expects," "anticipates," "estimates" and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties, which could cause actual results to differ materially from those expressed or implied. The company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Key risks and uncertainties are summarized in filings with the Securities and Exchange Commission, including Exhibit 99 in our Form 10-K, which are available on our website and at www.sec.gov. Factors that might affect: a) our packaging segments include product demand fluctuations; availability/cost of raw materials; competitive packaging, pricing and substitution; changes in climate and weather; crop yields; competitive activity; failure to achieve productivity improvements or cost reductions; mandatory deposit or other restrictive packaging laws; changes in major customer or supplier contracts or loss of a major customer or supplier; political instability and sanctions; and changes in foreign exchange or tax rates; b) our aerospace segment include funding, authorization, availability and returns of government and commercial contracts; and delays, extensions and technical uncertainties affecting segment contracts; c) the company as a whole include those listed plus; changes in senior management; successful or unsuccessful acquisitions and divestitures; regulatory action or issues including tax, environmental, health and workplace safety, including U.S. FDA and other actions or public concerns affecting products filled in our containers, or chemicals or substances used in raw materials or in the manufacturing process; technological developments and innovations; litigation; strikes; labor cost changes; rates of return on assets of the company's defined benefit retirement plans; pension changes; uncertainties surrounding the U.S. government budget, sequestration and debt limit; reduced cash flow; ability to achieve cost-out initiatives; interest rates affecting our debt.

