

Healthier Lives, Healthier Planet

GLOBAL SUSTAINABILITY REPORT

Published February 2022



Our Mission

From the factory floor to the operating room, it is our mission to safely deliver life-saving products. Our packaging is designed to the industry's highest level of quality and care, so that our customers can deliver longer, healthier lives.

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At Oliver Healthcare Packaging, we believe that embedding corporate responsibility and stewardship into our business practices and products is the best way for us to help decrease environmental impacts throughout the healthcare industry.

This is our second sustainability report. We have developed it in the interest of transparency and clear, ongoing stakeholder communications and to share our ongoing progress toward a more efficient and sustainable organization.

Our structured and proactive sustainability approach has earned Oliver a Silver Sustainability Rating from EcoVadis, a ratings platform that assesses corporate social responsibility.

This certification underscores the priority we place on integrating social and environmental concerns into business operations and doing right by our customers and the planet.



How We Developed This Report

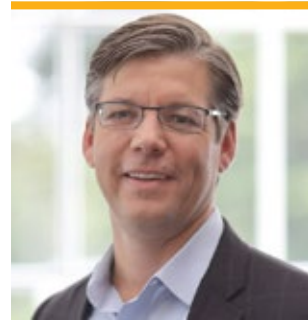
This report was informed by three key aspects:

Stakeholder Engagement: We established the Oliver Customer Advisory Board in 2018 to facilitate meaningful discussions and provide the kind of timely feedback that empowers solutions, informs our planning and decision-making, and enables us to be a strong sustainability partner to our customers. The Board provided valuable guidance as we developed report content.

Materiality: We conducted an internal materiality assessment that helped us determine which sustainability issues are most important to our stakeholders and our company.

Internal Process: To further determine which topics to cover in this report, we considered research on our sector from both the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB) frameworks. We also considered peer benchmarking and an internal review with key leaders.

A Message From Our CEO



Sustainability has been defined as “the capacity to endure in a relatively ongoing way across various domains of life.”

Recently, the pandemic tested our ability to endure in many ways—and we came through it stronger, more agile, and better prepared to face an uncertain future.

As the global pandemic took hold, our top priority was making sure that our people were protected and that we could deliver packaging to ensure the supply of critical medical devices was not compromised. Throughout the

pandemic, we engaged with experts and benchmarked our safety measures against others, adjusting our approach when it was needed. We understood the important role we played in pandemic relief efforts and acted quickly and decisively when the industry needed us most, all while taking care to protect our employees.

Oliver is an essential part of the medical supply chain, and our team is proud to provide packaging for medical devices, diagnostics, vaccines, and medicines used to treat COVID-19. Our first responsibility is always to protect patients, but we also strive to deliver sustainable solutions that minimize our environmental footprint. Since our last report, we worked on small ways to make a big impact. We asked ourselves how we could do things differently to minimize waste, reduce energy consumption, and use more sustainable materials.

We also pursued sustainability in a number of other ways. For example, we embarked on a journey to modernize our IT systems. This extensive effort will help us utilize resources more efficiently and reduce waste. The upgrades digitize workflows and replace paper records with electronic systems, improving efficiency and reducing our consumption of paper. We’re looking at ways to better manage our power consumption and are evaluating solar panels to produce some of the energy we use in some of our U.S. facilities, including those in Pennsylvania and California.

Change often comes slowly to the healthcare industry—and for good reason. At Oliver, our primary focus will always be on patient safety, delivering the sterile barrier packaging solutions our customers trust. I’m proud of the deliberate steps we’re taking to accomplish this in a responsible and sustainable way.

Sincerely,

Michael Benevento
Chief Executive Officer

Products That Meet Needs—and Exceed Them

This thought is never far from each Oliver employee’s mind: The products we make help save and improve lives.

Our products have a big job to do. One that combines user-friendly simplicity with life-enhancing technology.

Our products must protect. They must maintain the sterile barrier. They must consistently make it safely to the point of use.

To that end, our products are designed by using cross-functional teams that include experts such as R&D engineers, quality engineers, manufacturing engineers, and regulatory professionals.

Our exclusive focus on the healthcare industry, combined with strong industry affiliations, enables us to deliver superior, cutting-edge packaging solutions that meet today’s strict regulatory, time, and cost hurdles. That’s true whether we’re packaging heart valves or a hip replacement.

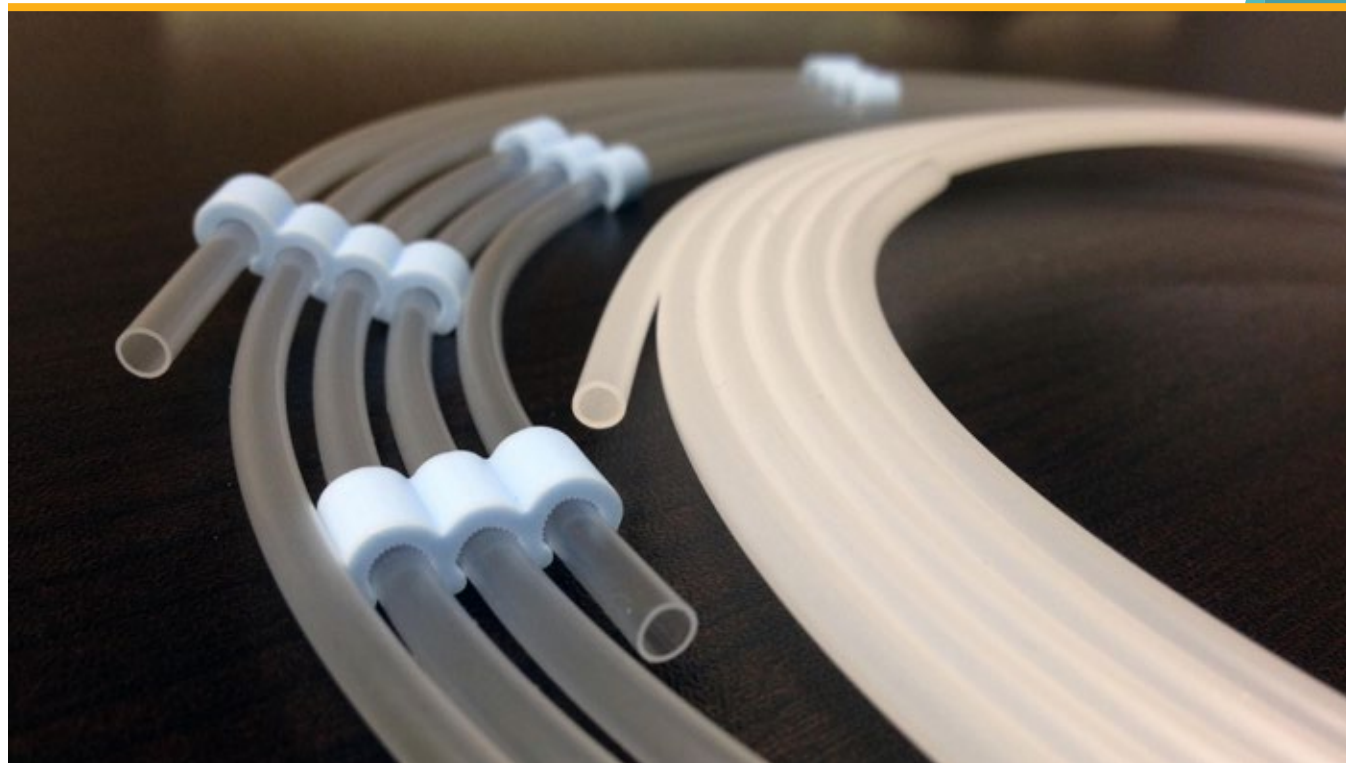


Intelligent Sustainable Designs

We have been delivering high-quality, cost-effective packaging solutions for more than 50 years—and we apply that same level of excellence to our sustainability practices. We recognize that our greatest opportunities to make a positive difference in sustainability come through the innovative products we design and deliver to our customers. As a result, we seek to minimize packaging materials while maximizing the integrity and utility of all our designs. It's an ongoing process that facilitates the most economical use of material for initial development and next-generation designs.

Kilmer Innovations in Packaging— a Grassroots Approach to Sustainability

Kilmer Innovations in Packaging (KiiP) is an industry group that was started to connect healthcare professionals across the full value chain—from material design to point of use. The group has evolved to address major industry challenges and innovate packaging for the future. As the topic of sustainability continues to flood the medical packaging industry, it became clear that further work was needed to address sustainability efforts in packaging. In 2020, a working group dedicated to sustainability was created, with a focus on removing waste before it is introduced into the larger healthcare ecosystem (upstream innovation). The Sustainability Group, co-led by Oliver Healthcare Packaging, meets regularly to discuss topics like advanced recycling and other ways to create less packaging waste. Oliver is proud to be a founding member of the Kilmer Innovations in Packaging Sustainability Group.



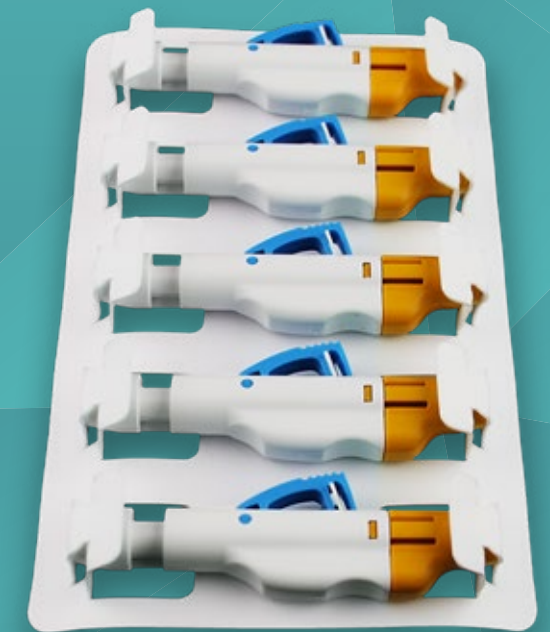
Dispos-a-vent Barrier Pouch

Our award-winning Dispos-a-vent barrier pouch eliminates the need for double packaging by incorporating a Tyvek strip into a high-barrier foil pouch, resulting in a packaged device that can be sterilized by EtO or autoclave sterilization while maintaining superior barrier properties.



HDPE CleanCut Cards

Our line of high-density polyethylene (HDPE) CleanCut Cards underscores our efforts toward a smaller disposal footprint. Made from 100 percent recyclable virgin resin, HDPE eliminates the need for rigid, bulky trays, and the flexible material allows for easier disposal into a recycling bin.



Dual Hoop DISK

A complementary product, our revolutionary Dual Hoop Dispenser Integrated System Kit (DISK), adds alternative-sized catheters to the backer card. This entirely new packaging system not only dispenses catheters and wires, but also eliminates additional catheter packaging, which in turn reduces sterilization costs for customers because healthcare professionals can load chambers with more units. In addition, the designs are prequalified for biocompatibility, and ethylene oxide and gamma sterilization after three years of real-time aging.



Catheter & Guidewire Clipless Dispensers

The one-piece, sturdy design of the Catheter & Guidewire Clipless Dispensers reduces packaging footprint by 20 to 30 percent by eliminating traditional clips to keep the tubing together. The small dispenser size results in smaller pouches, shelf cartons, and shipping cartons, providing significant cost savings for medical device manufacturers. Less weight and volume results in shipping and transportation cost reductions as well. Multiplied by the sheer volume of medical device products across the globe, this reduction makes a significant impact in supporting long-term sustainability goals.

Case Study

Medtronic

Business Challenge

Medtronic is a global leader in the development of groundbreaking treatment technologies for more than 70 complex health conditions. From the first battery-operated pacemaker in 1957 to its 2021 robotic soft-tissue surgery system, Medtronic is committed to bringing transformative solutions to individual lives.

Medtronic recently approached Oliver to partner on a packaging redesign for its RFA ClosureFast device. The venous cauterization device was being retooled to implement various enhancements. While its original packaging sufficed, Medtronic sought to rearrange the packaged contents for ease of use, to improve eco-efficiency, and achieve margin enhancement.

Our Solution

A card/hoop approach was identified as an effective solution to better arrange and secure the device. The iterative process led to a design that exceeded expectations.

By making the card, carton, and case smaller, pallet load size was more than doubled, saving on materials and sterilization costs.

Human factors testing showed that clinicians strongly endorsed the design. Nurses were thrilled that the new packaging became part of the procedure, with the ability to hold and even flush the device while still in the card/hoop assembly during a procedure.

Results

The label size was reduced, the pouch being made 11% smaller. The shipping case went from double wall containing 14 units to single wall holding 17 units, a 33% material reduction. The carton holding the pouched device utilized recycled (CCNB) material and eliminated the use of bleached pulp. It was also 45% smaller. These modifications reduced solid waste by 60% (330,000 lbs.) for every 500,000 devices sold. Smaller packaging allows more devices per pallet, resulting in 27 fewer sterilization cycles and 23 fewer truckloads. Trucks could now carry 25,000 devices per load, up from 11,700. Sterilization quantities increased from 6,000 devices to 13,000 per cycle.



This project was really a partnership between Medtronic and Oliver. It highlighted the value of pursuing new ideas, and together we scored a major win for optimal packaging performance, sustainability, and savings—without sacrifice.”

Jim Buccellato
Principal Packaging Engineer

*Imagery is for representation only.
Actual device & packaging are proprietary.*

Supporting Sustainability Performance

Our customers are on the front lines of sustainability. As an integral part of their supply chain, we are strongly committed to contributing to their sustainability performance by providing packaging solutions that support their environmental goals. We work to improve efficiencies across all segments of our business, with the understanding that our own sustainability efforts have a positive effect on our customers' goals. By practicing responsible environmental management throughout our operations, we help our customers build a more efficient, resilient, and sustainable supply chain.



Embracing Responsible Best Practices

Our Environment, Health, Safety, & Sustainability (EHS&S) Policy outlines the commitments and practices we use to evaluate and improve our performance. This includes embracing responsible best practices throughout the company and promoting human and environmental health.

Our EHS&S Policy adheres to the guiding principles outlined in the International Organization for Standardization (ISO) 14001: 2015 Environmental Management Systems Standard. We're using the standard as a guide for meeting our environmental commitments and creating a robust EHS&S management system.



Reducing Our Carbon Footprint

We make it a priority to collect data on our direct and indirect emissions to evaluate and address our energy needs with responsibility and care. During 2020, our estimated carbon footprint for all Oliver facilities—including five technical labs and seven manufacturing facilities in the United States, Europe, and Asia—was 13,824 metric tons of carbon dioxide equivalents (MTCO₂e). This includes purchased electricity and fuels as well as employee travel and commuting.

Internal Management Tools

<h3>Management Communication</h3> <p>Oliver's management team meets regularly to discuss the overall health of the business and to review EHS&S at Oliver.</p>	<h3>Employee Awareness</h3> <p>Employee engagement is key to our success, and all employees are encouraged to submit ideas.</p>	<h3>Continuous Improvement</h3> <p>At Oliver, we discuss any information dealing with our environmental impact and engage employees on project and program status.</p>
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Reducing Travel, Reducing Emissions

Every Oliver site has video-conferencing capabilities. Our global sales force is also field based, and Oliver employees in certain functions have the option to work remotely. As a result, commuting was down in 2020 by about 1,346,550 miles per year. Business travel was down 1,961,952 miles for air and 228,123 miles for car. We believe taking advantage of technology is critical in helping us expand over the coming years.

Innovating To Reduce Packing Material

We work to reduce the amount of scrap material generated during the manufacturing of our plastic, nylon, Tyvek, and other products by optimizing our fabrication processes. When we innovate and reduce packing material, we not only reduce shipping costs, but we lower corrugate use as well. During 2020, we generated 2,069 tons of waste, of which 77 tons, or about 4 percent, was sent for recycling. We are proud that two of our facilities—representing about 56 percent of our global sales volume production—send zero waste to landfills, thanks to scrap reduction and recycling.

Energy Use

KPI	2019 Result	2020 Result	Unit of Measure
 Natural Gas	16.39	9.23	therm/m ²
 Fuel Oil	0.47	0.35	gal/m ²
 Electricity	323.61	322.55	kWh/m ²
 Water	107.89	65.69	gal/m ²
 Waste	0.069	0.047	T/m ²

Fostering Sustainability Through Recycling

Recycling represents an increasingly large and important part of our sustainability efforts because it reduces the amount of waste sent to landfills and incinerators, conserves natural resources, prevents pollution by reducing the need to collect new raw materials, and saves energy.

At Oliver, many of our facilities have implemented recycling programs. Here's a look at two of these programs:

Anaheim, California: Recycling Gaylord Boxes

Our facility in Southern California recently implemented a recycling program for both standard recyclables and large gaylord boxes. Also known as bulk boxes, gaylords are primarily used for industry purposes because they can hold heavier items. They can also be used multiple times.

The recycling program at the Anaheim facility includes:



High-Density Polyethylene Sheets

We're working with a local third party to recycle approximately 40 gaylords per week.



Tyvek/Nylon Cores

We reuse the plastic cores and recycle cardboard cores, with our general corrugate recycling.



Corrugate and Pallets

Each week, these items are given to a local pick-up service to recycle.



Batteries

The facility manager heads up the collection program and leverages the City of Anaheim recycling system.



Metal Sheet/Tools

We take these to be recycled at a local recycling center.

Grand Rapids, Michigan: Advanced (Chemical) Recycling

Our Grand Rapids facility recently completed a plastic recycling trial with a local partner who recycles waste plastic into reusable products that are otherwise destined for the landfill. The company uses innovative advanced-recycling technology to process plastic that is not currently recycled. Its advanced recycling systems employ proven pyrolysis technology, decreasing the amount of plastic waste sent to landfills.

Below is an overview of our progress in recycling at our Grand Rapids site. While the trial phase has provided many positives, it has also raised a few challenges that we must address before we can move forward.



Over a three-week period in October 2021, we sent 12 truckloads (65 tonnes) of plastic to our partner for evaluation, with 100% recyclability.

Supporting Our Team

Ensuring the well-being of our team is an important part of putting our values into action every day. That's why we work so hard to listen to our employees and respond to their concerns. Here are some of the ways we do just that.



Recognizing Our Values

Our culture is rooted in five values: Customer Focus, Clear Thinking, Win as a Team, Include & Empower, and Continuous Improvement. These values guide every decision we make, and every initiative we champion. We improve by listening, by seeking out feedback, and acting on it.



Employee Recognition

We believe that good work deserves to be recognized. That's why we offer several ways for employees to be recognized by their managers. We also encourage employees to recognize each other. This year, we plan to implement another employee recognition system that will make it even easier for employees to recognize their colleagues.

Employee Feedback

We conduct employee surveys often to understand employees' perceptions of how we're doing, and we take action on employee feedback. We also benchmark areas such as compensation and paid time off to understand how we compare to other companies.



Talent Management System

We recently implemented a talent management system that enables employees to track their goals and personal development. They can also select from more than 3,500 training titles—including many that we have created especially for Oliver employees.



Health & Wellness

The wellness of our employees is hugely important to us. This year in particular, there have been requests for additional mental health services. In response, we have added a section on mental health to our intranet that provides employees with a helpful variety of resources. In the U.S., we have also joined an organization called BeNice.org, an organization that focuses on suicide prevention.

Diversity & Inclusion

We want every Oliver employee to feel that they fit in and to be comfortable speaking up for themselves. We also continue to expand our diversity recruiting efforts—our talent acquisition team has partnered with diversity recruiting sites, and our talent acquisition manager is certified as a diversity recruiter. We track applicant diversity to ensure that we're getting a strong, diverse pool of candidates. Diversity and inclusion is so important to us that we have made it one of our company values.



Helping Our Communities

We believe that philanthropic and workplace-giving initiatives are vitally important in establishing a positive corporate culture. Our Oliver Cares program—which consists of organized volunteer activities for employees and charitable fundraising events—promotes team engagement while investing in our local communities.





Our Human Resources team recently partnered with the **Children's Advocacy Center** to create magnets with words of affirmation for those involved in responding to and preventing child abuse. Magnets are displayed on lockers, refrigerators, and desks to remind children of their strength, bravery, beauty, kindness, and love. Throughout the year, Oliver Cares has held various donation events on behalf of the organization.



The Oliver Cares team hosted several charitable golf outings to benefit **Folds of Honor**, a national organization that has changed the lives of more than 29,000 children of fallen or wounded military service members by contributing to their education through a scholarship program. Fueled by their mission, "Honor Their Sacrifice. Educate Their Legacy.," Oliver employees helped raise thousands of dollars for this inspiring organization.



In October, the Oliver team broke out their pink and hosted an ice cream sundae party, with all donations going to support **Susan G. Komen** and breast cancer awareness.

Led by Oliver CEO Michael Benevento, and CFO Doug Kramer, the Oliver Cares Pennsylvania team participated in a new event this year, helping **Big Brothers, Big Sisters** with their spring cleanup. The group provided some much-needed TLC to the outdoor area of their facility, including painting, gardening, and more. Since 1904, Big Brothers Big Sisters has helped to facilitate meaningful matches between adult volunteers ("Bigs") and children ("Littles"), ages five through young adult, in communities across the country.



Oliver Cares has held countless raffles and donation drives to support organizations like **the Humane Society of the United States, United Way Worldwide, Project HOPE, and Meals on Wheels America**. The team has provided money, food, toys, books, and more, and has helped clean up our surrounding communities as well.





Our Data-Reporting Methodology

This report includes 2020 data as the baseline year for tracking and reporting on our performance. For our environmental progress, this information includes our carbon footprint, which reflects energy use, including electricity and various fuels used in our facilities; water use; and the waste we generate and recycle.

Our employee-safety performance has been tracked annually for many years. The same is true for employee participation in Oliver Cares, our multi-year volunteering program.

In the report, we have noted instances where the performance data captured for 2020 reflects fewer than 100 percent of Oliver facilities. As additional facilities track and share their performance data in the future, we will analyze the impacts of those additions on our baseline and make necessary adjustments to allow us to report our progress accurately.

We'd like to hear from you!

At Oliver Healthcare Packaging, we welcome your feedback on our sustainability journey. Please contact us with your ideas, your input, and your suggestions.

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