



Making a Difference

IMPACT REPORT 2025





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Introducing the first SPG Impact Report



The Specialized Packaging Group, Inc. (SPG) 2025 Impact Report highlights progress made since its acquisition in December 2020 by Altamont Capital Partners. Altamont's ownership has accelerated company growth with a focus on people who care about putting a better future forward through the innovation of sustainable packaging products and solutions.



SPGTM | SPECIALIZED
PACKAGING
GROUP

About SPG



SPG is a vertically-integrated provider of protective packaging products and one of the largest independent providers in North America. Headquartered in Charlotte, North Carolina, SPG operates state-of-the-art design, prototyping and production facilities across the U.S., Canada, and Mexico.

We are committed to delivering versatile solutions that go beyond simple containment. With over 50 design engineers, our innovative technologies are leading the way in sustainable packaging alternatives. Long-standing brands deliver reliable, cost-effective packaging options that continue to exceed expectations. We are proud to say our work and partnerships are accelerating the future of packaging and contributing to a more sustainable future for everyone.



Detroit Design Center

SPG's Detroit Design Center is a leader in the design of highly engineered protective packaging solutions that create efficiencies and reduce environmental harm. The Detroit design team brings over 100 years of expertise to serve customers with discovery and innovations that exceed industry standards.

Silicon Valley Design Center

SPG is excited to open its new Design Center of Excellence in California's Silicon Valley, the global hub for technological innovation. The new center furthers SPG's vision to innovate truly comprehensive, earth-friendly packaging solutions. Strategically located near our Newark manufacturing plant, the center will deliver expanded ISTA certified testing services, product engagement opportunities, and collaborative development.

Who We Serve



We understand that packaging plays a crucial role in safeguarding our customers' products, reducing waste, and ensuring their businesses operate efficiently.

With over 200+ partner facilities, SPG delivers packaging solutions to an array of end markets including:



Aerospace & Defense



Automotive



General Industrial



Electronics



Energy



Medical



**Technology/
Data Centers**

Our supply chain and operations

SPG partners with global customers to optimize supply chains and reduce total landed costs. With 30 in-house manufacturing facilities across North America and a network of more than 200 manufacturing partners, we're solving customer challenges through collaboration and our commitment to innovation, sustainability and protection.

SPG has built an agile business model that allows us to shift to meet customer demands quickly, without interrupting supply chains. Our broad capabilities include warehousing and just-in-time deliveries. We are in continuous pursuit to broaden our service as a single-source packaging partner by improving existing sites, opening doors to new locations, and making strategic acquisitions and partnerships.

Letter from Leadership

We're pleased to share our first Impact Report with you. Our progress has been achieved through an unrelenting focus on our mission: To transform our customers' businesses with innovative, sustainable, protective packaging solutions. This year we are continuing exponential growth with the momentum we've built over the last four years.



We're continually investing in environmental sustainability and employee empowerment to build a better future for everyone."

Paul Budsworth

A handwritten signature in black ink, reading "P. R. Budsworth".

CEO at Specialized Packaging Group



Committed to a Better Future

We are guided in our decisions and actions with a clear vision to become a recognized leader in protective packaging through sustainable and innovative design solutions. Every step we take is strategically aligned with our goal of helping businesses thrive while protecting what matters most.

Sustainability

Leading with sustainability is the right thing to do for future generations and the longevity of our planet. A focus on eliminating waste in our operations is good for our customers' businesses. We have pledged to reduce greenhouse gas emissions (GHG) through improvements at our facilities and development of innovative sustainable solutions designed for a circular economy.

Over a four-year period, we have attained many impressive goals:

- Increased use of recycled and renewable materials in our packaging solutions by one third.
- Lowered plastic usage in our packaging solutions by nearly 50 percent.
- Installation of solar panels at SPG's Guadalajara plant is generating 100 percent clean electricity for the building.
- Reduced GHG emissions intensity by more than 50 percent while doubling revenue.

People

SPG's growth is fueled by its greatest asset: our workforce. We're proud of our employees who help us put our mission and vision into action. Our first focus is a safe workplace where each person is a valued and empowered contributor.

We've made changes that have lowered our Total Recordable Incident Rate (TRIR) to more than 50 percent below the industry average. Since 2021, our score has improved by 80 percent.

We recognize that our employees make a difference and applaud and uphold them with development and financial rewards. Our Share the Gains program includes an annual performance-based bonus and a long-term equity reward for all employees.

We are committed to doing better. We are SPG.

Circular Economy

Commitment to Circularity

The dream that the packaging of today can become the resources of tomorrow is a reality at SPG. In just four years, we've built a successful model of transforming waste into capital. By rethinking and redesigning product packaging and services, we create reusable, returnable, and recyclable materials that increase landfill avoidance and create a safer environment.

We are committed to finding innovative ways for packaging waste to become components of stronger, smarter product protection that's long lasting and 100 percent recyclable. This commitment includes rethinking and reshaping our operations as a contributor to a circular economy.



Recyclable, Reusable, Recycled and Renewable

Focus on the Environment

In the protective packaging industry, use of materials that are not good for the environment can sometimes cost less than those that leave little to no footprint. An example is use of expanded polystyrene (EPS), commonly referred to as Styrofoam™. The lightweight material is relatively inexpensive and provides good protective properties. The downside of non-biodegradable EPS is post-use waste.

Its recycling challenges include the necessity for specialized collection and recycling facilities and a high cost of recycling. As a result, EPS often ends up being improperly discarded in landfills, or worse, left in nature where the brittle product is easily broken into pieces that scatter and contaminate the environment.

The Styrofoam trademark is owned by affiliates of DuPont de Nemours, Inc.

Increasing Sustainable Material Use

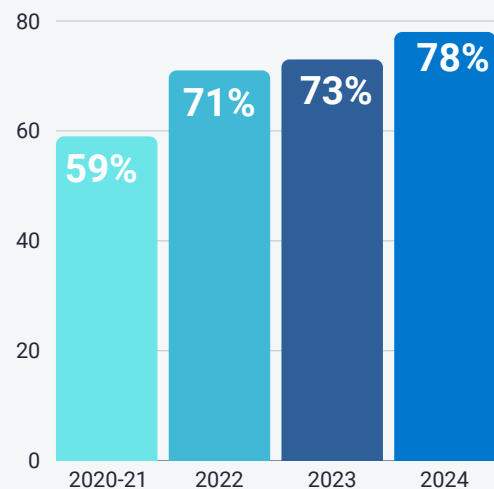
By transforming material content and optimizing packaging design, SPG has developed ways for businesses to make a positive environmental impact with packaging that is both sustainable and cost effective.

Through a concerted effort to continually increase use of sustainable materials, SPG's recycled or renewable material use has increased by one third in four years.

This rate outpaces leading, competitive packaging companies, some who have a goal of achieving 50 percent recycled or renewable material use by 2025, a goal SPG achieved in 2020.

At SPG, raw materials and finished packaging products are all recyclable or reusable.

SPG's Recycled & Renewable Material Usage



“SPG’s recycled & renewable materials usage outpaces industry peers.”

Circular Economy

Moving Beyond Plastics

As a trusted partner to its customers, SPG examined its packaging material offering and explored opportunities to offer sustainable, innovative solutions.

In December 2020, the company found that 50 percent of its packaging material was made from various forms of plastic, spurring the company to develop more sustainable packaging alternatives. The initiative included reducing the amount of plastic packaging materials used and increasing the recyclable content of plastic materials that continued to be used.

To better serve its customers, SPG invested in machinery and processes that create foam with 100 percent recycled content. The innovative product is called EcoFoam™.

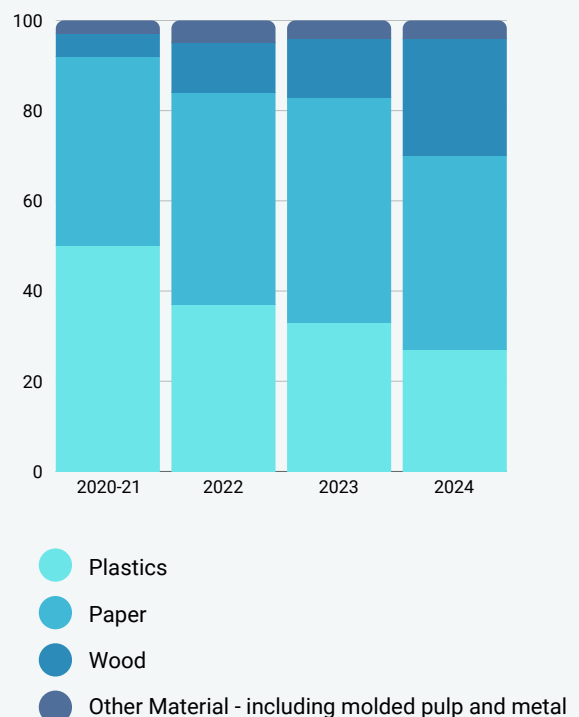


EcoFoam and EcoBubble wrap products are made with 100 percent recycled content.

During a four-year period, the company lowered its plastic packaging material use from 50 percent to 27 percent. Two areas of focus made the accomplishment possible:

- Through a design criteria evaluation and collaborative work with customers, SPG discovered opportunities to invest in its capabilities.
- By expanding capabilities, standard and custom alternative packaging material production increased.

SPG's Material Usage



Recycled Plastics Performance

The move to sustainable plastic packaging solutions required customer education on the quality and reliability of recycled products. To prove that foam and plastics with recycled content could protect customer products as well as virgin plastics, tests were conducted to verify the products performed as well as, or better than, virgin plastics.

Sustainable Closed-loop Packaging System

Development of sustainable material solutions for SPG customers included establishing closed loop services that benefited both parties. By collecting customer scrap, recycling it, and putting it back into our extrusion process, new packaging is manufactured for customer use.

The in-house process includes resin production from plastic scrap that is used to manufacture foam products with a higher recycled content. SPG's all-inclusive capabilities have helped customers achieve landfill avoidance.



Alternative Solutions

SPG engineers explored alternative material options by testing material capabilities to ensure adequate performance for customer use. Paper corrugated, wood and custom molded pulp products were found to be practical and sustainable solutions.

Paper Corrugated Products

SPG customers have benefitted from use of sustainable paper corrugated products, an alternative that has offered advantages over foam in certain uses. SPG paper corrugated products are approved by the Forest Stewardship Council (FSC), a globally recognized mark of sustainable forestry.

The FSC certification ensures products come from responsibly managed forests, meeting environmental, social, and economic standards.



The mark of
responsible forestry
FSC® C137952



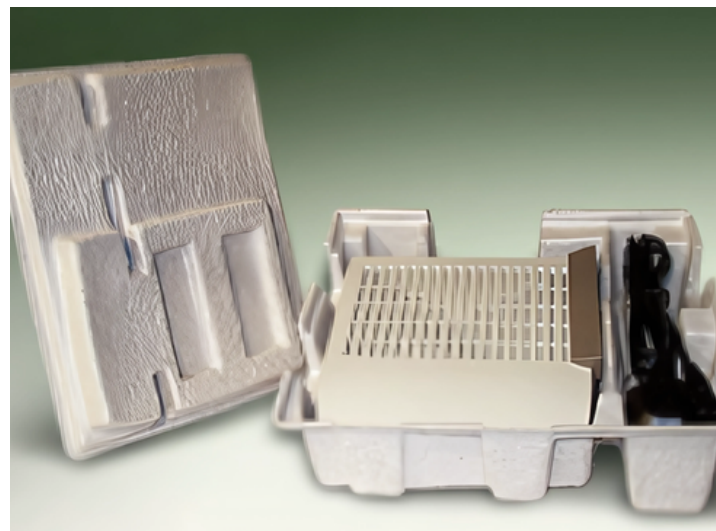
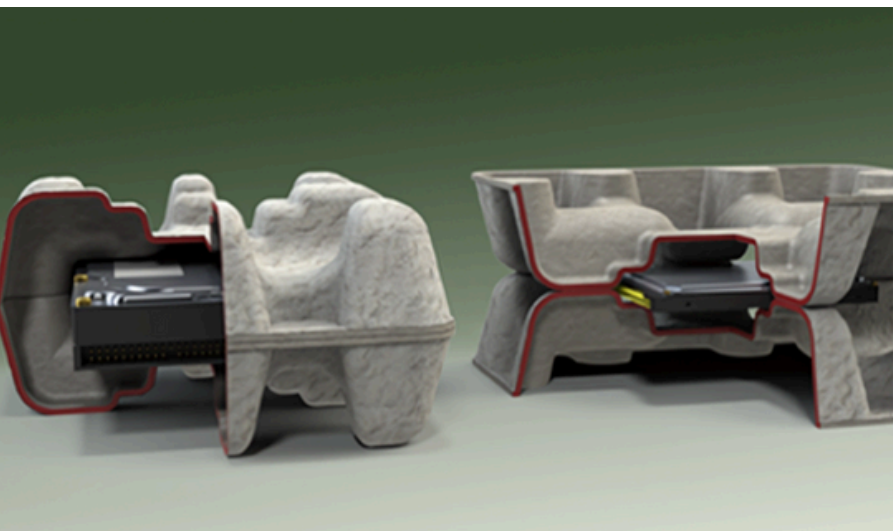
Circular Economy

Wood products

High performance custom wood crate and pallet options are reusable and returnable, benefitting certain industries.

Molded pulp products

Through the acquisition of a molded pulp plant, SPG offers packaging solutions made from 100 percent recycled paper. The end product is fully customizable, compostable and biodegradable.



Innovative Products, Solutions and Services

SPG has always believed that innovative products and services are the cornerstone of customer growth. With forward-thinking leadership paving the way for innovation, SPG designs, develops and delivers advanced solutions that help customers achieve their toughest packaging challenges.

Smart Innovation

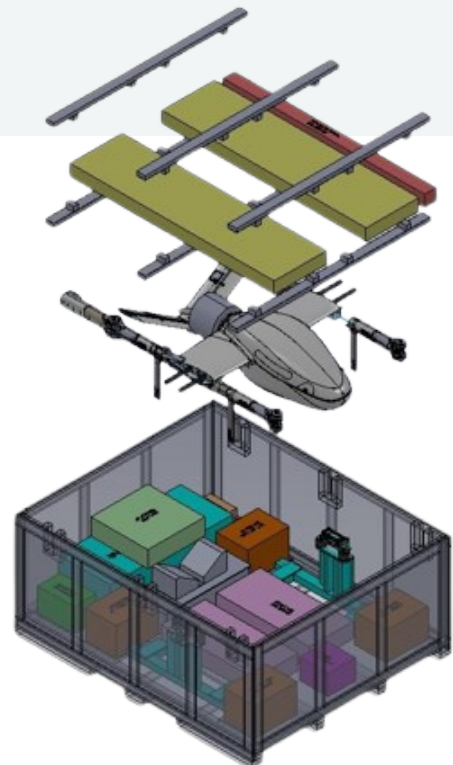
SPG's smart innovation process focuses on sustainable products and solutions that help customers improve their own sustainability metrics. By delivering products and services that provide functional excellence and contribute to environmental preservation, SPG helps businesses lower their ecological footprint. Our advanced packaging designs consistently deliver superior protection, minimize waste and reduce carbon emissions, putting us and our customers on a path to lower GHG emissions.

Designing for the Future

SPG's Design Centers continuously strive to innovate and improve, using sustainable materials and practices to ensure that every packaging solution is as eco-friendly as it is effective. Our industry-leading design engineers help customers determine ideal materials and application processes to develop custom product shipping solutions that reduce costs and environmental impact. Team members work in-house and on-site to accommodate unique customer needs.



SPG has converted more than 12 million pounds of scrap into new, recycled products. Our work is putting momentum behind sustainable practices that dramatically increase landfill avoidance.



Circular Economy

EcoBubble™ Bubble Wrap

SPG identified a market need to improve upon traditional bubble wrap which is almost always made with virgin plastic, requiring new raw materials each time it's produced.

EcoBubble is a sustainable bubble wrap product made with up to 100 percent recycled material and is fully recyclable. SPG engineers designed methods to use EcoBubble technology in products that require a plastic film adhered to another product. The sustainable upgrade has positively yielded equivalent performance.



EcoBubble bubble wrap has a slight hue in the blue color spectrum that can vary based on the recycled content mix.

EcoFoam™ Foam Padding

SPG engineers developed EcoFoam – an innovation that has resulted in significant value creation. EcoFoam is made with up to 100 percent recycled content and reliably achieves the same performance as foam made with virgin plastic resin.

With advanced EcoFoam protection, businesses can replace regular polyethylene foam of 100 percent virgin plastic material with foam containing up to 100 percent recycled content.

Development of EcoFoam required process improvements, machinery advancements, and personnel training. The innovation spurred a closed-loop recycling system benefitting customers by taking their scrap and putting it into EcoFoam, instead of landfills. EcoFoam production and scrap collection occurs within customer regions, minimizing transportation and lowering negative environmental impact.

To help communicate the recyclability of EcoFoam, and provide education on its origin from recycled products, information is attached to the foam rolls with a message aiming to bring the product back into the closed loop after use.



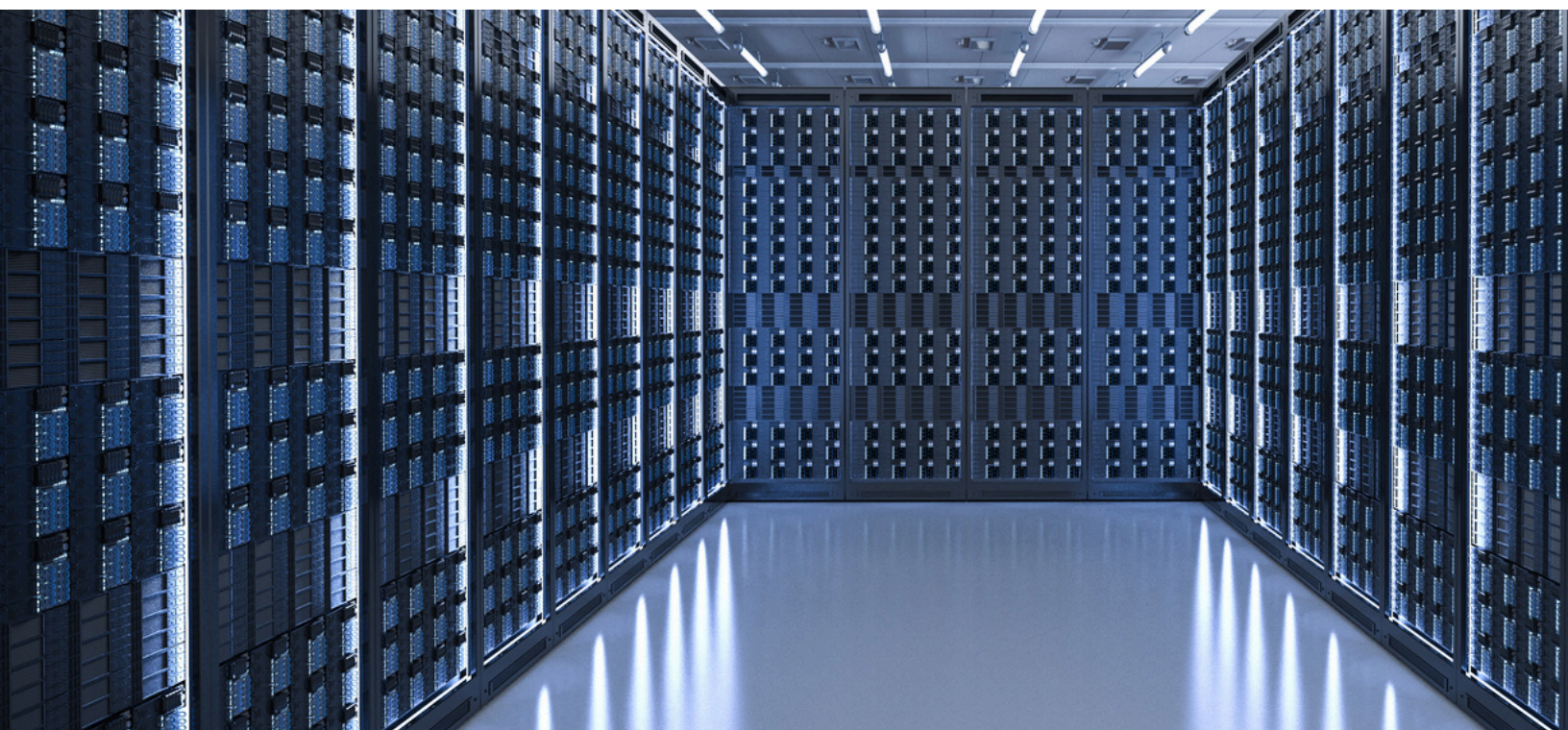
EcoFoam won an award at the 2023 Balpex innovation supplier summit.

Returnable Data Server Crating System Technology

With the expansion of data centers came the opportunity to develop specialized packaging solutions that ensure the secure, efficient transport of high-value data server technology. SPG's new returnable data server rack crating system results in less landfill waste and provides customers with a lower landed cost.

The traditional method of protecting server racks has been through the use of polyethylene foam-lined wood crates and shock pallets. Downsides to this method include one-time use due to costly return shipment and difficulty knowing if foam remains intact after use.

SPG design engineers set out to design a returnable server crating system that is sustainable, versatile, and mitigates risks of damage to sensitive and valuable equipment. SPG's groundbreaking, patent-pending returnable server crate technology does just that.



Circular Economy

Crafted from durable steel and aluminum, the advanced design features multiple top protection options that are collapsible and stackable for return shipping.

Engineered to meet ASTM standards, the returnable crates utilize an adjustable four-point suspension system in the base, integrated with superior dampening and rebound efficiencies for protection in rigorous shipping environments. ASTM testing showed no deterioration of dampening, a common downfall among traditional shock pallets that typically deteriorate within a few hours of vibration testing.

Durable and reusable top cushioning options protect against bumps and dust. When the server rack is empty, top protection can be compacted to lessen expense with reverse logistics and free up data center storage space.



SPG-developed returnable server crates

Despite wood being reusable and recyclable, wood server crates contain large amounts of metal which can be difficult for traditional recycling facilities to manage. Additionally, wood quality is inconsistent, and may be marked with company-specific information, creating challenges for reuse.



Traditional wooden server crates

Circular Economy

Recycling, Reuse and Refurbishment Services

Dedicated to environmental stewardship, SPG developed a waste processing center with a goal to considerably reduce landfill waste through thoughtful reuse and recycling of customer packaging. SPG's recycling service for data centers provides a solution for technology companies to lessen environmental impact.

- SPG waste processing center receives truckloads of packaging waste
- Waste is inspected, deconstructed and sorted by material type
- Materials are either recycled, reused or refurbished

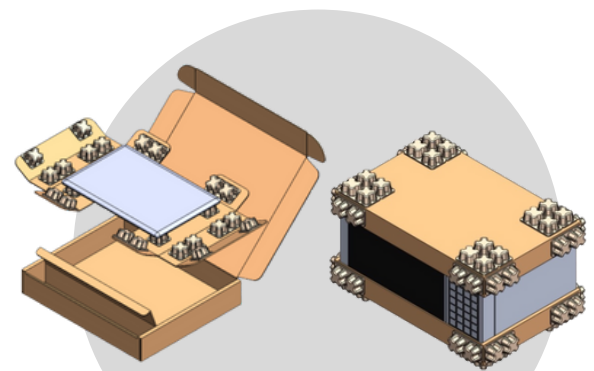


Some materials are refurbished and sent back to customers to be reused. Refurbished materials can be stored in SPG's warehouse until the customer is ready to receive them.

EcoFlex™ Molded Pulp Packaging

Patent-pending EcoFlex molded pulp packaging, another development to meet technology market demand, utilizes ecofriendly materials to provide optimal product protection. Flexible and scalable design options incorporate molded pulp pucks, key to the adjustable interior cushioning of EcoFlex.

Together with a corrugated insert, molded pulp pucks form a building block to protect sensitive products. The fully customizable EcoFlex system protects contents through a weight to puck ratio. Optimal stabilization is achieved through precise, weight-based puck placement.



EcoFlex product renderings

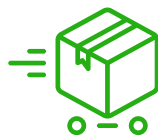
EcoFlex Advantages:



100% RECYCLABLE



FLEXIBLE & SCALABLE
DESIGN OPTIONS



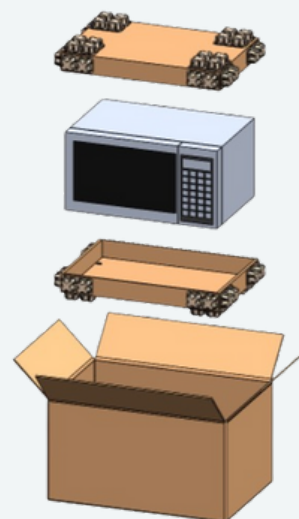
TESTED FOR MAXIMUM PROTECTION
DURING DISTRIBUTION CHAIN



ECOFRIENDLY MATERIAL



ZERO TOOL COST
FOR MOLDED PULP



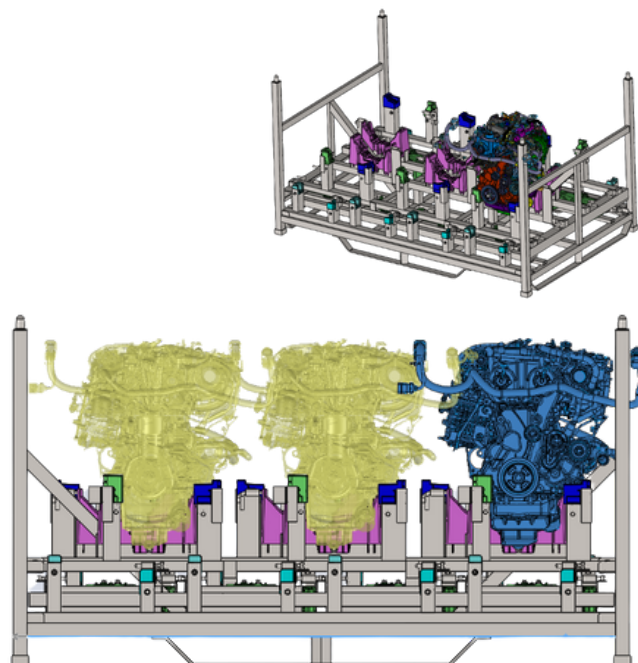
Circular Economy

Returnable Engine Shipping Rack System

To solve the problem of inefficient, unsustainable shipping options for the automotive industry, SPG designed an engine shipping rack system that will last for ten years or more and show a return on investment in just two round-trip shipments.

One rack system can be configured to accommodate two different engine designs. SPG's unique design features steel or aluminum construction, custom configured to safely secure engine shape and weight. The proprietary system uses adjustable, protective retaining bars and sliding latch mechanisms.

Developed for two-way overseas shipping, the engine rack system is easily reconfigured to accommodate different engine types for return shipment. The advancement eliminates two different expendable packs, that must be disposed of at the destination.



Returnable solar panel rack system

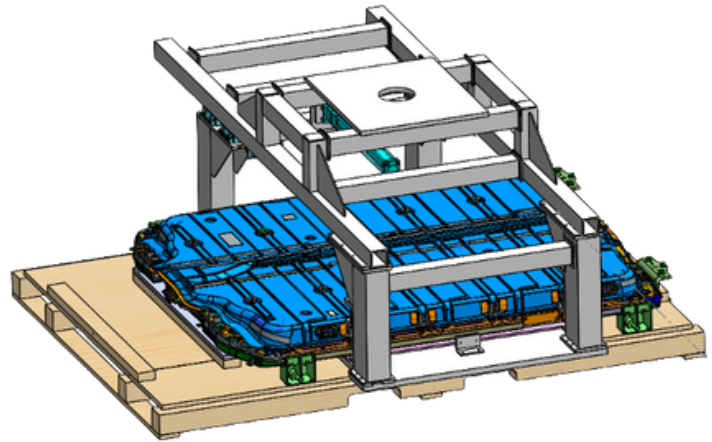
Proper packaging is essential to prevent damage of fragile photovoltaic solar panels during transit. Solar panels are typically secured in protective crates with cushioning materials to prevent cracks, scratches, or exposure to moisture.

SPG's vertical stack design secures up to 60 solar panels in a configurable rack that locks individual panels into place with an integrated panel-to-crate slotting system. The innovation goes beyond safe product protection that avoids putting pressure on the panels. Additional benefits include improved container handling, and increased ergonomics during loading and unloading.

The returnable solar panel rack system reduces waste of alternative, expendable packaging and can be reused for the lifetime of the customer program.

Returnable lithium-ion battery rack

To meet growing demand in the lithium battery market, SPG developed a returnable lithium-ion battery rack that ensures safe and efficient shipping. Lithium-ion batteries can be challenging to ship due to their flammable properties and dangers of overheating. The innovative design of the SPG battery rack uses no expendable materials and provides secure transport of batteries for electric vehicles. The returnable rack can be loaded and unloaded with automation, increasing safety and efficiency during handling. Use of the rack system can span decades, drastically lowering waste, cost and environmental impact.



SPG is one of the few packaging design providers that is Department of Transportation (DOT) certified for battery packaging and testing, ensuring that customers are fully compliant with mandated regulations.

Circular Economy

Strategic partnership

Cruz Foam

SPG is partnering with Cruz Foam, makers of compostable, bio-based alternative packaging, to establish an on-site manufacturing plant that will open in 2026. We're pleased to offer this fully customizable, block and brace packaging solution that is made from a proprietary combination of agricultural food waste derived from byproducts of U.S. farms.

The Cruz Foam development process contributes to a circular system by diverting waste from landfills, where otherwise, it would produce harmful methane emissions that would contribute to global warming.

Cruz Foam is home and Industrially Compostable (ASTM D6400).

Cruz Foam estimates its sustainable alternative mitigates 17,000 tons of carbon dioxide a year and biodegrades 3,000 times faster than expanded polystyrene—producing a high-quality organic waste that can be used as nutrient-rich fertilizer or biogas.

- Made of 70% upcycled ingredients from food waste.
- Tested and verified as high-performing protective packaging and cold chain applications.
- Versatile and sustainable alternative to foam and plastic packaging.



Environmental Responsibility

GHG Emissions

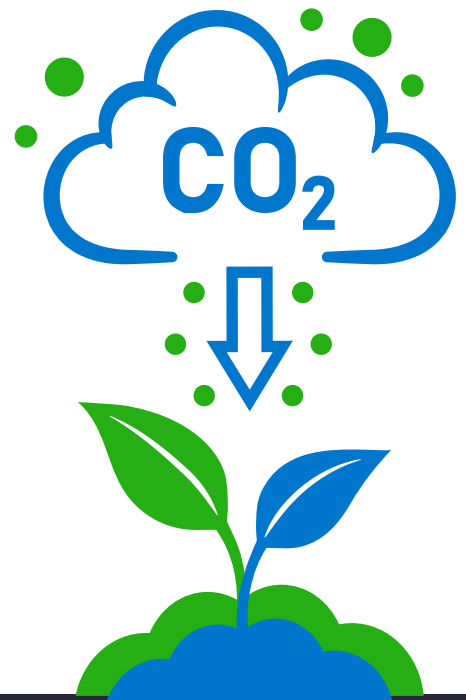
SPG is passionate about tackling climate change by reducing Greenhouse Gas (GHG) emissions.

Committed to Change

SPG is committed to reduce GHG emissions by 4.2 percent annually. The Science Based Targets initiative (SBTi) uses a 4.2 percent annual reduction as a benchmark for aligning with the 1.5°C climate goal under the Paris Agreement. This means that SPG's target is in the top tier of climate ambition recognized by frameworks like SBTi. Since 2021, SPG has reduced GHG emissions by 9.5% annually, more than doubling the Paris Agreement 1.5°C climate goal.

Since 2020, emissions intensity (a measurement of emissions produced relative to revenue) lowered by more than 50 percent, an accomplishment that is far reaching. Revenue growth has doubled since that time while the company has expanded in sustainable ways.

Achieving More Than Twice the GHG Emissions Reduction Goal

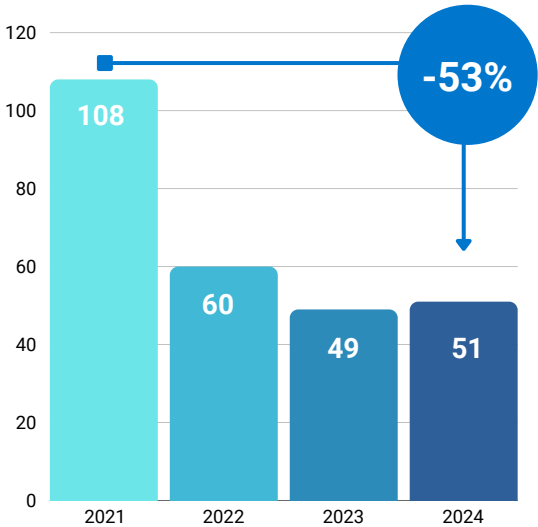


Emission intensity is a method used to compare emissions across different SPG operations or to track progress toward reducing emissions. SPG's progress exceeds that of a leading competitor whose emission intensity has reduced minimally (78 to 74 between 2021 and 2023).

Environmental Responsibility

Since embarking on the commitment to reduce GHG emissions in 2021, SPG has targeted important measures to achieve its commitment.

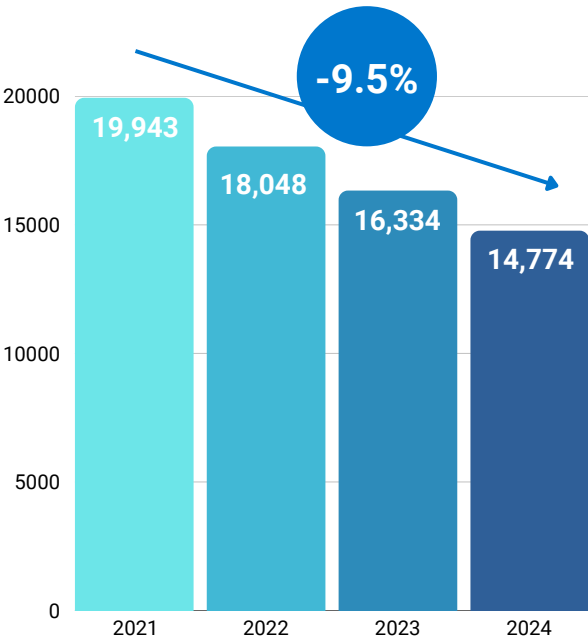
SPG’s Greenhouse Gas Emission Intensity, mt CO2e/\$M Revenue



Reduced GHG Emissions by 9.5% Annually

Emissions by Year, mt CO2e

Note: The historical emissions of add-on acquisitions and new site openings estimated for 2022 and 2023, but correctly accounted for in 2021 and 2024



Energy Management

Reducing Emissions

Instead of purchasing offsets or renewable energy certificates (RECs) to achieve GHG emissions reduction, SPG implements long-lasting solutions including cutting energy waste, investing in clean technology, and managing material waste.

Solar Panel Installation

Installation of solar panels at SPG's Guadalajara plant is generating 100 percent clean electricity for the building. We are exploring use of solar panels for additional buildings, converting about 75 percent of GHG emission from electricity.

Material Handling

Warehouse material handling including lift trucks have traditionally operated on propane. As these trucks age, they are often replaced with electric power alternatives, which also creates a quieter environment.

LED Lighting

Commercial lighting has been upgraded from incandescent to LED technology with motion detection that produces more light while using less energy. Improved lighting quality has increased visibility and safety and is virtually maintenance free, boosting productivity.



Installation of solar panels at SPG's Guadalajara facility

Transforming Waste



SPG is at the forefront of waste management for customers and providing a successful model for packaging providers. Through research and ingenuity, we have established a full-service recycling and refurbishing solution that yields nearly 100 percent landfill avoidance for data center packaging waste. The accomplishment is raising awareness and causing others to rethink what can be done to alleviate one of the biggest threats to our earth.

Case Study: Solving the Data Center Packaging Waste Problem

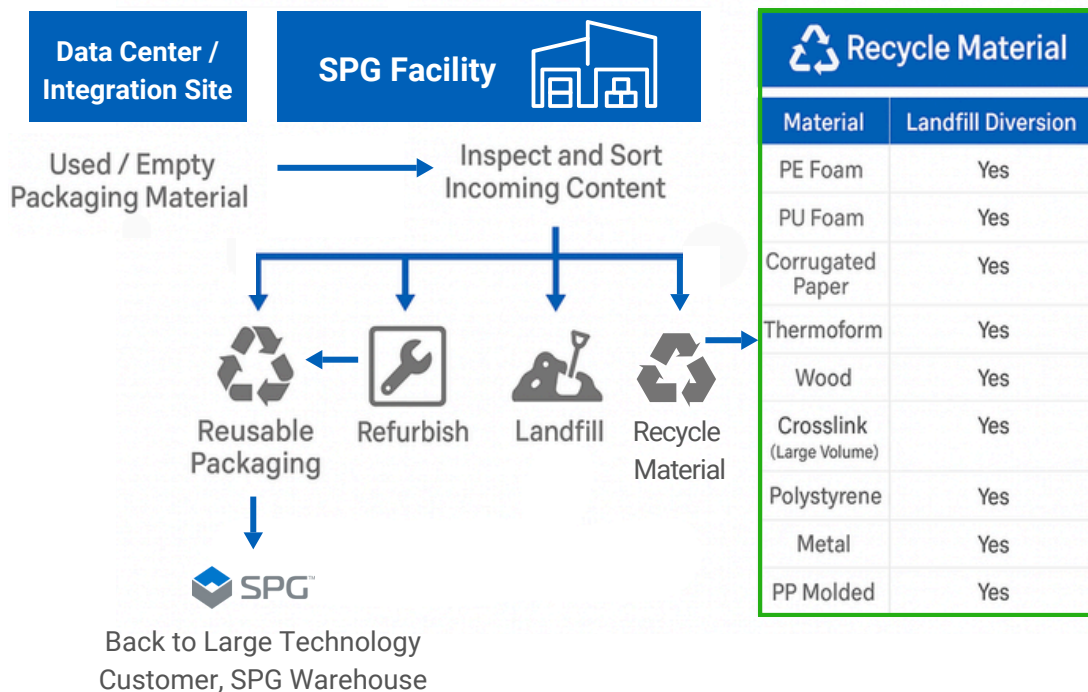
SPG has developed a solution to reduce packaging waste from the delivery of servers and other sensitive equipment to data centers. The waste presents two major challenges for data centers:

- A steady accumulation of waste keeps dumpsters at capacity which can block loading docks, creating a deterrent for the receipt and installation of more servers.
- Sending the waste to landfills works against companies' sustainability goals. Local municipality and private waste management are not equipped to sort and recycle the packaging byproducts.

To help solve these problems, SPG established a recycling service for data centers with a goal to considerably reduce landfill waste by reusing and recycling data center packaging.

When the SPG waste processing center receives truckloads of packaging waste, it's inspected, then deconstructed and sorted by material type prior to recycling. Many packaging solutions have multiple materials that must be separated. For example, a wooden crate can also contain metal, plastic foam, antistatic (ESD) bags, and more.

Some materials are refurbished and sent back to customers to reuse as packaging material. Refurbished materials can be stored in the SPG warehouse until a customer is ready for them to be shipped to their facilities.



Transforming Waste

- **Wood crates** are separated by removing all metal components such as screws, hinges and nails. Higher quality wood is sometimes reused as raw material. Low-grade wood is ground into mulch for use on playgrounds and soil for weed suppression and moisture retention.
- **Wood pallets** are reused.



Wood crate transformation process

- **Foam** is separated from packaging such as wood crates and corrugated boxes then ground down and made into pellets for future packaging protection.



Foam transformation process

- **Plastic bags** including anti-static bags are turned into resin that can be used to extrude new plastic film.
- **Metal parts** are either reused or recycled.
- **Corrugated boxes** and **paper** are sent to a paper mill for recycling.

Nearly 100% Landfill Avoidance

Thanks to the SPG's processing centers, less than 2% of data center customer waste was landfilled in 2024. With millions of pounds of packaging scrap kept out of landfills, customers vastly exceeded their sustainability goals.

Nearly half of salvaged material was refurbished and returned to customers for reuse. Fifty percent was recycled.

RECYCLE & REFURBISH DATA SHOWING 98% LANDFILL AVOIDANCE



People & Culture



Our most valuable investment

At the heart of SPG's business are more than 1,400 people who have helped us become a leader in protective packaging and a force for good in creating a sustainable world.

Safety-first Culture

SPG cares deeply about the quality and wellbeing of its workforce. It was imperative to build a safer work environment to protect against injury and enhance productivity. Our focus on safety has reduced absenteeism and lowered worker's compensation claims.

Safety Program

A safety-first culture runs through every SPG plant thanks to dedicated personnel. A global safety leader and regional and local safety managers drive initiatives at the operational and factory level. Regular safety training ensures that employees are equipped with the knowledge and skills needed to handle potential hazards safely. It also reinforces the importance of following protocols and staying vigilant.

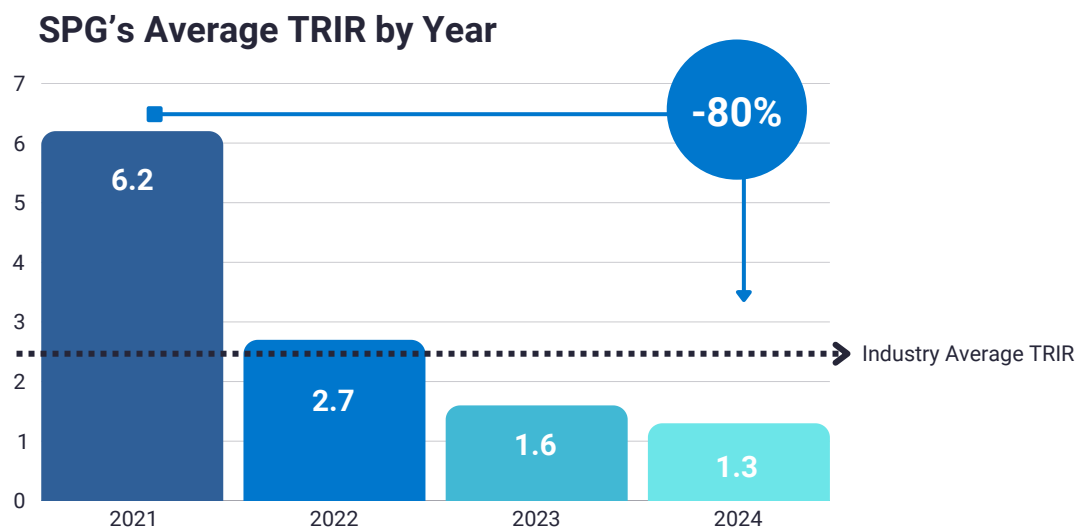
By improving processes, equipment and training, SPG has minimized safety risks, created higher productivity, reduced absenteeism, lowered turnover rates, and increased employee morale. The company's comprehensive safety program is routinely board reviewed for accountability to established safety measures, review of safety data, and oversight of actions for improvement.

Lowering TRIR

To improve our TRIR, SPG made safety everyone's responsibility. Better communication, incident and near-miss tracking, and root cause discovery and repair became paramount throughout the organization. Today, we celebrate collaboration, shared learnings and successes company wide.

These changes have lowered SPG's TRIR below the industry average of 2.55 achieving an 80% improvement in four years.

SPG leadership is committed to further reducing TRIR through safety initiatives that empower employees and implementing employee-driven projects and recognition programs to cultivate positive reinforcement.



Measuring safety is commonly done by deriving a Total Recordable Incident Rate (TRIR), a calculation of recordable work-related injuries and illnesses per 100 full-time employees over a one-year period, based on the total hours worked by all employees. The metric, devised by Occupational Safety and Health Administration (OSHA) allows comparison against other companies.

WeCare: Engaging, Recognizing and Connecting

We are guided by five values that help us stay true
to our mission and vision.



To help employees embrace the company's core values, we launched an initiative aimed at communicating SPG's mission, vision, and values in a meaningful way.

We Care

We believe that when our employees understand the broader purpose of their work and feel valued in their contributions, they are more motivated and committed to achieving the collective success of the company. To achieve this, the WeCare campaign focuses on three key pillars:

Engagement through communication

Rewarding through recognition

Improving communication at every level

Engagement

SPG leadership personally launched the WeCare campaign by hosting open dialogue meetings at every plant location where employees shared ideas and asked questions. The goal was simple: to listen and help employees connect to organizational goals. It was the first step in creating a culture of appreciation and acknowledgment, where all employees are heard and valued.

Communication

Engaged employees are happier and more productive. Communicating WeCare gives us an opportunity to speak with transparency, invite feedback, and build trust and collaboration. We are developing a caring, high-performance growth culture with team building and an investment in digital technology to positively impact our people and how they work.



SPG Connect is an intranet that connects people, systems and culture in a mobile-first platform that is inclusive to all employees. SPG Connect removes barriers of accessibility and language to enable faster and better two-way communication. With one resource, employees can find the tools and resources needed to stay informed and easily reach out to share ideas and ask questions.

Recognition

By celebrating employees' hard work and dedication through WeCare recognition programs, morale has improved, and positive behaviors are reinforced. Through these programs, we are praising and rewarding outstanding contributions and fostering a culture of achievement and appreciation. We encourage one another to strive for excellence to achieve common goals and rewards.



Share the Gains: Rewarding Performance and Value

We believe that success is achieved through teamwork and shared responsibility. And when a company succeeds, everyone should benefit.

Share the Gains, a program that links SPG's performance with individual rewards, was created for employees to share in profitability. Everyone has an opportunity to earn bonuses when the company achieves its key targets. These targets are carefully set based on key performance indicators such as revenue growth, cost-efficiency, customer satisfaction, sustainability goals or other strategic milestones.

We are strong believers in building prosperity by making it possible for employees to receive a return on the value they add to our company. Under the guidance of Altamont Capital Partners, SPG's Share the Gains program includes a shareable business equity payout for all full-time employees. By offering a financial reward linked to company performance, we're creating a culture of ownership and accountability.



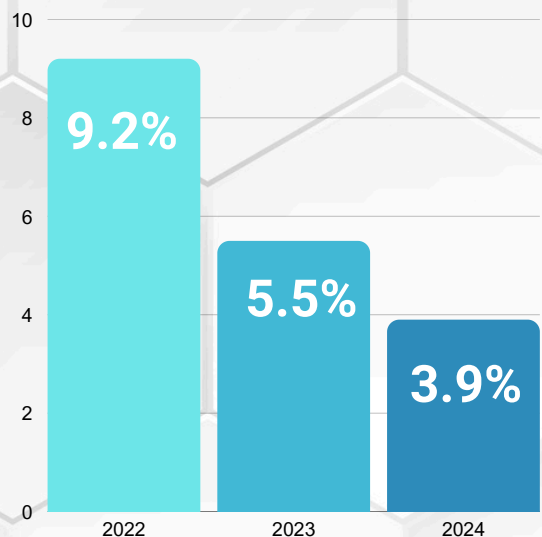
Building Engagement and Responsibility

Reducing employee turnover and improving safety standards are not only vital for our operational efficiency but also for maintaining employee well-being and SPG's overall success. Achieving these objectives is deeply connected to cultivating the right company culture—one that prioritizes engagement, communication and accountability.

By fostering an environment where employees feel valued, supported, and engaged, we're creating loyalty and commitment. Over the past four years, we've seen a positive, inclusive culture with motivated employees who are staying with the company for the long term. We're pleased to say, turnover has continued to reduce each year.

We are committed to improve training in different areas including people management and promoting a culture of learning through effective programs throughout SPG.

SPG's Employee Turnover



57% reduction in voluntary employee turnover from 2022 to 2024

Diversity & Inclusion

We believe that inventiveness thrives in diversity. The SPG workplace fosters new ideas and perspectives in an environment that is diverse in background, race and gender. We celebrate differences and promote actions that enrich minority communities.

At SPG, everyone's contributions drive us forward.



Building Community

We invest back into the communities where we live and work by supporting local charities and nonprofit organizations. Our employees are making a positive impact in people's lives by generously donating their time, talent and resources. Here are some of the programs we support.

Club Dust

Employees from Tijuana, Mexico and Ontario, California joined a group of 150 Club Dust volunteers to build housing for extremely poor families in Tecate, Baja California. During the three-day trip, the group completed a home for a local family.



Grand Sapin de Ste-Justine

Quebec employees supported Ste-Justine Hospital, a renowned mother-child center in Montreal. Monetary donations to a fundraising campaign lit up the hospital's iconic Christmas tree. In two weeks, employees, partners and suppliers raised over \$2,000 and illuminated 406 lights of hope.



Mexico Children's Shelters

Employees from plants throughout Mexico bring Christmas to children's shelters each year. Volunteers played games and delivered gifts, meals, candies, cakes and pinatas to add to the holiday festivities.



Keeping Canada's Roads Festive

Operation Red Nose is a Quebec-based non-profit that promotes responsible behavior to prevent driving while impaired. SPG employees volunteer their time and vehicles to serve as escort drivers, helping to make roads safer during the holiday season.



We commend our employees' strong commitment to volunteerism and demonstration of SPG's core values of respect and working together. By carrying our values into our communities, we are making an impact for a better world.

