

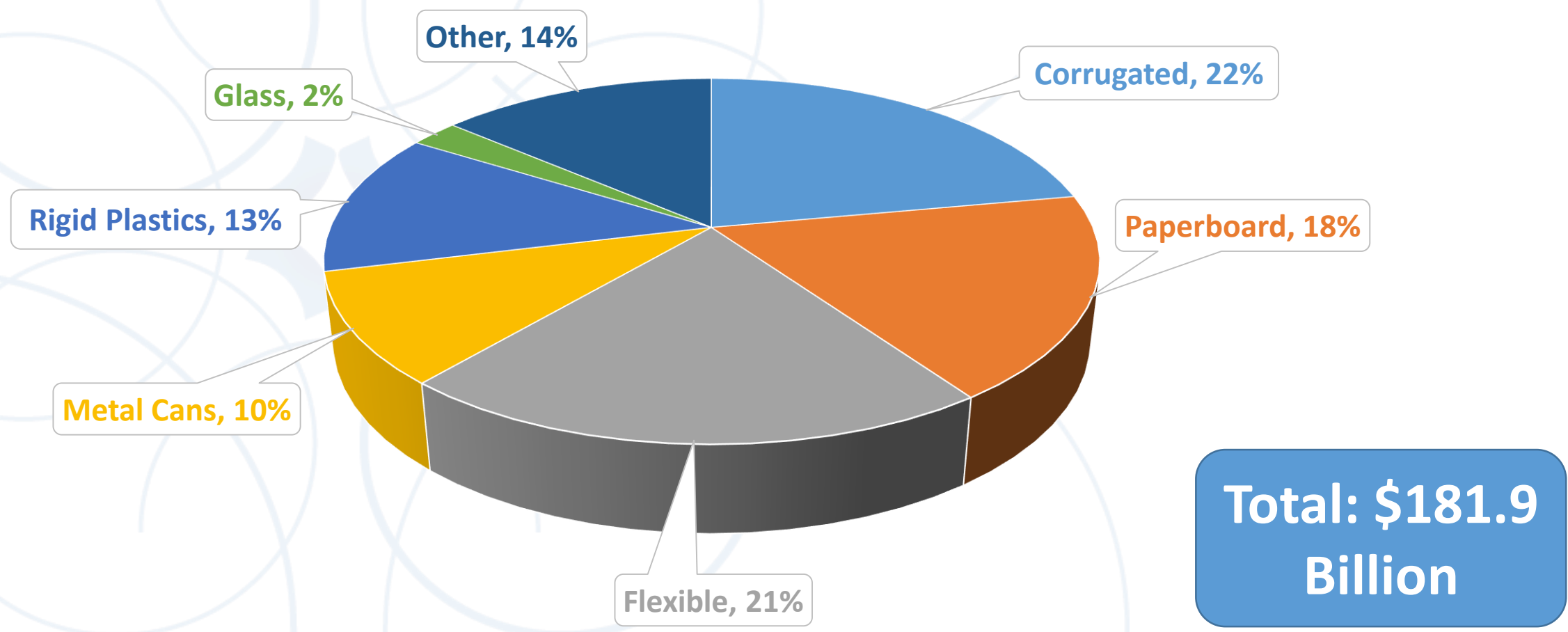
State of the U.S. Flexible Packaging Industry

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President & CEO
Global Pouch Forum
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Let's Talk About Flexibles!



Total U.S. Packaging Market % Breakdown by Segment



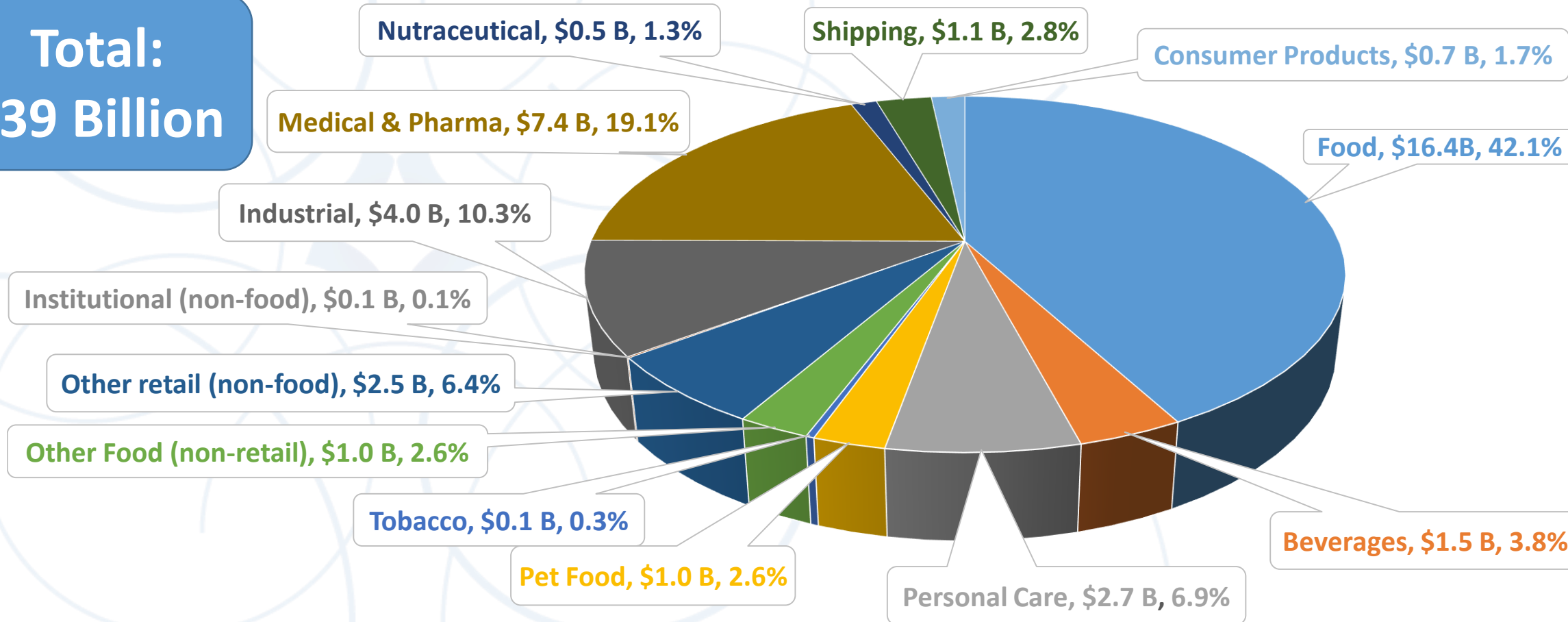
Source: Inforum (2023)

U.S. Flexible Packaging Industry Breakdown

By End-Use Market 2022



**Total:
\$39 Billion**

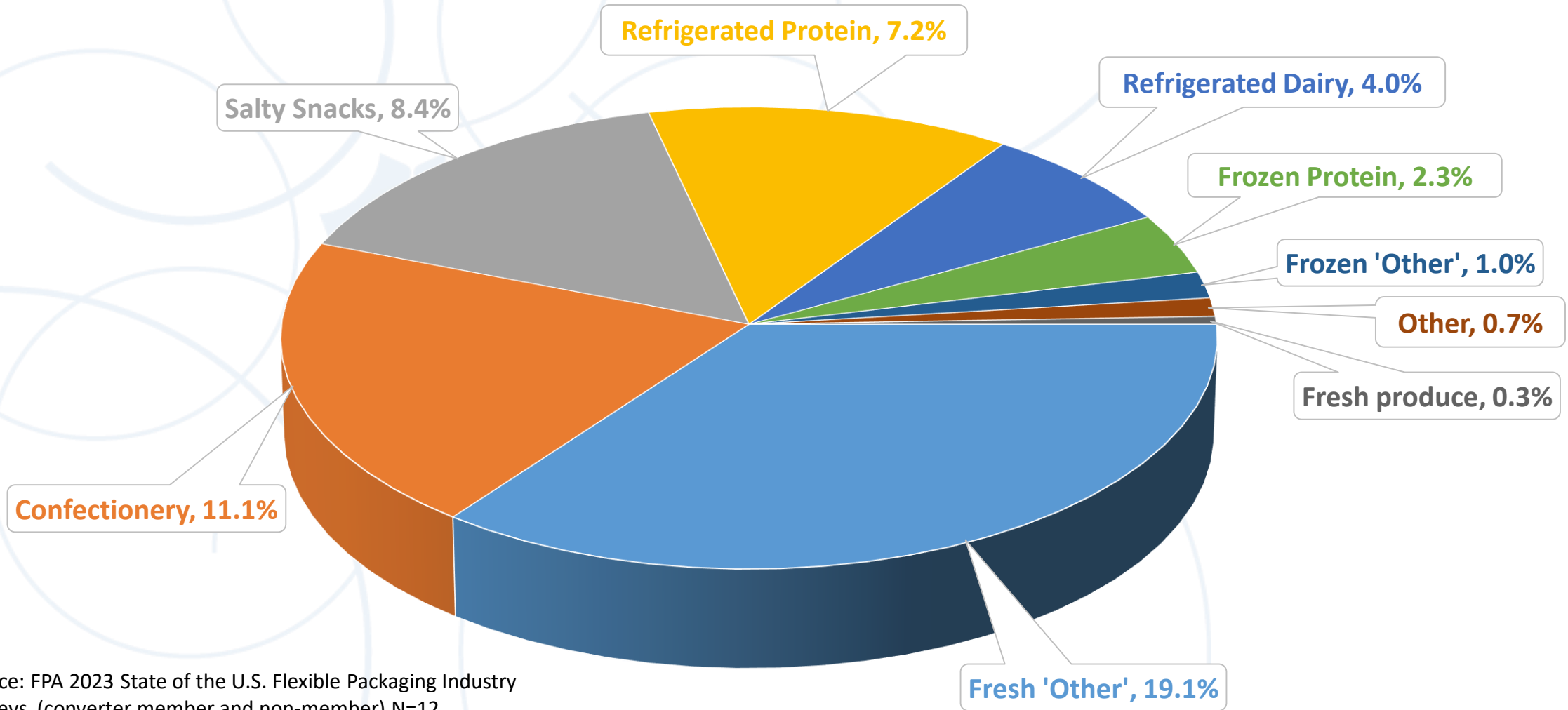


Source: FPA 2023 State of the U.S. Flexible Packaging Industry Surveys (converter member and non-member)

Note: Average used for calculation. N=16

Food – Flexible Packaging % by Category

By Market 2022



Source: FPA 2023 State of the U.S. Flexible Packaging Industry Surveys (converter member and non-member) N=12

U.S. Flexible Packaging Unit Volume Growth Potential



Market	2017-2022 CAGR	2023 - 2026 CAGR
FOOD	2.0%	2.2%
Chocolate Spreads	15.1%	8.3%
Plant-based Dairy	7.9%	8.1%
Dried Baby Food	11.3%	7.5%
Food Kits	17.3%	6.1%
Chocolate Pouches and Bags	5.9%	5.9%
Shelf Stable Fruit & Vegetables	12.3%	5.0%
Meat Snacks	5.6%	4.8%
Savory Snacks	4.4%	3.7%
Sugar Confectionery	2.1%	3.4%
Snack Bars	0.6%	3.1%
Chocolate Spreads	15.1%	8.3%
BEVERAGES	1.3%	-0.4%
Tea	3.9%	5.1%
Juice	-0.5%	-102.0%

Market	2017-2022 CAGR	2023 - 2026 CAGR
HOME CARE	2.4%	1.4%
Liquid Air Fresheners	5.5%	5.8%
Detergent Tablets	5.6%	5.6%
Laundry Care	4.2%	4.0%
DOG & CAT FOOD	5.1%	1.8%
Cat Treats & Mixers	11.3%	3.2%
Cat Food	6.6%	2.7%
Dog Treats & Mixers	4.4%	1.3%
Dog Food	3.9%	1.1%
BEAUTY & PERSONAL CARE	2.2%	-0.1%
Liquid Soap	7.7%	6.6%
Adult Sun Care	8.5%	6.5%
Hand Sanitizers	23.8%	2.6%
Facial Makeup	-1.4%	2.4%
Lip Products	-2.9%	2.0%

Source: Euromonitor International Passport Data – March 2023

Based on the number of packaging units sold to consumers through all retail channels



Converter & Supplier Most Important Issues

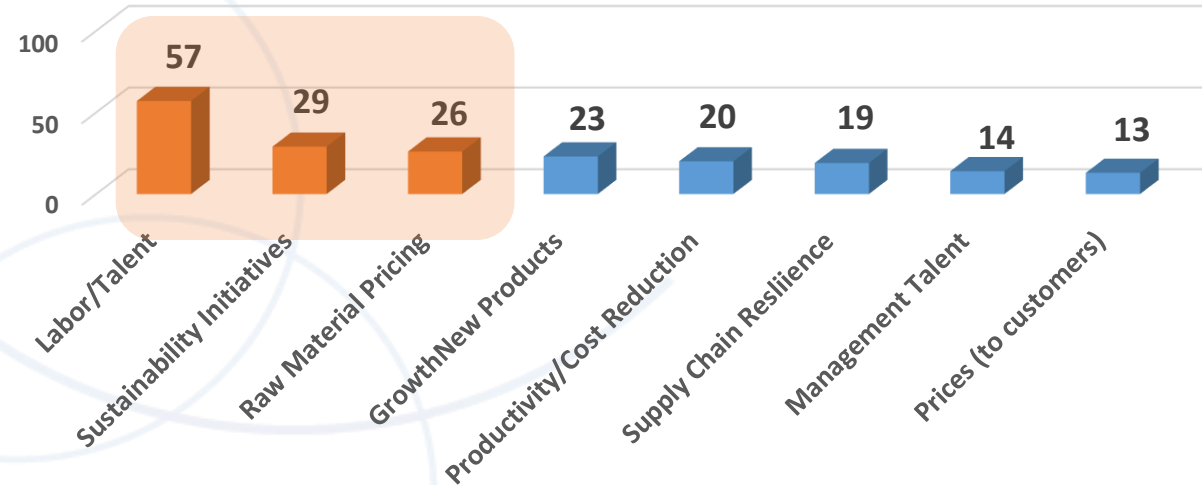
Relative importance based on combined rank totals.

Weighted 1-5, with 5 = most important

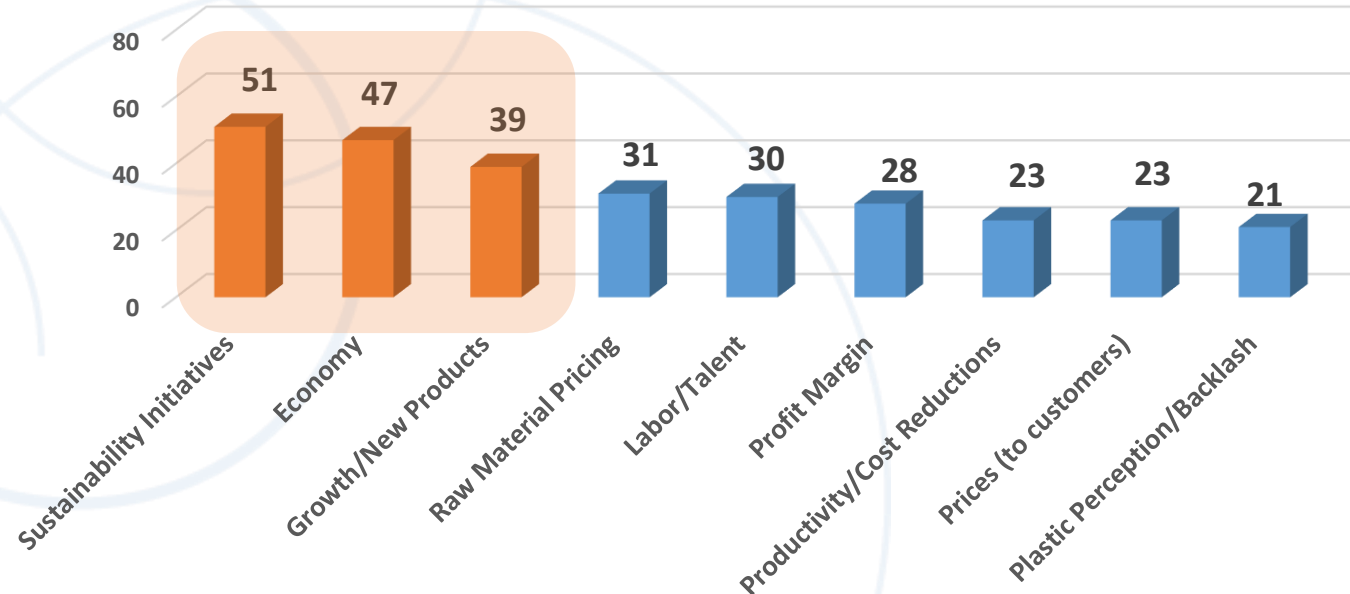
Sources: FPA 2023 State of the U.S. Flexible Packaging Industry Survey

Converters n=15; Suppliers n=25

Converters' Most Important Issues



Suppliers' Most Important Issues





Policy Driving Innovation

- Public Perception and ENGO push push to eliminate plastic
- Brand owner's sustainability goals driven by EMF, investors and consumers
- State legislation, such as EPR, labeling for recyclability, elimination of certain chemicals in packaging, and advanced recycling
- Federal in-action



Corporate

- Investor Focus on ESG Criteria
- Brand Perception
- EPR
- EMF – New Plastics Economy
- Plastics Backlash
- E-commerce
- Package Design



Challenges

Infrastructure for Collection, Sortation, and Reprocessing



MATERIALS RECOVERY FOR THE FUTURE

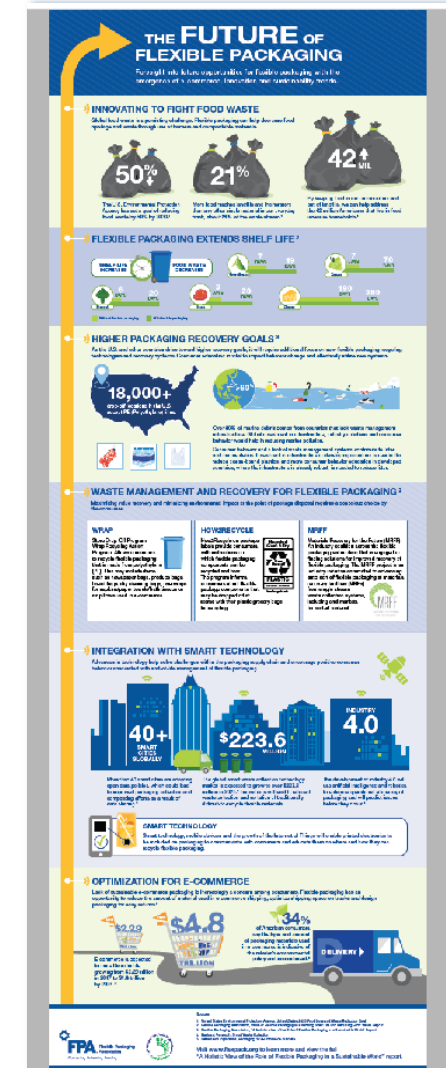


CONSORTIUM FOR WASTE CIRCULARITY



SUSTAINABLE PACKAGING COALITION®

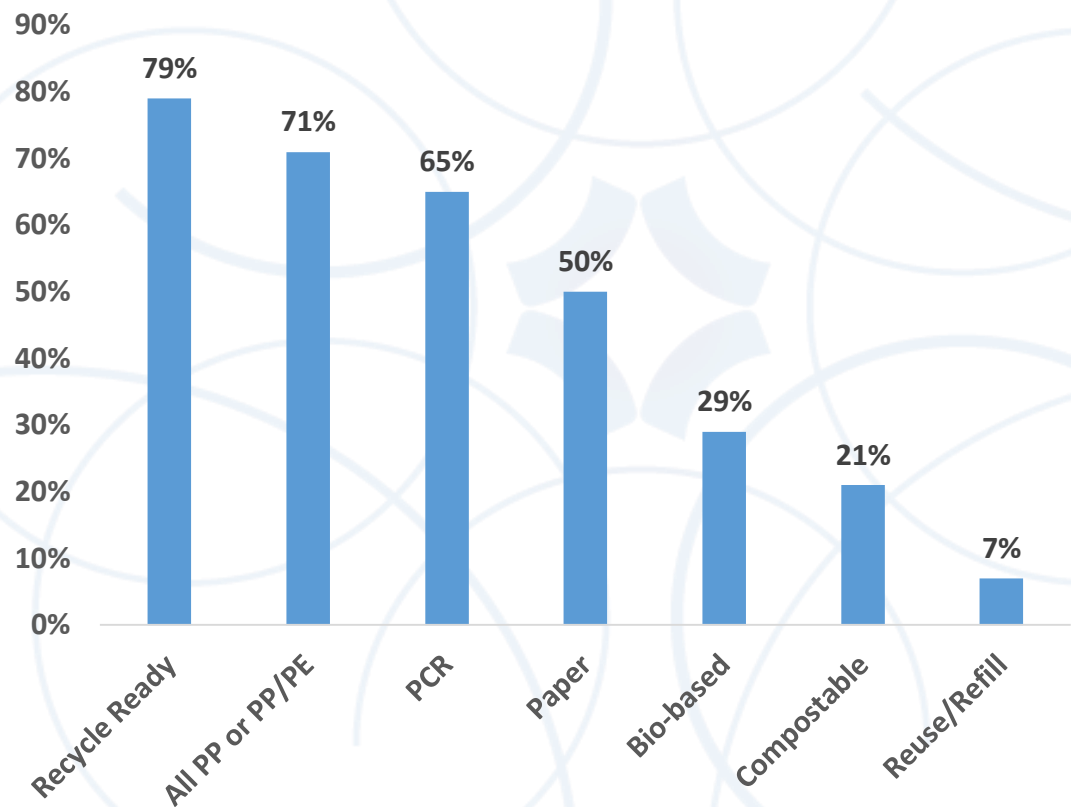
- Over 20,000 different municipal programs
- Lack of access to curbside collection
- Only 5% of film is collected for recycling (store drop-off)
- FDA approval for PCR for food grade packaging
- Redesign w/out unintended consequences
- End markets



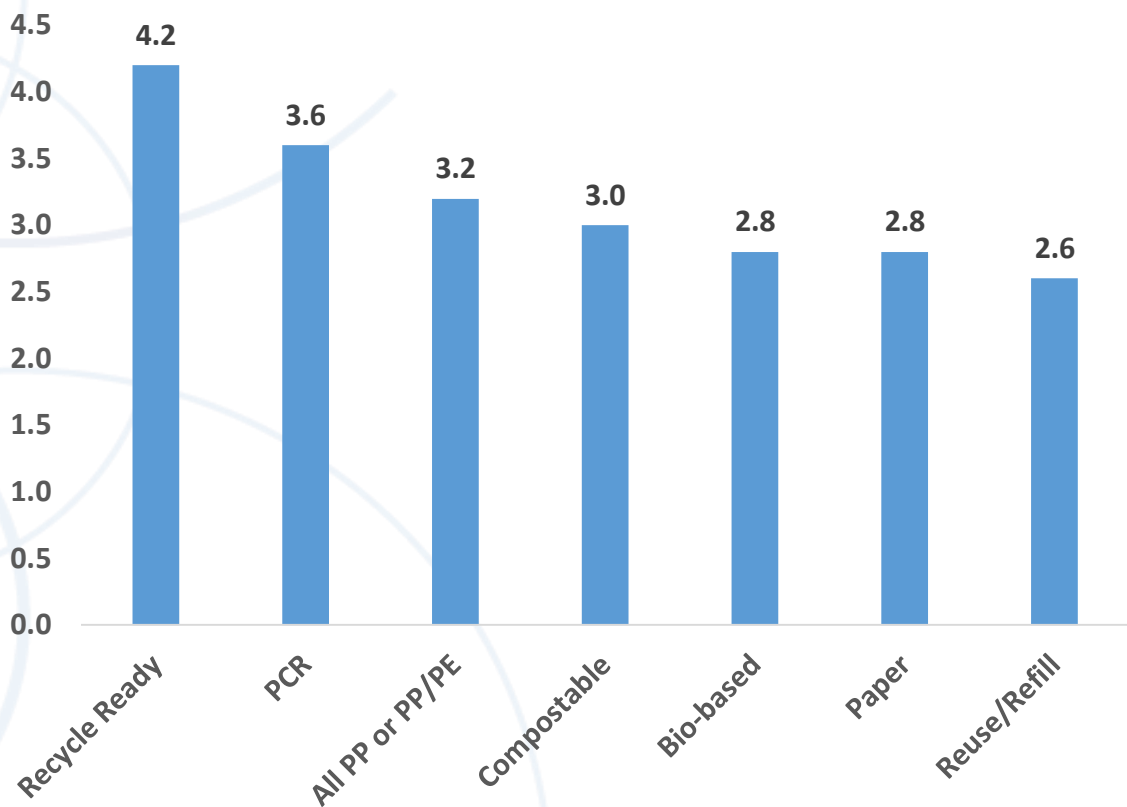
Emerging Technology Trends



Using Today



Importance



Using scale 1-5
(5 Extremely important/ 3 moderately important/ 1- Not important)

Source: FPA 2023 State of the U.S. Flexible Packaging Industry
Surveys (converter member and non-member) N=23

Panel Discussion