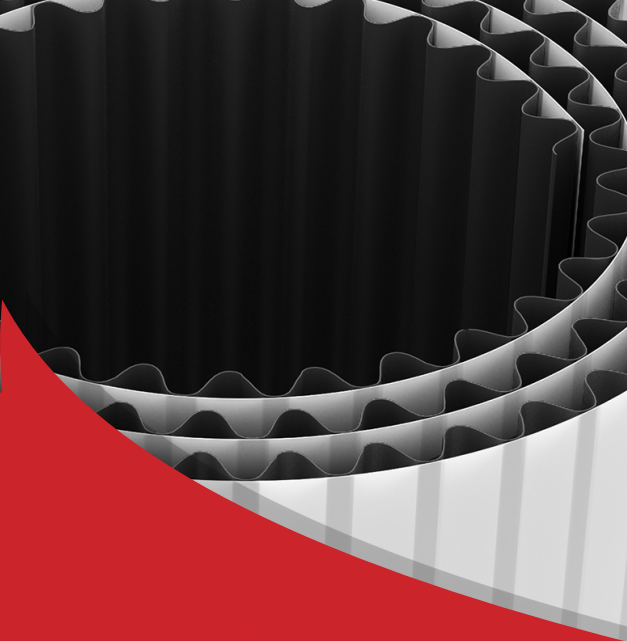




LIBERTY DIVERSIFIED  
INTERNATIONAL

## FY 2026 SUSTAINABILITY REPORT

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# A MESSAGE FROM OUR LEADERSHIP

More than 100 years ago, Liberty was founded on the principle of sustainability. By recycling wooden boxes, burlap bags, and bushel baskets, Jack Fiterman was a pioneer in sustainable business operations.

Our ESG strategy is built on this legacy. Sustainability is not just part of our strategy—it is a reflection of who we are and the future we are building together. Through our efforts, we're upholding our core values of Caring, Innovation, Trust, and Excellence. This year, we built on that foundation by continuing our commitment to our 10-year sustainability targets.

We look ahead with confidence and steady commitment to the values and principles that have guided us for more than 100 years.

Sincerely,

**Mike Fiterman**  
CHAIRMAN OF  
THE BOARD



**Jenny Lindstrom**  
CHIEF LEGAL &  
SUSTAINABILITY  
OFFICER



“

We have a rich legacy at LDI. For all great companies, sustainability needs to be the standard. LDI has lived that standard for over 100 years.”

—Mike Fiterman

“

Sustainability is more than targets—it's about values, consistency, and long-term thinking. I'm grateful to work with teams who take on the responsibility for sustainability every day.”

—Jenny Lindstrom

# YEAR-IN-REVIEW HIGHLIGHTS

## AT-A-GLANCE METRICS

**~43,500 pounds** or a 1% reduction  
in waste from the baseline

**~1M gallons**  
of fresh water saved or 4 gallons  
per ton of paper produced

**12.6M pounds**  
GHG Emissions reduction  
or 4% from baseline

## MILESTONES

Liberty Packaging achieved certification from the  
**Sustainable Forestry Initiative® (SFI®)**  
2022 Certified Sourcing Standard  
Learn more at [Forests.org](https://forests.org)

Increased EcoVadis score by  
**20 points**

**New digital printer**  
in Los Angeles

**600M pounds**  
of fiber recycled at LPI

**4.85M pounds**  
of resin recycled by Liberty Plastics

**4M pounds**  
of process paper waste eliminated  
at Liberty Packaging

# ABOUT LDI



CARING



INNOVATION



TRUST



EXCELLENCE

## Multiple diversified markets, one innovative team.

Liberty Diversified International (LDI) is a fifth-generation, family-owned business and leading provider of innovative, sustainable products. Since our founding in 1918, we have grown from humble beginnings into a global leader in five core markets: Paper, Packaging, Plastics, Workspace, and Contract Manufacturing. Our business has evolved, but some things remain constant: our commitment to operational excellence and the purpose and values that guide us.

**Our purpose is simple:** to work hard every day to make life better for our employees, customers, suppliers, and communities.

As we grow and expand our capabilities, we remain focused on meeting the evolving needs of our customers. Whether through the products we make or the ways we give back, we are committed to creating a more sustainable world. The charitable contributions and volunteer efforts of our employees and businesses help make a meaningful impact every day.

## 2026 CERTIFICATIONS AND AWARDS

### Minnesota Family Business Award

#### Liberty Paper

- MNSTAR/OSHA Voluntary Protection Programs
- SFI®, FSC®, and PEFC® Certifications
- ISO 9001 and 14001 Certifications

#### Liberty Packaging

- Mexicali and Tijuana ELSSA (Entornos Laborales Seguros y Saludables—Safe and Healthy Work Environments) Distinction
- AICC Innovator of the Year 2nd Place for Lead the Line training program
- SFI® Certification
- ISO 9001 Certification at select locations
- AIB or SQF Certification at select locations
- 3M Supplier of the Year for Service—Most Improved

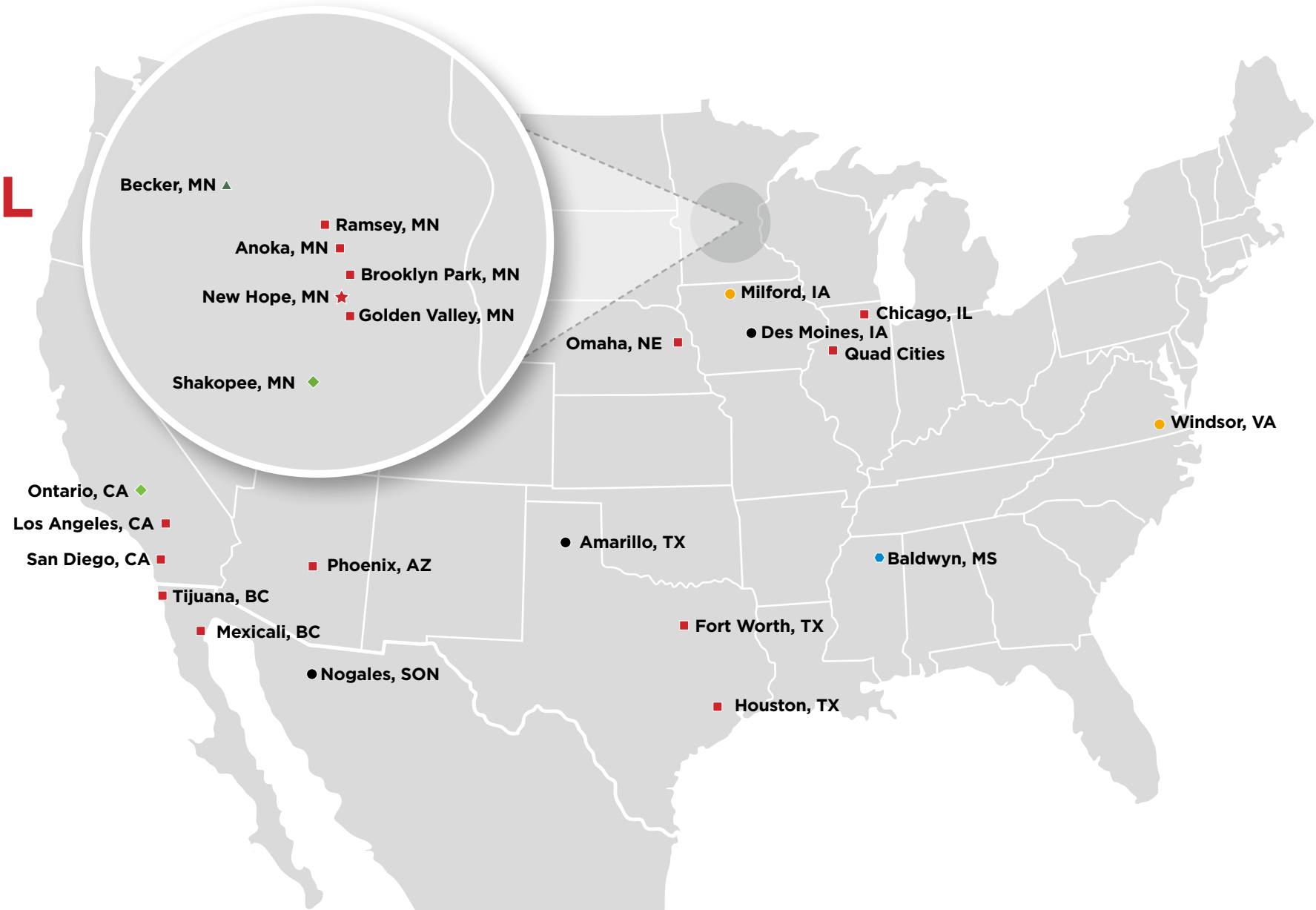
**Jenny Lindstrom Twin Cities Business Notable General Counsel for strengthening governance and advancing sustainability initiatives**

# INDEPENDENT OWNERSHIP. INTERNATIONAL PRESENCE.

As one of the largest privately held companies in the Midwest, LDI combines the reach of an international footprint with the agility of independent ownership. We move with speed, precision, and creativity.

We do what the big players won't and the smaller players can't: deliver tailored solutions that meet complex challenges while staying closely connected to the needs of our customers and communities.

- ★ CORPORATE HQ
- PACKAGING DISTRIBUTION
- LIBERTY PACKAGING
- LIBERTY PLASTICS
- ▲ LIBERTY PAPER
- SAFCO
- ◆ JOINT VENTURE



# OUR FAMILY OF BUSINESSES



**Liberty Packaging** is a strategic partner and leading provider of innovative, sustainable packaging and integrated supply chain solutions.



**Liberty Plastics** manufactures Wave-Core™, a corrugated plastic made from high-density polyethylene (HDPE), and creates reusable and recyclable packaging solutions. Quarrix Building Products, a Liberty Plastics brand, specializes in sustainable roofing and building products.



**Liberty Paper** transforms 600 Million pounds of old corrugated containers each year into 100% recycled paper for new boxes. Dreamworks Coating Solutions, a division of Liberty Paper, partners with customers to deliver recyclable coatings that enhance product performance.

## SAFCO®

**Safco** designs workspace solutions that help people do their best work in any space. Safco delivers adaptive furniture, smart storage, and technical workstations built for flexibility, durability, and sustainability.



Leveraging our world-class manufacturing facility, **Liberty Custom** is an outsourced manufacturing partner delivering wood, sheet metal, painting, and assembly.

# ESG GOVERNANCE

Environmental, Social, Governance (ESG) and Environmental Health and Safety (EHS) principles are integrated into our daily operations and decision-making. ESG priorities are shaped by our double materiality assessment, developed by our sustainability leadership team, and approved by LDI Officers and the Board of Directors.

## Advancing Our Sustainability Management System:

In FY26, we continued to strengthen our sustainability management system through several key initiatives.

- We implemented a formal ESG Policy to align sustainability efforts across the organization and establish a guiding framework for our sustainability management system.

- To increase visibility and accountability, we incorporated sustainability metrics into quarterly business reviews, helping ensure sustainability performance is regularly reviewed at the highest levels of the organization.
- We also continued to embed sustainability considerations into business planning and decision-making by referencing our materiality assessment when evaluating and implementing sustainability initiatives.
- At the business-unit level, Liberty Packaging increased its EcoVadis score by 20 points, reflecting continued progress in sustainability performance and management practices.

## GOVERNANCE STRUCTURE



# ESG GOALS AND PROGRESS

## Fresh water



### GOAL

Reduce fresh water usage per production ton by **8%** at Paper Mill by 2034.

### FY26 PROGRESS

959 gallons/ton compared to a baseline of 963 gallons/ton (a 0.4% reduction)

## Sustainable products



### GOAL

Achieve SFI® certification for **all** Packaging locations by 2026.

### FY26 PROGRESS

✓ **Achieved**

## GHG emissions



### GOAL

Reduce absolute Scope 1 and 2 GHG emissions by **15%** by 2034.

### FY26 PROGRESS

4% reduction in GHG emissions from baseline (or about 5,700 metric tons)

## Supplier sustainability



### GOAL

Increase alignment between addressable supplier spend and our environmental and social responsibility standards—reaching **80%** alignment by 2034.

### FY26 PROGRESS

🔄 **Ongoing**

## Waste



### GOAL

Reduce waste sent to landfill across Liberty Packaging, Saftco, and Liberty Plastics operations by **10%** by 2034.

### FY26 PROGRESS

1% reduction

## Community



### GOAL

Continue giving back **5%** of annual profits to our communities, focusing on children's health, education, and food security.

### FY26 PROGRESS

🔄 **Ongoing** — Since our baseline year, we have averaged returning 5% of annual profits to our communities

ESG GOALS AND PROGRESS, CONTINUED

Empowering people



**GOAL**  
Ensure **100%** of LDI employees are represented in action plans following the 2025 engagement survey.

**FY26 PROGRESS**  
✓ **Achieved**

Ethics



**GOAL**  
**100%** of employees will review our Code of Conduct and affirm their compliance.

**FY26 PROGRESS**  
✓ **Achieved**

Leadership development



**GOAL**  
Embed People Leader Goal in all leader performance reviews, including timely feedback, development plan execution, and engagement action planning.

**FY26 PROGRESS**  
✓ **Achieved**

Safety



**GOAL**  
Continue to get brilliant at the basics by standardizing and improving EHS systems across all locations. Strive for a **100%** safe culture by driving continuous improvement to reduce risk in the workplace and by supporting our teammates' well-being.

**FY26 PROGRESS**  
🔄 **Ongoing**

- Company-wide audit procedure implemented
- Comprehensive EH&S Framework began
- Site Security program implemented at every site
- Introduced Safety Moments practice
- Safety earned an 82% favorability rating in the 2025 employee engagement survey

Employee development



**GOAL**  
Regularly promote and maintain a library of personal and professional development resources accessible to all employees at all levels of the organization.

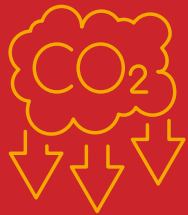
**FY26 PROGRESS**  
✓ **Achieved**



# BUILDING CLIMATE RESILIENCE

We are committed to ensuring our operations and supply chains are adaptive, sustainable, and prepared to thrive in the face of change. By investing in sustainable practices, we build resilience for both our business and the communities where we work and live.

# ENERGY USE & GHG EMISSIONS



GOAL

# 15%

reduction in  
GHG emissions  
by 2034

**Progress:** We are committed to reducing energy use and greenhouse gas (GHG) emissions across our operations. We established a baseline for Scope 1 and Scope 2 emissions in FY24 and continue to identify and pursue energy-efficient improvements in our facility operations and capital planning. In FY26, we continued to pursue energy-efficiency improvements across our operations, including facility upgrades and initiatives designed to reduce unnecessary energy consumption.

**Looking Ahead:** We are committed to data-driven decision-making, continuous improvement, and transparent reporting. Our approach aligns with the Greenhouse Gas Protocol and supports future alignment with emerging disclosure expectations.



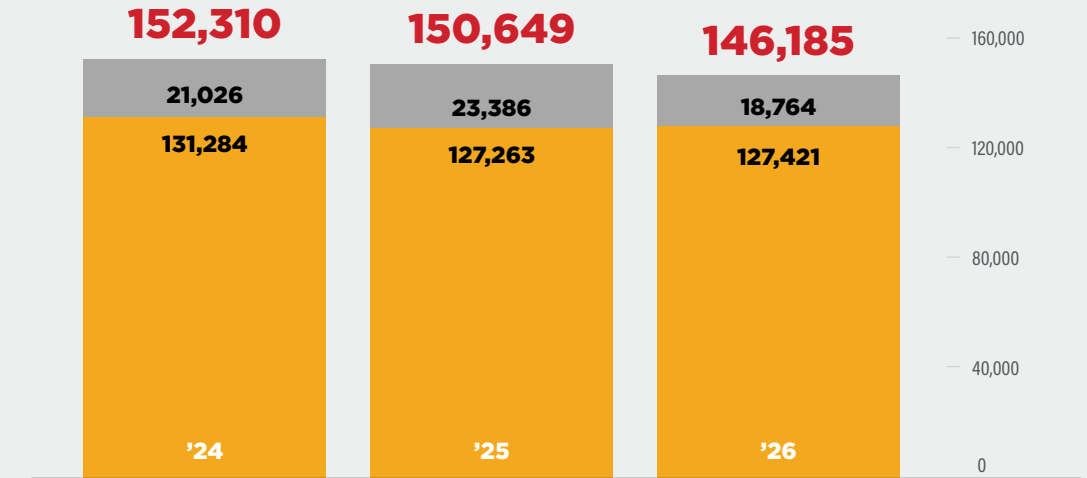
Scope 1 emissions are direct GHG emissions from company-owned or controlled sources, such as fuel combustion on-site.

Scope 2 emissions are indirect GHG emissions from the purchase of electricity, steam, heat, or cooling.

## Market-Based Carbon Emissions

Metric Tons CO<sub>2</sub>e

■ Scope 1  
■ Scope 2





### Improving Energy Efficiency in Omaha

Although Omaha is our newest facility, the team continues to identify opportunities to reduce energy use and improve operational efficiency. In FY26, occupancy sensors were installed on 96 warehouse light fixtures, reducing energy consumption by approximately 157,540 kWh annually, generating more than \$15,000 in annual cost savings, and increasing LED life expectancy.

They also installed blower timers on five production lines, reducing energy use by an estimated 3,552 to 4,944 kWh annually while extending asset life and generating approximately \$84,000 in annual cost savings.

#### CASE STUDY

### Air Leak Identification & Repair Program

Compressed air systems are a critical utility in manufacturing operations. Small leaks in these systems can result in significant energy loss over time. As part of our broader operational efficiency and energy reduction efforts, we expanded initiatives to identify and reduce compressed air leaks across our facilities.

Our facilities conducted internal and external compressed air leak surveys to identify opportunities for improvement and complete repairs when feasible. Facilities that did not have formal compressed air management programs implemented new processes for ongoing leak identification and repair. These efforts help reduce unnecessary energy consumption while improving equipment performance and system reliability.

Estimated annual energy savings from implemented leak reduction initiatives include:

| Facility                        | Estimated Annual Energy Savings (kWh) |
|---------------------------------|---------------------------------------|
| Liberty Packaging Golden Valley | <b>-146,000</b>                       |
| Safco                           | <b>-246,000</b>                       |
| Liberty Packaging Brooklyn Park | <b>-126,000</b>                       |
| Liberty Packaging Fort Worth    | <b>-64,000</b>                        |
| Liberty Packaging Quad Cities   | <b>-30,000</b>                        |
| Liberty Packaging Omaha         | <b>-97,000</b>                        |
| Liberty Packaging San Diego     | <b>-3,000</b>                         |
| Liberty Paper                   | <b>-124,000</b>                       |
| Liberty Plastics                | <b>-60,000</b>                        |
| <b>Total</b>                    | <b>&gt;896,000</b>                    |

**Collectively, these projects are expected to save more than 896,000 kWh annually, supporting progress toward our goal of reducing greenhouse gas emissions by 15% by 2034.**

Beyond energy savings, effective compressed air management improves equipment performance, reduces strain on compressors, and reinforces a culture of proactive maintenance and continuous improvement.



# MAKING SUSTAINABLE PRODUCTS

We create products that are responsibly sourced and manufactured, ensuring minimal environmental impact. Sustainability is at the core of our design and production process.

# SUSTAINABLE PRODUCTS

We strive to design and deliver products that reduce environmental impact and contribute to long-term ecological health. Across our businesses, we are committed to integrating sustainability principles throughout the product lifecycle.

- **IN PAPER AND PACKAGING**, we focus on responsible sourcing through Sustainable Forestry Initiative (SFI®) certifications. We continue to improve resource efficiency and minimize waste throughout our manufacturing processes and supply chain solutions.
- **IN PLASTICS**, we support circularity through the use of High-Density Polyethylene (HDPE). Valued for its

strength and durability, HDPE is widely accepted at recycling facilities and can be recycled multiple times without compromising performance.

- **AT SAFCO**, sustainability is embedded in the design process. We emphasize environmentally preferred materials, durable construction, and design strategies that support end-of-life recyclability.

Through innovation, collaboration, and a culture of continuous improvement, we aim to deliver lasting environmental benefits while creating long-term value for our customers and communities.

## Innovating with Recyclable Products

Dreamworks Coating Solutions (DCS) produces a recyclable alternative to traditional wax-coated paper and plastic liners, helping customers meet their sustainability goals without compromising performance. Protein packaging is DCS's largest product segment, and customers are increasingly adopting the wax replacement liner. On an annual basis, this recyclable solution helps divert approximately 10,000 tons of corrugate from the landfill. Additionally, DCS has begun working with a quick-service restaurant customer to produce a compostable coated paper liner.

## Circularity in Plastics Manufacturing

Manufacturing HDPE generates pelletized scrap in different forms. Historically, that scrap was sent to outside recyclers to be ground into flake form and repelletized when machinery did not have the capability to convert certain types of scrap back into its pellet form. The Baldwyn team installed an upgraded grinder along with a high-capacity repelletizing machine. Repelletization is now done in-house, and the pellets are reintroduced into finished products. Ultimately, Liberty Plastics has increased pre-consumer recycled content from about 30 to 70%, increased repelletized material production by 140,000 pounds per week, and decreased the amount of virgin pellets needed.



# REDUCING WASTE



GOAL

10%

reduction in  
waste sent  
to landfill

**Progress:** Reducing waste to landfill is important to us. We recognize that achieving this goal requires more than good intentions—it demands data, accountability, and coordinated action across all areas of our operations.



## DID YOU KNOW

Since opening its doors more than 30 years ago, Liberty Paper has transformed old corrugated containers (OCC) into new paper. In 2026, Liberty Paper diverted over 600 million pounds of OCC from landfills. The recycled paper produced at the mill feeds directly into our box plants, supporting a closed-loop system that reduces waste and maximizes resources.

Corrugated packaging can be recycled up to seven times, and Liberty Paper plays a critical role in extending the life of that material while helping customers and communities move toward a more circular economy.

## Recycling Education

We aim to strengthen our recycling culture through improved recycling infrastructure, employee engagement, and sustainability awareness. In FY26, we partnered with a local Material Recovery Facility (MRF) to provide hands-on recycling education to employees at several Minnesota facilities. Employees learned what materials can and cannot be recycled, why contamination matters, and how proper sorting supports the recycling process.

By combining education with accessible programs, we are empowering employees to make informed decisions that support our waste reduction goals and commitment to responsible resource management.



## CASE STUDY

### Phoenix Expands Waste Reduction Efforts

In FY26, the Phoenix team expanded process waste reduction efforts beyond corrugated by identifying additional waste streams that could be diverted from disposal. The team implemented recycling programs for PET strapping and Styrofoam packaging materials generated during manufacturing operations.

Historically, these materials were difficult to recycle and were commonly disposed of as landfill waste. By identifying recycling outlets and implementing collection and handling processes, the Phoenix team transformed these materials from waste into recyclable resources.

**As a result, the facility now diverts approximately 33.5 tons of PET strapping and Styrofoam annually from landfill disposal.**



### Reducing Paper Waste in Packaging

Paper is the highest cost and largest input in the production of corrugated packaging. Through standardized work processes to track and review waste performance, Liberty Packaging facilities have collectively reduced paper waste by 4 million pounds in less than a year.

#### Key elements of the initiative included:

- Training leadership and plant-floor team members on the impact of waste
- Creating waste reduction teams at every site to identify and implement waste reduction projects in the corrugator, converting, and warehouse areas
- Holding weekly and monthly performance reviews, weekly plant waste team meetings, and monthly regional team and general manager meetings to review progress, address roadblocks, and identify improvement opportunities
- Installing scales and waste computers at all sites and implementing standardized processes for weighing and logging waste
- Developing tracking tools and KPIs for corrugator and converting waste, as well as converting sheet yield
- Creating and publishing waste reduction KPIs and trends

# WATER STEWARDSHIP



## GOAL

Reduce fresh water usage per production ton by

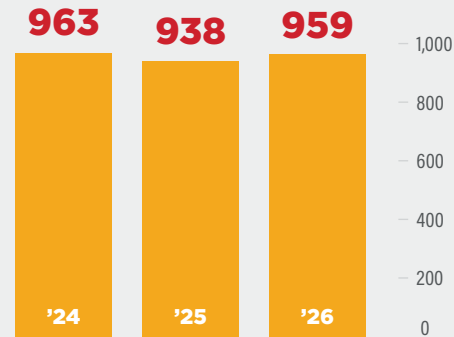
# 8%

by 2034

**Progress:** 959 gallons/ton compared to 963 gallons/ton baseline (0.4% reduction).

## Fresh Water Usage

Gallons/ton

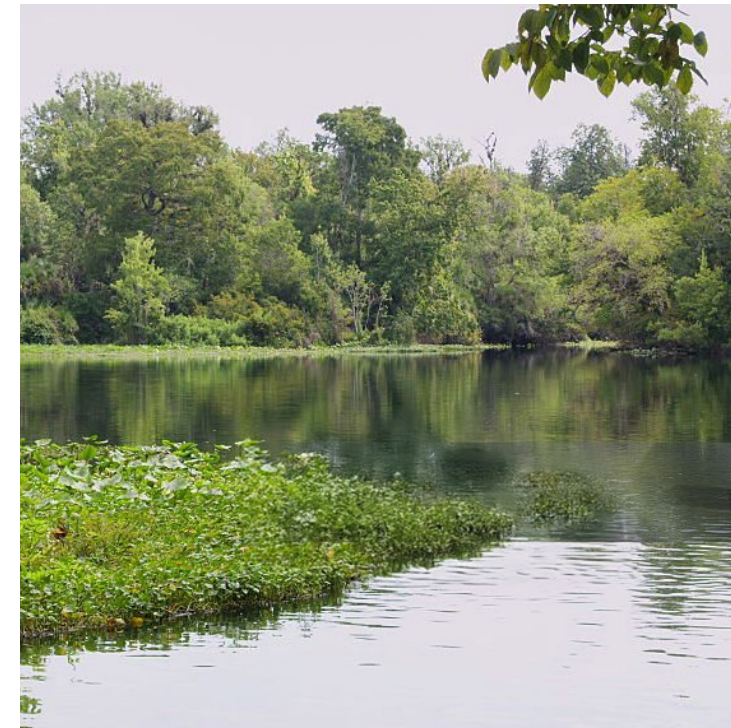


Water is essential to our operations, especially in paper production where significant volumes are required to process and manufacture high-quality material. We recognize our responsibility to manage water wisely, improve operational efficiency, and protect this essential resource for future generations.

Our long-term commitment includes implementing smarter systems, water reuse strategies, and conservation technologies across our operations.

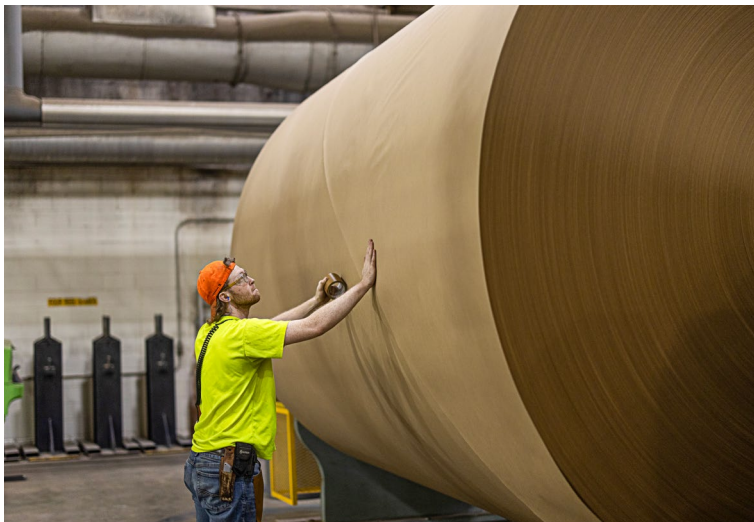
## The Fresh Water Reduction Program

Since 2020, LDI's Fresh Water Reduction Program has helped guide and accelerate our enterprise-wide water conservation efforts. Led by a cross-functional team, the program applies data-driven insights, emerging technologies, and proven best practices to reduce water use where it matters most.





From the beginning, the mill has partnered with a nearby energy company to **reuse steam**, saving water and energy by converting 874 million pounds of steam annually, and **returning the byproduct** for their use.



## Paper Mill Aims to Reduce Water Use

Water is required to process and manufacture high-quality paper, but that doesn't mean the mill isn't committed to reducing its water usage. In fact, the mill has established a goal to reduce water usage by 8%. Fresh water use has been added to the mill's daily management system, is reported and reviewed each morning, and action items are expected if water use is above goal.

Technical changes are being made as well. The coagulant used in the water treatment system was changed and is saving nearly five gallons of water per minute (GPM).

Additional improvements, including the installation of a pressure transmitter on three of the press showers are supporting overall water management and contributing to overall reductions.

Planned updates to the headbox shower could save about 20 GPM, and a water audit has been scheduled.

## Partnering with MnTAP to Advance Water Efficiency

As part of its commitment to operational efficiency and environmental stewardship, Liberty Packaging Twin Cities partnered with the Minnesota Technical Assistance Program (MnTAP) to identify opportunities for water and energy reduction.

The team evaluated manufacturing processes, analyzed utility use, and identified practical improvements that could reduce environmental impact and support operational performance. This effort helped drive measurable improvements, contributing a reduction in water intensity of 4.22 gallons per thousand square feet produced.

### Several targeted projects contributed to these savings, including:

- Reducing irrigation system water use by 15% (approximately 900,000 gallons of annual water savings)
- Installing new O-ring-style steam hookups (approximately 100,000 gallons of annual water savings)
- Implementing starch system operational improvements to further reduce process water usage and improve efficiency

Beyond the direct environmental benefits, the partnership provided valuable operational insights and reinforced a culture of continuous improvement at the facility level. The collaboration also demonstrated the value of leveraging external expertise and employee engagement to identify practical solutions that support long-term sustainability goals.

# SUSTAINABLE SUPPLY CHAINS



## GOAL

Achieve SFI® certification for all packaging locations by 2026

## PROGRESS

✓ Achieved

**Goal:** Increase alignment between addressable supplier spend and our environmental and social responsibility standards—reaching 80% alignment by 2034.

**Progress:** ✓ Achieved

Our supply chain practices promote efficiency and resilience. We prioritize working with ethical suppliers while fostering innovation and long-term value creation.

## Safco Highlights

- Safco has made significant investments to deliver more sustainable products and services, with approximately 70% of products made from recycled content.
- Powder-coating systems significantly reduce or eliminate the release of harmful volatile organic compounds (VOCs), supporting a safer and more environmentally responsible manufacturing process.



## Responsible Forestry

Responsible forestry and third-party certification standards—such as the Forest Stewardship Council (FSC®) and Sustainable Forestry Initiative (SFI®)—play a critical role in ensuring that forest resources are managed in ways that protect ecosystems, support biodiversity, and provide social and economic benefits.

Liberty Paper maintains SFI® and FSC® certification, and Liberty Packaging achieved SFI® certification this year.

By working collaboratively with suppliers, we aim to build a more resilient supply chain that supports responsible sourcing, reduces risk, and creates long-term value for our customers, communities, and stakeholders.

**Looking Ahead:** With SFI® certification now achieved across all Liberty Packaging locations, our focus will shift toward maintaining certification requirements, strengthening supplier engagement, and increasing visibility into sustainability performance throughout our supply chain.

In the coming years, we plan to further develop our supplier sustainability program by establishing clear expectations for environmental, social, and ethical business practices through a Supplier Code of Conduct. We will also continue enhancing our processes for assessing supplier alignment with these expectations and tracking progress toward our goal of achieving 80% alignment of addressable supplier spend by 2034.

# EMPOWERING PEOPLE



We are a team that cares for each other in a safe, engaging work environment that values our communities and is committed to excellence. Empowering our people strengthens our company's ability to innovate and succeed.

# EMPLOYEE HEALTH & SAFETY



Protecting the health and safety of our employees shapes how we work every day—it's a priority that is rooted in our values.

We strive to create an environment where all team members, contractors, and visitors can work safely and confidently, backed by comprehensive training and clear safety expectations. We empower people at every level to recognize potential hazards, proactively mitigate risks, and speak up when something doesn't feel right.

We reinforce our safety training through hands-on learning and continuous communication, ensuring that everyone understands their role in maintaining a safe workplace. We provide multiple ways to

report incidents, near misses, and safety concerns, including anonymously through an independently managed ethics hotline.

When issues arise, we act quickly to investigate, identify root causes, and implement preventive measures. Through consistent action, shared accountability, and a focus on continuous improvement, we are working to ensure every employee goes home safely, every day.

**Goal:** While our long-term goal remains zero workplace incidents, our current focus is on reducing exposure to the significant injury risks that have the greatest potential impact.

## **FY26 Progress:**

- ➔ To help address evolving security risks, we invested in and introduced new standards to keep our sites safe.
- ➔ We invested significantly to address some of our more common areas of opportunity, including pedestrian safety, safe walkways over conveyor systems, and automation to improve ergonomics.
- ➔ We began a years-long program to replace our aging fleet of powered industrial vehicles with new, more modern equipment with the latest safety features.
- ➔ Beginning in May, every scheduled meeting with more than two people is required to begin with a brief safety moment to reinforce safety awareness and engagement across the organization.

- ➔ We received high favorability scores in the safety category of our employee engagement survey, a reflection of the trust our teams place in our safety programs and our commitment to continuous improvement.

**Looking Ahead:** We will remain focused on being *"Brilliant at the Basics,"* by improving consistency, strengthening our safety foundation, and supporting scalable growth. Through these efforts, we are not only reinforcing compliance but also building a safety-first culture that engages employees and creates safer workplaces.

# CULTURE OF BELONGING

We are committed to building a workplace where every individual feels respected, valued, and empowered to contribute. Our goal is to create an environment where diverse voices and lived experiences are welcomed and where belonging is felt, not just stated.

**By embracing inclusivity, we unlock the talent and perspectives that drive innovation and support our long-term success.**

## Progress Highlights

- ➔ Developed frontline leadership through *Lead the Line*, a year-long program designed to support and grow leadership capabilities among frontline leaders in our production facilities.
- ➔ Strengthened inclusion training by expanding participation in Unconscious Bias training (now required for all new hires), with 607 employees and leaders completing the program as of May 2026.
- ➔ Expanded our coaching culture through the external GROW (Goal Reality Options Way Forward) Coaching Program, with more than 140 leaders participating across eight completed

cohorts. The program helps managers lead more effectively through empathy, adopt a more coach-like approach in their interactions, and empower teams and individuals to achieve their potential.

- ➔ Advanced inclusive dialogue through the *You Belong Here* webinar series, including five new installments attended by an average of 140 employees per session.
- ➔ Maintained consistent communication by sharing key inclusion milestones and awareness opportunities that help employees to educate themselves and broaden their perspectives.



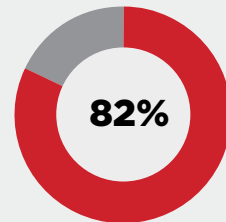
# EMPLOYEE DEVELOPMENT, ENGAGEMENT, & COMPENSATION

## Lead the Line

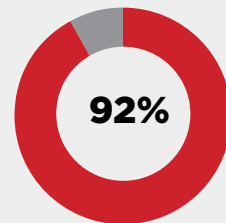
### Developing the Next Generation of Leaders at LDI

**Lead the Line**, a leadership development program designed to equip the next generation of leaders with the tools, mindset, and skills to thrive in a dynamic manufacturing environment, fosters leaders who not only drive results but also build inclusive, resilient, and safe workplaces where people feel valued and success is shared.

Early evaluation results show that the program is having an impact:



**82% of learners** surveyed reported feeling better prepared for their role and more confident leading their team after completing Lead the Line



**92% of managers** surveyed agreed that the program helped their direct report lead their team



### Fostering Leadership for a Sustainable Future

Strong leadership is essential to achieving our long-term sustainability goals. Our Leadership Advantage Framework translates our core values into tangible, learnable behaviors. By building skills in areas like ethical decision-making, resilience, adaptability, strategic thinking, and a commitment to results, the framework equips our leaders to inspire teams, manage change, and embed sustainability into both operations and culture.



### Employee and Leadership Development

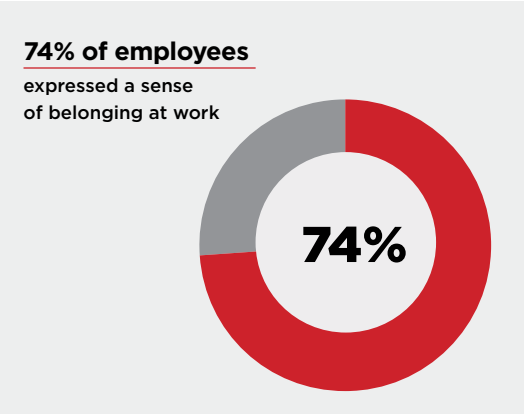
Leadership happens at every level. We are committed to giving our people the tools to grow, contribute, and lead with confidence.

Through our Elevate learning environment, employees can chart their own development path, building technical expertise, sharpening leadership skills, and preparing for new roles. We partner with leading content providers to deliver high-quality, on-demand learning across a wide range of topics, including environmental sustainability, corporate responsibility, and ethical workplace practices.

Employee Engagement

Our annual employee engagement survey helps us understand what drives team member success and provides valuable insight into employee sentiment, shaping both culture and strategy.

- 86% of employees participated in our most recent survey—a high response rate which reflects a strong sense of community and a willingness to provide feedback.
- 74% of employees expressed a sense of belonging at work, exceeding the industry benchmark by 4%.
- Top-scoring categories were safety and manager effectiveness, demonstrating that LDI employees recognize our culture of caring.



Standardized Pay Transparency

As part of our commitment to fairness and equity, LDI has implemented standardized pay transparency across all job postings, regardless of state requirements. By clearly listing pay ranges in every job posting, we aim to foster trust, support informed career decisions, and ensure an equitable experience for all candidates.

Employee Compensation and Livable Wage

We believe fair pay is fundamental to attracting and retaining great talent. Our compensation practices are designed to be competitive, transparent, and comply with all applicable state and federal regulations.

We are committed to providing livable wages: income levels that allow employees to meet their needs, including housing, food, healthcare, and other essential expenses without requiring additional financial assistance. Because we operate in many regions with varying costs of living, applying a single wage standard is not always practical. Our total compensation team works diligently to

ensure all employees are supported, not just through base pay, but through the full value of our benefits, incentives, and wellbeing programs.

Benefits Philosophy

Our Total Rewards philosophy is rooted in care, recognition, and respect. We believe compensation is more than a paycheck—it's how we acknowledge each employee's contributions and ensure they feel valued, supported, and motivated to grow.

Our Total Rewards program goes beyond base pay to include flexible benefits that support employee health, financial security, and personal wellbeing. Our Total Rewards are designed to:

- ➔ **Attract and retain top talent through competitive compensation aligned with industry and market benchmarks**
- ➔ **Provide a comprehensive rewards package that combines base pay, performance incentives, and comprehensive employee benefits**
- ➔ **Support individual and team performance that reflects our core values**
- ➔ **Reward employee contributions to long-term company success**
- ➔ **Remain adaptable to our business needs during both strong and challenging years**
- ➔ **Promote fairness and consistency across all locations**
- ➔ **Support the diverse needs of employees and their families, including cost-sharing programs and optional benefits designed to meet varying life stages**



# ETHICS & CONDUCT

Integrity is non-negotiable. Guided by our values, our [Code of Conduct](#) defines how we act, how we lead, and how we do business.

LDI is committed to complying with all applicable laws and regulations. We hold ourselves to high standards of ethical behavior across every part of our organization. Our employees are stewards of LDI's reputation, and each person plays a vital role in upholding the trust we have earned over more than a century in business.

To support accountability, we maintain an independently managed Ethics Hotline that allows for anonymous reporting of potential violations. Retaliation against any employee who raises a concern in good faith is strictly prohibited. All reports are investigated fairly, thoroughly, and in accordance with applicable legal requirements.

# HUMAN RIGHTS

## Equal Employment Opportunity and Harassment Policy

We believe that a diverse workforce fuels innovation and strengthens our culture. We provide equal employment opportunities to all individuals and strictly prohibit discrimination or harassment based on race, color, religion, sex, sexual orientation, gender identity, age, national origin, disability, or any other protected characteristic.

Our commitment goes beyond compliance. We actively promote a culture of respect where every employee feels valued, heard, and empowered to contribute. This commitment reflects our core values and our belief in the dignity and worth of every person.

## Americans with Disabilities Act

We are committed to fostering an inclusive environment for individuals with disabilities. In accordance with the Americans with Disabilities Act (ADA), we provide reasonable accommodations and ensure that all employees have the support they need to thrive. Our inclusive practices reflect not only our legal obligations, but also our deeper dedication to fairness, equity, and mutual respect.





# STRENGTHENING COMMUNITIES

We actively engage with and support the communities where we work and live. Our initiatives focus on driving positive social and environmental outcomes.

Caring is ingrained in our legacy and reflected in how we conduct business and support our local communities. We're committed to making a meaningful impact, especially in the areas of children's education, food security, and wellbeing.

## Community Impact At-A-Glance

We strengthen communities and create lasting impact through:

- Company-wide volunteer opportunities
- Community Action Teams—local donations + volunteering
- Employee-chosen donations
- Volunteer paid time off
- Company donations
- Senior leader nonprofit board service

# CREATING A RIPPLE TOGETHER

We believe community impact starts with empowering our people. We make it easy for employees to support the causes they care about.

- ➔ Each employee receives eight hours of paid Volunteer Time Off (VTO) annually to show up where it matters most to them.
- ➔ Through our Employee Directed Giving Empowerment (EDGE) program, team members can nominate eligible nonprofits for a donation of up to \$500—putting charitable decisions directly in employees' hands.
- ➔ During our LDI Cares Choice Giving Week, we match employee donations.

Together, these efforts reflect our belief that small, intentional actions can create a powerful ripple effect when multiplied across the organization.



# LOCAL COMMUNITY ACTION

We believe the people closest to our communities are best equipped to drive change. That's why we created Community Action Teams (CAT) with dedicated funding and local support. Employees lead the way, identifying needs, organizing projects, and allocating resources to make a difference where it counts most.

As part of our commitment to leveling the playing field for kids, 75% of donations support education, food security, and mental wellbeing. The remaining 25% can be used to support other important local causes.



## Progress Updates

- Hosted two company-wide volunteer events: LDI Cares Choice Giving Week and Pack Up Hunger Food Drive
- Eligible employees receive up to 8 hours of paid Volunteer Time Off per year
- Supported leaders serving on local nonprofit boards
- Made 76 EDGE donations to nonprofits submitted by individual team members





**LIBERTY DIVERSIFIED**  
**INTERNATIONAL**

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For questions regarding LDI's corporate sustainability activities, contact:

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