

2022

**ANNUAL
MEETING**

Annual Meeting Business Report



John Gottwald
Chairman of the Board
of Directors

2022 Annual Meeting

Agenda

- Annual Meeting Business Report
- Introduction and 2021 Highlights
John Steitz, President and Chief Executive Officer
- Tredegear Financial Report
Drew Edwards, Executive Vice President and Chief Financial Officer
- Tredegear Surface Protection Business Update
Bapi DasGupta, President – Tredegear Surface Protection
- Terphane Business Update
Jose Bosco Silveira, Jr., President – Terphane
- Bonnell Aluminum Business Update
Brook Hamilton, President – Bonnell Aluminum
- Questions

Annual Meeting Business Report



John Gottwald
Chairman of the Board
of Directors

Introduction and 2021 Highlights



John Steitz
President and
Chief Executive Officer

Forward Looking Statements & Non-GAAP Measures

Certain statements contained in this presentation are forward-looking statements. Pursuant to federal securities regulations, we have set forth cautionary statements relating to those forward-looking statements in our Annual Report on Form 10-K for the year ended December 31, 2021 and in other filings with the Securities and Exchange Commission. We urge readers to review and carefully consider these cautionary statements and the other disclosures we make in our filings with the SEC.

This presentation contains non-GAAP financial measures that are not determined in accordance with United States GAAP. These non-GAAP financial measures should not be considered in isolation, as an alternative to, or more meaningful than measures of financial performance determined in accordance with United States GAAP. A reconciliation of those financial measures to United States GAAP financial measures is available on the company's website at www.tredegar.com under "Investors".

The presentation speaks as of the date thereof. Tredegar is not, and should not be deemed to be, updating or reaffirming any information contained therein. We do not undertake, and expressly disclaim any duty, to update any forward-looking statements made in this presentation to reflect any change in management's expectations or any change in conditions, assumptions or circumstances on which such statements are based.

2022 Annual Meeting

2021 in Review

- Superb safety culture throughout the Company; significant gains in Aluminum Extrusions
- PE Films experienced a decline in EBITDA from ongoing operations primarily due to the adverse impact of previously disclosed significant customer product transitions; achieved record levels of productivity and solid progress with targeted business opportunities
- Bonnell Aluminum increased EBITDA from ongoing operations by \$0.8M vs. 2020, despite pandemic-related labor shortages and supply chain issues
- Terphane delivered another outstanding performance in 2021; EBITDA from ongoing operations up \$1M vs. 2020
- Net debt¹ of \$42M at year-end reflects solid cash generation and proceeds of \$47M from the sale of our investment in kaleo, Inc. in December 2021

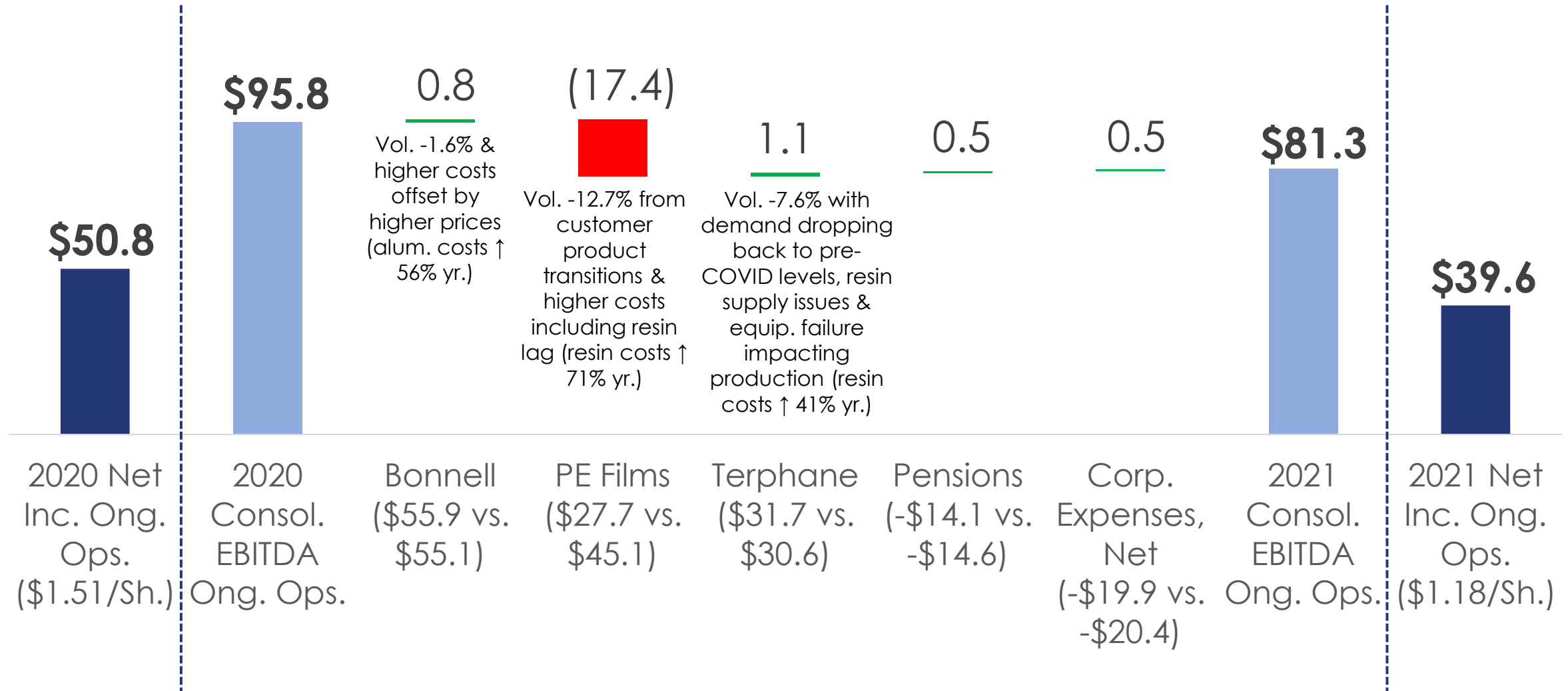
¹ Net income from ongoing operations, EPS from ongoing operations, Consolidated EBITDA, and Net Debt are non-GAAP financial measures. More information on these non-GAAP measures, reconciliations to the most comparable GAAP measures and the identification of notable items is available on our website at www.tredegear.com by selecting "Investors." ⁷

Tredegear Financial Report



Drew Edwards
Executive Vice President and
Chief Financial Officer

2020 to 2021 Net Income & EBITDA Bridge for Ongoing Operations¹ (\$ Millions Except EPS Data)

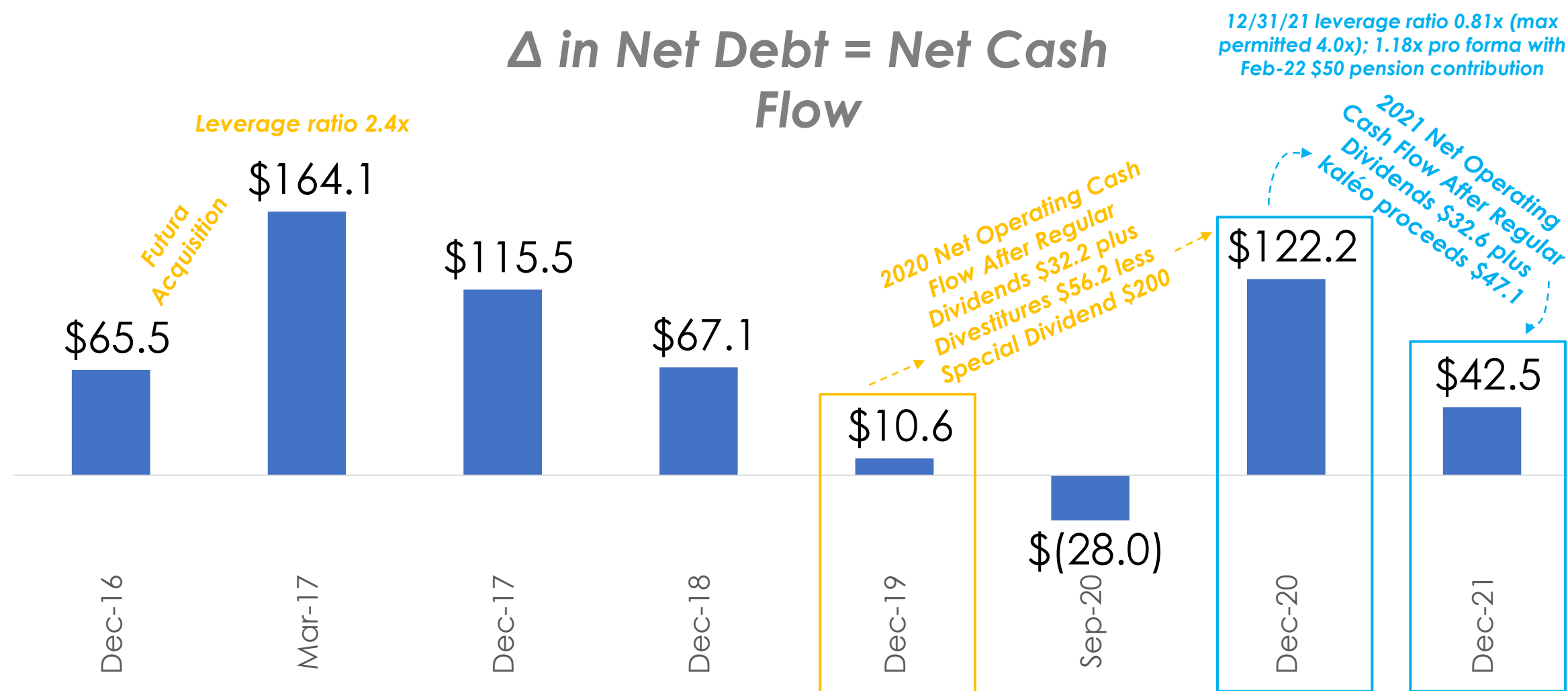


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2022 Outlook

- Bonnell performance should improve with existing strong backlog assuming continued success in overcoming labor shortage, supply chain and inflationary issues
- PE Films making progress in efforts to reverse the sales and profit declines that occurred in 2021 from previously disclosed product transitions
 - Should have a better idea by year-end if efforts are expected to translate into meaningful rebound of growth
- Terphane had exceptional performance in 2021, which will be hard to beat in 2022 considering heightened cost and competitive challenges in the current economic environment
- Pension expense of approximately \$14 million under GAAP eliminated in 2022 for ongoing operations and EBITDA as defined in Tredegar's revolving credit agreement as result of \$50 million contribution to Tredegar's frozen defined benefit pension plan in February 2022 and initiation of process to terminate and settle the plan
 - Remaining underfunded amount on GAAP basis as of 3/31/22 estimated at \$13 million

Debt Net of Cash (“Net Debt”) Trends (\$ Millions)



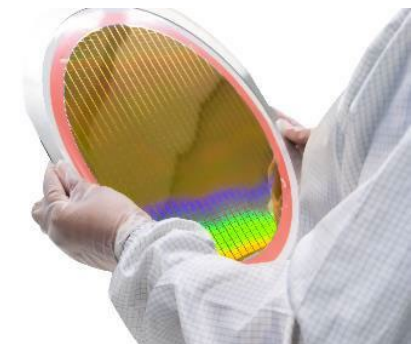
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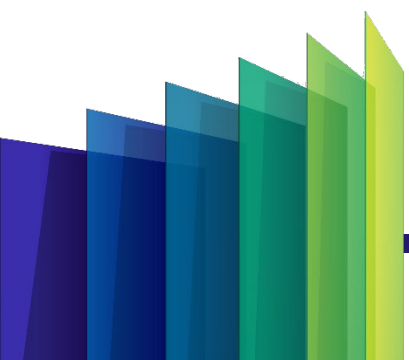
Surface Protection Business Update



Bapi DasGupta
President,
Tredegar Surface Protection

- **Global Technology and Quality Leader** of highly specialized films which protect extremely sensitive surfaces of critical components of Optical Displays, Engineered Surfaces and specialty healthcare PPE; Key component of Display Supply Chain – extending to Semiconductors
- Value Proposition – **Improve yields, maximize product performance** and **ensure pristine quality** during customer manufacturing processes & shipment = **\$\$\$ savings to customers + supply reliability ('Peace of Mind')**





- **No disruption in manufacturing and customer on-time deliveries – no loss in share**
- Zero OSHA safety recordables in 2021
- Demand for displays increased due to greater remote work and needs for greater connectivity
- Continue to experience COVID related supply chain disruptions, particularly freight

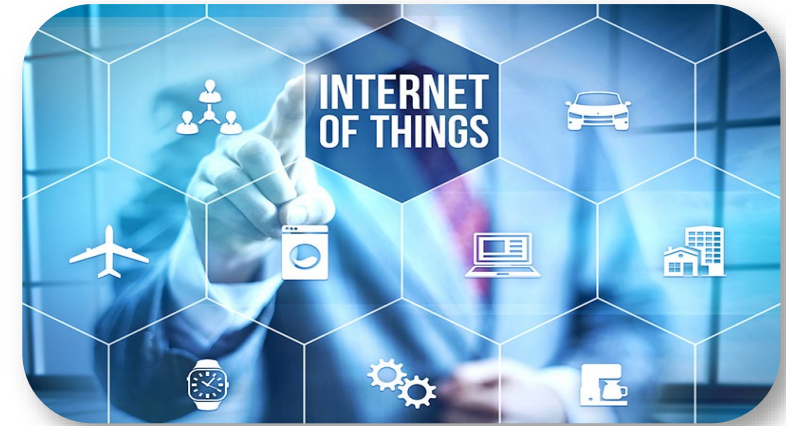
**Proactively Managing Supply Chain Issues
and
Balancing Pricing and Inflationary Cost Pressures**

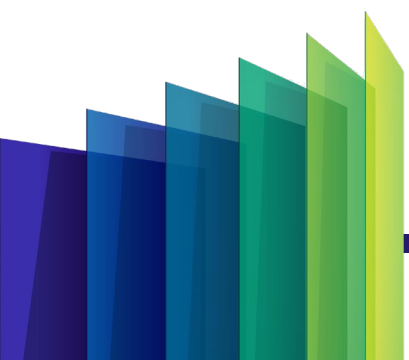
Business Update – Positive Impact of Industry Macros

ENABLING YOUR TECHNOLOGY THROUGH OURS

- Internet of Things (IoT)
- Recent Pandemic – consumer lifestyle changes/remote work – higher usage of displays
- Increasing screen sizes, higher resolution, thinner and flexible form- factors, higher quality

**Displays will continue to be ubiquitous
and require higher performance →
Reinforces our Value Proposition**





Financial Performance

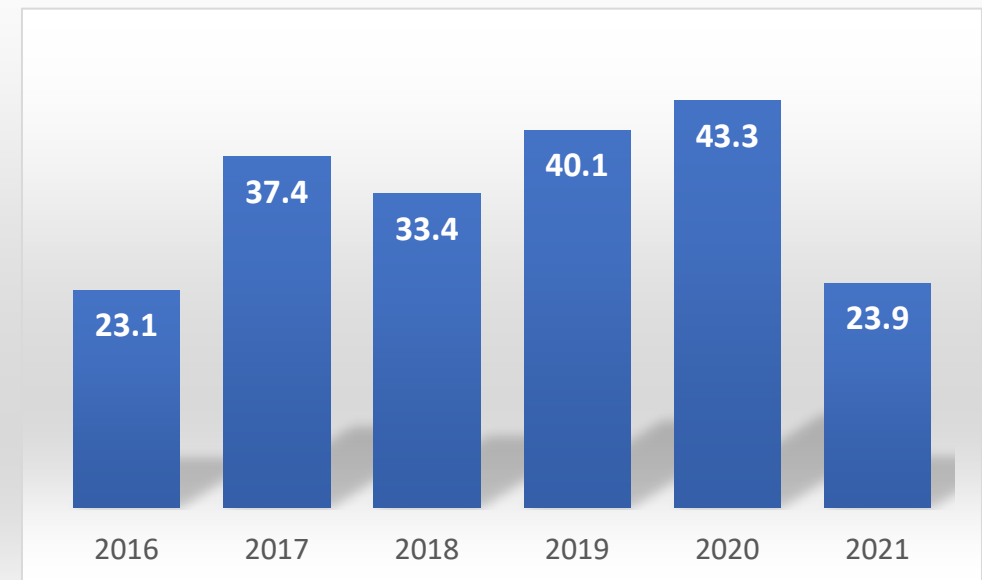


ENABLING YOUR TECHNOLOGY THROUGH OURS

- EBITDA decline in 2021 due to previously disclosed product transition and raw material escalation
- Partial offsets via
 - New customer growth (<\$1MM margin in 2016 to \$8.5MM in 2021)
 - Record levels of productivity improvements (>\$22MM savings since 2016)
 - New products (\$22MM margin in 2021)
- Continued EBITDA drop in 2022 expected due to completion of product transition and competitive pricing at one customer
- On-going headwinds from global supply chain issues and raw material price increases
- Remain focused on implementing Polaris

\$ in Millions

SURFACE PROTECTION EBITDA from ONGOING OPERATIONS

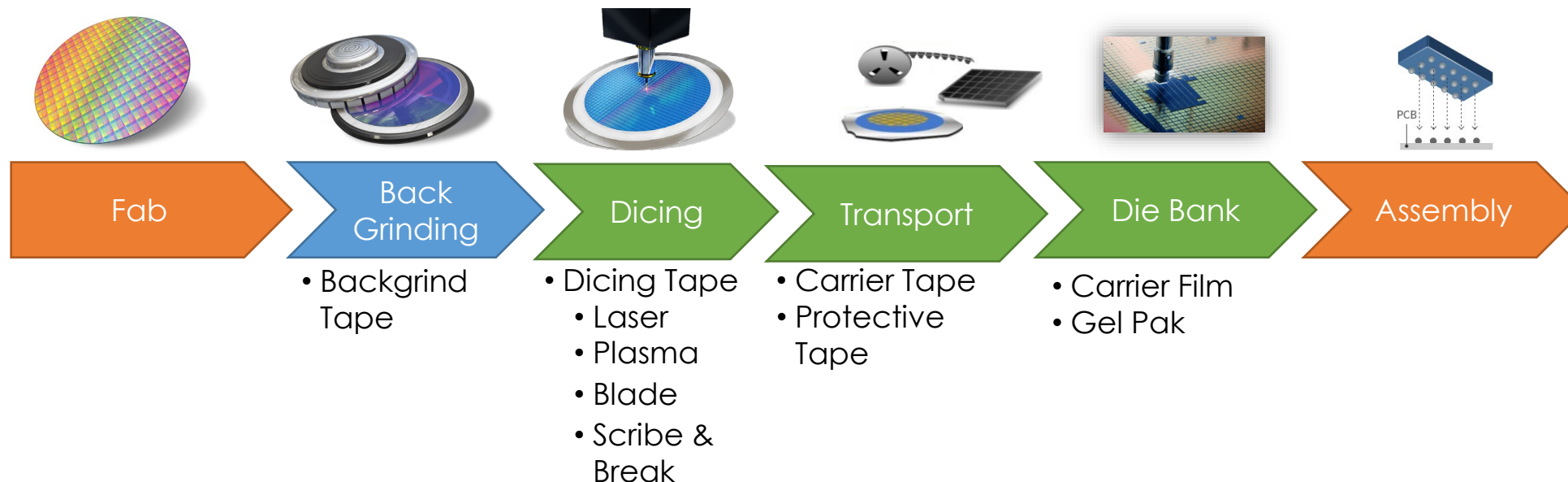


New Adjacency Market – Semiconductors

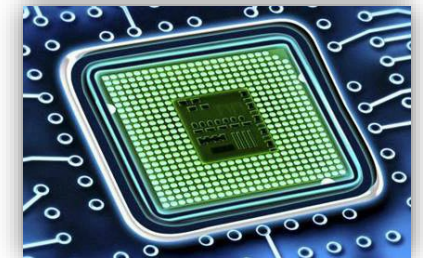
\$800MM Total Addressable Market

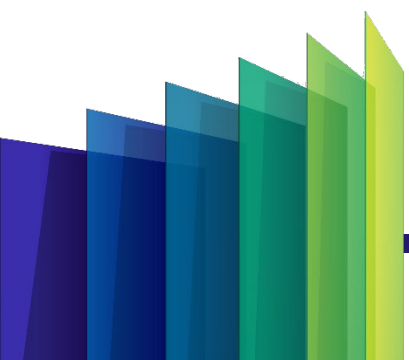


- Developed value added new product family to protect wafers during processing
- Strong Value Proposition – similar to Surface Protection – attractive margins
- Technical performance differentiation and U.S. manufactured
- Focus on Back Grinding and Dicing Tapes
- Potential for significant growth trajectory



\$450B Market





Leading via Differentiated New Products
And Technology Leadership in High Value and Emerging
Applications

ENABLING YOUR TECHNOLOGY THROUGH OURS

PEARL™



UHD TVs

PEARL PREMIUM™



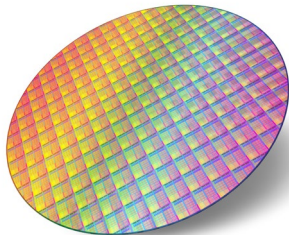
8K Displays

OBSIDIAN™



Automotive

LITHYN™



Semiconductors



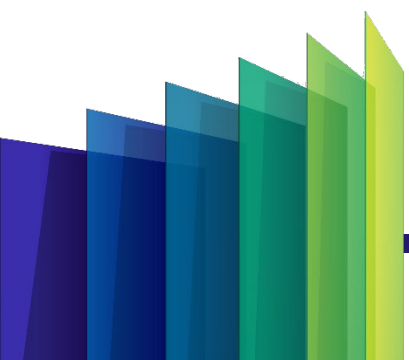
Smart Phones



Next Gen Smart
Phones



AR/VR



Overwrap Packaging Films

ENABLING YOUR TECHNOLOGY THROUGH OURS

- Held onto Overwrap business after sale of Personal Care business in October 2020
- Manufacturing consolidated at Pottsville, PA Plant
- 2021 EBITDA \$3.7MM (4% growth versus 2020)
- End applications include:
 - Paper Tissue & Towel Overwrap
 - Hot-Melt Adhesive & Butyl Rubber Bale Packaging
 - Specialty Tapes
 - In-Transit Automotive Paint Protection (Manufacture to Dealer)

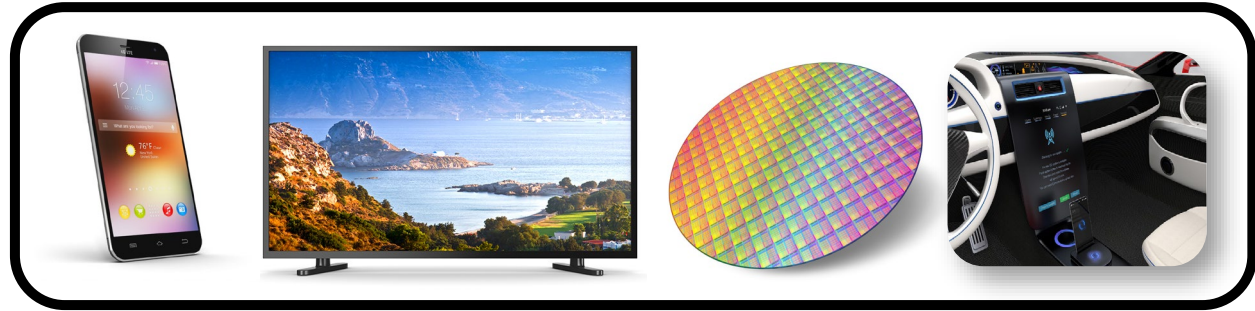




Focused Implementation
of Polaris

Tredegar
SURFACE PROTECTION

ENABLING YOUR TECHNOLOGY THROUGH OURS



www.tredegarsurfaceprotection.com



Terphane Business Update



Jose Bosco Silveira, Jr.
President, Terphane

Protection with Lower Impact



Waste
Reduction

Food
Protection



Flexible Packaging,
The lightest option
(less material)



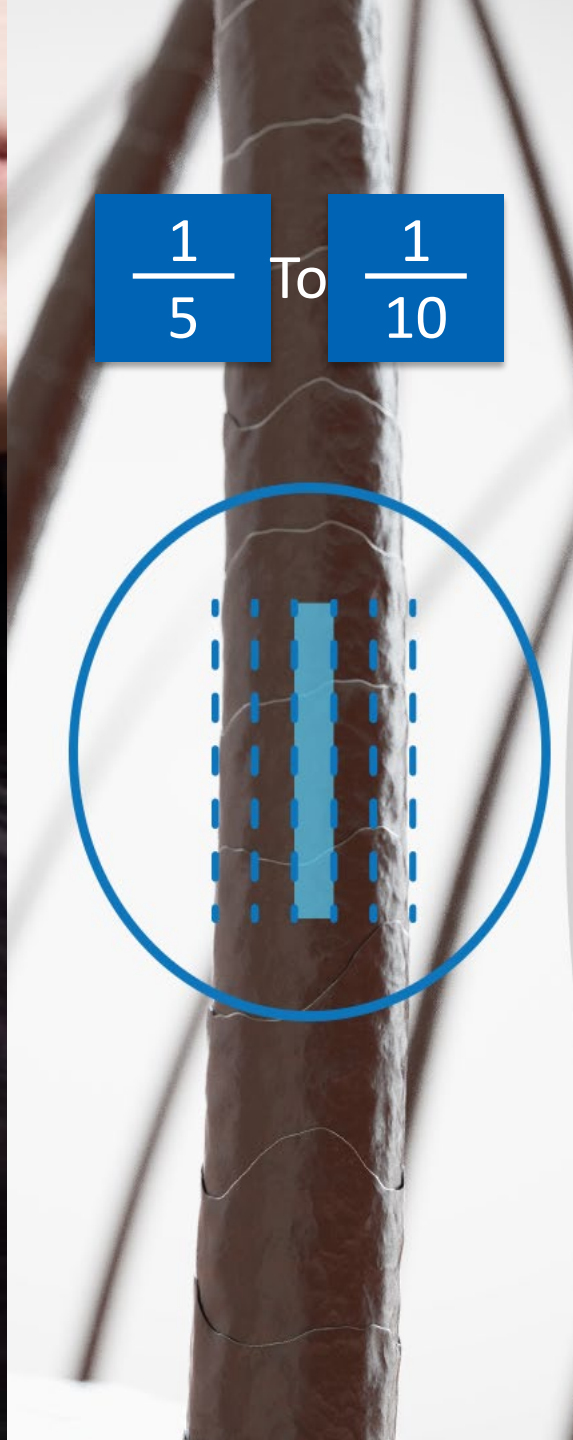
**One flexible packaging
weighs about
6 grams (0.013lb)**

(typical packaging containing 350 g of consumer product)



Flexible Packaging, The lightest option (less material)

**up to one-tenth
of a hair strand**

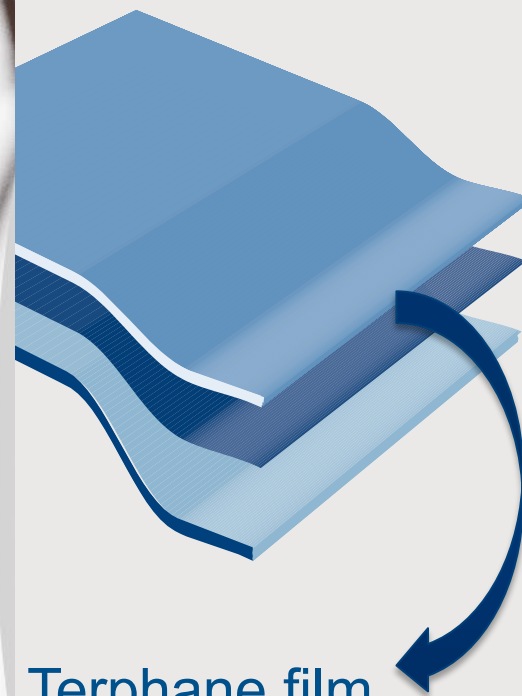


$$\frac{1}{5}$$

To

$$\frac{1}{10}$$

Flexible structure
120g/m²



Terphane film
17g/m²



Terphane, market leader in BOPET films with a long track record of product innovation

Business overview



Leader in specialized bi-oriented polyester (BOPET) film manufacturing for food, powdered beverage, pet food, and industrial applications



Market leading position in Brazil, broader Latin America, and North America. 250+ customers in global and regional food packaging production and converting across 25 countries



Strong focus on Value Added products, positioned in niche and value-added categories, with 15% revenue growth from 2019 to 2021



Consistent innovation: R&D-oriented to address market needs, trends and innovation with ~15 products introduced each year for the past 7 years

Highly specialized, high-performance products



- Sold in Americas under well-recognized trademarks



- High-performance films provide excellent oxygen, aroma, and water-barrier properties

\$140mm

NET SALES
(2021)

\$32mm

EBITDA¹
(2021)

~70% | 42%

BRAZIL | LATAM
MARKET SHARE

47,500 ton

SALES VOLUME
(2021)

56%

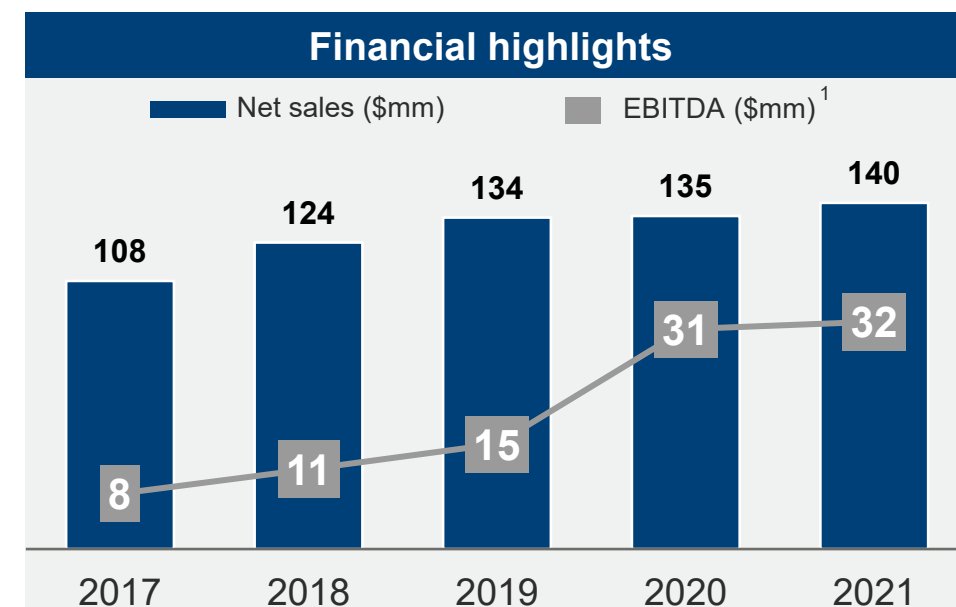
VALUE ADDED
PRODUCT REVENUE

¹ Reported EBITDA – U.S. GAAP



2021 At a Glance

- COVID pandemic health situation began softening during late 2021, but still challenging to operate and to bring resources from outside
- Supply chain under global stress – supplier delays impacting operating effectiveness and exports on-time and complete deliveries
- Skyrocketing raw material and other operating supplies costs
- Labor shortage: more critical in US; under control in Brazil but with high inflationary costs
- Very dynamic market with high volatility in customer demands, mainly in Brazil
- Extremely committed employee team focused on delivering customer and shareholder success
- 2021 EBITDA of \$32MM



¹ Reported EBITDA – U.S. GAAP

Major Challenges Going Forward

- **Global supply chain to remain under stress with high costs and availability uncertainty: diligent operations to mitigate supply risks and assure service level to domestic and long-term customers**
- **Raw materials expected to remain volatile and expensive: balance competitiveness and cost pass-through**
- **Expansion of capacity of new BOPET film lines, particularly in South America may unbalance capacity & demand utilization: reinforce product and service differentiation**
- **Sustainability concerns over post-consumer packaging impacts: expand utilization of technology towards smaller carbon footprint products, using thinner and more sustainable materials**
- **Continue to invest in plant modernization and performance improvement to reach continuous cost efficiency**

Continued efforts to improve sustainability implemented through 3 main action pillars ...



Operations

Actions directly related to decreasing the Carbon Footprint and Environmental Impacts of Terphane Plants (Brazil and US)



Circular economy

Actions to support recycling and increase the recyclability of BOPET and packaging structures utilizing Terphane products



Products / Solutions

Launch of products with lower carbon footprint in line with Brand-owners, Customers, Consumers and Government expectations

... bringing tangible results to our ecosystem !

Silver Medal at Ecovadis environmental certification, among top 20% percentile world evaluated companies



Terphane products fostering the Circular Economy

In 2021, the company used more than 2.2 million pounds of food grade post-consumer recycled resins in the production of the Ecophane line of films. Through this circular process, the equivalent of 80 million, 20 fluid ounce PET bottles discarded after consumption were recycled.



**used resin equivalent to
80 million
recycled bottles**

New Metallizer to be installed in 2nd half of 2022 to grow more sustainable barrier films



Packaging solutions that offer a smaller carbon footprint than traditional rigid packaging are Terphane's top priority. Our developments and investments in new technologies help lower the environmental impacts of packaging materials, both in the production process and after the product's use. Metallized flexible plastic packaging is rapidly replacing traditional aluminum-foil packaging and rigid containers.



TERPHANE



BONNELL
ALUMINUM



Bonnell Aluminum Business Update



Brook Hamilton
President,
Bonnell Aluminum

Bonnell Aluminum At a Glance

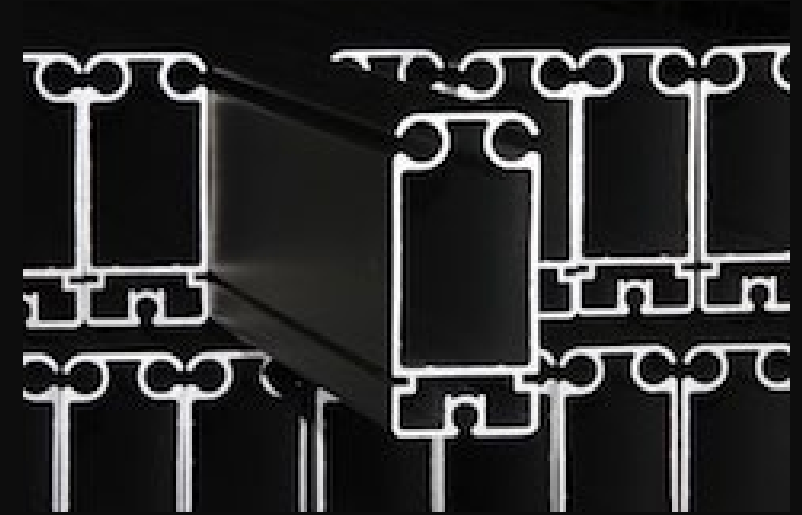
- **Leading North American manufacturer of custom fabricated and finished aluminum extrusions**
 - **Served markets** include building & construction, automotive and ground transportation, consumer durables goods, electrical and renewable energy, machinery and equipment, and distribution
 - **Branded product lines** include Futura Transitions by Bonnell Aluminum and TSLOTS by Bonnell Aluminum
 - **Strategic partner and supplier to over 1,500 customers** – several being high-profile leading industrial manufacturers; no customer represents more than 5% of Bonnell's net sales
 - **1,900 + employees and 5 manufacturing facilities** located across the United States
-



2021 At a Glance

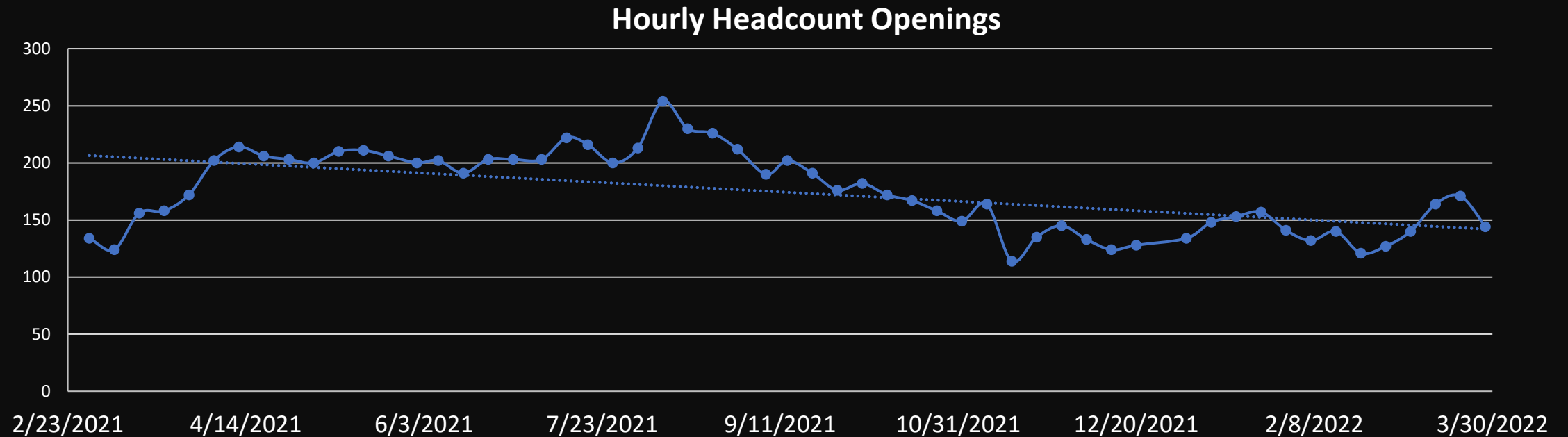
A Year of Challenges

- COVID-19 cases
- Increased cost – Raw material, labor, operating supplies
- Procurement – Growing supply delays impacting operating effectiveness
- Sales – Record demand leading to increased customer dissatisfaction
- HR – Labor shortages
- Operations – On-time delivery challenges



2021 At a Glance

Persistent Labor Shortage Challenges



Pursuing new recruiting approaches, along with adjustments to starting wages, signing and referral bonuses to close the gaps

2021 At a Glance

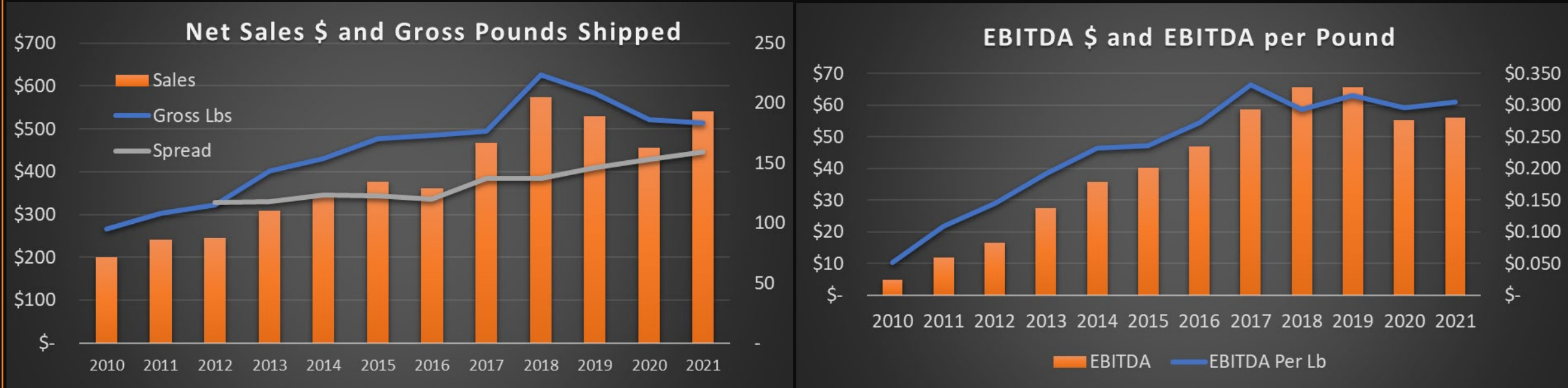
Safety Has Been a Success Story



- 3400+ Risk reductions; 14 Safety Action calls & Root Cause Analysis; 4 out of 5 plants had record performance; Elkhart and Niles reported zero recordables
- 2022 Deployment Objective: Drive increased engagement by involving ALL employees in effective Risk identification and elimination; Utilize comprehensive Root Cause investigations and sustainable solutions to achieve an injury-free Bonnell

2021 At a Glance

Generating \$55.9 million in EBITDA

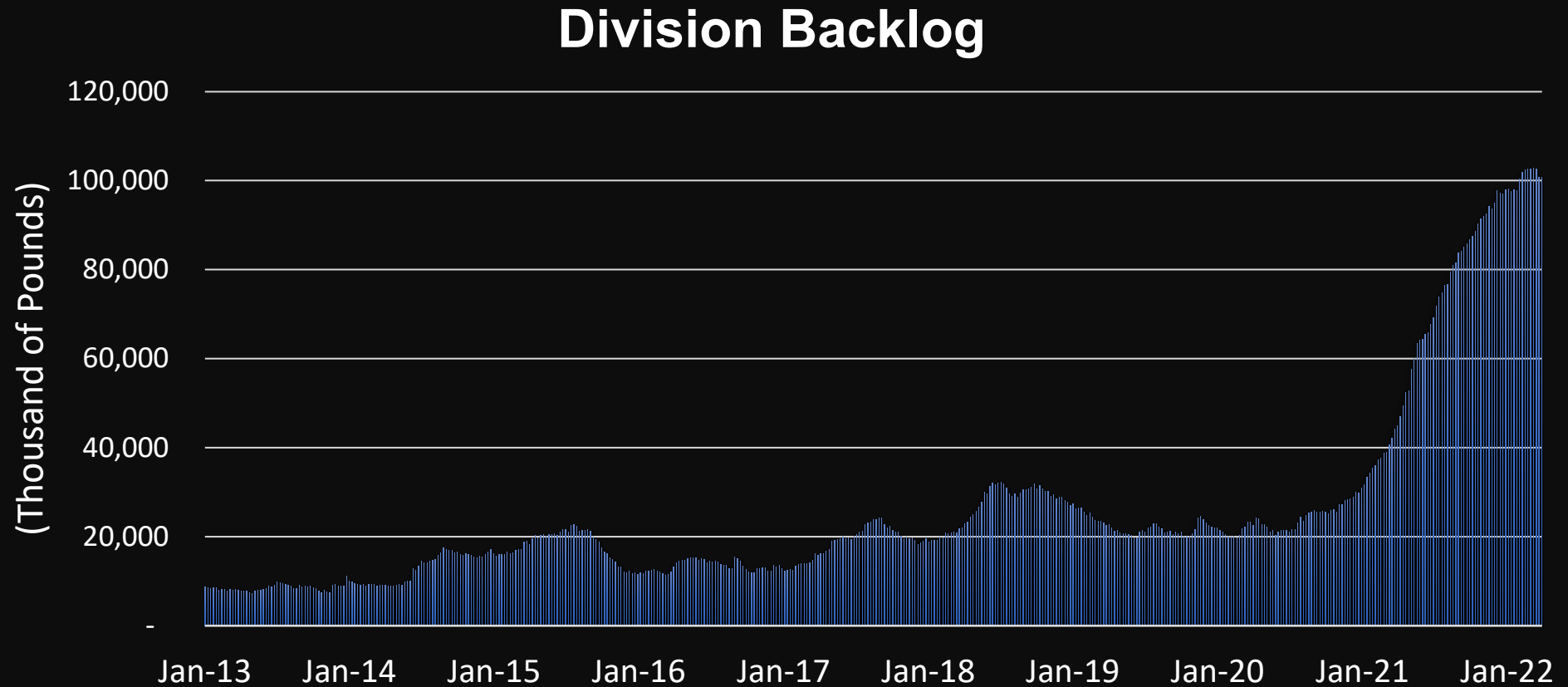


- Shipments of 184 million pounds or 3 million pounds less than 2020
- Net Sales \$540 million; \$84 million higher than 2020
- EBITDA \$55.9 million; \$800,000 higher than 2020
- EBITDA of \$0.305 per pound; \$0.01 per pound up from 2020

Reflects inclusion of AACOA and Futura acquisitions, subsequent to their acquisition dates of 10/1/2012 and 2/15/2017, respectively.

2021 At a Glance

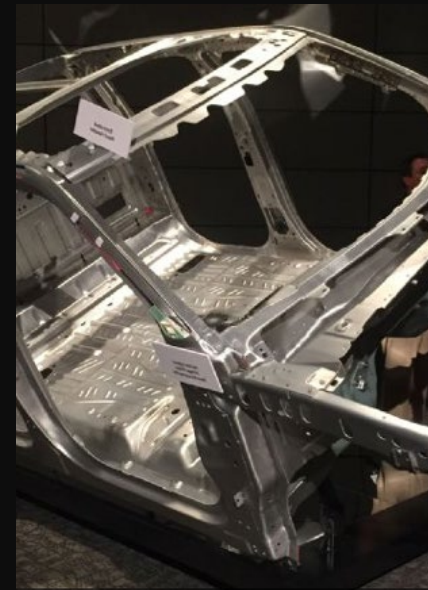
Entering 2022 with a Record-High Backlog



2022 Outlook

Ever-Changing Landscape

- Increased supply chain disruptions
- Resurgence in COVID cases?
- Labor availability
- Transportation availability
- Inflation & increased costs
- Geopolitical issues and conflict
- Growing imports
- Monetary policy – Impact on personal consumption & private investment



2022 Outlook

Leveraging Strengths

- Market leadership position - Preferred supplier to many strategic customers
- Customer count: Over 1,500 active customers
- Customer diversity: Served markets, geography
- “One-stop shop” (capabilities) and supply assurance (remelt centers)
- Pent-up demand in core markets (lodging, education, healthcare, transportation, automotive, renewable energy)
- New business development focused on high margin value-add
- Infrastructure bill driving spending in many markets



ERP-MES Project Update

Introducing Bonnell ONE

BONNELL
ONE

OPERATIONS NETWORK ECOSYSTEM




BONNELL
ALUMINUM

ERP – MES Project Update

Bonnell ONE

- Centralized technology landscape that enables all five plants to operate in an integrated and consistent manner
- Enabling operational improvements to optimize productivity, establish pricing governance and support customer preferences, while mitigating the risks and costs associated with SOX compliance and security requirements

Background

-  Siloed Operational Processes
-  Aging & Inflexible Systems
-  Limited Reporting & Data Availability
-  Disparate Systems Landscape

Objectives

- 1 Provide operational flexibility to shop floors
- 2 Reduce system complexity and footprint
- 3 Provide user-friendly interfaces and reporting
- 4 Capture back office and shop floor efficiencies

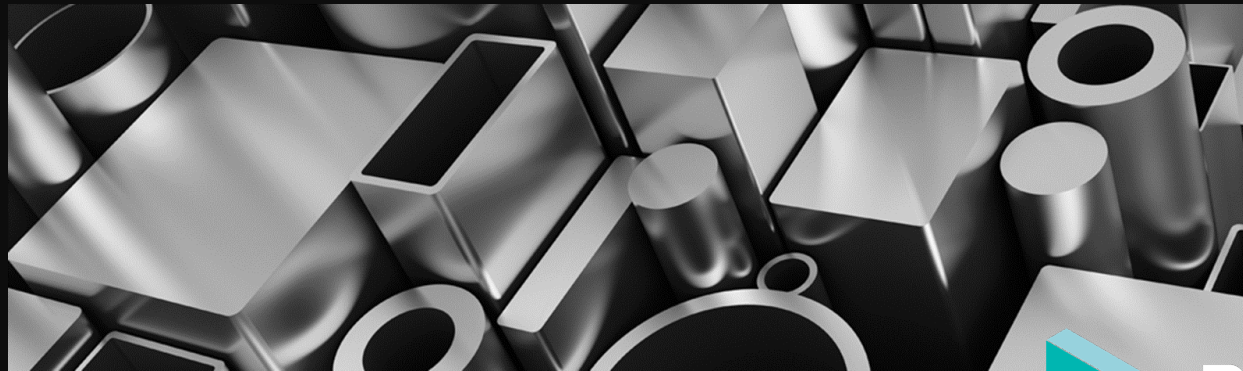
Benefits

- 1 Optimizes operational improvements
- 2 Establishes pricing governance
- 3 Supports customer preferences
- 4 Complies with Sarbanes Oxley (SOX) requirements
- 5 Enables successful integrations of future acquisitions

Game Plan

Continuing to Deliver Shareholder Value

- Continued focus on Safety and actively seek and retain workers to fill open positions
- Pursue margin improvement while offsetting increased cost
- Pursue value-add business – fabrication opportunities, expand TSLOTS to Midwest and Southeast
- Improve customer experience – on-time and complete
- Improve customer value (Capacity Management Models)
- Increase operational output - focus on reducing conversion costs
- Focus on supply-constrained items; secure 2023 positions
- Implement Bonnell ONE



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Questions

