

## Risk Factors Comparison 2025-03-12 to 2024-03-15 Form: 10-K

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There are a number of risks and uncertainties that could have a material adverse effect on the Company's businesses and its consolidated financial condition, results of operations or cash flows. The following risk factors should be considered, in addition to the other information included in this Form 10-K, when evaluating Tredegar and its businesses.

~~Risks Related to Tredegar's Corporate Strategic Initiatives and Indebtedness~~ • ~~The planned divestiture of Terphane to Oben Group is subject to a number of conditions beyond our control. On September 1, 2023, the Company announced that it had entered into a definitive agreement to sell Terphane to Oben Group. Completion of the sale is contingent upon the satisfaction of customary closing conditions, including the receipt of certain competition filing approvals by authorities in Brazil and Colombia. On October 27, 2023, the Company filed the requisite competition forms with the Administrative Council for Economic Defense ("CADE") in Brazil, which the Company views as the primary competition authority regarding this matter. This filing followed a pre-filing phase for CADE's initial review. CADE's maximum deadline for completing its review is no later than November 18, 2024. The merger review regarding the transaction was cleared by the Colombian authority in early February 2024. As usual, it cannot be predicted with certainty whether all of the required closing conditions will be satisfied, waived or if other uncertainties may arise. While the regulatory review process is ongoing and in line with the Company's expectations, regulators could impose additional requirements or obligations as conditions for their approval, which may be burdensome. If such closing conditions are not met or additional obligations are imposed, the proposed sale may not be consummated, encounter delays, or experience other issues that are not currently anticipated.~~ • ~~The Company's failure to successfully transition to the reporting requirements for its asset-based revolving credit facility ("ABL Facility"), which matures on June 30, 2026, or an unexpected downturn in the markets could adversely impact the Company's financial position and results of operations. On December 27, 2023, the Company entered into the ABL Facility, which provides the Company with \$180 million senior secured asset-based revolving credit facility that will expire on June 30, 2026. The ABL Facility amended the Company's existing \$200 million revolving, secured credit facility that was cash flow-based. Availability under the ABL Facility is governed by a borrowing base, determined by the application of specified advance rates against eligible assets, including a portion of trade accounts receivable, inventory, cash and cash equivalents, owned real properties, and owned machinery and equipment. A number of factors could affect the Company's ability to successfully complete its transition from its prior cash flow-based revolving credit facility to the current asset-based facility. These factors include:~~ • ~~Failure to establish processes associated with the ABL Facility's reporting requirements, which are currently on a monthly basis but could change to a weekly cadence if at any time the borrowing availability falls below 10% of the maximum aggregate principal amount. Failure to timely report could result in an Event of Default (as defined in the ABL Facility), which if not waived, would permit the lenders, at their option, to accelerate all outstanding debt under the ABL Facility. Should the lenders elect to accelerate the debt under the ABL Facility, a cross-default would be triggered under the Terphane Brazil Loan (as defined below in Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Form 10-K ("Item 7")).~~ • ~~Because the Company is currently subject to a Cash Dominion Period (as defined in Item 7), it is required to borrow cash to fund working capital, capital expenditures, business development activity, and other general corporate purposes, which limits its financial flexibility;~~ • ~~Advances on accounts receivable and inventory are subject to change based on periodic commercial finance examinations and appraisals, and the real property, machinery and equipment values included in the borrowing base are subject to change based on periodic appraisals, which could reduce borrowing availability under the ABL Facility; and~~ • ~~If a Material Adverse Effect (as defined in the ABL Facility) has occurred, the Company will not be able to continue to borrow under the ABL Facility. In addition, a significant deterioration in the Company's accounts receivable or inventory levels due to depressed economic conditions, weak consumer spending, turmoil in the credit markets or other factors, could restrict its ability to service its indebtedness or borrow additional funds. Upon the earlier of March 31, 2025 or the date the Company receives the proceeds from the Contingent Terphane Sale (the "ABL Adjustment Date"), borrowing availability under the ABL Facility will be reduced from \$180 million to \$125 million. If the Contingent Terphane Sale is not completed by the ABL Adjustment Date, the Company may have to undertake alternative financing plans, subject to the limitations imposed by the ABL Facility, including limitations on its ability to:~~ • ~~refinance or restructure its indebtedness;~~ • ~~sell assets;~~ and • ~~raise additional capital. The Company may be unable to implement alternative financing plans on commercially reasonable terms or at all, and any such alternative financing plans might be insufficient to allow it to make principal and interest payments on its indebtedness required as a result of the ABL Adjustment Date and the reduction of borrowing availability under the ABL Facility to \$125 million. The Company's ability to restructure or refinance its indebtedness will depend on, among other things, its existing financial condition, projections of business conditions, sales, Credit EBITDA, net cash flow, net leverage and the condition of the capital markets at such time. Any refinancing of the Company's indebtedness could be at higher interest rates and could require it to comply with additional covenants, which could further restrict the Company's business operations. Noncompliance with any of the covenants of the ABL Facility could result in an Event of Default, which if not cured or waived, would permit the lenders, at their option, to accelerate all outstanding debt under the ABL Facility.~~

**Risks Related to All of Tredegar's Businesses** • **Recent Ongoing** macroeconomic factors, including inflation, high interest rates, **and** recession risks **could** **and** other lagging effects of the **COVID-19** pandemic, have caused **cause** downturns in key markets and **created** **create** other commercial disruptions, which **have and could further** adversely impact our businesses. Products sold to key end-use markets, including the B & C and consumer electronics markets, represent a significant portion of our revenue. Because these markets are tied closely to overall

economic performance, macroeconomic factors have and could further cause changes to demand for our products. These factors include: (i) inflation; (ii) high interest rates; (iii) recession risks; **and** (iv) **disruptions to supply chains**; (v) other interruptions of international and regional commerce; **and** (vi) **other lagging effects of the COVID-19 pandemic**. Price erosion may occur as competitors become more aggressive in pricing practices. To the extent that these factors reduce demand for our products, our business, financial position, results of operations and cash flows could be adversely impacted. • Tredegar's performance is influenced by costs incurred by its operating companies, including the cost of raw materials and energy. These costs include the cost of aluminum (the raw material on which Aluminum Extrusions primarily depends), resin (the raw material on which PE Films primarily depends), **PTA and MEG (the raw materials on which Flexible Packaging Films primarily depends)**, natural gas (the principal fuel necessary for Aluminum Extrusions' plants to operate), electricity, diesel fuel, **chemicals** and paint. Aluminum, resin and natural gas prices are volatile as shown in the charts in Item 7A. The Company attempts to mitigate the effects of increased costs through price increases and contractual pass-through provisions, but there are no assurances that higher prices can effectively be passed through to customers or that Tredegar will be able to offset fully or on a timely basis the effects of higher costs. Further, the Company's cost control efforts may not be sufficient to offset any increases in raw materials, energy or other costs. • **Noncompliance with any of the covenants in the Company's \$ 125 million asset-based revolving credit facility (" ABL Facility ")**, which matures on June 30, 2026, could result in all debt outstanding thereunder becoming due and limiting the Company's borrowing capacity, which could have a material adverse effect on its consolidated financial condition and liquidity. The credit agreement governing Tredegar's ABL Facility contains restrictions and financial covenants that, if violated, could restrict the Company's operational and financial flexibility. Failure to comply with these covenants could result in an event of default, which if not cured or waived, would result in all outstanding debt under the credit facility at such time becoming due, which could have a material adverse effect on the Company's consolidated financial condition and liquidity. • Our failure to continue to attract, develop and retain certain key officers or employees could adversely affect our businesses. Our success depends upon the efforts and abilities of key personnel, many of whom are longstanding employees. The loss of any of these key personnel could deplete our institutional knowledge base and negatively affect our ability to efficiently operate our businesses. Certain roles have experienced high turnover in recent years, and we are experiencing an increasingly competitive labor market. Increased employee turnover could hinder our ability to execute our business strategy and adversely affect our business, financial condition, results of operations and cash flows. • Disruptions at one of the Company's major manufacturing facilities could negatively impact financial results. Tredegar believes it has implemented measures to minimize the risks of disruption at its facilities. However, a disruption could occur as a result of any number of events: an equipment failure with repairs requiring long lead times, labor stoppages or shortages, cybersecurity attacks, utility disruptions, constraints on the supply or delivery of critical raw materials, and severe weather conditions, including potential flooding at the Aluminum Extrusions facility located in Carthage, TN, which is located in a 50-year flood plain. A material disruption in one of the Company's operating locations could negatively impact production and the Company's consolidated financial condition, results of operations and cash flows. • **A failure in the Company's information technology systems as a result of cybersecurity attacks or other causes could negatively affect Tredegar's business. The Company depends on information technology (" IT ") to record and process customer orders, manufacture and ship products in a timely manner, secure its production processes and know-how, maintain the financial accuracy of its business records and maintain personally identifiable information of its employees. An IT system failure due to computer viruses, internal or external security breaches, cybersecurity attacks or other malicious causes could disrupt our operations and prevent us from being able to process transactions with our customers, operate our manufacturing facilities and properly report transactions in a timely manner. Increased global IT security threats and cyber-crime pose a potential risk to the security and availability of the Company's IT systems, networks and services, including those that are managed, hosted, provided or used by third parties, as well as to the confidentiality, availability and integrity of the Company's data. Additionally, increased cybersecurity risk arises due to certain employees working remotely. To date, interruptions of the Company's IT systems have been infrequent, and Tredegar has not experienced a material cybersecurity incident. A significant prolonged failure of or security breach of the IT systems, networks or service providers the Company relies upon, or a loss or disclosure of business or other sensitive information, or personally identifiable information, as a result of a cybersecurity incident or other cause, could result in substantial costs to the Company, damage to the Company's reputation, regulatory enforcement actions and lawsuits and could adversely affect the Company's business, results of operations, financial condition or cash flows. • Trade policies could cause an increase in the cost of our products or otherwise negatively impact the Company. The primary raw materials used by Aluminum Extrusions consist of aluminum ingot, aluminum scrap and various alloys, which are purchased from domestic and foreign producers in open-market purchases and under short-term contracts. PE Film's Surface Protection business involves imports to and from the U. S. and other countries where the Company produces and sells its products, including China. Trade tensions have been rising between the U. S. and other countries. An increase in tariffs and other trade barriers between the U. S. and other countries could cause disruption to supply chains and an increase in the cost of Aluminum Extrusions' and PE Films' products or otherwise negatively impact the production and sale of the Company's products in world markets. • The Company's results of operations, financial condition and cash flows have been and could be impacted by the macroeconomic effects of a pandemic. The COVID-19 pandemic had multiple adverse effects on the global economy, including short-term impacts affecting labor supply and causing supply chain disruptions which led to inflationary pressures. In addition, the pandemic resulted in certain after-shocks and structural shifts, which have adversely impacted Tredegar's markets. In the event of a future pandemic, Tredegar's businesses, our suppliers, contractors and third-party logistic providers could experience conditions similar to those associated with the COVID-19 pandemic, including facility closures, labor constraints, supply chain disruptions**

and other challenges. These challenges could impact our ability to maintain sufficient inventory and to accurately predict demand or lead times, which could inhibit our ability to service customer demand. Additionally, a future pandemic could heighten other risks described herein. • Tredegar is subject to current and future government regulations, including environmental laws and regulations, and could become exposed to liabilities and costs associated with such regulations. The Company is subject to regulation by local, state, federal and foreign governmental authorities. New laws and regulations, or changes to existing laws, including those relating to environmental matters (including global climate change and plastic products), and privacy matters, could subject Tredegar to significant additional capital expenditures, operating expenses or other compliance costs. Moreover, future developments in federal, state, local and international laws and regulations, including environmental laws, are difficult to predict. Environmental laws and privacy restrictions have become and are expected to continue to become increasingly strict. As a result, Tredegar expects to be subject to new environmental and privacy laws and regulations. However, any such changes are uncertain and, therefore, it is not possible for the Company to predict with certainty the amount of additional capital expenditures or operating expenses that could be necessary for compliance with respect to any such changes. The Company is subject to the U. S. Foreign Corrupt Practices Act, anti- corruption laws and similar anti- bribery laws in other jurisdictions, which generally prohibit companies and their intermediaries from making improper payments to foreign officials for the purpose of obtaining or retaining business. Although we have policies and procedures designed to facilitate compliance with these laws and regulations, our employees, contractors and agents may take actions in violation of our policies. Any such violation, even if prohibited by our policies, could adversely affect our business and / or our reputation.

Risks Related to Aluminum Extrusions • Sales volume and profitability of Aluminum Extrusions is cyclical and seasonal and highly dependent on economic conditions of end- use markets in the U. S., particularly in the construction sector. Aluminum Extrusions' end- use markets can be cyclical and subject to seasonal swings in volume. In addition, changes in architectural design, demographic, and / or remote work trends could negatively impact the overall commercial construction industry. Because of the capital- intensive nature and level of fixed costs inherent in the aluminum extrusions business, the percentage drop in earnings before interest, taxes, depreciation and amortization (“ EBITDA ”) from ongoing operations in a cyclical downturn will likely exceed the percentage drop in volume. In addition, during an economic slowdown, excess industry capacity often drives increased pricing pressure in many end- use markets as competitors seek to protect- maintain or increase their position with key customers. Any benefits- Benefits associated with cost reductions and productivity improvements may not be sufficient to offset the adverse effects on profitability from pricing and margin pressure and higher bad debts (including a greater chance of loss associated with customers defaulting on fixed- price forward sales contracts) that usually accompany a downturn. • Unfairly traded imports of aluminum extrusions could injure or threaten with injury America' s domestic aluminum extrusions industry, which could have an adverse effect on the financial condition, results of operations and cash flows of Aluminum Extrusions. Chinese and other + Failure to prevent- foreign competitors from evading anti- manufacturers continue to try to evade the dumping- antidumping and countervailing orders to avoid duties , or failure to reinstate the Aluminum Tariff on aluminum extrusions, could adversely impact Aluminum Extrusions. In 2018- October , the U. S. imposed tariffs of 10 % on aluminum ingot and semi- finished aluminum imported into the U. S. from certain countries; however, in December 2020- 2022 , the Department of Commerce (“ DOC ”) introduced a tariff exclusion process, granting applicants with tariff exclusions. In response to large and increasing volumes of unfairly traded imports of extrusions associated with these -- the tariff exclusions, a coalition of U. S. domestic producers filed petitions with the DOC and U. S. International Trade Commission (“ ITC ”) extended the antidumping and countervailing duty orders against aluminum extrusions from China for a period of five years. In March 2018, the U. S. imposed tariffs of 10 % on aluminum ingot and semi- finished aluminum imported into the U. S. from certain countries (“ Section 232 tariffs ”). In December 2020, the Department of Commerce (“ USDOC ”) introduced a tariff exclusion process, allowing importers to bypass individual exclusion requests and import items without Section 232 tariffs. The Company participated as a member of the U. S. Aluminum Extruders Coalition which filed a trade case with the USDOC and the U. S. International Trade Commission (“ USITC ”) against 15 countries in response to alleged large and increasing volumes of unfairly priced imports of aluminum extrusions since 2019 . In November 2023, the ITC- USITC found that there is a reasonable indication that the American aluminum extrusions industry is materially injured or threatened with injury due to imports from 14 countries, including China. The ITC' s preliminary- In September 2024, the USDOC announced its final determination- determinations that aluminum extrusion producers and exporters in 14 countries, including China, sold aluminum extrusions at less- than- fair value in the U. S. In October 2024, the USITC found that U. S. producers had not been materially injured by reason of the subject import volumes were significant and increasing, and that with regard to pricing, subject imports predominantly undersold, despite the USDOC findings of less- than- fair value pricing by the those domestic imports. The coalition has appealed the decision. The USITC negative determination in October did not impact the existing duties on aluminum extrusions from China. On February 10, 2025, the Section 232 tariffs on all aluminum imports were increased from 10 % to 25 %, effective March 12, 2025, and certain country- specific and product - specific exclusions from by volume in each year of the period of investigation. On March 5, 2024, the DOC announced its preliminary finding that the governments of China, Indonesia, Mexico and Turkey unfairly subsidize their -- the tariffs were revoked. This action also expands the scope of the tariffs to include downstream products, including certain finished aluminum goods extrusion industries. The These DOC calculated a range of affirmative preliminary measures, which apply in addition to existing antidumping and countervailing duties , are intended to prevent from each country. A preliminary anti- dumping determination for these -- the circumvention of duties through four countries and the 10 other -- the importation of downstream products countries included in the initial petition is expected in May 2024. The Company expects- actual level and timing of the tariffs remains a fluid situation final ITC vote to occur in late 2024. A failure by, or the inability of, U. S. trade officials to restore the import tariff in its full format could have an adverse effect on the

businesses, financial condition, results of operations and cash flows of Aluminum Extrusions. ~~2. The duty-free importation of goods allowed under the United States-Mexico-Canada Agreement (“USMCA”), or other free trade agreements or duty-preference regimes, could result in lower demand for aluminum extrusions made in the U. S. As noted above, in March 2018, the U. S. imposed tariffs of 10% on aluminum ingot and semi-finished aluminum imported into the U. S. from certain countries, including countries from which Aluminum Extrusions has historically sourced aluminum products. In September 2019, the U. S., Canada and Mexico entered into the USMCA. As a result of the 10% tariffs on aluminum ingot imported to the U. S. and the duty-free importation of goods allowed under USMCA, aluminum extrusions made in Canada and Mexico that are able to take advantage of duty-preference programs upon importation into the United States are free of the 10% tariff and can now be imported into and sold in the U. S. at very competitive prices. This could result in lower demand for aluminum extrusions made in the U. S., which could negatively affect Aluminum Extrusions’ business, results of operations, financial condition and cash flows.~~

• The markets for Aluminum Extrusions’ products are highly competitive with product quality, service, delivery performance and price being the principal competitive factors. Aluminum Extrusions has approximately 1, 100 customers that are in a variety of end-use markets within the broad categories of building and construction, ~~distribution, automotive, and other transportation, machinery and equipment, electrical and consumer durables~~, **electrical, renewable energy, machinery and equipment, and distribution**. No single Aluminum Extrusions’ customer exceeds ~~4~~**2**% of consolidated net sales. Future success and prospects depend on Aluminum Extrusions’ ability to provide superior service, high quality products, timely delivery and competitive pricing to retain existing customers and participate in overall industry cross-cycle growth. Failure in any of these areas could lead to a loss of customers, which could have an adverse effect on the business, financial condition, results of operations and cash flows of Aluminum Extrusions.

• The failure to successfully implement the new enterprise resource planning and manufacturing execution systems could adversely impact the Aluminum Extrusions business and results of operations. In January 2022, Aluminum Extrusions commenced the implementation of new enterprise resource planning and manufacturing execution systems (“ERP / MES”) across all locations of the Aluminum Extrusions business. The implementation of these systems is a major undertaking from a financial, management, and personnel perspective. The implementations have been more difficult, time-consuming and costly (approximately \$ 21 million of spending to date) than expected. This project, ~~which was expected to be completed in 2024~~, has been reorganized with ~~an extended implementation period, due to the~~ **timing for implementation of stringent spending measures to control financial leverage. As a result, the earliest “go-live” date being uncertain for the new ERP / MES is 2025**. There can be no assurance that these systems will be beneficial to the extent anticipated. **Conversely, our existing systems could become obsolete, fail to function properly or otherwise fail to address our needs**. Any additional disruptions, delays or deficiencies in the design and implementation of the new systems could adversely affect our financial position, results of operations and cash flows.

Risks Related to PE Films • PE Films is highly dependent on sales associated with relatively few large customers. PE Films’ top four customers comprised ~~in total~~ **in total** approximately ~~10-16~~**10-12**%, ~~10-12~~**10-12**% and ~~13-12~~**13-12**% of Tredegar’ s consolidated net sales in ~~2024~~**2024**, ~~2023~~**and 2023**, and ~~2022 and 2021~~, respectively. The loss or significant reduction of sales associated with one or more of these customers without replacement by new business could have an adverse effect on the Company. ~~Surface Protection sales have been adversely impacted by weak market demand and competitive pricing. Customer demand for electronics has continued to deteriorate since the third quarter of 2022, causing manufacturers in the supply chain to experience reduced capacity utilization and inventory corrections. Consequently, results of operations for PE Films have been adversely impacted by weak demand for Surface Protection products.~~ While PE Films is undertaking efforts to expand its customer base, there can be no assurance that such efforts will be successful, or that they will offset any loss of sales and profits associated with large customer declines.

• The failure of PE Films’ customers to achieve success or maintain market share could adversely impact PE Films’ sales and operating margins. PE Films’ ~~plastic-specialized protection and polyethylene overwrap~~ **plastic-specialized protection and polyethylene overwrap** films are used in the production of various consumer products sold worldwide. Our customers’ ability to successfully develop, manufacture and market those products is integral to PE Films’ success. Cyclical downturns and changing consumer preferences, particularly those driven by changes in technology, may negatively affect businesses that use PE Films’ ~~plastic~~ **plastic**-film products, which could adversely affect sales and operating margins. Other factors that could adversely affect the business include (i) failure by a key customer to achieve success or maintain share in markets in which they sell products containing PE Films’ materials, including as a result of customer preferences for products other than ~~plastics films~~ **plastics films**, (ii) key customers using products developed by others that replace PE Films’ business with such customers, (iii) delays in a key customer rolling out products utilizing new technologies developed by PE Films, and (iv) operational decisions by a key customer that result in component substitution, inventory reductions and similar changes.

• The Company’ s inability to protect its intellectual property rights or its infringement of the intellectual property rights of others could have an adverse impact on PE Films. The continued success of PE Films’ business depends on its ability not only to protect its own technologies and trade secrets, but also to develop and sell new products that do not infringe upon existing patents. Intellectual property litigation is very costly and could result in substantial expense and diversions of Company resources, both of which could adversely affect its consolidated financial condition, results of operations and cash flows. In addition, there may be no effective legal recourse against infringement of the Company’ s intellectual property by third parties, whether due to limitations on enforcement of rights in foreign jurisdictions or as a result of other factors.

• ~~Rising trade tensions could cause an increase in the cost of PE Films’ products or otherwise negatively impact the Company. A portion of PE Film’ s business involves imports to and from the U. S. and other countries where the Company produces and sells its products. Trade tensions have been rising between the U. S. and other countries, particularly China. An increase in tariffs and other trade barriers between the U. S. and China, or between the U. S. and other countries, could cause an increase in the cost of PE Films’ products or otherwise negatively impact the production and sale of the Company’ s products in world markets.~~ ~~Further impairment of the Surface Protection reporting unit’ s goodwill could have a non-cash adverse impact on our results of operations. The Company assesses goodwill for impairment when events or circumstances indicate that the carrying value may~~

not be recoverable, or, at a minimum, on an annual basis (December 1st of each year). The valuation of goodwill depends on a variety of factors, including macroeconomic conditions, industry and market considerations, cost factors and overall financial performance, as well as Company and reporting unit factors, and goodwill impairment valuations can be sensitive to assumptions associated with such factors. Failure to successfully achieve projections could result in future impairments.

**Risks Related to Flexible Packaging Films**

- **Overcapacity in Latin American polyester film production and governmental failure to extend anti-dumping duties in Brazil on imported products or prevent competitors from circumventing such duties could adversely impact Flexible Packaging Films.** In recent years, excess global capacity in the industry has led to increased competitive pressures from imports into Brazil. The Company believes that these conditions have shifted the competitive environment from a regional to a global landscape and have driven price convergence and lower product margins for Flexible Packaging Films. Favorable anti-dumping rulings or countervailing duties are in effect for products imported from China, Egypt, India, Mexico, United Arab Emirates, Peru and Bahrain. Competitors not currently subject to anti-dumping duties may choose to utilize their excess capacity by selling product in Brazil, which may result in pricing pressures that Flexible Packaging Films may not be able to offset with cost savings measures and / or manufacturing efficiency initiatives. In May 2021, the Brazilian authorities concluded the sunset review relating to the anti-dumping process for polyester film imported from China, India and Egypt, and decided to extend duties for another five years. However, due to its doubts that films would continue to be imported from China and Egypt, the government immediately suspended the implementation of the tariffs for those countries but agreed that if in the future there were volumes imported from China or Egypt which were harming the Brazilian market, authorities may promptly reinstate tariffs. Importing from Egypt increased in Brazil during 2023; therefore, Terphane requested the application of anti-dumping tariffs for Egypt, which was accepted by the Brazilian Government. These tariffs went into effect starting in November 2023. For films imported from India, the Brazilian authorities also reviewed measures against countervailing duties and extended those for five years as well. In February 2024, the Brazilian Government determined that the anti-dumping measures against Mexico and United Arab Emirates should be extended for a five-year period and anti-dumping measures against Turkey should be removed.
- **A history of uncertain economic conditions in Brazil could adversely impact the financial condition, results of operations and cash flows of Flexible Packaging Films.** For flexible packaging films produced in Brazil, selling prices and key raw material costs are principally determined in U. S. Dollars and are impacted by local economic conditions and local and global competitive dynamics. Flexible Packaging Films is exposed to foreign exchange translation risk (its functional currency is the Brazilian Real) because almost 90 % of the sales of Flexible Packaging Films business unit in Brazil ("Terphane Ltda.") and substantially all of its related raw material costs are quoted or priced in U. S. Dollars while its variable conversion, fixed conversion and sales, general and administrative costs before depreciation & amortization (collectively "Terphane Ltda. Operating Costs") are quoted or priced in Brazilian Real. This mismatch, together with a variety of economic variables impacting currency exchange rates, causes volatility that could negatively or positively impact EBITDA from ongoing operations for Flexible Packaging Films. While Flexible Packaging Films hedges this exposure on a short-term basis with foreign exchange forward rate contracts, the exposure continues to exist beyond the hedging periods.

**Other Business Risks**

- **A failure in the Company's information technology systems as a result of cybersecurity attacks or other causes could negatively affect Tredegar's business.** The Company depends on information technology ("IT") to record and process customer orders, manufacture and ship products in a timely manner, secure its production processes and know-how, maintain the financial accuracy of its business records and maintain personally identifiable information of its employees. An IT system failure due to computer viruses, internal or external security breaches, cybersecurity attacks or other malicious causes could disrupt our operations and prevent us from being able to process transactions with our customers, operate our manufacturing facilities and properly report transactions in a timely manner. Increased global IT security threats and cyber-crime pose a potential risk to the security and availability of the Company's IT systems, networks and services, including those that are managed, hosted, provided or used by third parties, as well as to the confidentiality, availability and integrity of the Company's data. Additionally, increased cybersecurity risk arises due to certain employees working remotely. To date, interruptions of the Company's IT systems have been infrequent, and Tredegar has not experienced a material cybersecurity incident. A significant prolonged failure of or security breach of the IT systems, networks or service providers the Company relies upon, or a loss or disclosure of business or other sensitive information, or personally identifiable information, as a result of a cybersecurity incident or other cause, could result in substantial costs to the Company, damage to the Company's reputation, regulatory enforcement actions and lawsuits and could adversely affect the Company's business, results of operations, financial condition or cash flows.
- **The Company's results of operations, financial condition and cash flows have been and could be impacted by the macroeconomic effects of a pandemic.** The COVID-19 pandemic had multiple adverse effects on the global economy, including short-term impacts affecting labor supply and causing supply chain disruptions which led to inflationary pressures. In addition, the pandemic resulted in certain after-shocks and structural shifts, which have adversely impacted Tredegar's markets. In the event of a future pandemic, Tredegar's businesses, our suppliers, contractors and third-party logistic providers could experience conditions similar to those associated with the COVID-19 pandemic, including facility closures, labor constraints, supply chain disruptions and other challenges. These challenges could impact our ability to maintain sufficient inventory and to accurately predict demand or lead times, which could inhibit our ability to service customer demand. Additionally, a future pandemic could heighten other risks described above.
- **Tredegar is subject to current and future governmental regulations, including environmental laws and regulations, and could become exposed to liabilities and costs associated with such regulation.** The Company is subject to regulation by local, state, federal and foreign governmental authorities. New laws and regulations, or changes to existing laws, including those relating to environmental matters (including global climate change and plastic products), and privacy matters, could subject Tredegar to significant additional capital expenditures, operating expenses or other compliance costs. Moreover, future developments in federal, state, local and international laws and regulations, including environmental laws, are difficult to predict. Environmental laws and privacy

restrictions have become and are expected to continue to become increasingly strict. As a result, Tredegar expects to be subject to new environmental and privacy laws and regulations. However, any such changes are uncertain and, therefore, it is not possible for the Company to predict with certainty the amount of additional capital expenditures or operating expenses that could be necessary for compliance with respect to any such changes. The Company is subject to the U. S. Foreign Corrupt Practices Act, Brazilian anti-corruption laws and similar anti-bribery laws in other jurisdictions, which generally prohibit companies and their intermediaries from making improper payments to foreign officials for the purpose of obtaining or retaining business. Although we have policies and procedures designed to facilitate compliance with these laws and regulations, our employees, contractors and agents may take actions in violation of our policies. Any such violation, even if prohibited by our policies, could adversely affect our business and/or our reputation.