

Piedmont National Corporation | Corporate Responsibility Guidelines

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1. Introduction

We, as Piedmont National Corporation (Piedmont National), continually make efforts to contribute to the sustainable development of our society through our business, as well as to pursue the realization of our mission to *Inspire Greatness in Packaging* since establishment of our business in 1950.

As a distributor, we have implemented various Corporate Social Responsibility (CSR) and Environment, Social, and Governance (ESG) requirements towards our suppliers. Our Supplier Guidelines have been used as protocol to contribute to a more responsible and sustainable economy. We would like our customers and suppliers to understand these guidelines, promote their own CSR activities and policies, and extend said policies to their own suppliers.

2. Piedmont National Corporate Identity and Relevant Policies

a. Corporate Policy

Inspiring Greatness in Packaging

b. Fundamental Management Policy

In fulfilling our Corporate Policy, Piedmont National activities are founded upon our solid values and unwavering commitment to our customers and suppliers. We believe that success is achieved by inspiring greatness in oneself and in one another, and we are committed to pursuing our mission of being the market leader in supply chain solutions, automation, and technology through this culture.

c. CSR Policy

Employees

- We respect the diversity of our employees, provide equal employment opportunities, and do not conduct discriminatory practices.
- We respect human rights and do not tolerate human rights abuses. We are not involved in forced or child labor, or modern slavery.
- We comply with laws and regulations related to labor, including competitive wages and working hours, and at the same time, we provide fair working conditions to all of our employees and maintain a safe and healthy working environment.
- We actively pursue human resource development and improve the capacity and creativity of our employees.
- We promote the health and safety of our employees and provide education and participation opportunities to improve the overall wellbeing of our employees.
- We provide OSHA-compliant workplace environments, implement lean process improvements, and provide ongoing safety training programs.



Global Environment and Sustainability

- Based on the Piedmont National Sustainability Statement, we actively promote reusable, recyclable, and responsible initiatives both internally and through proactive consultation with our customers.
- We have taken strides towards the pursuit of long-term sustainability through these initiatives:
 1. Commit to having all company cars electric or hybrid by 2030
 2. Conduct sustainability audits to educate customers on sustainable packaging solutions
 3. Innovate to achieve our goal of 100% recyclability on all products utilized internally
 4. Reduce energy by implementing LED lightbulbs and motion-activated lights in all offices and warehouses
 5. Wrap all outbound pallets in Sigma Vanish, a stretch film that bio-assimilates into a food source

Customers

- We take preventive measures against all foreseeable risks surrounding our business and conduct risk management, so that in the event of an emergency we will be able to protect the safety of our employees and local residents as well as maintain business continuity.
- We protect our intellectual property rights. At the same time, we respect the legitimate intellectual property rights of others.

Local and Global Communities

- We respect the culture and laws of each state, country, and territory; and in conducting all corporate activities, we will comply at all times with relevant laws as well as internal regulations, including this policy.
- We prohibit the offering of bribes to public officials and politicians and maintain a sound and transparent relationship with government agencies.
- As corporate citizens in local and global communities, we promote social contribution activities to various charitable organizations and volunteer our time towards supporting the community.

d. ESG Policy

Piedmont National Corporation believes that Environment, Social, and Governance (ESG) principles are a critical component of business. We are committed to monitoring the corporate operations of our own internal branches and employees, as well as those of our suppliers.

Auditing

- We audit our suppliers to ensure they meet ethical, responsible, and adaptive requirements.



- We assess factory and manufacturing environments to validate that facilities align with our fundamental guidelines.
- We measure and track our own environmental and social impact, as well as the impact made by our suppliers.

Reporting

- We are committed to being transparent with customers, suppliers, employees, and other stakeholders.
- We provide an annual updates on our company-wide initiatives and progress.

Roles and Responsibilities

- Piedmont National Corporation CEO and General Manager oversee execution of this policy.
- Piedmont National Corporation General Manager, Marketing Manager, and ESG Committee continually provides recommendations and optimization opportunities to advance this initiative.

Non-Compliance

- We prioritize remediation towards non-compliant partners.
- We communicate violations or non-acceptable discoveries to customers impacted and our ESG Committee for a formal evaluation.
- We require a formal reinstatement process for any suppliers who were previously non-compliant to a degree of deactivation.

e. Purchasing Guidelines

As part of our mission to Inspire Greatness in Packaging, we believe collaboration is one of the most impactful actions. We value shared commitments and know that environmental and social issues are too big to solve on our own—in order to pursue compliant partners, we are dedicated to purchasing from responsibly sourced suppliers and do so by ensuring the following:

- Uphold CSR and ESG principles to all supplier partners and manufacturing partners.
- Piedmont National Corporation-distributed products are manufactured in an ESG-compliant environment.
- Piedmont National Corporation-distributed products are manufactured in a safe, respectful environment that has a zero-tolerance policy towards non-compliance.
- Piedmont National Corporation-distributed products are manufactured in a facility that monitors their own environmental impact (emissions, circularity, recycling, waste, and more).

Based on the commitment to our mission and values, we ensure our suppliers meet our Supplier Guidelines, as outlined in Section 3.



3. Supplier Guidelines

Piedmont National promotes responsibly sourced, sustainable products through our overall supply chain with the cooperation of suppliers. Based on the commitment to our mission and values, our Supplier CSR, Sustainability, and ESG requirements are as follows. Additionally, we kindly request that our suppliers' own sources also understand and implement these guidelines.

Quality/Safety

Ensuring High Quality of Products and Safety of Customers

Piedmont National expects Suppliers to pursue excellence in the quality of their products and services. Suppliers shall provide appropriate information regarding products and services and efficiently deliver those to their customers with thorough consideration for end customers' safety and quality.

Risk Management

Risk Management

Suppliers shall take actions to prevent or minimize the possible risks of their business activity. In case of emergency, Suppliers shall take actions to ensure their business continuity.

Compliance

Compliance with Laws and Regulations

Suppliers shall respect international treaties and each country's laws and regulations as well as the culture where they conduct their business. Suppliers shall comply with laws and regulations applicable to their business including trade laws.

Conflicts of Interest

Suppliers shall prohibit their employees' activities that cause harm to the company's interest in order to gain personal interest. Also, Suppliers shall conduct business properly with their business partners that have particular relationships (e.g. employment, ownership and management) with family members or close friends of their employees, and even avoid suspicion as an illicit activity. If there are any inappropriate requests of an illicit activity from employees of the Piedmont National, Suppliers shall report to the Piedmont National without responding to the requests.

Human Rights/Labor

Respect for Diversity and Non-Discrimination

Suppliers shall respect the diversity of their employees and shall not conduct discriminatory practices. In order to achieve this, Suppliers shall make employment and career development decisions without regard to nationality, race, ethnicity, gender, sexual orientation, gender identity, age, origin, educational background, relatives, disability, religions, employment patterns, etc.



Respect for Human Rights

Suppliers shall respect human rights and will not tolerate human rights abuses. Suppliers shall not allow forced labor and child labor or modern slavery. Suppliers shall not accept sexual harassment and other offensive behavior.

Ensuring Health and Safety at Workplace

Suppliers shall comply with laws and regulations about health and safety, ensuring a safe and healthy work environment to their employees according to OSHA standards.

Fair Treatment of Personnel Affairs

Suppliers shall comply with labor laws and provide all of their employees with fair working conditions. Suppliers shall also comply with laws and regulations related to labor, including competitive wages and working hours, and at the same time, provide fair working conditions to all of our employees and maintain a safe and healthy working environment.

Environment

Protecting the Environment

Suppliers shall comply with environmental laws and regulations in their business operation, and shall be involved in proactive environmental protection activities to set and achieve their environmental standards and goals.

Suppliers shall manufacture products taking the environmental impact and product safety into consideration throughout the product life cycle.

Suppliers shall give their support and cooperation to environmental protection activities and nature conservation activities by government or communities. In addition, Suppliers shall promote proper management for environmental substances.

Establish Targets

Suppliers shall establish measurable targets for reducing their negative impact on the environment. Results and findings shall be shared with Piedmont National Corporation, and their other stakeholders, on an annual basis at minimum.

Promote a Circular Economy

Suppliers shall promote a product lifecycle that reduces non-regenerative waste. Policies shall be shared, as it relates to recycling initiatives, contributing to a circular economy, and overall sustainable initiatives.

Continuous Improvement

Continuous Improvement in Responsible Sourcing

Suppliers shall have regular, ongoing discussions with our purchasing team to address any areas of concern. Piedmont National will review corrective plans and support steps taken to redirect initiatives.



Local and Global Communities

Contributing to the Community

Suppliers, as good corporate citizens in local and global communities, shall endeavor to create a better community and larger society by promoting social contribution activities to various organizations.

Information Disclosure to Stakeholders

Suppliers shall provide their stakeholders with timely and fair disclosure on their operating results, financial condition, environment, risk management, compliance, human rights, and labor. Suppliers shall operate through open and fair communication; and endeavor to maintain and develop mutual understanding and relationships of trust with stakeholders and suppliers alike.

Acknowledgement and Compliance

We kindly request all Suppliers to comply with existing agreements with Piedmont National, including Supplier Guidelines. In the case that knowing the violation of these guidelines and agreements, or suspected violation, please inform Piedmont National immediately.

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