



# Environmental Policy

OCTOBER 2020

Carolina Precision Plastics (CPP Global or CPP) recognizes its adverse impact on the environment, and we accept our responsibility to reduce that impact. CPP is committed to developing and maintaining policies and processes to improve our products, operations, and activities in a manner consistent with the health of the planet, our core values, and the financial health of our company. This policy extends to all CPP facilities.

## Definition: Environmental Impact

As used in CPP's policies and action plans, Environmental Impact includes any activities affecting the following:

- The volume of materials used in our products
- The recycling of any raw materials or finished goods used in any process at our facilities associated with our products or operations
- The recyclability of our products or the materials used therein
- The biodegradability and composability of our products
- The use of renewable raw materials (e.g. bio-resins)
- The ability to reuse our products in the marketplace
- The amount of greenhouse gas (GHG) emissions used in:
  - The transport of any materials or components to CPP facilities
  - The transport of any finished goods from CPP to our customers
  - The operations to manufacture any of our products
  - The activities tangential to its operations, including employee and vendor activities
- The amount of water used in our operations
- The use of other natural resources
- The emission of any other pollutants, particularly in the communities in which we manufacture
- The recycling of items not used in the manufacture of our products
- The health and safety of our customers' employees as well as end-users of our products

## Policy

CPP Global is committed to identifying, establishing and maintaining policies, processes and procedures that will reduce our impact on the environment. Working with vendors, trade organizations, customers and independently, CPP will seek out new technologies, methodologies and formulations that will favorably affect the Environmental Impact areas described in the definition above.

To ensure that Environmental Impact remains a priority for CPP, we will include Environmental Impact objectives, both long-term and short-term, in our annual strategic planning process, the first of which will occur in December 2020. At that meeting each year in December, the Leadership Team will review this policy and modify it consistent with the relevant factors at that time but always with objectives to continuously reduce its impact on the environment in one or multiple aspects as enumerated in the definition above. To achieve those objectives, CPP will commit resources, financial and human, and create initiatives that include specific actions to that end.

## Process

CPP's Leadership Team meets annually in December to review its long-term strategic objectives, owned by the CEO, and the resulting shorter-term objectives developed to ensure progress towards the long-term goals. The Leadership Team then identifies annual Initiatives focused on achieving the short-term objectives. A member of the Leadership Team serves as an executive sponsor of each of the Initiatives, while the process owner may or may not be a member of the Leadership Team. The Leadership Team then develops Metrics by which to measure the success of the Initiative. The Initiative team, usually comprised of a cross-functional group of CPP associates, develops the plans, assigns owners and creates additional metrics. At the monthly Leadership Team Business Strategy Meeting, the attendees review performance against the monthly goals, and discusses countermeasures to ensure future success. The initial meeting to establish the Environmental Impact Objectives will be in December 2021 once the baseline is established.

## Improvement Objectives

For the current period, October 2020 until September 2021, CPP will embark upon a baseline measurement initiative on which to base its objectives for the following year. In addition to establishing this baseline, CPP will create an initial plan to include activities to improve its environmental impact before the expiration of this initial period and beyond.

## Policy Owner

The CEO will be responsible for the development and maintenance of the Environmental Policy, the annual objectives and the execution of the plan to achieve those targets.

## Policy and Performance Communication

Because the Environmental Impact metrics are part of the company objectives, they are posted internally at Mission Control at each plant. In addition, the policy and performance will remain on the website and updated annually to communicate to additional stakeholders.

## Policy Violations

Pursuant to CPP's Whistleblower Policy located in the employee handbook, all CPP associates should report any violations of this policy with their report to remain confidential.

Next Policy Review: December 11, 2020