



Diversified CPC International Sustainability Principles

Diversified CPC International is committed to ensuring that the practices of its businesses are fair, responsible and sensitive to the needs of our customers, suppliers, employees, neighbors, and stake holders. We aim to advance human dignity, reduce waste, improve efficiency, and reduce our carbon footprint. Our goal is to drive excellence in these areas throughout our own institution and to positively influence those partners with whom we have established relationships. We operate within the spirit and letter of the law, maintaining high ethical standards wherever we conduct business. We actively seek business relationships with partners who share our values and promote the application of these high standards among those with whom they do business.

We recognize that sustainable business practices are not static but continually evolve. Our goal is to construct a flexible and sustainable supply chain that will be continually enhanced with new knowledge and expanded levels of excellence. Our sustainable supply chain initiative is anchored by the guidelines we have set forth in this Statement of Principles. We support adoption by our External Business Partners of goods and services of their own codes or statements of best practices that include the following principles and core elements: Ethical Business Practices, Human Rights in the Workplace, Environmental Sustainability, Management Systems, and Implementation. We offer these principles with the knowledge that many of our External Business Partners have been pioneers in establishing robust supply chain standards and best practices. We acknowledge and thank these External Business Partners for their leadership and example in establishing guidance and best practices.



Our External Business Partners must comply with all applicable laws, regulations and standards in the countries in which they operate. We recognize that the standards set forth in this document may differ from local laws and customs, and we expect External Business Partners to respect these standards within the context of the laws and cultural norms of their particular geography. This Statement of Principles is designed to complement similar internal standards that our External Business Partners may have implemented already or may be working towards. We pledge to work with our External Business Partners towards these shared goals and encourage our External Business Partners to continually improve their operations as is practicable under each Partner's unique circumstances.

Diversified CPC Sustainability Principles

External Business Partners should ensure they meet each of the Sustainability Principles. We understand that the sustainability risks relating to each External Business Partner will vary depending on their industry, geographic location and company size. Therefore, External Business Partners should ensure that the scope of their policies, processes and systems reflect their specific sustainability risks. External Business Partners should note that Diversified CPC may choose to audit a partner's business operations for any aspect of adherence with these Sustainability Principles. External Business Partners will then be required to provide all relevant policies and associated evidence to demonstrate adherence.



I. Ethical Business Practices

Diversified CPC aspires to the highest standards of ethical conduct. We expect our External Business Partners to aspire to these same standards in their business practices and daily interactions and to develop management training and implementation programs to assure that all employees and agents understand and adhere to these standards.

A. Business Integrity

The highest standards of integrity shall be upheld in all business interactions. Any and all forms of corruption, extortion and embezzlement are unacceptable.

B. Transparency

Information regarding business activities and performance shall be informative and disclosed in accordance with applicable regulations and prevailing industry practices.

C. Community Engagement

Community engagement is encouraged to help foster shared understanding and social and economic development.

D. No Improper Advantage

Bribes or other means of obtaining undue or improper advantage are not to be promised, offered, authorized, given or accepted. This prohibition covers promising, offering, authorizing, giving or accepting anything of value, either directly or indirectly through a third party, in order to obtain or retain business, direct business to any person, or otherwise gain an improper advantage. Monitoring and enforcement policies shall be implemented to ensure compliance with anti-corruption laws.

E. Disclosure of Information

Business dealings should be transparently performed and accurately reflected on our External Business Partners' business books and records. Information regarding our External Business Partners' labor, health and safety, environmental practices, business activities, structure, financial situation and performance is to be disclosed in accordance with applicable regulations and prevailing industry practices. Falsification of records or misrepresentation of conditions or practices in the supply chain are unacceptable.

F. Intellectual Property

Intellectual property rights are to be respected; transfer of technology and know-how is to be done in a manner that protects intellectual property rights; and Diversified CPC's proprietary information is to be safeguarded.

G. Fair Business, Advertising and Competition

Standards of fair business, advertising and competition are to be upheld.

H. Protection of Identity and Non-Retaliation

Programs that ensure supplier and employee whistleblower confidentiality and protection are to be maintained unless prohibited by law. External Business Partners should have a communicated process for their personnel to be able to raise any concerns without fear of retaliation.

I. Responsible Sourcing of Materials

We expect our External Business Partners not to use minerals (such as tantalum, tungsten, tin, gold, cobalt, etc.) and illegally timbered raw materials from any area, where it can cause serious human rights abuses and environmental destruction in the international community. In addition, the exported materials to countries such as North Korea, Iran, Syria, Sudan, and Cuba, where weapons of mass destruction, conventional weapons, and missiles are likely to be manufactured, shall comply with the standards required by the international community. In this regard, External Business Partners are expected to develop a policy to ensure compliance with all relevant laws and regulations.

J. Privacy

Our External Business Partners are expected to commit to protecting the reasonable privacy expectations of personal information of everyone they do business with, including suppliers, customers, consumers and employees. External Business Partners are to comply with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.



II. Human Rights in the Workplace

DCPC supports the protection and preservation of human rights around the world and is guided by fundamental principles of human rights, such as those in the United Nations Universal Declaration of Human Rights and the International Labor Organization (ILO) Core Conventions regarding child labor, forced labor, freedom of association, the right to organize and bargain collectively, equal pay and non-discrimination in the workforce. Our support for these principles is reflected in our policies and actions towards our employees, suppliers, clients and the countries where we do business.

Furthermore, DCPC respects the sovereignty of governments around the world and believes it is the responsibility of each nation to protect the human rights of its citizens. We realize, however, that the laws of some countries where we may do business differ from some global standards of human rights. In such circumstances, we expect our External Business Partners to comply with local law and at the same time to strive to adhere to DCPC's standards.

DCPC strives to support human rights through our supply chain by encouraging actions that are consistent with and further the objectives of the DCPC Statement on Human Rights, and by using External Business Partners whose corporate values are consistent with ours. We consider relationships with our External Business Partners to be an opportunity to share best practices and believe in a continual process of learning, improving, and evolving these processes with respect to human rights. These best practices specifically consider:

A. Freely Chosen Employment

Workers shall not be forced, bonded, indentured, or subjected to involuntary prison labor.

Workers must not be required to surrender any government-issued identification, passports, or work permits as a condition of employment. Suppliers or labor dispatch agencies shall not receive deposits or fees (e.g. recruitment or hiring fees) from workers.

B. Child Labor Avoidance

Child labor shall not be employed. The term "child" refers to any person under the age of 15 (or 14 where the law of the country permits), or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest.



The use of legitimate student intern programs, which comply with all laws and regulations, is supported. Young workers over the legal minimum age for employment may be hired, however, young workers under the age of 18 shall not perform work that is likely to jeopardize the health or safety of young workers, including night shifts and overtime, or work longer hours than is permitted by local law.

C. Working Hours

Work weeks shall not exceed the maximum set by local law. Further, a workweek should not be more than 60 hours per week, including overtime, except in emergency or unusual situations. Workers shall be allowed at least one day off every seven days.

D. Respect in the Workplace

Employees shall be treated with respect and dignity and work in an environment that is free from unlawful discrimination and harassment. Companies shall not engage in discrimination based on race, color, age, gender, sexual orientation, ethnicity, disability, pregnancy, religion, political affiliation, union membership or marital status in hiring and employment practices such as wages, promotions, rewards, and access to training. In addition, unless medical tests are required for legal or safety reasons, workers or potential workers should not be subjected to medical tests that could be used in a discriminatory way.

E. Wages and Benefits

Compensation shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. Employees shall be able to earn fair wages, as determined by applicable local law. In compliance with local laws, workers shall be compensated for overtime at pay rates greater than regular hourly rates. Deductions from wages as a disciplinary measure shall not be permitted. The basis on which workers are being paid is

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to be provided in a timely manner via pay stub, similar documentation or supplier intranet.

F. Freedom of Association

In conformance with local law, Suppliers shall respect the right of all workers to form and join worker council or trade unions of their own choosing, to bargain collectively and to engage in peaceful assembly as well as respect the right of workers to refrain from such activities. Workers and/or their representatives shall be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation or harassment

III. Health and Safety

DCPC recognizes that in addition to minimizing the incidence of work-related injury and illness, a safe and healthy work environment enhances the quality of products and services, consistency of production and worker retention and morale. External Business Partners shall provide adequate and safe working conditions and comply with all applicable health and safety policies and laws.

A. Occupational Safety

Potential or actual worker exposure to safety hazards (e.g. chemical, electrical and other energy sources, fire, vehicles, and fall hazards) are to be identified, assessed, and controlled through proper design, engineering and administrative controls, preventative maintenance and safe work procedures (including lock out/tag out), and ongoing safety training.

B. Emergency Preparedness

Potential emergency situations and events are to be identified and assessed, and their impact minimized by implementing emergency plans and response procedures including: emergency reporting, employee notification and evacuation procedures, worker training, appropriate fire detection and suppression equipment, clear and unobstructed egress, adequate exit facilities, and recovery plans.

C. Occupational Injury and Illness

Procedures and systems are to be in place to prevent, manage, track and report occupational injury and illness including provisions to: encourage worker reporting; classify and record injury and illness cases; provide necessary medical treatment; investigate cases and implement corrective actions to eliminate their causes; and facilitate return of injured or ill workers to work.

D. Industrial Hygiene

The exposure of workers to biological agents (e.g. chemicals used in manufacturing sites, pathogenic viruses etc.) and physical agents (e.g. high temperatures, radiation) are to be identified, evaluated and controlled. Potential hazards are to be eliminated or controlled through proper design, engineering (e.g. the improvement of production facilities) or administrative (e.g. laws and regulations) controls must be used to control overexposures.

E. Physically Demanding Work

Worker exposure to the hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing and highly repetitive or forceful assembly tasks is to be identified, evaluated and controlled.

F. Machine Safe Guarding

Production and other machinery shall be evaluated for safety hazards. Physical guards, interlocks and barriers are to be provided and properly maintained where machinery presents an injury hazard to workers.

G. Sanitation, Food, and Housing

Workers are to be provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage, and eating facilities. Worker dormitories provided by the External Business Partners or a labor agent are to be maintained to be clean and safe, and provided with appropriate emergency egress, hot water for bathing and showering, adequate lighting, heat and ventilation, individually secured accommodations for storing personal and valuable items, and reasonable personal space along with reasonable entry and exit privileges.

H. Health and Safety Communication

Suppliers shall provide workers with appropriate health and safety information and training in a language the worker can understand for all identified workplace hazards that workers are exposed to, including but not limited to



mechanical, electrical, chemical, fire, and physical hazards. Health and safety related information shall be clearly posted in the facility or placed in a location identifiable and accessible by workers. Training shall be provided to all workers prior to the beginning of work and regularly thereafter. Workers shall be encouraged to raise safety concerns.

IV. Environmental Sustainability

DCPC recognizes that environmental sustainability is integral to good business practices and production of world-class products. DCPC also recognizes that climate change is a major economic, social and environmental challenge globally. DCPC has set a target to reduce our own greenhouse gas emissions. We encourage our clients to provide innovative solutions as they strive to reduce their emissions and monitor progress. We encourage our External Business Partners to join us in similar sustainability efforts. We expect our External Business Partners to develop and maintain:

A. An Environmental Policy

We encourage all External Business Partners to have an effective environmental policy and to endeavor to achieve this policy using the best available techniques; to implement this policy at all levels throughout the company; and to include a commitment to continual improvement in environmental performance, energy efficiency, and waste reduction.



B. Life Cycle Analysis/Implementation

We encourage utilization of life cycle analysis to minimize a service or product's environmental impact during its entire life cycle by considering the use of recycled material, energy consumption during service delivery, manufacturing and use, material identification, disassembly, choice of material, etc. Operational practices that reduce any environmental burden associated with our activities are promoted. Innovative developments in products and services that offer environmental and social benefits are encouraged.

C. Pollution Prevention and Recycling

We encourage reduction or elimination of waste of all types, including water and energy, at the source, or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials. Water and solid waste generated from operations, industrial processes and sanitation facilities must be monitored, controlled and treated as required prior to discharge or disposal, and recycled to maximum effect.

D. Conservation and Resource Utilization Reductions

To the extent possible, and with continual improvement, we expect implementation of conservation and resource utilization reduction programs to conserve resources and eliminate wastes of all types.

E. Hazardous Materials Safety

Chemical and other materials posing a hazard if released to the environment shall be identified and managed to ensure safe handling, movement, storage, recycling or reuse and disposal.

F. Air Quality and Emissions

We expect our External Business Partners to implement a reasonable and comprehensive Air Quality Program. Emissions of carbon should be monitored and minimized; emissions of volatile organic chemicals, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations should be characterized, monitored, minimized, controlled and treated as required prior to discharge.

G. Water Management

We expect our External Business Partners to implement a water management program that documents, characterizes, and monitors water sources, use and discharge; seeks opportunities to conserve water; and controls channels of contamination. All wastewater is to be characterized, monitored, controlled, and treated as required prior to discharge or disposal. Participants shall conduct routine monitoring of the performance of its wastewater treatment and containment systems to ensure optimal performance and regulatory compliance

H. Sustainable Forests

Forests provide essential goods and services to both local and global communities and markets. DCPC is connected with, and committed to, efforts to sustain healthy forest systems. Our External Business Partners should take steps to



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ensure that they do not buy from or contract with any company knowingly engaged in illegal logging.

I. Energy Consumption and Greenhouse Gas Emissions

To the extent possible, energy consumption and all relevant Scopes 1 and 2 greenhouse gas emissions are to be tracked and documented, at the facility and/or corporate level. We expect our External Business Partners to look for cost-effective methods to improve energy efficiency and to minimize their energy consumption and greenhouse gas emissions.

V. Management Systems

We encourage our External Business Partners to institute targeted ethical, social and environmental programs with effective management systems (e.g., International Organization for Standardization (ISO), Eco-Management and Audit Scheme (EMAS), etc.) that utilize the best available techniques and practices to achieve sustainability and corporate social responsibility at all levels, and to strive to continuously improve their performance. We encourage External Business Partners to clearly communicate the contents of this Statement of Principles, and their own internal standards that meet or exceed these principles, to their employees and contractors, and to offer adequate training, and utilize self-evaluation programs to assure conformity with standards and applicable laws.

A. Company Commitment

A corporate social and environmental responsibility policy statement affirming the External Business Partners' commitment to compliance and continual improvement, endorsed by executive management, must be announced to all facilities of the Supplier in the local language of each facility.

B. Management Accountability and Responsibility

The External Business Partner shall clearly identify company representative[s] responsible for ensuring implementation of the management systems and associated programs. Senior management reviews the status of the management system on a regular basis.

C. Legal and Customer Requirements

The External Business Partner shall establish and continue to operate at all times a process to identify, monitor and understand applicable laws, regulations and customer requirements, including the requirements of this Code and shall comply with the same.

D. Risk Assessment and Risk Management

The External Business Partner shall establish and continue to operate at all times a process to identify the legal compliance, environmental, health and safety and labor practice and ethics risks associated with supplier's operations.

E. Improvement Objectives

The External Business Partner shall establish written performance objectives, targets and implementation plans to improve the Supplier's social and environmental performance, including a periodic assessment of supplier's performance in achieving those objectives.

F. Training

The External Business Partner shall establish and continue to operate at all times programs for training managers and workers to implement the Supplier's policies, procedures and improvement objectives and to meet applicable legal and regulatory requirements.

G. Communication

The External Business Partner shall establish a process for communicating clear and accurate information about the Supplier's policies, practices, expectations and performance.

H. Worker Feedback, Participation, and Grievance

The External Business Partner shall establish and continue to operate at all times processes, including an effective grievance mechanism to assess employees' understanding of and obtain feedback on violations against practices and conditions covered by this Code and to foster continuous improvement.

I. Audits and Assessments

The External Business Partner shall establish and continue to operate at all times periodic self-evaluations to ensure



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conformity to legal and regulatory requirements, the content of the Code and customer contractual requirements related to social and environmental responsibility

J. Corrective Actions

The External Business Partner shall establish and continue to operate at all times a process for timely correction of deficiencies identified by internal or external assessments, inspections, investigations and reviews.

K. Documentation and Records

The External Business Partner shall create and maintain documents and records to ensure regulatory compliance and conformity to company requirements along with appropriate confidentiality to protect privacy.

L. Supply Chain Participation and Responsibilities

The External Business Partner shall require, support and monitor sub-supplier's compliance with this Code. Any violations of this Code within the supply chain may result in termination of Supplier's business relationship with Diversified CPC International.

VI. Implementation

This Statement of Principles sets forth guidelines for our current and future External Business Partners. We encourage all our new and existing External Business Partners to aspire to these guidelines and endeavor to make continual improvements. As the intent of this Statement of Principles is to increase ethical business practices and social and environmental sustainability throughout the supply chain, we will encourage our External Business Partners to require their next-tier suppliers to acknowledge and implement parallel best practices and standards of conduct. We further encourage and challenge our External Business Partners and their suppliers to offer and innovate new and better products and services reflecting ethical practices and sustainability attributes for DCPC purchase at cost competitive pricing.

This Statement of Principles neither constitutes nor should be construed to constitute a contract and nothing contained or implied herein is intended or shall be construed to create or convey upon any person or entity, including employees, any benefits, rights, actions or remedies.