

## SUSTAINABLE PROCUREMENT POLICY

### Introduction

A critical part of Pacific Southwest Container's (PSC) company mission is to **Be a Force For Good**. This means we are investing in our communities, supporting those in need, and making good decisions for the environment and a sustainable future. Beyond our mission, one of our four company values is **Sustainability**. This entails focusing on the sustainability of our team, business, and environment. We make decisions today, and set goals for the future, to minimize our impact on the planet.

In conjunction with our company value of Sustainability, Pacific Southwest Container recognizes the importance of sustainable procurement practices in reducing environmental impact, promoting social responsibility, and ensuring long-term economic viability. This policy outlines our commitment to integrating sustainability into our procurement processes and supplier relationships.

### Objectives

- To minimize the environmental impact of our procurement activities
- To support suppliers that demonstrate strong environmental, social, and ethical practices
- To promote the use of sustainable materials and products throughout our supply chain
- To adhere to relevant laws, regulations, and international standards related to sustainability and procurement
- To continuously improve our sustainable procurement performance through monitoring, evaluation, and stakeholder engagement

### Scope

This policy applies to all procurement activities undertaken by PSC, including purchasing of goods, services, and works, as well as supplier selection and contract management processes.

### Key Principles

#### a. Environmental Responsibility:

Prioritize the purchase of products and services with minimal environmental impact, considering factors such as energy efficiency, recyclability, and use of renewable resources.

Reduce waste by favoring products with minimal packaging or those packaged using recyclable or biodegradable materials.

Encourage suppliers to implement environmentally sustainable practices and provide support and resources where necessary.

#### b. Social Responsibility:

Ensure suppliers adhere to labor standards that respect human rights, including fair wages, safe working conditions, and freedom from discrimination.

Promote diversity and inclusion in supplier selection, giving preference to businesses owned by minorities, women, veterans, and other underrepresented groups.

Avoid suppliers engaged in unethical practices such as child labor, forced labor, or human trafficking.

**c. Economic Viability:**

Consider the total cost of ownership, including lifecycle costs and potential long-term savings, when making procurement decisions.

Support local suppliers and small businesses whenever feasible to stimulate economic development in our communities.

Foster long-term relationships with suppliers based on trust, collaboration, and mutual benefit.

**Supplier Engagement**

**a. Supplier Evaluation:**

Assess potential suppliers based on their sustainability performance, including environmental management practices, social responsibility initiatives, and ethical conduct.

Prioritize suppliers with recognized certifications or memberships in sustainability-oriented organizations.

**b. Collaboration and Education:**

Engage with suppliers to raise awareness of our sustainable procurement expectations and provide guidance on improving sustainability performance.

Collaborate with suppliers to identify opportunities for innovation and continuous improvement in sustainable product and service offerings.

**Compliance and Monitoring**

As a prerequisite to conducting business with PSC for generations to come, suppliers must observe and conform to the **Supplier Code of Conduct** (Code), including its annexes. Moreover, suppliers must confirm and sign the Code document to be eligible for consideration in future contracts or RFP renewals. All future contracts undertaken with suppliers should state in legal form their recognition of PSC's commitment to sustainability and the supplier's adherence to the Code.

Additionally, PSC will ensure compliance with this policy and relevant laws, regulations, and international standards through regular audits and performance evaluations.

Establish key performance indicators (KPIs) to measure progress toward sustainability goals and track performance over time.

Review and update this policy periodically to reflect evolving sustainability best practices and stakeholder expectations.

### **Communication and Transparency**

Communicate our commitment to sustainable procurement internally and externally, including to our team members, customers, investors, and other stakeholders.

Provide transparency regarding our procurement practices, supplier selection criteria, and sustainability performance through annual reports and other communication channels.

### **Implementation**

All team members involved in procurement activities are responsible for adhering to this policy and integrating sustainability considerations into their decision-making processes.

Training and resources will be provided to support team members in implementing this policy effectively.

### **Review and Revision**

This policy will be reviewed annually by PSC's sustainability team to ensure its continued relevance and effectiveness.

Amendments may be made as necessary to address changing circumstances, emerging risks, or new opportunities for improvement.

### **Conclusion**

PSC is committed to embedding sustainability into every aspect of our operations, including procurement. By embracing sustainable procurement practices, we aim to create value for our stakeholders while contributing to a more resilient and responsible global economy.