



United Nations
Global Compact

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Charter NEX Films
Communication on Progress
2019/2020

Introduction

Charter NEX Films is pleased to submit our first annual Communication on Progress report to the United Nations Global Compact. This document will describe our efforts and actions to integrate the Ten Principles in the areas of Human Rights, Labor, Environment and Anti-Corruption into our business strategy, culture and daily operations.

Human Rights

It is our goal at Charter NEX Films to ensure our employees, business partners, and suppliers understand, respect, and support the United Nations Universal Declaration of Human Rights. We believe we have reinforced this understanding, respect, and support through our Charter NEX Films Code of Business Conduct and Ethics. This document is regularly reviewed and updated to accurately reflect our values, beliefs and shared behaviors to life.

While the responsibility to respect and support human rights is incumbent upon all employees, Charter NEX Films has placed HR representatives at each of our plant locations to be the initial point of contact for any human rights issues. We have also made our human rights expectations for our business partners and suppliers clearly known through our Supplier Code of Conduct, which was updated in 2020.

For 2020/2021, our primary objective is to continue to achieve a zero-incident rate with respect to human rights issues. Our Leadership Team's ongoing review and update of the Charter NEX Films Code of Business Conduct and Ethics and Supplier Code of Conduct – in addition to the subsequent training of all employees – will allow us to achieve this goal. To allow for easier access and training, the Charter NEX Films Code of Business Conduct and Ethics will be added to the company intranet in 2020/2021.

Labor

Charter NEX Films is an equal opportunity employer, and the Charter NEX Films Employee Handbook covers our employees' rights, compensation, health insurance and responsibilities. Our employees' health, safety and wellbeing are a priority at Charter NEX Films.

Charter NEX Films is constantly searching for opportunities to improve our employees' experience. In 2019/2020, we conducted an employee engagement survey to gauge the thoughts of our employees. 2020 has been, and continues to be a challenging year, but to ensure the health and safety of our employees remains at the forefront, the Charter NEX Films Leadership Team quickly devised a comprehensive COVID-19 response plan. This plan prioritized not only employee safety, but also employee (and their families) care. All our plant facilities have an on-site human relations representative, which allows employees to seek out and receive immediate assistance to address their specific questions, concerns, and needs.

Our primary 2020/2021 objective is to implement the findings from the employee engagement survey, which will continue to foster a work environment and culture to best support employees' career development. We will also continue to review and refine our foundational guiding documents – the Employee Handbook, the Charter NEX Films Code of Business Conduct and Ethics, and the Supplier Code of Conduct. Employees will continue to be trained regularly on any updates.

Environment

As a plastics film manufacturer, Charter NEX Films believes it is our responsibility to ensure our operations and products are constantly evaluated with a mindset of protecting the environment globally as well as within our local communities. To be an industry environmental/sustainability leader, we must engage with all levels of the supply chain – from our suppliers and equipment manufacturers, to the converters and brand-owners, and finally to the recyclers and the local communities.

During the 2019/2020 time period, most of our activity was focused in this area. To start, this required an update to our Sustainability Mission Statement & Policy. This document was added to the Charter NEX Films intranet, so that it could be shared with and readily accessed by all employees. Our goal for 2020/2021 is to add this document to our new website, which is currently under construction, to will allow any interested stakeholder, supplier, customer, or community member to review.

Charter NEX Films also believes in the power of proactivity – identifying the industry and community challenges surrounding plastics and plastic waste, and then partnering with the right parties to collaboratively develop potential solutions. In order to move these missions forward, we deemed it necessary to become members of both the Alliance to End Plastic Waste as well as the Association of Plastic Recyclers. Additionally, to be transparent with our objectives and activities and better understand how we compare to other companies globally, we committed to the United Nations Global Compact and continue to share this information via the EcoVadis platform. For 2020/2021, our objective is to not only make a significant industry impact by becoming more actively involved with each of the associations we are currently members, but to also identify other potential associations for which our membership could generate some industry influence.

To ensure our employees are kept informed of our corporate sustainability objectives and activities, our Corporate Sustainability Green Team representatives act as ambassadors to each of our plants. In 2019/2020, this group launched an ongoing employee education series to ensure consistency in both understanding and action. In addition, this team continued to publish the Monthly Sustainability Topic of the Month, aiming to provide employees with relevant happenings within the organization, industry, and around the globe. Additionally, to identify those employees going above and beyond, several employee recognition programs were created.

Our manufacturing facilities continue to operate using Good Manufacturing Practices (GMPs), and in 2019/2020, we renewed our membership with Operation Clean Sweep. We have aggressive goals with respect to reducing production waste as well as achieving Zero Waste to Landfill status. In 2019/2020, Charter NEX Films was able to attain Zero Waste to Landfill status at two manufacturing sites. For the upcoming year, we will continue to evaluate and improve upon our manufacturing practices to minimize their environmental impact and will continue to strive for Zero Waste to Landfill status at additional manufacturing sites.

Finally, the GreenArrow™ family of films we have developed offers the industry responsible and sustainable packaging solutions. These films were designed to create positive environmental impacts with respect to greenhouse gas emissions, recycling, and reuse. In 2020/2021, we will continue to collaborate with our industry partners to optimize the packaging solutions and films we offer.

Anti-Corruption

Charter NEX Films expects all employees to act in an honest, ethical and responsible manner while working at any of our facilities, at our sponsored business/social/community events, or at any other place or time where you may be considered as representing CHARTER NEX. This includes all potential areas of corruption.

Charter NEX Films is in support of international and regional legal agendas regarding the issue of corruption and are committed to being in compliance with all local relevant laws. The Charter NEX Films Code of Business Conduct and Ethics is our internal document that was created in 2019 and is shared with all employees. It is reviewed annually by our Leadership Team, led by our CEO, and legal counsel. This document clearly addresses the various areas of corruption, including bribery, kickbacks and gift giving/receiving. I believe we clearly indicate our zero-tolerance stance for corruption by the first sentence in this section of the Code of Business Conduct and Ethics document – “Charter NEX employees may not offer or accept a bribe or payoff.” In addition, this document offers specific direction to an employee should they have any questions regarding a specific situation, or if they need to report a potential violation.

Our goals for the 2020/2021 time period are to continue to have our Leadership Team review the Charter NEX Films Code of Business Conduct and Ethics and update it as needed. We are committed to continuing to provide on-going education to our employees of any changes that are made to ensure no one is put into a compromising situation. As part of our 2020/2021 objectives, this document will be added to the company intranet, CNEX Direct, under the Employee Resource Links section to allow for easy employee access. Ultimately, it is our goal to annually strive for and continue to meet a zero-incident rate in this area.

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