

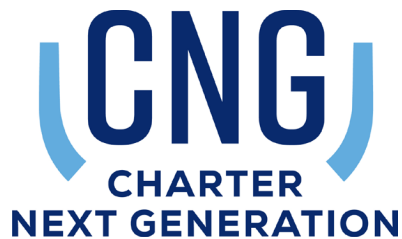
United Nations
Global Compact

United Nations Global Compact
Charter Next Generation
Communication on Progress
2021/2022



Introduction

Charter Next Generation (CNG) is pleased to submit our 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 Next Generation to ensure all our employees, business partners, customers, and suppliers understand, respect, and support the United Nations Universal Declaration of Human Rights. These expectations for all parties are clearly conveyed in both the Charter Next Generation Code of Business Conduct and Ethics, as well as our Supplier Code of Conduct. Both documents were again reviewed and updated during 2021/2022.

Charter Next Generation's primary objective for human rights in 2021/2022 was to continue to create easier access to and additional resources for training and support for all current and any new employees. CNG added several key management personnel aimed at strengthening our Diversity, Equity & Inclusion program as well as employee culture and communications. For 2022/2023, we will be transitioning CNG's Code of Business Conduct and Ethics to our formal employee training/education program, which will require all employees to review and sign-off on this document.

To ensure Charter Next Generation's suppliers are aligned with our support of the 10 Guiding Principles, CNG issued a Supplier Sustainability Survey/Scorecard to all of our key suppliers. The supplier feedback and responses, which also included each supplier's review and sign-off of our Supplier Code of Conduct, have helped establish a supplier sustainability baseline

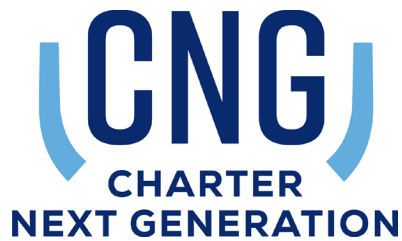
All these initiatives have been designed so that Charter Next Generation will achieve a zero-incident rate with respect to human rights issues year after year. For 2022/2023, we will continue to review and update both CNG's Code of Business Conduct and Ethics and Supplier Code of Conduct.

Labor

Charter Next Generation is an equal opportunity employer, and the Charter Next Generation Employee Handbook covers our employees' rights, compensation, health insurance and responsibilities. The health, safety, and well-being of all our employees are priorities at Charter Next Generation.

In 2020/2021, Charter Next Generation's Leadership Team announced employee ownership as an important future benefit. And in 2021/2022, employee ownership was formalized for all CNG employees, which also included a new procedure for any future employees as well.

As we hire new employees every year, CNG believes it is even more important to have employees that are informed of and engaged in all our corporate sustainability objectives and activities. In 2021/2022, the CNG Corporate Sustainability Team –



1. launched a weekly educational series focused on sustainability
2. coordinated company-wide community cleanup challenges
3. recognized and rewarded peer-nominated employees every quarter for their sustainability efforts

For 2022/2023, Charter Next Generation's initiatives on the labor front will be numerous and include, but not limited to:

- the launch and review our 2022 Employee Engagement Survey
- a more formalized DE&I process
- a continued review and employee training of any changes to our foundational guiding documents – the Employee Handbook, the Charter Next Generation Code of Business Conduct and Ethics, and the Supplier Code of Conduct

Environment

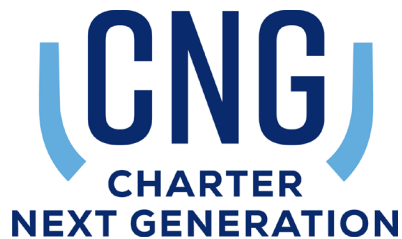
As a plastics film manufacturer, Charter Next Generation firmly believes it is our responsibility to ensure our operations and products are constantly evaluated with a mindset of protecting the environment globally, as well as within our local communities. To be an industry environmental/sustainability leader, we must engage and collaborate 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.

2021/2022 was an important year for Charter Next Generation as we focused on our climate targets and strategy. This included the calculation of our 2021 Corporate Carbon Footprint (Scopes 1, 2, and 3), as well as the finalization of our science-based climate targets for 2030 and 2050 (net zero). CNG will be submitting our targets to SBTi yet this year, with the implementation of CNG's climate roadmap being a primary focus for not only 2022/2023, but every year going forward.

Charter Next Generation continued to optimize and grow our GreenArrow™ family of sustainable films during 2021/2022. Our key objectives for GreenArrow™ will be to increase the amount of post-consumer recycled resins used (will also reduce GHGs) and commercialize compostable films/structures.

From a facility standpoint in 2021/2022, CNG renewed our Operation Clean Sweep commitment at all nine locations, and we also achieved Zero Waste to Landfill status at another two plants. Our goal for 2022/2023 is to achieve the Zero Waste to Landfill status at another three or four facilities.

In 2021/2022, Charter Next Generation continued to identify opportunities, industry associations and organizations who are making successful and positive environmental impacts both locally and globally, to partner with or invest in. So, in 2021/2022, CNG again committed to being an



APR Recycling/PCR Demand Champion (increasing the use of post-consumer recycled resins). To support our GHG reduction and PCR usage goals, CNG made the decision to invest in a regional recycling/PCR manufacturing plant (Myplas/MBOLD). And to further support the global reduction of Greenhouse Gas emissions, Charter Next Generation partnered with Indigo Ag, investing in local farmers, helping them transition to regenerative agriculture. From a global standpoint, CNG was excited to partner with The Plastic Flamingo, an organization dedicated to collecting and eliminating plastic ocean-bound waste in the Philippines.

Charter Next Generation is committed to the United Nations Global Compact and continuing to implement and support the 10 Guiding Principles and 17 Sustainable Development Goals. However, for CNG to continue to improve, we also commit to annually submit information to EcoVadis to compare our performance to other global leaders. In 2021/2022, we were awarded a Silver Medal status, but our goal for 2022/2023 is to receive a Gold Medal status.

Anti-Corruption

Charter Next Generation 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 they may be considered as representing Charter Next Generation. This includes avoiding all potential aspects of corruption.

Charter Next Generation is in support of international and regional legal agendas regarding the issue of corruption and is committed to compliance with all local relevant laws. The Charter Next Generation Code of Business Conduct and Ethics clearly addresses the various areas of corruption, including bribery, kickbacks and gift giving/receiving, indicates a zero-tolerance for our employees, and offers direction should an employee have questions or need to report a potential violation.

While CNG again experienced zero corruption-related incidents in 2021/2022, to continue to meet a zero-incident rate in this area, we recognize the importance of on-going employee training and education. In 2022/2023, CNG will be utilizing our formal employee training/education program for the Charter Next Generation Code of Business Conduct and Ethics. This would make the review of this document an annual event for every employee with a sign-off and date stamp.

Since this is a foundational CNG document, it will be annually reviewed and amended by the CNG Leadership Team.

Scott D. Hammer

Scott D. Hammer
Director of Corporate Sustainability
Charter Next Generation