Together for health and life.
This is a unique, challenging, and incredibly urgent time in the history of the world and of our companies. There is so much at stake and at the same time, so much worth looking forward to.

Today as we publish our 2020 corporate social responsibility (CSR) report, our communities are in the throes of fighting the COVID-19 global pandemic.

Our more than 2,850 associates are working as one united team supporting healthcare professionals on the front lines of this global fight, foodservice establishments delivering customer and employee satisfaction, and families looking out for the health of their households.

The prevalence of community health crises is becoming part of a new normal that we are prepared to fight for the long term.

Public health is directly linked to both environmental sustainability and the social and economic wellbeing of communities. This is why we tie our mission to our business strategy using a broad, comprehensive, long term view on sustainability and corporate responsibility.

With this report—the latest in our longstanding commitment to education and transparency—our intention is to provide an inside look at our approach, performance, and aspirations across three strategic pillars:

- Advancing the health, safety, and wellbeing of our associates, our customers, consumers, and communities
- Sustaining our environment through continuous improvement and innovation across all stages of the product life cycle
- Educating and supporting our communities economically and socially with an unwavering commitment to improving every life that we touch

To our associates, customers, suppliers, families, communities, friends, and consumers—today and always we stand with you, Together for Health and Life.

Sincerely,

Robert P. Julius
Chairman and CEO,
Nice-Pak Products, Inc.

Zachary T. Julius
CEO, PDI

Each year we touch consumers of our products more than 100 billion times.

We take every opportunity to educate customers, consumers, families, and communities to help promote the health and wellness of people and the environment.

2016–2017

Previous CSR reports published
Nice-Pak/PDI (2nd report) and Nice-Pak International (8th report)

2016

Nice-Pak opens new world class manufacturing site
Westwood Park, Wigan, United Kingdom

2019

PDI opens new state-of-the-art world headquarters
Woodcliff Lake, New Jersey, USA
At PDI we are laser focused on saving lives through multi-layered infection prevention solutions. The science is clear that human health and the health of the environment go hand-in-hand. As we plan for continued double digit annual growth, it is imperative that our growth be sustainable. Executing on our mission to be the difference requires close partnerships internally and with our customers.”

Kent Davies, President & COO, PDI

Earlier this year our team proudly led the development of six global sustainability pledges to protect people and the environment. Today we are working at record speed to expand access to hand hygiene, surface disinfecting and cleaning products to customers who need them most. At the same time, we will continue to deliver on our continuous innovation pledges. We believe in a cleaner, healthier, brighter future for all.”

Michael Staton, CEO, Nice-Pak International

Our first global report

This report covers our worldwide performance from 2016 through 2019 on a slate of issues that matter most to our stakeholders, determined by strategic assessments performed in 2019.

In prior reports, North America and Europe reported separately. Our new global approach blends our performance data, which can change the performance trajectory of certain data points.

The timeline below highlights a number of milestones since our last reports.

Table of contents

Letter from leadership .................................. 2-3
Global operational snapshot ......................... 4-5
Focal pillars and impact highlights ............... 6-7
Advancing health and wellbeing ................. 8-15
Sustaining our environment ....................... 16-21
Educating and supporting communities ............ 22-26
Our future: goals and governance ................. 27

2020

Carbon Disclosure Project (CDP) score improves by a full letter grade
3rd consecutive year of reporting on greenhouse gas emissions

2020

“GOLD” rating received from EcoVadis in European sustainability rankings
Nice-Pak’s fourth consecutive GOLD ranking

2020

New sustainability and corporate responsibility leadership
First global director of sustainability and corporate responsibility joins the organization
Serving customers worldwide

Our global operational footprint

UNITED BY PURPOSE

One global team working together to save lives, improve health, and make a difference every day.

We are...

• Fourth generation family-owned businesses dedicated to excellence in product quality and customer service
• Trusted advisors to our customers through leading edge research and development, insight, education and engagement
• Aligned in our missions to save lives by fighting preventable infections and by enhancing everyday health and wellness

About PDI

Behind everything we do is a devotion to reducing the spread of infection.

Established in 1977, our three divisions offer a multi-layered suite of solutions to fight Healthcare Acquired Infections (HAIs) and Community Acquired Infections (CAIs).

Because of what we do every day, someone’s mother, brother, father, son, sister, aunt, uncle, child or lover won’t get sick, die, or suffer.

About Nice-Pak

Our passion is helping our world stay healthy and well.

In 1957, we pioneered wet wipes with our founder’s invention of the first disposable wet napkin. Today we are the global leader in innovative wipes to sanitize, clean, disinfect, and support healthy personal and environmental hygiene.

Our customers—leading mass merchandisers, warehouse clubs, food and drug retailers trust us to deliver superior quality products.

“The R&D team takes our role very seriously. As we come together to fight the COVID-19 pandemic we are educating customers and consumers on an exciting pipeline of innovations which support better hygiene, improve skin health, and are truly better for the environment.”

James Dalton,
Vice President of Research & Development, Nice-Pak
In 2019, PDI completed two strategic acquisitions to further its investments in a broad array of infection prevention products and solutions. PDI acquired Plus Wipes, based in Corby, United Kingdom and a majority stake in Tru-D® SmartUVC based in Memphis, Tennessee. Reporting will be integrated into future reports.
Our approach

Three interrelated focal pillars guide our reporting on the social and environmental issues most significant to our business and stakeholders.

Our sustainability and corporate responsibility vision:
Achieve the highest standards across all categories and markets we serve.

We execute our vision through accountability, education, engagement and innovation.

Management accountability
Achieve the highest standards for business ethics, integrity, environmental and social governance in everything we do, every day.

Learn more about our governance practices on page 27

Stakeholder education, engagement, and transparency
Cultivate a culture of openness, communication, and excellence. This starts with listening to the needs of our community of associates, suppliers, customers, and consumers.

Learn more about our communities on page 22

Product and supply chain innovation
Apply science and data to continuously improve our impact across the life cycle of our products, from raw ingredients through end-of-life.

Learn more about our life cycle innovation priorities on page 17

Together for health and life.

Advancing health and wellbeing
Advancing the health, safety, and wellbeing of our associates, our customers, consumers, and communities
- Customer education
- Products
- Our essential COVID-19 response
- Workplace safety & wellbeing
- Social and ethical standards
- Health + environmental link

Sustaining our environment
Sustaining our environment through continuous improvement and innovation across all stages of the product life cycle
- Customer and consumer education on renewable materials and responsible use
- Resource management in facilities
- Sustainable innovation in wipes & packaging
- Responsible sourcing

Educating and supporting communities
Supporting our associates, customers, consumers and global communities toward a healthier, more sustainable future for all
- Education and community economic development
- Commitment to diversity and non-discrimination
- Volunteerism and philanthropy
Across the three pillars of our corporate responsibility strategy, education is a fundamental and universal element of our strategy.

Global highlights
Performance snapshots across our three focal pillars

PDI launches
4 new products in under 3 years
and adds UVC total room disinfection, strengthening infection prevention capabilities

Nice-Pak launches
skin health research and development platform
for wet wipes, leveraging prebiotic formulas to help maintain a healthy skin microbiome

Sites worldwide
achieved industry-leading safety performance
with Total Recordable Incident Rates (TRIR) < 1.0 every year from 2016-2019

Nice ‘n CLEAN® Aqualettes™
launches first 100% recyclable packaging
in UK market

Greenhouse gas emissions
intensity reduced by 6.4% since 2016
Renewable energy usage totals 12.5 million kWh (2016-2019) the equivalent of powering 1,100 average households¹ for a year

Orangeburg leads worldwide
$5 million in savings
in production site efficiency optimizations through “Project Optimize”

Charity and volunteerism
Over $1.5 million
donated to charities
Associates volunteered for more than 70 organizations globally

European sites earned
“Top Employer” designation for the seventh year
In North America, Jonesboro was honored by the Mayor’s office for ten years of community economic impact and service

European sites achieved
EcoVadis GOLD certification
for labor and human rights, business ethics, sustainable procurement and environmental practices

¹ Based on US EPA average household electricity consumption trend data at time of calculation in 2020.
Advancing health and wellbeing

The highest standards for protecting people through our products, workplace standards, and beyond.

“Saving lives and helping people is the core of what we do. The outstanding potential to deliver impact working alongside other leaders who are equally committed to innovation, quality, and service is what attracted me to our organization after 25 years in healthcare at larger public companies. We challenge ourselves every day to be a leading force for better health and wellbeing in every life we touch—patients, colleagues, communities, and the world.”

Sean Gallimore,
SVP and General Manager,
PDI Healthcare
We map our initiatives against the high standards and global lens of the United Nations Sustainable Development Goals (SDGs)

The SDGs are a set of 13 principles to create a more sustainable future for all.

All SDGs are critical to building a future that we can be proud to leave to the next generations.

The subset of SDGs highlighted throughout this report represent issues where we have the greatest ability to drive impact.

Our stakeholders prioritize health and wellbeing. So do we.

In 2019, PDI and Nice-Pak conducted a materiality assessment facilitated by an outside firm. The process helped to reaffirm issues of greatest importance to our stakeholders that also have a large impact on company performance. Perspectives from our associates, management team, industry associations, customers, and numerous external frameworks were prioritized.

Learn more about our sustainability and corporate responsibility governance practices on page 27

Across all of our lines of business there are key impacts on health and wellbeing that we manage, measure, and report:

<table>
<thead>
<tr>
<th>Stakeholder group</th>
<th>Issues we manage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our associates and workers in our supply chain</td>
<td>A safe and healthy workplace that supports a comprehensive view on wellness.</td>
</tr>
<tr>
<td></td>
<td>Pursuit of the highest standards for ethical business, labor and human rights.</td>
</tr>
<tr>
<td>Our customers and product end-users</td>
<td>Products that support the health and wellbeing of clinicians, patients, families</td>
</tr>
<tr>
<td></td>
<td>and caregivers.</td>
</tr>
<tr>
<td></td>
<td>Audited quality and regulatory standards for quality and product safety.</td>
</tr>
<tr>
<td>People worldwide</td>
<td>Supporting human health by protecting clean air, biodiversity, and by addressing</td>
</tr>
<tr>
<td></td>
<td>our climate impact and waste footprint.</td>
</tr>
</tbody>
</table>

SDG 3 applies to our core product innovation priorities, safety and wellness programs for our associates, and to environmental practices which protect long term global health.
New product launches to fight infection

- **Profend® Nasal Decolonization Kit** combats Surgical Site Infections (SSIs) and other healthcare-acquired infections (HAIs).
- **Sani-HyPerCide™** disinfectants are a powerful solution to the most relevant pathogens, along with the ability to proactively disinfect against *C. diff.*
- **Sani Professional® No-Rinse Sanitizing Multi-Surface Spray** is an all-in-one spray that replaces multiple products for cleaning, sanitizing and disinfecting.
- **Tru-D® SmartUVC** robot disinfection, is a safe, effective, eco-friendly way to address dangerous microorganisms in any environment.

Educational resources and industry partnerships to improve health outcomes

**PDI IMPACT** is a facility audit program that improves compliance and reduces infection risks.

Digital resources include training videos, downloadable product signage, a surface compatibility database and **33 continuing education courses**.

PDI applies a multilayered, evidence-based approach to reduce the spread of infection and preserve the well-being of those touched by our products and solutions. Infections acquired in health care settings (HAIs) are the most frequent adverse event in healthcare delivery worldwide. Hundreds of millions of patients are affected each year, leading to significant mortality and financial losses. Over 600 million people fall ill with community acquired infections (CAIs) after eating contaminated food and 420,000 people die every year.

We share best practices, lead working groups, and collaborate as members and sponsors of:

- **AORN** – Association of periOperative Registered Nurses
- **AVA** – The Association for Vascular Access
- **HIDA** – Health Industry Distributors Association
- **CSCMP** – Council of Supply Chain Management Professionals
- **APIC** – Association for Professionals in Infection Control and Epidemiology
- **SHEA** – The Society for Healthcare Epidemiology of America

In 2019, a grant from PDI supported a series of educational workshops for OR nurses on new AORN guidelines, including benefits of PDI Easy Screen® Cleaning Wipes.

---

Sources:

Our diversified product offerings and innovation platforms are built to promote good health across healthcare, foodservice, and consumer markets.

On a mission to keep families healthy and well, we earn and keep the trust of consumers while bringing leading brands and retailers new innovations.

**We are constantly pushing the boundaries of what a wipe can do**

Wipes play a pivotal role in keeping people safe. Surface disinfecting wipes and hand sanitizing wipes help prevent the spread of germs that can lead to serious illnesses.

**Sani Hands Anti-bacterial Hand Wipes**

provide up to six hours of protection from germs and bacteria and are an important weapon in the current worldwide campaign for improved hand hygiene.

**Assuring ingredient safety and transparency**

We safeguard the health of consumers by meeting and exceeding customer and regulatory requirements in every product we make, in every market we serve.

- Expanded raw material ingredient review process to assure compliance from the very first stages of development
- Enhanced clinical testing to include a sensitive subpopulation, enabling newer customer claims on baby, facial and moist toilet tissue
- Introduced online ingredient disclosures ahead of schedule for California SB 258 “Cleaning Product Right to Know Act”

Learn more about our approach to safe and sustainable wet wipe formulations in our 2020 white paper

**Skin health is one of our key innovation platforms**

Promising new launches include clinically proven health benefits leveraging prebiotic formulas to help maintain a healthy skin microbiome.

Pure water, prebiotic formulas, like those found in our Nice ‘n CLEAN® Aqualettes plastic-free baby wipes, are kind to babies’ skin and the planet.

Our goal is to protect the skin as our wipes clean.

Advanced R&D for safe, effective products leveraging naturally-derived formulas

**Many of our products are benchmarked on health and sustainability**

- The Sustainability Consortium THESIS consumer goods benchmarking platform
- UL WERCSmart® and EPA Safer Choice in North America
- Öko-Test, an independent German consumer protection and laboratory testing organization

**We constantly evolve our sustainable chemistry practices by referencing leading frameworks that take into account both human health and environmental impact:**

- The Joint Statement on Advancing Sustainable Products developed by the U.S. Green Chemistry & Commerce Council (GC3)
- The Charter For Sustainable Cleaning managed by the International Association for Soaps, Detergents and Maintenance Products (AISE)
- The “Net Positive” industry roadmap from the UK Cosmetic, Toiletry, and Perfumery Association (CTPA)
Coordinating quickly to meet unprecedented demand for essential products that clean, disinfect, and ultimately save lives

Manufacturing, supply chain, regulatory, and logistics teams worked closely with government agencies and customers.

☑ Established product efficacy against SARS-CoV-2, the virus that causes COVID-19, through independent lab testing and expedited U.S. government approvals

☑ Obtained approval from the U.S. EPA to reclassify nonwoven wet wipe applicators as inert ingredients, providing additional supply chain flexibility

☑ Educated U.S. healthcare and consumer goods buyers on products approved for use against COVID-19

☑ Leveraged resilient supply chain planning tactics including supplier redundancy, production site flexibility, distributor relationships, and forecasting

To save lives in the community, we first need to protect our workforce

Comprehensive health and safety measures ensure safe working conditions:

1. Non-production roles shifted to remote work
2. Continuously sanitizing common areas through surface disinfection and fogging
3. Health status screening, temperature scans, and interviews prior to entering facilities
4. 6 ft (2m) physical distancing and addition of protective barriers throughout facilities and production lines
5. Staggering shift start times to enable distancing
6. Distribution and use of company-supplied PPE
7. Expanding access to hand hygiene stations
8. Distributing disinfecting wipes for use by associates’ families

We donated several million sanitizing and disinfecting wipes during the peak of the pandemic

- Sites worldwide made donations to first responders, charities, associates and their families.
- European sites donated over two million specially designed “Supporting the Community” sanitizing wipes to aid frontline workers and community organizations.

“The wipes are absolutely crucial to prevent the spread of infection and are being used throughout the hospice building.”

- Rebekah Ashley, IPU manager at Wigan and Leigh Hospice, UK

March through May of 2020 marked 3 of the 4 top production output months in our history.

Government agencies worldwide designated our facilities essential businesses.

Working nonstop to meet today’s community health needs while preparing for a future of heightened global health challenges.

Our response to COVID-19 as essential businesses
Standards for health and wellbeing in our production facilities and supply chain

Safety, quality, and ethical business processes protect the wellbeing of all stakeholders – our associates, product end-users, and people in our supply chain.

We participate in dozens of internationally recognized quality management systems and production certifications

We are regularly audited and assessed by third parties on our governance practices and performance on a comprehensive set of social, environmental, quality, and safety standards. In addition, we audit many suppliers on social and environmental criteria.

<table>
<thead>
<tr>
<th>Site</th>
<th>Quality Management Systems</th>
<th>Government Registrations and Other Third Party Certifications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flint, Wigan and Magdeburg</td>
<td>ISO 9001 ISO 22716</td>
<td>BRC, RSPO, FSC, PEFC, AISE, LabCred</td>
</tr>
<tr>
<td>Jonesboro</td>
<td>ISO 9001</td>
<td>EPA Registered, UL-GMP for Cosmetics, FSC, PEFC</td>
</tr>
<tr>
<td>Mooresville</td>
<td>ISO 9001</td>
<td>FDA OTC Certified, UL-GMP for OTC, Cosmetics, and Non-Regulated Products, FSC, PEFC</td>
</tr>
<tr>
<td>Orangeburg &amp; West Nyack</td>
<td>ISO 9001 ISO 13485</td>
<td>Licensed FDA Drug Establishment, Licensed FDA Medical Device Establishment</td>
</tr>
</tbody>
</table>

We report on ethical and sustainable business practices in our own facilities and in our supply chain

- Since 2015 our European sites have shared data with customers through the EcoVadis platform. Nice-Pak receives a “GOLD” rating for disclosures of labor and human rights, business ethics, sustainable procurement, and environmental practices – scoring in the top three percent of all suppliers evaluated.

- Since 2017 we have published our approach to combating forced labor and human trafficking in our business and supply chains in compliance with the UK Modern Slavery Act.

- As members of the Supplier Ethical Data Exchange (Sedex), we participate in the Sedex Members Ethical Trade Audit (SMETA) to certify our performance against a comprehensive slate of ethical and responsible business criteria.

- In 2019 our global facilities passed 36 separate audits from customers, governments and standards bodies with “no findings” in most audits and a total of only 19 “minor findings.”

Aspirations to improve our engagement

We will continue to improve and align our worldwide policies and practices on business ethics and human rights both within our companies and throughout our supply chain. In addition to continuing to meet all regulatory standards, we are developing clearer KPIs and governance mechanisms.
**Safety is a top priority and integral part of our culture**

Safety training begins at new hire orientation and continues throughout the career of every associate including monthly safety focus topics and targeted training run by EH&S staff, supervisors, and peers.

Safety managers execute detailed plans to investigate, record and prevent recurrence of accidents. Corrective action and improvement plans are led by supervisors and individual teams.

**Production** sites cross-train and share data, observations, and best practices through bi-weekly conference calls led by EH&S managers.

**We provide access to comprehensive health and wellness programs on top of base healthcare benefits**

Our objective: drive engagement across the workforce in order to maximize positive health outcomes.

Each site coordinates and promotes an ongoing calendar of wellness programming including on-site health clinics, free influenza vaccinations, smoking cessation support, team weight loss challenges, and more.

- Senior level commitment, monitoring, evaluation, and review of health metrics
- Management of all key preventable health issues in the workplace including mental health, tobacco use, substance abuse, physical activity, healthy eating, musculoskeletal disorders and more
- Use of technology to drive engagement, including apps for peer-to-peer competitions, wellness tracking and health coaching

Across all worldwide sites that reported safety performance 2016–2019, Total Recordable Incident Rates (TRIR) were less than 1.0 every single year. This exceeds industry benchmarks and puts our organization on a trajectory to achieve our vision of zero workplace injuries.

**Jonesboro offers annual on-site health fairs. Associates visit with a variety of health practitioners and wellness businesses.**

**Free on-site mobile health services include**

- mammograms, influenza vaccines, and a Red Cross blood drive.

**Nice-Pak | United Kingdom**

**Earned the Bronze Corporate Health award from Healthy Working Wales.**

“This prestigious designation recognizes our support for specific health issues and our commitment to continuously improving wellbeing in the workplace, for example, our annual employee health screening programs. Our current goal is to achieve silver level accreditation.”

Deborah Thatcher, HR Director, Nice-Pak International
Human health and the health of the environment are closely intertwined

To ensure the health of current and future generations, we take an active role mitigating the impacts of climate change, planning for resilience, and advocating for greater awareness of the link between human health and a healthy planet.

Science-based organizations including the U.S. Centers for Disease Control (CDC) highlight the critical overlap between our mission and necessary actions to combat climate change.

Preventing deforestation is one of the ways we address climate change and biodiversity loss—two global issues that have major human health impacts.

Unsustainable encroachment and exploitation of natural ecosystems are emerging public health threats contributing to epidemic spread of diseases including COVID-19.

We take action to assess risks and to eliminate the risk of deforestation from naturally-derived raw materials in our products.
Sustaining our environment

We continuously measure and improve our life cycle environmental impact, from raw materials through product end-of-life.

“Environmental stewardship is a major differentiator that will define the longevity of our organization. Our global operations team strives to continuously improve our environmental impact. Each of our associates plays a role. It starts with choices we make in product design innovation. Some of the most visible elements of our strategy play out across our manufacturing facilities where we operate with a mentality of ‘war’ on reducing waste and losses.”

Orhan Bazna,
Vice President Global Supply Chain and Operations, Nice-Pak
Sustaining our environment through resource efficiency and innovation

To achieve the highest standards for our products and operations, we drive innovation in manufacturing and product design across the life cycle of our products.

**OUR APPROACH**

Our environmental management priorities are informed by our values and the priorities of our stakeholders. Threats such as deforestation, biodiversity loss, climate change, and ocean plastic pollution are paramount concerns. Our level of influence over these issues varies at each point in our supply chain and across the product life cycle.

**Raw materials**
Ensuring end-to-end responsible sourcing through supply chain engagement and use of naturally-derived, renewable, and circular materials whenever possible.

**Manufacturing**
Resource efficiency including water and energy conservation to fight climate-related impact; continuous improvement in process waste and zero landfill practices.

**Packaging**
Design and materials innovation promotes the circularity of single-use plastics and reduces the risk of environmental pollution at product end-of-life.

**Transportation**
Reducing GHG emissions through efficiency in upstream and downstream logistics.

**Customer/Consumer Use**
Education and engagement to increase awareness of responsible end-of-life performance, including flushability, recyclability, and compostability.

**End-of-Life**
Design innovation to improve impact.

The majority of our environmental priorities are addressed through innovation in three areas:

1. **Resource management** and process efficiency in manufacturing facilities
2. **Wet wipe innovation**: sustainable applicators and formulations
3. **Packaging innovation**

In 2019 we announced six global pledges to help accelerate progress to a more sustainable future:

1. Partner with customers to develop sustainable, plastic-free alternatives
2. Develop at least one *environmentally-preferable packaging option* in each of our major product categories
3. Utilize sustainable materials in our own brands and transparently label any plastics remaining in our branded products
4. Constantly *monitor chemicals of concern* and take action in the interests of both our customers and the consumer.
5. Continue to minimize environmental impact from our operations through natural resource conservation initiatives
6. Consistently advise and encourage our customers to comply with the industry Code of Practice on ‘Do Not Flush’ labeling and report annually toward a goal of 100% compliance.

Upcoming reports will continue to share our implementation strategy and progress KPIs in relevant areas of our business.
Natural resource management performance in our manufacturing facilities

Sustainability is built-in to our comprehensive quality management and production efficiency practices worldwide. We track and report greenhouse gas emissions and resource consumption data internally. In addition, we report to a number of external stakeholders.

<table>
<thead>
<tr>
<th>GHG</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>% change, intensity, 2016-2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total (mtCO₂,e)</td>
<td>17,850</td>
<td>17,748</td>
<td>19,895</td>
<td>19,112</td>
<td>6% decrease (Scope 1, Scope 2)</td>
</tr>
<tr>
<td>Scope 1 &amp; 2 (mtCO₂,e)</td>
<td>15,677</td>
<td>15,534</td>
<td>16,326</td>
<td>15,542</td>
<td></td>
</tr>
<tr>
<td>Scope 3 - Air Travel (mtCO₂,e)</td>
<td>2,173</td>
<td>2,214</td>
<td>3,570</td>
<td>3,570</td>
<td></td>
</tr>
<tr>
<td>Scope 1 &amp; 2 Intensity (mtCO₂ per 1M packs)</td>
<td>14.4</td>
<td>14.4</td>
<td>14.2</td>
<td>13.5</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total (thousand gallons)</td>
<td>189,878</td>
<td>182,104</td>
<td>175,322</td>
<td>183,835</td>
<td>9% decrease</td>
</tr>
<tr>
<td>Intensity (gallons per thousand packs)</td>
<td>174</td>
<td>169</td>
<td>153</td>
<td>159</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total (tonnes)</td>
<td>15,064</td>
<td>17,138</td>
<td>17,478</td>
<td>18,248</td>
<td>13% increase</td>
</tr>
<tr>
<td>Landfill (tonnes)</td>
<td>2,009</td>
<td>3,049</td>
<td>4,391</td>
<td>5,928</td>
<td></td>
</tr>
<tr>
<td>Recycling (tonnes)</td>
<td>3,909</td>
<td>3,830</td>
<td>3,768</td>
<td>2,868</td>
<td></td>
</tr>
<tr>
<td>Waste-to-Energy (tonnes)</td>
<td>9,145</td>
<td>10,259</td>
<td>9,319</td>
<td>9,452</td>
<td></td>
</tr>
<tr>
<td>Intensity (tonnes per 1M packs)</td>
<td>13.8</td>
<td>15.9</td>
<td>15.2</td>
<td>15.8</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>% of total energy</td>
<td>5.3%</td>
<td>5.1%</td>
<td>5.0%</td>
<td>5.7%</td>
<td>7% increase</td>
</tr>
<tr>
<td>% of total electricity</td>
<td>7.9%</td>
<td>7.9%</td>
<td>7.7%</td>
<td>8.3%</td>
<td></td>
</tr>
<tr>
<td>On-site generated (kWh)</td>
<td>735,505</td>
<td>545,511</td>
<td>553,391</td>
<td>716,684</td>
<td></td>
</tr>
<tr>
<td>Purchased RECs (kWh)</td>
<td>2,384,03</td>
<td>2,495,303</td>
<td>2,512,322</td>
<td>2,552,849</td>
<td></td>
</tr>
</tbody>
</table>

Global performance trends

- **Greenhouse Gas Emissions**: 6.4%
  - Our Scope 1 & 2 GHG Emissions Intensity – which tracks from energy use across our facilities, has decreased by 6.4% since 2016.
  - Our scope 3 emissions reflect corporate air travel. In the future we plan to measure and report Scope 3 supply chain emissions, commuting, and other categories consistent with the GHG Protocol Corporate Standard.

- **Energy Intensity**: 8.3%
  - Overall energy use intensity has decreased 8.3% since 2016.
  - Since 2016 we used nearly 12.5 million kWh of renewable energy in our facilities globally, enough to power ~2,500 UK. households for a year.

- **Waste**: 9%
  - 5 out of 6 plants are zero landfill facilities. In and around Jonesboro, there is presently no infrastructure to divert landfill waste. We are actively pursuing economically and environmentally sound landfill alternatives.
  - Progress: In 2019, Jonesboro and Mooresville diverted 300 tonnes of rejected dry roll towel through a local partnership to convert the material into sanitary product donations for people in need.

- **Water**: 6%
  - Our water use intensity has decreased by 9% since 2016.
  - In the future we plan to disaggregate product and process water usage and assess water risk across our sites for a more granular approach to water stewardship.

**Global performance trends**

- **Greenhouse Gas Emissions**: 6.4%
- **Energy Intensity**: 8.3%
- **Waste**: 9%

**2019 CDP score improves a full letter grade**

In 2019, we achieved a “B” climate change disclosure score.

For ten years, we have reported to the Carbon Disclosure Project (CDP) on global greenhouse gas emissions. We began reporting supplier engagement activities in 2016.
Our new global reporting approach impacts our data

As one organization working for positive change, we now report our aggregate environmental impact after years of separate reporting by our North American and European sites. This approach reflects the increasingly global nature of our customer relationships and our sustainability governance structure. 2019 marks a new baseline year for our next generation of environmental goals and progress tracking.

European sites sustain aggressive total waste and waste intensity reductions

- **Total waste:** 34%
- **Waste intensity:** 25%

All three plants maintained zero waste-to-landfill status and reduced solid waste substantially, in total and as a proportion of production output. The recent improvements are on top of 20% waste intensity decreases in the prior reporting period (2010-2015).

- **mtCO₂e** = metric tons of CO₂ equivalent
- Air Travel (Scope 3 GHG emissions) 2018 data used as a proxy for 2019 pending data availability. 2018 increase reflects the inclusion of PDI data.
- Woodcliff Lake, Montvale and some West Nyack data pending as of publication date.
- 2016-2019, European sites. Intensity reported in tonnes per 1M packs.

“War on waste” reduces GHG emissions by 230 MTCO₂e per year

**Jonesboro** partnered with University of Memphis on a 2017 efficiency study identifying $150,000 in annual OpEx savings opportunities: LED lighting retrofits, new compressors, ultrasonic air leak detection and repair, HVAC equipment and controls optimization.

75% of fiber for wet wipe applicators comes from renewable and naturally-derived materials

North American sites sourced approximately three quarters of fiber from natural raw materials that create high quality products with numerous environmental performance advantages (2017 through 2019).

Reduced over $500,000 in shipping waste and product damage

**Jonesboro and Plainfield** implemented KickStop® cargo restraint devices for floor loaded pallets on trailers, reducing dunnage waste and in-transit damage.

20% of global renewable energy was generated by on-site solar panels

The 855 kW rooftop solar array in Orangeburg produced 2.5 million kWh of clean electricity from 2016-2019, reducing greenhouse gas emissions by approximately 1,080 tonnes CO₂e.

“Project Optimize” in Orangeburg led to $5 million in savings

Process capacity increases and efficiency improvements drove the majority of savings.

All sites implemented manufacturing process improvements targeting waste reduction, capacity increases, and increased accuracy.
Sustainable innovation in wet wipes

Improving environmental performance of applicators and formulations

Recent rebranding of owned brand Nice ‘N CLEAN®’ wipes demonstrates commitments to protecting people and planet, because Healthy starts with CLEAN™

- Trusted by healthcare professionals and hospitals for over 60 years
- Wipes made with 100% plant based fibers
- Convenient and effective solutions to clean everything from baby’s bottom to countertops

World leading design innovation for responsible, flushable wet wipes

- All Nice-Pak flushable wipes meet or exceed EDANA/INDA GD4 industry technical performance guidelines for flushability and are 100% plastic-free.
- In October 2019, Nice-Pak became the first manufacturer to be awarded the stringent UK Water Industry Standard (WIS) “Fine to Flush” certification. Over time, the same innovative technology we use to achieve this standard will become the new baseline for the European market.
- We continue to advocate for the use of “Do Not Flush” labeling on baby, facial, disinfecting and sanitizing wipes, and any other wipes which are not designed to be flushed.

Reducing plastic content in wipes

- Reengineered nonwoven fabric in one of our baby wipes lines eliminated over 560 tonnes of PET plastic since 2018
- Developed and launched 100% biodegradable facial wipes for a leading UK brand, replacing all plastic fibres with cellulose-based alternatives

World leading design innovation for responsible, flushable wet wipes

- For over six years Sani-Professional has helped foodservice customers achieve landfill diversion goals with a compostable, selectable size perforated dry day towel certified by Biodegradable Products Institute (BPI).

We are committed to continuously increasing our use of renewable, naturally-derived fiber in wet wipe applicators while educating customers and consumers on the environmental benefits.

To assure responsible forestry practices in naturally-derived raw materials, certified materials standards can be applied to most wet wipe applicators, formulations, and paper-based packaging components

Most global sites are certified to Forest Stewardship Council (FSC) and Programme for the Endorsement of Forest Certification (PEFC) chain of custody (CoC) standards for pulp and paper packaging materials and naturally-derived applicator materials.

- 29% of Nice-Pak Europe naturally-derived applicator fibers were certified to either FSC or PEFC standards for sustainable forestry (2018).

As global members of the Roundtable on Responsible Palm Oil (RSPO) we support the use of only sustainable, traceable, deforestation-free palm oil. Overall, our use of palm oil and its derivatives comprises less than 1% by weight of the ingredients in our lotion formulations.

All Nice-Pak and PDI products meet legal requirements, regardless of certification status.

To assure responsible forestry practices in naturally-derived raw materials, certified materials standards can be applied to most wet wipe applicators, formulations, and paper-based packaging components

Most global sites are certified to Forest Stewardship Council (FSC) and Programme for the Endorsement of Forest Certification (PEFC) chain of custody (CoC) standards for pulp and paper packaging materials and naturally-derived applicator materials.

- 29% of Nice-Pak Europe naturally-derived applicator fibers were certified to either FSC or PEFC standards for sustainable forestry (2018).

As global members of the Roundtable on Responsible Palm Oil (RSPO) we support the use of only sustainable, traceable, deforestation-free palm oil. Overall, our use of palm oil and its derivatives comprises less than 1% by weight of the ingredients in our lotion formulations.

All Nice-Pak and PDI products meet legal requirements, regardless of certification status.

We are committed to continuously increasing our use of renewable, naturally-derived fiber in wet wipe applicators while educating customers and consumers on the environmental benefits.
Driving sustainable change in packaging is complex but necessary to protect our oceans and natural landscapes from pollution. Innovation involves cross-sector collaboration, consumer and customer education, and technical execution by our R&D, operations, regulatory, and marketing teams.

Reducing plastic in products and packaging is a global priority for the United Nations, many of our retail and brand customers, and numerous national governments.

Our packaging innovation priorities align with 2025 horizon goals of international plastics frameworks including the United Kingdom Plastics Pact, the European Commission Plastics Strategy, and the MacArthur Foundation New Plastics Economy:

1. Eliminate problematic or unnecessary plastic through design innovation
2. Move toward 100% recyclable, reusable, or compostable plastic
3. Promote recycling rates of at least 70% through consumer education including on-pack labeling, plus improvements to global infrastructure
4. Achieve at least 30% recycled content in plastic packaging
5. Ensure that all wipes marketed as flushable continue to be 100% plastic-free

As members of the Sustainable Packaging Coalition (SPC) and the On-Pack Recycling Label (OPRL) we collaborate with others toward market transformation

- Over 90% of our European products are labeled with recycling instructions.
- We advocate for the use of on-pack recycling instructions in our owned brands and with our contract manufacturing and private label customers.

We are making progress on reducing plastic content through design innovation

**Lighter packaging using two-layer films**

**Lighter packaging transitioning from canisters to soft packs**

**Tonnes saved annually removing “piggyback labels” from a major product line**

**Tonnes saved 2016-2019 redesigning lids; using corrugated multi-packs**

Progress toward 100% recyclable plastic packaging

- In 2019, Nice-Pak UK announced the first recyclable packaging for wet wipes in owned brand Nice n CLEAN® Aqualettes™ baby wipes brand.

Progress toward maximizing recycled and third party certified packaging content

- Most sites and key packaging suppliers are certified to SFI, FSC, or PEFC chain of custody standards.
- In North America we target at least 30% post consumer recycled content in corrugated packaging, with many exceeding 50%.
- In Europe over 97% of our corrugated packaging contains recycled fiber and 100% is FSC certified.

To learn more about our commitments to product environmental performance, download our 2020 white paper on responsible production and consumption.

**The Sustainability Consortium (TSC)**

As Tier 2 members we engage in sector specific educational and benchmarking programs. We report progress annually across all of our consumer product categories through the THESIS platform.

**Customer Programs**

Nice-Pak and PDI Contract Manufacturing collaborate with customers to drive sustainability performance. We recently helped several leading brands decrease packaging.
Educating and supporting communities

We support our associates, customers, consumers and global communities toward a healthier, more sustainable future for all.

“The concept of community speaks to togetherness—associate, employer, and neighbor, bound by common goals and aspirations individually and for society. Communities are the canvas on which our associates’ lives are ‘painted’—and create a unified ecosystem through which we can all develop and grow. Strong community partnerships not only align with our values, but represent a key, sustainable pathway to achieve success and advance our mission. Together, we can achieve so much more—aligned to a common mission, vision and future!”

David Eberson,
Senior Vice President, CHRO, PDI
Supporting growth, education, advancement, and impact for our associates and neighbors

Community is more than a place to live or work. It is not easily created, but when it exists, the bonds are unbreakable. We strive to protect equity and continuously invest in people through our policies, advancement programs, and longstanding community philanthropic partnerships.

**OUR APPROACH**

We define community broadly as the fluid relationship between the social and economic wellbeing of our neighborhoods, our workforce, and how we achieve our business goals. Being a leader means taking care of our family of associates and our neighbors.

**Community stakeholders and the critical issues we manage**

**Our associates**

- Creating career advancement opportunities for associates by supporting growth and development (education, training, promotion pathways)
- Strong values backed by policies and procedures to value and protect diversity, fight all forms of discrimination and racism, and set clear ethics guidelines
- Formal and informal grievance and whistleblowing mechanisms to report and remedy any form of misconduct

**Our neighbors**

- Contributing to local economic development as one of the largest employers in many of the communities where we operate
- Supporting our associates in their leadership, volunteerism and philanthropy on behalf of dozens of community-based organizations
- Creating apprenticeships and support for local workforce development.
- Helping our communities recover from emergencies such as natural disasters.

**We support SDGs for sustainable communities**

SDGs 5, 8, 10 and 11 relate to our initiatives for positive workforce and community development, equitable and ethical business practices.

**Practices to live our values on diversity, equity and inclusiveness**

- As an equal opportunity employer we recruit the best qualified person for each role and have a zero tolerance policy against discrimination.
- We encourage diverse fields of applicants when recruiting for all open roles in order to reflect the diversity of our communities.
- We benchmark compensation and gender equity internally across all sites and managerial levels in order to ensure equal pay for equal work.
- In the UK, we publish an annual gender pay gap report and strive to continuously outperform country and sector averages.

**Confidential ethics audits, grievance, and misconduct reporting mechanisms**

- All associates are encouraged to use their chain of command to immediately discuss unsafe, illegal or unwelcomed behavior without fear of reprisal.
- Associates may also discuss concerns with HR or may utilize ethics hotlines that are available at several sites.
- Third party ethical audits and customer-specific whistleblower policies are implemented regularly at our European sites.

**Examples of our investments in education and community economic development**

<table>
<thead>
<tr>
<th>Companywide</th>
<th>Orangeburg</th>
<th>Jonesboro</th>
<th>Flint &amp; Wigan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Each year local university students are awarded paid summer internships in a number of functional roles. Associates in current and future roles are encouraged to acquire additional skills to enhance their development.</td>
<td>In 2019, we launched a co-op program for college associates to help build critical skills. From 2016 to 2019, we invested over $140,000 in education, staff development and tuition reimbursement.</td>
<td>In 2018 and 2019 we partnered with two public school systems to promote careers in state-of-the-art manufacturing. Since 2017 we have offered a STEM program to middle school students for lab-oriented work.</td>
<td>Since 2018, 25 apprenticeships were awarded across engineering, finance, marketing and R&amp;D. Our associates volunteer as governors, host subject-specific site visits, and provide sponsorships and equipment.</td>
</tr>
</tbody>
</table>

2020 Corporate Social Responsibility Report 23
Recognition for ethical and responsible business practices

Orangeburg: since 2012
PDI and Nice-Pak are formally recognized by the government of Rockland County, New York for “Be The Difference Day,” an annual community volunteerism and philanthropy initiative.

Flint and Wigan: since 2017
The Armed Forces Covenant supports veterans through assurance of equal employment opportunities.

Flint, Wigan, and Magdeburg: since 2013
Nice-Pak has been named a Top Employer through a robustly audited international process that assesses culture, induction and workforce planning.

Nice-Pak: 2017
Recognized by Walmart for “Investing in American Jobs” and awarded “Private Label Supplier of the Year” for product innovation, thought leadership and consumer insights.

“Every week for more than 9 years I have been chairing a teleconference that provides guidance and coaching to members of the national Society of Information Managers. We have helped hundreds of people find themselves and, in many cases – a new job.”

Joseph Puglisi
VP Business Technology, Nice-Pak

Making a difference, together
Our family of more than 2,850 associates give their time, financial support and expertise to dozens of community organizations worldwide.

“Part of our shared mission is to be active supporters of our communities by volunteering our time and making contributions to help those less fortunate. Year after year, support from the Julius family has helped us embed philanthropy and service into our DNA.”

Jon Kupperman
Executive Vice President, Global Development, PDI

Over $50,000 donated by associates, 2016-2019

Approximately $1.5 million donated in company matching funds and in-kind contributions, 2016-2019

“Never know what someone is going through or the impact you will make but a SMILE goes a long way. Why not! The world is a better place by one simple act of kindness.”

Barbara Dugan
Project Specialist, PDI

Nice-Pak and associates support the following organizations with cash contributions, in-kind product donations, and volunteer support:

American Heart Association - Heart Walk, Heart Month
American Red Cross

Orangeburg: Orangeburg County United Way - Annual Day of Caring

Pictured: In 2019
Jonesboro, Arkansas

Mayor Harold Perrin recognizes CEO Robert Julius for economic and community impact

“In 11 years we added around 500 jobs through year-over-year growth. We will continue to be relentless in our community stewardship by educating on the health and wellness functions of pre-moistened wipes, developing new manufacturing career paths, and sustainability initiatives to reduce our footprint.”

Stanley Lichucki III
Site Director, Nice-Pak, Jonesboro

Over 650,000 associates, 2016-2019

Approximately $5.0 million donated in company matching funds and in-kind contributions, 2016-2019

“As an employer, we know that giving to others is the right thing to do but it also helps us to grow as a team and make the world a better place.”

Robert Julius
CEO, Nice-Pak

Over 150 contributors:

- PDI and associates
- New York City Council Member
- New York State Assembly Members
- Orangeburg Mayor
- Local business owners
- Local community leaders

“Four years ago, Nice-Pak came to us and said they would like to do something for the community. We are so grateful they have made a difference in our lives.”

Donna Gallagher
Director of Public Relations, Orangeburg Mayor’s Office

Everywhere associates give their time and resources to improve the quality of life and help those less fortunate.

“Everywhere we go we see people growing and learning. It is a rewarding experience.”

Erica Perez
Human Resources Manager, Nice-Pak

Together for health and life.

Pictured: In 2019
Jonesboro, Arkansas

Mayor Harold Perrin recognizes CEO Robert Julius for economic and community impact

Over 650,000 associates, 2016-2019

Approximately $5.0 million donated in company matching funds and in-kind contributions, 2016-2019

“As an employer, we know that giving to others is the right thing to do but it also helps us to grow as a team and make the world a better place.”

Robert Julius
CEO, Nice-Pak

Over 150 contributors:

- PDI and associates
- New York City Council Member
- New York State Assembly Members
- Orangeburg Mayor
- Local business owners
- Local community leaders

“Four years ago, Nice-Pak came to us and said they would like to do something for the community. We are so grateful they have made a difference in our lives.”

Donna Gallagher
Director of Public Relations, Orangeburg Mayor’s Office

Everywhere associates give their time and resources to improve the quality of life and help those less fortunate.

“Everywhere we go we see people growing and learning. It is a rewarding experience.”

Erica Perez
Human Resources Manager, Nice-Pak

Together for health and life.
Associates take part in “Starfish Adoption Day” in 2019 to adopt stray animals (PDI China).

“Be The Difference Day” is a nine-year-old tradition where PDI and Nice-Pak associates support dozens of community organizations. Associates have built and distributed over 5,000 hygiene and meal kits since 2016.

“I have served on the Board of Directors for Meals on Wheels in Rockland for 7 years. Each year PDI and Nice-Pak associates participate in pie drives, guest bartending events, super raffles, golf outings, dinners and volunteer work. Their involvement has helped so many of Rocklands older adults.”

Cheryl Mallon
VP Contract Manufacturing, PDI

“I have volunteered through Big Brothers Big Sisters Independence Region for 14 years. Edward is now in his second year of college and is the first member of his family to go to college.”

John Waddell
Business Development Director, PDI

Associates support Susan G. Komen Race for the Cure. Photo by: Marcus Cossey (Buyer/Planner, Nice-Pak)

(Above) Nice-Pak and PDI associates contributed thousands of dollars in toys, bedding and other wishes for needy children through holiday toy drives.

(Left) PDI associates “Go Red for Women” to support The American Heart Association.
When disaster strikes, our associates are there to help

From 2018 to 2020, Nice-Pak and PDI responded to two major Atlantic hurricanes in the U.S. and a severe tornado that destroyed homes and property in Jonesboro, Arkansas. Associates mobilized to provide health, hygiene and personal care product donations and rapid transportation logistics.

- 44,000 cases of wet wipe products
- Product value and cash donations by associates and company match totaled approximately $1 million

Associates “go pink” for breast cancer awareness month.
**Our future of continuous improvement**

**We are never done innovating.** As we look to the future, our goal is to deepen our engagement on our most critical priorities by formalizing our partnerships with our associates, customers, and external organizations.

We will release our next generation social and environmental impact S.M.A.R.T. goals and progress milestones (Specific, Measurable, Achievable, Relevant, Time-bound).

We will continue to educate, empower and support associates in key roles to take positive action through a collaborative and cross-functional governance structure accountable to our Board.

---

**OUR NEW GLOBAL CSR GOVERNANCE STRUCTURE:**

**LEADERSHIP TEAM CSR BOARD**
Vision, alignment, oversight

**CSR STEERING COMMITTEE**
Strategy, goal-setting, risk management, accountability, engagement

- HR
- OPS
- R&D
- SALES & MKG.
- LEGAL
- FINANCE

Cross-functional CSR working groups responsible for targets, tracking, and execution

---

"I recently joined the organization as the first dedicated global director responsible for developing how our mission and our business strategy intersect. What I have found so far is a team that turns up every day thinking about how to make the company, the products and the world better. I could not imagine being part of a more essential or promising organization at this moment. I look forward to partnering with our team members, customers, and other stakeholders on continuous improvement initiatives that support our mutual goals for the future."

Debora Fillis Ryba,
Global Director of Sustainability and Corporate Responsibility, Nice-Pak and PDI

---

Done
Establish board and senior management level oversight for environmental and social governance

In progress
Form expert working groups to drive progress on critical topics

2021
Launch next generation goals across critical impact areas

2022
Publish next corporate responsibility report
“Built on a foundation of trust and empowerment, we have a responsibility to teach and practice our following core values every day:

Respect for each other’s dignity,
The right to practice one’s own beliefs,
The right to equal treatment under the law,
The right to equal education and equal opportunity for advancement.

We must all play whatever role we can. That includes helping to silence those who teach hatred and intolerance, thereby making this a safer and more open world for all.”

Robert P. Julius,
Chairman, Nice-Pak and PDI