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# **Supplier Corporate Social Responsibility/ Sustainability Policy**

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## **A. Introduction**

At Pierce Distribution Services, we are deeply committed to upholding ethical standards, promoting sustainability, and fostering responsible business practices throughout our supply chain. We recognize the importance of setting clear CSR and sustainability requirements for our suppliers and working collaboratively to ensure adherence to these standards. This policy outlines our commitments and actions towards achieving these goals.

## **B. Labor Practices and Human Rights**

### **• Child Labor and Young Workers**

Pierce Distribution Services strictly prohibits the use of child labor in any form within its supply chain. We adhere to all relevant laws and regulations concerning the minimum age of employment and ensure that young workers below the legal working age are not employed by our suppliers. Pierce Distribution Services declares a strict prohibition on child labor in any form within its supply chain. We comply with all relevant laws and regulations regarding the minimum age of employment and ensure that young workers below the legal working age are not employed by our suppliers.

### **• Wages and Benefits**

We are committed to ensuring that fair wages and benefits are provided to all workers involved in our supply chain. Pierce Distribution Services expects its suppliers to uphold fair wage practices and provide benefits that support the well-being of their employees. Pierce Distribution Services declares our commitment to ensuring that fair wages and benefits are provided to all workers involved in our supply chain. Our suppliers are required to uphold fair wage practices and support the well-being of their employees.

### **• Working Hours**

Pierce Distribution Services respects regulations governing working hours and ensures that employees within our supply chain are not subjected to excessive working hours beyond legal limits. We promote work-life balance and prioritize the health and safety of workers. Pierce Distribution Services declares our adherence to regulations governing working hours, ensuring that employees within our supply chain are not subjected to excessive working hours beyond legal limits. We promote work-life balance and prioritize the health and safety of workers.

- **Modern Slavery**

We condemn all forms of modern slavery, including slavery, servitude, forced labor, and human trafficking. Pierce Distribution Services has a zero-tolerance policy towards such practices and expects its suppliers to uphold ethical labor standards. Pierce Distribution Services declares our zero-tolerance policy towards all forms of modern slavery, including slavery, servitude, forced labor, and human trafficking. We expect our suppliers to uphold ethical labor standards and reject such practices.

- **Ethical Recruiting**

Our suppliers are expected to conduct recruitment processes ethically and transparently, without any form of discrimination. Pierce Distribution Services ensures equal opportunities for all candidates, irrespective of race, gender, age, religion, disability, or any other characteristic protected by law.

- **Freedom of Association and Collective Bargaining**

We support the rights of workers to freedom of association and collective bargaining. Pierce Distribution Services acknowledges the formation of trade unions and collective bargaining negotiations to protect the rights and interests of workers within our supply chain. Pierce Distribution Services declares our support for the rights of workers to freedom of association and collective bargaining. We acknowledge and respect the formation of trade unions and collective bargaining negotiations to protect workers' rights and interests within our supply chain.

- **Non-Discrimination and Harassment**

Pierce Distribution Services prohibits discrimination and harassment of any kind based on race, gender, age, religion, disability, sexual orientation, or any other protected characteristic. We expect our suppliers to create a safe and inclusive work environment free from discrimination and harassment. Pierce Distribution Services declares our prohibition of discrimination and harassment based on race, gender, age, religion, disability, sexual orientation, or any other protected characteristic. Our suppliers are required to create a safe and inclusive work environment free from discrimination and harassment.

- **Women's Rights**

Pierce Distribution Services promotes gender equality and supports the empowerment of women in the workplace. We expect our suppliers to uphold women's rights, including equal opportunities for employment, advancement, and fair treatment in the workplace.

- **Rights of Minorities and Indigenous Peoples**

Pierce Distribution Services respects the rights of minorities and indigenous peoples and expects its suppliers to do the same. We advocate for the protection of their rights, cultural heritage, and land rights, and we oppose any form of discrimination or marginalization.

### **C. Ethical Business Practices**

Pierce Distribution Services expects its suppliers to conduct business with integrity, honesty, and transparency. We prohibit bribery, corruption, and unethical business practices, and we expect our suppliers to comply with all applicable laws and regulations governing business conduct.

- **Land, Forest, and Water Rights and Forced Eviction**

Pierce Distribution Services is committed to respecting land, forest, and water rights, and we oppose any actions that result in forced eviction or displacement of communities. Our suppliers are expected to uphold the rights of local communities and indigenous peoples to their lands and resources, and to mitigate any adverse impacts on these rights.

- **Use of Private or Public Security Forces**

We require our suppliers to use security forces responsibly, ensuring that they respect human rights and operate within the confines of the law. Any use of private or public security forces must be in accordance with international human rights standards, and excessive use of force or coercion is strictly prohibited.

- **Health and Safety**

Pierce Distribution Services prioritizes the health and safety of workers and communities impacted by our supply chain operations. Our suppliers must provide safe working conditions, adequate training, and necessary protective equipment to prevent accidents, injuries, and occupational health hazards. Pierce Distribution Services declares our prioritization of the health and safety of workers and communities impacted by our supply chain operations. Our suppliers must provide safe working conditions, adequate training, and necessary protective equipment to prevent accidents, injuries, and occupational health hazards.

- **Anti-Corruption and Anti-Money Laundering**

We have a zero-tolerance policy towards corruption and money laundering. Pierce Distribution Services expects its suppliers to conduct all business activities with integrity, honesty, and transparency, and to comply with all applicable anti-corruption and anti-money laundering laws and regulations. Pierce Distribution Services declares a zero-tolerance policy towards corruption and money laundering. Our suppliers are required to conduct all business activities with integrity, honesty, and transparency, complying with all applicable anti-corruption and anti-money laundering laws and regulations.

- **Data Protection and Data Security**

Pierce Distribution Services values the privacy and security of data and information. Our suppliers must implement robust data protection measures to safeguard sensitive information against unauthorized access, disclosure, or misuse, and to comply with relevant data protection laws and regulations.

- **Financial Responsibility (Accurate Records)**

We expect our suppliers to maintain accurate and transparent financial records, ensuring compliance with accounting standards and regulations. Pierce Distribution Services requires financial transparency to promote accountability and integrity in business transactions. Pierce Distribution Services declares our requirement for suppliers to maintain accurate and transparent financial records, ensuring compliance with accounting standards and regulations. Financial transparency promotes accountability and integrity in business transactions.

- **Disclosure of Information**

Transparency and disclosure are fundamental to ethical business practices. Our suppliers are required to provide accurate and timely information regarding their operations, performance, and impacts to Pierce Distribution Services, stakeholders, and regulatory authorities, as required. Pierce Distribution Services declares the requirement for our suppliers to provide accurate and timely information regarding their operations, performance, and impacts. Transparency and disclosure are fundamental to ethical business practices.

- **Fair Competition and Anti-Trust**

Pierce Distribution Services supports fair competition and prohibits anti-competitive practices such as price-fixing, market manipulation, and collusion. Our suppliers must comply with all competition laws and regulations to ensure a level playing field in the marketplace.

- **Conflicts of Interest**

We expect our suppliers to identify and manage conflicts of interest effectively to prevent any potential bias or unfair advantage in business dealings. Pierce Distribution Services requires transparency and integrity in managing conflicts of interest to maintain trust and ethical conduct. Pierce Distribution Services declares our expectation for suppliers to identify and manage conflicts of interest effectively. Transparency and integrity in managing conflicts of interest are essential to maintaining trust and ethical conduct.

- **Counterfeit Parts**

Pierce Distribution Services prohibits the use of counterfeit parts or materials in its supply chain. Suppliers must ensure the authenticity and quality of products and materials supplied to prevent risks to safety, performance, and compliance.

- **Intellectual Property**

We respect intellectual property rights and expect our suppliers to do the same. Pierce Distribution Services requires suppliers to comply with all intellectual property laws and regulations and to respect the intellectual property rights of others in their business activities.

- **Export Controls and Economic Sanctions**

Compliance with export controls and economic sanctions is mandatory for our suppliers. Pierce Distribution Services expects suppliers to adhere to all relevant export control laws and regulations and to refrain from engaging in business activities that violate economic sanctions imposed by applicable authorities.

- **Whistleblowing and Protection Against Retaliation**

Pierce Distribution Services encourages a culture of whistleblowing and provides mechanisms for reporting unethical or illegal behavior without fear of retaliation. Suppliers must establish whistleblower protection mechanisms to ensure the confidentiality and safety of whistleblowers who report violations of laws, regulations, or company policies.

## **D. Environmental Sustainability**

Pierce Distribution Services is a third-party logistics company deeply committed to sustainability best practices and environmental stewardship. Pierce Distribution Services recognizes the importance of integrating environmental considerations into our business operations, and we strive to minimize our environmental impact and conserve natural resources when partnering with our suppliers.

- **Greenhouse Gas Emissions**

Pierce Distribution Services recognizes the urgency of addressing greenhouse gas (GHG) emissions to mitigate climate change, and we are committed to the Paris Climate Agreement and align our activities with the 1.5-degree target. We are dedicated to setting clear targets for reducing GHG emissions across all scopes of our operations. Through the adoption of energy-efficient technologies, decarbonization strategies, recycling, and responsible resource management practices, we aim to minimize our carbon footprint and contribute to global efforts to limit the impacts of climate change.

- **Decarbonization**

Decarbonization is a key priority for Pierce Distribution Services as we work towards a low-carbon future with our suppliers. We are committed to developing and implementing decarbonization strategies to reduce the carbon intensity of our operations.



This includes route optimization, maximize truckload efficiency, optimize packaging materials and designs to minimize waste, reduce transportation weight, transitioning to low-carbon fuels, implementing carbon capture and storage technologies where feasible. Through these efforts, we aim to play our part in mitigating climate change and building a more resilient, energy efficient, and sustainable business.

- **Responsible Chemical Management**

Pierce Distribution Services is committed to responsible chemical management to minimize environmental impact and protect human health and expect the same commitment from our suppliers. We adhere to strict regulatory requirements and industry best practices for the safe handling, storage, use, and disposal of chemicals.

Through employee training, risk assessments, and pollution prevention measures, we strive to minimize the release of hazardous substances into the environment and ensure the safety of our employees and surrounding communities.

- **Water Quality, Consumption, and Management**

Pierce Distribution Services recognizes the importance of water quality, consumption, and management in safeguarding natural resources and ecosystems. We are committed to monitoring and managing water usage responsibly, minimizing water consumption, and implementing best practices for water quality protection.

By prioritizing sustainable water management practices, we aim to minimize our environmental impact and contribute to the conservation of freshwater resources for future generations.

- **Air Quality**

Maintaining high air quality standards is a priority for Pierce Distribution Services to protect the health and well-being of our employees, communities, and the environment. We are committed to minimizing air pollutant emissions from our operations by investing in emission control technologies, optimizing combustion processes, and adhering to stringent air quality regulations.

By continuously monitoring and improving air quality performance, we aim to mitigate environmental risks and promote a healthy and sustainable environment.

- **Sustainable Resources Management**

At Pierce Corporation, sustainable resources management is fundamental to our business philosophy. We are committed to responsibly managing natural resources such as water, timber, and minerals to ensure their long-term availability and environmental integrity.

Through sustainable sourcing practices, ecosystem conservation efforts, and adherence to internationally recognized sustainability standards, we aim to balance economic growth with environmental protection and social responsibility. Pierce Distribution Services declares our commitment to sustainable resources management, ensuring the responsible use and conservation of natural resources such as water, timber, and minerals to maintain their long-term availability and environmental integrity.

- **Waste Reduction**

Pierce Corporation is dedicated to minimizing waste generation and maximizing resource efficiency throughout our operations. We employ a comprehensive waste management strategy that emphasizes waste prevention, reuse, recycling, and responsible disposal. By implementing innovative waste reduction initiatives, such as composting programs, material recovery facilities, and circular economy principles, we aim to minimize landfill waste and promote a closed-loop approach to resource management.

Through continuous improvement and stakeholder engagement, we are committed to achieving our waste reduction goals and contributing to a circular economy that benefits both people and the planet. Pierce Distribution Services explicitly declares our dedication to minimizing waste generation and maximizing resource efficiency throughout our operations. Our comprehensive waste management strategy emphasizes waste prevention, reuse, recycling, and responsible disposal.

- **Reuse and Recycling**

Encouraging reuse and recycling is a key priority for Pierce Distribution Services to minimize waste generation and promote resource conservation. We actively promote recycling programs among employees, customers, and suppliers, and provide resources and support to facilitate proper waste sorting and recycling. By prioritizing reuse and recycling initiatives, we aim to minimize environmental impact, conserve resources, and contribute to a more sustainable future.

- **Animal Welfare**

Pierce Distribution Services is committed to upholding high standards of animal welfare throughout our operations and supply chain. We recognize the importance of ethical treatment and care of animals and strive to ensure that our business practices align with industry best practices and regulatory requirements. By working closely with suppliers and stakeholders, we aim to promote responsible animal welfare practices and uphold the welfare and dignity of animals in our care.

- **Biodiversity, Land Use, and Deforestation**

Preserving biodiversity, promoting sustainable land use, and combatting deforestation are central priorities for Pierce Distribution Services. We are committed to minimizing our impact on ecosystems and habitats through responsible land management practices, habitat restoration initiatives, and biodiversity conservation efforts. By collaborating with stakeholders and supporting conservation projects, we aim to protect biodiversity, preserve natural habitats, and promote ecosystem resilience.

- **Soil Quality**

Protecting and enhancing soil quality is a fundamental aspect of our environmental policy at Pierce Distribution Services. We are committed to implementing soil conservation practices, promoting sustainable agriculture, and minimizing soil contamination risks throughout our operations. By prioritizing soil health and fertility, we aim to support sustainable food production, preserve natural ecosystems, and safeguard soil resources for future generations.

- **Noise Emissions**

Minimizing noise emissions is a priority for Pierce Distribution Services to reduce environmental impact and protect the well-being of our employees and surrounding communities. We employ sound management practices, noise mitigation technologies, and operational controls to minimize noise pollution from our operations. By continuously monitoring noise levels and implementing noise reduction measures, we aim to create a quieter and more sustainable environment for all stakeholders.

- **Stakeholder Collaboration**

The involvement of our employees, customers, suppliers, legislators, authorities, neighbors of our sites, and other stakeholders is paramount to Pierce Distribution Services. We actively seek to understand their environmental expectations and requirements to improve our operations, products, and services.

- **Our Commitment:**

Pierce Distribution Services will continuously identify, assess and manage the elements of our operation that potentially impact the environment.

In line with sound business practices, we will:

- Minimize pollution and consumption of fuel, energy, and water where possible.
- Reduce and dispose of waste with minimal environmental impact.
- Develop and maintain a management system which establishes responsibilities, targets, monitoring methods, and a review process of environmental performance.
- Provide awareness training and, where required, job specific training for employees on environmental issues.
- Consider environmental aspects in all investment and procurement decisions.
- Encourage suppliers and contractors to introduce programs that support our environmental objects and targets where their activities have a significant impact on the environment.
- Consider and respect our stakeholders when managing our environmental activities.
- Support innovation in environmental performance with involvement of our stakeholders.

By incorporating these environmental considerations into our operations and decision-making processes, Pierce Distribution Services aims to demonstrate our commitment to environmental responsibility, sustainability, and corporate citizenship.

## **E. Supply Chain Management – Tier-1 Suppliers**

Pierce Distribution Services recognizes the importance of extending our corporate social responsibility (CSR) and sustainability standards throughout our supply chain. We are committed to defining and implementing similar CSR and sustainability standards that align with our values and principles for our tier-1 suppliers.

- **Ethical Standards:**

- Suppliers must adhere to all relevant labor laws and regulations, including prohibitions against child labor and forced labor.
- Suppliers should ensure fair treatment of workers, including providing safe working conditions, fair wages, and reasonable working hours.
- Suppliers should prohibit discrimination in employment practices based on factors such as race, gender, religion, or sexual orientation.

- **Environmental Standards:**

- Suppliers should comply with all applicable environmental laws and regulations, including those related to pollution control and waste management.
- Suppliers should implement measures to minimize environmental impact, such as reducing energy consumption, conserving water, and minimizing waste generation.
- Suppliers should strive to use sustainable materials and practices in their operations, such as sourcing from responsibly managed forests and reducing greenhouse gas emissions.

- **Social Standards:**

- Suppliers should respect human rights and support community development initiatives in areas where they operate.
- Suppliers should engage in transparent and ethical business practices, including honest communication and fair dealing with stakeholders.
- Suppliers should promote diversity, equity, and inclusion within their workforce and supply chain, fostering a culture of respect and equality for all individuals.

As part of our commitment to promoting responsible business practices throughout our supply chain, Pierce Distribution Services imposes binding requirements on our tier-1 suppliers to pass on our CSR and sustainability standards to their respective suppliers downstream. This ensures that ethical, environmental, and social considerations are integrated into the entire supply chain, fostering transparency, accountability, and continuous improvement across all tiers of suppliers.