

PLA Family of Companies **ESG Report** 2024



PLA
STAY ON TOP OF IT ALL.™

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EXECUTIVE MESSAGE

At PLA, sustainability is more than a responsibility—it's a fundamental part of how we do business. We are pleased to introduce our 2024 ESG Report, showcasing our continued efforts to operate responsibly, reduce our environmental footprint, and drive meaningful change.

This report highlights the strides we've made in sustainable logistics, operational efficiency, employee well-being, and corporate governance. While we are proud of our progress, we recognize that our efforts must be ongoing in order to meet our goals. Our commitment remains strong as we seek new ways to innovate, improve, and build a more resilient future.

Key to our environmental approach is minimizing environmental impact through carbon reduction strategies, supply chain optimization, and the adoption of eco-friendly materials and technologies. Our circular economy model, centered on pallet recycling and reuse, plays a crucial role in cutting waste and conserving resources.

Integrity is central to how we operate. We maintain a zero-tolerance policy toward corruption in any form and hold ourselves and our partners to the highest ethical standards. Transparency, accountability, and sound governance are foundational to the trust we work to build every day.

None of this would be possible without the dedication of our employees, customers, suppliers, and partners. Your support fuels our mission, and together, we are shaping a more sustainable world. We are excited to continue this journey, driving progress and creating lasting value for future generations.



A stylized, handwritten signature in white ink that reads "Steve Clark". The signature is fluid and cursive, with a long horizontal stroke at the end.

Steve Clark, Chief Executive Officer




ABOUT PLA

PLA is a national supply chain solutions provider offering Pallet Management, 3PL, Reverse Logistics, and Freight Brokerage & Transportation Management, handling more than 115M pallets per year for over 1,500 customers.

PLA operates over 75 facilities across the US, providing a comprehensive suite of supply chain management solutions.

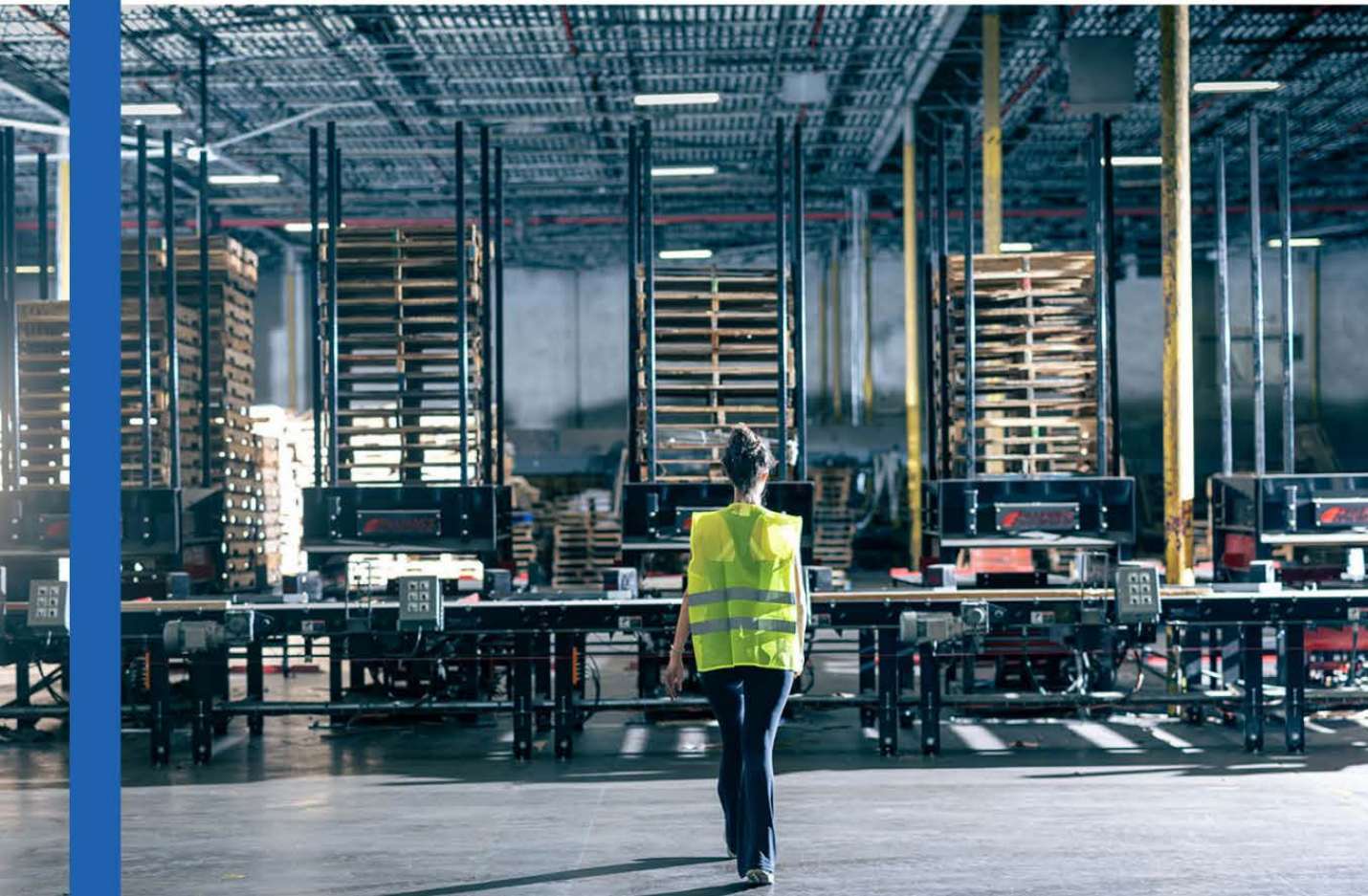

2,400+
employees


115M
pallets handled annually


75+
owned + operated locations


3,300+
tractors and trailers

PLA operates under the Pallet Logistics of America, Pallet Repair Services ("PRS"), Pal-Serv, Propak, Taylormade Pallets & Logistics, Valley Pallet, and Yancey Pallet brands,





OUR MISSION

To provide solutions that improve the productivity and sustainability of our customers' supply chains, to create a safe and fulfilling environment for our employees, and to deliver value to our stakeholders.



OUR VISION

Our vision is to be a leader in sustainable supply chain solutions and positively impact the communities we serve.



OUR VALUES

Integrity: Ours is a culture of transparency and adherence to a code of ethics that values honesty and doing the right thing.

Collaboration: We believe in working together with our stakeholders, from our employees to our customers to our suppliers to our community, in the spirit of collaboration and mutual benefit.

Sustainability: Our products and services utilize renewable resources wherever possible, and our business model is built on driving efficiency for our customers.

OUR SUSTAINABILITY STRATEGY



ENVIRONMENTAL

Environmental stewardship is core to PLA's business. Our core business model is inherently circular and built on driving resource efficiency for our customers and in our operations. Through our products and services, we help reduce raw material needs and waste and utilize renewable resources where possible.



SOCIAL

PLA is committed to ensuring our growth benefits and protects all of our stakeholders, including employees, customers, suppliers, investors, and the communities in which we operate. We support this commitment through policy, training, and action across our business.



GOVERNANCE

We adhere to the highest standards of corporate governance and ethical conduct, prioritizing transparency, accountability, and integrity in every aspect of our operations. By fostering a culture of ethics and compliance, we aim to ensure the long-term sustainability of our business.

OUR SUSTAINABLE BUSINESS MODEL

PLA's business model is inherently circular: reducing raw material needs for the shipment of palletized goods through recycled pallets, reducing waste at the end of the supply chain by recycling used pallets into new, usable pallets, and providing supply chain services that improve the resource efficiency and reduce the carbon footprint of our customers' supply chains.

Our nationwide network helps us minimize transportation miles, reducing fuel consumption. Within our facilities, we constantly seek more efficient ways of retrieving, repairing, and returning pallets. Each unrepairable pallet is dismantled, and all salvageable material is recycled, re-cut, and used for reconditioned pallets. Non-salvageable material is sent through a grinding machine and used for particle board, OSB, mulch, animal bedding, and co-generation for the production of environmentally friendly fuel.

PLA is committed to providing products and services that are safe for our customers and their customers and minimize harm to the environment during production and use. We also commit to optimizing the collection and recycling of wood pallets after use at the end of the supply chain.



Efficient Facilities



Efficient Logistics



**Resource-efficient
Products**



UN GLOBAL COMPACT

As a participant of the United Nations Global Compact (UNGC), PLA is committed to aligning our strategies and operations with universal principles on human rights, labor, environment and anti-corruption, and take actions that advance societal goals. We support the UN's "Agenda 2030", at the heart of which are 17 Sustainable Development Goals (SDGs) and are focused on the advancement of six key goals most relevant to our business.



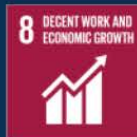
Robust safety protocols, training, and audits to ensure the health and safety of our employees, subcontractors, and visitors to our facilities.



Responsible water use within our operations and compliance with all municipal stormwater regulations.



Significant volumes of wood waste diverted to biofuel streams.



Commitment to fair and competitive compensation; goal to document that 100% of our employees are paid at or above Living Wage for their region by 2030.



Inherently sustainable, circular business model that emphasizes recycling, resource efficiency, and waste reduction.



91% recycled/post-use wood components used in our pallet repair and production.



CARBON FOOTPRINT

PLA collects data for Scope 1 and Scope 2 GHG emissions from our operations, which are offset by the products and services we offer. In addition, PLA focuses on minimizing the use of lumber in our operations and to promote landfill diversion of scrap pallets or pallet components by diverting these materials to environmentally sustainable uses such as biofuel, mulch, particle board, OSB, and animal bedding.

PLA is committed to mitigating climate change through increasing the energy efficiency of our facilities and transportation fleet. Last year, we set a goal to reduce our total GHG emissions by 20% by 2030 from our 2023 baseline. Although our emissions increased 28% in 2024 due to increased business activity, our net emissions decreased by 56%.



56%

REDUCTION IN NET CO₂-e EMISSIONS

EMISSIONS

Scope 1	17,465
Diesel fuel consumed by our fleet	
Scope 2	32,532
Electricity used by our facilities and diesel fuel consumed on our behalf	

OFFSETS

CO ₂ -e Avoided	(4,939,570)
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NET IMPACT (4,907,038)

Metric tonnes CO₂-e



RESPONSIBLE FORESTRY + NATURAL RESOURCE MANAGEMENT

PLA utilizes recycled materials for the repair and remanufacturing of pallets wherever possible to minimize use of virgin lumber. When new lumber is required, we prioritize FSC- and SFI certified sources. In addition, our pallet repair processes maximize material reuse and minimize material requirements while meeting the specifications of our customers.

2024 Trees Saved

Pallets Recycled or Repaired for Reuse 114,757,639

Average Nominal Board Feet per Pallet 23.54

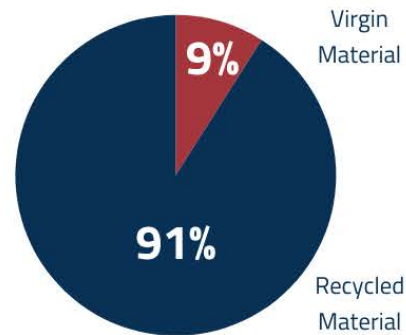
Average Usable Board Feet per 12' x 18" Log 170

Trees Saved 4.6 million

2024 Material Sourcing

Recycled Wood Used (Board Feet) 583,602,997

Virgin Lumber Used (Board Feet) 55,650,279



WASTE REDUCTION

In 2024, PLA's ~115 million pallets recycled or repaired diverted 3.3 million tons of landfill waste. We also diverted 6,703 tons of scrap wood to mulch and biofuel streams.

Our 75+ facilities produced approximately 59,779 tons of solid waste in 2024, or just under 800 tons (average) per site. This represents a 6% reduction from our 2023 benchmark; we are well on our way to achieving our goal to reduce our total solid waste by 20% by 2030.



6%



LANDFILL AVOIDANCE

Pallets Recycled or Repaired for Reuse 114,757,639

Average Pounds per Pallet 45

Tons of Lumber Diverted from Landfill 3.34 million

Tons of Scrap Wood Diverted to Mulch and Biofuel Streams 6,703

Total Tons of Waste Diverted 3.35 million

WATER, AIR, & BIODIVERSITY

PLA is committed to minimizing the impact of our operations on water, air, and the ecosystems in which we operate. We are also committed to responsible natural resource management by reducing facility water consumption and promoting sustainable land use and conservation. None of our facilities are located in or near officially protected or high-biodiversity areas.

We commit to reducing both water and air emissions across our operations. All sites have stormwater pollution prevention plans outlining potential sources and best management practices. These are supported by regular third-party audits (monthly or quarterly) and annual site inspections.

At a small number of locations with pallet paint booths, we use high-efficiency filters (>99%), HVLP spray guns, and low-VOC, water-based paints free of hazardous air pollutants (HAPs) to reduce particulate emissions.

Water Conservation

Gallons of Water Consumed by Our Operations 11.5 million

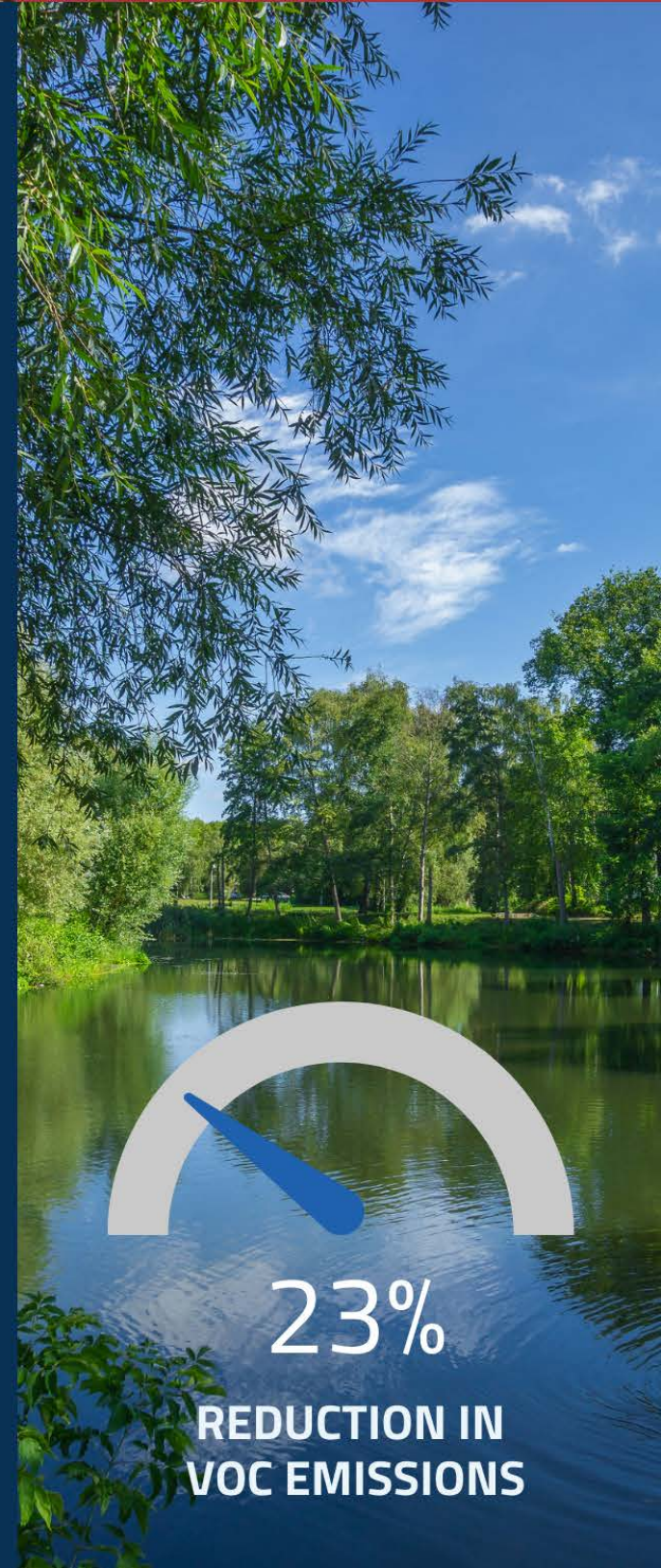
2030 Goal 10% reduction from 2023 baseline of 10 million gallons



Pollution Reduction

VOC Emissions from Facilities 4.7 tons

2030 Goal 5% reduction from 2023 baseline of 6.2 tons



23%

**REDUCTION IN
VOC EMISSIONS**

LABOR & HUMAN RIGHTS

Our people are our greatest asset, and we prioritize the well being, fair treatment, and human rights of our employees and the communities in which we operate. PLA commits to:

Human Rights: Ethical and lawful employment practices that protect the dignity of all individuals and fostering a work environment that upholds and respects human rights, including the prevention of human trafficking, forced labor, and child labor.

Good Working Conditions: Providing all employees with good working conditions by ensuring that they have adequate wages, working hours, and benefits. In 2024, 89% of full time employees were eligible for health care coverage, and 40% of eligible employees participated. By 2030, we aim to increase this participation rate to 50%.

Full-time Employees Eligible for Health Care



Eligible Employees Participating



LABOR & HUMAN RIGHTS, CONT.

Diversity, Equity, Inclusion (DEI) and Equal Treatment: Equal treatment, fairness and respect for all employees, whether temporary, part-time or full-time. We maintain a strong focus on diversity, equity, and inclusion, striving to create a workplace where everyone feels valued and respected and promote an environment free from discrimination, harassment, physical, psychological, and verbal abuse. In 2024, 28% of our workforce completed diversity, discrimination, and harassment awareness training, an increase of 17% from last year. Our goal is to achieve another 3% increase by 2030 to bring the improvement to 20% from our 2023 baseline.

Equal Employment Opportunity (EOE): Adhering to ethical and lawful employment practices that protect the dignity and rights of all individuals. Transparency and fairness are central to our recruitment process. We ensure that all candidates are well-informed about the stages and expectations of our recruitment process and emphasize our commitment to equality and inclusivity at every step. Our commitment to EOE is prominently communicated in our job postings. In 2024, 67% of our total workforce was a member of an Underrepresented Group (URG) . In addition, 11% of our total workforce, 23% of top management, and 0% of our Board of Directors was female.

Workforce Diversity: % Employees in an Underrepresented Group (URG)



Employees Trained on Diversity, Discrimination, & Harassment Awareness



REMUNERATION & LIVING WAGE

PLA is committed to fair and competitive compensation for all employees. Our goal is to align our compensation practices with both market standards and recognized Living Wage benchmarks, reflecting our dedication to employee well-being and sustainability. By providing wages that support a dignified standard of living, we aim to promote financial stability and equity across our workforce.

GOALS

2025

Conduct a comprehensive analysis of wages using recognized living wage benchmarks, including the IDH Living Wage Benchmark and WageIndicator methodologies.

2026

Living Wage benchmarks incorporated into our compensation analysis alongside market benchmarking tools, ensuring all pay decisions reflect both competitiveness and sustainability.

2030

Ensure that 100% of employees are paid at or above the recognized Living Wage for their respective regions, as defined by IDH and similar methodologies.

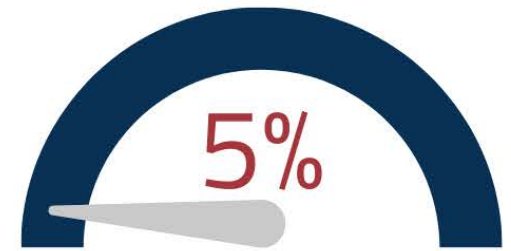




HEALTH & SAFETY

PLA is committed to providing all employees with a safe working environment by ensuring all operations identify and address all hazards and unsafe behaviors through regular compliance and safety audits and providing adequate personal protective equipment (PPE).

We monitor our safety performance using a Total Recordable Incident Rate (TRIR), a safety metric that measures the number of work-related injuries and illnesses that require medical attention beyond first aid. TRIR is calculated by dividing the number of incidents by the total number of hours worked by employees in a year, and then multiplying by 200,000.



TOTAL RECORDABLE INCIDENT RATE REDUCTION

In 2024, we achieved a 5% reduction in our TRIR over the prior year. We consistently maintain a TRIR in line with the pallet manufacturing industry as published annually by the Bureau of Labor Statistics.

Our goal is to achieve a TRIR 50% or lower than the industry average by 2030.



CORPORATE GOVERNANCE

At PLA, transparency and accountability are foundational to how we operate. We are committed to the highest standards of ethical conduct, corporate governance, and regulatory compliance—exceeding industry expectations wherever possible.

We foster a culture rooted in integrity, where every employee shares responsibility for upholding our business ethics and conduct. This commitment is essential to ensuring the long-term sustainability of our business.

Employees Trained on Compliance



Average Hours of Training per Employee



Employees Trained on IT Security



Average Hours of Training per Employee



DISCLOSURE

Information regarding PLA Buyer, LLC (“PLA” or “Company”) is for information purposes only and is non-binding. This Environmental, Social, and Governance (ESG) report was not prepared with the intention of soliciting business agreements.

The information contained herein is not, and may not be, relied on as an offer to sell or a solicitation of an offer to buy Company products. Statements contained in this report that are not historical facts are based on current expectations, estimates, projections, opinions and beliefs of PLA and its management. Such statements involve known and unknown risks, uncertainties and other factors, and undue reliance should not be placed thereon. In addition, certain information contained herein represents or is based upon forward-looking statements or information, including CSR-based initiatives. While PLA believes such information is based on reasonable assumptions, forward-looking statements are inherently uncertain and actual events or results may differ from those projected, therefore, undue reliance should not be placed on such information.

In addition, while PLA seeks to integrate certain environmental and social factors into its operations and manufacturing processes in accordance with our Corporate Social Responsibility policy and any applicable legal, regulatory or contractual requirements, there is no guarantee that the Company’s Corporate Social Responsibility policy is successful or that its initiatives create a positive impact on the aforementioned factors. There are significant differences in interpretations of what positive environmental and social characteristics mean by region, industry and issue and these interpretations are rapidly evolving.

Information herein is as of April 30, 2025, and covers our full 2024 fiscal year.



SASB INDEX

Topic	Metric	Category	Unit of Measure	2024
Greenhouse Gas Emissions	Scope 1 Emissions	Quantitative	Metric tonnes (t) CO ₂ -e	17,465
	Scope 2 Emissions	Quantitative	Metric tonnes (t) CO ₂ -e	32,532
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets and an analysis of performance against those targets.	Discussion and Analysis	N/A	PLA utilizes software-based transportation optimization to reduce emissions from our fleet and tracks our fuel consumption.
Air Quality	Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , (3) volatile organic compounds (VOCs), and (4) particulate matter (PM)	Quantitative	Metric tonnes (t)	(1) 0 (2) 0 (3) 4.26 (4) 0
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	Quantitative	Gigajoules (GJ), Percentage (%)	(1) 47,910 (2) 100% (3) 0% (4) 0%
Water Management	(1) Total water withdrawn, (2) total water consumed, (3) percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic metres (m ³), Percentage (%)	(1) 43.4 (2) 43.4 (3) 22%
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	N/A	We are compliant with all stormwater regulations at our facilities to minimize risk to water sources.
	Number of incidents of non-compliance associated with water quality permits, standards and regulations	Quantitative	Number	0
Waste Management	Amount of hazardous waste generated, percentage recycled	Quantitative	Metric tonnes (t) CO ₂ -e, Percentage (%)	0, 0%

Topic	Metric	Category	Unit of Measure	2024
Product Safety	(1) Number of recalls issued, (2) total units recalled	Quantitative	Number	(1) 0 (2) 0
	Discussion of process to identify and manage emerging materials and chemicals of concern	Discussion and Analysis	N/A	N/A
Product Lifecycle Management	Percentage of raw materials from: (1) recycled content, (2) renewable resources, (3) renewable and recycled content	Quantitative	Percentage (%) by weight	(1) 91% (2) 99% (3) 99%
	Revenue from products that are reusable, recyclable, or compostable	Quantitative	Presentation currency	100%
	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Discussion and Analysis	N/A	PLA focuses on minimizing the use of lumber in our operations to reduce our carbon footprint. Our operations promote landfill diversion of scrap pallets or pallet components by diverting these materials to environmentally sustainable uses such as biofuel, mulch, particle board, OSB, and animal bedding.
Supply Chain Management	Total wood fibre procured; percentage from certified sources	Quantitative	Metric tonnes (t) CO ₂ -e, Percentage (%)	46,375; 34%
	Total aluminium purchased; percentage from certified sources	Quantitative	Metric tonnes (t) CO ₂ -e, Percentage (%)	0, 0%
Activity Metrics				
Amount of production, by substrate		Quantitative	Metric tons (t)	
Percentage of production as 1) paper/wood, 2) Glass, 3) metal and 4) plastic		Quantitative	Percentage (%) by revenue	100%, 0%, 0%, 0%
Number of employees		Quantitative	Number	2,460

PLA Family of Companies

PLA Buyer, LLC