

## StanChem's Sustainability Mission Statement

We are committed at StanChem to the principals of ESG (Environmental, Social, and Governance). Our company's sustainability is fully embedded in our mission statement, providing water-based polymers, fire retardant materials, and protective coatings from our StanChem, Albi, and Dux product lines manufactured in East Berlin, Connecticut and Lodi, New Jersey.

We continue our commitment to sustainability by hiring a full time Environmental, Health & Safety Director (Dennis Vachon, P.E.) in 2021 to accelerate our corporate social responsibility as presented with our beliefs, with our products, our people, and our environment.

I am proud of our progress in 2021 with our partnership with our state and federal agencies (OSHA, CTDEEP, NJDEP, EPA) to enable the best possible results for the protection our employees, our customers, our company assets, and the environment. The highlight of 2021 was operating both our plants 365 days accident free.

**People** – We believe that if we invest in our people that we will be sustainable for the future.

**Products** – Our company develops and manufactures water-based polymers and low VOC protective coatings that meet or exceed environmental and safety standards.

**Environment** – StanChem will meet and strive to go beyond local, state, and federal environmental standards to reduce its impacts on nature.

Dr. Paul Stenson, President and CEO.









### **Products**

StanChem and Albi's chemists and production personnel excel at working collaboratively to develop products that meet our customer's needs, while being mindful of the environment.

#### **Products for Reduced Emission**

StanChem Polymers R&D group has developed the next generation of economical, sustainable water-based acrylic latexes for residential and industrial applications with zero volatile organic compounds (VOCs).

Our protective coatings are designed with lowest VOC content, which reduce emissions for our customers when applying our coatings. By reducing VOCs in coatings, StanChem continues in its goal to be an environmental leader by reducing greenhouse gases.



# **Products for Green Buildings**

StanChem's subsidiary, Albi Protective Coatings, has multiple coatings products holding GREENGUARD Gold Certifications. Albi Protective Coatings takes great pride in upholding excellent environmental standards. By

maintaining our GREENGUARD Gold certification and practicing environmentally responsible workplace habits, we positively impact the indoor air quality and health of our customers and our customer's end-use projects.



UL's GREENGUARD Certification program is recognized and referenced in numerous building programs, standards, and specifications around the world. Products with GREENGUARD Certification or GREENGUARD Gold Certification can contribute to the achievement of points in established green building rating systems, such as LEED, BREEAM, NAHB Green Building Standard 2015, Living Building Challenge 4.0, 2018 International Green Construction Code and others.

#### **Products Designed for Safety**

Fire retardant coatings are designed to stop the spread of a fire, slow the spread of a fire, and reduce the smoke a fire produces. Albi Protective Coatings is an industry leader in producing fire retardant coatings for interior and exterior steel, wood, sheetrock, and other substrates.

## **People**

StanChem values its employees and considers them to be the most critical element to our success. StanChem has a diverse workforce and has many employees with decades of service. StanChem is proud of these hardworking, honorable, and conscientious employees and recognizes their contribution and dedication to our company. As the business grows, StanChem will rely on our employees to develop new and innovative products and continue the sustainability of our operations.

## **Employee Health and Safety**

StanChem is committed to a safe and healthy workplace, with active Safety Committees at the Berlin, CT and Lodi, NJ facilities. Over the past year, StanChem completed several projects that have reduced employee exposure to potentially harmful raw materials. During this year, both the East Berlin site and Lodi site operated 365 days injury free.

### **Raw Material Safety**

StanChem has made significant investments with infrastructure improvements in East Berlin to reduce the direct handling of potentially harmful raw materials by employees. This has included the installation of a new fully automated reactor which has allowed for more bulk additions to batches without direct employee interactions with these raw materials. The installation of an additional new automated bulk storage tank has also eliminated the need for employees to directly handle smaller volumes (drums) of a particularly hazardous raw material. While these improvements were primarily implemented to reduce employee chemical exposure, StanChem has also seen an improvement in product consistency and quality.







# **Scholarships Program**

StanChem believes that supporting education for others is an important way to give back. StanChem established a scholarship in 2021 which serves a dual purpose by providing college funds to a local student and to pay honor to one of StanChem's recently departed.

# **Community Support**

StanChem works with aspiring students from local high schools and colleges as part of its internship programs to provide work experience to train the next generation of chemists and engineers. StanChem chemists work side by side with these students to provide them with experience in a real-world setting.

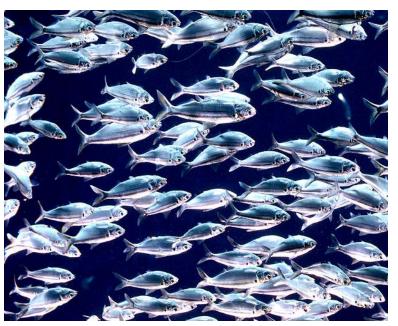














### **Environment**

StanChem and its employees are committed to protecting the land, air, and water as it produces environmentally friendly products.

## **Environmental Stewardship**

Being proper stewards of our environment is and always will be paramount at Stanchem Polymers. Our East Berlin, CT, manufacturing facility is nestled along the beautiful Mattabassett River. StanChem's Fish Ladder was installed on the Mattabassett River in a collaborative effort with the Connecticut Department of Energy & Environmental Protection (DEEP). This Denil fishway was built around the dam to allow shad, river herring, sea lamprey, trout, and many other species to migrate upstream to reach nearly 50 miles of aquatic habitat.

## **Environmental Compliance**

StanChem works collaboratively with regulatory agencies to continue with our excellent track record of compliance completing another year with no enforcement actions. While there are numerous regulations associated with environmental standards, StanChem chooses to go beyond the minimum requirements resulting in reductions in air emissions, reduced waste production, and reduced wastewater discharge volumes relative to production increases. With continuous improvements to our plants in CT & NJ we were able to increase protective coatings production 30% in 2021 with no increased emissions.

### **Carbon Footprint**

StanChem Polymers plant, in East Berlin CT, experienced approximately 50% increase in production over the past year while holding waste streams constant due to improved efficiency. The plant achieved a net reduction of its' carbon footprint per kilogram of latex by holding waste treatment resources constant during a period of significant capacity increases.

#### **Environmental Protection**

StanChem recently upgraded the facility wastewater treatment system to improve capacity, effectiveness, and reliability. The new system removes latex from water using a two-step separation process: chemical separation and mechanical separation. Treated water from the system is directed to the local sewer system to continue with StanChem's policy of not discharging wastewater directly to surface water systems. Water quality was validated after installation and is evaluated every month as part of required reporting to local and state officials. This new capital investment significantly increased the plant's wastewater treatment capacity, eliminated sludge hauling, and significantly reduced wastewater disposal costs.



### **Environmental Leadership**

EcoVadis has awarded StanChem a Silver Recognition Level Award for it's corporate sustainability program for the third consecutive year. EcoVadis is a global sustainability rating provider that focuses on corporate social responsibility. It has over 75,000 participating companies including well-known companies such as Avery Dennison, 3M, Ahlstrom-Munksjo, and Henkel. The Corporate Social Responsibility assessment criteria include four themes: environment, labor practices, sustainable procurement, and fair business practices. The EcoVadis method is based on internationally adopted principles for sustainability reporting and is audited by independent sustainability experts. The Silver Recognition Level Award is given to participants with sustainability ratings among the 90th percentile.

