2020-21

Our Sustainability PULSE





Struktol Company of America, LLC

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Vision

We strive to be a leading force in the support of change to better our future. To realize this, Struktol has instituted the **PULSE** initiative.



Proactive

Being proactive is in our cultural DNA. Our policies and procedures are designed to bring focus to potential issues and proactively plan for a resolution.

Unified

At Struktol we believe that respect for others is fundamental to everything we do. We follow through on our commitments to customers, suppliers, and each other – no matter what challenges we may face. Without exception, our success is built by our teamwork.

Listen

Hearing what our employees and customers have to say is only the first step. As more concerns arise about the environment, health and safety, and human rights, Struktol listens to the industries' challenges and ideas.

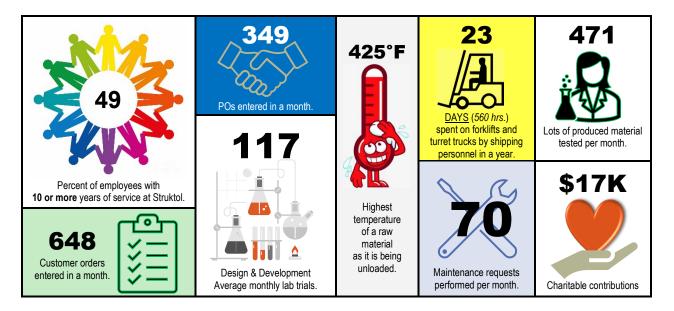
Self-actualization

It is very important to us that Struktol employees feel professionally fulfilled and personally valued, and part of an inclusive organization where they are personally aligned with the larger company mission.

Evaluate, evaluate, evaluate . . .

Regular review of policies, actions and results promotes continuous improvement.

Facts for 2021 (averages)



A word from our COO

Struktol continues to take pride in being a "solutions" provider with a commitment towards continuous improvement. In 2021, this was reinforced through the development of **Ambition 2025**

- Creation of a Group-Wide Corporate Culture
- Increasing the Value of the Group for a Secure Future
- Modernization of Structures and Processes



Our CSR (corporate social responsibility) is a key element to fulfilling this ambition. Just as Struktol is an "Essential Business", CSR is essential to our overall business success and public trust. The four main types of corporate social responsibility are environmental responsibility, ethical responsibility, philanthropic (labor & human right) responsibility, and economic (sustainable procurement) responsibility. Our progress in these areas is reflected in this report.

As we look to the future, we are committed to continuing with our sustainability initiatives in support of our people, our community, our customers, our products, our suppliers, our facilities, and our environment.

Ken J. Hap

Kenyon L. Harp

Locations



Our People

Our employees count on us to maintain a thriving business – one that embraces the value of diversity, supports our local communities, and respects each individual for their unique talents and gifts.

Safety is our number one priority, and as an "Essential Business" the pandemic brought additional challenges. Those who could work from home were provided the



necessary equipment to do so, and for those who physically needed to be at Struktol to perform their function, safety measures were taken to ensure a safe working environment. Teleworking, balancing work and life, dealing with technological challenges, and online communication with colleagues and clients are examples of other changes that have affected our workforce. Through the pandemic, we learned that we can continue to fulfill our customers' orders while working in new ways. We have continued this approach and recognize the need to continually foster our employee's work life balance.

TRAINING

Training continues to be one of our key areas where we continue to improve with new software programs and methods of training. Training is an integral part of the health and safety of our employees. We encourage and support our employees to further their training to build a continuous and professional development culture.

Maintain a safe and healthy work environment	2021	2020	2019	
Accident frequency rate (%) (lost time injury events x 200,000 hours worked)	1.6	1.7	2.8	

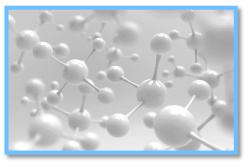
- From 2021-2024 all managers and supervisors will participate in Leadership Training (via Living Vision[®]) with several sessions taking place each year.
- In September 2021, workplace culture, anti-harassment, and inclusion training was provided to all employees.



- By utilizing our own capacity to repackage product and working with suppliers to purchase materials in proper packaging, the use of Aerosol Spray Adhesive used when stacking bags on pallets has been reduced by 33%.
- In 2021 our Plant Health & Safety Coordinator received the title *Certified Safety Manager*.
- A new position of Process Engineer was added to support continuous improvement in the plant.

Our Products; Our Customers

Although the past few years have been tough for all industries (*due in part to the pandemic*), we continue to offer innovative solutions for our customers' processing issues as well as helping to improve end product results. We value all customer interaction and take pride in offering customized solutions. Struktol has also taken



these unprecedented times as an opportunity to look at introducing our products in different industries or fields of interest. Struktol continues to be innovative and offer more niche products for the recycling industry.



PRODUCT DEVELOPMENT

Our robust team, including technical specialists, R&D chemists and engineers are dedicated to creating solutions to processing issues. We strive to become more green-oriented, looking at more sustainable solutions not only in our process, but also for our customers. In 2020 increased support was provided to our "Essential Business" customers to assist with the new demands they were facing.

Focus on product research and development	2021	2020	2019
Lab trials – customer driven & in-house (monthly average)	103	141	100
Production trials – primarily for new products & some in-house (monthly average)	1.8	1.4	1.7

- The product commercialization process was improved to ensure transition from experimental material to commercial product is accompanied by thorough regulatory support.
- QC lab process was improved to reuse/recycle spent solvents and cleaning agents, which resulted in reduced hazardous waste generation.
- Product Stability testing is ongoing to determine if the shelf life of our products can be extended. With longer shelf lives, our customers have more time to use our products, and help keep unused material from being disposed of.
- GHS compliant SDS's are regularly updated (*in 38 languages*) to ensure compliance in an ever-changing regulatory environment.
- To help reduce outsourcing and environmental impacts from transportation, one of our primary raw materials is manufactured in-house.
- The Plastics Lab received a Mettler Toledo HX204 Halogen Moisture Analyzer, an important instrument for both product development and quality control.



Our Environment

Neighbored by the beautiful Cuyahoga Valley National Park, we are graciously reminded of the beauty of nature and the importance to actively preserve that beauty. As a chemical manufacturing facility, we are committed to reducing our environmental impact by focusing on **Energy** and **Water Management**.

ENERGY MANAGEMENT

Our goal for energy management is to reduce energy consumption through the strategic application of energy efficient technologies.

Energy consumption reduction	2022 target	2021	2020
Energy (KWH) consumed per pound of product sold.	0.138	0.141	0.144

WATER MANAGEMENT

Struktol's goal for managing this natural resource is to reduce our process water consumption through adoption of efficient equipment technology, as well as administrative actions to minimize process water generation.



Water consumption reduction	2022 target	2021	2020
Water (gallons) used per pound of product sold.	0.079	0.082	0.098

- In 2021 a transition to move all STRUKTOL[®] dark products manufacturing to our newer, energy efficient manufacturing plant in Villa Rica, GA was completed. Closer proximity to a primary raw material source was also attained.
- All oil and antifreeze from forklifts and turret trucks is recycled through a 3rd party vendor.
- 49% of our lifts are electric (*up from 46% in 2019*).

- Our primary manufacturing location in Stow, OH sources electricity that is 36.4% from renewable energy (*up from 27.6% in 2019*).
- Forklifts are equipped with energy regeneration and reclamation technology resulting in lower energy consumption.
- Ongoing initiative to replace reactor washing fluid with less hazardous and ecofriendly cleaning agent.

Sustainable Procurement

Our commitment is to research and realize progressive ways that focus on ethics and integrity, reflecting a high level of fairness and honesty while prioritizing principles over profit.



Sourcing Sustainably	2022 target	2021	2020
Reduction in office paper usage from previous year.	15%	4.2%	3.5%
Suppliers sourced locally (75-mile radius)	15%	11%	11%
Number of Wood Pallets purchased	17,900 (15,846 thru Oct.)	19,800	N/A*
Number of Plastics Pallets purchased	10,900 (9,776 thru Oct.)	9,860	3,060

*2020 figures are not available due to a vendor's system crash in 2020.

- Increased attention is given to systematic and transparent supplier evaluation, onboarding, and management establishing well-documented guidelines, processes, policies for sourcing new trade partners.
- A part of the paper usage reduction is attributed to electronic vs paper notifications to sales managers regarding customer orders.
- Apply comprehensive, thoughtful procurement criteria such as cost, quality, and risk alongside ESG (*Environmental, social, and governance*) factors like ethics, human rights, equity, and environmental impacts.
- Plastic pallets purchased by Struktol are made of 100% recycled content.

Our Community

Struktol is a proud member of its local communities and supports partnerships and initiatives that help build stronger communities for the future.

• In December 2021 Struktol partnered with the Akron-Canton Regional Foodbank and hosted a Holiday Food Drive and collected over 389 pounds (*far exceeding a goal of 100 pounds*) of food providing over 324 meals for families in our community!



• Struktol is a longtime supporter of United Way local chapters.