

# The Shepherd Chemical Company

## Environmental & Responsible Care Policy

In pursuit of our Core Purpose of creating value that brightens lives, we strive for excellence in our environmental, health, safety, security, and sustainability performance and practices. This excellence includes a long-term responsibility to have a positive impact to team members, customers, neighbors, and the environment. We affirm our commitment to safety and the environmental stewardship that are essential to our industry’s ability to serve and promote the wellbeing of society. This includes:

- *Protecting the environment and the safety and health of our co-workers, our neighbors, and others in our value chain*
- *Complying with all applicable federal, state and local EHS&S regulations and other Responsible Care® related requirements*
- *Minimizing the use of natural resources and the generation of waste throughout our supply chain*
- *Being open and transparent with our stakeholders*
- *Training our employees regarding the importance of EHS&S protection and the role they play as stewards*
- *Continual improvement of EHS&S performance through our corrective and preventative action process*
- *Using metrics and goals to assist in our pursuit of these commitments.*

Our Responsible Care & Environmental Policy identifies the critical focus areas to which we are committed to improving our impact. **Our key focus areas are climate change, water consumption and discharge, hazardous air emissions, energy consumption, circularity and product safety and stewardship.** We are committed to continuous improvement in all areas of this policy and to meeting or exceeding the targets outlined in this policy. We abide by the guiding principles of Responsible Care.



### CLIMATE

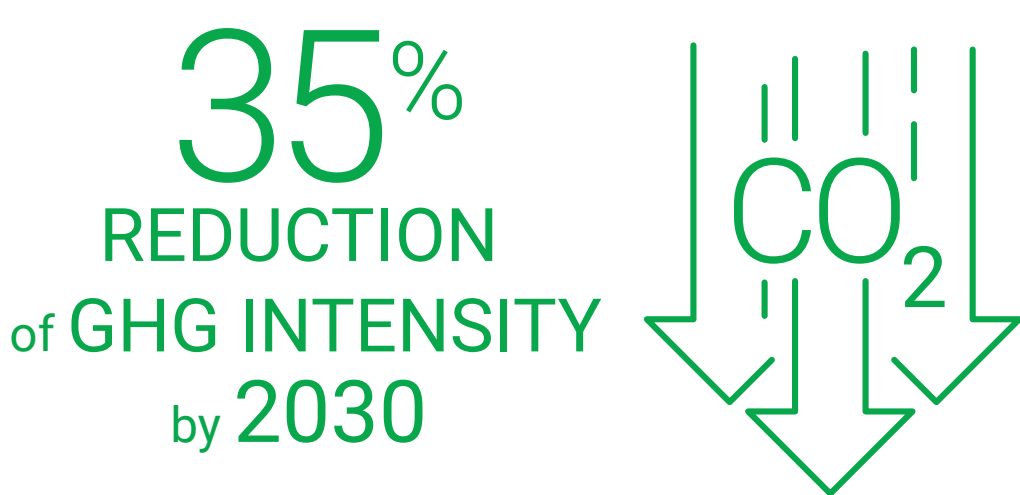
We recognize the risks and the challenge that climate change presents to the wellbeing of society. We will identify and act on opportunities to reduce Greenhouse Gas (GHG) emissions across our operations and within our value chain. We work closely with suppliers and customers to drive innovation and improve climate impacts across the product lifecycle.

We identify, collect, and analyze relevant data to calculate GHG emissions according to the GHG protocol. We aim to publish the results annually in our sustainability report. We also will track progress against our targets and make investments to ensure we meet them:

*Reduce the Norwood site’s Scope 1 + 2 GHG Physical Intensity (pounds produced basis) by 35% by 2030 from a 2020 baseline.*

---

*Reduce the Middletown site’s Scope 1 + 2 GHG Physical Intensity (pounds produced basis) by 35% by 2030 from a 2020 baseline.*

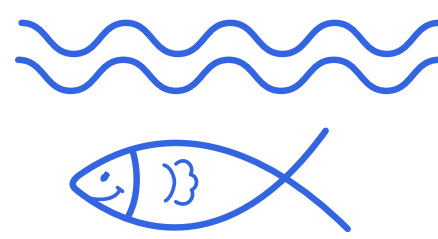


### WATER CONSUMPTION AND QUALITY OF DISCHARGE:

We seek to identify opportunities to reduce water consumption through process improvements, recovery and recycling. We consider these opportunities in our annual management review and planning process to consider and prioritize water reduction projects.

*We commit to conducting a water body risk assessment for our sites by the end of the year 2025.*

**PROACTIVE**  
Water Body  
Risk Assessments



### HAZARDOUS AIR POLLUTANT EMISSIONS

We measure, identify, and implement means by which to minimize emissions through process design, process efficiency, and technology. We will report and be transparent regarding these emissions.

### ENERGY

Closely aligned with our Climate strategy and efforts, the Energy pillar addresses improvement in energy efficiency. Two of our primary drivers for reducing climate impacts will be decreasing the GHG intensity of our energy supply as well as improving the energy efficiency of our operations. This will include capital investment to replace older, less efficient equipment and process innovations to decrease the energy intensity of our products. We will track progress against our goals and make investments to ensure we meet them:

*Increase procurement of renewable electricity from 10% in 2024 to 100% by 2035.*

100% RENEWABLE  
ELECTRICITY  
by 2035



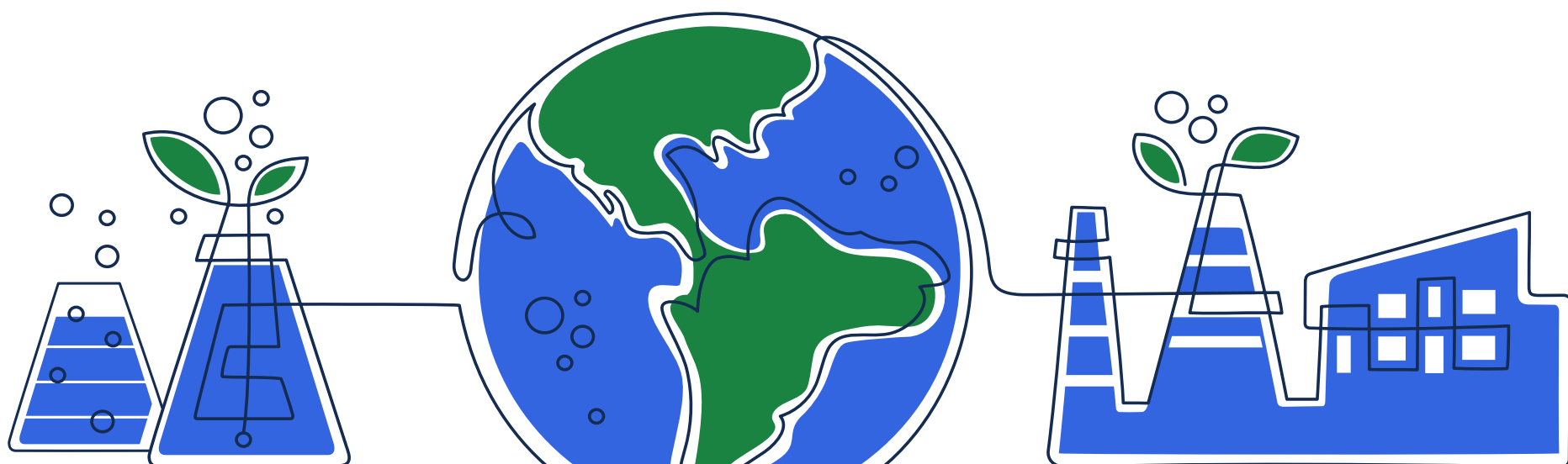
### CIRCULARITY:

Through new product development, third party engagement and technology improvements, we will minimize waste and increase our material recover and recycling performance. Currently more than 60% of all waste streams are recovered, reused, or recycled.



### PRODUCT SAFETY AND STEWARDSHIP:

We always consider the risk of our products in the intended and designed application of their use. We work hard to understand the hazardous properties of our products and the risks within their intended use. Understanding this we communicate the hazards, risks and appropriate risk controls identified to our customers and all interested third parties.



conserve — protect — contribute