

# NAZDAR

## Sustainability Culture

Reducing Our Environmental Footprint Through Sustainable Practices



**Working towards a better tomorrow.**

**Nazdar.com**



# A commitment to sustainable & inclusive growth.

## **A Message from our President and CEO:**

As the global printing industry advances to meet the demands of a growing world, we are focused on delivering affordable, reliable Inks and Coatings, while simultaneously reducing our environmental impact and improving our Corporate Citizenship.

Achieving a more sustainable future for Nazdar means drawing on our culture of human ingenuity to solve problems, setting improvement priorities, and delivering solutions. It also means being an outstanding partner with businesses around the world.

These priorities inspire us to build trust through collaboration and to nurture the diverse talent necessary to accomplish our goals. Getting results the right way isn't always easy, but at Nazdar we know it's the sustainable way.

From sourcing renewable raw materials, to improving products and processes through advanced manufacturing, just-in-time distribution and the use of supply-chain management systems, the industry's commitment to efficiency and Sustainability is evident and ever-growing.

Our continued success comes down to our people, which is why we are committed to making Nazdar the greatest place to work. One way we are achieving this is by fostering an environment of diversity and inclusion.

Though we have more work ahead of us, I am proud of the advancements we've made and the foundation we've built for the future. I invite you to read about our progress and join us on our journey toward a more sustainable future.



A handwritten signature in black ink, which appears to read "Richard Bowles". The signature is fluid and stylized.

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Nazdar President and CEO  
Richard Bowles



## SUSTAINABLE DEVELOPMENT GOALS



The 17 UN Sustainable Development Goals (SDG's) are designed to address challenges for the future of our planet. Nazdar's Cares initiatives aligns itself with many of these goals and will continue to increase our alignment with the SDG's throughout our sustainability journey. That is our pledge.

# NAZDAR

## Preview

**Nazdar is continuously seeking sustainable solutions in the development and distribution of products, as well as providing guidance to our customers in their own sustainability efforts. Printing products inherently come with challenges, however, Nazdar remains committed to overcoming these obstacles and minimizing our ecological footprint.**

## Our Policy

**Nazdar operates facilities worldwide for a diverse range of industries using multiple coating technologies.**

We are committed to being environmental stewards and leaders in the coating industry by reducing the environmental impact of our day-to-day operations, preventing pollution, and conserving the world's natural resources.

In practical terms, that means we actively seek ways to reduce waste and emissions, promote cleaner air and water, and store and use chemicals in the safest way possible, while fulfilling the following promises to the communities in which we operate:

- Meet or exceed local environmental legislation, other environmental requirements, and the interests of the communities in which we operate.
- Provide a safe and healthy environment for all employees, visitors, and contractors.
- Select and use sustainable materials where practical.
- Seek to implement and maintain an Environmental Management System that meets the requirements of ISO14001.
- Achieve continuous environmental improvement through the setting of objectives and targets.
- Take environmental considerations, such as efficient use of energy and materials into account at every stage and level of our business.
- Shaping a brighter future with sustainable coating solutions

At Nazdar our purpose is to shape a brighter future with sustainable coating solutions. This is something we strive for every day. Our strategy to double in size by 2025 makes our commitment to sustainability even more important. Not only is it the right thing to do, but our customers also expect it. Today's and tomorrow's employees expect it. This is why we will not rest until sustainability is at the heart of how we do business.



## Nazdar's Continuous Approach to Sustainability

- Commitment
- Assess
- Define
- Implement
- Measure
- Communicate

## Initial Scope and Boundaries

- Initially most impact within our company boundaries
- Secondly work with our business and supply chain partners

## Our Focus

- **Safety**
  - Visible Leadership Commitment
  - No Competing Priorities
  - Responsiveness to Safety
  - Reporting of All Incidents
  - Meaningful Metrics
  - Employee/Management Safety Team

- **Environmental Sustainability**

- Formulation of Product
- Pollutions and Waste
- Energy Conservation
- Responsible Consumption and Production

- **Health and Wellness**

- Improved Health for Employees
- Lowered Health Care Costs
- Reduced Absenteeism
- Increased Employee Engagement, Loyalty & Productivity
- Contribute to Being Employer of Choice

- **Diversity, Equity & Inclusion**

- **Training:**

Create Awareness about Workplace Diversity

- **Education:**

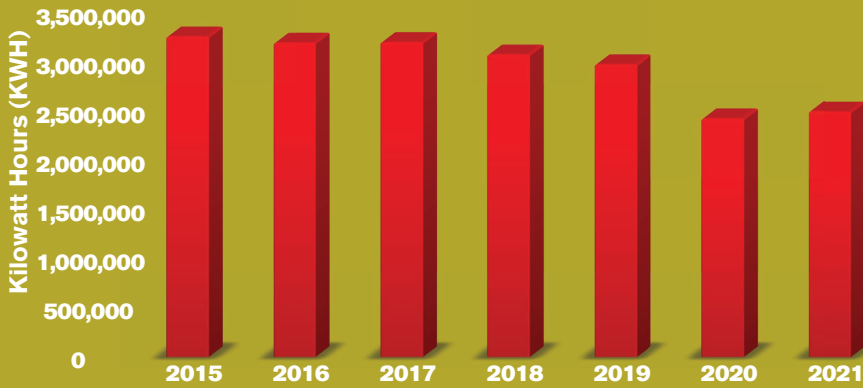
Facilitate Positive Interactions and Reduce Prejudice & Discrimination

- **Workforce Management:**

Identify, Attract, Retain and Promote a Diverse Workforce

# NAZDAR Key Performance Indicators

## Annual Electricity Usage



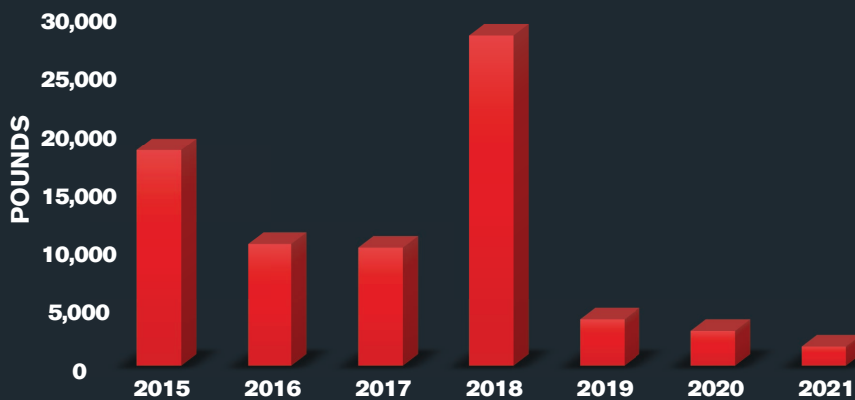
• In 2021 hybrid/remote working continues to make a positive impact on our electrical usage.

- ~35% of power generated from wind.
- ~15% from nuclear.
- The remaining power is generated via fossil fuels with coal (~37%) being the largest contributor.

Some initiatives taken to reduce our electrical usage include;

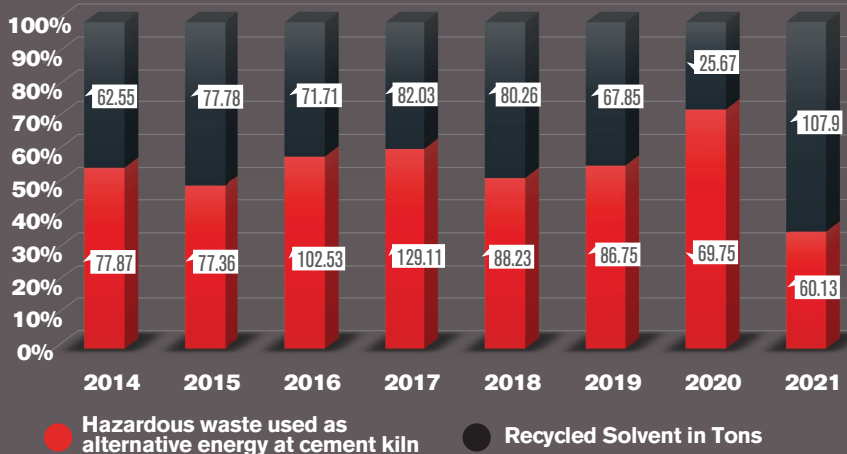
- installation of LED lighting.
- motion-controlled lighting
- programmable thermostats.

## Paper Recycled



In 2018 there was a companywide clear-out of hard copy documentation. A movement towards digital.

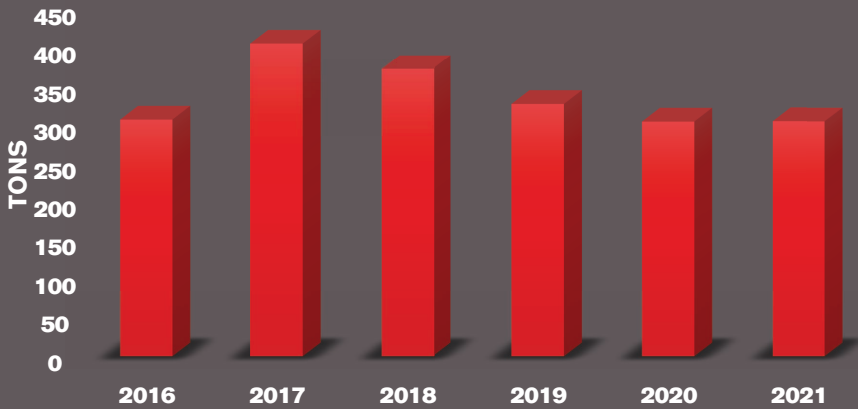
## Hazardous Waste & Recycled Solvent



In 2021, installation of a new Still in production to recycle VOC free solvent from wash process.

# NAZDAR Key Performance Indicators

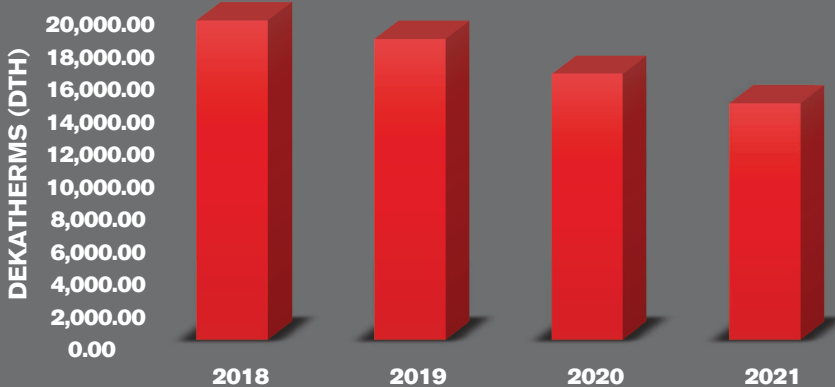
## Trash Generated



## Waste Hierarchy & Initiatives

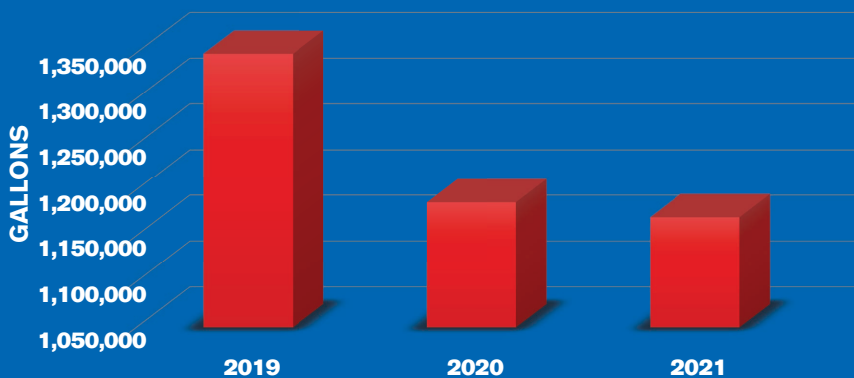
- **Closed Loop Production**
  - Reuse/Return Metal Drums or Totes
  - Pallets Reused or Recycled
- **Closed Loop Cleaning Process**
  - Reclaim Solvent
  - VOC Exempt
  - Use hazardous waste as energy source
- **Recycling**
  - Cardboard/Paper
- **Waste Disposal Program**
  - Follows local laws and regulations

## Natural Gas Usage



- Very little natural gas is used in the manufacturing of our inks in comparison to heating of our facilities.
- Analysis of our usage identified heating of "make up air" in the winter months as our largest user of natural gas.
- We have observed a decrease in our natural gas usage over the past four years. This correlates well with the average annual temperature of Kansas City.
- We have taken on the initiative to identify ways to capture our waste heat while maintaining a safe work environment for our employees

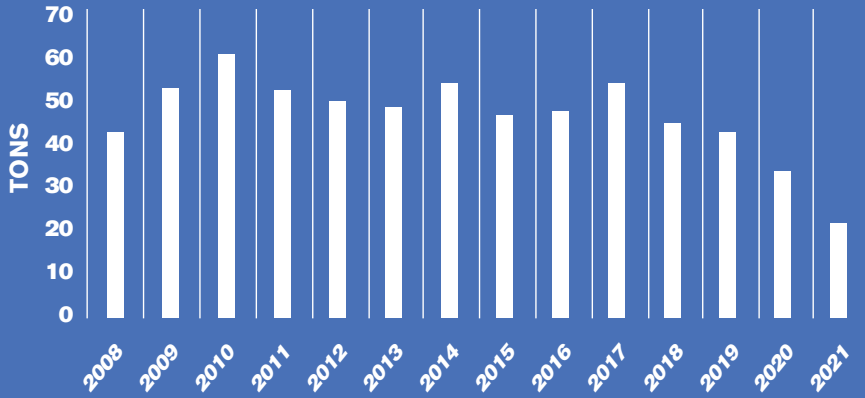
## Annual Water Usage



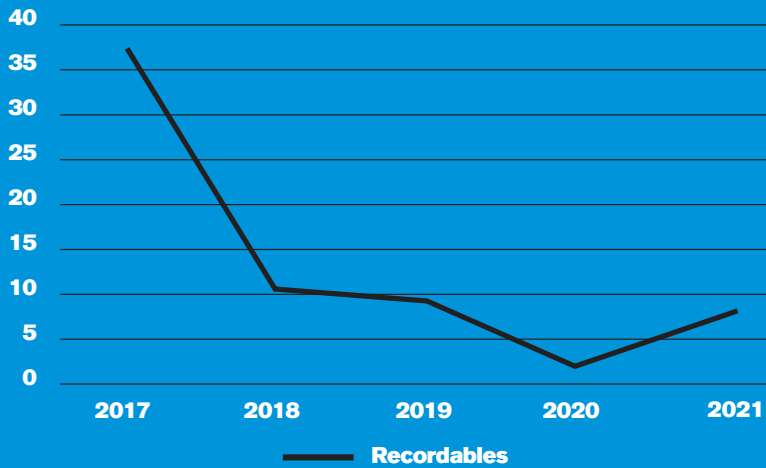
- Very little water is utilized in our manufacturing operations, as cooling of manufacturing equipment runs on closed loop chillers.
  - The remaining water used in operations is utilized as a component in our water-based inks formulations.
  - Analysis of water consumption shows a very high degree of seasonality, which can be attributed to watering of our green spaces, a requirement from our local government.
- All remaining water usage is for the provision of safe drinking water and sanitary facilities.
- We have invested in a smart controller for our irrigation in response to our analysis and will continue to investigate options to reduce our water usage.

# NAZDAR **Key Performance Indicators**

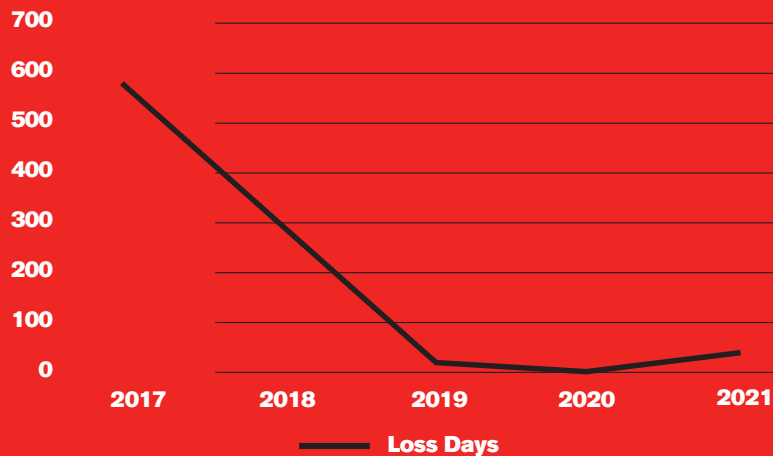
## Recycled Cardboard



## OSHA Recordable Injury



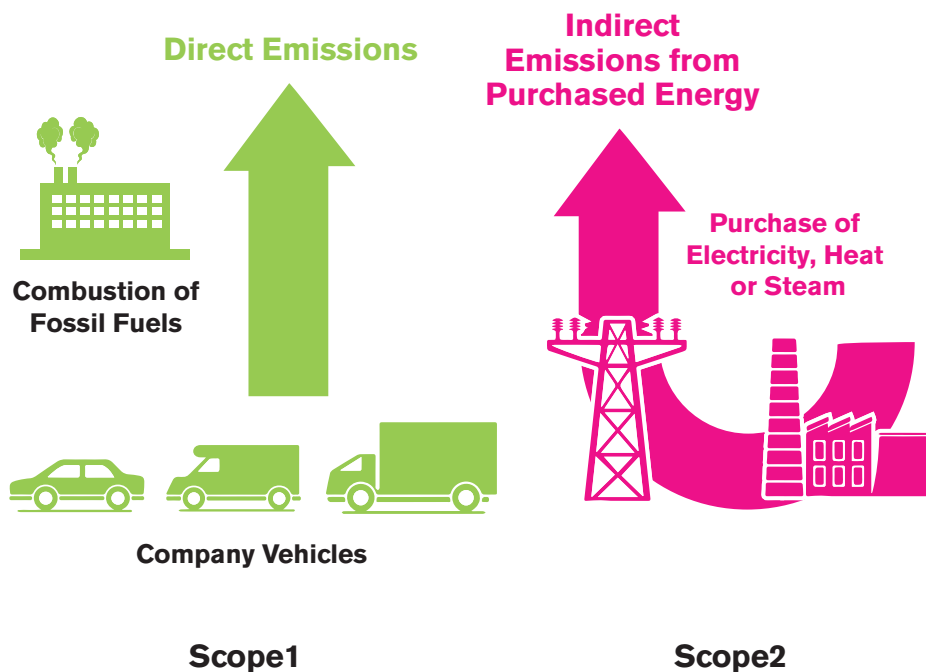
## Loss Work Days





## Green House Gas Summary

- **Natural Gas Usage trends with warmer average annual temperature for Kansas City (GHG 1)**
  - Usage in cold months (92%) significantly exceeds operational usage in warm months over a year
  - Makeup air, for employee safety, in the plant is our biggest cost
  - In 2021 we consumed:  
145570 therms of natural gas = 770 Metric Tons of CO<sub>2</sub>\*
- **Electricity Usage is consistent with slight trends towards climate (GHG 2)**
  - In 2021 we consumed:  
2,501,489 kWh of electricity = 1260 Metric Tons of CO<sub>2</sub>\*
  - 1446 Metric Tons of CO<sub>2</sub> if we include NO emissions  
(300X more powerful than CO<sub>2</sub>)
  - COVID reduced electricity usage by:  
~500,000 kWh = 228.5 Metric Tons of CO<sub>2</sub> (262 Tons including NO)
- **Company Cars drove 909,177 Miles in 2021 (Average MPG 22.4)**
  - Equivalent to ~40,600 Gallons of Gasoline = 361 Metric Tons of CO<sub>2</sub>\* (GHG 1)
- **Acres of Forest needed to offset emissions**
  - Natural Gas – 911
  - Electricity – 1688
  - Company Cars – 427
- Total – 3026 (~4.6 square miles of Forest)





## Nazdar's Current Programs and Concepts

- Nazdar Shawnee transitioned from packing peanuts to recycled paper for packaging.
- Nazdar's solvent cleaning processes is a closed loop system allowing for further reduction in VOC emissions.
- Nazdar is committed to using VOC exempt solvents in our cleaning wash to further reduce VOC emissions.
- Wastes from Nazdar's cleaning process are reused as secondary fuel in cement kilns.
- Cardboard and paper recycling program, began in 2006, has diverted to date over 652 tons of cardboard material and 37 tons of paper. The company has also established aluminum and plastic recycling programs.
- Over 99% of bulk chemical storage totes are reused in a closed-loop cycle.
- In 2007, Nazdar eliminated all heavy metals in its standard products, meeting specific regulatory requirements such as Restriction of Hazardous Substances (RoHS).
- Nazdar has installed time-controlled thermostats which allow easy and automatic thermostat adjustments when buildings are unoccupied during overnight hours. This allows for a reduction in the energy used to heat and cool our buildings.
- In applicable areas of the Nazdar Shawnee facility, motion detector light switches have been installed to automatically turn off lights when an area is not being actively used.
- Automatic LED lighting is used in our newest warehousing facility. This automatically turns off lights when no motion is detected in defined areas.
- Over 70% of Nazdar manufactured inks are UV-curing inks, containing only trace amounts of VOCs. UV-curing inks are more environmentally friendly when used by our customers; since they cure by reaction to ultraviolet light instead of evaporation of solvents, this further reduces VOC emissions.
- Nazdar UV-LED inks offer even more sustainability benefits, as the LED-curing process produces no ozone or mercury and utilizes less energy.



# NAZDAR

## Committed to Sustainability

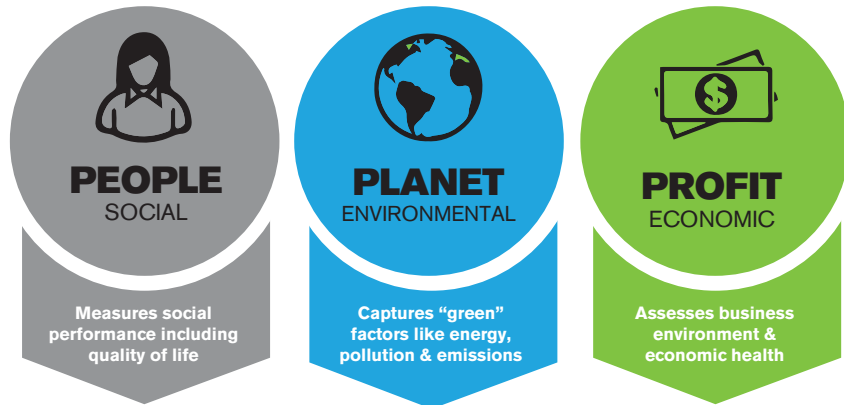
### **Nazdar is committed to providing quality products which:**

- Protect the environment
- Conserve resources
- Enhance lifestyle
- Communicate information

### **We will continue to meet the demand for excellent products, but we also affirm our commitment to 3 pillars that support a sustainable future:**

- Environmental Responsibility
- Economic Viability
- Social Responsibility

Sustainability is a lifelong journey, and Nazdar will continuously review this policy, seeking improvements where possible.



## Pillars of Sustainability are:

### People:

#### Diversity and Equal Opportunities

- We will operate a policy of equal opportunity in all aspects of employment
- All relationships with suppliers, customers and stakeholders will be conducted with fairness

#### Employee Health and Safety

Our businesses depend on the wellbeing and safety of our staff. We make a commitment to care for them:

- Staff will be informed and trained on all relevant health and safety procedures
- We will seek continuous improvements in safety during manufacturing processes
- We also make a commitment to improving the welfare and wellness of our employees

#### Respect for people and communities

With pride, our businesses are part of and employ local communities. That partnership must be strong and, to maintain it we will:

- Engage with the local community
- Treat people with respect and dignity
- Listen and learn from the views of a diverse range of stakeholders
- Share our experiences and discuss emerging issues with our stakeholders and local communities

### Planet:

#### Environmental Impact

- Develop new materials and processes to replace those that may pose a risk to the environment or human health
- Reduce greenhouse gas emissions
- Reduce emissions of Volatile Organic Compounds (VOCs)
- Increase recycling and reduce waste going to landfill
- Discuss future regulations with the appropriate authorities to ensure they are effective at improving our environment.



**NAZDAR**

### **Resources**

#### **Careful choices about the resources we use should lead to:**

- Improvements in energy efficiency
- Minimizing waste around the hierarchy of 'reduce, reuse, recycle'
- Increased use of renewable materials
- Optimized water usage
- Improved service life and durability for products that act as Protection

### **Safe Products**

#### **In line with good Product Stewardship, we will promote the:**

- Safe use and handling while being used for their intended application
- Safe Transport of our products
- Correct Disposal of our products

## **Profit:**

### **Economic Contribution**

#### **We are successful Worldwide businesses and aim to:**

- Grow sustainably as viable companies
- Create employment within our industry and suppliers
- Invest in our people, their skills, knowledge, and awareness

### **Innovation**

#### **We will continue to develop and deliver products which meet customer needs while:**

- Maximizing sustainable processes and resource use
- Partnering with suppliers in the development and use of sustainable raw materials
- Investing in new technologies for the benefit of future generations

### **Compliance**

#### **We aim to do more than simply comply with our legal requirements and will:**

- Reach higher standards with voluntary codes of practice
- Create partnerships with the appropriate authorities to develop further initiatives



## **Nazdar's Commitment to Sustainability**

### **Commitment**

Nazdar will establish responsible practices, working internationally, and communicate to suppliers. In endorsing this policy, commit to:

- Assessing progress on sustainable development
- Encouraging responsible behavior by suppliers and customers
- Integrating sustainability considerations into their business decisions

### **Communication**

Nazdar will act to educate and inform its distributors and customers about the improvements that have been made and the progress of new efforts. Nazdar will also work with other organizations internationally to identify improvements and innovations which members can use to increase sustainability.



**NAZDAR**

## **The Nazdar Green Initiative**

Nazdar accepts responsibility as a corporate citizen and acknowledges our obligation to help improve the quality of the environment, society, and community of which we are a part.

Nazdar provides extensive regulatory compliance training to the industry and has implemented several eco-friendly internal programs, including cardboard recycling, energy efficient lighting, highway clean-up, and digital business reports (reduced paper consumption).

Our commitment to help our customers implement the best production and environmental practices has led to the creation of our Nazdar Consulting Services division.

# NAZDAR

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