



Corporate Sustainability Report 2025

Sustainable Chemical Management
Smart Future



TABLE OF CONTENTS



Volunteerism is a fundamental part of Chemico’s culture. It’s part of our mission – to create a positive impact in the communities in which we operate. We want to make a meaningful difference beyond the workplace. Through service and community engagement, Chemico team members contribute their time and talents to initiatives that strengthen local organizations, support those in need, and help build healthier, more vibrant communities.



Introduction	3
CEO Message	3
About This Report	4
About Chemico	5
Highlights	13
ISN Program	13
Avetta Program	13
EcoVadis Committed Medal	14
Environmental	15
Goals	17
Customer Collaboration	19
Case Studies	21
Reporting	25
Sustainable Procurement	34
Social	37
Goals	39
Our People	40
Internships and Succession	48
Supplier Development	49
Governance	51
Goals	53
Ethics	55
Continuity Plan	58



Message from the CEO

Welcome to Chemico LLC's third annual Sustainability Report. This report reflects our continued commitment to operating responsibly, creating long-term value, and advancing a more sustainable future.

At Chemico, sustainability is integrated into how we conduct business. We believe organizations have a responsibility to respect and protect the environment, strengthen the communities in which they operate, and generate lasting value for employees, customers, and partners.

This report provides a transparent overview of our sustainability journey, highlighting the initiatives, milestones, and performance metrics that guide our progress. Throughout these pages, you will see how our teams are turning commitment into action. From reducing carbon emissions and conserving natural resources to promoting diversity, supporting local communities, and improving operational performance, we strive to embed sustainability into every aspect of our work.

On behalf of the entire leadership team, I want to thank our employees, customers, communities and partners for their continued trust and support.

Together, we will continue building a future where economic prosperity, social responsibility, and environmental stewardship advance in harmony. We invite you to explore this report to learn more about the progress we have made and the opportunities ahead.

EXCELLENCE IS OUR STANDARD

From a single employee start-up, Chemico is one of the leading chemical management and distribution companies in the United States, delivering services to customers for more than 35 years.

LEON C. RICHARDSON
PRESIDENT AND CEO

ABOUT THIS REPORT



“Sustainability is not just about adopting the latest energy-efficient technologies or turning to renewable sources of power. Sustainability is the responsibility of every individual every day. It is about changing our behavior and mindset to reduce power and water consumption, thereby helping to control emissions and pollution levels.”

– Joe Kaeser

Over the past 30 years, the rapid globalization of trade has created unprecedented business opportunities across the world which have elevated standards of living in most places. At the same time, this expansion has intensified challenges related to environmental protection, human rights, and responsible business practices. As a result, governments, organizations, and companies have recognized the need for stronger standards and accountability in global supply chains.

Over 10 years ago, the United Nations established a set of interconnected societal objectives known as the Sustainable Development Goals (SDGs). These goals encouraged countries and regions around the world to adopt stronger laws and implement regulations designed to prevent environmental and human rights violations in the future, as well as to address those that occur today. This global movement highlights the growing importance of proactive corporate sustainability initiatives.

Since our founding, Chemico LLC has remained committed to responsible business practices. We focus on providing environmentally friendly materials and solutions for our customers, treating our employees with respect, and conducting business to the highest ethical standards. These commitments are reflected in our mission statement: “to bring value to our customers’ supply chain, add value to our employees’ lives, and create a positive impact in the communities where we conduct business.”

To further support these principles, Chemico LLC has developed Sustainability Guidelines that outline our expectations for both our organization and our supplier partners. These guidelines align with widely recognized Environmental, Social, and Governance (ESG) practices that many companies are adopting as part of their commitment to responsible and sustainable operations. It is our goal that our suppliers have begun or will shortly begin this important journey.

Chemico LLC requires all entities with whom we conduct business to identify and comply with all applicable legal and regulatory requirements. In addition, our partners must fulfill all contractual obligations with Chemico LLC, including adherence to our sustainability guidelines.



ABOUT CHEMICO



WHAT DRIVES US

Our mission is to add value to our customers' supply chain, add value to the lives of our employees, create a positive impact in the communities in which we operate and remain a leader in the chemical and industrial manufacturing industry.

Founded in 1989, The Chemico Group has become one of the nation's leading providers of chemical management services, distribution, and specialty product manufacturing across North America and abroad. The company specializes in integrated solutions for the entire chemical lifecycle - from procurement to on-site inventory management and environmentally conscious disposal. Chemico's vast network of suppliers and specialty manufacturers provides a wide variety of chemical solutions to customers across the automotive, aerospace, electronics, and healthcare industries and the defense sector. With 50 locations and more than 450 employees across the U.S. and Mexico, the company remains poised for significant growth.

Led by President and CEO Leon C. Richardson, The Chemico Group continues to experience growth every year since its inception. Chemico encourages collaboration and respect for diverse perspectives within the business community. The Chemico Group has spent more than \$35 million with minority business enterprises since 2014 -- an average of more than 6 percent annually.

WHAT WE DO

Chemico Group delivers turnkey chemical management, products and distribution solutions for customers on a global scale, and helps organizations save millions of dollars by focusing on total cost.

The Group is comprised of two distinct business entities that address different elements of the chemical lifecycle – **Chemico LLC** (chemical management) and **Chemico Systems** (chemical products and distribution).



OUR EXPERIENCE

Robust corporate structure to support customers throughout North America, with 500 employees including: engineers, logisticians, supply chain managers, chemical experts, and technicians.

Chemico Management Information System: adaptable solution streamlining the CMS process for customer access and availability

ISO Certifications: ISO 9001 & ISO 14001 Registered

Environmental Management System: Corporate-wide environmental, safety and health program committed to zero accidents

Extensive Chemical Supply: an ever-growing network of chemical supply partners and logistics support

Cost Reductions: Consistent ability to reduce our customer's operational and chemical lifecycle costs

Chemico LLC programs utilize a holistic, single-source approach that eliminates the complexity and risk associated with handling chemicals. The division focuses on the Total Cost of Chemical Ownership that improves upon the quality of manufactured products, and reduces customers' chemical use, carbon footprint, equipment downtime, employee risk and exposure. Chemico offers a full suite of services, which can be customized to meet specific customer requirements.

Chemico streamlines the complex elements of the chemical lifecycle through a single program that manages supply, information, inventory, waste and recycling. Cost-optimized chemical management programs that lower visible and hidden costs of chemicals, including downtime due to supply chain disruptions or material obsolescence while generating a positive impact on employees, community and the environment.

- Integrated Chemical Supply & Demand Planning
- Chemical Use & Re-use
Data Management
Inventory & Crib Management
- Custom Catalog Solutions
- Supply Chain Management
- Transportation & Logistics
JIT Warehousing / Shelf-Life & Traceability
- Point-of-Use Delivery
- Product Research, Selection & Alternate
Product Evaluations
- Process Management & Control
- Chemical Decanting & Container Right-Sizing



- SDS Management Solution
- Quality Tracking & Compliance Reporting
- Regulatory Support
- Waste Management
- Threshold Compliance
- Automation & Technical Experts
- Safety Training
- Facility Support
- Hazardous Waste Consolidation
- Waste Disposition
- Fluid Management & Recycling
- Green Procurement

CHEMICAL PRODUCTS AND DISTRIBUTION



Chemico Systems is an industry leader in chemical products, manufacturing and distribution. Through its vast network of suppliers and manufacturers, the division provides a wide variety of chemical solutions that include custom blending, formulating, testing and packaging.

For 35 years, Chemico Systems provides solutions that will address and exceed all customer requirements, enable a greener program, reduce costs, and provide safer products for team members. In-house research and development experts design custom products to meet a customer's needs.

PRODUCT LINES

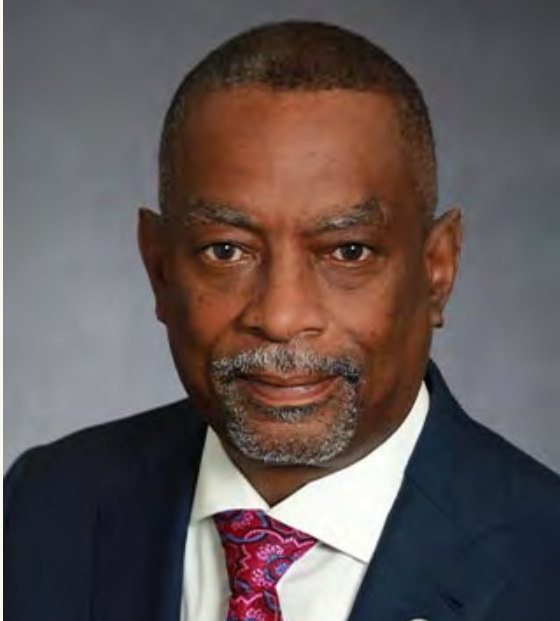
Healthy Hands	Industrial Maintenance Cleaners
Hand Soap	Booth Coatings
Hand Sanitizer	Paint Strippers and Adhesives
Hands Free Soap Dispenser	Injection Mold Cleaners
MRO – Maintenance, Repair and Overhaul	Degreasers
Adhesive and Sealants	Production Related Products
Non-Destructive Testing Products	Parts Cleaner
Lubricants	Rust Preventative
Paints	Highlight Oil
Janitorial Products	Anti-Splatter
Disinfectants	
Bathroom Cleaners	
Floor Wax	
Wax Stripper	

Chemico has entered a strategic partnership with **DuBois Chemicals**, whose product breadth includes value-added chemical solutions and process improvements for industrial manufacturing, cleaning, and water treatment applications. DuBois' local technical expertise and facility footprint, coupled with Chemico's industry-leading service capabilities, deliver unparalleled value to customers.



OUR LEADERSHIP TEAM

Maintains nearly 200 years of combined experience and a solid vision that yields sustainable results for its customers.



LEON C. RICHARDSON
FOUNDER, PRESIDENT & CHIEF
EXECUTIVE OFFICER



DAVE MACLEOD
EXECUTIVE VICE PRESIDENT



SHALEONTYNE CONSTANTINE
VICE PRESIDENT, HUMAN
RESOURCES



JAMES COOK
CHIEF FINANCIAL OFFICER



MAURICIO PINCHEIRA
VICE PRESIDENT, AUTOMOTIVE &
INDUSTRIAL ACCOUNTS



CHAD STACKHOUSE
VICE PRESIDENT, AEROSPACE &
GOVERNMENT ACCOUNTS



JUAN LOPEZ
VICE PRESIDENT,
CHEMICO MEXICO



The Chemico Group is led by a leadership team that maintains nearly 200 years of combined experience and a solid vision that yields sustainable results for its customers.

ACCOLADES



A sampling of the awards and recognition that Chemico has received from customers, industry, media and diversity associations.

General Motors Overdrive Award, GMAAN Lifetime Achievement Award and Supplier of the Year (2007, 2009 - 2015, 2020, 2022, 2023, 2025)

Boeing Supply Chain Performance Award (2022)

Toyota Motor North America Kaizen and Performance Awards (2013, 2017, 2019-22)

Honda Challenging Spirit Award (2021)

Honeywell Innovation Award (2018)

Stellantis Supplier Diversity and Capital Equip. Supplier Awards (2014-2015)

National Minority Supplier Development Council

Minority Business Enterprise of the Year (2018, 2025)

Regional Supplier of the Year Awards (2004, 2014, 2018, 2022)

Michigan Minority Supplier Development Council

Hall of Fame, MBE Luminary of the Year, President's, Diamond, Board of Director Awards, Community Impact Honoree (2001, 2004, 2008-2014, 2016, 2017, 2020, 2021, 2023, 2024, 2025)

Automotive News Notable Champion of Diversity (2021)

Crain's Detroit Business Notable Veteran Award, Fast 50 Growing Companies, Private 200: Largest Privately Held Companies (2018-2024)

Named to **Michigan Chronicle Power 50** (2025)

Named to **Black Enterprise B.E. 100s** (2010-2019)

Chemico received the 2025 Supplier of the Year award from General Motors in the category of Industrialization. During its 37-year tenure as a GM supplier, Chemico has received 16 GM Supplier of the Year awards.



HIGHLIGHTS



ISN PROGRAM

Chemico has the highest possible scores for safety in the ISN program. ISNetworld serves as a database for online contractor safety management designed to streamline companies' and contractors' compliance pre-qualification processes. It works to help contractors, suppliers and hiring clients to ensure regulatory compliance.



AVETTA PROGRAM

Avetta, a SaaS supply chain and workforce management platform connects the world's leading organizations with qualified professional suppliers, contractors, and vendors. Chemico is currently rated overall at 100% compliance with required qualifications.



“Sustainability is not an option; it’s a mindset. We must think long-term and make choices that prioritize the health of our planet.”

- Isatou Ceesay

HIGHLIGHTS



ECOVADIS COMMITTED MEDAL

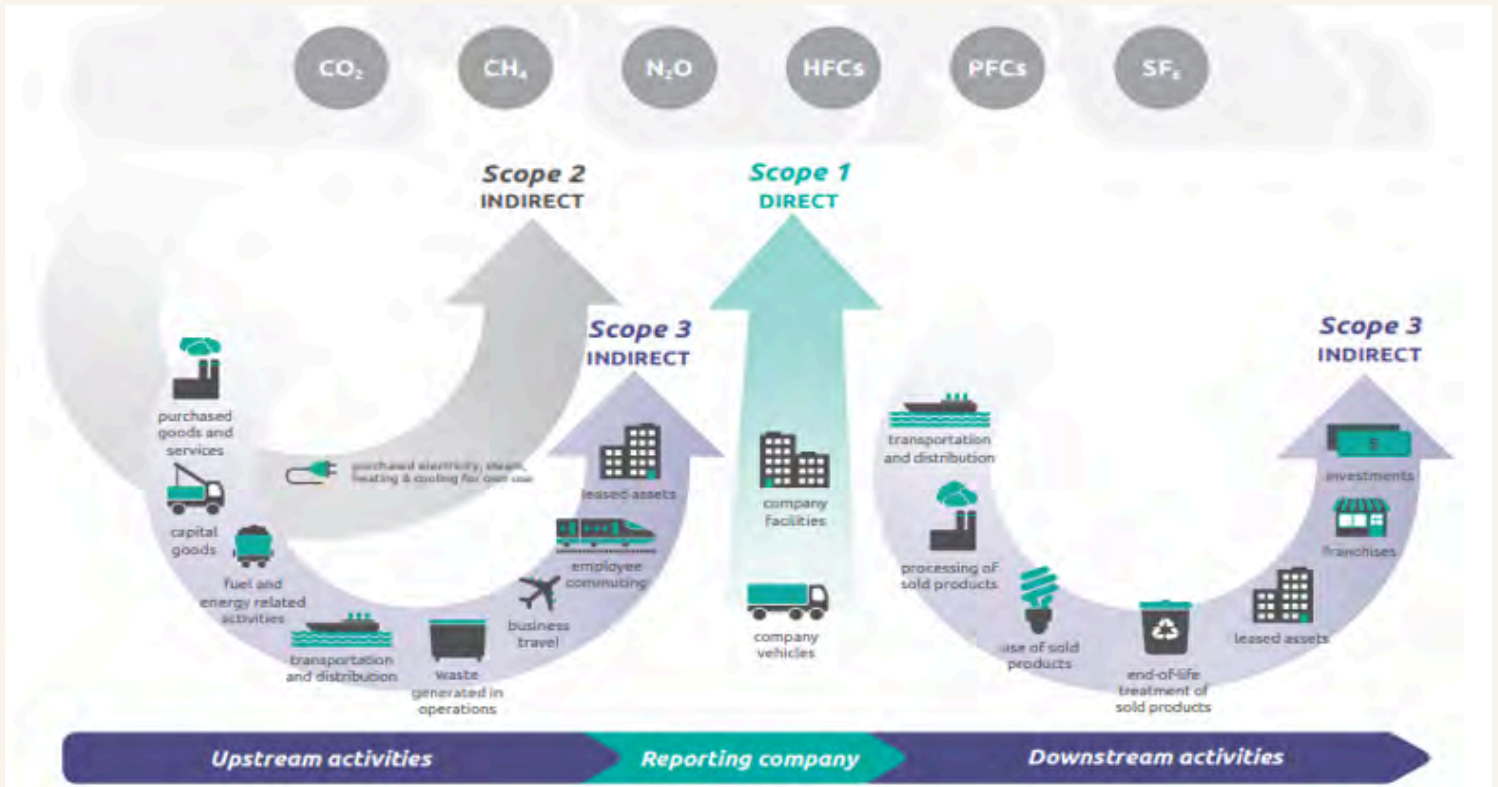
In 2024, Chemico was awarded the Committed Badge by EcoVadis, a globally recognized assessment platform that rates businesses' sustainability based on four key categories: environmental impact, labor, and human rights standards, ethics, and procurement practices. Medals are awarded based on the percentile rank of a company which is calculated at the time of scorecard publication. It compares a company's performance with all rated companies in our database over the previous 12 months. Chemico improved our scores across these four areas of ESG within EcoVadis, earning the Committed Badge by reaching the 63rd percentile.



The background features a large, solid yellow circle on the right side and a blurred, light blue and white circular shape on the left side, resembling a glass petri dish. The word 'ENVIRONMENTAL' is centered within the yellow circle.

ENVIRONMENTAL

GOALS



Greenhouse Gas (GHG)

Scope 1 Goal by 2050

• 17.57 tCO2

Scope 3 Goal by 2050

• 30.59 tCO2

Scope 2 Goal by 2050

• 105.28 tCO2

Total GHG Goal by 2050: 153.44 tCO2

SCOPE 1 DIRECT EMISSIONS

- Company Vehicles
- Natural Gas

SCOPE 2 INDIRECT EMISSIONS

- Electricity

SCOPE 3 EMISSIONS

- Business Travel
- Employee Commuting
- Waste
- Purchased Goods & Services

AIR POLLUTION



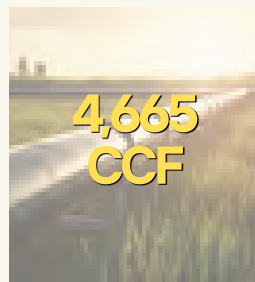
Our warehousing operations generates insignificant non-CO₂ air emissions, because our operations do not involve manufacturing, chemical processing, combustion processes, or other industrial activities that typically release pollutants into the air. The facilities are used solely for the storage, handling, and distribution of goods, which are activities that do not produce criteria pollution emissions. Equipment used within the warehouse, such as electric forklifts and lighting systems, operates on electricity rather than fuel combustion, further minimizing the potential for direct air emissions. As a result, the normal day-to-day operations of the warehouse do not produce general non-CO₂ air emissions.

REDUCING WASTE

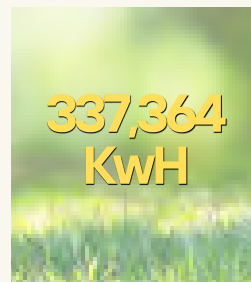
Chemico works to reduce its expired inventory by recertifying materials. Chemico also collaborates with our sites across North America to transfer and utilize materials before their expiration.



2025 WATER USE



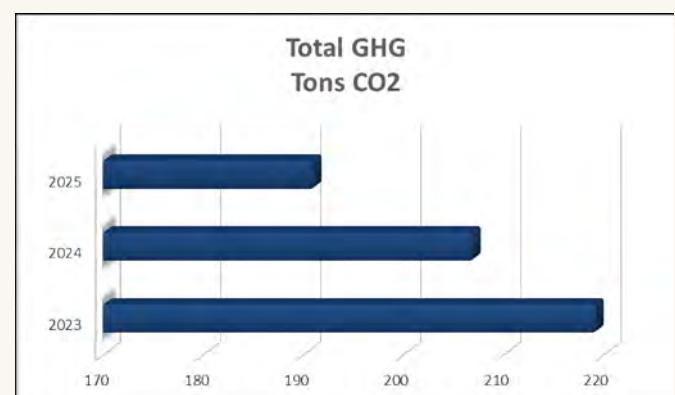
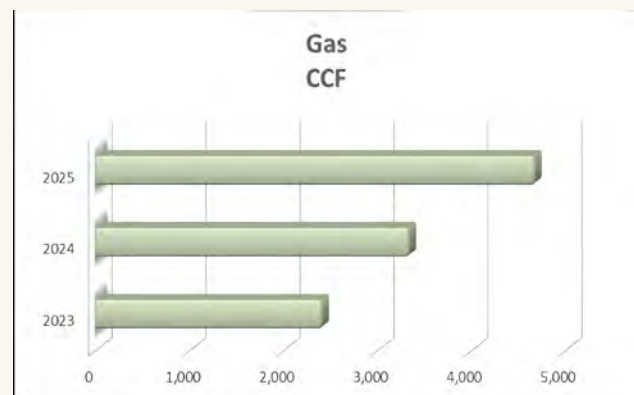
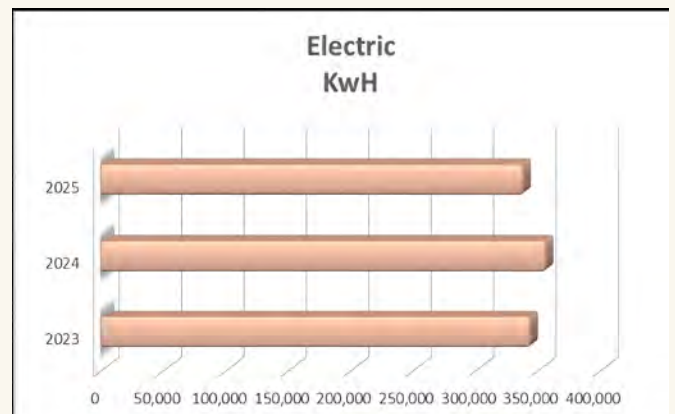
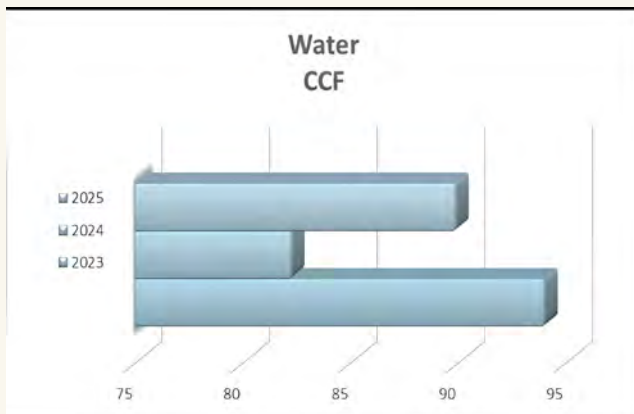
2025 NATURAL GAS USE



2025 ELECTRICAL KWH USE



2025 CO2



CUSTOMER COLLABORATION



80 percent of Chemico's business takes place at our customer locations. We have full time onsite staff at over 60 locations throughout North America where we are uniquely positioned to bring environmental stewardship opportunities to our customers on a continual basis.

INTERNAL MONTHLY COMPLIANCE REPORTS

Alerting all hazardous waste managers to new process changes within the EPA and any industry standard updates. Not only are we providing regulatory guidance, but this communication acts as a collaboration tool between sites to further develop our environmental managers.

RECYCLING

Chemico actively recycles or reuses: Office Paper, Toner Cartridges, Plastic and Cardboard.

Chemico alternatively diverted waste from a staging location to a recycling vendor, thus mitigating waste disposal.

- **Plant collaboration meetings** with local HSE Department and Chemico at minimum 2 times weekly
- **Monthly Chemical and Waste Management review**
- **Joint Monthly walk-through** waste storage area and Satellite Accumulation Areas together with Chemico and the contracted Client. Note issues, opportunities for improvement, and best practices to share
- **Assist in managing each satellite location** by regulatory inspections ensuring signage with waste description, correct labeling information, and segregation
- **Discrepancies noted** on weekly inspection form and corrected within prescribed time limits. Repeat occurrences will be escalated at Tier meetings for retraining and site broadcast
- **Quarterly waste related GEMBA walk-through** waste storage areas and processes
- **Chemico quarterly review** of procurement, savings projects and environmental impacts with contracted client

Chemico continues to prioritize waste reduction by improving material utilization and minimizing unnecessary inventory. One key strategy is actively reducing excess inventory through improved forecasting, inventory reviews, and purchasing controls which ensures materials are acquired only when needed. In addition, materials that no longer meet their original specifications are evaluated and, where possible, recertified for use. This process extends the useful life of materials and prevents unnecessary waste. The company also promotes internal material transfers between facilities, allowing surplus or underutilized materials at one location to be used productively. Together, these practices support our commitment to responsible resource management, cost efficiency, and environmental sustainability by reducing landfill waste and maximizing the value of existing materials.

CASE STUDY (1)

RECYCLING



The client had had several pounds of solder dross from the manufacturing process.

- ♻️ Recycler paid client nominal fee
- ♻️ Fee credited to client
- ♻️ Dross is melted down and recycled to make new solder products



CHEMICO PROVIDED:

Chemico was asked to assist the client in finding other approved vendors to take recycled materials.

Through the wide range of negotiated Chemico vendors, we were able to find another approved recycler that provided better returns and services. This vendor was also approved with client listing.



COST SAVINGS BREAKDOWN

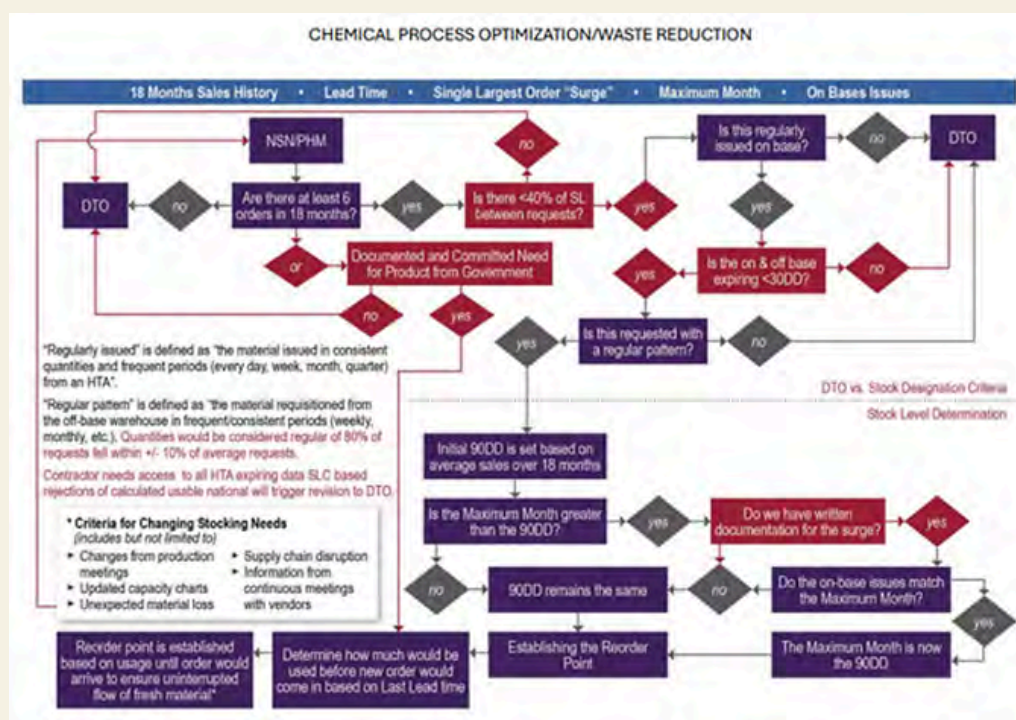
- ✓ Initial annual revenue created with using new vendor: **\$31,400**
- ✓ Ongoing annual revenue: **~\$45,000**
- 💡 Certifications: New vendor is ISO 9001/14001 certified
- 💡 Sourcing: New vendor adheres to the Conflict Mineral and Responsible Minerals Initiatives (RMI)

CASE STUDY (2)

WASTE REDUCTION/MINIMIZATION



The Chemico warehouse located in Macon, GA stocks several thousand chemicals for a contracted client.



CHEMICO PROVIDED:

Chemico created a Process Optimization/Waste Reduction initiative to target reduction goals.

Results: Due to this optimization, total waste was reduced 65% in 4 years

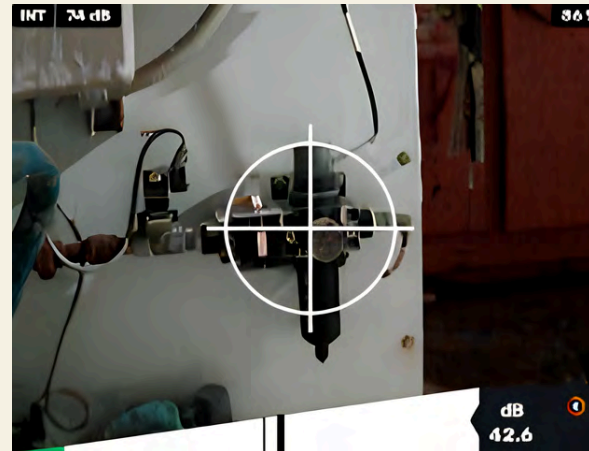
Hazardous Waste		Nonhazardous Waste		Total Waste	
Year	Pounds	Year	Pounds	Year	Pounds
2025	10142	2025	1575	2022	103451
2024	24625	2024	7500	2023	117390
2023	86890	2023	30500	2024	32125
2022	79501	2022	23950	2025	11717
Total	201158	Total	63525	Total	264683
Reduction		Reduction		Reduction	
2022-23	-7389	2022-23	-6550	22-23	-13939
2023-24	62265	2023-24	23000	23-24	85265
2024-25	14483	2024-25	5925	24-25	20408
Overall	69359	Overall	22375	Overall	91734
	Waste Reduction 65.52%		Waste Reduction 64.78%		Waste Reduction 65.34%

CASE STUDY (3)

ENERGY SAVINGS



Chemico conducted a combined compressed air and natural gas leak detection survey at several client sites. Using ultrasonic leak detection technology, the survey team canvassed multiple survey zones across these facilities, capturing both air and gas leaks at each surveyed location. At a single site, over 200 leaks were detected including 79 leaks above the $30 \geq$ dB threshold which were prioritized for immediate repair.



42.6 dB (threshold 74 dB)



41.9 dB (threshold 86 dB)

CHEMICO PROVIDED:

Chemico provided project-managed execution: repair coordination, parts sourcing, post-repair verification, and ongoing measurement. This service is part of Chemico's Technical Services portfolio and integrates directly with your existing chemical management program at the client site.

Additional services provided include:

- Leak Detection
- Photographic evidence
- Leak Classification
- Reporting
- Ongoing Verification & Sustainment



45.8 dB (threshold 80 dB)

COST SAVINGS BREAKDOWN

- ✓ Total Annual Savings of **\$390,218**
- ✓ Annual Energy Savings: **5,203,00 KWH**
- ✓ Adherence to OSHA Regulatory Compliance on Occupational Noise Exposure.

Land Use Goals

Chemico plans to convert open property at its new Macon, GA warehouse into a carbon sink/native plant habitat.

Energy Efficiency

Where possible, Chemico ensures that all lavatories contain water saving/low-flow fixtures. All appliances and installed equipment are ENERGY STAR® compliant.

Renewable Energy

Between its owned sites, Chemico utilizes local utility providers that supply an average of 13.45 percent through the use of renewable energy.

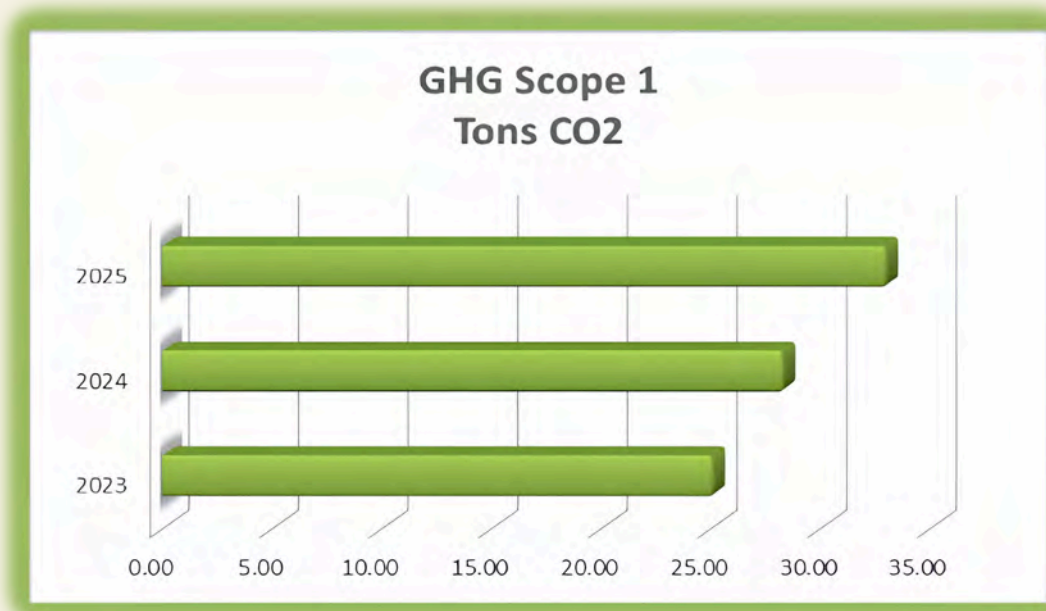


Scope 1 Greenhouse Gas Emissions 2023-2025



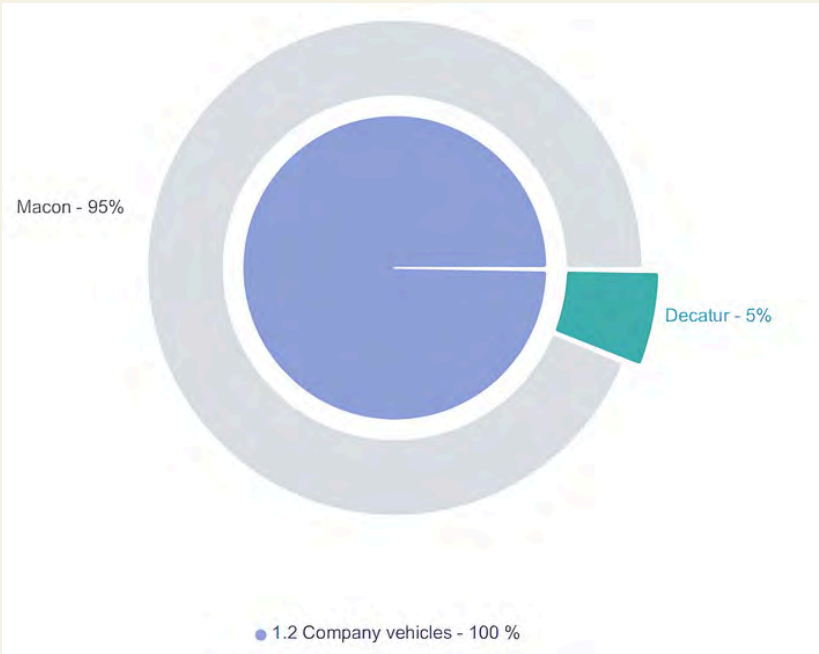
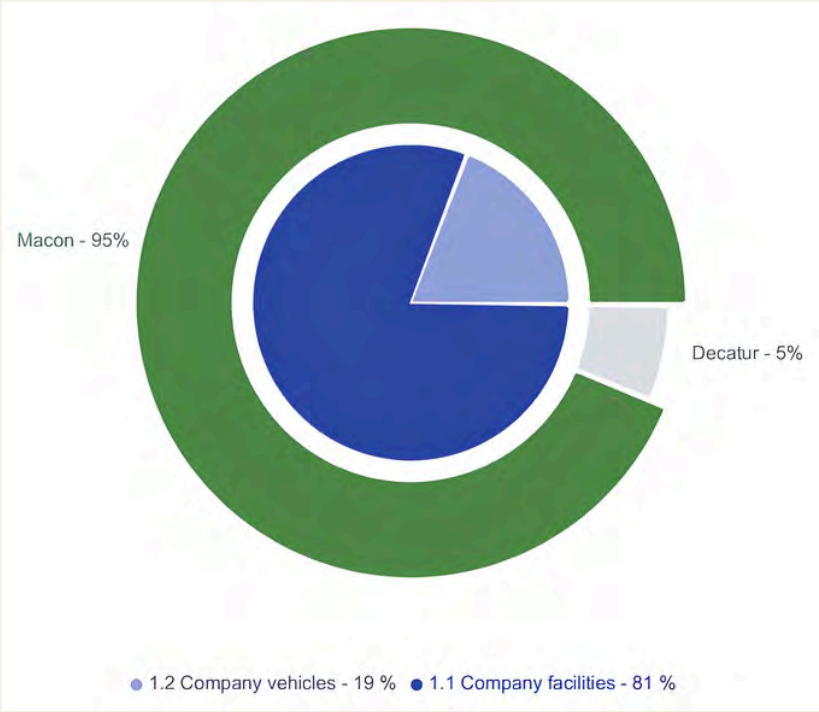
Definition: Scope 1 emissions are direct greenhouse gas (GHG) emissions that occur from sources directly combusted by an organization. Chemico emits Scope 1 GHGs in Macon, GA via burning natural gas for winter heating and through burning fossil fuels within delivery vehicles. Chemico cannot control natural gas used for heating and fuel for delivery vehicles. This has a direct impact on Scope 1 emissions.

Goal: Reduce weather-normalized emissions year-over year through better natural gas management.



Emission category	Total CO2-impact (tCO2e.)	Share of the total footprint (%)*
Macon		
1.1 Company facilities	25.42	13.33 %
1.2 Company vehicles	5.83	3.06 %
Decatur		
1.2 Company vehicles	1.65	0.86 %
Total		
Total	32.9	17.25 %

Scope 1 Greenhouse Gas Emissions 2023-2025 cont'd

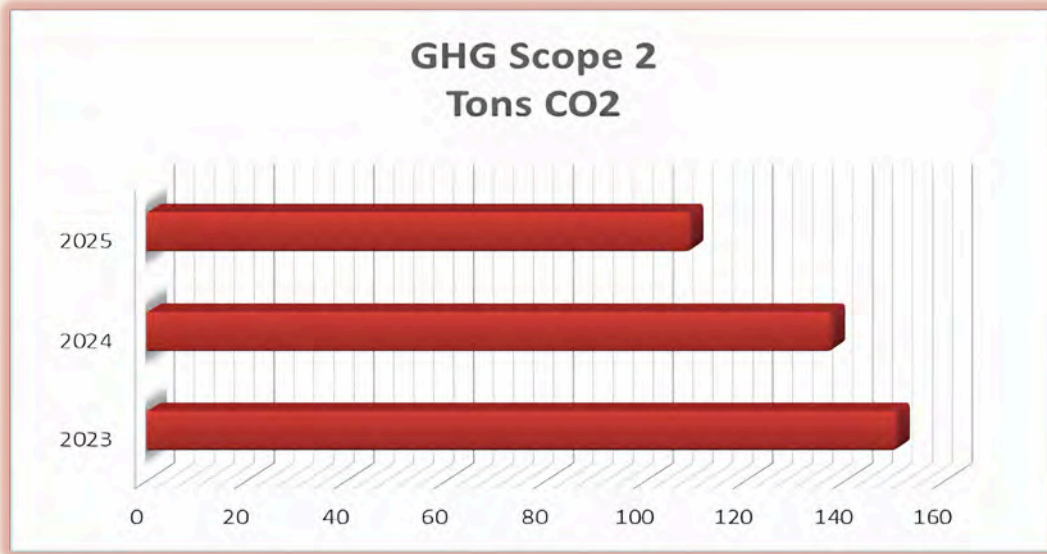


Scope 2 Greenhouse Gas Emissions 2023-2025



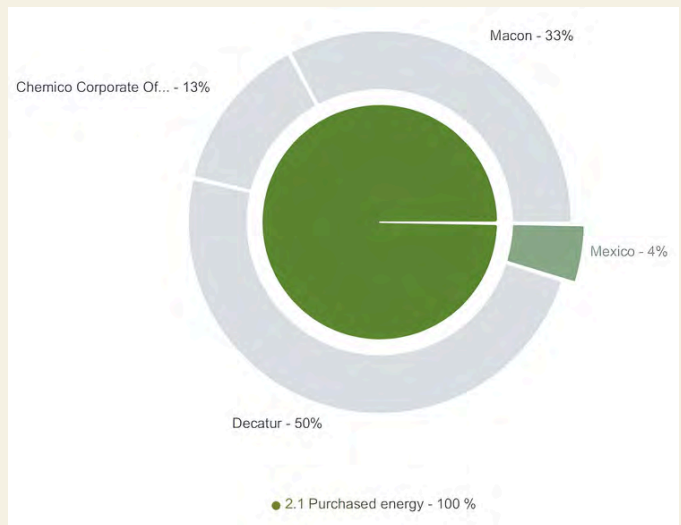
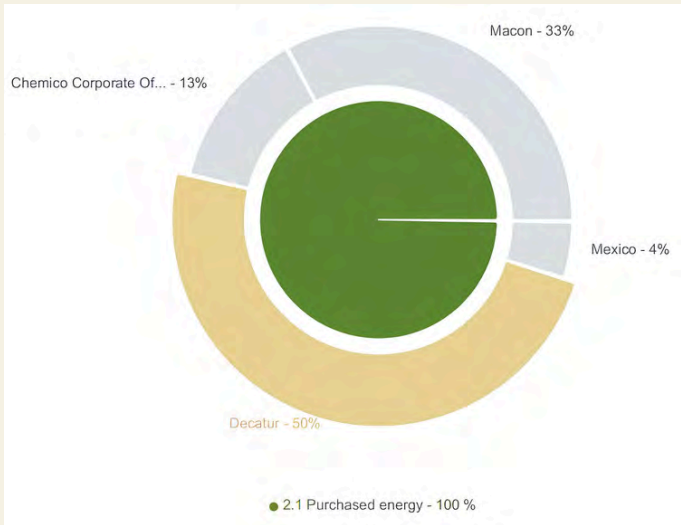
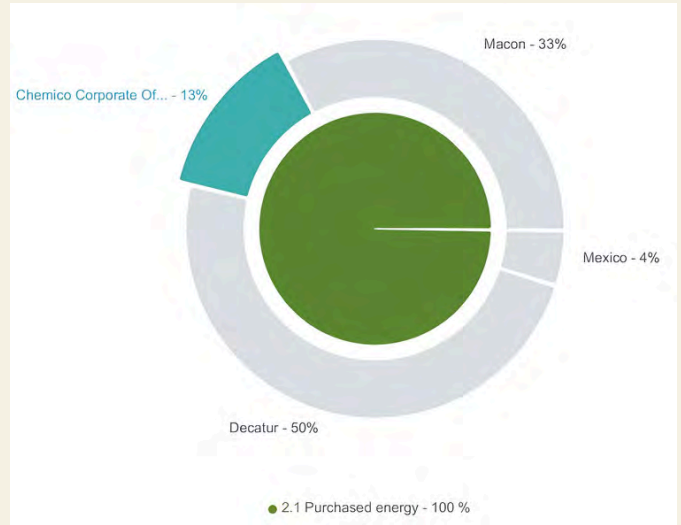
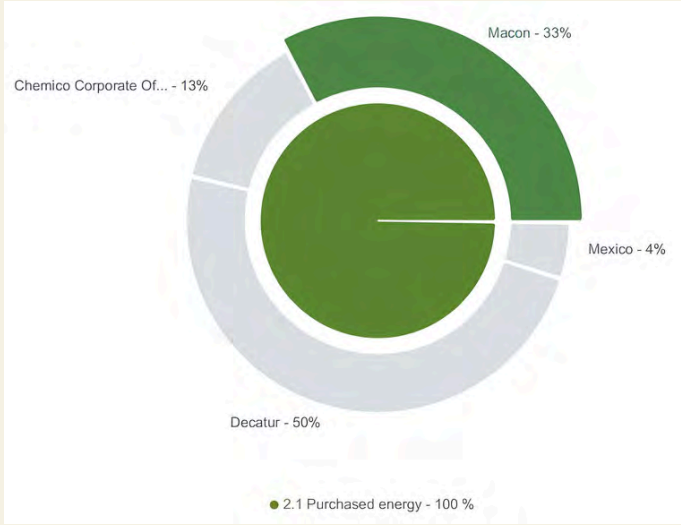
Definition: Scope 2 emissions for Chemico are indirect GHG emissions from the purchase of electricity. These emissions physically occur at their point of generation but are accounted for in our GHG inventory. These Scope 2 emissions are associated with our corporate office and warehouse locations in Chemico’s Macon, GA, Decatur, AL and Mexico. Electricity at these locations is used for normal office operations and summer cooling. In 2024, we developed additional tracking to capture renewable electricity usage, thus reducing our total reported CO2 output.

Goal: Reduce weather-normalized emissions year-over year through better lighting and device management



Emission category	Total CO2-impact (tCO2e.)	Share of the total footprint (%)*
Macon		
2.1 Purchased energy	36.32	19.04 %
Chemico Corporate Office		
2.1 Purchased energy	14.1	7.39 %
Decatur		
2.1 Purchased energy	54.42	28.53 %
Mexico		
2.1 Purchased energy	4.14	2.17 %
Total		
Total	108.98	57.14 %

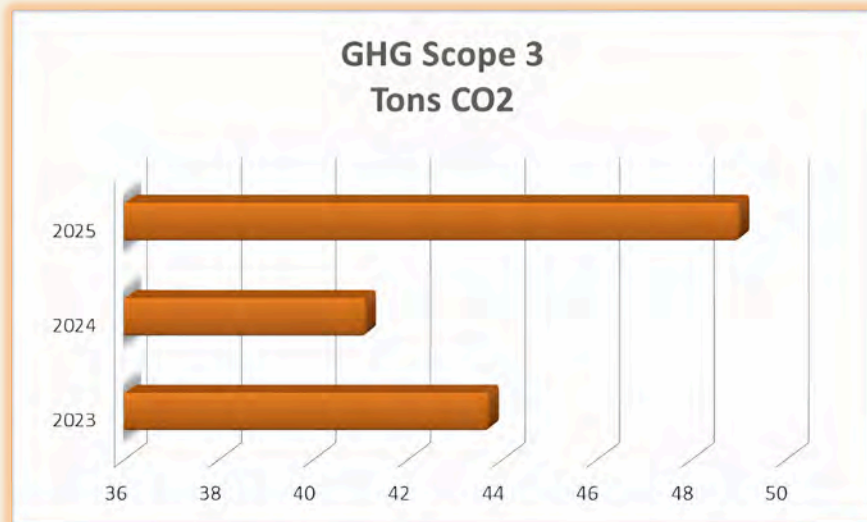
Scope 2 Greenhouse Gas Emissions 2023-2025 cont'd



Scope 3 Greenhouse Gas Emissions 2023-2025

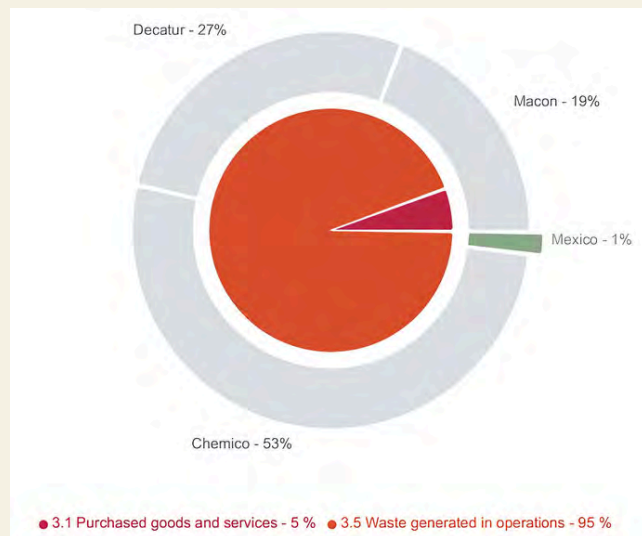
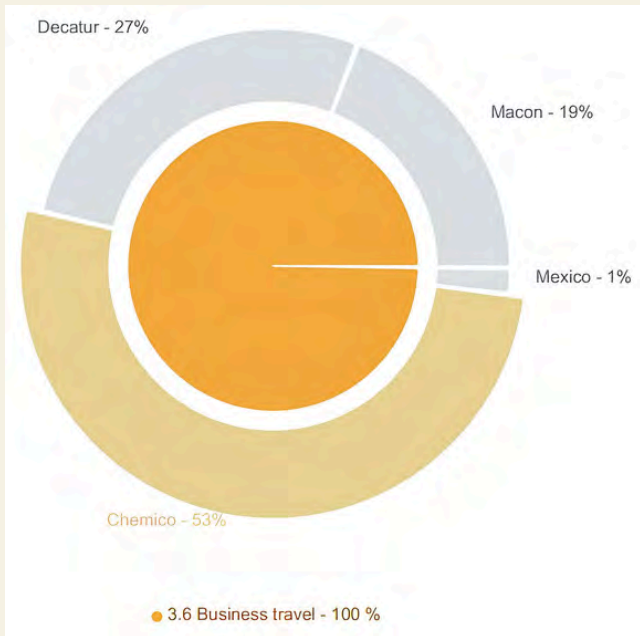
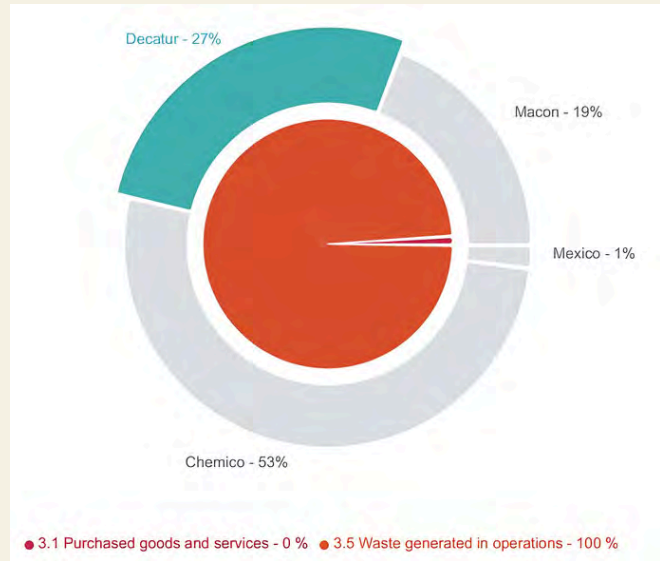
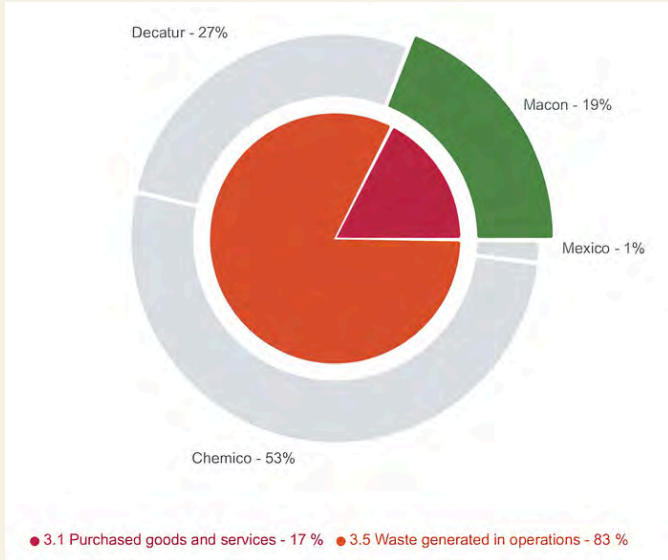


Scope 3 emissions are the result of activities associated with but not owned or controlled by Chemico but are part of its value chain. Scope 3 emissions include all sources not within an organization’s scope 1 and 2 boundary. Chemico has initiated capturing Scope 3 emissions based on waste generated in operations, water usage and calculating business travel emissions.



Emission category	Total CO2-impact (tCO2e.)	Share of the total footprint (%) [±]
Macon		
3.1 Purchased goods and services	1.57	0.82 %
3.5 Waste generated in operations	7.73	4.05 %
Decatur		
3.1 Purchased goods and services	0	0 %
3.5 Waste generated in operations	13.31	6.98 %
Chemico		
3.6 Business travel	25.87	13.56 %
Mexico		
3.1 Purchased goods and services	0.02	0.01 %
3.5 Waste generated in operations	0.33	0.17 %
Total		
Total	48.82	25.6 %

Scope 3 Greenhouse Gas Emissions 2023-2025 cont'd



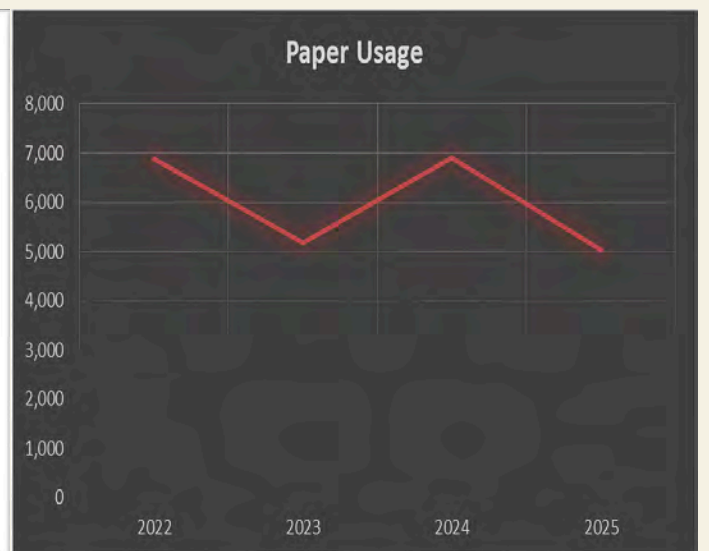
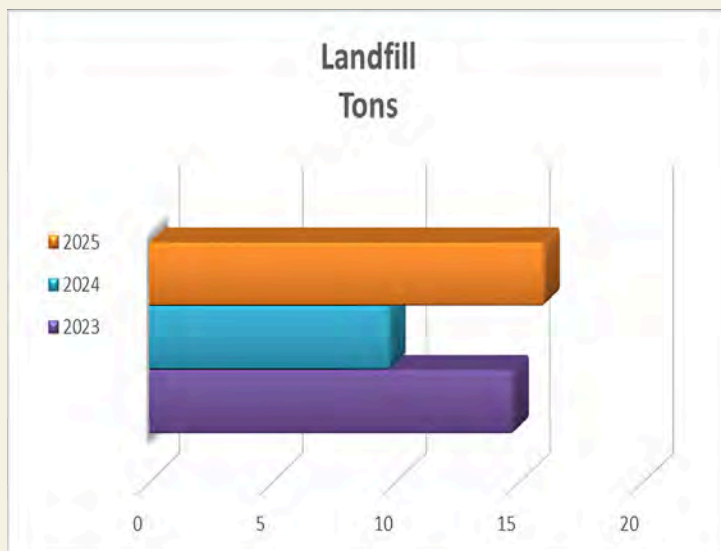


The Greenhouse Gas (GHG) report information has been prepared for Chemico through a contracted third-party service provider. It provides a comprehensive analysis of the GHG emissions across Scope 1, Scope 2, and selected categories of Scope 3 for the 2025 reporting period. The relevant emission sources have been identified and quantified in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. This report details the delineation of emission sources, the methodology applied via the service platform, and the consolidated results for the 2025 financial year.

GHG scopes	Total CO2-impact (tCO2e.)	Share of the total footprint (%) ^a
Scope 1 - Direct emissions	32.9	17.25 %
Scope 2 - Indirect emissions	108.98	57.14 %
Scope 3 - Indirect emissions(total)	48.82	25.6 %
Total	190.71	100 %

Landfill Disposal 2023-2025




Goal: Increase recycling methods.

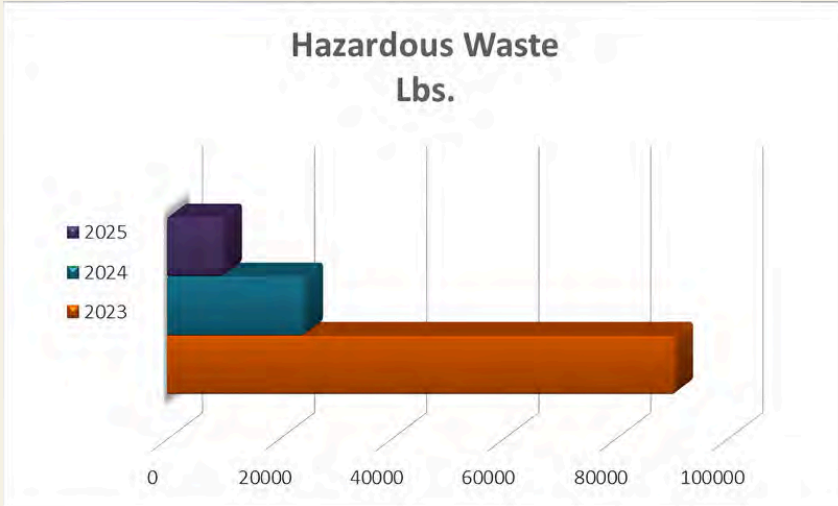


Hazardous Waste Disposal 2023-2025






Chemico implemented a minimization/reduction of 66 percent in hazardous waste during this period.

-  Fine tune our chemical stock levels
-  Utilize alternative methods to reuse expired materials
-  Extend shelf-life of materials by working with customer and manufacturer



Non-Hazardous Waste Disposal 2023-2025

Chemico reduced nonhazardous waste output by 65 percent.

-  Fine tune our chemical stock levels
-  Utilize alternative methods to reuse expired materials
-  Extend shelf-life of materials by working with customer and manufacturer



Chemico is currently tracking total Hazardous/Nonhazardous Waste Disposal/Waste Minimization reduction at 65 percent for services provided to the contracted client from the Chemico warehouse located in Macon, GA.

Greenhouse Gas (GHG) Reduction Goals



Chemico is committed to supporting the global transition to a lower-carbon economy through responsible environmental management and continuous improvement initiatives. As part of this commitment, we have set a long-term goal to reduce our greenhouse gas (GHG) emissions by 30% from our baseline year by 2050. This target reflects our dedication to minimizing the environmental impact of our operations through energy efficiency improvements, operational optimization, responsible resource management, and the evaluation of emerging sustainable technologies. We will continue to monitor our progress, engage employees and stakeholders, and integrate sustainability considerations into business decisions to help ensure meaningful and measurable emissions reductions over time.

30% Reduction by 2050	2023 Baseline	2024	2025	2050 Target
Scope 1	25.1	28.3	33	17.57
Scope 2	150.4	137.4	109	105.28
Scope 3	43.7	41.1	49	30.59
Total	219.2	206.8	191	153.44

All values are listed in Tons of CO2



2025 Sustainable Procurement Adverse Impacts in the Supply Chain

At Chemico, we recognize that sustainable procurement plays a critical role in reducing environmental impacts, supporting ethical business practices, and strengthening supply chain resilience. Our procurement approach emphasizes sourcing materials and services from suppliers that demonstrate compliance with applicable environmental, health, safety, and regulatory requirements while aligning with our company's sustainability values. When evaluating suppliers, we consider factors such as environmental performance, responsible chemical management practices, product stewardship, waste reduction efforts, and commitment to ethical labor and business practices.

To achieve this, we make acceptance of our sustainability guidelines a requirement of doing business with Chemico. We also seek opportunities to purchase locally when practical, reduce unnecessary packaging and transportation impacts, and work collaboratively with suppliers to identify more sustainable alternatives that support both operational efficiency and long-term environmental responsibility.



Chemico evaluates several practical, risk-based factors when implementing sustainable procurement practices.

Recommended Mitigation Actions



With weather delays and unknown issues it is a good plan to diversify sourcing beyond the U.S. Southeast to bypass regional logistical bottlenecks (e.g., Mexico or West Coast hubs) If possible, when it comes to the winter months.



Plan to have sites have multiple approved sources "Drop-in Substitutes" for all critical chemicals to avoid 6-month testing delays during a crisis.



Maintain at least two approved sources for high-impact chemicals (e.g., specialized lubricants or catalysts) from non-Gulf regions.

- Supplier compliance with environmental, health, and safety regulations
- Proper chemical handling, storage, and transportation processes and procedures
- Availability of Safety Data Sheets (SDS) and regulatory documentation
- Supplier certifications such as International Organization for Standardization 9001 or 14001
- Waste reduction and recycling practices within the supplier's operations
- Energy efficiency and greenhouse gas reduction initiatives
- Ethical business conduct and labor practices
- Product stewardship and responsible chemical management programs
- Use of environmentally preferable or lower-toxicity raw materials when feasible
- Packaging reduction, reusable containers, or recyclable materials
- Strict adherence to international Conflict Mineral rules



For small companies with limited resources, sustainable procurement is often managed through practical supplier evaluations, periodic reviews, and integrating sustainability considerations into existing purchasing and vendor approval processes.

- Packaging reduction, reusable containers, or recyclable materials
- Transportation distance and logistics impacts to reduce emissions
- Supplier reliability, quality performance, and incident history
- Emergency response capabilities and spill prevention measures
- Compliance with restricted substance or hazardous materials requirements
- Willingness of suppliers to support sustainability goals and continuous improvement initiatives
- **Adherence by all stakeholders and vendors to "Chemico Guidelines for Sustainability"**

ISO 14001 CERTIFIED SINCE 2010



ISO 14001 is an important component of our environmental and sustainability strategy because it provides a structured framework for managing environmental responsibilities in a consistent and measurable manner. By aligning our operations with ISO 14001 principles, we strengthen our ability to identify environmental risks, improve regulatory compliance, reduce waste and emissions, and drive continual improvement across our organization. This standard also reinforces accountability, employee engagement, and operational efficiency while demonstrating to customers, suppliers, and stakeholders our commitment to responsible environmental stewardship and sustainable business practices. ISO 14001 assists Chemico to integrate environmental management into everyday decision-making process and supports our long-term ESG and corporate responsibility objectives.





SOCIAL

GOALS



Our mission is to add value to the lives of our employees and create a positive impact in the communities in which we operate.

14



Employee Wellbeing:
(12) "Thrive@Chemico" Presentations Held; Monthly Wellness Sessions
Result: 14 Presentations. Goal Met!

34/57



Diverse Workforce: 32% Women and 40% U.S. Minorities.
Result: 34% Women and 57% U.S. Minority. Goal Met!

10



Volunteerism and Community Support: (10) Company Sponsored Events
Result: 10 Events. Goal Met!

12/4



Employee Training & Development:
Manager training; Learner of the Month
Result: (12) Learner of the Month; (4) Quarterly Training. Goal Met!

7



Internships and Successor Development: 9 Interns per year
Result: 7 Internships

4.4



Diversity Spend: 6% for Minority/Women Owned Businesses
Result: 4.4%

0.8



EMR Goal: less than 1.0
Actual: 0.8. Goal Met!

1.72



TRIR Goal: less than 2.0
Actual: 1.72. Goal Met!

6



Supplier Development:
Mentor 6 MBEs each year.
Result: 6 MBEs. Goal Met!

EMPLOYEE WELLBEING



At Chemico, we understand that our people are our greatest asset. In all of our business areas, it is our talented professionals from varied backgrounds that have enabled our company to achieve growth and recognition. True diversity is a culmination of ideas, experiences and perspectives. Our winning formula in a highly competitive global marketplace results from fostering inclusion across all aspects of our business to deliver the best quality products and solutions.

RECRUITMENT



- Promote from within
- Summer Internship

ENGAGEMENT



Employee Referral Bonus Program is designed to give incentives to employees for both promoting Chemico as a great place to work as well as referring great people to join our team.

SAFETY

Chemico is committed to the health and safety of its employees and those involved in our projects. Protection of employees from injury or occupational disease is our highest continuing objective. We are committed to achieving an accident-free workplace through effective administration, education, and training.

“Safety Alerts” are distributed as-needed to provide special focus on safety issues throughout the company.

TOWN HALL MEETINGS



Held quarterly with engaged employees

EMPLOYEE RECOGNITION



Employee of the month/year nominations and recognition



TRAINING

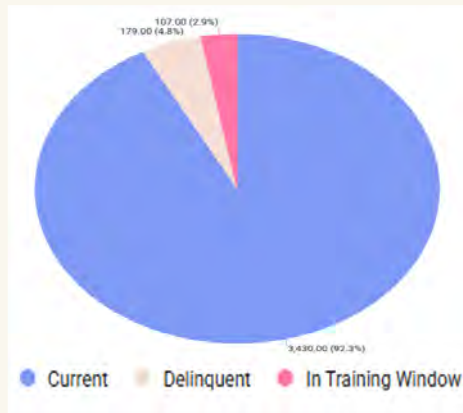
465 Chemico employees tracked.



95%+ training completion rate

DEVELOPMENT

Training created specifically to suit requirements of locale.
 Developing subordinates through training to create promotion and retention potential.

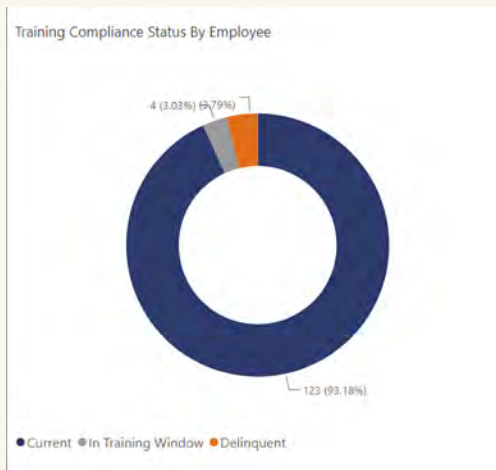


Training Completion

More than 95% of employees have completed training or are within the training window.

More than 97% of employees have completed regulatory training or are within the training window.

Regulatory Training Completion



The "Thrive @ Chemico" private Facebook group was created to allow employees to share wellness tips, learnings and successes. Chemico hosted 12 Thrive workshops during the year.

THREE-YEAR AVERAGE TRIR

1.72

Total Recordable Incident Rate: 25% less than the industry average of 2.3.

THREE-YEAR AVERAGE EMR

0.80

EMR value is 20% less than the industry standard of 1.0.

TRAINING

Over 200 OSHA safety and regulatory training courses available.



97%+ regulatory training completion rate

SUPER LEARNERS



As part of its Learning & Development initiatives, Chemico commended team members who completed **LinkedIn Learning** courses – demonstrating their commitment to skill development, curiosity, and continuous improvement.

OUTSTANDING LEARNER

2025

Justin Kirshman, Business Systems Analyst II

Justin exemplifies what continuous learning looks like in action. By completing more than 75 courses on LinkedIn Learning with 100% completion, he translated learning into real-world impact—making work clearer, faster, and more effective for himself and others. From mastering Power Query, Power Pivot, and data modeling to sharpening his approach to solving complex business challenges, Justin proves that curiosity paired with commitment leads to powerful results.

“Most of all, I’ve really enjoyed the process. It’s a good feeling when something you learned recently shows up in real work and makes a messy situation clearer, faster, and less stressful. Those small wins add up over time and can sometimes trigger some exciting changes.”

Q1 2025: NATHAN SNELLING

Buyer, Warren



Knowledge is the greatest ally, and I serve to be the best asset for my team and improve my work life every day in any way possible. LinkedIn Learning provided a good stepping stone.

Q2 2025: MICHAEL DOBIS, SR.

Sr. Technician, Warren



Having access to this vast library of knowledge is incredibly beneficial. The courses allowed me to approach AI with a new perspective, in how it can apply to my daily tasks ... and better organize my projects and goals.

Q3 2025: RALPH CANTU

Warehouse Specialist, Corpus Christi



The quality of the information provided was very helpful. The training will enhance our team skills. As someone who values quality, I would 100% recommend this!

Q4 2025: ANNIE ERVIN

Supply Technician, Warner Robins



LinkedIn Learning is an excellent way to acquire new skills. Courses equipped me with tools to succeed. I learned how to recognize burnout, manage stress, and implement practices to prevent or diminish recurring episodes.

EMPLOYEES OF THE YEAR

**Cecily Scarlett, Site Manager,
Stellantis, is Chemico's Employee of
the Year 2025!**

Cecily demonstrated outstanding dedication and leadership by stepping up to cover another site in a different state. She ensured both programs ran smoothly, maintained a positive attitude, demonstrated exceptional adaptability and teamwork, and set a high standard for excellence across the organization.

Employees of the Month 2025:

**Jack Wyman, Warehouse Operations
Macon**

**Timothy Ferrell, Site Manager
South Bend**

**Autumn George, Supply Chain Analyst
Southfield**

**Matthew Hanson, RCRA Technician
Olathe**

**Glenn Rogers, Warehouse Supervisor
Corpus Christi**

**Byron Baker, Technician
South Bend**

**Yamini Joshi, HR Benefits Specialist
Southfield**

**Marcia Beams, Site Technician
Grand Rapids**

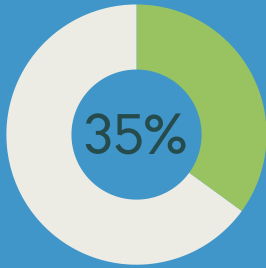
**Chris Whitehurst, Program Manager
Rocky Mount**

**Hunter Scheiderer
Clearwater**

**Shay Constantine, HR Exec. Director
Southfield**

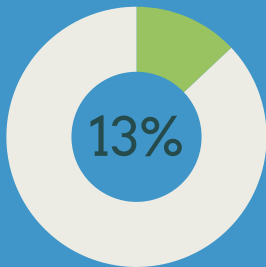


FOSTERING INCLUSION



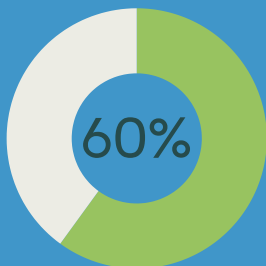
WOMEN EMPLOYEES

163 of 465 in 2025.



WOMEN EXECUTIVES

1 of 8 in 2025.



WOMEN BOARD MEMBERS

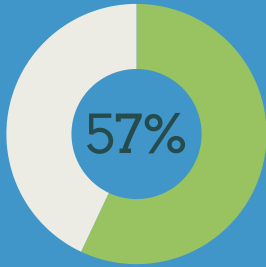
3 of 5 in 2025.



INTERNATIONAL WOMEN'S DAY

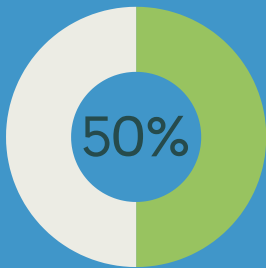
We celebrate the remarkable women at Chemico during the annual International Women's Day event. Chemico highlights a valuable LinkedIn Learning course that focuses on empowering women in the workplace. The course covers various topics such as leadership, career development, and creating an inclusive environment. We encourage each employee to take a moment to explore this course and consider participating. Our collective growth is enhanced when we embrace opportunities for learning and empowerment.

FOSTERING INCLUSION (2)



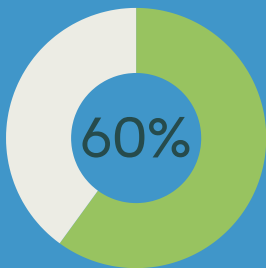
U.S. MINORITY EMPLOYEES

142 of 248 in 2025.



MINORITY EXECUTIVES

4 of 8 in 2025.



MINORITY BOARD MEMBERS

3 of 5 in 2025.

Michigan Chronicle
POWER50
Recognizing the 50 Most Powerful African Americans in Southeast Michigan

Leon Richardson
President & Chief Executive Officer
The Chemico Group, LLC

POWER 50 RECOGNITION

Chemico CEO Leon C. Richardson was recognized as one of the 50 Most Powerful People in Southeast Michigan according to the Michigan Chronicle. This prestigious accolade celebrates the relentless dedication, innovative leadership, and transformative vision that Richardson has demonstrated by steering Chemico to new heights and making a significant impact in the region.

CERTIFICATE OF APPRECIATION

This certificate is proudly presented to

The Chemico Group

YOUR DONATIONS OF \$551
GENEROUSLY PROVIDED **3,306 MEALS**
TO NOURISH OUR NEIGHBORS. WE ARE GRATEFUL
FOR YOUR DEDICATION TO OUR MISSION!



THANK YOU

SUPPORTING OUR COMMUNITIES

Chemico employees dedicate hundreds of volunteer hours each year. The company contributes significant funds for community and industry causes each year.

PHILANTHROPY

25+

Number of community and industry organizations that Chemico contributes to each year.

VOLUNTEERISM

200+

Number of hours that Chemico employees dedicate to volunteering and helping out in communities in which we operate.

Breakfast Drive

Chemico supported the 2025 Children's Breakfast Drive with Gleaners. Team members brought in boxes of cereal to support local children in need, helping them start their day with a healthy breakfast.

Holiday Spirit

Chemico partnered with Gleaners Food Bank, packing boxes and sorting holiday donations. The team worked with Goodman Acker PC and Fellowship Chapel Church to support families in need during the holiday season.

Focus: HOPE

Chemico team members partnered with Focus: HOPE to assemble over 100 food boxes for local seniors in need.



INTERNSHIPS AND SUCCESSION



SUMMER INTERNSHIP PROGRAM

Since 2010, Chemico has welcomed talented interns each summer. The 2025 Summer Internship Program is 12 weeks long, from May to August. The company hosted 5 interns during this program. Several interns have become Chemico full-time hires since the start of the program.



SUCCESSION PROGRAM

A robust succession plan ensures continuity and excellence in our sustainability efforts. This plan identifies key roles and responsibilities, documents detailed processes and workflows, and provides ongoing training and skill development opportunities for our team. By identifying potential successors and establishing clear transition plans, we aim to maintain seamless operations. Regular reviews and updates to the succession plan, coupled with effective communication channels and contingency planning, enable us to adapt to organizational changes and external challenges, helping facilitate the continued success of our organization.





Chemico Group CEO Leon C. Richardson was named MMSDC's MBE Luminary of the Year -- recognizing leadership in supplier diversity, ability to conduct business with other minority business entrepreneurs, provide mentoring and internships while being actively involved in the community. This marks the second time Richardson has received this honor.

MINORITY SUPPLIER DEVELOPMENT

An active member and leader in the National Minority Supplier Development Council (NMSDC) and Michigan Minority Supplier Development Council (MMSDC) for three decades. CEO Leon C. Richardson is a passionate champion for Minority Business Enterprise (MBE) development.

Chemico was named NMSDC MBE of the Year for the second time in 2025, and has been recognized by MMSDC more than a dozen times since 2001. As a Board member of the NMSDC and Chairman for the Minority Business Enterprise Input Committee (MBEIC), Richardson has helped increase business opportunities for thousands of certified minority businesses. He has personally invested in 20+ entrepreneurs of color.

Richardson co-chaired the General Motors Minority Supplier Council, served as chairman of the National Association of Black Suppliers, board member of Rainbow PUSH Coalition, Supplier Partnerships for the Environment and Chemical Management Suppliers Forum. Richardson is a devoted mentor working with up to 10 students and/or young professionals at any given time.

Empowering Women

Chemico has sponsored the Southern Automotive Women's Forum (SAWF) for nearly 10 years. SAWF helps advance women in the automotive industry through education, mentorship, networking, and leadership development.

\$40
Million +

Chemico has spent more than \$40 million with minority business enterprises since 2014. Chemico targets a minimum 12% minority spend.

Elevating Entrepreneurs

Continuously supporting minority business enterprises, Chemico CEO Leon C. Richardson served as a panelist for the "Minding My Black Owned Business" series, providing insight, transparency and takeaways for aspiring entrepreneurs.







GOVERNANCE

GOALS



- **Meet or exceed local, national, and international chemical safety, environmental, and trade regulations.**
.....
- **Maintain separate structures of leadership to strengthen oversight.**
.....
- **Integrate environmental risk into financial and contractual service planning.**
.....
- **Manage risks related to chemical safety, supply chain, cyber security, and operational disruptions.**
.....
- **Review governance policies regularly to reflect new risks and best practices.**
.....
- **Willing to support suppliers in improving governance.**
.....

Chemico met all governance objectives in 2025, maintaining full compliance with local, national, and international chemical safety, environmental, and trade regulations—zero violations across its locations. Oversight was strengthened by realigning executive leadership into distinct ownership structures, Automotive and Aerospace. Recertification of ISO 9001 and ISO 14001, paired with a management review of internal and external risks—chemical safety, supply chain, cybersecurity, and operational disruption—reinforced the company's risk posture. A formal review of governance policies found no changes required, and supplier governance support continues on an as-needed basis.

**“Governance
with good
intentions is the
hallmark.
Implementation
with
integrity is our
passion.”**

— Narendra Modi





Ensuring transparent, accountable, and inclusive governance is our top priority. We aim to foster trust among our stakeholders by promoting ethical decision-making, facilitating open communication, and prioritizing the needs and aspirations of our community. Through continuous improvement and engagement, we strive to create a resilient and adaptive governance framework that serves both current and future generations.

CODE OF CONDUCT

- Chemico expects its employees to behave ethically; unethical behavior affects the company's reputation and success. Chemico requires employees to carefully follow all laws and regulations, and have the highest standards of conduct and personal integrity.
- To further ensure that Chemico and its employees adhere to a common code of conduct, each employee is provided with our company handbook which provides guidance to our behavior and conduct.

ETHICAL BEHAVIOR - Policy Compliance -122-A



Chemico LLC seeks to treat all individuals fairly and create an inclusive environment. We respect human and labor rights standards through our commitment to the principles of the Universal Declaration of Human Rights and all local laws where we do business. In addition, our policies, procedures and practices align with the United Nations Global Compact (“UNGC”) principles and International Labour Organization (“ILO”) conventions.

At Chemico, ethical behavior is our standard. Employees are expected to do the right thing in all circumstances. This is reinforced via company meetings, mentoring and training. In addition, our HR department has a confidential communication channel to report any unethical activity.



ANTI-CORRUPTION - Policy Compliance-135-A

It is Chemico LLC's policy to conduct all of its business in an honest and ethical manner. Chemico LLC takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships. It is the goal of Chemico LLC to avoid acts which might reflect adversely upon the integrity and reputation of the Company.

Taking measures to ensure there is no corruption within the Chemico organization is a priority. For example, Chemico tracks all purchases to make sure our buyers purchase from company approved suppliers in the U.S.. We analyze all monthly purchases with a 98% goal. Documented reasons when material is purchased from a different supplier is required.



Chemico takes an active stance on our opposition to antitrust and dumping activities. We do this by publicly stating our opposition to these activities on our website, www.TheChemicoGroup.com.

Chemico warrants that all sales made are or will be made at no less than fair value under the applicable Anti-Dumping law, and Supplier will indemnify, defend and hold Buyer harmless from and against any cost or expenses (including but not limited to and anti-dumping duties which may be imposed) arising out of in connection with any breach of this warranty.



INFORMATION PROTECTION - Policy Compliance-123-A

Chemico LLC and its employees and contractors shall adhere to the terms of the stated Information and Data Security Policy. This policy is intended to set a standard for acceptable, security and protection of systems, data, intellectual property, and customer data where applicable. Cyber Security is of critical importance for the organization, and security tools alone cannot mitigate security breaches. The collective effort of all stakeholders, IT support staff and policies instituted organizationally will aid in a strong security posture against the threats that exist in the Cyber Security Space.

At Chemico, we take the zero-trust approach to security. We deploy endpoint protection (with encryption detection and remediation) on every device that connects to our corporate network with no exceptions. All physical networks sit behind a firewall with Intrusion Prevention technology enabled. All email is scanned by our Cisco ESA security appliance, with rules to block emails that contain malicious content. Additionally, we conduct cyber security training, and phishing campaigns to provide our staff with the tools to detect malicious attempts at exploiting user accounts.

- IT Security Training - Goal: 100%. 2025 Result: 100%
- Ethics Training - Goal: 100%. 2025 Result: 95%
- Annual Penetration Assessment completed



BUSINESS RESILIENCE AND CONTINUITY PLAN



Continue to drive ESG requirements in all aspects of our business

Chemico has a robust Business Resilience and Continuity plan which speaks to a number of key areas.

- ASSESSING RISK
- IDENTIFYING KEY BUSINESS FUNCTIONS
- EMERGENCY RESPONSE TEAMS AND COMMUNICATION PLANS
- DATA BACK-UP
- FACILITY AND EQUIPMENT PREPAREDNESS
- TESTING AND EXERCISING
- REGULATORY COMPLIANCE
- SUPPLIER AND VENDOR RELATIONSHIPS
- REMOTE WORK CAPABILITIES





SUPPLIER CODE OF CONDUCT

Chemico is committed to operating in an ethical and environmentally responsible manner, providing a work environment based on respect, dignity, and safe working conditions for employees, customers, and suppliers. Our more than 1,500 suppliers are required to embrace our social, environmental, and ethical responsibilities.

Our Supplier Code of Conduct is regularly updated and distributed to all vendors via contracted purchase order (PO) submission. Acceptance of our PO is a commitment to adhere to the Chemico Supplier Code of Conduct.



CHEMICO GROUP

25200 Telegraph Road, Suite 120,
Southfield, MI 48033

Phone: +1 248 723 3263

Email: info@thechemicogroup.com

www.thechemicogroup.com