



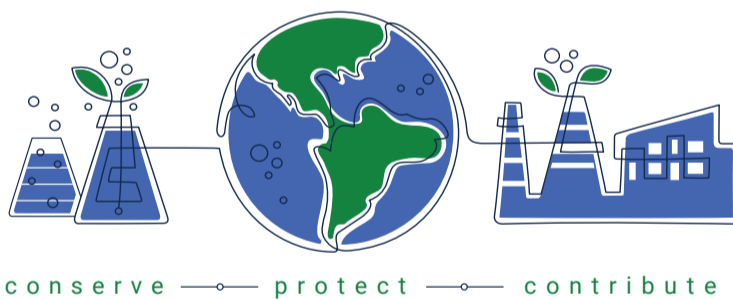
“It is my family’s commitment to having a positive, long-term effect on the people we impact.”

Tom Shepherd, CEO

OUR CORE PURPOSE

Shepherd Material Science exists solely for the purpose of Creating Value that Brightens Lives. This is our “Core Purpose” and a reflection of my family’s commitment to having a positive long-term effect on the people we impact. “Whose lives?” one might wonder. Specifically, those of our customers, our team members, our neighbors, society in general, and our shareholders. Value for each of these constituencies means delivering more benefit than their best alternative while being good stewards of the environment and the earth’s resources. We are very intentional about this.

- **For customers** value includes quality products reliably delivered at prices that provide the most value, PLUS a technically expert partner with whom they can co-develop their own value creating, sustainability enhancing products.
- **For our team members** (of which I am one) value includes good and reliable pay and benefits, a place where we belong, a safe and fulfilling work experience, and a purpose of which we are proud.
- **For our neighbors** value includes attractive jobs, community leadership and philanthropic assistance, clean water and air, and tax revenues that support local governments.
- **For society in general** value includes good for the world end-products such as automotive air bags, energy efficient buildings, and more recyclable plastics, the efficient use of resources, and the absence of detrimental elements such as pollution, waste, and corruption.
- **For our shareholders** value includes persistent acceptable returns on investment, deep and long relationships with those listed above, and the knowledge that we are creating value that brightens lives and contributing to a better, more sustainable world.



SUSTAINABILITY ROADMAP

Shepherd Material Science is committed to pursuing innovations that simultaneously brighten the lives of all constituents. While such innovations are rarely easy to find and often difficult to carry out, they can be profoundly sustainable and productive when realized. Recent successes include product and process innovations that simultaneously use less energy, generate less waste, are less challenging to produce, and enable our customers to develop their own sustainable innovations.

- We will continue to establish meaningful sustainability goals and strategies in the areas of safety, belonging, product stewardship, water and energy usage, water and air emissions, and community outreach.
- We are committed to understanding and reporting each operating company’s scope 1 and 2 greenhouse gas emissions and to developing appropriate improvement targets.
- We will pursue these ends at a pace that creates value, aiming each day to be more sustainable than we were the day before.
- As requests for sustainability reports are vast and diverse, we are unable to respond to every inquiry in the manner requested. Instead, we have chosen to adopt pertinent sustainability standards at each operating company and maintain a vital few internal improvement metrics to be shared with customers and other stakeholders.