

# SUSTAINABILITY POLICY STATEMENT

As a leading global producer of complex inorganic color pigments, The Shepherd Color Company understands our significant responsibility to be sustainable in all of our practices. While we are committed to engineering the highest quality products in the industry, we realize that it must be achieved without harm to people or to our planet. We believe that color should only be used to Brighten Lives.

Throughout all of our business processes, we are proactive in our commitment to sustainable practices, including the following:

- Identifying and eliminating any negative impacts to the environment or to society.
- Exploring innovative products and integrated processes that conserve natural resources and fuel our sustainability efforts.
- Engaging in practices that continually earn Shepherd Color certification from recognized platforms as a sustainable company.

In accordance with our commitment to sustainability and quality products, Shepherd Color seeks to engage with partners who also are committed to the responsible use of our natural resources. Our procurement of quality, sustainable materials and resources are critical components of our commitment to an environmentally-friendly business.

Our Sustainability Policy, applies to all supply chain partners of The Shepherd Color Company, including the procurement of materials that support our pigment technologies.

## **ECONOMIC, ENVIRONMENTAL & SOCIAL OBJECTIVES**

At Shepherd Color, we are committed to open dialogue about our economic, environmental and social impacts in all aspects of our company's research initiatives, procurement practices and overall operations.

We are **Proactive** in implementing stringent guidelines to ensure we conform to all applicable environmental regulations. We partner with supply chain providers who support our sustainability commitment; and engage in conscious practices that do not negatively impact the environment.

As a team, we realize that our sustainable practices must go beyond what has been regulated for our industry. We regularly pursue knowledge of the latest practices and innovations that are **Proven** to promote a healthier planet and protect its people. We take the initiative to implement them as part of our **Principled** approach.

#### Proactive

At Shepherd Color, we are **Proactive** in developing and implementing practices that reduce our reliance on natural resources, including energy, water and raw materials, and implement proven methods to reduce greenhouse emissions. We also are keenly aware of the indirect impact we have on the environment through our partnership with suppliers. As a result, we ensure that we partner with companies who also are committed to sustainable practices.

Policy Updated: 4/4/2019



#### Proven

Shepherd Color is dedicated to producing quality inorganic color pigment solutions that support the growth of our company and the industries we serve — without losing sight of our responsibility as a sustainable corporation. We integrate sustainable practices in all aspects of our company's operations, engaging in conservation efforts that are **Proven** to protect the environment. As a result, our company has been able to reduce its carbon footprint by 25 percent within a 10-year period.

#### Principled

Shepherd Color operates via a **Principled** approach that treats people well. Our commitment to sustainable practices ensures a safe work environment for the people who work at Shepherd Color and for all people around the world. Our policy excludes any purchases or supplier partnerships that are tied to Conflict Materials originating from the Democratic Republic Congo (DRC) and surrounding areas, or artisanal mining/small-scale mining, which have been shown to be associated with unfair labor practices, human rights violations, child and forced labor practices, environmental violations, and other human rights infractions. In seeking to ensure that we do not promote human rights violations, Shepherd Color will seek assurances from its suppliers that raw materials are free of DRC Conflict Minerals or artisanal mined minerals.

### SUMMARY OF SUSTAINABLE COMMITMENT

At Shepherd Color, every team member is guided by our commitment to find better ways to engineer innovative products that add value while fueling sustainability around the globe. We are encouraged by suppliers who share our commitment to engage in practices that have minimal negative impact on the environment; minimize dependency on natural resources; innovate environmentally-friendly initiatives; take measures to reduce our carbon footprint and ensure that the raw materials we use do not support conflict or result in human rights violations of any type.