



REAGENT CHEMICAL

SUSTAINABILITY REPORT 2024

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Welcome

At Reagent Chemical & Research, LLC, we are proud to share our 2024 Sustainability Report – a reflection of our ongoing commitment to ethical conduct, environmental responsibility, and the wellbeing of our employees and communities. With nearly five decades of operational excellence, we recognize the need to evolve alongside the expectations of our customers, regulators, and partners by embedding sustainability into all facets of our business.

We thank our dedicated employees, suppliers, and clients who have contributed to this progress and continue to support our path forward.



REAGENT CHEMICAL

Company Overview

Reagent Brings HCl Safely To You

Reagent Chemical & Research, LLC is a leading provider of hydrochloric acid and related chemical products and services, serving the energy, industrial, food, pharma, and utility sectors across the United States. Headquartered in New Jersey, with operations in multiple states, Reagent is recognized for its commitment to operational excellence, rigorous safety standards, and environmental stewardship. Our mission is simple: deliver products safely, reliably, and responsibly – protecting our people, our communities, and the environment. We combine decades of expertise with continuous innovation to ensure we meet and exceed regulatory requirements while reducing our environmental footprint.



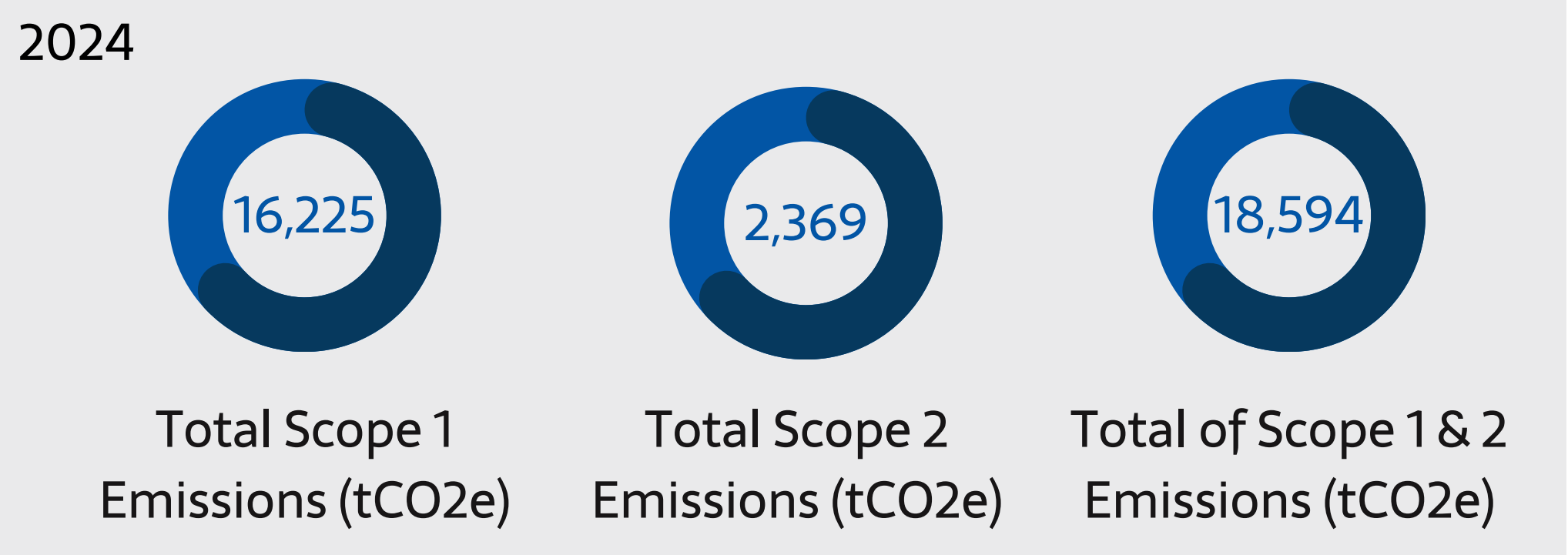
Started Tracking Data

We have always prioritized health, safety, quality, and community. Now, we are taking it further, tracking detailed baseline data across key performance areas to measure progress, set ambitious targets, and achieve better outcomes year over year.



Investing in Action

From implementing advanced safety measures to rolling out sustainability initiatives, we turn our commitments into measurable results. Our teams receive ongoing training, our operations adopt smarter, more efficient technologies, and our partnerships are built on transparency and trust.



Scope 1 & 2 GHG Emissions – Reduce both by 5% by 2028 (vs. 2024 baseline: 16,225 tCO₂e and 2,369 tCO₂e).

Environmental	
Key Issue	2024
Energy (mWh)	5,470,880
Renewable Energy (mWh)	913
Total Water Usage (gal)	3,036,200
Total Natural Gas (therms)	162,305
Total Waste (tons)	136



Key Metrics and Data 2024

- Full Time Equivalents: 462
- Annual Turnover Rate: 13.4%
- Number of Unique Addresses: 21
- Total Work-Related Injuries: 6
- Days Lost to Injury: 413
- Total Work-Related Fatalities: 0
- Employee Survey Participation: 70%
- Gender Breakdown: 12.12% Women
- Employees Trained on Cybersecurity: 100%
- Benefit Eligibility: 100%
- Avg. Percent of Living Wage Earned: 192%

Labor & Human Rights

At Reagent Chemical & Research, LLC, we recognize our people as our most important asset. We are committed to fostering a work environment that promotes safety, dignity, professional growth, and respect for human rights.



Key Issues & Commitments

1. **Health & Safety:** We are committed to providing a safe, healthy, and hazard-free workplace by integrating proactive training, regular facility inspections, and a strong reporting culture.
2. **Working Conditions:** We maintain equitable, respectful, and predictable working conditions through fair wages, safe shift patterns, clear role expectations, and well-maintained facilities that support employee well-being.
3. **Communications:** We foster open communication across all levels through safe reporting mechanisms, accessible managers, and regular opportunities for employee feedback.
4. **Career Management & Training:** We invest in employee growth by offering tuition assistance, reimbursement, and upskilling opportunities to help employees advance their skills and careers.

Human Rights & Labor Protections

We prohibit forced or compulsory labor, child labor, human trafficking, and harassment or abuse, and uphold zero tolerance for these violations through ongoing monitoring and annual supply chain assessments.

Our Baseline & Targets

Work-Related Injuries & DART

- Baseline (2024): 6 work-related injuries/illnesses, 5 DART (Days Away, Restricted, or Transferred) cases, 413 DART days
- Target (2028): 0 injuries, 0 DART cases

Health Benefits

- Baseline (2024): 100% of full-time employees have access to and are eligible for health benefits
- Target (2028): Maintain 100% access and eligibility

Employee Feedback Meetings

- Baseline (2024): 1 site meeting per quarter for employee-manager feedback and engagement
- Target (2026): Maintain 1 meeting per quarter

Tuition Assistance & Upskilling

- Baseline (2024): 100% of full-time employees offered tuition assistance/reimbursement and upskilling opportunities
- Target (2028): Maintain 100% access to these programs

Diversity Training

- Baseline (2024): 0% of employees have received diversity training
- Target (2027): Provide diversity training to 100% of employees

Human Rights Protections

- Baseline (2024): 0 recorded incidents of forced labor, trafficking, or underage workers
- Target: Maintain zero incidents, monitored through annual supply chain assessments

Sustainable Procurement

At Reagent Chemical & Research, LLC, our mission is to operate with integrity, safety, and accountability – extending these principles throughout our global supply chain. As a chemical company, we recognize that responsible sourcing is critical not only to our operational performance but also to the environmental and social well-being of the communities we impact.

Key Issues & Commitments

1. Supplier Environmental Practices: We partner with suppliers that demonstrate strong environmental stewardship, including minimizing pollution, managing waste responsibly, and adopting cleaner, more efficient operations.
2. Supplier Social Practices: We expect all suppliers to uphold recognized labor and human rights standards, providing safe workplaces, fair wages, and freedom from discrimination, forced labor, and child labor.
3. Training & Capacity Building: We train our Supply Chain Team in sustainable procurement best practices, covering environmental issues, human rights, modern slavery awareness, and supplier screening. Where risks are identified, we may conduct on-site audits to verify supplier practices.

Vendor and Supplier Code of Conduct

In 2025, Reagent Chemical is releasing its first Vendor and Supplier Code of Conduct, outlining preferred practices for suppliers, contractors, and partners.

The Code describes expectations in areas such as:

- Legal & Ethical Compliance – Following applicable laws, avoiding corruption, and conducting business transparently.
- Human Rights & Fair Labor – Providing safe working conditions, avoiding forced or child labor, and treating workers fairly.
- Health, Safety & Wellbeing – Managing workplace risks, offering safety training, and maintaining sanitary conditions.
- Environmental Care – Complying with environmental regulations, responsibly managing waste and emissions, and preventing spills.

The Code serves as a reference point to encourage safe, fair, and responsible practices across Reagent’s supply chain.



Our Baseline & Targets

Supplier Environmental Practices

- Baseline (2024): 85% of top 20 suppliers have formal environmental policies or certifications
- Target (2027): Increase to 95% with verified environmental practices

Supplier Social Practices

- Baseline (2024): 85% of top 20 suppliers have documented human rights or social responsibility commitments
- Target (2027): Increase to 95% with verifiable social responsibility policies or codes of conduct

Environmental Stewardship

Reagent is committed to conducting all operations in an environmentally responsible, safe, and legally compliant manner. As a chemical distributor with nationwide operations, we recognize that our environmental impact extends beyond compliance and includes energy use, emissions, air quality, waste, environmental services & advocacy, and the health and safety of our customers.

Key Issues & Commitments

1. **Energy Consumption & GHG Emissions:** We are improving energy efficiency across our fleet and terminals through new high-efficiency truck engines, installation of variable frequency drives (VFDs) on pumps and blowers, and the adoption of LED lighting at most sites.
2. **Air Pollution:** We minimize air emissions using engineering controls such as scrubber systems, dust collectors, and regenerative thermal oxidizers (RTOs) with over 99% destruction efficiency, while reducing natural gas use through operational improvements.
3. **Materials, Chemicals & Waste:** We follow strict hazardous material handling standards, provide employee training, and generate minimal hazardous waste. We recycle metal components and scrap parts, extend the life of rail cars through maintenance, and ensure all end-of-life rail cars are recycled or refurbished. We are strengthening waste tracking and rolling out waste diversion efforts at key terminals.
4. **Customer Health & Safety:** We ensure every product shipment meets safety and compliance requirements, including updated Safety Data Sheets (SDS) and guidance on best handling practices, supported by a shipment traceability system.
5. **Environmental Services & Advocacy:** We foster a culture of environmental responsibility through employee engagement, sustainability initiatives, and open dialogue, empowering staff to take ownership of creative solutions for reducing environmental impacts.



Our Baseline & Targets

Energy & GHG Emissions

- Baseline (2024): 5,470,880 kWh total energy use; Scope 1 emissions: 16,225 tCO₂e; Scope 2 emissions: 2,369 tCO₂e
- Target (2028): Reduce Scope 1 and Scope 2 emissions by 5%; maintain energy use at or below 2024 baseline

Air Pollution Control

- Baseline (2024): 1 formal air quality stack test completed (Knox Terminal)
- Target (2026): Complete 1 additional required stack test at SCAT facility

Waste Management

- Baseline (2024): No formal waste management training; 100% of end-of-life rail cars recycled or refurbished
- Target (2026): Provide waste management training to all employees; maintain 100% end-of-life rail car recycling/refurbishing

Customer Health & Safety

- Baseline (2024): 0 product-related safety incidents (via NCR system)
- Target (2026): Maintain zero incidents

Environmental Engagement

- Baseline (2025 start): No prior formal annual sustainability campaign
- Target (2025 onward): Run at least 1 employee-led sustainability campaign each year to encourage positive environmental behaviors



Ethics and Compliance

Reagent is committed to maintaining the highest standards of ethical conduct and integrity in all aspects of its operations. This Code of Ethics serves as a guide for all employees, contractors, and business partners, providing expectations for behavior and decision-making that align with our core values of accountability, transparency, and respect.

Key Issues & Commitments

1. **Anti-Corruption & Bribery Prevention:** We uphold a zero-tolerance approach to bribery and corruption. Employees must avoid offering, accepting, or requesting anything of value that could improperly influence business decisions.
2. **Fraud & Money Laundering:** We prohibit deceptive practices and ensure all financial transactions are transparent, accurately documented, and traceable.
3. **Conflict of Interest:** Employees must avoid situations where personal interests could conflict with company interests, and disclose any potential conflicts immediately.
4. **Responsible Information Management:** We safeguard confidential, financial, and customer information in line with data protection laws and internal protocols, and prohibit unauthorized access, use, or disclosure.
5. **Disciplinary Measures:** Violations may result in corrective action up to and including termination, with legal action for serious breaches.
6. **Reporting & Whistleblower Protection:** We encourage employees to report unethical behavior through secure internal channels, investigate concerns confidentially, and strictly prohibit retaliation against good faith reporting.



Our Baseline & Targets

Anti-Corruption & Bribery

- Baseline (2024): 0 recorded incidents
- Target (Ongoing): Maintain 0 incidents through annual training and audit monitoring

Data Privacy & Security

- Baseline (2024): 0 confirmed data privacy breaches
- Target (2027): Maintain 0 breaches; 100% of employees complete annual information security training

Future Commitments

Reagent is committed to continuous improvement in our sustainability journey. Through strategic partnerships, targeted training, and stronger supplier engagement, we are taking concrete steps to enhance our environmental and social performance.

EcoVadis

We are actively participating in EcoVadis. Our goal is to improve our score in the next submission cycle by addressing key areas such as supplier assessments, employee training, and environmental data reporting.

Partnerships

We are utilizing Tablecloth and ThisRock to ensure that we are pulling sustainability data, policies, actions, and reporting across all locations and topics. These partnerships help us streamline our ESG data management and improve transparency.

Training

Our employees are getting trained on sustainability. This includes climate awareness, ethical business practices, and EcoVadis-aligned education to strengthen our internal culture and external reporting.

Suppliers

There is much we can do to improve upon our sustainable procurement work with our vendors and suppliers. We are exploring more thorough supplier evaluations, requesting sustainability certifications, and improving traceability in our procurement processes.



THANK YOU

2024 marked a pivotal year in Reagent's sustainability journey. From emissions tracking and training to supplier engagement and ethical governance, we are setting a foundation for a more resilient future. We are proud of the progress made and energized by the work ahead.

Appendix A: United Nations Sustainable Development Goals (UN SDGs)







United Nations Sustainable Development Goals (UN SDGs)

The Sustainable Development Goals (SDGs), also known as Global Goals, are a set of 17 integrated and interrelated goals to end poverty, protect the planet and ensure that humanity enjoys peace and prosperity by 2030.

Please see Reagent’s alignment and progress towards 4 of the 17 UN SDGs on the next page.

Appendix A: United Nations Sustainable Development Goals (UN SDGs)

United Nations Sustainable Development Goal (UN SDG)	ICON	Why Do We Align To This SDG?	Key Actions Towards SDG
SDG 6: Clean Water & Sanitation	 The icon for SDG 6, Clean Water and Sanitation, features a blue square with the number 6 in the top left, the text 'CLEAN WATER AND SANITATION' in the top right, and a white graphic of a water drop falling into a glass with a downward arrow below it.	We are committed to protecting water resources by implementing wastewater treatment and discharge controls, reducing consumption through efficiency measures, and ensuring compliance with all water safety regulations.	<ul style="list-style-type: none">• Invest in water recycling and reuse initiatives.• Partner with suppliers to improve water conservation across the value chain.• Conduct water impact assessments at key facilities.
SDG 12: Responsible Consumption & Production	 The icon for SDG 12, Responsible Consumption and Production, features a brown square with the number 12 in the top left, the text 'RESPONSIBLE CONSUMPTION AND PRODUCTION' in the top right, and a white graphic of a circular arrow forming an infinity symbol.	We reduce hazardous waste through process efficiencies, increase recycling and repurposing of materials, and encourage responsible chemical usage among customers.	<ul style="list-style-type: none">• Set formal waste reduction and circular economy targets.• Enhance transparency in product lifecycle impacts.• Develop take-back programs for select chemicals and packaging.
SDG 3: Good Health & Well-being	 The icon for SDG 3, Good Health and Well-being, features a green square with the number 3 in the top left, the text 'GOOD HEALTH AND WELL-BEING' in the top right, and a white graphic of a heartbeat line with a heart symbol at the end.	We maintain high driver retention rates, support employee fitness, enforce rigorous safety protocols, provide PPE and regular training, and monitor air and water quality in and around our facilities.	<ul style="list-style-type: none">• Enhance occupational health programs.• Partner with industry to develop safer chemical alternatives.• Expand wellness initiatives to support employee well-being.
SDG 9: Industry, Innovation, and Infrastructure	 The icon for SDG 9, Industry, Innovation and Infrastructure, features an orange square with the number 9 in the top left, the text 'INDUSTRY, INNOVATION AND INFRASTRUCTURE' in the top right, and a white graphic of three interlocking cubes.	We utilize advanced logistics and storage solutions to improve efficiency, invest in modern low-impact production technologies, and support R&D for sustainable chemical applications.	<ul style="list-style-type: none">• Expand investment in green chemistry innovations.• Improve supply chain sustainability through lower-emission transportation.• Collaborate with industry groups on sustainability best practices.

Appendix B: Sustainable Accounting Standards Board (SASB): Chemical Industry

TOPIC	METRIC	CATEGORY	UNIT OF MEASURE	CODE	2024
Greenhouse Gas Emissions	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Quantitative	Metric tonnes (t) CO ₂ -e, Percentage (%)	RT-CH-110a.1	16,225, 100%
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and analysis of performance	Discussion and Analysis	N/A	RT-CH-110a.2	We plan to focus on locations with the highest natural gas consumption — for example, the Knox facility in 2024 — to identify and implement reduction opportunities. This includes conducting an energy and gas usage review to pinpoint efficiency improvements and initiating employee training programs to raise awareness and encourage site-level action. These measures aim to reduce overall consumption and lower Scope 1 emissions in both the short and long term.
Air Quality	Air emissions of pollutants: (1) NOX (excluding N ₂ O), (2) SOX, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	Quantitative	Metric tonnes (t)	RT-CH-120a.1	Not tracking
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, and (4) total self-generated energy	Quantitative	Gigajoules (GJ), Percentage (%)	RT-CH-130a.1	(1) 5,470,880 kWh (19,695 GJ), (2) 100%, (3) 0%, (4) 0% (Note: 5,470,880 kWh converted to gigajoules using the factor 1 kWh = 0.0036 GJ.)
Water Management	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High/Extremely High Baseline Water Stress	Quantitative	Thousand cubic metres (m ³), Percentage (%)	RT-CH-140a.1	(1) 3,036,200 gallons (11.49 thousand m ³), (2) 0% (Note: (3,036,200 gallons; 1 gallon = 0.003785 m ³)
	Number of incidents of non-compliance with water quality permits, standards, and regulations	Quantitative	Number	RT-CH-140a.2	0
	Description of water management risks and strategies to mitigate those risks	Discussion and Analysis	N/A	RT-CH-140a.3	We operate in regions with low baseline water stress and have no identified water scarcity risks. Our facilities use water primarily for industrial processes and sanitation, with no material depletion of local resources. To mitigate potential risks, we monitor usage monthly, maintain preventive maintenance on water systems, and implement leak detection and prompt repair protocols. These measures ensure compliance with all applicable permits and minimize the risk of water-related operational disruptions

Appendix B: SASB continued

TOPIC	METRIC	CATEGORY	UNIT OF MEASURE	CODE	2024
Hazardous Waste Management	(1) Amount of hazardous waste generated, (2) percentage recycled	Quantitative	Metric tonnes (t), Percentage (%)	RT-CH-150a.1	(1) 0 tonnes, (2) Not applicable (no hazardous waste generated)
Community Relations	Discussion of engagement processes to manage risks and opportunities associated with community interests	Discussion and Analysis	N/A	RT-CH-210a.1	Where applicable, we collaborate with local organizations on initiatives that enhance safety, reduce environmental impact, and contribute to community well-being. This includes responsible waste diversion activities, such as recycling decommissioned railcars to prevent landfill use, and minimizing noise, dust, and other operational impacts on surrounding neighborhoods.
Workforce Health & Safety	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Quantitative	Rate	RT-CH-320a.1	(1) 1.22 TRIR. (2) a 0, b 0
	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to chronic health risks	Discussion and Analysis	N/A	RT-CH-320a.2	We manage employee and contractor health risks through site-specific safety assessments, emergency action plans, and regular safety training with documented records. A formal incident reporting process is available through the employee handbook and whistleblower policy. Equipment safety is maintained through daily driver checks and annual inspections, and employees are incentivized to complete annual physicals and eye exams. Chemical handling risks are mitigated with ventilation systems and safe work instructions, and all employees have access to an Employee Assistance Program (EAP) to support mental health and wellbeing.
Product Design for Use-phase Efficiency	Revenue from products designed for use-phase resource efficiency	Quantitative	Presentation currency	RT-CH-410a.1	\$0
Safety & Environmental Stewardship of Chemicals	(1) Percentage of products with GHS Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products hazard-assessed	Quantitative	Percentage (%) by revenue, Percentage (%)	RT-CH-410b.1	(1) Not tracking, (2) Not tracking
	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human or environmental impact	Discussion and Analysis	N/A	RT-CH-410b.2	We actively manage chemicals of concern by maintaining Safety Data Sheets (SDS) for all products, ensuring full hazard communication, and complying with applicable regulations for manufacturing, handling, storage, and transport. For hydrogen chloride and other regulated substances, we use closed-system transfers, employee training, and preventive maintenance to minimize release risks. We regularly monitor regulatory developments and assess opportunities to offer or substitute lower-hazard alternatives where technically and commercially feasible

Appendix B: SASB continued

TOPIC	METRIC	CATEGORY	UNIT OF MEASURE	CODE	2024
Genetically Modified Organisms	Percentage of products by revenue that contain genetically modified organisms (GMOs)	Quantitative	Percentage (%) by revenue	RT-CH-410c.1	0%
Management of Legal & Regulatory Environment	Discussion of corporate positions on government regulations or policy proposals addressing environmental and social factors	Discussion and Analysis	N/A	RT-CH-530a.1	Reagent Chemical & Research, LLC supports science-based regulations that protect health, safety, and the environment while enabling efficient chemical distribution. We comply with all applicable laws and monitor changes in energy, emissions, air quality, waste, and safety regulations. Our Environmental Policy commits us to continuous improvement through cleaner technologies, efficiency upgrades, and employee training to meet or exceed regulatory standards.
Operational Safety, Emergency Preparedness & Response	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	Quantitative	Number, Rate	RT-CH-540a.1	0, 0, 0
	Number of transport incidents	Quantitative	Number	RT-CH-540a.2	0

This report was put together by ThisRock Inc., an expert in ESG and Sustainability. The following credentials support their recognition as a third party:

- FSA Credential from the IFRS: The FSA Credential from the IFRS shows a deep understanding of sustainability's financial impacts and the ability to assess and disclose these.
- Sustainability Leadership Certification: This certification highlights advanced knowledge and leadership in sustainability practices.