

# 2020

## SUSTAINABILITY REPORT

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ACME-HARDESTY

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# WHO WE ARE

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Acme-Hardesty began more than 75 years ago. As a division of Jacob Stern and Sons, we're built upon an even longer history of innovation and growth.

We see ourselves as the bridge that connects suppliers in far away places with customers in North America. And as a pipeline—one that brings essential materials, needed by thousands of manufacturers, to create products that make life better for millions of consumers worldwide.

We prioritize sustainability in the bio-based chemical sourcing industry and provide renewable, sustainable alternatives for manufacturers.

At Acme-Hardesty, our word is our bond. We prioritize sustainability in the bio-based chemical sourcing industry and provide renewable, sustainable alternatives for manufacturers.

We're dedicated to making a difference for the people and the planet, and we want to help you do the same. We understand sustainable sourcing is the present and future, and manufacturers should be able reap the benefits of ethical sourcing. As such, we'll work with manufacturers to teach them about sustainable sourcing, ensuring they can enjoy the benefits of ethical sourcing for years to come.

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# VISION



## WE PROACTIVELY MARKET AND SELL RENEWABLE BIO-BASED PRODUCT ALTERNATIVES

We source products from manufacturers with sustainable agricultural practices.

We aim to increase demand for sustainable products for customers



## WE STRENGTHEN RELATIONSHIPS IN THE COMMUNITIES WHERE WE OPERATE

We optimize the design of our supply chain to minimize carbon footprint.



## OUR BIO-BASED PRODUCTS ENABLE OUR CUSTOMERS TO DEVELOP MORE SUSTAINABLE SOLUTIONS

We foster an environment of continuous learning to promote responsible practices such as recycling, waste reduction, energy consumption, and health and well being.

We educate our employees and promote responsible practices to benefit future generations.

## OUR STRATEGY FOR SUSTAINABILITY CENTERS AROUND THREE PILLARS OF ACTION

Sustainability is nothing new to us. Sustainable, renewable products have been part of our business for more than 70 years.



WE CHAMPION THE DEVELOPMENT OF NEW AND SUSTAINABLE SOLUTIONS FOR REAL-WORLD APPLICATIONS

# OUR PEOPLE

At Acme-Hardesty, we believe that respect for others is fundamental to everything we do. That honesty and integrity are essential to our relationships and the foundation for the way we do business. And that our word is our bond. We follow through on our commitments to customer, suppliers, and each other – no matter what challenges we may face

Without exception, our success is built by people who uphold the following key principles:

- **Take thoughtful action.** Consciously employ an organized and systematic approach to business, supported by proactive planning, performance reporting, analysis, and execution in the quest for continuous improvement.
- **Promote teamwork.** Collaborate, communicate, and act in concert to accomplish goals with team members based on a confidence, trust, and accountability to others.

- **Encourage personal growth.** Strive to improve personally, to perform at a higher level, and to inspire and assist others along the way.
- **Maintain an inquisitive nature.** Desire to know more and acquire information to better understand our business, the marketplace and better perform your job.
- **Add value.** Possess a drive and ability to add value to commerce between producers and purchasers.
- **Do your best and enjoy what you do.**



A background image showing a close-up of two hands shaking, symbolizing partnership or agreement.

# OUR PARTNERS

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Acme-Hardesty calls upon our deeply valued relationships to meet the needs of both suppliers and customers, and provide a dependable, cost effective flow of quality products from source to end user. Suppliers count on us to serve customers of all sizes across the globe, and our customers rely on us to source products from ethical and environmentally progressive manufacturers. We are constantly searching out new sources that meet not only our high standards, but those of our customers.

## KLK OLEO

KLK Oleo is one of the leading global producers of oleochemicals and derivatives. Based in Kuala Lumpur, Malaysia, KLK Oleo has become a leader in quality, sustainability and renewable chemistry worldwide. With an extensive product portfolio, KLK has built a large international business into a wide array of markets.

As a prominent chemical supplier, KLK Oleo is a leading innovator in sustainability and corporate social responsibility. The company is committed to improving both environmental and social conditions in every community it works in.

Learn more at [www.klkoleo.com](http://www.klkoleo.com).

## TEMIX OLEO

Temix Oleo is a leading manufacturer of oleochemicals made from renewable sources. The company maintains a deep and abiding respect for our planet, and produces high-quality products through environmentally sustainable operations and cutting-edge technology.

Temix Oleo is a leading chemical supplier committed to using technology to develop more sustainable, planet-friendly products. By leading innovation at this level, the company continues to bring products to market that meet the demanding needs of today's producers and consumers, while ensuring a sustainable future for us all.

Learn more at [www.temixoleo.com](http://www.temixoleo.com).



## SHARON LABORATORIES

For over three decades, Sharon Laboratories has been effectively providing preservative solutions for the global personal care market. Sharon Laboratories' state-of-the-art analytical and microbiological technology, ISO certification and environmentally friendly production facilities, ensure our product safety and quality.

By practicing upstream environmental responsibility, Sharon provides customers the opportunity to fulfill their own commitment to the environment.

Learn more at [www.sharon-labs.com](http://www.sharon-labs.com).

## CITRÓLEO

Citróleo is a 100% Brazilian company recognized for its quality standards and commitment to sustainability. Citróleo offers 100% natural and sustainable products which are acquired through renewable sources, and are developed to the highest quality standards, are distributed to all regions of the world.

For Citróleo, sustainability means being in harmony with nature, ensuring the well being of the planet and the future of the new generations. In 2016, Citróleo received the FSC® Certification for the plan of sustainable management of the candeia tree.

Learn more at [www.citroleogroup.com](http://www.citroleogroup.com).

## COSUN BIOBASED PRODUCTS

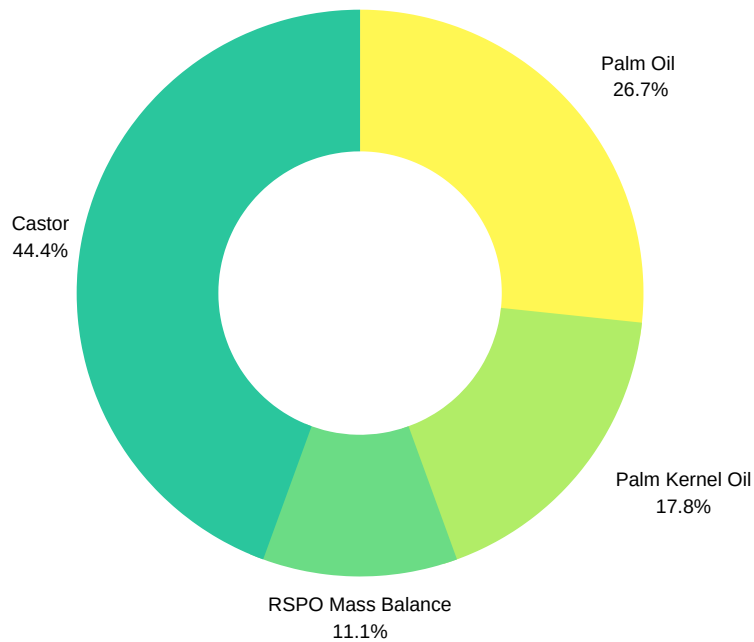
Cosun Biobased Products focuses on development of innovative biobased chemicals and materials from renewable, vegetable resources. Cosun is backward integrated and has direct access to large quantities of feedstock. This enables Cosun to provide security of supply to its customers.

Royal Cosun is committed to the biobased economy and therefore invested in an integrated and cost-effective cascading biorefinery to refine sugar beet pulp and isolate high value components.

Learn more at [www.cosunbiobased.com](http://www.cosunbiobased.com).







As a leading supplier of castor and palm derivatives, Acme-Hardesty recognizes the need for renewable raw materials for manufacturing sourced in an ethical way. We are committed to upholding responsible sourcing practices to reduce the environmental and social impacts associated with our products.

Acme-Hardesty's goal is to be a champion of sustainability within our industry, and to deliver high quality products through a sustainable and diversified supply chain. We source products from manufacturers with sustainable agricultural practices and we aim to increase demand for sustainable products from customers.

The manufacturing landscape is changing, and organizations that fail to keep pace could fall behind the competition, miss out on growth opportunities and struggle to control their costs. Fortunately, Acme-Hardesty is available to support manufacturers and ensure these organizations can capitalize on ethical sourcing both now and in the future.

# SOURCING

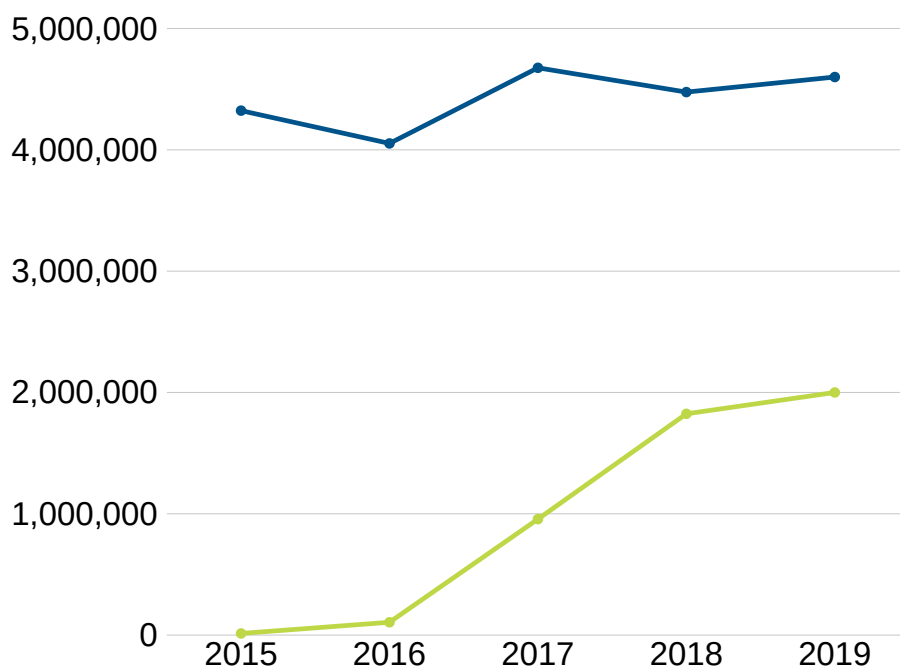


# RSPO MASS BALANCE

Acme-Hardesty is committed to reducing our contribution to deforestation as a result of the palm oil industry. We work closely with the Roundtable on Sustainable Palm Oil (RSPO) to ensure traceability of the raw materials used in the ingredients we distribute.

We are a proud member of the RSPO and our Mass Balance Certification is subject to strict verification, annual audit and a 5-year reassessment. Our entire product line of fatty acids, alcohols and esters are now available as RSPO.

Responsibly addressing the environmental issues associated with Palm oil is a top priority for Acme-Hardesty. We have had an 22% growth year over year in RSPO imports versus prior year and plan to continue to grow 25% in 2020.



RSPO PALM OIL & PKO PRODUCT GROWTH

## 22%

Increase in RSPO imports versus prior year





# SUPPLY CHAIN

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## **NACD Code VI: Waste Management**

Acme-Hardesty is currently classified as an exempt small quantity generator. The disposal of product is contracted to Veolia Environmental and takes place only when necessary. Acme Hardesty tries all other means of moving product before declaring it to be for disposal. Acme Hardesty senior management is committed to waste reduction and pollution prevention at all facilities. All avenues are explored to prevent the disposal of product from our warehouses and terminals.

# CASTOR MODEL FARM PROJECT

As part of our firm commitment to achieving sustainability, Acme-Hardesty is a proud partner of the Castor Model Farm Project. This initiative and its sponsors are committed to making castor seed farming more sustainable. To raise castor productivity by working closely with farmers, the Castor Model Farm Project will establish 200 farms for castor cultivation in five districts of Gujarat, which accounts for 80% of castor production in India. As part of the initiative, farms involved in the project will receive certified seeds, fertilizers, technical expertise and other farm inputs free of cost to farmers.

Castor seed cultivation had lost farmers' interest due to higher input costs and reduced margins. Acme-Hardesty works closely with farmers to gauge progress and show our commitment and passion for sustainability. New farming techniques will lead to higher productivity and will insulate farmers from price fluctuation and sustain their interest to grow castor seed.

## PROGRESS

258

NUMBER OF  
MODEL FARMS

3846

KGS/HA

MODEL FARMS  
YIELD

56.6 %

AVERAGE  
PRODUCTIVITY  
INCREASE



# WASTE REDUCTION

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This year Acme-Hardesty has taken on a new initiative to reduce the amount of waste we generate in the office. To aid in this initiative, we have provided each of our employees with reusable mugs and water bottles. These mugs are BPA-Free, dishwasher safe, and meets the need for employees to enjoy both hot and cold beverages in the office.

## FOOTPRINT

Annually, Acme-Hardesty employees use upwards of 2000 disposable cups. By switching to a reusable alternative, we've reduced the amount of waste generated in the office significantly.

## COST SAVINGS

Acme-Hardesty will see an estimated annual cost savings of \$1500 by eliminating single-use cups, lids, and straws.

## ENVIRONMENTAL IMPACT

With more than 8 trillion pieces of plastic dumped in the world's oceans each year, and 91% of plastic going un-recycled, the switch to reusable cups allows us to use far less energy, water and resources.



A lush tropical forest with a variety of green plants, including palm trees and ferns, creating a dense canopy.

# LOOKING AHEAD

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The best is yet to come. Every day, we move responsibly to meet the growing demand for bio-based chemicals that aren't just renewable, but sustainable. Several of our goals and sustainability initiatives include:

- Community give back opportunities including tree planting and garbage pick up.
- A switch to using recycled paper in all office printers
- Increase in our RSPO imports
- Increase in USDA Bio-Preferred products offered to our customers
- Continued commitment to the Castor Model Farm Project
- Start of an office recycling program to responsibly dispose of waste generated in the office
- Addition of eco-friendly water filters for employees to use
- Switch to energy-reduction lights in the Blue Bell Office
- Employee wellness challenges quarterly
- Offering of healthy-choice snacks in office vending machines
- Continuing education opportunities for employees





# ACME-HARDESTY

## ACME-HARDESTY

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