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Here at The Rodon Group ("Rodon"), we are dedicated to participating in a global commitment to a sustainable future, with a goal of aligning ourselves with the United Nations Global Compact.

We are currently a landfill free organization, and are active in monitoring and reducing our carbon footprint.

We acknowledge our corporate social responsibility, and actively pursue our goals and objectives.

Only by working together, can we leave a better world for tomorrow.





#### Letter From Our President

To our Stakeholders.

Rodon has been on the forefront of American manufacturing since 1956. As a Company that has experienced numerous business cycles, we appreciate the importance of recognizing the future of the industry. When it comes to Sustainability, Rodon aspires to do its fair share to build a better future, both in our local community and in the larger world we all share. As part of our focus on continuous improvement, Rodon relies on feedback from third party verifiers to validate sustainability efforts and find ways we can improve.

Rodon's approach to manufacturing is to provide our customers with a quality product without compromising on our commitments to the environment and society. Our processes have led to numerous benefits including: cutting plastic waste, increased efficiency across our material inputs, and reduction of energy consumed in manufacturing. We are proud of our commitment to the environment, focus on continuous improvement and products. We strive to produce plastic components that our customers will be proud to claim as well. Through innovative solutions to reduce the amount of plastic required to make our products, and achieving "Landfill Free Facility" status, we explore every avenue to make sure "American Made" means providing quality and sustainability. By partnering with SWS, we have recruited a leader in environmentally friendly waste management to support our facility, and our extensive in process recycling systems ensure that waste from manufacturing is also kept extremely low.

In 2023, we invested significant time and energy formally documenting what we have been doing for decades. Rodon partnered with EcoVadis and its survey process in order to release our first annual sustainability report. EcoVadis is a terrific partner to demonstrate that Rodon is committed to being a part of the worldwide effort to find more sustainable ways to do business.

Rodon has many opportunities to improve its sustainability in the coming years, but if there is anything that the last 67 years have proven, it is that we have the talent, resources and commitment to continue to make strides. As you read through our first annual sustainability report, I hope you see the time, effort, and care invested by every team member of our Company to ensure that Rodon continues to stand for the highest standards of American manufacturing.

Sincerely,

Michael Araten, President and COO



# Environmental Sustainability Highlights

## The Company aims to:

- minimize the environmental impacts of its existing operations and ensure that the
  environmental impacts of new operations are fully assessed and minimized prior to their
  introduction;
- reduce consumption of materials in all operations, where practicable, to re-use rather than dispose of materials where possible, and promote recycling and use of recycled materials;
- seek to improve the energy efficiency of buildings and to manage energy wisely in all operations;
- reduce, wherever practicable, the level of harmful emissions from our premises;
- introduce programs that aim to minimize waste;
- dispose of waste and effluents in a responsible manner;
- promote the ownership and control of environmental issues at business level;
- provide the necessary training and support in order to ensure that staff fulfill their requirements;
- work with our suppliers to minimize the impact of their operations on the environment through a quality purchasing policy;
- support through our community program the promotion of environmental protection by relevant external companies and organizations; and
- monitor progress on environmental performance.

#### **Landfill-Free Solutions**

Rodon was among the first injection molding facilities to be recognized for its green manufacturing efforts by Sustainable Waste Solutions ("SWS"), which officially designated us as a Landfill Free Facility.

#### SWS

SWS is a leading provider of environmentally friendly waste management solutions for various industries throughout Southeastern Pennsylvania, Lehigh Valley, and Delaware. Every ounce of scrap generated at Rodon facilities is taken in by SWS; they then either recycle it or process it in advanced energy-from-waste facilities, generating enough electricity to power tens of thousands of homes throughout Southeastern Pennsylvania.

## **Packaging Conservation**

We buy our largest volume resins in bulk and store them in silos, with nearly 10,000,000 pounds of resin annually. We recycle more than 20% of all cardboard boxes coming into Rodon facilities, and this percentage continues to grow every year.



We also conserve cardboard on the way out, making use of servo robots to stack completed goods for shipping. Not only does this reduce packing time, but it also reduces wasted space. Today, cartons shipped from Rodon are between 300% and 400% more full than they were in the past, significantly reducing overall cardboard use. We're proud to offer all of our customers a returnable and reusable packaging program as well.

# **Energy Conservation**

Rodon is also a member of Direct Energy Business, a demand-response provider in North America. Direct-Energy-Business-2016\_ORANGE\_Stack

We joined Direct Energy's program to improve our energy-use practices, implementing various common-sense energy savings initiatives, such as simple motion-sensor-activated lighting setups to save electricity. We've also established more complex demand-response operations; for instance, we reduce our energy use during peak periods of demand (usually during the extremely hot summer months) to help maintain electricity availability for the surrounding community and minimize the risk of blackouts.

#### PPL Electric Utilities

The Rodon team has been recognized by PPL Electric Utilities Corporation for our energy-efficient initiatives and was also included in the E-Power Energy-Smart Business Honor Roll thanks to our various efforts.

#### Nontoxic Materials

All colorants, resins, lubricants, and cleaners — every chemical used during production in Rodon facilities — are guaranteed to be nontoxic and nonhazardous. Additionally, the medical grade resins we use are FDA approved, and all of the resins we use for our large-volume injection molding processes are RoHS, REACH and NSF compliant. These nontoxic chemicals and resins are not only better for the environment, but they're also better for our staff, our customers, and our end consumers.

## Environmental Stewardship

All Rodon employees support the single-stream recycling program within the facility. We also contract with AERC Recycling Solutions so staff and family members can recycle household items including used lights, electronics, computer equipment, batteries. At Rodon, we take corporate responsibility seriously and are committed to environmental stewardship.

## **EcoDesk**

Ecodesk is a cloud-based data platform used by corporate businesses to track, monitor, and report their ESG data.



Data relating to environmental, social and governance subject areas is input to the platform for use in reporting to stakeholders via standards such as CDP, GRI, GHG Protocol or for use by businesses to engage stakeholders in their sustainability achievements.

## **Energy Efficiency**

Rodon makes a conscious effort to reduce our energy consumption and environmental impacts. A capital project involving converting our existing lighting systems to LED lights. The total annual savings from the project exceed \$28,000. Savings are based on a blended kWh rate of \$0.0645 and include annual operational expense savings of \$4,125 (operational expense savings are based on industry standard calculations. If annual maintenance and replacement spend is known, we can update with actuals).

# Who We Are and What We Do: Your High Volume, Small Plastic Parts Specialist

Rodon is an ISO 9001:2015 and ISO 13485:2016 certified high volume plastic injection molder. In business since 1956, we make billions of parts each year in our 125,000 square foot facility. We offer a turnkey manufacturing solution including mold design mold building and high-volume parts manufacturing. Our globally competitive prices eliminate the risks of sourcing offshore.



In 1956, Mr. Irving Glickman saw the potential of thermoplastics and founded The Rodon Group. Today, Rodon is one of the largest family owned and operated injection molders in the United States serving a diverse group of industries including consumer products, windows and doors, medical, construction, pharmaceutical and toys, The Company has grown from a modest four press operation to over 115 molding machines with robotic capabilities.

## Glass Bubbles

"Derived from nature's simplest shape, 3M<sup>TM</sup> Glass Bubbles are free-flowing powders consisting of thin-walled hollow glass microspheres. They have a high strength-to-density ratio, so they are both lightweight and strong enough to survive processing. Made of soda-lime borosilicate glass,



these additives are chemically inert and water resistant. 3M glass bubbles feature a smooth, nonporous surface, and their spherical shape offers a variety of advantages over irregularly shaped additives or fillers."

Rodon uses glass beads as a filler to reduce the amount the amount of plastic used in some products.

## Wood Based Filler

Rodon relies on a wood based filler to reduce plastic use in some products.

# Water Stewardship

Rodon is committed to ensuring that we do our fair share to manage the environmental impacts of our operations. We recognize that access to clean drinking water is a human right, and as such, do our best to ensure that our operations never impede that access for the people in our communities, for this reason, Rodon commits to making every effort to ensure that our business operations do not negatively impact local watersheds or impair water availability in the region.

Rodon operates with processes that require the use of water, but partners with a full-service water treatment company to ensure that the final discharges of our operations meet ASHRAE 188P standards, as well as ensuring that we are implementing engineering best practices to prevent microbial and chemical contamination due to our operations. Our water processes also reduce the overall amount of water used in our process by cycling it multiple times before it is discharged for treatment.

While Rodon is not a major contributor to the contamination of our watershed, as an organization we still understand the importance of everyone in our community doing their part to ensure a sustainable future for all. Rodon constantly looks for ways to continuously improve both the quantity of water we consume, and how we use that water in process.

# Regulatory Compliance - Labor, Human Rights and Ethics

Ensuring Responsible Business Conduct at Rodon is at the core of our ethos. While we do comply with all local, state, and federal regulations that apply to us, Rodon aspires to promote Responsible Business Conduct throughout our supply chain. That begins with ensuring fair and just work practices conditions at Rodon, which has been a core part of the Company culture since its founding in 1956. We take pride in the benefits we offer, our low turnover rates, on the job training programs, and the ability to offer enough work to generate high employee satisfaction both economically and for their careers.



As of February 12, 2023, the living wage calculator for an individual working full-time in for Montgomery County, PA is: \$17.53 per hour. This data is taken from the MIT Living Wage website located at: <a href="https://livingwage.mit.edu/counties/42091">https://livingwage.mit.edu/counties/42091</a>

As of February 12, 2023, 5% of Rodon's workforce does not earn a living wage, and 95% does earn a living wage. Rodon's intention is to pay all employees a living wage.

Rodon actively works to deter malpractice in its workplace, with specific attention to activities involving bribery and corruption, fraud, money laundering, etc. Standard accounting practices and outside firms are utilized to identify and prevent any potential malpractice. Employees are encouraged to avoid any financial situation that conflicts with the Company's interests or potential interests. Employees are prohibited from taking or appearing to take any action that could unfairly exclude or reduce competition in any market. Employees must not misrepresent, manipulate, conceal, or misuse confidential information, and must not engage in disparaging discourse against competitors, or unfair practices with shareholders, clients, business partners, competitors and other employees. Employees must only obtain information about competitors, their products, services, technologies, pricing, marketing campaigns, etc. through legal and ethical means.

Rodon interacts with its upstream and downstream partners frequently to ensure that potential actors in the economy share our values and ideals. In order to ensure that we conduct business with enough consideration given to our actual and potential impacts, Rodon maps its exposures to Responsible Business Conduct Risks through consistent interactions with both suppliers and customers regarding the applications, implications, and effects of the parts we manufacture, and adjust our operations accordingly when previously unknown information comes to light. In situations where Rodon is discovered to be responsible for actual or potential harm to stakeholders, Rodon takes an interest in remediating or mitigating adverse impacts.

The Company recognizes the value of its employees and has identified and assessed their long-term retention as key to the short- and long-term value of the Company. To this end, the Company aims to attract and retain skilled employees and enhance the life/work balance of everyone. The Company offers its full-time staff a range of benefits. Also available to employees may be personal development and training programs designed to enhance the employee's skill base.

In formulating employment policy, the Company has been guided by relevant legislation. These policies cover all staff and are organized by management.

## Equal Opportunities Employer

The Company is committed to providing equal opportunities to all workers and job applicants. It aims to ensure that no job applicant shall receive less favorable treatment on the grounds of sex, marital status, sexual orientation, race, color, religion or belief, nationality or ethnic or national origin. The Company will not treat an employee or job applicant less than favorably for a reason



relating to their disability or part time or fixed term status unless this can be justified. The Company will also take all reasonably practical steps to ensure that disabled applicants or workers are able to participate in its business activities on an equal basis with people who are not disabled.

All employees are responsible for complying with this policy and for ensuring that the standards of behavior required by the Company are observed by:

- Treating others on their merits and disassociating themselves from any form of direct or indirect discrimination, victimization, or harassment;
- Bringing to the attention of their supervisor any suspected working practice in breach of this policy; and
- Working together to promote a working environment free from discrimination, harassment, and bullying.

The Company regards direct or indirect discrimination, victimization, and harassment as a serious matter. Employees who fail to comply with this Policy will be subject to the Company's disciplinary procedure. All breaches of this Policy will be regarded as serious disciplinary matters and will, if there has been victimization, intentional discrimination or deliberate harassment be regarded as potential gross misconduct leading to summary dismissal.

The Company recognizes that misunderstandings can arise where people of a different sex, interests and cultures work together. Any employee who believes that he or she is being treated in a way that is contrary to this policy should raise the issue with their supervisor. If an employee feels that it is inappropriate to approach their supervisor, he or she may contact management.

#### **Human Rights**

Within its sphere of influence, the Company supports and respects the protection of internationally proclaimed human rights and ensures that it is not complicit in human rights abuses. This includes strictly adhering to laws governing human rights.

## Forced/Child Labor

The Company does not utilize or promote forced or child labor of any kind. We adhere strictly to country laws governing labor standards.

<u>Discrimination</u>, <u>Sexual Harassment and Other Forms of Harassment and/or Bullying</u> All staff are entitled to work in an environment which respects their personal dignity and which is free from harassment, bullying or any other type of intimidation. Harassment, whether on the grounds of sex, race, color, nationality or ethnic origin, religion or belief, or age, disability, sexual orientation, being in an inferior position in terms of power or hierarchy (leading to



bullying), willingness to challenge harassment (leading to victimization) or otherwise will not be tolerated by the Company.

#### Health & Safety Policy

The Company aims to provide each employee with a safe place to work as required by local health and safety regulations and must submit to health and safety testing. Relevant information on occupational health and safety is provided in the Employee Handbook. Further information on health and safety topics can be discussed with the Company's management or supervisor.

#### **H&S** Records

The Company records all accidents and/or near misses and investigates these to determine if preventative action is required to prevent further accidents.

## **Employee Benefits**

The Company recognizes the value of its employees and has identified and assessed their long-term retention as key to the short and long term value of the Company. To this end, the Company aims to attract and retain skilled employees and enhance the life/work balance of each individual. The Company offers its full-time staff a range of benefits. Also available to employees may be personal development and training programs designed to enhance the employee's skill base.

Rodon voluntarily complies with the Organization for Economic Cooperation and Development's Due Diligence Guidance for Responsible Business Conduct. Rodon strives to: embed labor and human rights into policies and management systems; manage adverse impacts in our operations, supply chains, and business relationships; cease prevent or mitigate impacts; track implementation and results of mitigation efforts; communicate how impacts are addressed; and remediate impacts where appropriate.

## Sustainable Procurement

Rodon is committed to aligning its purchasing procedures with its environmental, sustainability, ethical values, and goals. In doing so, the organization seeks to harness the influence of its purchasing to support markets for, and increase accessibility to, more sustainable goods and services.

The Company is committed to achieving its sustainability goals with the following strategies:

- Utilize processes, technologies, products, or services that reduce consumption of natural resources or chemicals.
- Employ processes, technologies, products, or services that reduce waste.
- Invest in energy and fuel-efficient products, services, and technologies that result in simple paybacks of 10 years or less, based on Total Cost of Ownership.



- Seek out, specify, and purchase products that minimize exposure of Substances of Very High Concern to people and the environment (REACH, ROHAS) and to eliminate the use of conflict minerals.
- Consciously design procurement processes and related programing to support a diverse contractor base, including small, minority, and/or women-owned businesses.
- Seek out processes, technologies, goods, or services that support transparency in either or both the organization's supply chain or product disposal endpoints regarding compliance with environmental regulations and the International Labor Organization's Standard of Core Labor and Human Rights in the Workplace.
- Whenever possible, utilize Life Cycle Costing methods to determine the full cost of a product, service, or design.
- Requiring that vendors strictly adhere to labor and human rights laws and requirements.

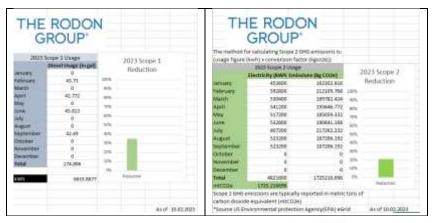
#### **Conflict Minerals**

As a responsible company, Rodon supports the goal of the Dodd-Frank Act of preventing armed groups in the Democratic Republic of the Congo and adjoining countries from benefitting from the sourcing of Conflict Minerals from that region. The raw materials of our injection molded products are sourced responsibly and we make every effort to ensure that our supply chains consider the implications of the products we distribute. This Policy shows Rodon's commitment and its expectations for its product suppliers regarding actions to address Conflict Minerals. Rodon has audited its supply chain to determine its environmental impacts.

# **Environmental Commitment**

Rodon believes that our future and our success are tied to the impact that we have on the world. We make every effort to ensure that our impact is positive. Whether we are measuring our financial, environmental, social, or product impacts, Rodon is committed to leaving the world better than we found it. For this reason, Rodon is committed to the continuous improvement of the activities, products and services we provide that interact or can interact with the environment, and managing those interactions in a responsible way.





THE RODON GROUP

Hatfield - United States of America | Manufacture of plastics products

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