

2024

SUSTAINABILITY REPORT

5920 Dry Creek Lane NE | Cedar Rapids IA

• www.espint.com

OUR EXPERTS PROMOTE ENVIRONMENTAL RESPONSIBILITY BY KEEPING THE WORLD'S EQUIPMENT AND OPERATORS RUNNING SAFELY, LEAK-FREE, **ONE SEAL AT A TIME.**

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ABOUT This report



At Engineered Seal Products, we are dedicated to keeping the world's equipment and operators running safely, leak-free, one seal at a time. We understand the critical importance of reliable seals in various industries, from aerospace to manufacturing. Our commitment extends beyond mere functionality; it encompasses ensuring the safety of operators and the integrity of equipment. By providing high-quality seals and innovative sealing solutions, we contribute to smoother operations, reduced downtime, and enhanced safety standards globally. With each seal we produce, install, and maintain, we uphold our mission to safeguard both people and machinery, making a tangible difference in the reliability and sustainability of industries worldwide.

In this sustainability report, we aim to showcase not only our dedication to keeping the worlds equipment and operators running safely, leakfree, one seal at a time, but also our broader commitment to environmental stewardship and employee owner responsibility. Through transparent reporting and comprehensive analysis, we highlight our efforts to minimize environmental impact, promote social welfare, and drive economic growth sustainably. From reducing carbon emissions to fostering community engagement, this report provides insight into our multifaceted approach to sustainability and our ongoing journey towards a more resilient and responsible future. It is aligned with the framework established by the Sustainability Accounting Standards (SASB) for the industrial Machinery & Goods industry. All data corresponds to Engineered Seals Products fiscal year 2024 (FY24), January 1st, 2024, through December 31st. 2024. unless otherwise noted. Environmental data in this report covers FY23 and includes data from Engineered Seal Products acquisitions.

ABOUT **ENGINEERED SEAL PRODUCTS**

EXECUTIVE SUMMARY

In pursuit of our commitment to sustainability, we present our annual sustainability report for the year 2024. At Engineered Seal Products, we believe that environmental responsibility is integral to our business ethos. Throughout the year, we have undertaken various initiatives aimed at reducing our environmental footprint, promoting eco-friendly practices, and contributing positively to the communities in which we operate. This report outlines our progress, challenges, and future goals in our sustainability journey.

OUR PURPOSE

OUR EXPERTS PROMOTE ENVIRONMENTAL **RESPONSIBILITY BY KEEPING THE WORLD'S** EQUIPMENT AND OPERATORS RUNNING SAFELY, LEAK-FREE, ONE SEAL AT A TIME.

BRAND PROMISE

Extensive Selection. Expert Solutions. **Engineered Seal Products.**

BRIEF HISTORY

Founded 1969, Engineered Seal Products began with a vision to not only lead in our industry but to do so responsibly and sustainably. Over the years, we have grown from a small Parker distributor to a major player in the sealing industry, always mindful of the impact we have on the planet and our community.



WORLDWIDE LOCATIONS

USA

Cedar Rapids, IA

Corporate Headquarters Engineering, Quality, Manufacturing, Value-Add, Warehousing, Global Sales South Facility Fabrication & Assembly Operations **Cimmie Facility**

Assembly Operations Davenport, IA

Superior Tube Products Engineering, Quality, Manufacturing

Arlington, TX Texas Seal Supply / Industrial Seal

Kansas City, KS Swan Engineering

Gastonia. NC Regal Rubber Value-Add, Warehousing

Greensboro, NC Southern Rubber

OUR CORE VALUES & BEHAVIORS

E xpertise. S ervice. P assion



Swan Engineering

INDIA

CHINA

Southern Rubber

Chennai

Shenzhen

Engineering, Quality,

Engineering, Quality,

Global Sales

Manufacturing, Global Sales

Quality, Value-Add, Warehousing, Global Sales

Value-Add, Warehousing, Global Sales

Manufacturing, Value-Add, Warehousing

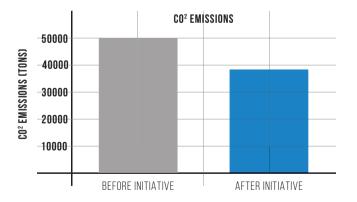
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ENVIRONMENTAL IMPACT

REDUCING OUR CARBON FOOTPRINT

Through innovative approaches and technologies, we have significantly reduced our carbon emissions. In the past year, we've achieved a reduction of 24% in our carbon emissions by implementing energy-efficient systems and renewable energy sources. Our goal for the next five years is to decrease our emissions by an additional 2% as we continue to innovate and improve our processes.

L 24% REDUCTION CARBON EMISSIONS



WATER CONSERVATION

Water conservation measures have been implemented across all facilities, resulting in a 20% reduction in water use.

These measures include upgrading water-efficient appliances and systems and employing water recycling processes that reduce consumption and lower our operational costs.

> **20% REDUCTION** WATER USAGE

WASTE MANAGEMENT & RECYCLING EFFORTS

Our waste reduction and recycling programs are key components of our environmental strategy. Last year, we recycled over 40% of our waste materials. We engage our employees in these efforts through training and incentives, ensuring that sustainability is embraced at all levels of our organization.

TRANSITION TO BIODEGRADABLE MATERIALS

Our shift towards biodegradable materials is an initiative that we continue to explore, with the goal of replacing conventional plastics in our product lines. Today, we offer products made with materials that are fully compostable. This transition has not only reduced our dependency on petroleum-based plastics but also appealed to environmentally conscious consumers, increasing our market share in eco-friendly products.





SOCIAL IMPACT

SOCIAL INITIATIVES FOR Minority-owned suppliers

We believe in the power of a diverse supply chain to drive innovation, equity, and economic growth. Our initiatives to support minority-owned suppliers are designed to foster inclusivity and opportunity within our business ecosystem.

EMPOWERING MINORITY ENTREPRENEURS

Our supplier diversity program has grown to include over 1% more minority-owned businesses than the previous year.

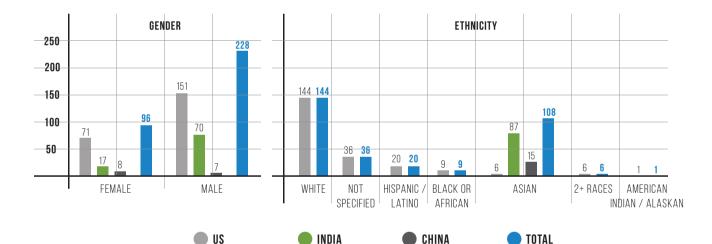
ECONOMIC IMPACT

Our commitment to sustainability extends to economic resilience and longterm prosperity. Key economic contributions include:

JOB CREATION Continued to create job opportunities, with a focus on hiring locally and supporting economic growth.

SUPPLY CHAIN RESILIENCE Strengthened supply chain resilience through diversification and collaboration with sustainable partners.

INVESTMENT IN INNOVATION Invested in research and development of sustainable technologies, driving innovation and competitiveness.





Engineered Seal Products journey towards sustainability is ongoing and evolving. We believe that through innovation, collaboration, and commitment, we can make a significant positive impact on the world.



CHALLENGES & RESOLUTIONS

While transitioning has presented challenges such as higher initial costs and complex supply chain adjustments, our strategic partnerships with material suppliers have been crucial. By collaborating closely with these partners, we've been able to not only overcome these challenges but also drive down costs over time through economies of scale and process optimization.

FUTURE PROJECTS & Goals

As we look to the future, Engineered Seal Products is committed to deepening our sustainability efforts and expanding our impact through new projects and ambitious goals. OUR EXPERTS PROMOTE ENVIRONMENTAL RESPONSIBILITY BY KEEPING THE WORLD'S EQUIPMENT AND OPERATORS RUNNING SAFELY, LEAK-FREE, **ONE SEAL AT A TIME.**

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