

# Environmental, Social, & Governance at Swagelok

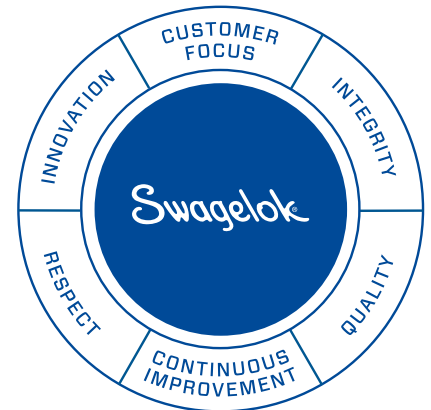
## Our core values drive our own ESG efforts.

To our stakeholders,

Every day our customers count on our high-quality products to perform in the toughest fluid system applications, whether up in space, at the bottom of the ocean, on vehicles, or in the laboratories and facilities that keep our world in motion. That's why for more than 75 years, Swagelok has remained committed to producing exceptional quality fluid system products and solutions that help our customers operate safely, efficiently, and sustainably.

Throughout our rich history, our core values have been at the center of everything we do, including how we embrace environmental, social, and governance (ESG) principles across our operations. As an industry leader, we take our responsibility to environmental stewardship seriously. Guided by our core values, Swagelok:

- Seeks to **continually improve our environmental performance** by minimizing our environmental impact
- Pursues projects that support more **efficient manufacturing operations** through lean methods and tools
- Provides **innovative products, services, and solutions** that ensure leak-tight performance and long service life in the most demanding applications to help customers reduce their impact on the environment
- Partners with businesses and suppliers **who share these commitments**



Our support for ESG principles goes beyond sustainability. We know that diversity, equity, and inclusion make us a better organization, and we nurture an environment where all associates feel welcome, respected, and valued. In addition, we make a positive impact on our communities by volunteering for local charities and on non-profit boards and through associate-driven fundraising and corporate donations.

We recognize that effective ESG efforts require an ongoing commitment. Whether working to reduce our impact on the environment, enabling the clean energy transition, or delivering an exceptional associate experience, we will continue to invest our time and resources to make a positive difference for our associates, our customers, and our communities.

James Cavoli  
President and Chief Operating Officer

# Environmental


## Reducing our environmental impact

Continuous Improvement, one of our core values, is reflected in our highly efficient manufacturing operations. Lean methods and tools, such as 5S and Kaizen events, help eliminate waste and improve existing processes as we work to minimize our impact on the environment.

### Reducing Landfill Waste

Through our energy and waste reduction efforts each year we:

Keep  **30%+**  
out of landfills

 **ELIMINATE**  
hazardous chemical use  
where possible by seeking  
safer alternatives

**RECYCLE:**   
• paper & plastics  
• cardboard pallets  
• Styrofoam

 **100**  
TONS OF  
WOOD  
PALLET

 **7** TONS  
OF PAPER

 **18M**  
POUNDS  
OF ALLOYS

 Instruction cards, sheets, and insert boxes are certified by the **SUSTAINABLE FORESTRY INITIATIVE (SFI)**. Cards and sheets are also certified by the **FOREST STEWARDSHIP COUNCIL (FSC)**.

 **INTERNALLY RECYCLE  
PROCESS BYPRODUCTS**  
metal chips • lubricants • coolants

Work with other companies to further refine these items for reuse or resale.

### Managing Energy

Due to the nature of our operations, total direct and indirect emissions from Swagelok Company's corporate offices and manufacturing facilities are minimal and in line with other manufacturers of our size.

**9,642**  
**METRIC TONS CO<sub>2</sub>e (SCOPE 1)**  
from direct emissions based on  
2022 data (Jan 2022-Dec. 2022)

**62,932**  
**METRIC TONS CO<sub>2</sub>e (SCOPE 2)**  
from purchased energy emissions  
based on 2022 data

**37%**  
**OF SWAGELOK'S  
DOMESTIC ENERGY**  
is purchased from clean  
energy sources\*

\*Clean energy does not produce carbon emissions or other greenhouse gases during its lifecycle.  
Clean energy includes solar power, hydroelectricity, wind energy, nuclear energy, geothermal energy, and more.



#### SPOTLIGHT

LED relamping projects across our campuses have **saved over a million kWh** (>650 metric tons CO<sub>2</sub>e) or the amount of energy required to **power 107 homes a year**.

The information contained in this document represents the ESG efforts of Swagelok Company across its corporate offices and manufacturing facilities. It does not include the efforts of our independent authorized sales and service centers unless noted.

Updated June 2023

**Swagelok**

# Helping Customers Achieve their Sustainability Goals



## Environmental Stewardship and Emissions Reduction

Swagelok offers access to a global network of authorized sales and service centers who help customers meet their sustainability objectives. **Together, we provide the technical expertise in fluid system design, high-quality products backed by a limited lifetime warranty, and tailored engineering services to meet customers' evolving environmental objectives.** We support by:

✓ **Creating and/or improving customers' fluid system designs** to address customer emissions targets

**Swagelok is a leader in fugitive emissions compliance worldwide**, offering leak-tight products, stringent validation testing, and a focus on customer compliance needs.

✓ **Determining the right type of process fluid sampling** solution to meet specifications

**We troubleshoot, consult on design, and/or deliver proven pre-engineered sampling systems** to allow safe fluid extraction without leaks to the environment.

✓ **Consultation to connect customers with the reliable products** needed to achieve Scope 1 emissions goals

**Swagelok field engineers conduct energy emission surveys (EES)** to detect leaks and identify process efficiency opportunities. Their analytical instrumentation experience enables reliable environmental monitoring.



## Supporting the Global Movement Toward Green Energy

Swagelok has more than 30 years of experience supporting customers **pursuing clean energy solutions requiring high-integrity components capable of containing small-molecule gases, such as hydrogen, under high pressure. Our durable, high-alloy-content stainless-steel components are designed to deliver reliably leak-tight systems and long-service life.** Swagelok manufactures to the highest standards and holds certifications such as ISO-9001, METI/KHK, CRN, PED, and ASME. Our engineers and scientists are active on key standard-setting industry boards, including helping define hydrogen global and regional usage standards.

✓ **Product selection and installation guidance** based on experience handling challenging fluids

**Swagelok Essentials training equips fluid system professionals** to find the right medium-pressure fittings, valves, regulators, and more for hydrogen applications to 1050 bar.

✓ **Materials science expertise** to help customers contain small-molecule fluids under pressure

Swagelok materials science training equips clean energy professionals to **select alloys and elastomers designed to resist hydrogen embrittlement, leakage, and other issues.**

✓ **Analysis of fluid systems and design support** for new system solutions to maximize efficiency, safety, and longevity

**We provide the technical expertise needed to meet the toughest clean energy application requirements** as well as consistent delivery of critical components and assemblies needed to compete in quickly evolving markets.

### SPOTLIGHT




Swagelok developed our FK series medium-pressure fittings designed for use in hydrogen systems, **meeting EC-79 and HGV 3.1 certifications** for use in hydrogen vehicles, helping to drive the transition to clean energy.

Learn how Swagelok is helping [Everfuel](#) make the case for the efficient and profitable production of green hydrogen.

## Local Access, Global Reach

 **\$2B**  
Annual Revenue

 **20**  
Manufacturing Facilities

 **~220**  
Sales and Service Centers in 70 Countries

 **5,700**  
Global Corporate Associates



# Social

Delivering an exceptional associate experience



We are committed to the success of each associate by providing an environment where people feel connected and valued while being themselves. We continually invest in learning, training, and professional growth while following fair labor practices and offering competitive wages, a safe work environment, and a no-layoff philosophy. In doing so, our retention rate is best-in-class when compared to industry benchmarks.

## Health and Safety

Swagelok has consistently achieved top quartile safety performance (measured by DART injury rates vs. industry) by promoting safe practices at work, following well-established safety policies, and educating associates about their shared role in protecting our workplace.

- ✓ Associates demonstrate their safety engagement by submitting **over 30,000 safety observations annually** with a **participation rate of 85%** among shop floor associates
- ✓ All associates participate in **annual safety essentials training**
- ✓ **More than 300 associates**, or more than 5% of our corporate associates, are **trained as first aid responders**
- ✓ **Contractor safety training is required** at all manufacturing facilities globally
- ✓ Swagelok is certified to the **ISO 45001 Occupational Health and Safety standard**

### SPOTLIGHT

Our **Industrial Athlete Program** of voluntary stretching exercises prior to the start of a shift has **reduced soft tissue injuries by 50%** for enrolled associates.

## Diversity, Equity & Inclusion

- ✓ Established the **IDEA** (Inclusivity, Diversity, and Equity in Action) Council and working team
- ✓ Offer **5 associate resource groups** that provide community, personal, and professional development
- ✓ Build **leadership accountability** as we create a diverse and inclusive workplace
- ✓ Develop curriculum and learning for **intercultural competence**
- ✓ Continually **seek associate feedback** through regular skip level meetings with senior leaders and associate surveys
- ✓ Regularly **review our policies and practices** to ensure they're inclusive

Our associates [share their perspectives](#) on Diversity, Equity, Inclusion at Swagelok.

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## Training and Career Development

- ✓ **2,400 training and development courses** including online and instructor-led, technical, and soft skill courses
- ✓ **Tuition assistance** for both undergraduate and graduate studies
- ✓ **Career ladders and development paths** to help associates plan their career
- ✓ **Leadership programming, training, and personal coaching** to enhance leaders' skills and improve the associate experience

## Supporting Our Communities

- ✓ Our charitable foundations and trusts **donate millions to charities each year**
- ✓ Our **workplace matching program** doubles associate donations to organizations of their choice. In one year, Swagelok matched more than 550 associate gifts to nearly 150 charitable organizations
- ✓ Associates serve on the boards of more than **70 non-profit organizations**
- ✓ We partner with organizations like the **U.S. Department of Defense's Skillbridge program** for military members transitioning to the civilian sector along with committing to recruit and hire military spouses through the **DoD's Military Spouse Employment Program** along with **Vocational Guidance Services**, which helps those with disabilities enter the workforce.
- ✓ We support **STEM education and training** from high school programs to college and technical training certifications

### SPOTLIGHT

Our associates created a groundbreaking **American Sign Language visual reference library** consisting of terms essential to Swagelok.



# Governance



## Managing our Supply Chain and ensuring compliance

Our supply chain partners play a critical role in our ability to make and deliver products to our customers, and we take great care in identifying and evaluating potential suppliers' operations, values, and leadership before doing business. We work closely with our suppliers to strengthen our supply chain through:



### INVESTMENTS

in raw materials



### DUAL SOURCING

for certain materials



ADVANCED PLANNING SYSTEMS to adjust quickly to supply chain changes or disruptions

### SUPPLIER ENGAGEMENT:

- business updates
- supplier summits
- supplier website portal

## Supplier Requirements

The [Swagelok Supplier Code of Ethics](#) reflects our commitment to acting ethically and with integrity in all aspects of our business by establishing supplier standards in the areas of ethics, responsible sourcing including policies addressing conflict minerals, labor and human rights, health and safety, and environmental impact.

To identify and mitigate these risks, Swagelok requires suppliers to certify compliance with our Supplier Code of Ethics and conducts various audits to verify compliance. Swagelok reserves the right to demand corrective measures or terminate an agreement for non-compliance with the Code.

## Compliance

Our actions define Swagelok so when our decisions reflect our values, we create sustained success. To help us stay true to our values, our Code of Corporate Conduct outlines ethical conduct and behaviors expected of all associates. This includes specific policies that address:

**Conflicts of interest | Competitive practices | Ethical supplier relationships | Fiscal responsibility and transparency**

Associates complete mandatory regular training to enforce our Code of Corporate Conduct and violations of the code may result in disciplinary action, up to and including dismissal.

### SPOTLIGHT

We annually participate in the **EcoVadis assessment** and have been audited in accordance with **Responsible Business Alliance (RBA)**, affirming our commitment to sustainability and responsible business practices.

## Reporting Unethical Behavior

There are many ways for associates to raise a concern about unethical, dishonest, or illegal activity under our open door policy. Associates can directly raise concerns with our human resources or legal departments, with any executive, or place a confidential call with Swagelok's Ethics Hotline. No associate will be disciplined or penalized for raising a good-faith concern regarding unethical or inappropriate behavior, and retaliation against an associate who brings forward such concerns is strictly prohibited.

Additionally, Swagelok has zero tolerance of slavery and human trafficking and will not do business with any organization found to be engaged in this behavior.

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Updated June 2023

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