Anderson
DEVELOPMENT COMPANY

SUSTAINABILITY REPORT 2025

Presented By :
Nicole Zielinski
Jill Lindeman

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MESSAGE FROM THE PRESIDENT AND CEO



Anderson Development Company
President & CEO

Dear Friends of Anderson Development,

As a leading specialty chemicals manufacturer headquartered in Adrian, Michigan, Anderson Development Company is proud to serve customers around the globe with solutions for the most pressing challenges. As it is our goal to be successful not just today, but for the longer term, we can only be successful if we excel in all three facets of the triple bottom line:

People – Whether they are our employees, our neighbors, or our customers, people are the key to our business. We must support them, protect them, develop them, invest in their skills and their safety. We must operate in harmony with the community around us. Our significant investment in skills training and workplace safety and helping local education institutions develop their students will ensure our mutual success.

Planet – Protecting our planet and its resources is vital to our long-term success. We are part of the environment and its ecosystems, and we need to protect them. This is where we live and work. It is critical for us to properly manage the materials we use, minimize emissions, reduce waste, while ensuring it is managed properly, and conserve resources.

Economic viability – Economic strength allows us to maintain our license to operate, execute our mission sustainably, and secure technical and financial resources from our stakeholders. Excellence ensures we can pay competitive wages, support our local business partners, and fulfill our regulatory and tax obligations. We accept responsibility for the impact our operations have on people and the environment and strive to lead by example, knowing long-term economic success is not possible in a society that fails. This is manifested in what we do every day, in our products, relationships, and workplace.

Anderson Development Company is a solution provider. We partner with customers to solve problems, and work with them to try to help them make their businesses safe, sound, and competitive. The materials that we produce are used by our customers to solve a wide range of problems. They are used to make coatings that protect our cars and allow them to last longer, precision materials to make computer chips faster, tailored materials to make machinery parts that last longer, and packaging that protects our food. Often, we work behind the scenes, and the contributions of our materials may not be obvious. But always, the focus on customer success and their positive impact on the world is key to our long-term success.

We continually aspire to operate a workplace that is focused on Zero Harm to people or the environment. By engaging our people in our common goals for a safe and environmentally friendly workplace, we work as one team, comprised of diverse individuals who have accepted the challenge of creatively collaborating cross-functionally to achieve our goals. While we always set our expectations higher in our pursuit of excellence, in the last year, the company has progressed significantly along its journey. We will continue to focus on operational sustainability through excellence in Safety, Health, Environment, and Quality and we will continue to pursue sustainability holistically and steward our broader impact on society. We have high aspirations and expectations with respect to how we can make a positive impact on society. At the same time, we have the humility to understand and believe that we need to learn and improve in order to achieve our goals, so our journey is not yet complete. With our team of passionate people, I have every confidence that we will achieve our aspirations.

Sincerely,

Mark Kramer

COMMUNITY ENGAGEMENT / EDUCATIONAL OUTREACH

Anderson Development Company (ADC) is an active and responsible member of the communities in which we operate. We are committed to protecting the environment and safeguarding the health, safety, and security of our employees and our community. Throughout the year, we actively participate in a variety of community education and outreach programs.

February

-You Be the Chemist
-Tecumseh Middle School -STEM Program

March

-Tri-County Stem-Fair
-Align Center- Career Connections

April

-Adrian Public Library Summer Reading Event - 6 Bicycle donations
-Lenawee Intermediate School District Reverse Job Fair

May

-Household Hazardous Waste Day collection -Lenawee County Education Foundation- Strokes for Students
-Lenawee Intermediate School District BioChem Advisory Panel
-Epic Project at Lenawee Intermediate School District



June

-Junior Achievement Annual Golf Outing
-ProMedica & Virginia Hickman Hospital Annual Golf Outing

August

-Lenawee Intermediate School District - Teacher Counselor Externship Program
-Habitat for Humanity - Farm to Table Sponsor

September

-Boys & Girls Club of Lenawee Sponsor

October

-Manufacturing Day

November

-Hope Community Center - A Night for Hope Sponsor
-Lenawee Intermediate School District - Urethane Labs Demo and Casting

December

-ADC Annual Pack The Pick-Up & Share the Warmth Event



Cooperative Education & Internships

We are proud to support student learning and career exploration through job shadowing. By opening our doors to students, we provide opportunities for hands-on observation and real-world insight into our industry. These experiences help students connect classroom learning to future career paths, develop professional awareness, and gain a deeper understanding of workplace expectations.

YEAR AT A GLANCE

COMMUNITY ENGAGEMENT / EDUCATIONAL OUTREACH

Anderson Development Company (ADC) is an active and responsible member of the communities in which we operate. We are committed to protecting the environment and safeguarding the health, safety, and security of our employees and our community. Throughout the year, we actively participate in a variety of community education and outreach programs.









SUSTAINABILITY REPORT

20/25

AIM

The goal of this 2025 Sustainability Report is to provide all Anderson Development Company stakeholders with a clear and comprehensive overview of our sustainability performance. Additional information about our sustainability strategy and initiatives is available on our website: **andersondevelopment.com/sustainability**

TARGETS AND TIME COVERS IN THIS REPORT

This Sustainability Report outlines the company's strategy and biennial actions across the four pillars of Corporate Social Responsibility—Society, Environment, Marketplace, and Workplace—for the period January 1, 2025, through December 31, 2025. It also details Anderson Development Company's commitments to the principles and strategic direction guiding our approach to Corporate Social Responsibility.

GLOBAL REPORTING INITIATIVE (GRI)

This report has been prepared in accordance with the GRI Standards: Core option.

CONTACT FOR THE REPORT

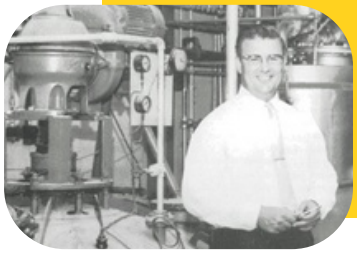
For any further queries regarding the Sustainability Report for 2025 you may contact us at the following address:

Sustainability Committee
Product Stewardship Department
1415 E. Michigan St.
Adrian, MI 49221
csr@anddev.com

Anderson
DEVELOPMENT COMPANY

History

Anderson Development Company is a Specialty Chemical Company located in Adrian, MI (USA). We are a wholly owned subsidiary of Mitsui Chemicals Inc.



Anderson Development Company was founded in 1966 and incorporated in 1968 by Mr. Amos R. Anderson, after a long career in research and operations at leading chemical companies. Mr. Anderson's leadership and expertise in organometallic chemistry was pivotal to building a solid reputation for the development and manufacture of unique specialty chemicals. Over the years, the company evolved from contract research to contract manufacturing to development and manufacturing of differentiated high performance specialty materials. Anderson Development now serves the chemical industry as a key producer of thousands of tons of unique proprietary products for the coatings, elastomer, pharmaceutical, catalyst and electronics markets, as well as assisting other leading companies with toll manufacturing of select products within our chemical competencies. Core competencies include a wide range of chemistries like Acrylic and Urethane polymers, Organometallics, Organoboron reagents, and many others, including the necessary separation and purification processes required to produce high quality products.

In 1988, the company was acquired by Mitsui Toatsu Chemicals, which later merged with Mitsui Petrochemicals to become Mitsui Chemicals. Anderson Development's current product lines consist of a diverse line of differentiated specialty chemicals developed organically in our Adrian Research Facilities, transplanted from Mitsui Chemicals Research in Japan, or developed by and custom manufactured for leading Fortune 100 chemical companies. Anderson Development can either work completely independently from Mitsui Chemicals or cooperatively with Mitsui Chemicals, with complete secrecy and intellectual property protection or utilize Mitsui Chemicals significant resources, depending on customer requirements. Independently operated, Anderson Development Company serves as the business center and technical center of excellence for a number of product lines within the Mitsui Chemicals Group.

Anderson Development has maintained its entrepreneurial and developmental spirit while evolving into a global manufacturer using the systematic ISO 9001, ISO 14001, RC ® 14001 and GMP work processes needed to exceed the expectations of Quality, Safety, and Environmentally focused industries like top tier Automotive, Coatings, Pharmaceutical, and Semiconductor Manufacturers, while remaining globally cost-competitive.

Anderson Development's business has grown globally over the last 50 years, with products produced in Adrian, proving their quality and competitiveness with major exports to Europe and Asia. While Anderson Development may not be a household name, our customer focus has been crucial to commercializing, manufacturing, and selling products which are widely used by both domestic and international companies for the manufacture of leading end-use products. It is guaranteed that you have seen our products in action, and Anderson Development is proud to be supplying the world's industries.



CORPORATE MISSION

"Anderson Development Company will be a global supplier of innovative specialty chemical products, striving for continual improvement in all of our operations. It is our goal to be personal, efficient, and responsive to our customers and employees. We will provide a team-oriented atmosphere while allowing for individual diversity among our employees."

OUR VALUES

As a respected member of the community, both global and local, it is essential that Anderson Development's business is conducted in accordance with the highest standards.

Responsible Operation – All our operations will be conducted in a safe and environmentally sound manner, in compliance with all regulations. Anderson Development will endeavor to operate in harmony with our community.

Ethical and with Integrity – We will always act in good faith for people and society. We will act ethically and with integrity and always follow our Code of Conduct.

Customer Focus – Anderson Development only succeeds when our customers succeed. Providing solutions to our customers to meet their needs is key to this success. We work every day to earn their trust and ensure their satisfaction.

Quality of Life – Anderson Development will work to improve the quality of life of our stakeholders-customers, employees, community, and shareholders.

Continual Improvement – We will challenge ourselves and never rest on the success of our past achievements. Using what we have learned, we will continue to move forward developing our business and ourselves. We will trust in our potential as we move forward and not fear failure.

Team Oriented Atmosphere – Our company and our associates are made stronger by working together towards our common mission. We will actively communicate, collaborate, and use our individual strengths to achieve success together.

Individual Diversity – Anderson Development values the differences that each unique associate brings to the team. We will encourage diversity.

RESPONSIBLE CARE®

At Anderson Development,the protection of our local and global communities is critical to the long-term success of our customers and to the long-term success of our company. Anderson Development follows the principles of Responsible Care® which aim to continually improve performance related to the environment, health, safety, and security with a focus on our stakeholders.

To read about our full commitment to Responsible Care® visit our website:

https://www.andersondevelopment.com/sustainability/Responsible-Care-_reg_

CODE OF CONDUCT

The AndersonDevelopment Company Code of Conduct states that every employee should act with integrity and responsibility. View our Code of Conduct on our website:

https://www.andersondevelopment.com/sustainability/code-of-conduct

ABOUT THE COMPANY

PARTICIPATION IN ASSOCIATIONS AND ORGANIZATIONS

Anderson Development Company partners with organizations worldwide to support global sustainability initiatives and engage with external stakeholders, recognizing that collaboration is essential to solving complex environmental and social challenges. Our employees are active in regional, national, and international organizations, frequently serving in leadership roles, on boards, and as committee chairs. Beyond these strategic partnerships, our team drives additional impact through corporate philanthropy and volunteerism.

View the association and organizations ADC participates in here:
www.andersondevelopment.com/sustainability/Sustainability



MARK KRAMER

American Chemistry Council (ACC)
Board Member, CSME Committee; Membership/Finance Committee; Responsible Care Committee

Michigan Chemistry Council (MCC)
Past President, Board Member

Michigan Manufacturing Association (MMA)
Board Member

Advocacy for the business of chemistry and for manufacturing, networking among companies in the business of chemistry, and sharing of best practices (safety, environmental, sustainability) for the business of chemistry.

SIGNIFICANCE

Engagement with ACC and MCC helps us to make sure we keep the bigger picture in our sights. We can learn from others and teach them what we have learned. We can engage with regulators to make sure the regulations proposed are meaningful and have the intended outcomes. It is in our best interest to make sure our materials are used safely, are used in the right way, and having an effective regulatory structure helps us with that.



CHRIS GOELOE

Polyurethane Manufacturers Association (PMA)
Co-Chair EHS-Regulatory Committee

PMA is a trade organization representing the hot cast, heat cured elastomer industry. PMA adds value to the cast polyurethane industry by providing a forum for sharing best business practices and technical innovations and promoting sustainability by advocating for the safe and responsible use and accessibility of the chemicals in our industry.

SIGNIFICANCE

I enjoy the opportunity to provide environmental, health, and safety assistance to members to promote sustainability within the cast elastomer industry.



ROBERT CZEISZPERGER

Polyurethane Manufacturers Association (PMA)
Member of the Advocacy Committee

A trade organization representing the hot cast, heat cured elastomer industry.

Center for the Polyurethane Industry (CPI)
Member
A trade organization representing the polyurethane industry.

SIGNIFICANCE

PMA addresses regulatory issues within our industry, particularly regarding MOCA, and shares valuable technical information with its members.
CPI supports its members by providing them with important technical information and regulatory developments pertaining to isocyanates
Both organizations host an annual conference, which are attended by both our customers and suppliers.

PRODUCTS AND SERVICES

At Anderson Development Company, we focus on our customers' success, and are committed to providing our customers value-added solutions. We are a specialist in custom manufacturing with 50 years of diverse experience in synthesis, distillation, blending, crystallization, filtering, and related processes. Spacious, well-equipped and maintained facilities are available for producing intermediates or finished products.

Our Almatex® acrylic resins, Almathane ® Waterborne Polyurethane Dispersions, Andur® urethane prepolymers, Curene® curatives, and Almabor® boron compounds are just five product lines that empower hundreds of applications world-wide, in markets as diverse as automotive coatings, adhesives, sealants, elastomers, semiconductors, pharmaceuticals, and catalysts.



Almatex® Acrylic Resins

Almatex® acrylic resins represent a wide range of high quality. These resins are mainly GMA acrylics (epoxy functional), although hydroxyl functional or carboxylic functional acrylics (HFA or CFA) are also available. Powder coatings made from Almatex® GMA acrylics are especially noted for weather durability, gloss, crystal clear clarity, chemical resistance, and smooth finish. The evolution of powder coating resins goes hand in hand with aluminum wheel usage that allows for lighter vehicle weight.

Due to optimized coating use and recovery steps there is exceptional transfer efficiency. Additionally, volatiles are not emitted during the curing process, allowing for significant VOC reductions for the end user compared to conventional liquid coatings.

Significant investments recently allow for reuse and recycle of in-process raw materials, resulting in considerable waste reduction.

Market needs for reducted energy use in downstream value chains have resulted in ADC's innovations in low cure technologies to save on energy costs.

Applications: Powder Coatings for automotive OEM, automotive components and parts including aluminum wheels, outdoor furniture, lawn and garden equipment, architectural and general industrial products.

Almabor® Boron Compounds

Anderson Development is a global supplier of a boron-based product line, Almabor®, including: Triisopropyl Borate (TiPB), Triethyl Borate (TEB), Tri-n- Butyl Borate (TnBB), and Trimethoxyboroxine (TMBX), among others. Anderson Development serves a diverse range of highly specialized industries with boron applications including electronic chip manufacturing, chemical intermediates, catalysts, fuel and lubricant additives, adhesion polymers, liquid crystal manufacturing, and more.

Applications: pharmaceutical synthesis, electronics, adhesion and lubrication additives, oil fields.

Almathane® Waterborne Polyurethane Dispersions are low VOC systems designed for a broad range of applications including architectural (deco, DIY), industrial and construction coatings. Waterborne coatings can be designed with <50 g/L VOC and provide toughness, adhesion and resistance properties specific to the end-use needs. Almathane® waterborne polyurethane dispersions are free of NMP and NEP, with a high level of hydrophobicity (resistance to water) across the portfolio. In addition, several products contain up to 10-12% of bio renewable content, demonstrating our commitment to circular economy initiatives.

Applications- Do it yourself architectural coatings, metal protection for industrial coatings, construction and concrete, and specialty temporary coatings.



PRODUCTS AND SERVICES

ANDUR® / CURENE® POLYURETHANE SYSTEMS FOR CAST ELASTOMERS

ADC's polyurethane products are a core business of the company going back to our founding. There are 150 Andur® prepolymers in our product portfolio that are used in every industry imaginable, including mining, rollers, caster wheels, oil and gas, automotive, agriculture, electronics, food processing, sporting goods, and much more. Our urethane team has our customers in mind for all aspects of what we do, so that we can make their lives safer, their jobs easier, and their products better.



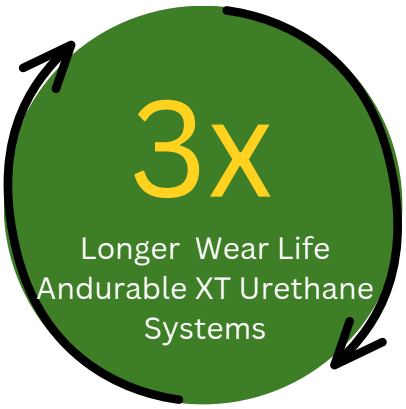
Application: No Crush Wheels

LFTDI Expansion

In November of 2022, we started up an expansion to our current Low Free isocyanate system, which allowed us to grow our "LF" products, putting ADC in a good position to help customers use safer products with low isocyanate monomer content (<0.1%). We currently make products based on TDI and trans-1,4H6XDI with this technology. We also continue to research into making other isocyanate prepolymers into low free monomer products.

Nimbleness of a Small Company

When tasked with a challenge, our R&D team is able to move quickly to help customers get experimental samples in their hands in weeks, not months. This concept has lead to our Andur "XP" product samples that number well over 850 now! Once the XP material is approved by the customer, it receives a commercial name, and a new product is born.



Advancing Sustainability Through Durability

Our commitment to sustainability extends beyond raw material selection—it's engineered directly into product performance. The newly launched Andurable XT product line exemplifies this approach with formulations designed for maximum component lifespan and superior abrasion resistance. Through advanced R&D and precise formulation control, each Andurable XT product is engineered to withstand demanding wear environments, delivering up to three times longer service life compared to standard materials. This enhanced durability means fewer replacements, reduced maintenance needs, and significantly less waste generated over the product's lifecycle. By extending the performance and reliability of each component, Andurable XT products support both environmental and economic sustainability— helping customers reduce landfill waste, minimize downtime, and optimize long-term resource efficiency.

Internship Program

For nearly 30 years, our Urethane R&D group has proudly supported a strong internship program designed to inspire, educate, and develop the next generation of innovators. This long-standing tradition reflects our commitment to hands-on learning, mentorship, and career development within the field of polyurethane chemistry. Through real-world lab experience and collaborative project work, interns gain valuable technical skills while contributing to ongoing research that drives sustainable innovation.



CORPORATE GOVERNANCE

Strong corporate governance is an integral part of our core values and supports our sustainable growth mission. We are committed to having sound corporate governance principles and practices.

GOVERNANCE STRUCTURE

As a wholly owned subsidiary of Mitsui Chemicals America, a wholly owned subsidiary of Mitsui Chemicals, Inc., Tokyo, Anderson Development Company functions as an independent entity that is fully consolidated into the Coating and Engineered Materials Division, within the ICT Division of Mitsui Chemicals. Anderson Development is registered in the US as a Michigan corporation.

Our company's governance processes are integrated with that of Mitsui Chemicals and board processes are designed to keep board members informed of significant economic, environmental, and social issues impacting the company.
As a wholly owned consolidated subsidiary, Anderson Development is subject to oversight and audit by staff functions from Mitsui Chemicals and Mitsui Chemicals America for all areas, including but not limited to Internal Controls (JSOX), Responsible Care® (Health, Safety, Security and Environmental) and Quality Management. These Mitsui Chemicals staff functions assist the Board of Directors in fulfilling its oversight responsibilities regarding all Sustainability related issues.

More information on Corporate Governance can be found in the Mitsui Chemicals Report 2025 here:
jp.mitsuichemicals.com/jp/corporate/governance/index.htm

Anderson Development is governed by a board of directors comprised of:

Antonios Grigoriou
Chairman of the Board
Anderson Development Company
President of Mitsui Chemicals America

Masanari Kitajima
Mitsui Chemicals America
Representing the Coatings and Engineered Materials Division and Mitsui Chemicals America

Shinichirou Takenouchi *
Takefumi Suzuki
Director Mitsui Chemicals
Representing the Coatings and Engineered Materials Division

Mark Kramer
Anderson Development Company
President and CEO

Heather Hawley
Anderson Development Company:
CFO, Treasurer and Corporate Secretary

The board of directors has only one committee, the Executive Committee, comprised of all the US based directors, which governs the routine operations of the company.

Antonios Grigoriou
Chairman of the Board of Anderson Development Company,
President of Mitsui Chemicals America

Mark Kramer
Anderson Development Company
President and CEO

Masanari Kitajima
Mitsui Chemicals America
Representing the Coatings and Engineered Materials Division and Mitsui Chemicals America

Heather Hawley
Anderson Development Company:
CFO, Treasurer and Corporate Secretary

*Takefumi Suzuki previously held this role. Shinichirou Takenouchi currently holds this role.

FINANCIAL INFORMATION

POLICIES AND CERTIFICATIONS

At Anderson Development, we are dedicated to continuously improving the safety and security of our manufacturing operations. We maintain our focus on emergency response, product stewardship, minimizing our environmental impact and supporting our community. We demonstrate this commitment by embedding responsible and sustainable practices into our procedures, and we align our operations and activities with the following:

- Responsible Care® Management System
- ISO 9001 Quality Management
- RC14001 Technical Specification
- ISO 14001 Environmental Management
- ICCA Global Responsible Care® Charter

We also adhere to the policies of our parent company, Mitsui Chemicals, in our daily operations. These policies can be found here:

jp.mitsuichemicals.com/en/corporate/policylist/index.htm

FINANCIAL INFORMATION

Anderson Development Company is 100% subsidiary of Mitsui Chemicals. The financial results of the ICT division of Mitsui Chemicals can be viewed in the 2025 Mitsui Chemicals report here:

jp.mitsuichemicals.com/en/ir/library/ar/index.htm#title

Mitsui Chemicals
Group

COMMITMENT TO SUSTAINABILITY



In 2025, Anderson Development Company earned a Silver Medal from EcoVadis—awarded to the top 15% of companies assessed globally. This distinction reflects exceptional performance across Environment, Labor & Human Rights, Ethics, and Sustainable Procurement, supported by robust management systems, verified data (including greenhouse gas emissions), and a commitment to continuous improvement. Achieving a Platinum rating demonstrates the deep integration of sustainability into ADC's core business model and underscores our leadership and responsibility to customers and partners.

This rating,recognizes the dedication and commitment ADC has shown in being a responsible corporate citizen—working in harmony with our community, our people, and the planet. ADC remains committed to the highest standards of corporate social responsibility by embracing sustainable practices and providing products that support our customers in achieving their own sustainability goals.

COMMITMENT TO SUSTAINABILITY

At Anderson Development Company we demonstrate our commitment to sustainability by balancing our responsibilities for social, environmental, and economic health. Our sustainability strategy guides our actions, and our sustainability policy communicates our intentions to:

- Enhance the "Quality of Life" of our employees and our community
- Strive for an incident free workplace through the continual improvement of health, safety and security
- Ensure environmental preservation through careful consideration of the impacts of our activities, products and services
- Assure customer satisfaction
- Meet compliance obligations and other agreed upon commitments
- Support the Responsible Care® Guiding Principles

To further demonstrate our commitment to improve our quality, environmental, health, safety, and security performance, Anderson Development has obtained registrations to ISO 9001 and RC14001, an environmental, health, safety, and security management system standard.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

We recognize that the protection of our local and global communities is vital to the future of our company. We pledge to support the United Nations Sustainable Development Goals (SDGs) by contributing to goals and targets that are material to our organization, and where we can achieve the greatest impact. Our initiatives and actions illustrate our support of the following SDGs:

- SDG 3 – Good Health and Well Being
- SDG 4 – Quality Education
- SDG 10 – Reduced Inequalities
- SDG 12 – Responsible Consumption and Production

COMMITMENT TO SUSTAINABILITY

HEALTH AND SAFETY

Anderson Development strives for an accident and injury free workplace by identifying and eliminating workplace hazards. Anderson Development provides employees with the equipment, procedures, and training necessary to reduce exposure to hazards. In addition, Anderson Development provides information to employees which is intended to help our people manage their own personal well-being.

Although our products provide many benefits to society, they must be managed in a responsible manner to prevent negative impacts to people and the environment. Anderson Development is committed to promoting product safety and stewardship throughout the value chain. This includes all aspects ranging from sourcing raw materials to our customers using and disposing of our materials.

Anderson Development is strongly committed to preventing catastrophic accidents associated with the manufacturing of chemicals. To this end, we support a culture that promotes process safety. Proper design, operation, and maintenance of facilities are important aspects of process safety.

ENVIRONMENTAL MANAGEMENT

Anderson Development aspires towards waste minimization and environmental preservation through sound operation of its manufacturing facility as well as through the development of new products and technologies.

QUALITY

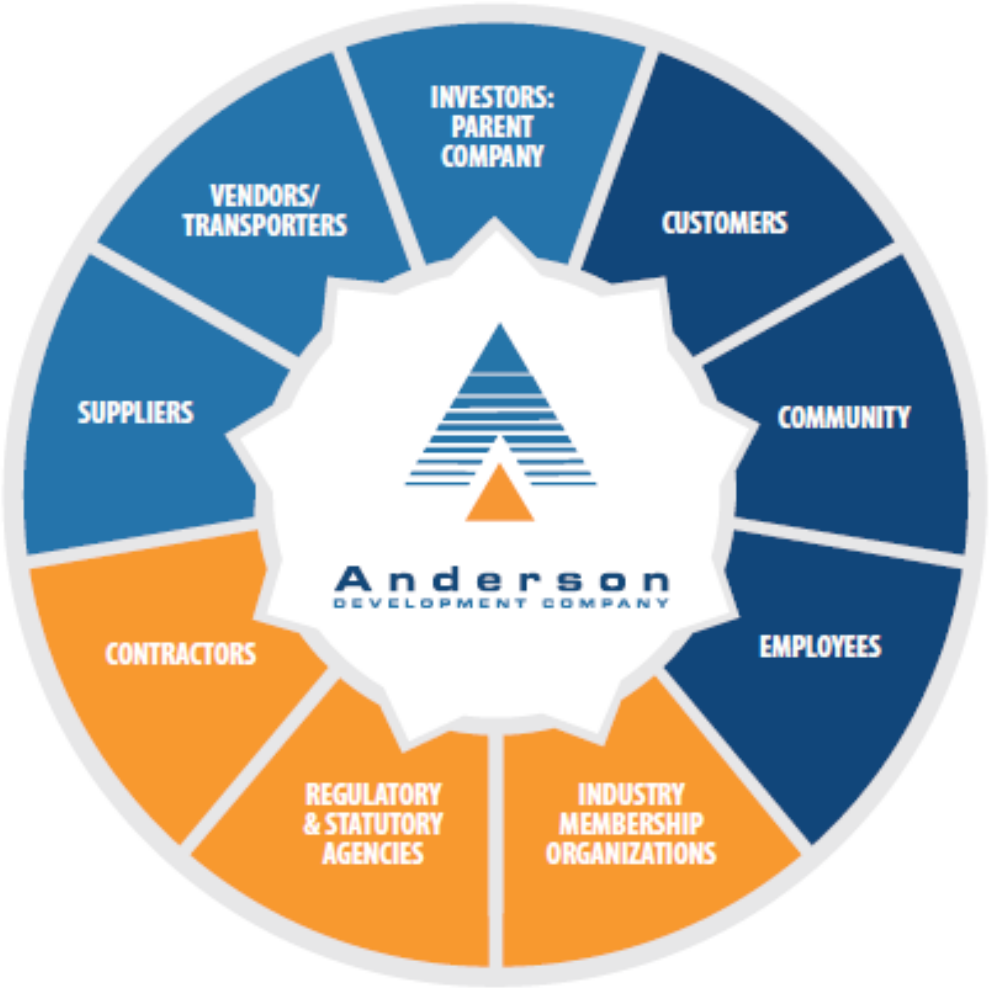
Anderson Development strives to be a customer focused organization that aspires to understand and meet our customers' requirements. As a learning organization, to better serve the customer, to be more efficient, and to do things right the first time, Anderson Development is focused on continual improvement and embraces opportunities to learn and improve.

SECURITY

Anderson Development cooperates with the appropriate governmental agencies, such as the Department of Homeland Security and local municipalities, to preserve the security of our community through the protection of the public, our employees, facilities, products, and information.

MANAGEMENT SYSTEM

Anderson Development utilizes an integrated management system based on the concept of Plan, Do, Check, Act. We are committed to conforming to Quality and Responsible Care® Management System (QRCMS) requirements. We set and annually review goals and objectives to ensure continual improvement in our QRCMS and our sustainability policy and goals and targets to support our sustainability vision and mission. We promote a spirit of openness with our key interested parties, considering employee, public, and customer inputs. This policy is communicated to all persons working for and on behalf of the organization and is available to the public.



STAKEHOLDERS

We recognize the importance of all stakeholder groups whether these are internal stakeholders such as employees or external stakeholders such as suppliers and customers. Primary stakeholders we have identified are shown.

View our Stakeholder Engagement Matrix on our website:
www.andersondevelopment.com/quality/Sustainability

American Chemistry Council

Mitsui Chemicals Group

City of Adrian Michigan 1825

RESPONSIBLE CARE
Driving Safety & Sustainability

Lenawee Intermediate School District

DETERMINING THE CONTENT OF OUR REPORT

To determine those sustainability issues directly related to our operations and activities, we used a three-channel approach. Firstly, through our daily and frequent engagement with our key stakeholder groups, we were able to derive those issues that directly influence their relationship with Anderson Development, as well as those issues that are of high concern to them. Secondly, we considered the impact we have as a company in each area, through our operations and performance. Thirdly, we performed a benchmarking of sustainability reports of our sector to verify that all issues considered of high importance by the sector are included in the report.

View our Key Topics and Boundaries on our website:

https://www.andersondevelopment.com/pdf/key_topics_&_boundaries_report.pdf

We have determined that the following topics are of high importance to us and thus included in this report.



OUR EMPLOYEES

Total Company turnover rate in 2025
14.2%

Average length of service in 2025
10.9 years

New hires by age group
Age <30 = **5**
Age 30-50 = **8**
Age >50 = **0**

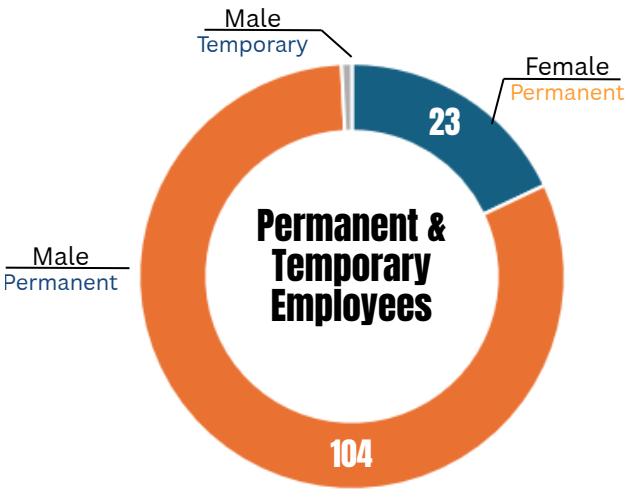
127
Permanent Employees

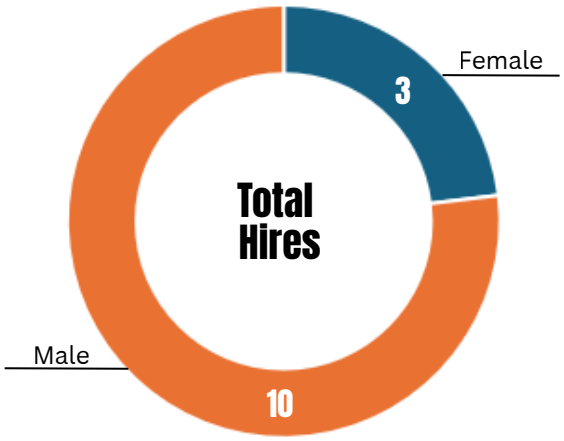
At Anderson Development Company, our employees are our most vital asset and the driving force behind our progress. Every day, our team members bring their unique skills, experiences, passion, and talent to advance our mission, ensure safe operations, and promote long-term sustainability.

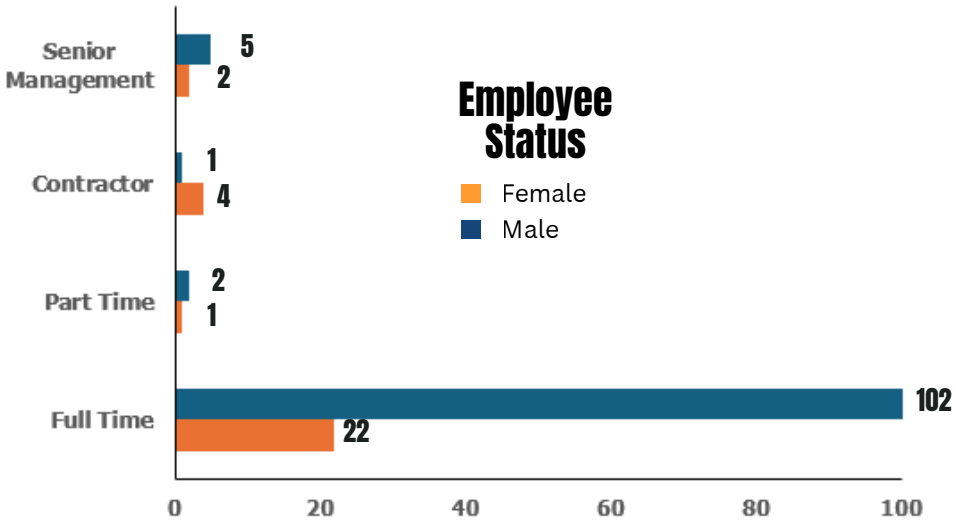
We are dedicated to fostering a supportive, inclusive, and positive workplace where every individual is treated with fairness and respect. As an equal opportunity employer, we actively invest in our people from day one. Through departmental strategies, robust reward plans, ongoing on-the-job training, professional development, and educational support, we empower our team to face challenges and reach their full potential. We are incredibly proud of employee longevity, and the deep wealth of knowledge shared at every level of our organization. Our employees truly make us better.

To view Anderson Development's Benefits, visit:

https://www.andersondevelopment.com/careers/







OUR EMPLOYEES

EMPLOYEE HEALTH AND SAFETY

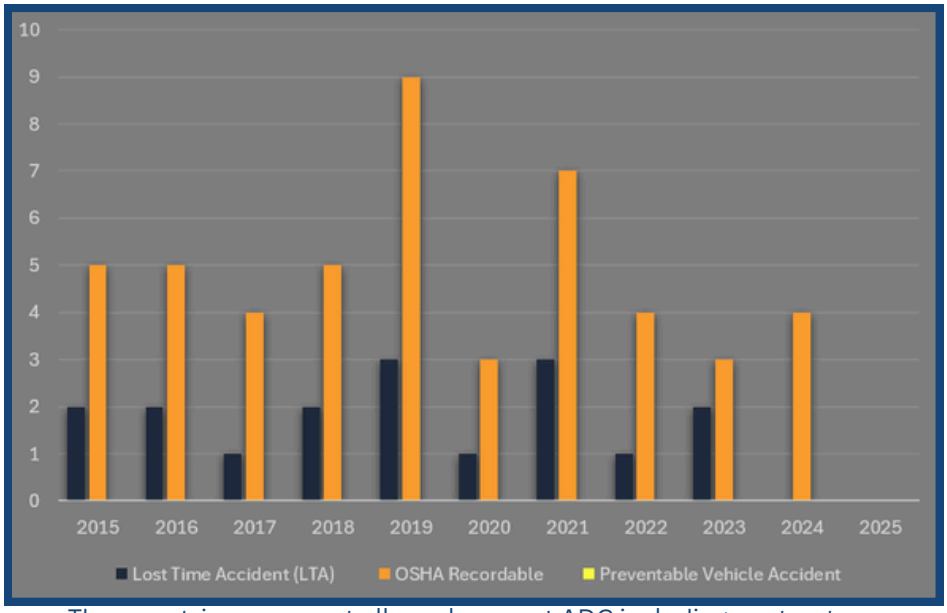
Ensuring the health and safety of our employees and our community is our highest priority at Anderson Development. We are committed to maintaining a safe working environment and protecting our community by ensuring the secure and responsible handling of chemicals at our facility. While the products we manufacture offer significant benefits to society, they must be carefully managed to prevent potential impacts on people and the environment.

We continuously strive for an accident- and injury-free workplace and work proactively to identify and eliminate potential hazards. Our employees play a critical role in maintaining safety throughout our manufacturing operations. We employ highly trained professionals and ensure our training programs are effective, equipping employees with the tools, knowledge, and procedures needed to minimize exposure to hazards.
Proper design, operation, and maintenance of our facility are essential components of process safety. Employees are actively involved in all aspects of our process safety management system, including preventive maintenance, process hazard analyses, pre-startup safety reviews, and management of change activities.

Employees also take part in periodic Job Safety Analysis (JSA) reviews to identify and evaluate workplace risks. We maintain an active Safety Committee that meets regularly to review performance, discuss concerns, and recommend improvements. In addition, all employees participate in our Near Miss Reporting program, which promotes awareness, strengthens our safety culture, and helps prevent future incidents.

We are dedicated to maintaining a safety-focused workplace and continually strengthening our safety culture. In 2019, we began developing a behavioral safety standard that defines the critical behaviors and tools needed to understand, reinforce, and sustain a strong culture of safety. In 2025, our focus remains on ensuring that all employees clearly understand and consistently demonstrate the behaviors that support and enhance this culture.

OCCUPATIONAL HEALTH AND SAFETY COMPARISON



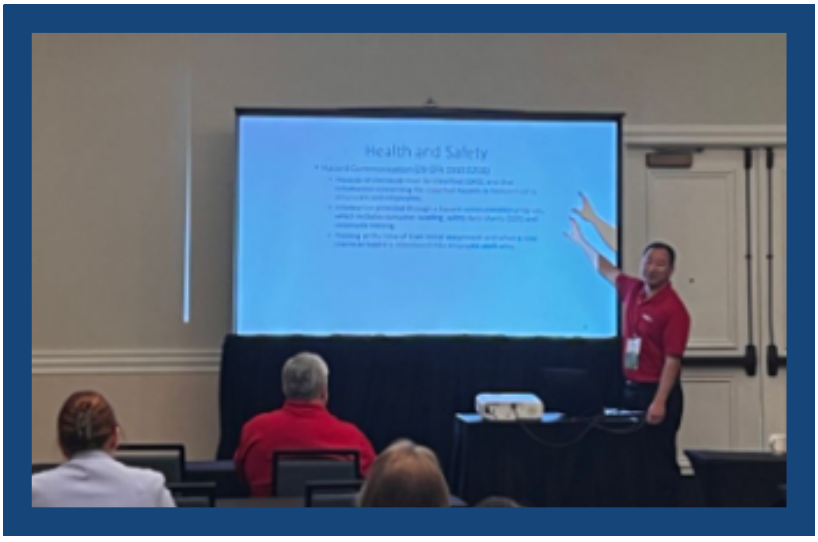
These metrics represent all employees at ADC including contractors

Employee Highlights



Urethane R&D Chemist, Bryant Moore, showcased his technical poster “Get a Grip! Increasing Coefficient of Friction While Maintaining Hardness” during PMA 2025

Chris Goeloe, VP, Quality and Responsible Care, provided EHS training and contributed to the discussion of MOCA defense during PMA 2025



Employee Highlights



Dr. Dehui Han was awarded the Best Technical Paper Award during the 2025 Great Lakes Coating Conference for his work on “Advances in GMA Acrylic Resins: Addressing New Challenges with Novel Approaches.”



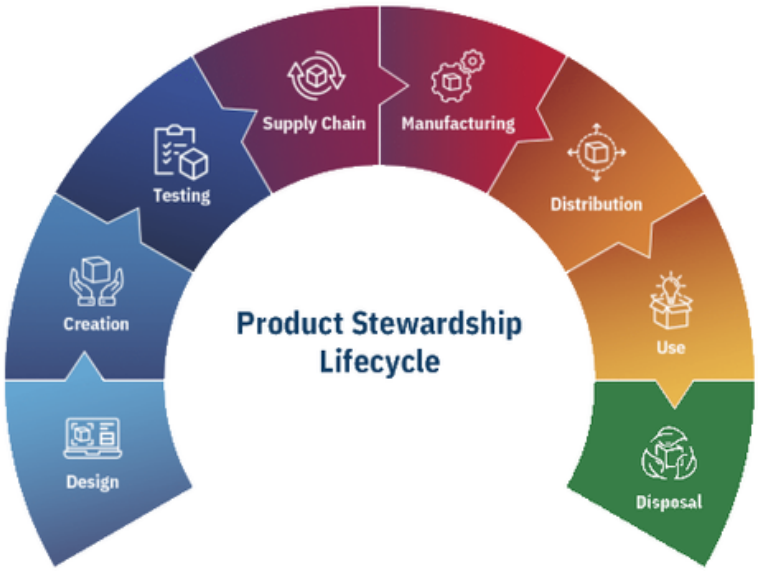
Product Responsibility

Anderson Development is dedicated in supporting the safe handling and use of chemicals. We proactively manage the health, safety and environmental aspects throughout the value chain of our products beginning from raw material sourcing to new product development.

Anderson Development is committed to minimizing the risks related to the delivery of our chemical products as we oversee our distribution system to reduce potential issues from occurring. Anderson Development complies with the requirements of governmental agencies, such as EPA, OSHA, REACH, DOT, DHS, and our Responsible Care® commitments.

Chemical Product Lifecycle & Supply Chain

- We are a global supplier of innovative specialty chemicals with a diverse customer base.
- The materials we manufacture help our customers produce superior products.
- We utilize global suppliers and view our suppliers as partners.





PRODUCT STEWARDSHIP

Product stewardship is the responsible management throughout the full life cycle of a product to ensure safe design, development, handling, use and disposal. Product Stewardship provides a valuable framework to improve chemical management by integrating all aspects of a product's health, safety and environmental management while considering regulatory requirements, societal pressures and best business practices.

At Anderson Development, we foster the sharing of information about the proper use, storage, and disposal of products with our stakeholders, including customers, suppliers, distributors, and contractors.

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Appropriate actions and communication media will vary depending on the circumstances and will be commensurate with any potential product risk. Typical product stewardship activities may include the following:

-Safety Data Sheets -Labels
-Training Programs -Site Visits

ENVIRONMENT

We work to reduce our environmental impact by increasing material recovery and reuse, supporting safe collection of hazardous household waste, and improving our understanding and reduction of our carbon footprint. We also manage our waste, water, and emissions responsibly through ongoing monitoring and improvement efforts. As a proud supporter of Responsible Care®, we use the Responsible Care® management system to continually strengthen our environmental performance.

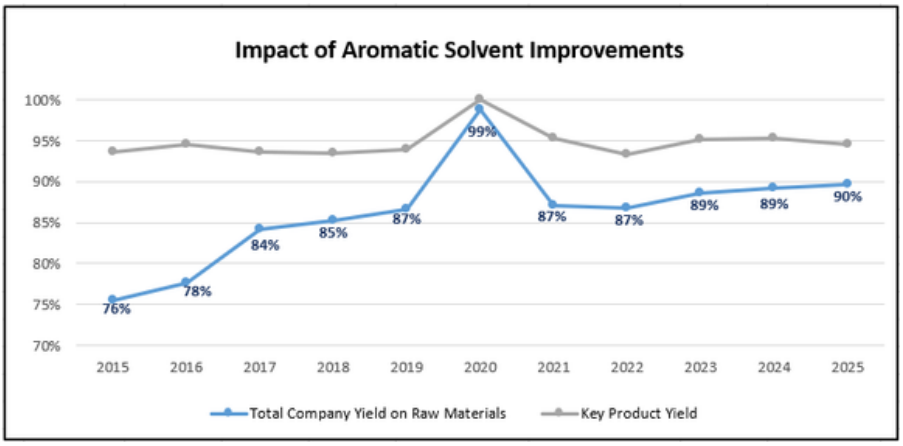
ENVIRONMENTAL INITIATIVES

Solvent Recovery and Reuse

In 2017, Anderson Development launched an aromatic solvent recovery and recycling program that required a major capital investment and has delivered significant environmental benefits. The initiative has substantially reduced raw material consumption, solvent purchases, and greenhouse gas emissions. These GHG reductions are primarily due to fewer transportation needs for both incoming virgin solvent and outgoing processed solvent. An additional unanticipated benefit is the reduced risk of transportation- related incidents.

Since the system began full-time operation in Q4 2017, the following reductions have been achieved:

- 82% reduction in key product solvent usage since 2015
- Eliminated ~63 shipments of raw material solvent and nearly all resale-solvent shipments since 2015, lowering mobile-source GHG emissions
- 1% reduction in the carbon footprint of our key product
- 11% improvement in sitewide raw material yields since 2015



WATER

Water Stewardship

Anderson Development is committed to using water responsibly and improving water-use efficiency across our operations. Our operations rely exclusively on purchased water, with no withdrawals from surface water, seawater, groundwater, or rainwater collection systems. While total water consumption increased from 7.9 million gallons in 2024 to 8.9 million gallons in 2025, we continue to focus on opportunities to improve efficiency, reduce unnecessary water use, and promote responsible water stewardship throughout our operations.

Wastewater Management and Measurement

While we currently track total sitewide wastewater generation, we do not yet have the capability to measure wastewater volumes by individual process source. In FY2018, we initiated a comprehensive study to determine the metering infrastructure needed to enable source-level measurement. The study identified optimal meter locations within the system. The next phase includes installing these meters, collecting detailed flow data,
and using the insights to drive targeted improvements in water-use efficiency.

Recycling and Resource Conservation

We recognize the critical role of water recycling and reuse in preserving natural resources. All wastewater generated at our facility is transported to a regulated, permitted treatment facility. Once treated and compliant with discharge limits, the water is released to a natural water body, allowing it to return to the natural water cycle. This process supports broader conservation efforts and minimizes disposal impacts.



HOUSEHOLD HAZARDOUS WASTE COLLECTION

To support our community in responsibly managing hazardous materials generated in local homes, Anderson Development partners each year with Wacker Chemical Corporation and the Stubnitz Environmental Education Center to host joint collection events. These events play an essential role in removing and properly disposing of household hazardous chemicals, reducing the risk of accidental exposure and promoting a safer environment. They continue to be highly successful and benefit from strong participation and support from local businesses and community members.



Year	Cars Processed	Ton
2019	573	27
2021	580	19
2022	467	30
2023	540	19
2024	465	27
2025	485	24

Estimated total disposed - entire 28-year period: 735,721 lbs. (364.5 tons).

Visitors indicated that ADC excels in its Responsible Care® efforts and its support for the community.

WASTE MANAGEMENT

Anderson Development adheres to the waste minimization requirements of the Resource Recovery and Conservation Act and our Pollution Prevention Act policy, prioritizing pollution prevention at the source. Our approach ensures that any waste generated is reduced, reused, recycled, or disposed of in a compliant and environmentally responsible manner.

ENERGY AND EMISSION

The following information presents our energy performance for the past six years, including our Scope 1 and Scope 2 emissions.

Direct greenhouse gas emissions (Scope 1), resulting from the consumption of natural gas:

- 2025: 5.18 tons of CO_2eq
- 2024: 5.60 tons of CO_2eq
- 2023: 5.73 tons of CO_2eq
- 2022: 5.94 tons of CO_2eq
- 2021: 6.21 tons of CO_2eq
- 2020: 6.06 tons of CO_2eq
- 2019: 6.01 tons of CO_2eq

Indirect greenhouse gas emissions (Scope 2) resulting from electricity consumption:

- 2025: 5,409.27 tons of CO_2eq (9743.85 MWh)
- 2024: 5,660.90 tons of CO_2eq (10197.1 MWh)
- 2023: 5,416.88 tons of CO_2eq (9757.6 MWh)
- 2022: 5,239.48 tons of CO_2eq (9438.0 MWh)
- 2021: 5,361.19 tons of CO_2eq (9657.2 MWh)
- 2020: 5,277.76 tons of CO_2eq (9506.9 MWh)
- 2019: 5,408.35 tons of CO_2eq (9742.2 MWh)

Total greenhouse gas emissions:

- 2025: 5,414.45 tons of CO_2eq
- 2024: 5,668.94 tons of CO_2eq
- 2023: 5,422.61 tons of CO_2eq
- 2022: 5,245.42 tons of CO_2eq
- 2021: 5,367.40 tons of CO_2eq
- 2020: 5,283.82 tons of CO_2eq
- 2019: 5,414.36 tons of CO_2eq

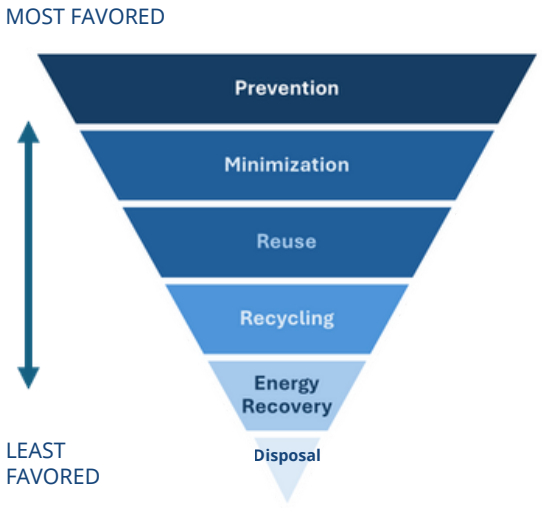
The United States Environmental Protection Agency for Greenhouse Gas Inventories dated January 15, 2025, was used to calculate scope emission. Usage is calculated directly from utility statements and standard conversions were used. ADC has operational control of reported emissions.

ENVIRONMENT

Our waste minimization practices include upgrading equipment or technology, modifying processes and procedures, reformulating or redesigning products, substituting raw materials with safer alternatives, reusing raw materials within production, and strengthening housekeeping, maintenance, training, and inventory control. When waste cannot be prevented, we follow the sustainable materials management hierarchy.

We actively recycle paper, cardboard, and metal generated on-site to avoid landfilling these materials. Raw material drums are reclaimed and reused rather than disposed of, and pallets are reused within our operations. Only one waste stream generated on-site is sent to landfill, representing less than 3% of our total waste.

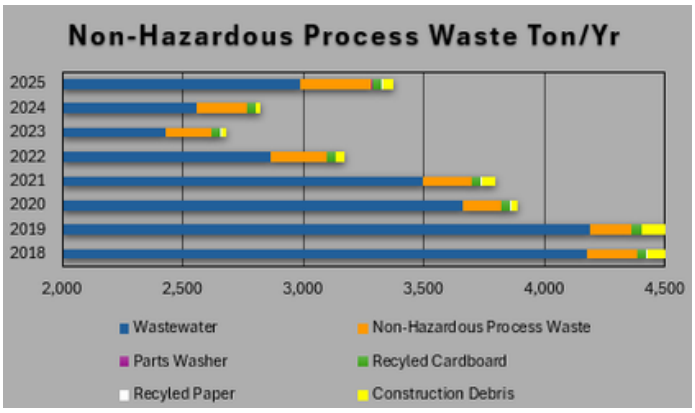
Anderson Development will continue to track its sustainable materials management performance, monitor materials in the lower tiers of the waste hierarchy, and take action where needed to further reduce environmental impact.



NON-HAZARDOUS WASTE

Our non-hazardous liquid and solid wastes are managed using a range of technologies, including off-site treatment and discharge for water, incineration, and recycling. We are committed to minimizing the amount of waste sent to landfills, and the only waste stream currently landfilled is that generated from on-site construction activities.

The following data reflects the non-hazardous waste streams sent off-site and the treatment or disposal methods used from 2018 through 2025.

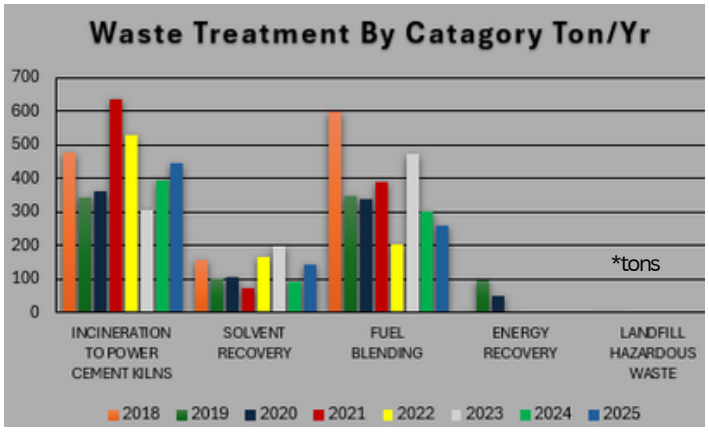


- Wastewater is sent off-site for treatment and discharge under the disposal facility's National Pollutant Discharge Elimination System (NPDES) permit.
- Non-hazardous process waste is sent off-site for incineration.
- Parts washer solution, paper, and cardboard are sent off-site for recycling.
- Construction debris is sent off-site for landfill disposal.

HAZARDOUS WASTE

When possible, we avoid landfilling hazardous waste by managing unusable or non-recyclable materials through off-site incineration to help power cement kilns, solvent recovery, and fuel blending. When disposal is necessary, we use licensed hazardous waste contractors, and all shipments are tracked using waste manifests. We work only with contractors whose compliance practices have been reviewed and who demonstrate the ability to meet all regulatory requirements.

The chart below illustrates the quantities of hazardous waste treated by each category.



ACTIONS AND FUTURE GOALS

Anderson Development is committed to advancing meaningful sustainability goals that shape a resilient and responsible future. Our sustainability strategy is designed to guide our actions as we strengthen our workforce, enhance our marketplace, and safeguard our planet.

We are dedicated to fostering a workplace where safety is paramount, striving for zero accidents and incidents. At the same time, we remain focused on improving the quality of life for our employees and the communities we serve.

Together, these commitments reflect our long-term vision for a more sustainable and equitable future.

TOPIC	GOALS	2025 PROGRESS
SUSTAINABILITY	Educate all of our employees on sustainability to foster in them the desire to support our goals and strategy and to inspire them to actively participate in our initiatives and to identify future initiatives material to our organization.	Employees have been educated in sustainability through review of sustainability activities and metrics. Results of an employee engagement survey revealed that employees recognize Anderson Development as a socially and environmentally responsible company.
HUMAN AND WORKPLACE RIGHTS	Committed to enhancing our employee's quality of life through continual improvement of and investment in employee engagement, training & development, and health and wellness initiatives.	Continued training and development of employees. Results of an employee engagement survey revealed that employees feel that diversity and inclusion is valued at Anderson Development.
SUSTAINABLE SOLUTIONS	Actively develop and promote products that support the UN SDGs (Good Health and Wellbeing and Responsible Consumption and Production	>80% of research and development allocated toward products which contribute to reduced environmental impacts or focused on enhancing product safety.
GIVING BACK	Invest in educational outreach and assistance to foster interest in chemistry to support our future workforce and contribute specifically to the UN SDGs (Quality Education and Reduced Inequalities) in ways which are most material to Anderson Development, have the most impact in or local community, and align with our mission.	Continued participation in the educational outreach programs we provide to our community.

ACTIONS AND FUTURE GOALS

TOPIC	GOALS	2025 PROGRESS
EMPLOYEE SAFETY	Protect the health and welfare of our employees and community through the development of world-class, safe operating performance. Engage all ADC employees to work towards an injury and accident free workplace through safe operating systems, behaviors and conditions.	Increased education, communication and participation in our safety initiatives to improve our occupational and process safety performance. • Continued implementation ADC S.A.F.E., our safety behavior standard. • Employees participated in safety meetings. • Two-thirds of employees contributed to the near miss program. • Continued efforts towards incident investigation including root cause analysis including human factors. • Results of an employee engagement survey revealed that employees believe that safety is very important to Anderson Development. • Continued to interact with, and to provide monetary support to local emergency responders. This includes providing an on-site training area for emergency responders.
CLIMATE PROTECTION	We will continue to reduce our impact on the environment, and will develop a set of initiatives to ensure our success	Continued optimization and monitoring of our solvent recovery/recycling initiative. Continue rationalization of utility usage and waste generation to identify opportunities to reduce our operational footprint.
ENVIRONMENT, HEALTH, AND SAFETY	Continue the development of world-class Safety and Environmental management systems utilizing the Responsible Care RC14001® standard.	Successful 3rd party audit to RC14001® standard.
SUSTAINABLE MARKETPLACE	In support of ADC's 2025 Sustainability Targets, we will continue to improve customer satisfaction and to improve the sustainability of our supply chain, ensuring all critical suppliers are aligned with our vision of sustainability	53% of our customers responded to our satisfaction survey and the feedback was overall positive. Validated that our material supply bases are in alignment with our sustainability expectations.

GRI INDEX

This Sustainability Report provides an overview of Anderson Development Company's sustainability performance and initiatives for the 2025 calendar year. It has been prepared in alignment with the GRI Standards and follows the Core reporting option.

STANDARD	DISCLOSURE	PAGE NUMBER(S)/REFERENCE
GRI 102: GENERAL DISCLOSURES		
ECONOMY		
GRI 102-1	Name of the organization	Anderson Development Company
GRI 102-2	Activities, brands, products, and services	4-5, 10-11
GRI 102-3	Location of headquarters	1415 E. Michigan St., Adrian, MI 49221
GRI 102-4	Location of operations	7
GRI 102-5	Ownership and legal form	7, 12-13
GRI 102-6	Markets served	7, 10-11
GRI 102-7	Scale of the organization	7, 12, 13, 18
GRI 102-8	Information on employees and other workers	18
GRI 102-9	Supply chain	22
GRI 102-10	Significant changes to the organization and its supply chain	During this period there were no significant changes to the supply chain
GRI 102-11	Precautionary principle or approach	8, 14, 15, 22, 26, 27
GRI 102-12	External initiatives	4, 5, 8-9, 14
GRI 102-13	Membership of associations	4-5, 9, 20, 21
STRATEGY		
GRI 102-14	Statement from senior decision-maker	3
ETHICS AND INTEGRITY		
GRI 102-16	Values, principles, standards, and norms of behavior	8, 13, 26-27
GOVERNANCE		
GRI 102-18	Governance structure	12
STAKEHOLDER ENGAGEMENT		
GRI 102-40	List of stakeholder groups	16
GRI 102-41	Collective bargaining agreements	There are no collective bargaining agreements at Anderson Development Company
GRI 102-42	Identifying and selecting stakeholders	16
GRI 102-43	Approach to stakeholder engagement	16-17
GRI 102-44	Key topics and concerns raised	16-17
REPORTING PRACTICE		
GRI 102-45	Entities included in the consolidated financial statement	13
GRI 102-46	Defining report content and topic boundaries	17
GRI 102-47	List of material topics	17
GRI 102-48	Restatements of information	There are no restatements of information from our previous
GRI 102-49	Changes in reporting	reports There are no significant changes at ADC during this
GRI 102-50	Reporting period	reporting period January 1, 2025– December 31, 2025
GRI 102-51	Date of most recent report	2025
GRI 102-52	Reporting cycle	Annual
GRI 102-53	Contact point for questions regarding the report	Sustainability Committee - Product Stewardship Department 1415 E. Michigan Ave. Adrian, MI 49221 csr@anddev.com
GRI 102-54	Claims of reporting in accordance with the GRI Standards	6
GRI 102-55	GRI content index	28-29 / There were no omissions from the disclosures for this reporting period

GRI INDEX

STANDARD	DISCLOSURE	PAGE NUMBER(S)/REFERENCE
	TOPIC SPECIFIC DISCLOSURES	
	ECONOMY	
GRI 201	ECONOMIC PERFORMANCE 2016	
GRI 103	Management Approach Disclosures	7, 12-13
GRI 201-1	Direct economic value generated and distributed	13
	ENVIRONMENT	
GRI 302	ENERGY	
GRI 103	Management Approach Disclosures	8, 14, 17, 23-24
GRI 302-1	Energy consumption within the organization	24
GRI 303	WATER	
GRI 103	Management Approach Disclosures	8, 14, 17, 23,
GRI 303-1	Water withdrawal by source	23
GRI 305	EMISSIONS	
GRI 103	Management Approach Disclosures	8, 14, 17, 23-24,
GRI 305-1 GRI 305-2	Direct (Scope 1) GHG emissions Energy indirect (Scope 2) GHG emissions	24
GRI 306	EFFLUENTS AND WASTE	
GRI 103	Management Approach Disclosures	8, 14, 17, 23-25
GRI 306-2	Waste by type and disposal method	25
	EMPLOYEES - SOCIETY	
GRI 401	EMPLOYMENT	
GRI 103	Management Approach Disclosures	8, 17
GRI 401-1	New employee hires and employee turnover	18
GRI 401-2	Benefits provided to full time employees	18
GRI 403	OCCUPATIONAL HEALTH & SAFETY	
GRI 103	Management Approach Disclosures	8, 14-15, 17
GRI 403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	19



Act Responsibly
Think Sustainably

Anderson
DEVELOPMENT COMPANY