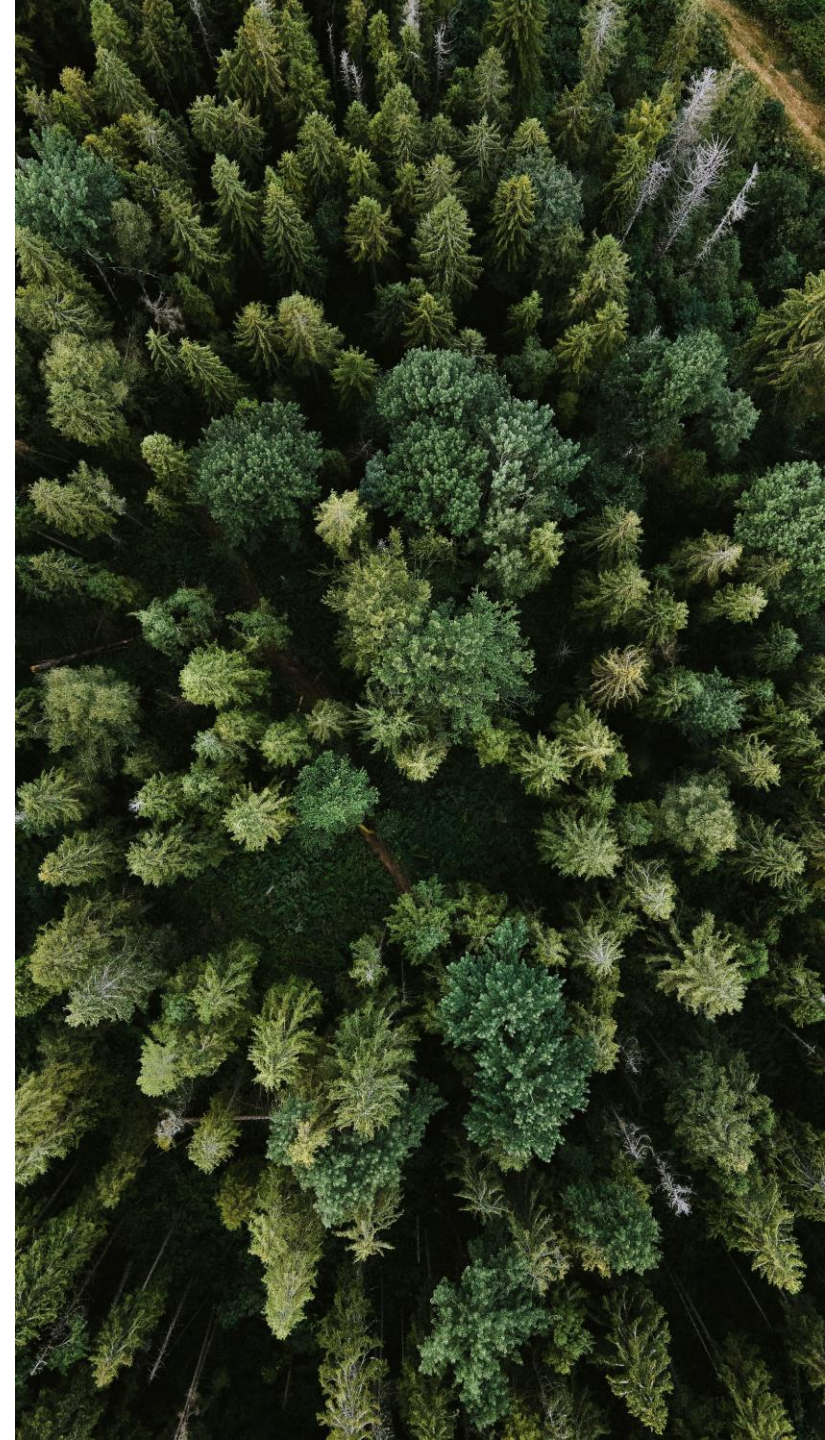


2023 Social Responsibility & Sustainability Report

Meridian Chemicals Reporting Metrics from Jan 1 - Dec 31st, 2023



Introduction

Governance

Sustainability

Operations

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Sustainability highlights



Towards a Renewable Future:

At Meridian Chemicals, our mission is to transform industrial wastes and residues into valuable, sustainable solutions. By investing in innovative on-site Tall Oil processing units, we create renewable, high-quality products that reduce waste and contribute to a circular economy.

We are committed to operating with integrity, upholding the highest standards of safety, compliance, and quality across our value chain. Through collaboration with trusted partners and third-party certifications such as ISCC EU and ISCC PLUS, we ensure our operations minimize environmental impact, lower greenhouse gas emissions, and support a sustainable future.

Guided by our dedication to continuous improvement, ethical practices, and social responsibility, Meridian Chemicals strives to deliver exceptional value to our customers while fostering a culture of transparency, innovation, and accountability.



Governance & Innovative Corporate Responsibility

We are committed to upholding the highest standards of governance and corporate responsibility. Our innovative approach ensures sustainable growth while driving meaningful environmental and social impact.

A couple of key features:

1. Robust Governance Practices: Transparent decision-making processes, ethical compliance, and risk management systems designed to ensure accountability and long-term value creation.
2. Innovative Solutions: Leveraging tall oil plants to improve resource efficiency, reduce environmental footprint, and advance waste recovery efforts, including achieving a 45% conversion yield from pulp mill residues.

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Ethics & Integrity

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Equality in the Supply Chain

Robust Governance Practices

Transparent decision-making processes, ethical compliance, and risk management systems designed to ensure accountability and long-term value creation.

Meridian Chemicals, LLC maintains an active collection of ethical commitments, policies, and procedures that govern our internal and client/supplier facing interactions.

Meridian's employees are empowered to act in accordance with the Business Ethics Policy, Anti-Corruption Policy, and are also rigorously trained on the aforementioned documents.

Meridian's Health and Safety Statement also protects and empowers employees by providing clear guidelines and reporting structures for incidents, which has been 100% effective at protecting employees.

Externally, Meridian goes above and beyond by ensuring suppliers and customers adhere to our CSR Customer and Supplier Codes of Conduct. These policies and codes of conduct can be found at Meridian's website, under the policy tab: <https://meridianchemicals.com/policies/>



Equality in the Supply Chain

Meridian's commitment to ensuring equal opportunity internally and externally rises above legal and industry standards.

Meridian has several commitments to equal opportunity – starting in the employee handbook (Human Resources Policy) and extending to the analysis of suppliers and customers (Procurement DEI Commitment Letter, CSR Customer and Supplier Codes of Conduct).

Meridian always selects candidates for employment, supply contracts, and sales agreements based on merit and adherence to stringent ethical guidelines.

Meridian goes above and beyond by ensuring suppliers and customers adhere to our CSR Customer and Supplier Codes of Conduct. These policies and codes of conduct can be found at Meridian's website, under the policy tab: <https://meridianchemicals.com/policies/>



Sustainability Solutions for Today & Tomorrow

Meridian's Sustainability Strategy starts with the core operation and mission – to utilize wastes/residues from the pulping process and make a renewable commodity that can be used in downstream markets.

As an ISCC EU and ISCC PLUS Certified Company, Meridian is regularly audited according to the most rigorous International chain of custody, traceability and environmental standards. To date, Meridian has fully conformed with international laws, standards, and performed emissions analyses to determine environmental impacts and areas for improvement.

Meridian has established targets for 2024, Reported Scope 1, 2, and 3 GHG Emissions, and reaffirmed commitments to the principles set forth in the EU's RED II Document.

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2024 Targets

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Scope 1, 2 and 3 GHG
Emissions

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Reporting Plant Usage
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ISCC Certification

Sustainability Goals

2024 Targets

Meridian made significant YoY strides from 2022-2023 as demonstrated on slide 4. In 2024, Meridian will remain committed to improving on key production and utilization metrics to lead a more sustainable and environmentally friendly operation.

Meridian will achieve the production goals set forth by utilizing its live tracking to identify root causes of low yield and provide operational support where needed to drive efficiencies.

Meridian will also ensure that the sales mix favors local routes, which should drive GHG savings alongside cost improvements.

46%

Conversion Yield Goal in 2024.
Maximum Achievable is 52%

150

Average LBS Caustic Used Goal per
Short Ton of Crude Tall Oil Produced

55k

ST Goal for Useful By-Product
produced from Pulp Mill Waste Streams

85

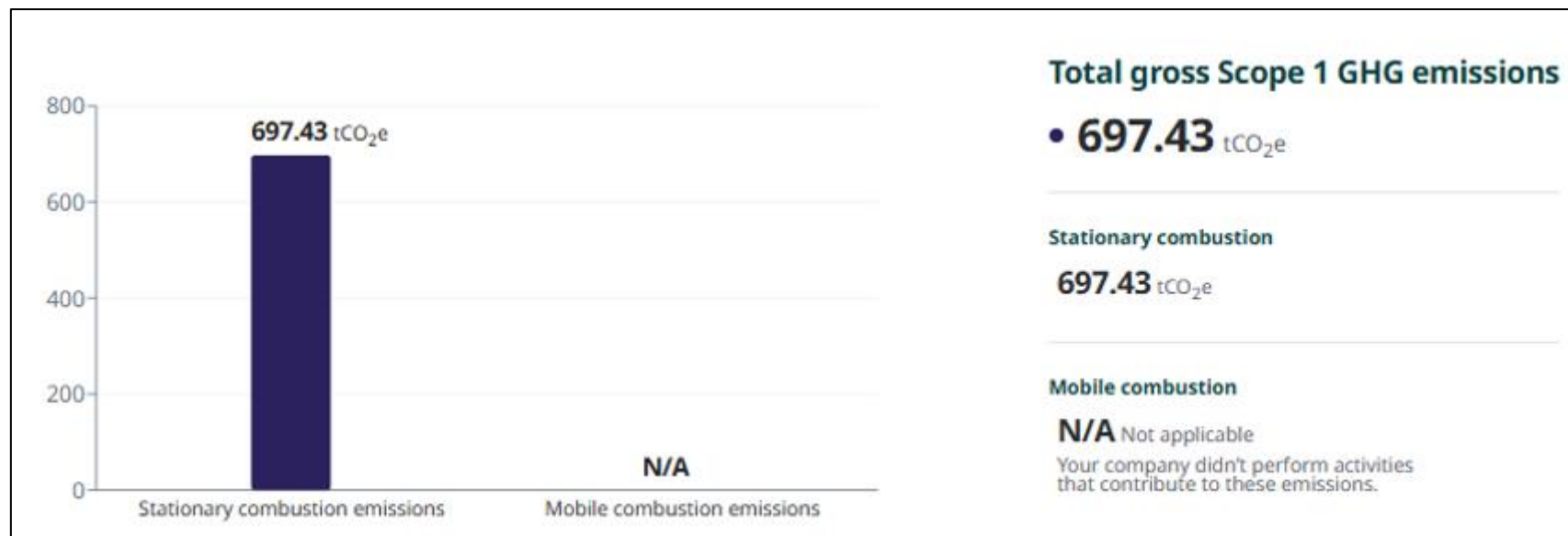
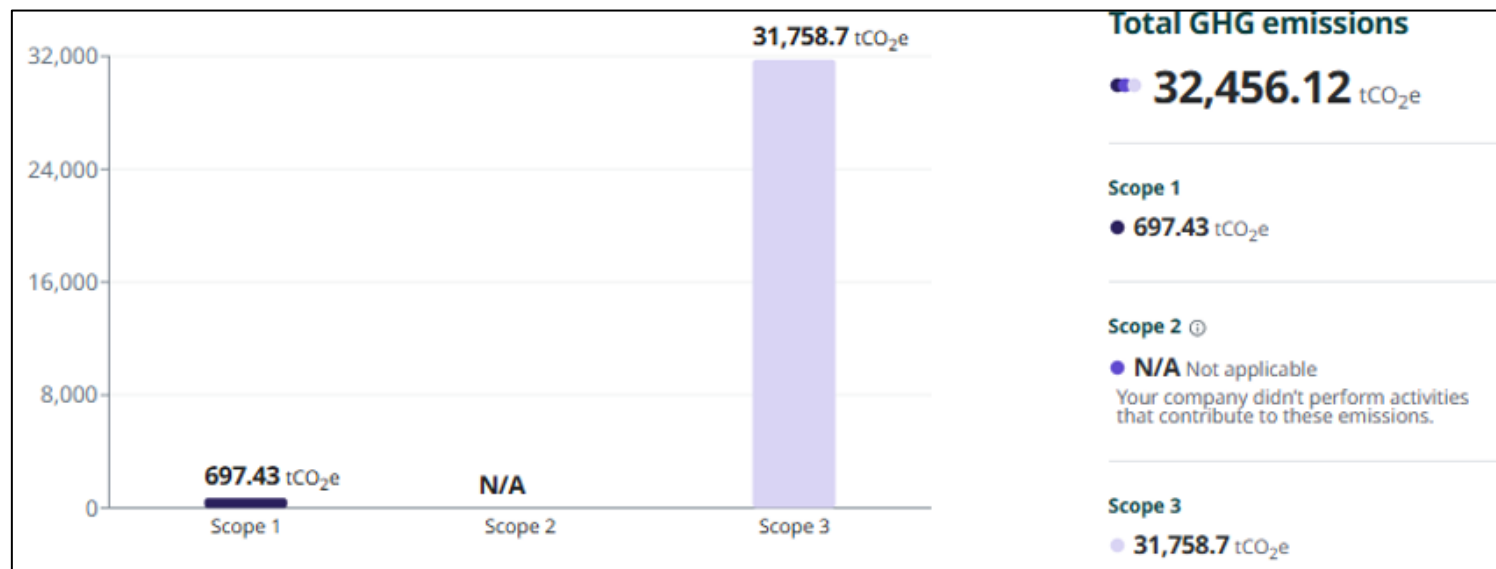
Railcars shipped on high efficiency
local routes (Port Wentworth to
Savannah)



GHG Reporting Overview

Meridian utilizes EcoVadis GHG Reporting Calculations to derive Scope 1, 2, and 3 emissions for our operations.

On this page, the first chart indicates an overview of the 3 scopes, and the second chart indicates the Scope 1 GHG Emissions

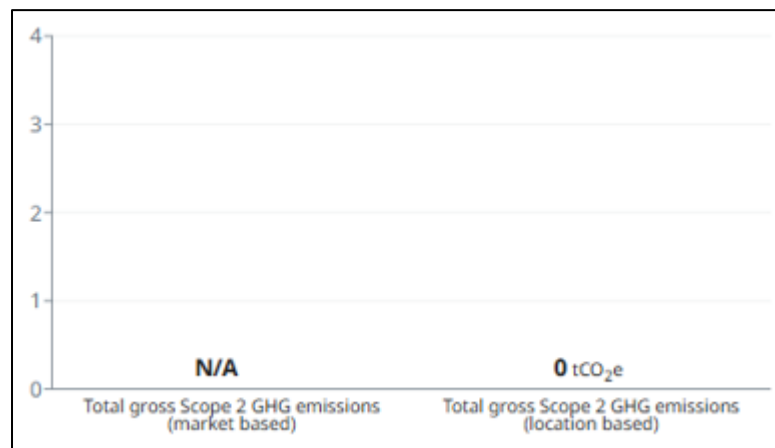


GHG Reporting

GHG Reporting Overview

Meridian utilizes EcoVadis GHG Reporting Calculations to derive Scope 1, 2, and 3 emissions for our operations.

On this page, the first chart indicates that Scope 2 emissions are not applicable to Meridian, and the second chart shows a breakdown of the calculation for Scope 3 GHG Emissions



Total gross Scope 3 GHG emissions

• **31,758.7** tCO₂e

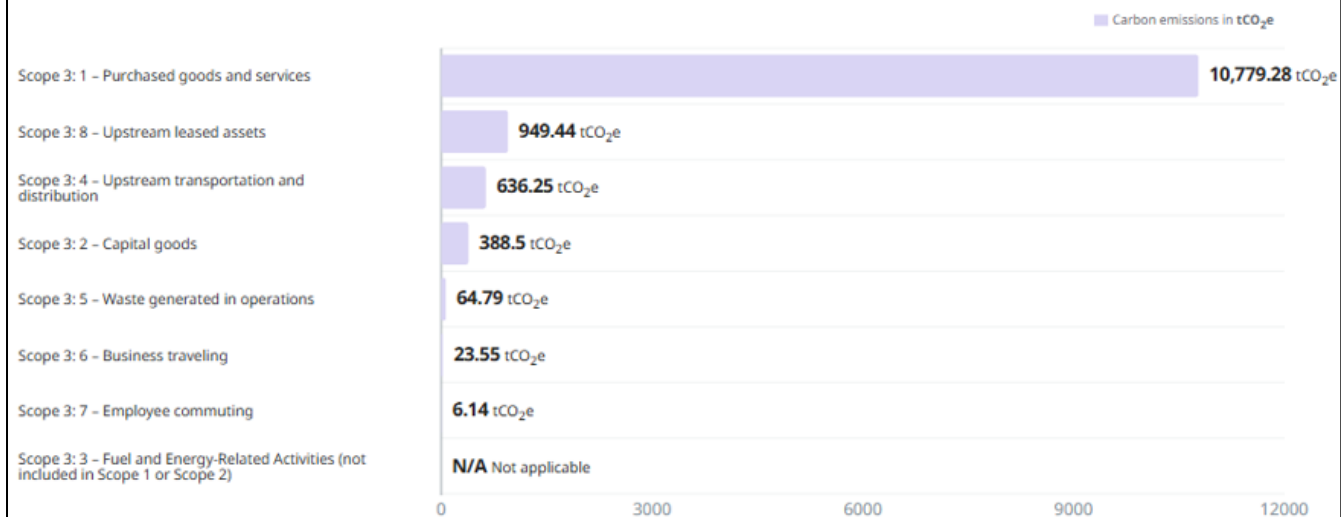
Total gross Scope 3 Downstream GHG emissions

18,910.74 tCO₂e

Total gross Scope 3 Upstream GHG emissions

12,847.95 tCO₂e

Upstream Scope 3 categories breakdown



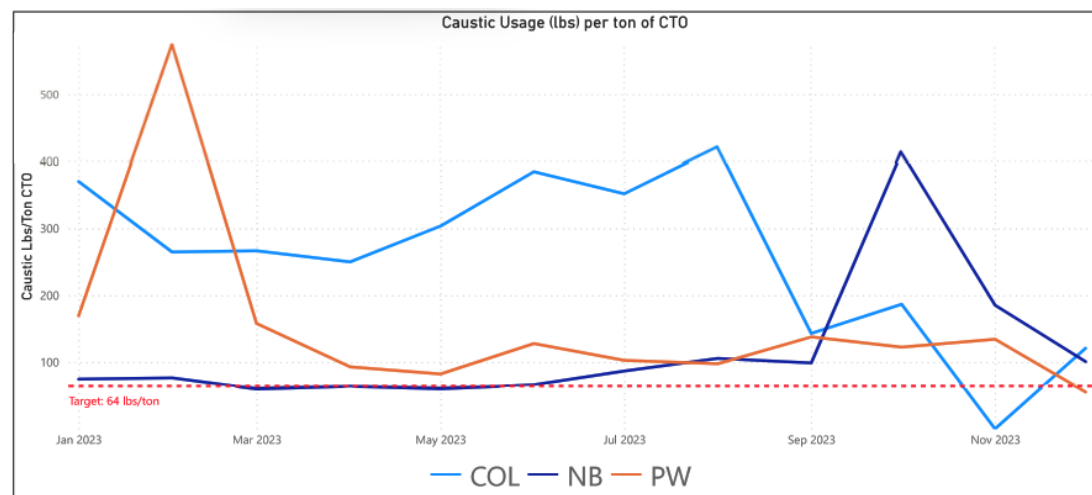
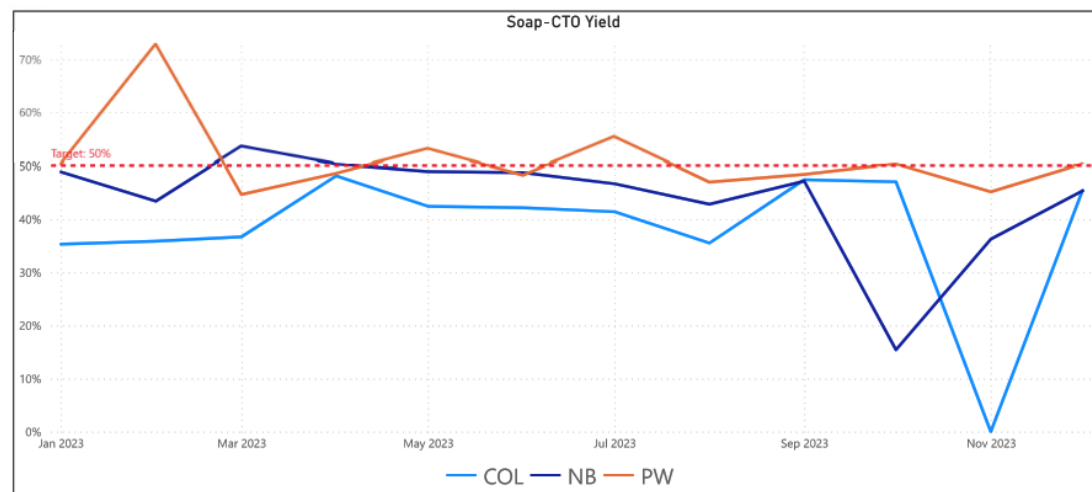
KPI's

Meridian KPI's and Stakeholder Involvement

Meridian sends monthly reports to Stakeholders to facilitate a dialogue for improvements, efficiencies, and sustainability.

These charts can also be found in the document "Meridian Chemicals Key Performance Indicators (KPI's).

The two right charts show FY2023 performance against established industry targets.



ISCC EU & PLUS CERTIFICATIONS

ISCC EU Certificate #:
EU-ISCC-Cert-DE105-89579702

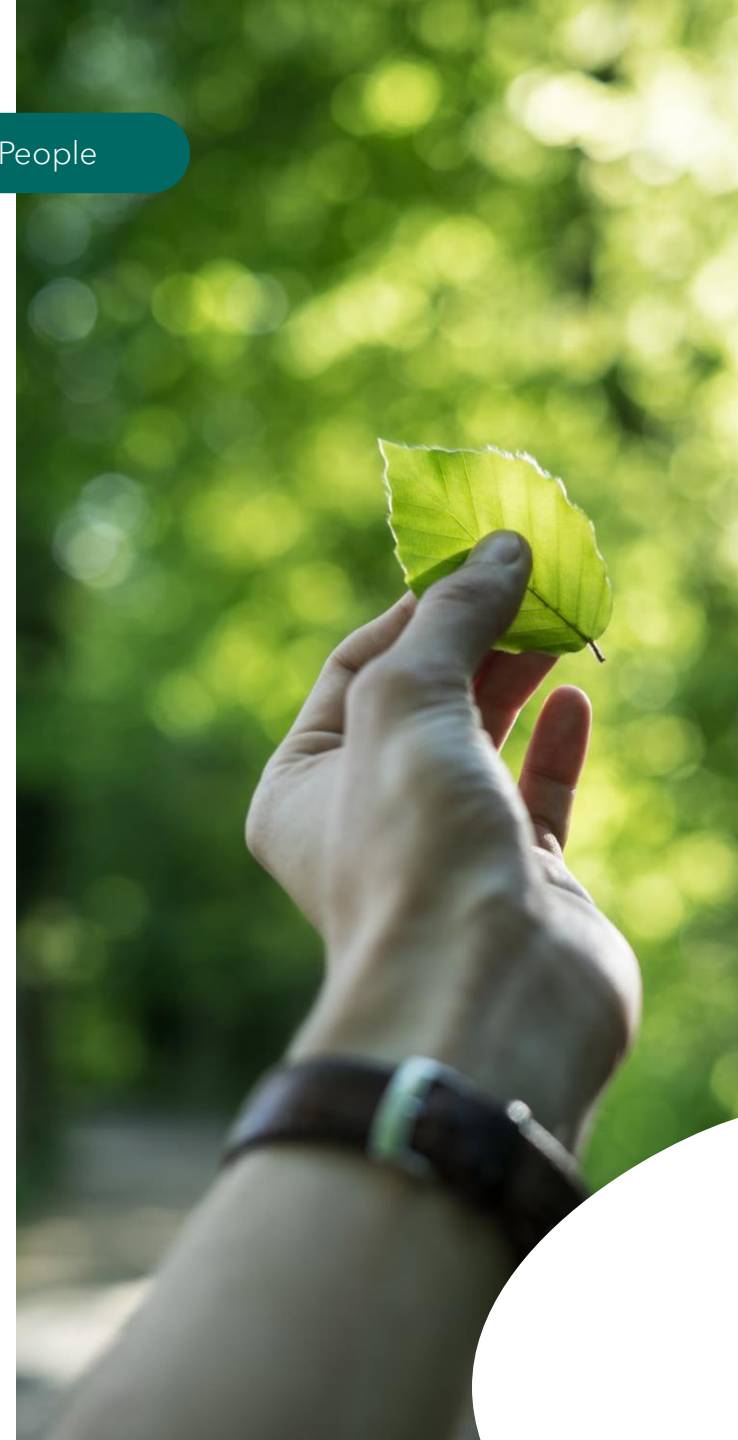
ISCC PLUS Certificate #
ISCC-PLUS-Cert-DE105-89579702



Meridian Chemicals, LLC is a leader in sustainability, proudly certified under ISCC EU and ISCC PLUS, two globally recognized frameworks for ensuring sustainable practices across supply chains. These certifications demonstrate the company's dedication to environmental responsibility, transparency, and the responsible sourcing of materials.

ISCC EU, developed in alignment with the European Union's Renewable Energy Directive (RED II), certifies that bio-based materials and biofuels meet stringent sustainability requirements, including greenhouse gas reduction targets, protection of natural ecosystems, and compliance with social standards. This ensures that Meridian's products contribute to the global push for renewable energy solutions while safeguarding biodiversity and ethical practices. In addition to ISCC EU, ISCC PLUS certifies sustainability for products in non-regulated markets, such as bioplastics, food packaging, animal feed, and the chemical industry.

ISCC PLUS focuses on circular economy principles, including the use of recycled materials and renewable feedstocks, enabling Meridian to cater to industries seeking greener alternatives. Together, these certifications underscore Meridian Chemicals' proactive role in addressing environmental challenges and supporting customers who aim to meet rigorous sustainability benchmarks. By providing certified sustainable products, Meridian helps businesses enhance their value chain, reduce carbon footprints, and strengthen their commitments to a sustainable future. With ISCC EU and ISCC PLUS, Meridian Chemicals exemplifies the balance of innovation, performance, and environmental stewardship in today's marketplace.



Driving Sustainable Change Through Operational Excellence

Meridian's management system is built to drive sustainable improvements through high-visibility live reporting and proactive decisions that reduce the company's carbon footprint. The management system leverages analytical tools like Power BI, Python, and DAX to maintain sustainability records for every shipment in Meridian's system.

Meridian's approach to record retention and data integrity demonstrate best-in-class operational practices.

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Reporting System

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Railcar Compliance

p. 20-21
Waste Management
Metrics

Shipment Database Fast Facts

Shipment Database

Meridian's robust shipment database allows the company to track and store every movement of sustainable material. In the shipment database, the following is tracked:

- Origin & Destination
- Ship Date
- Railcar Identifier
- Net weight
- Sample date
- Certificate of analysis #
 - Fatty Acids
 - Acid Number
 - Moisture
 - Resin Acids

396

Shipments of sustainable material made in 2023.

91.6%

Percentage of shipments which met all product quality criteria

7%

Increase in sustainable material shipped in 2022 to 2023

82

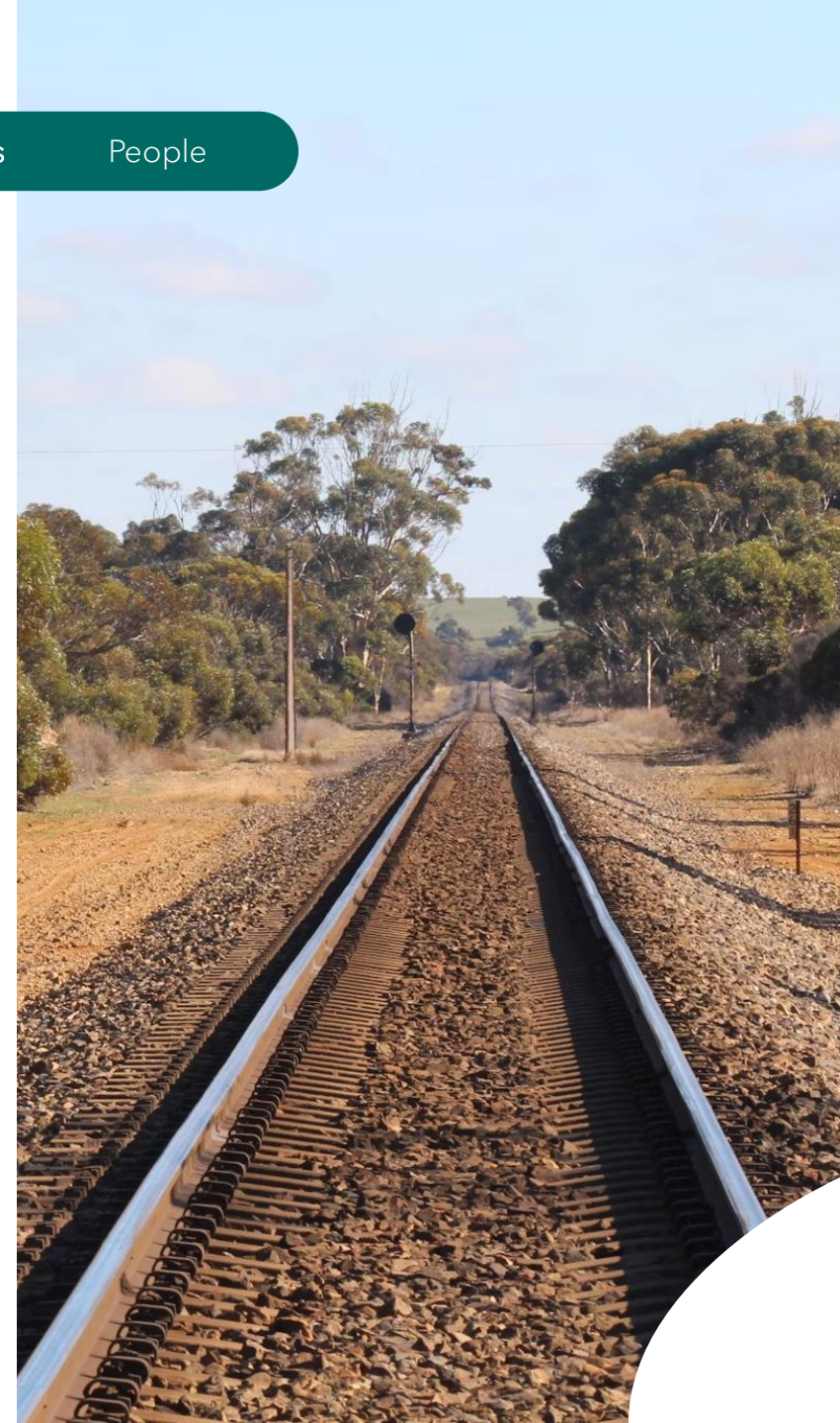
Number of railcars shipped on low efficiency routes, representing only 20% of shipments

Railcar Safety & Compliance

Meridian Chemicals, LLC is fully committed to compliance with RR Tank Car Regulations including Non-Destructive Testing (NDT) and the requalification of tank cars, ensuring the highest standards of safety, reliability, and operational excellence.

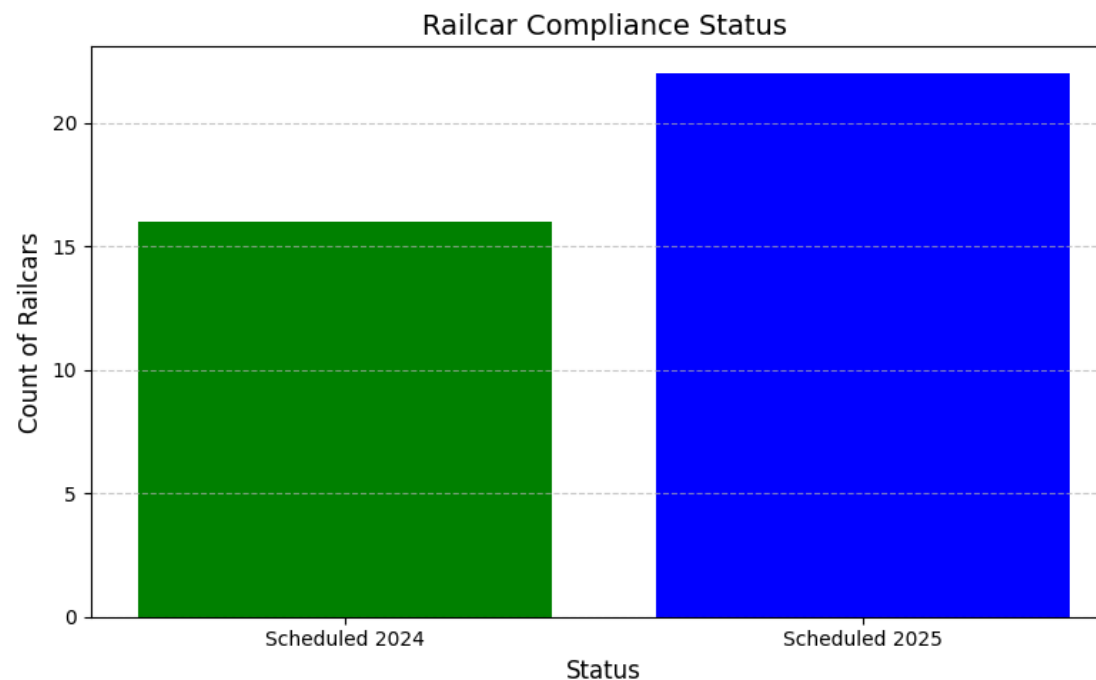
The company adheres to all applicable guidelines set forth by the U.S. Department of Transportation (DOT) and the Association of American Railroads (AAR), including periodic inspections, testing, and certifications required to maintain tank car integrity. Non-destructive testing methods, such as ultrasonic and magnetic particle testing, are employed to thoroughly assess tank car structures for signs of fatigue, corrosion, or defects, ensuring continued safety and performance.

Meridian Chemicals also ensures that all tank cars in its fleet are requalified within the prescribed intervals, addressing the specific service conditions and materials transported. This rigorous approach underscores the company's dedication to regulatory compliance, safe transportation practices, and environmental stewardship in the handling of chemical products.



Rail Compliance

Meridian utilizes RSI, a third-party vendor, to manage our day-to-day logistical operations and ensure compliance with rail regulations. As a redundancy, Meridian holds all records independently and regularly checks to ensure compliance obligations are met.



16

Railcars to be shipped in for proactive evaluation and compliance prior to due date

23

Railcars scheduled in 2025 for NDT Testing and Compliance



Waste Management and Reporting System

Meridian Chemicals, LLC is committed to responsible and sustainable waste management, adhering to all applicable local, state, and federal regulations to ensure safe and compliant disposal practices. The company's waste disposal program prioritizes the reduction and proper treatment of industrial waste, minimizing its environmental footprint.

The non-hazardous waste is assessed by a disposal site to ensure sustainable and environmentally friendly disposal. By implementing rigorous tracking, documentation, and regular audits of its waste streams, Meridian Chemicals maintains the highest standards of accountability and environmental stewardship. This comprehensive approach reflects the company's dedication to protecting the environment while supporting safe and efficient operations.

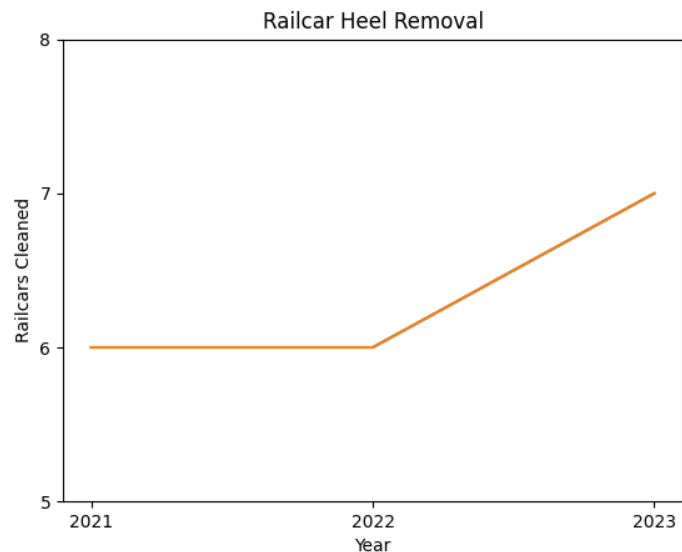


Waste Management Reporting

2023 Waste Disposal Metrics

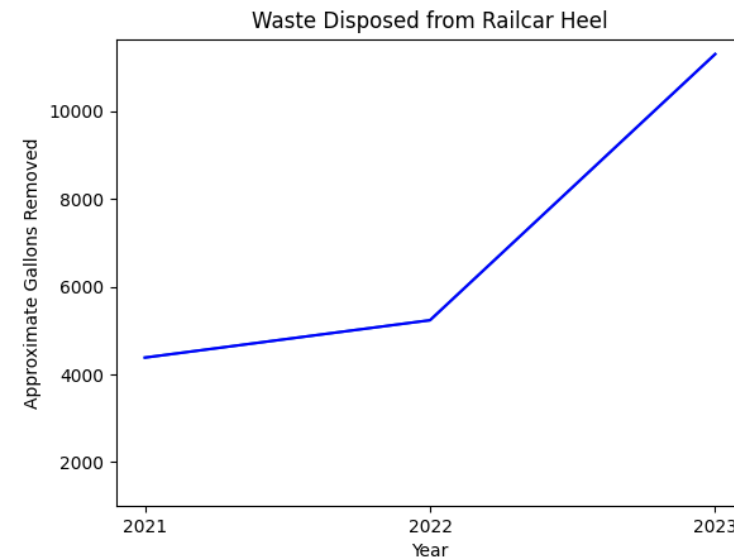
Meridian must occasionally send railcars to a certified waste disposal facility to remove due to the accumulation of "Heel" which prevents the railcar from being loaded/unloaded efficiently. The heel consists of the lignin and cellulose fibers from pulp mills which buildup in the railcar over time.

The charts to the right show the approximate waste disposed of by year. Meridian strives to report our waste as accurately as possible and bases all assumptions on data analysis from invoices and waste manifests.



7

Railcars cleaned in 2023. All waste was sustainably disposed of.



11.3k

Gallons of Wastes/Residues sustainably disposed of in 2023



Meridian's Commitment to Employees

Meridian Chemicals, LLC is deeply committed to fostering a workplace that values its employees and supports their personal and professional growth. The company prioritizes a culture of inclusion, safety, and respect, ensuring that every team member feels valued and empowered. Through ongoing training programs, career development opportunities, and clear pathways for advancement, Meridian invests in its employees' success and long-term potential.

A strong emphasis on workplace safety and well-being underscores the company's dedication to providing a secure environment where employees can thrive. By promoting open communication, recognizing achievements, and encouraging innovation, Meridian creates a collaborative atmosphere that drives both individual and organizational growth. This commitment reflects the company's belief that its people are its greatest asset and the key to its continued success.

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HR Reporting

Human Resources and Labor Reporting

Meridian strives to over-perform industry averages and set the standard for how employees should be treated. Meridian achieved a 100% retention rate in FY2023.

Due to increased workloads, Meridian hired a fifth full-time employee, demonstrating the company's commitment to the work-life balance of their employees.

0

Workplace injuries in FY2023

100%

Employee retention rate

25%

Increase in Full-Time Employees (4 to 5), representing commitment to staffing according to company's workload

40

Average Hours Spent on Professional Development per Employee