



STEWARDSHIP PROGRAM

2022

INTRODUCTION



At Martin, we strive to drive innovation and continuous improvement to enhance sustainable outcomes for our customers and our communities. We have become a global leader in producing safe and innovative products and technologies, and we are dedicated to improving the world through responsible corporate stewardship. Our focus is to find new ways to improve efficiencies, product performance and processes. We authored the Foundations™ book and a safety book, which help customers learn more about their facilities, reduce carryback and waste, and keep their employees safe.

Sometimes referred to as ESG, this program will help customers improve their processes by providing innovative products and services that help keep their facilities cleaner, safer, and more productive. The pillars of the program are **Environment, Social, and Governance**. For employees, the project is about improving our processes to be better stewards in our community.

During our first year of the Stewardship Program, we will follow a three step plan to “Act – Plan – Do” and will establish our current state. In addition, we will set our priorities for the future, which will include:

- Strive to maintain the highest ethical standards through our culture that values people and instills honesty, integrity, and transparency in all that we do.
- As a company committed to product safety and customer service, we will continue to strive to develop innovative products which lead to process improvements at our customer facilities and in our own facilities.
- Establish market appropriate KPI’s (Key Performance Indicators) for each business unit

Through this journey, we are committed to strengthening the communities in which we operate by making them a better place to live and work.

WHY

“To Ignite Excellence so that Families Thrive and Communities Flourish”



HOW

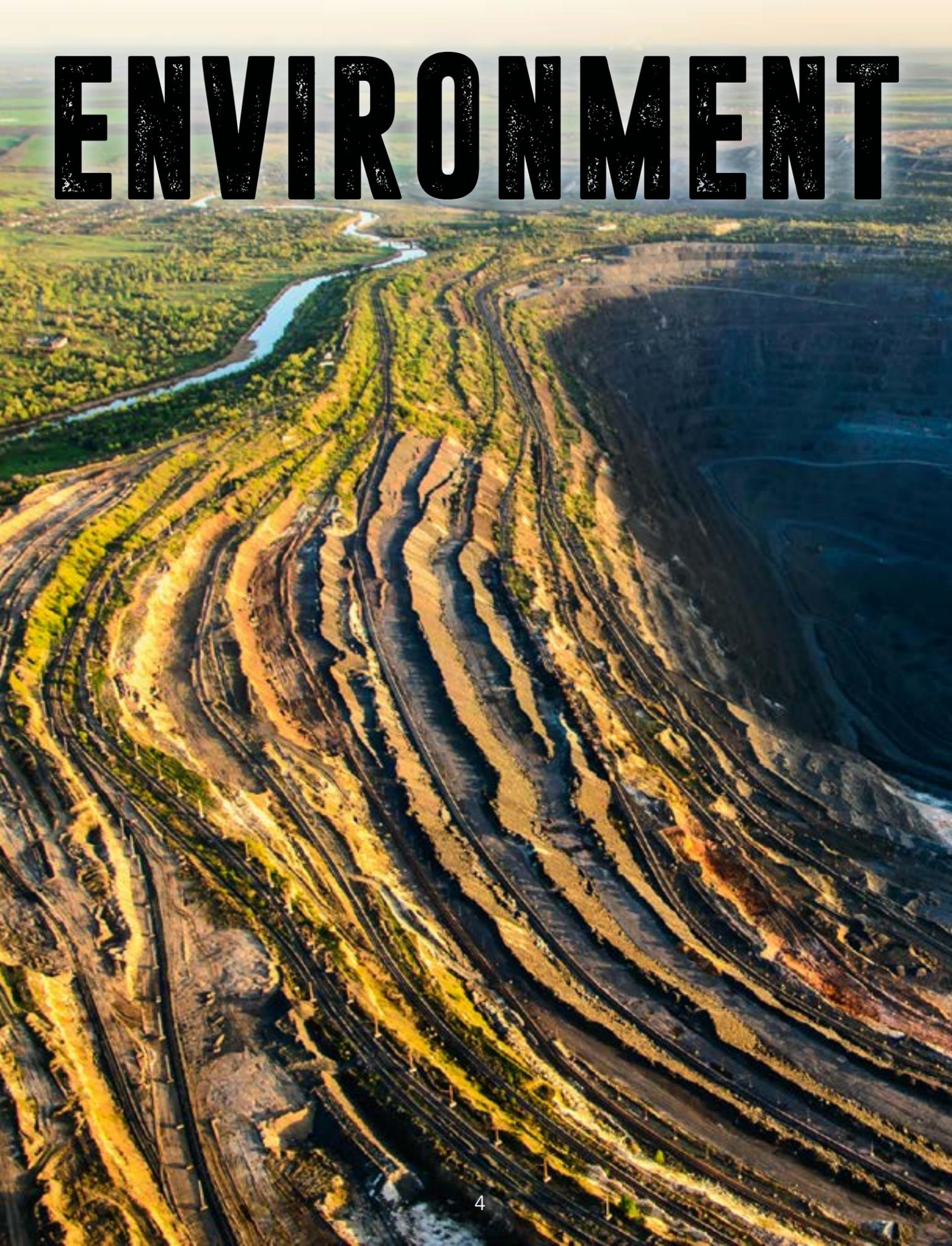


Transform Opportunity into Action
Assume Positive Intent
Listen to Understand
Laugh Often
Embrace the Suck
We are Better Together

Start the day with a smile
Unity
Caring
Courage
Engagement
Superb Service
End the day with a smile



ENVIRONMENT



CONVEYOR PRODUCTS

Our new **ECOSAFE™** (Patent Pending) primary cleaner is 26% less in volume and eliminates nearly 60% urethane waste by volume per blade. The new **ECOSAFE™** (Patent pending) secondary cleaner is 36% less in volume and eliminates 56% urethane waste per blade. These cleaners provide a savings in cleanup time by one hour per cleaner.

With one customer, in an introductory year, the waste was 2.6 metric tons of urethane less than with the prior cleaner. The potential reduction of waste if a customer switches completely to the new cleaner is 26 metric tons. In addition, the innovative aluminum frame on this cleaner can be reused.

Prior to the introduction of the **ECOSAFE™** cleaner, a replaceable tip cleaner was introduced at one customer's site which reduced the urethane waste to the landfill by 54%.

N2 PI (Position Indicator) is part of our smart technology series that allows for

remote monitoring of blades, blade wear, and tensioning via an app, dashboard, and linkage to custom software solutions via API. This allows companies to monitor cleaner conditions remotely and remove staff/contractors from health and safety hazards exposure encountered by walking the belts to inspect cleaners. Inspection time was reduced by 60% at just one facility.

At a Mexican glass recycling plant, we were able to improve efficiency by installing a transfer point and belt cleaner system, which eliminated carryback by 93%. In addition, cleanup was reduced by 120 hours per month. The solution improved the working conditions for the employees as well as fewer dust emissions.

ECOSAFE™



N2 PI



FLOW AIDS

Our air cannon helps to ensure customer facilities are running at full production. Our design offers more force output with less air consumption than designs double their size, the unit fires a shot of 120-PSI air through a fan jet nozzle. At one facility, clogs were stopping the process three to four times each shift, applying air cannons correctly eliminated this problem, removing the need for the employees to approach the area to unclog material. Our current cannon uses about half the compressed air of the former one, which could lead to a savings of \$300 USD per air cannon per year. Our valve replacement program in the USA allows us to recycle 18,144 kg of aluminum per year. The cost savings of producing this aluminum would be \$50,000 USD.

A recent installation of **Hurricane** air cannons in two raw material hoppers at a cement plant in Europe was creating so much noise it was disturbing local residents. By combining available product parts, including a **XHV** piston return reservoir, achieved a noise reduction of 13 Db.

Aluminum to plastic – we converted one of our small vibrators from aluminum castings to plastic casting which lasts longer. In addition, when the vibrator reaches the end of its lifecycle, the plastic casting can be recycled.

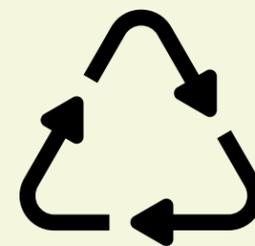


INITIATIVES

Innovation in packaging – we continue to look for savings in packaging to get our products to the customers safely, with reduced packaging. One example is a change on belt cleaner packaging that will utilize a foam insert made from recyclable materials that are 100% biodegradable, saving \$7200 USD per year. We will continue to look for innovations to our packaging in the coming year.

Recycle programs – globally, we recycle 302,000 kilograms of steel with the USA being the largest contributor with 140,000 kilograms. Add to that, 29,500 kilograms of aluminum, 14,000 kilograms of stainless steel, 900 kilograms of plastic, and 3,702 kilograms of paper.

Cost Savings/CI's (Continuous Improvement) – we encourage employees to submit cost savings and CI ideas and those average \$500 USD in savings per employee, globally.



Steel	302,000 kg
Aluminum	29,500 kg
Stainless Steel	14,000 kg
Plastic	900 kg
Paper	3,702 kg

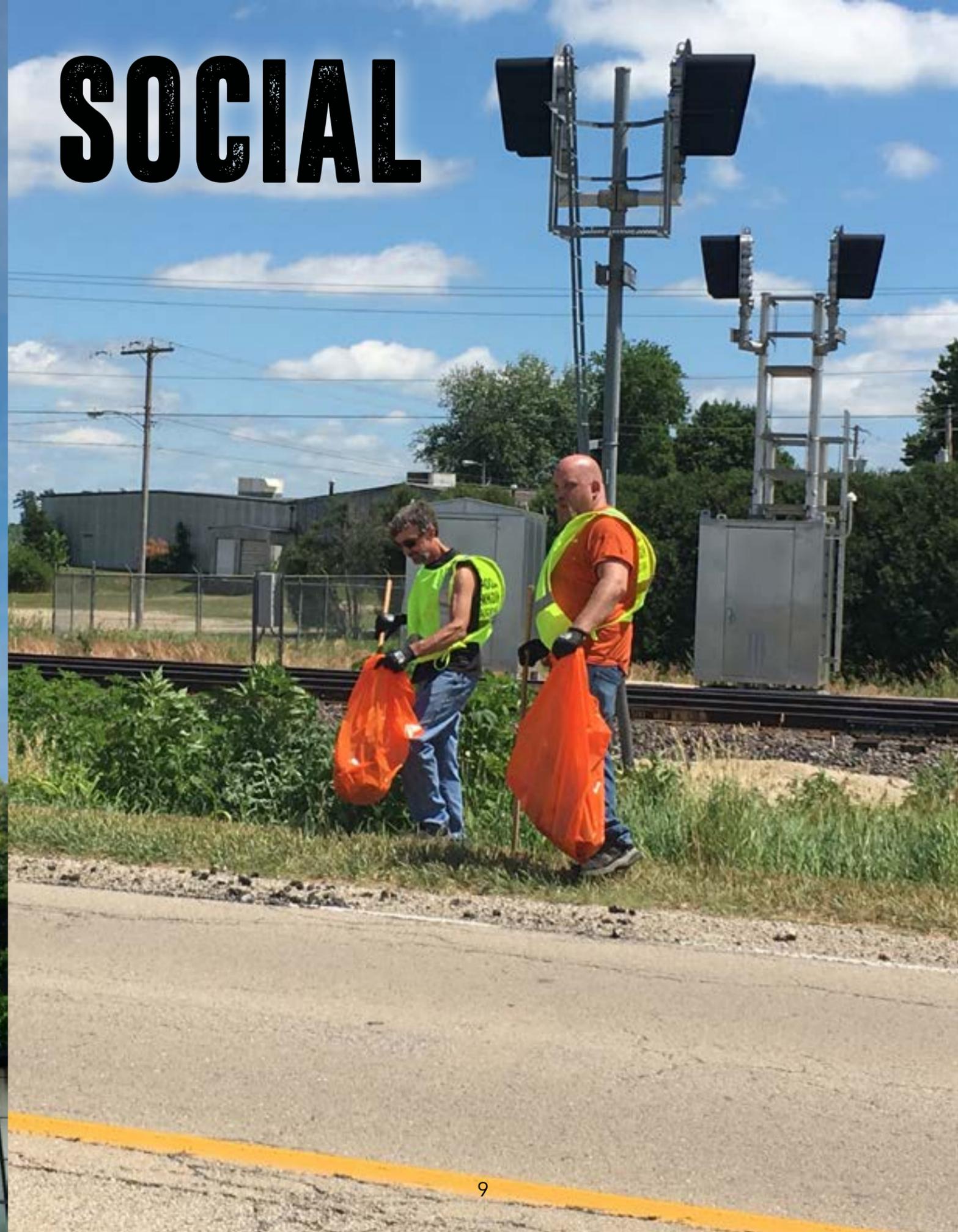


GREEN BUILDING

At our plant in China, we collect rainwater for watering the grass and for grey water in the bathrooms, with a savings of 2,000 tons per year. We have a Geothermal HVAC system that saves 162,250 kWh in energy costs. LED lighting was installed in the workshop with a savings of 31,600 kWh per year. In addition, we have reduced printing by uploading documents received and utilizing E-approval.



SOCIAL





COMMUNITY INVOLVEMENT

Community environmental projects

– support of flood and other natural disasters, Adopt a Highway, recycling in solidarity with local non-profits, release of turtles at Playa Azul Conservation Camp.

Volunteer Hours- in the USA, we average 15 volunteer hours per employee. Globally, it is 5 hours per employee. We encourage volunteering and support organizations where our employees volunteer.



Below are just a few of the organizations we support globally. In the USA, we contribute about \$1200 USD per employee. Globally, we provide community contributions at nearly \$300 USD per employee.

- Susan G. Komen
- Casa Hogar Orphanage
- Red Cross
- Pay it Forward for Communities
- FIRST Robotics
- Junior Achievement
- Local Schools and Children's Homes
- Shelters for homeless and single women
- Ukraine refugee aid
- Fire and Ambulance Departments
- St. Jude's Foundation
- Ronald McDonald House Charities
- Cystic Fibrosis Foundation
- Multiple Sclerosis Association
- Alzheimer's Foundation
- Arthritis Foundation
- Down Syndrome projects
- Disabled Children and Adults
- Smile Train
- Organ Donation

BENEFITS/WELLNESS PROGRAMS

All units have wellness programs for their employees which may include a committee promoting wellness activities, an outside wellness education consultant, and healthy cafeteria options. We have onsite exercise equipment in most locations and some units pay a gym membership to promote wellness. In many areas, we provide annual physicals. Our benefits exceed the local norms, including private insurance in some areas and a free-of-charge medical clinic at our headquarters.



CAFÉ

We provide meals to our employees, either on subsidized or free of charge depending on the location. In the USA, the Café has been free to employees for 9 months of 2022 due to the high inflation, with an average cost of \$775 USD per employee annually. In China and Brazil, we have an average Café cost of \$1000 USD per employee.





TRAINING PROGRAMS

We provide our employees, on average, 46 hours of training per year spending nearly \$500 USD per employee in the US.

Education reimbursement is provided in most regions for individuals wishing to pursue continued university or college education.

We have a Listen Like a Leader program led by internal trainers with 212 employees trained thus far. Employees learn valuable insights and new communication skills to use at work and home.

In the USA, we are starting our third group in the two-year Development Program, 30 individuals have participated in the program and one third have received promotions since participating. This together with our succession training will help to prepare for the future. We provide internships and paid apprenticeships in many locations.



DIVERSITY

Globally, we have a diverse workforce with multiple nationalities, races, and ethnicity.. We are an equal opportunity employer who works to attract employees from all different backgrounds. Twenty seven percent of our managers are female.



EMPLOYEE SAFETY

We promote a **Safety Always** culture, which includes awareness and monthly education for all employees. In the USA, all field employees receive MSHA/OSHA training as well as annual refreshers and onsite safety training. The USA metric - TRIR has improved from 2.81 to .59 in the last three years. Globally, we follow all local guidelines for safety and provide safety training to all employees as well as track near misses, incidents, and improvements where needed.



GOVERNANCE



BOARD

A diverse board governs us with two internal people and four external board members. The board has a diversity of 33% women and the board meets four times a year.

AUDITS

We have an outside audit firm that reports to the audit committee with one of the board members being an SEC-qualified expert.

RISKS

Our CEO, Directors, and area Vice Presidents strive to ensure that we manage our risks, evaluate our budgets versus sales, and ensure growth that meets the needs of all stakeholders. Risk management is in place including a contract review process with a tiered approval process.

POLICIES

Foreign Corrupt Practices/Trade Sanctions/Ethics, Diversity, Conflict of Interest, and Cyber Security.

DIVERSITY

In areas where required, we follow diversity guidelines.

COMPLIANCE

ISO, Product Safety and Risk – ISO 9001:16 Certified, and new product Introduction process include product tests and safety evaluations. Product rationalization is in place.



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