

Micro Powders, Inc. - Communication on Progress 2020 - 2021

Statement of Continued Support

As experts in small particle additives for 50 years, we continue to design specialty waxes and other fine powders that help solve formulation problems and enhance performance in industrial coatings, inks, agricultural, and personal care products. And we don't just talk about innovation, we back it up with the largest portfolio of coarse and ultrafine synthetic, natural, and biodegradable products in the industry.

I am pleased to confirm that Micro Powders, Inc. reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption. In our first annual Communication on Progress, we describe our actions to continually improve the integration of the UN Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

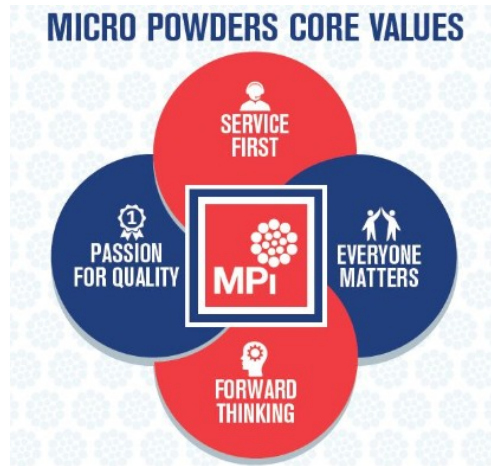
Gary Strauss - President

Service First

- We are responsive and treat all inquiries with utmost urgency.
- We are flexible and set no boundaries in our willingness to quickly solve problems.

Passion for Quality

- We ensure that the output of our work achieves the highest standards.
- We never compromise the superior quality of our products.



Everyone Matters

- We all play a vital role in the success of the company.
- We are loyal and respectful to each other and to our business partners.

Forward Thinking

- We listen to our customers, and take advantage of changes in technology to spur continuous innovation.
- We embrace change that will enable us to grow as a company and as individuals.

Human Rights

CHILD LABOR: Micro Powders, Inc does not tolerate any form of exploitative child labor. Micro Powders, Inc complies with all applicable laws regarding the employment of minors.

FORCED LABOR: Micro Powders, Inc opposes all forms of slavery, servitude, forced labor, and human trafficking and prohibits modern slavery in its operations, in its supply chain, and by its business partners around the globe.

FREEDOM OF ASSOCIATION: Micro Powders, Inc respects the rights of employees to join organizations or bargaining groups for representation and to engage in collective bargaining, as permitted by applicable laws in the countries where Micro Powders, Inc does business.

NON-DISCRIMINATION: Micro Powders, Inc is committed to providing equal employment opportunities and complies with all applicable laws that prohibit employment discrimination on the basis of age, sex, gender (including pregnancy), race, color, disability, genetic information, national origin, sexual orientation, gender identity, religion, military or veteran status, or any other legally protected characteristic. All of our employment decisions are covered by this commitment, including recruiting, hiring, training, promotions, pay practices, benefits, disciplinary actions, and terminations.

SECURITY: Micro Powders, Inc is committed to maintaining a workplace that is free from violence, harassment, intimidation, and other unsafe or disruptive conditions due to internal or external threats.

PRIVACY: Micro Powders, Inc respects our employees' privacy and complies with all applicable laws regulating the disclosure of personal information, including data protection laws. We are transparent in our use of data, and protect the rights of our employees, Customers, and business partners.

This Human Rights Policy applies to all Micro Powders, Inc operations and to all locations and situations where Micro Powders, Inc business is conducted. All Micro Powders, Inc employees are responsible for ensuring compliance with this Policy. Micro Powders, Inc Board of Directors including our Audit Committee and Compliance Committee where appropriate, reviews and provides oversight to the Company's Environmental, Social, and Governance initiatives.

A Management Ethics Committee meets monthly to monitor and investigate reports of Code of Business Conduct violations and provides quarterly reporting to the Micro Powders, Inc Board of Director's Compliance Committee.

Labor

HEALTH AND SAFETY: Micro Powders, Inc provides a safe and healthy workplace and complies with applicable safety and health laws, regulations, and policies. We are dedicated to ensuring a safe workplace by minimizing the risk of accidents, injury and exposure to health risks. We are committed to engaging with our employees to continually improve the health and safety in our workplace, including the identification of hazards and remediation of health and safety issues.

LABOR STANDARDS: Micro Powders, Inc maintains labor standards including hours, conditions, wages, and overtime pay practices that comply with the laws of the jurisdictions in which we operate. Micro Powders, Inc provides compensation packages which are competitive for the locations in which our employees work. This generally includes benefits appropriate for the countries in question.

REPORTING CONCERNS

Micro Powders, Inc strives to create a workplace in which open and honest communications among all employees are valued and respected. The Company is committed to comply with applicable laws, including labor and employment laws, wherever we operate. The Company also ensures employees are aware of and understand our Business Code of Conduct and applicable business and operating policies through required training. Any employee who believes a conflict rises between this Human Rights Policy and the laws and practices of the location where he or she works or would like to report violations of this policy may do so through one of several channels available.

Employees can contact:

- Their Supervisor
- Their Human Resource Manager
- Insperity

Environment

Micro Powders, Inc. is committed to excellence in Environmental, Health and Safety (EHS) throughout our operations, businesses and products. In pursuit of EHS excellence, we are committed to the following business objectives:

Meet or exceed all environmental legislation that relates to the Company.

Minimize waste, pollution, and emissions by evaluating operations and ensuring they are as efficient as possible.

Expect similar environmental standards from all suppliers and contractors.

Manage operational risks to provide workplaces that are safe and healthy for our employees, visitors, contractors, customers, and the communities in which we operate.

As far as possible purchase products and services that do the least damage to the environment and encourage others to do the same.

Assess the environmental impact of any new processes or products we intend to introduce in advance.

Promote the use of biodegradable, natural, and naturally derived materials in our products.

Anti-Corruption

MPI is committed to conducting its business fairly, honorably, with integrity and in compliance with the law in all jurisdictions where it operates. MPI adheres to a standard Code of Ethics and implemented an appropriately tailored compliance program that includes policies and procedures that address the risk of bribery and corruption.

MPI policy prohibits bribery of (or attempted bribery), or other inappropriate transfers of value to, any individual or entity. No MPI director, employee, distributor or agent may authorize, pay, promise or offer to give anything to any individual or entity in order to improperly influence that individual or entity for any business advantage. Individuals covered by MPI policy shall not request or authorize any third party to make any such payment, promise or offer. Such behavior may constitute bribery and is unacceptable conduct wherever MPI conducts business. This policy applies regardless of whether the recipient of the inappropriate value transfer is a government employee.

Sustainability

Micro Powders, Inc. (MPI) aims to create value solutions in collaboration with its supply-chain partners, in order to make its commitment to realize a sustainable society come true.

- Responsible Procurement through High Ethics - MPI aims to accomplish its social responsibility by adopting high ethical standards in all its procurement activities.
- Creating Social Value through Collaboration with Partners - MPI aims to strengthen a habit of customer-centric collaboration and to create social value by harnessing the assets of its global supply-chain partners to MPI's own product portfolio and core competencies.
- Pursuing Sustainable Growth by Relationship of Trust - MPI aims to sustain and grow together with its supply-chain partners in a mutually beneficial way to reinforce a relationship based on trust and good working practices.

Request to Supply Chain Partners

For us at MPI, sustainable management means that every one of us, directors and employees, will seek to contribute to solutions for social issues and exert a positive influence on society and the environment through our business activities and corporate citizenship activities, such as community contributions, while listening to the voices of society through dialogue with our stakeholders.

The promotion of responsible company behavior in our supply chains is essential for the MPI to advance sustainable management. Our supply-chain partners are requested to ensure that they fully understand all these points and adhere to them. Our supply-chain partners are not only requested to adhere to these points within their own organizations, but also to manage, monitor and disseminate these points amongst their own supply chains to ensure their adherence as well.

General Requirement - Responsible Business Conduct

- Proactive promotion of responsible business conduct
- Contribution to society and community
- Adherence to Laws and Respect for International Codes of Conduct
- Human Rights and Labor Practices
- Prohibition of forced labor
- Prohibition of child labor; considerations when employing young workers
- Considerations regarding working hours
- Appropriate pay and allowances
- Prohibition of inhumane treatment
- Prohibition of discrimination
- Freedom of association and right of collective bargaining
- Considerations regarding minorities
- Considerations regarding foreign workers

Environmental Requirements

- Creation of an environmental management system
- Appropriate management of environmental impact substances used in manufacturing process
- Responding to survey of chemical substances
- Implementation of the product environmental assessment
- Implementation of climate change measures
- Efforts and contributions to global environmental conservation
- Green procurement
- Public disclosure of environmental information
- Appropriate management of the environmental impact substances
- Product design to minimize resource and energy conservation
- Long lifetime design
- Use of recycled parts and materials
- Use of materials that are easy to recycle
- Labeling plastic type
- Responding to Green Procurement survey

Product Quality and Safety

- Ensuring product safety
- Quality management
- Providing accurate information on products and services

Information Security

- Protection against cyber attacks
- Protecting personal information
- Preventing the leakage of confidential information

Health and Safety

- Work safety
- Emergency planning
- Occupational injury and illness
- Industrial hygiene
- Consideration of physically demanding work
- Machine safeguarding
- Health and safety of facilities
- Health and safety communication
- Health management for workers

Fair Trading and Ethics

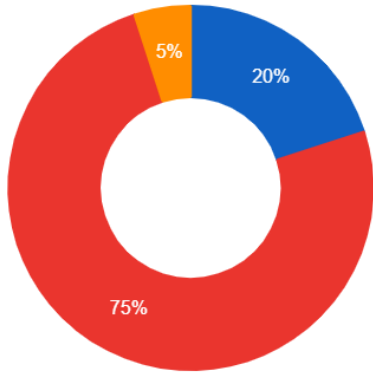
- Anti-corruption
- Prohibition of offering and accepting improper profit and advantage
- Appropriate disclosure of information
- Respect for intellectual property
- Fair business
- Prohibition of abuse of a superior position
- Protection of whistleblowers
- Responsible sourcing of minerals

Establishing Management Systems

- Establishing management systems
- Management of Supplier
- Appropriate import/export controls
- Maintaining grievance mechanisms
- Disclosure on the status of initiatives

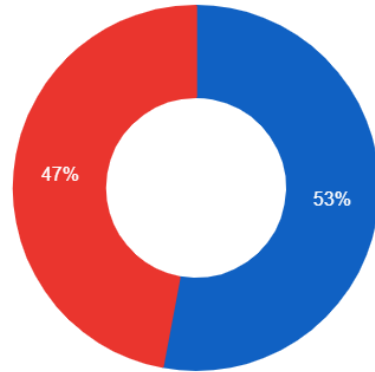
Measurement of Outcomes

2020 - 2021 Employee Satisfaction Survey



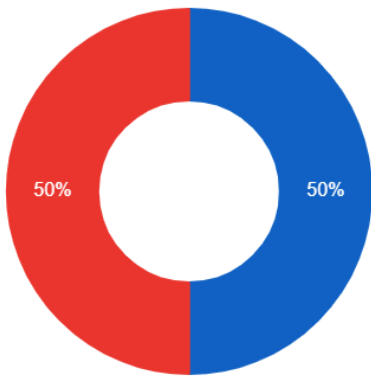
- Excellent
- Satisfied
- Not Satisfied

2020 - 2021 Employee Gender Breakdown



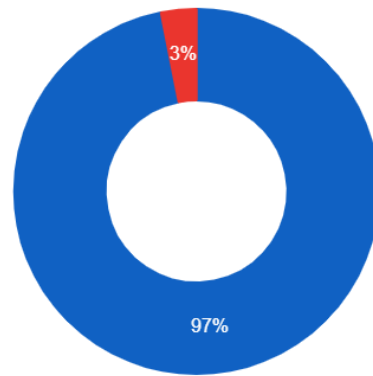
- Male
- Female

2020 - 2021 Upper Management Gender Breakdown



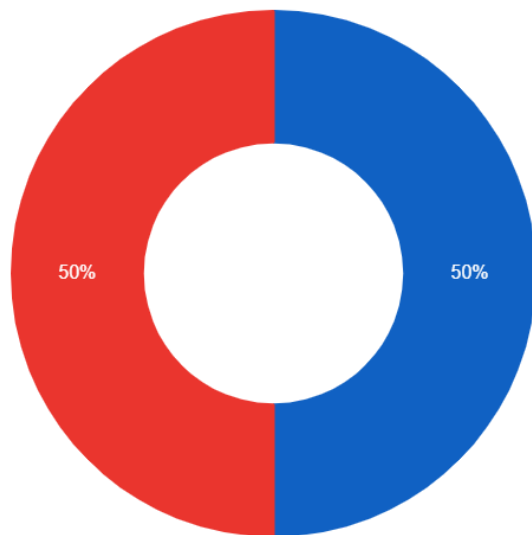
- Male
- Female

2020 - 2021 MPI Employee Retention Rate = 1.00



- Active
- Not Active

2020 - 2021 GHG vs. Carbon Sequestered = 1.00



- GHG Emissions
- Annual Carbon Sequestered

Offset Certificate



CERTIFICATE NO.
6601

ISSUANCE DATE
01/26/2022

This certificate recognizes that **Micro Powders Inc.** supports the **Medford Springs Grassland Conservation Project** in the amount of **400 tonnes**, helping to advance climate action and address the company's 2020 carbon footprint.

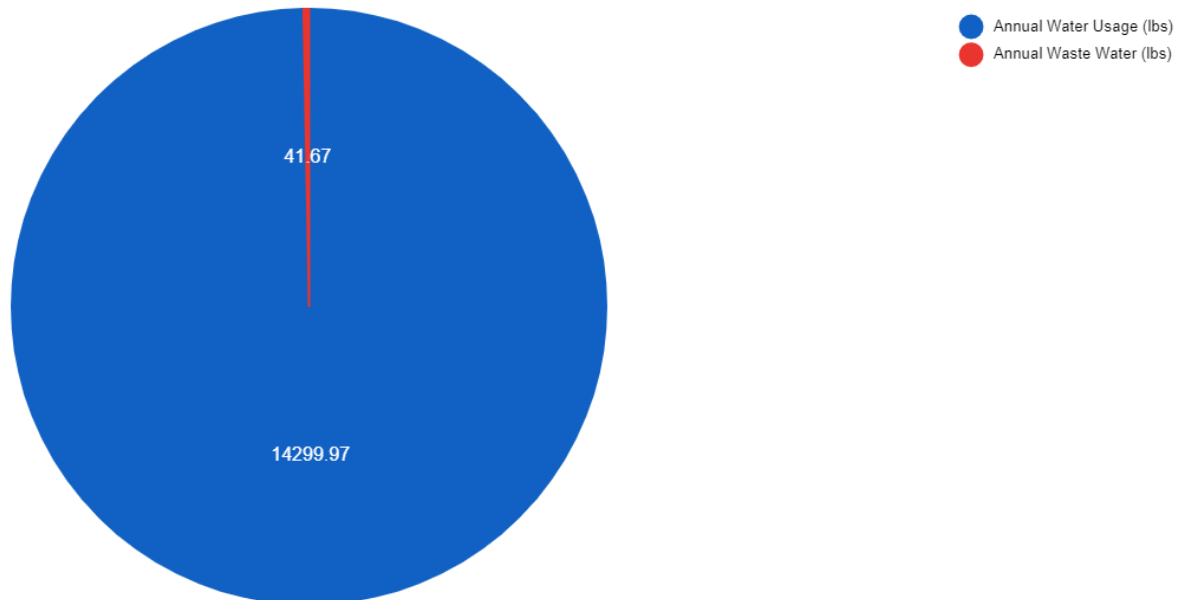
Together with supporters like **Micro Powders Inc.**, Native builds new projects with communities around the world to address climate change, improve biodiversity, health and livelihoods.



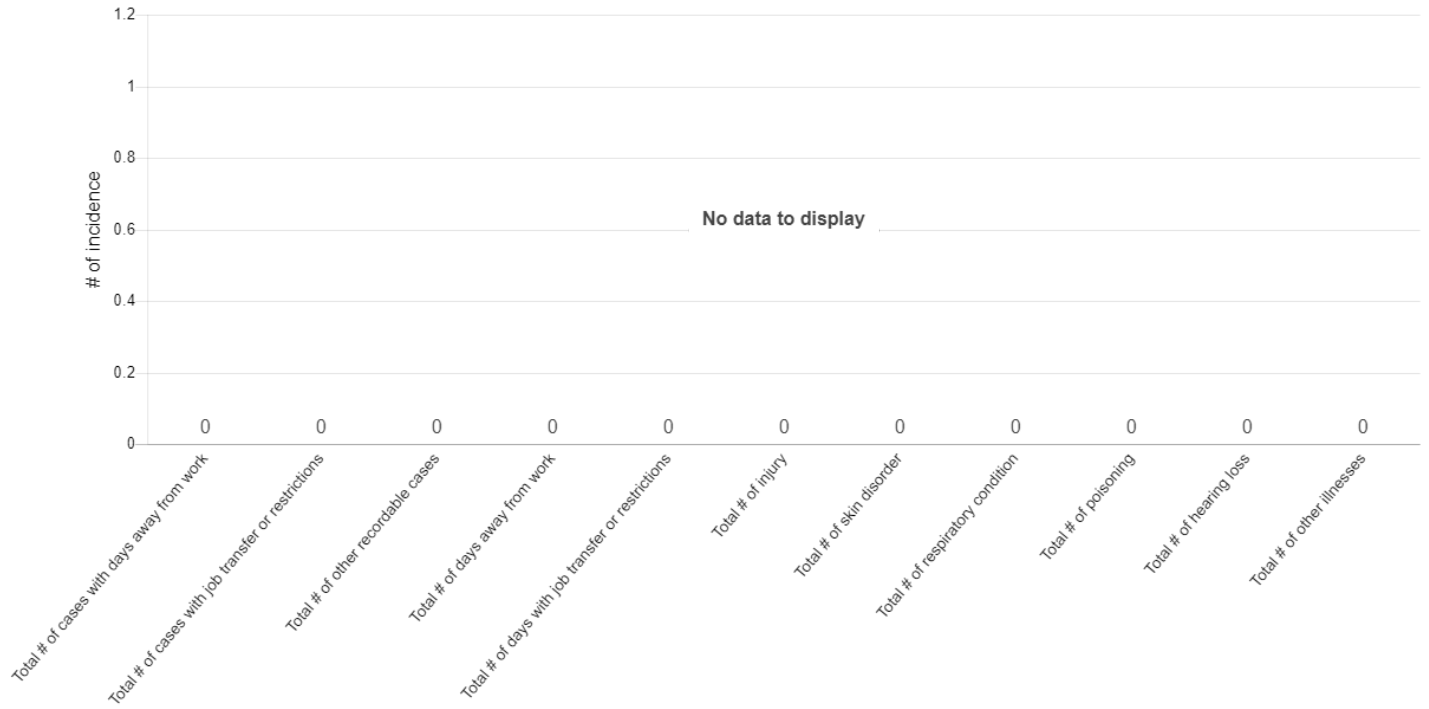
[Signature]
NATIVE CEO



2020-2021 Water Usage vs. Waste Water Generated



2020-2021 MPI Safety Performance Data



Work Related Injuries & Illnesses

2011 - 2021 - Synthetic vs. Sustainable Products

