

SUSTAINABILITY COMMITMENT

OUR COMMITMENT TO SUSTAINABILITY

As a 100% employee-owned company, we understand that our long-term success is closely tied to how responsibly and ethically we operate, as well as how deeply we respect our people, our customers, and our planet.

REDUCING ENVIRONMENTAL IMPACT

We are dedicated to minimizing our environmental footprint through the efficient use of energy, water, and materials. We adhere to all applicable environmental regulations and continuously seek ways to reduce greenhouse gas emissions, manage waste responsibly, and ensure ethical sourcing throughout our supply chain.

A SHARED RESPONSIBILITY

We believe sustainability is something we all share. Whether it is through responsible sourcing, ethical labor practices, or transparent operations, every member of the Hatco team plays a part in building a better future. We are committed to maintaining a safe and healthy workplace, supporting employee well-being, and upholding strong standards for labor and human rights. At the heart of our efforts is customer welfare, ensuring that product safety, quality, and satisfaction remain top priorities as we strive to meet the needs of our customers while advancing our sustainability goals.

LOOKING AHEAD

As we look to the future, we will continue to invest in innovative solutions, partnerships, and processes that support our sustainability goals and reflect our core values. Together, we can continue to strengthen Hatco's foundation while making a positive impact on our communities and the world around us. For more information on our sustainability policy, visit: www.hatcocorp.com/sustainability.

Thank you for your dedication and commitment to our shared vision.

Sincerely,

Lorne Deacon
President & CEO, Hatco Corporation



MINIMIZING ENVIRONMENTAL IMPACT

At the heart of our sustainability efforts is a commitment to minimizing our environmental footprint across every aspect of our operations. This includes responsible management of water and energy resources, reducing greenhouse gas (GHG) emissions, optimizing materials use, minimizing waste, and ensuring safe handling of hazardous and restricted substances. Through continuous improvement and innovation, we strive to create a more sustainable future for our business, our communities, and the planet.



WATER STEWARDSHIP

- Hatco's manufacturing facilities are located on the Great Lakes, and we prioritize water security
 by implementing responsible usage practices and safeguarding local ecosystems.
- Our operations are designed to minimize water waste and promote long-term sustainability.



MATERIALS & WASTE

- Manage materials to reduce waste.
- Promote sustainable use and reclamation of materials in products and packaging.
- Divert >90% of waste from the landfill (exploring zero waste certification).
- Hatco's **ECOization**® program **partners** with **suppliers and customers** to reduce equipment impact through sustainable practices.



ENERGY & GREENHOUSE GAS (GHG)

- Strive to reduce lifetime GHG impact of products and operations.
- Align with international standards for carbon measurement, disclosure, and reduction.
- Electricity use has been identified as the primary source of operational GHG emissions, and we are exploring
 opportunities to improve efficiency and reduce associated emissions.



HAZARDOUS & RESTRICTED SUBSTANCES

- Comply with global health and environmental regulations.
- Minimize use of hazardous materials in products and manufacturing.
- Ensure ethical sourcing, including Conflict Mineral compliance, as referenced in our Supplier Code of Conduct Policy at: www.hatcocorp.com/supplier-conduct-code-policy

MATERIALS & PRODUCT LIFECYCLE

Hatco takes a holistic approach to managing materials and minimizing environmental impact throughout the product lifecycle. Guided by our ECOization strategy, we actively integrate sustainability into design, production, and performance—driving meaningful improvements that reinforce our commitment to long-term environmental stewardship.

MATERIAL USE EFFICIENCY:

The company actively monitors and optimizes material inputs to reduce waste and improve resource efficiency.

RECYCLED CONTENT:

Products and packaging incorporate recycled materials where feasible, supporting circular economic principles.

PACKAGING:

Hatco prioritizes use of packaging materials and designs that minimize waste and environmental impact, and continue to pursue lower-impact alternatives.

ECOIZATION IN PRODUCT DESIGN:

Hatco's proprietary ECOization initiative focuses on designing products that are environmentally responsible. This includes energy-efficient components and reduced material usage.







Hatco participates in ENERGY STAR® where applicable, as not all equipment is covered by certifiable categories.

RECENT SUSTAINABILITY INITIATIVES

Hatco is committed to continuous improvement through targeted actions that reduce environmental impact and enhance operational efficiency. Recent initiatives include facility upgrades and incorporation of energy-saving technologies, reflecting Hatco's proactive approach to building a more sustainable future.



ROOF REPLACEMENT:

Replaced 110,000 square feet of old roofing with high-insulation materials to minimize heat loss in the winter and cooling loss in the summer, improving energy efficiency and indoor comfort.



LIGHTING UPGRADE:

Upgraded the Sturgeon Bay facility to high-efficiency LED fixtures, reducing lighting energy use by 41%. This change saves 422,000 kWh annually, enough to power approximately 40 U.S. homes each year.



ELECTRIC METAL FORMING:

Installed a fully electric automatic panel bender that is 35–40% more efficient, as it only draws power during active bending.



HYDRAULIC EFFICIENCY:

Replaced two older press brakes with new models that include an automatic shut-off feature after 10 minutes of inactivity, which reduces energy consumption during idle periods.



TURRET PUNCH UPGRADE:

Converted two hydraulic turret machines to electric models, achieving up to 70% energy savings through servo-electric technology.



LASER CONVERSION:

Upgraded three CO₂ lasers to high-efficiency fiber lasers, which use up to 50% less electricity due to their higher efficiency and simplified design.



EXTERNAL PARTNERSHIPS:

Hatco partners with local sustainability groups, including participation in Wisconsin's Focus on Energy program and membership in the Sustainable Business Council (SBC), helping accelerate the adoption of innovative technologies and performance improvement.



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