



# Sustainability Report

# Table of Contents

- 03** - Letter from the CEO
- 04** - Message from the Chairman of the Board
- 05** - About Heritage-Crystal Clean
- 06** - Our Vision and Mission
- 07** - Sustainability at Heritage-Crystal Clean
- 10** - Sustainability Goals
- 11** - Sustainability and Our Planet
- 17** - Sustainability and People
- 21** - Sustainability and Partnerships
- 24** - Sustainability and Prosperity
- 27** - Sustainability and Peace
- 31** - The Future of Our Sustainability Journey
- 32** - Nationwide Network





# LETTER FROM THE CEO



**A**t Heritage-Crystal Clean, our passion is to protect the Earth's resources by helping the business world run cleaner. From our beginnings as a parts cleaning and used oil collection service, we have expanded our range of environmental services and continue to build upon our strong foundation to continue protecting the environment and create a brighter future.

By engaging and empowering our employees to continually improve all aspects of our company, we provide premier environmentally conscious solutions that make a difference for our customers. Building a successful business and a better world are essential for long-term growth that benefits

our employees, customers, and the communities where we live and work.

To us, sustainability is more than a simple check-the-box initiative. It is a journey and an area that requires constant re-evaluation to identify areas where we can continue to improve. Initiatives both large and small can make a notable impact, and our ambition as a company is to encourage a mindset of sustainability that we bring into both our professional and personal lives.

**“To us, sustainability is more than a simple check-the-box initiative.”**

Waste technologies are evolving each day and with that, numerous opportunities to improve sustainable operations continue to evolve. Alternative uses for waste has become paramount for many companies that focus on improving their sustainability initiatives. That's why Heritage-Crystal Clean remains committed to sustainable waste recovery

operations, utilizing new ways to recycle, reduce, and reuse waste.

We are driven to continuously create and improve upon goals that provide us and future generations the ability to build a better world. Now more than ever, we strive to further develop and implement an ESG plan that is committed to measuring, monitoring, and providing excellence in environmental performance that benefits all members of our communities and stakeholders.

One particular area I am especially proud of is our continuing improvements year-over-year on safety. Performing a job safely reduces risks, allows our employees to deliver the highest levels of service, and leads to a safer, hazard-free environment for our customers and the communities we work in. Safety continues to be top-of-mind for our team, and we saw our lowest TRIR in company history in 2020.

It can be difficult to reflect on 2020 without thinking of the ways the COVID-19 pandemic impacted our world. I could not be more proud of how our team responded quickly and established policies and procedures that kept the health and safety of our customers,

employees, and their families as the top priority. This enabled us to face these difficult challenges head-on and continue to support our customers and communities as an essential service provider.

Though we faced hardships in 2020, our team came out of the year united stronger than before. Our leadership team identified the opportunity to refocus and re-energize our company culture by refining our company vision, mission, and core values. These core principles will guide our company into the future, providing a framework for decision making and how we interact as a more cohesive team, aligning our individual jobs to one goal.

Looking forward, I am confident our team will continue to rise to the occasion and offer exceptional service that aids our customers and the communities.

**Brian Recatto**  
President & CEO

# LETTER FROM THE CHAIRMAN OF THE BOARD



Heritage-Crystal Clean's Board of Directors consider environmental responsibility as more than a set of principles; delivering environmentally responsible solutions to our customers is fully integrated into our business strategy. Our board members have recognized that our oversight of Environmental, Social and Governance (ESG) initiatives continue to build value for our stakeholders and operational efficiency for the company. As we continue on this journey, we remain focused on identifying and targeting ESG factors material to Heritage-Crystal Clean, its customers, employees, and investors. This allows us to further integrate, implement, and track our progress, ultimately leading us to improve our performance while sustaining corporate growth for our stakeholders.

As an environmental services company, our goals are built around creating a positive impact for the environment, our employees, and the communities in which we operate. Our company was established on this

idea, and we continue to focus on developing a culture where employees are empowered to build a successful career and drive change within the organization. We strive to continue providing an engaging workplace that invests in the personal and professional success of our employees.

This culture leads to the company continuing to develop and offer environmentally friendly solutions to customers that ultimately improve the sustainability of both their businesses and communities they work in. With this approach, we have experienced more than two decades of strong growth as the company adapts to meet our customers' evolving needs.

Heritage-Crystal Clean's Sustainability Report demonstrates our commitment to these practices. In this report, you will find examples of how we create long-term sustainable value through our services and operation. The report also includes data that allows us to ensure all new practices, policies,

and initiatives will further the positive environmental and social impacts Heritage-Crystal Clean strives to achieve and sustain well into the future. As a board, we will continue to address relevant sustainability and corporate social responsibility initiatives at our board level committee meetings when reviewing or addressing new policies, programs, and strategies.

From the board room to our branches and operating facilities, we are committed to integrating ESG considerations into our future decisions and strategy as the company works towards helping the business world run cleaner. I, along with our Board of Directors and management team, are committed to ensuring our company's vision, mission, and values are embraced by everyone in the organization.

**Fred Fehsenfeld, Jr.**  
Chairman of the Board

# About Heritage-Crystal Clean

Heritage-Crystal Clean, LLC (Crystal Clean) is a wholly owned subsidiary of Heritage-Crystal Clean, Inc. Crystal Clean is a national leader in the environmental services market. Crystal Clean operates a nationwide network of branches across the continental United States and Ontario, Canada, serving approximately 91,000 customer locations. Crystal Clean operates more than 85 service branches and multiple waste recovery centers, including an oil re-refinery, antifreeze recovery centers, and wastewater treatment facilities.

Our service offerings include parts cleaning equipment, containerized waste management, used oil collection and re-refining, field services, vacuum truck services, and closed loop antifreeze collection and recovery.



## Our History

### Humble Beginnings

Heritage Environmental Services established its Crystal Clean division, providing parts cleaning and used oil collection services to customers in the midwestern USA.

### IPO on NASDAQ

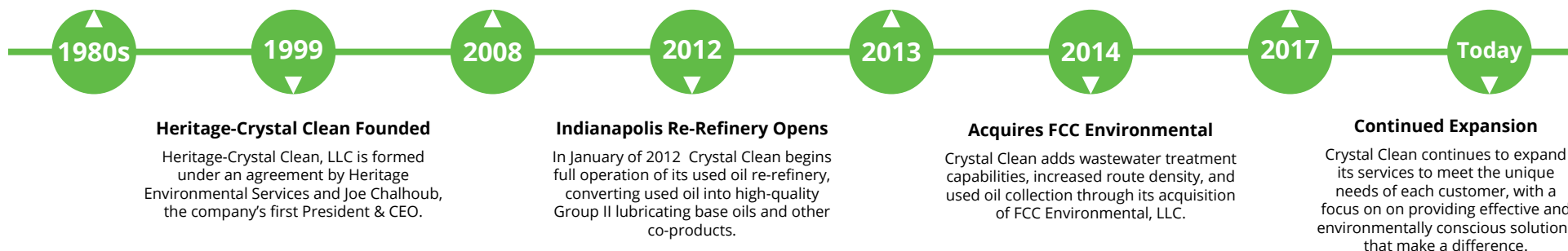
On March 12, 2008, Heritage-Crystal Clean, Inc. completes its initial public offering and began listing its stock on the NASDAQ stock exchange under the symbol, HCCI.

### Antifreeze Recovery Operations

Crystal Clean launches a closed loop antifreeze collection and recovery business line, establishing itself as one of the largest antifreeze recyclers in North America.

### Brian Recatto Joins as CEO

On January 31, 2017, Joe Chalhoub retired and Brian Recatto is named CEO as his successor.





# Our Vision, Mission, & Values

## Vision:

To protect the Earth's resources by helping the business world run cleaner.

## Mission:

To continually drive an employee-empowered culture dedicated to providing premier, environmentally sustainable solutions to our customers.

## Values:

**Safety:** We want everyone to go home to their families every night safe and sound. We do this by being responsible for yourself and your team members, using your "Stop Work" authority in unsure or unsafe conditions. Have the courage to speak up.

**Honesty:** We perform our service the right way. Transparent and open; we don't cut corners. We do the right thing, in every situation, every day.

**Accountability:** Never walk past a problem. Fix it. We take ownership of our jobs, and each individual is accountable to themselves and the company. It's how the employee and company grow.

**Respect:** Give every employee and customer the respect they deserve; Be a good listener, taking the time to address issues large and small.

**Relationships:** It's a relationship business. Get to know your customers and fellow employees. Focus on the 'service' mentality and what you can do for them, instead of what they can do for you.

**Excellence:** We were built on grit and drive, a company where everyone pitches in to achieve excellence. A company where we do whatever it takes to safely get the job done and exceed expectations. It's tough work. Our people are tougher.

**Inclusive:** We are a diverse company that embraces all.



# 2020 Sustainable Operations Include:

**62**  
**MILLION**  
**GALLONS**

of used oil processed  
for re-refining

**44**  
**MILLION**  
**GALLONS**

of wastewater treated  
at our facilities

**40**  
**MILLION**  
**POUNDS**

of waste reclaimed  
for energy

**3.6**  
**MILLION**  
**GALLONS**

of spent antifreeze  
collected for recovery

**3.3**  
**MILLION**  
**GALLONS**

of used solvent  
processed in our vacuum  
distillation tower





# Sustainability at Heritage-Crystal Clean

Crystal Clean is in the process of growing our Environmental, Social, & Corporate Governance (ESG) initiative. A new framework specific to our operations will include an action plan that will allow Crystal Clean to continue to build, implement, measure, and communicate ESG success with its stakeholders.

## Environmental

- To be an environmentally responsible member of the communities we operate in.
- To provide our customers with options to preserve and reuse natural resources.

## Social

- To provide a safe, rewarding, and developmental workplace.
- To positively impact the communities we operate in through various forms of outreach and philanthropic activities.

## Governance

- To operate our business with a high ethical standard and the utmost integrity.
- To embrace diversity at our highest levels of corporate governance.



# Sustainability at Heritage-Crystal Clean

Crystal Clean developed its sustainability program using the United Nation's 17 Sustainable Development Goals (SDGs). The 17 goals are a holistic approach to achieving sustainable development on a global scale.

Crystal Clean has focused on five areas that shape the SDGs: **Planet, People, Partnerships, Prosperity, and Peace**. These five P's will allow us to measure our progress as we move towards achieving a better and more sustainable future.



## PLANET:



## PEOPLE:



## PARTNERSHIPS:



## PROSPERITY:



## PEACE:





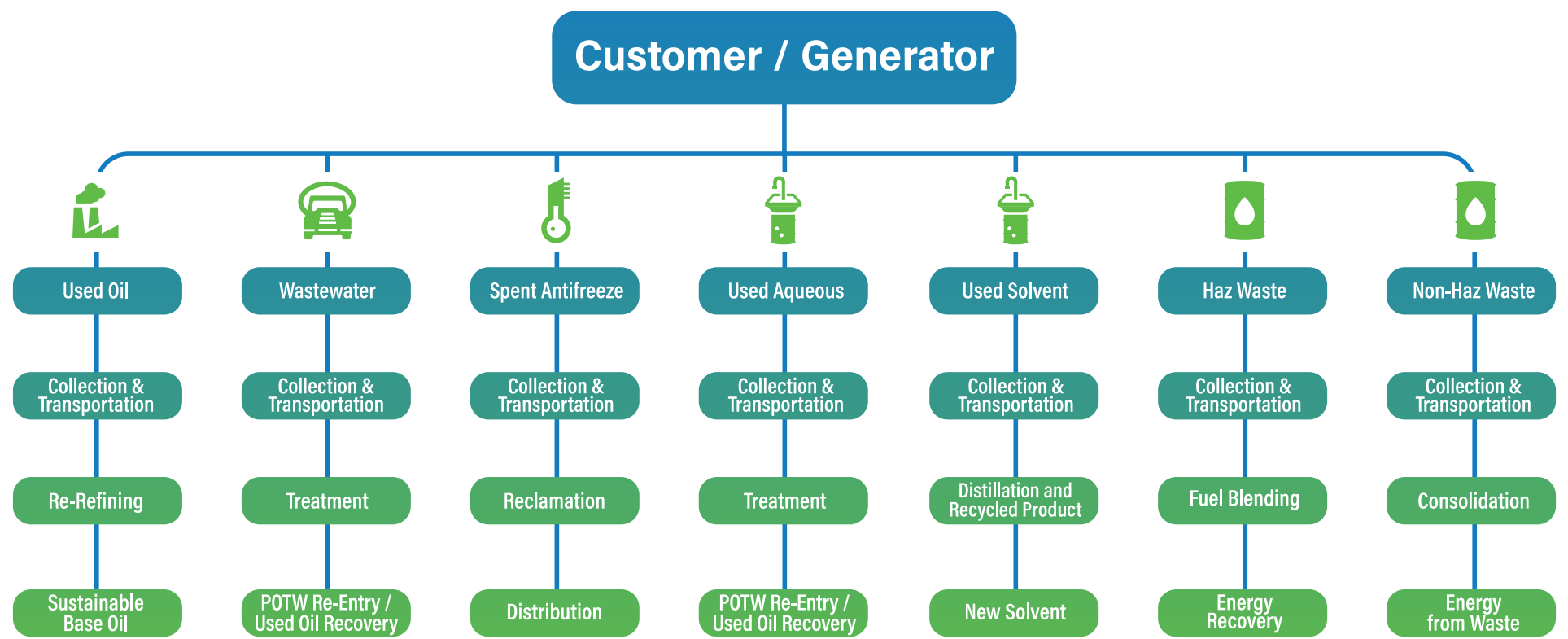
# Sustainability Goals

Crystal Clean is forward-thinking through our Reduce, Reuse, and Recycle business model. We continue to collect, maintain, and monitor our data. We are improving our mapping system to collect and manage Key Performance Indicators (KPIs) to set targets and manage performance goals as we improve value to our stakeholders.

As we continue to take a deeper look into the environmental and social impacts throughout our company, our environmental impact information will be more transparent and we will set clear goals for fleet management and energy use reduction, as well as long-term climate risk and greenhouse gas emissions mitigations where possible. Our social impact will focus on identifying areas where we can strengthen the relationships among our employees, supply chain vendors, customers, and communities. We know it is important that we commit to actions that will minimize Crystal Clean's environmental footprint and drive a more positive social impact.



# Sustainability and Our Planet





# Sustainability and Our Planet

## Used Oil Collection and Re-Refining

Oil has long been one of earth's most valuable resources. Thanks to advanced technology, used oil can be transformed into a renewable resource. Crystal Clean owns and operates a state-of-the-art oil re-refinery in Indianapolis, IN that is permitted to process up to 75 million gallons of used oil annually. By re-refining used oil, we are now using the oil molecule to its full potential. Oil re-refining is an environmentally responsible way to manage used oil encouraged by the EPA for its sustainability benefits, such as reducing pollution and conserving energy.

In 2020, Crystal Clean collected over 62 million gallons of used oil to be recycled and re-refined at our oil re-refinery in Indianapolis. The used oil was transformed into 44.4 million gallons of high-quality Group II base oils and 15.8 million gallons of by-products. 5.4 million additional gallons were distributed as recycled fuel oil through our nationwide hub network.



## Antifreeze Recovery

Antifreeze recovery has become a cost-effective, environmentally sustainable solution for companies to recycle and reuse their spent antifreeze. Crystal Clean operates five Antifreeze Recovery Centers and has become one of the largest antifreeze recyclers in North America, creating a closed loop, sustainable distribution and recovery process.

In 2020, Crystal Clean collected and reclaimed more than 3.6 million gallons of spent antifreeze, transforming it into new antifreeze and heat transfer fluid products that are distributed back to customers to be used in their supply chain.





# Sustainability and Our Planet

## Parts Cleaning

Crystal Clean's parts cleaning services consists of parts cleaning machines using aqueous and solvent chemistries. Crystal Clean's proprietary Mirachem line of aqueous chemistries are environmentally friendly, water-based cleaning solutions that are non-flammable and contain no VOCs. As certain states mandate lower VOC products, Crystal Clean is committed to continue providing effective chemistries that are both economical and sustainable.

### Solvent Chemistries

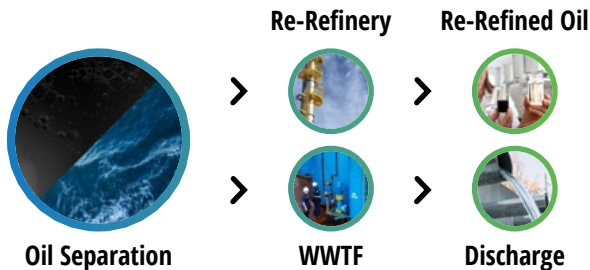
In 2020, more than 3.3 million gallons of spent solvent were processed for reuse or recycled. Of this, more than 2.2 million gallons were of Crystal Clean's non-hazardous solvent, which was processed in our solvent distillation column, recycled into new product, and returned to our customers for use.

Our low flash solvent is separated and sold into a re-use program for non-land applied construction materials, such as asphalt roofing. More than 900,000 gallons of low flash solvent were marketed in 2020.



### Aqueous Chemistries

Crystal Clean's used aqueous chemistries are processed at a wastewater treatment facility to separate the oil and aqueous solution. The used oil is either re-purposed as recycled fuel oil for waste-to-energy use or reclaimed for re-refining. The remaining used aqueous solution is sent to a wastewater treatment facility to be processed to meet POTW standards for discharge. More than 680,000 gallons of aqueous parts cleaning waste was collected in 2020.



## Wastewater

Crystal Clean operates six wastewater treatment facilities throughout North America to ensure cost-effective, environmentally sound treatment of wastewater. Our fleet of vacuum trucks collect millions of gallons of contaminated waters annually, helping protect the environment and preserve our lakes, streams, and oceans.

In 2020, Crystal Clean vacuum truck sales and service representatives collected more than 49 million gallons of wastewater. Crystal Clean's wastewater treatment facilities treat wastewater collected by both Crystal Clean sales and service representatives and other customers, and discharged more than 57 million gallons of treated water in 2020. Treated water is sent to local publicly owned treatment works (POTWs) to be managed. Over 9.3 million gallons of used oil was separated from wastewater during treatment, and was sent to Crystal Clean's oil re-refinery or distributed as recycled fuel oil for waste-to-energy management.



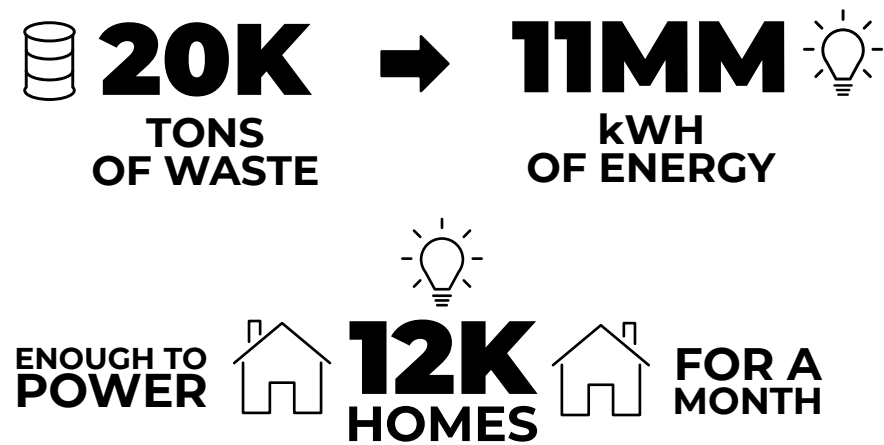
# Sustainability and Our Planet

## Waste to Energy Management of Non-Hazardous Waste

Crystal Clean's energy recovery process takes non-hazardous waste and safely converts it into energy by using it as fuel to generate electricity, reducing the environmental impact of waste. According to the EPA, converting waste into usable energy through the waste-to-energy process generates a renewable energy resource, lowers the amount of landfill waste, and ultimately reduces carbon emissions by providing an alternative energy source to coal and fossil fuels.



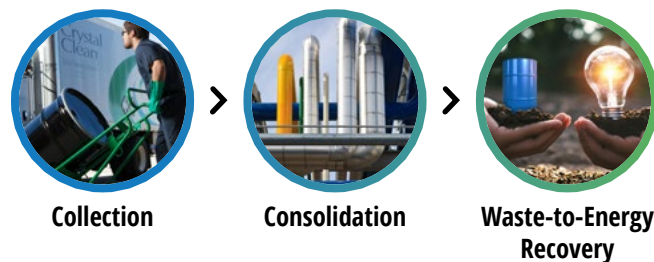
In 2020, Crystal Clean collected more than 20,000 tons of waste for waste-to-energy management. Approximately 11 million kWh hours of energy were generated, enough to power more than 12,000 homes for a month. This led to a reduction of 20,000 tons of CO2 greenhouse gas emissions.



## Fuel Blending

Hazardous waste requires the highest level of care during management. Crystal Clean manages hazardous materials in a waste-to-energy manner whenever possible. It will either be formulated into fuels or left as-is for use as supplemental fuel in manufacturing processes. Much of the hazardous waste Crystal Clean collects from its generators is approved into fuel blending and processed in kiln operations to manufacture cement.

In 2020, Crystal Clean collected more than 10,000 tons of waste to be reused as fuel in the cement manufacturing process.





# Sustainability and Our Planet

## Electronic and Universal Waste

Electronic and universal waste consists of common items, such as keyboards and mobile phones, that can be recycled to reclaim valuable resources and elements for reuse.

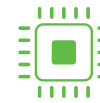
In 2020, Crystal Clean collected more than 530,000 pounds of lamps, 418,000 pounds of electronics, 718,000 pounds of batteries, and 2,105 pounds of mercury devices and debris. In addition to these universal wastes, Crystal Clean also collected over 110,000 pounds of ballasts, capacitors, and transformers in a similar reclamation process.



**In 2020, Crystal Clean collected more than:**



**530K** POUNDS OF LAMPS



**418K** POUNDS OF ELECTRONICS



**718K** POUNDS OF BATTERIES

## Oil Filters

Oil Filters are crushed to separate used oil and scrap metal. The used oil is sent to the Crystal Clean re-refinery and scrap metal is sent for recycling.

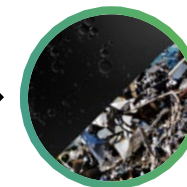
In 2020, Crystal Clean collected more than 9,000 tons of oil filters to re-refine the used oil and recycle the scrap metal.



Collection



Processing,  
Crushing



Oil & Scrap  
Separation



Scrap to  
Recycle Center

Oil to  
Re-Refinery or  
Recycled Fuel Oil

# Sustainability and Our Planet

## Minimizing Our Own Waste

Crystal Clean's corporate offices, branch locations, and operating facilities all have the mindset of reduce, reuse, recycle. Whether it is a large-scale project, such as implementing new processes to reduce the use of natural resources, to eco-friendly reusable water bottles, our team is dedicated to protecting the environment.

## Parts Cleaners and Aqua Filtration Systems Refurbishment

Crystal Clean has parts cleaners and aqua filtration systems in service at customer locations across the United States and Canada. Whenever a parts cleaner or aqua filtration system is removed from its current placement, it is refurbished into like-new condition and placed back into service at another customer location. Our refurbishment program reduces the waste of hundreds of tons of metal annually and extends the life of our units. Any machines not eligible for refurbishment are taken apart and their components are recycled.

## Paper Use Reduction

Crystal Clean's corporate offices, branch locations, and operating facilities continue to adopt paperless practices to greatly reduce the use of paper and conserve energy. In 2020, our company began submitting data and images to the EPA's e-manifest system to reduce the amount of paper used. Also in 2020, Crystal Clean launched a Customer Portal for customers to manage their account, pay invoices electronically, and review their waste documents. We also implemented a paperless submission platform for internal documents to reduce paper consumption and related costs of paper production, transportation, and disposal.

## Energy Efficiency

Crystal Clean operates a fleet of more than 850 vehicles, ranging from light duty vans and pick up trucks to class 8 tractors and straight trucks. Our fleet and logistics department is focused on the safe and sustainable operation of our vehicles, and has implemented several programs to improve safety and fuel efficiency.

In 2020, our fleet replacement program traded more than 100 older vehicles for safer, more fuel-efficient vehicles resulting in an improvement in fuel economy. All vehicles are also part of a tire retread program, which reduces the number of used tires being sent to a landfill. Crystal Clean credits these sustainability efforts

for reduction in emissions and improving vehicle technologies.

Crystal Clean's Information Technology team is focused on managing the efficiency of the company's technology infrastructure. A majority of laptops and computers used by Crystal Clean are certified for energy efficiency as part of the EPA's Energy Star® program. In 2020, our information data racks were consolidated and optimized for energy efficiency, resulting in a 66% reduction in power consumption. Electronics that are decommissioned are recycled with one of our technology partners to reduce waste.





# Sustainability and People

At Crystal Clean, we work together to sustain people in an environment that is positive, healthy, respectful, caring, safe, and free of harassment and discrimination. By focusing on safety, our dedicated employees can deliver the highest level of environmental services while maintaining a safe environment for our customers and the communities we work in.

# Sustainability and People

## Health & Safety

Protecting our employees, customers, and the communities we work in is of the utmost importance. Our goal is to give every employee the knowledge, capability, and personal responsibility to work safely every day. We have established several health & safety programs focused on educating, engaging, and empowering employees to become champions of safety.

## Education

Crystal Clean trains its employees on safety through a customized online training platform, Crystal Clean University, and holds weekly manager-led safety meetings where recent incidents, near misses, and relevant safety and health topics are discussed.

Job hazard audits are frequently performed on new and existing tasks to identify areas for improvement and to continue providing employees with safe procedures as they execute their tasks.



Crystal Clean Employees in the Elgin Training Center

## Engagement

Crystal Clean's "Own Your Safety" behavior strategy engages employees and promotes identification and reporting of workplace hazards at our facilities, in our trucks, at customer locations, and within the community. Our field personnel frequently work alone without the helpful guidance of management or co-workers. Therefore, our program stresses three key points to our employees: You are in control of your actions, You are responsible for your actions, and You must make the decision to put safety first. It is important that everyone understands their responsibilities with regards to safety and take ownership of it.

Through our new Environmental Management System (EMS), we have implemented an employee Safe Behavior Recognition program that focuses on instant reporting of near misses, workplace hazards, and positive safety behaviors. The increased reporting of workplace hazards and safe behaviors has enabled us to proactively address unsafe conditions. We have also committed resources to acquire new, more sophisticated and reliable driver technologies to increase safe driving performance.

## Empowerment

Employees are empowered to use their Stop Work Authority if they believe a work process or environment is unsafe. Through our online reporting system, employees can report any unsafe situation. All submittals are reviewed by our EHS dept for expropriate action. This creates a culture where more hazards are identified and controlled before they result in an accident.

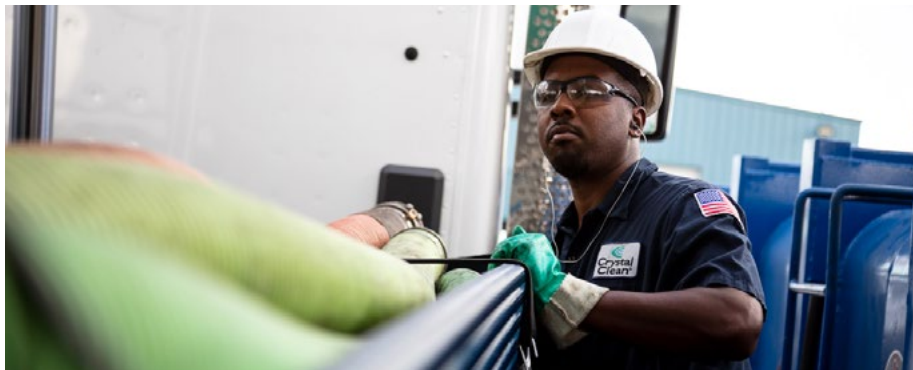




# Sustainability and People

## Safety By the Numbers:

We have closely analyzed our incidents and have enhanced our procedures and training in the areas where we have the greatest exposures. Over the past six years, we have seen a progressive reduction in annual Total Recordable Incident Rate (TRIR) of approximately 50%. We remain focused on developing strategies that give employees the knowledge and tools to work safely every day.



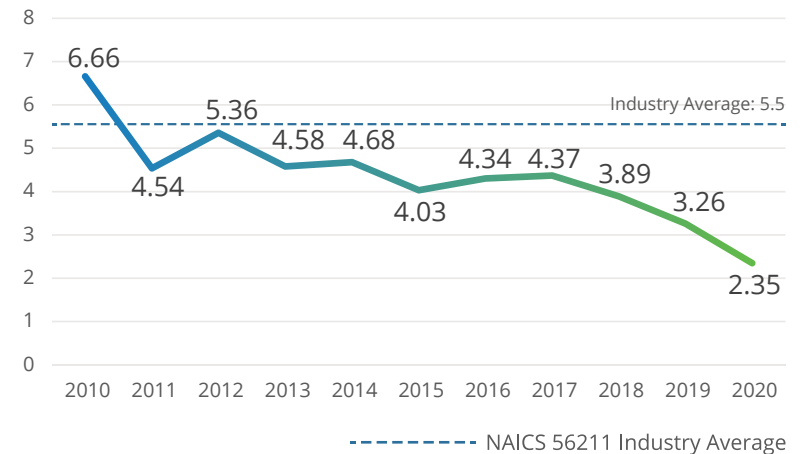
Below Industry Average  
DART Rate of **1.98**

**~50% Reduction  
In Annual TRIR  
Over Last Six Years**

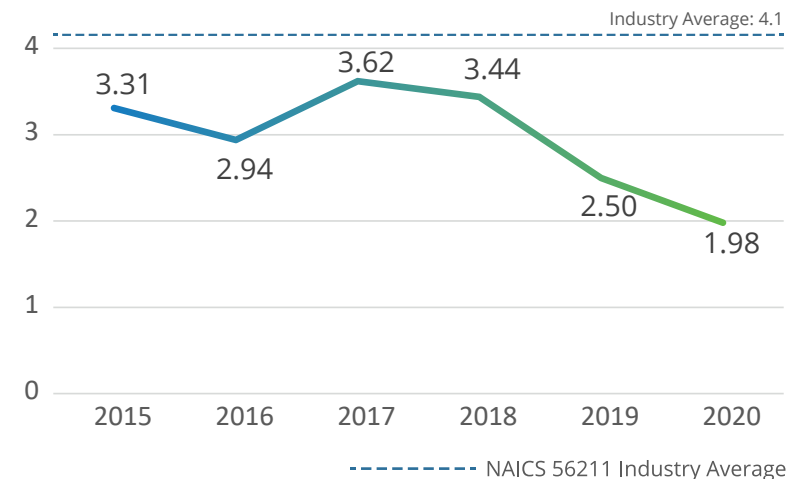
**Over 16,500**  
Safe Behavior Recognition  
Reports Received in 2020

**Over 5,000**  
Safety Meetings in 2020

## Yearly TRIR:



## DART Rate:



# Sustainability and People

## Training & Development

Crystal Clean is committed to helping its employees reach their full potential and improve their understanding of procedures, policies, and regulations related to the environmental services industry. We annually train more than 1,300 employees in a variety of online and in-person training sessions led by our Training & Development department.

A new employee onboarding program has been developed which will allow employees to participate in up to 40 hours of training covering all aspects of the company, including procedures and expectations, RCRA, DOT, safety, and operational performance to ensure consistency across all areas of the company.

Crystal Clean is also committed to the personal development of its employees. The company offers a variety of personal development opportunities and supports employees' continuing education through its Education Assistance Program.

**182 EMPLOYEES**

participated in Personal Wellness Programs in 2020

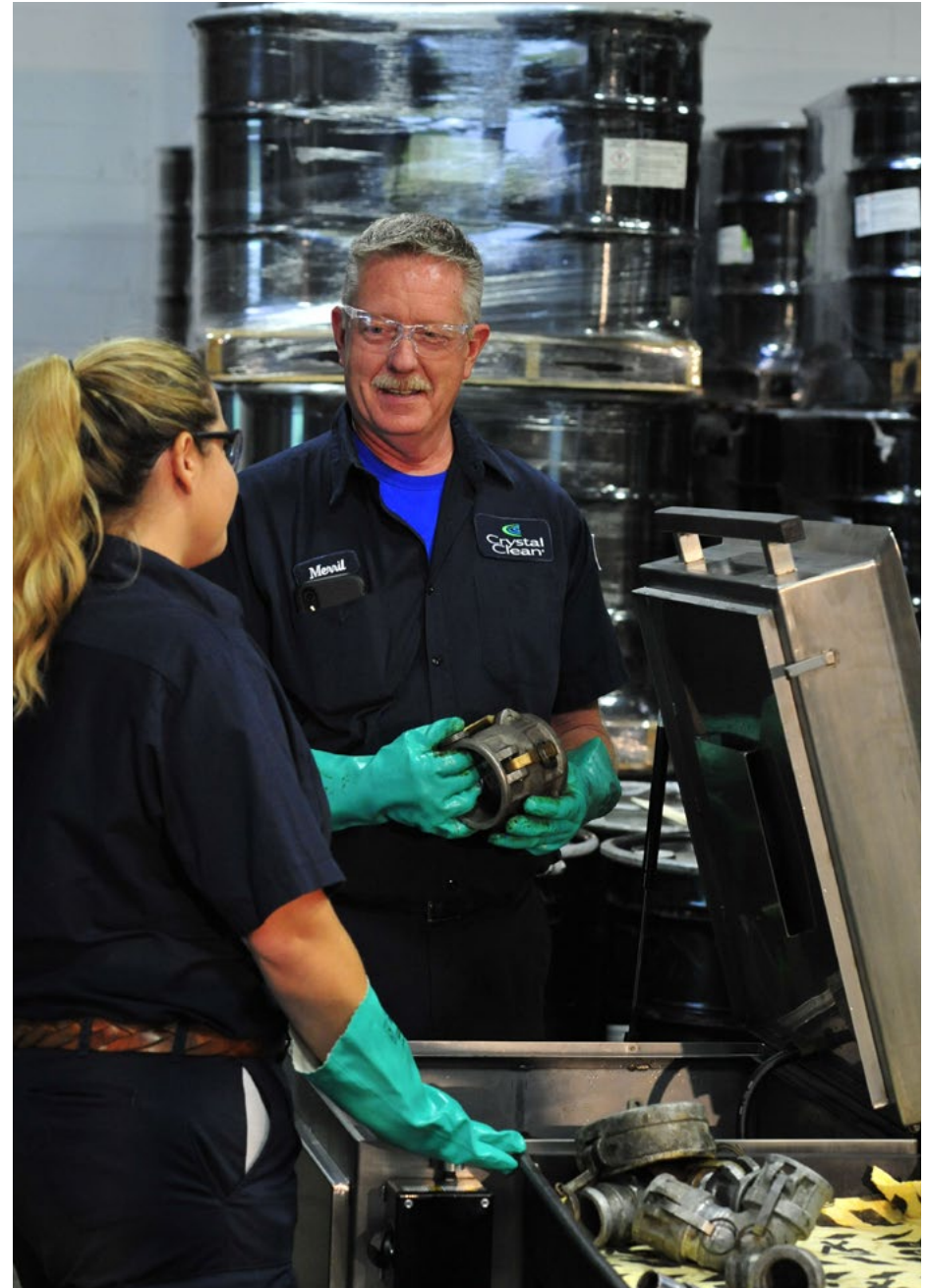
**13,868 HOURS**

of Online Training Completed in CCU by Employees

## Personal Wellness

Our team is our greatest asset, and as a company we believe in the importance of supporting our employees both on and off the clock. Crystal Clean has established a broad personal benefits and wellness program to help employees stay healthy and provide support in personal areas of their lives. In addition to healthcare benefits, employees can enroll in a free employee assistance program (EAP) which provides access to healthcare programs, counseling, financial resources, and more.

As part of Crystal Clean's personal wellness initiatives, employees can enroll in several free programs focused on weight loss, high-blood pressure and diabetes treatment, and smoking cessation. Employees can also sign up to receive fitness club memberships at a reduced cost.





# Sustainability and Partnerships

A photograph of two people in grey work uniforms shaking hands in a warehouse setting. The person on the right is holding a clipboard and a yellow pen. In the background, there are blue metal shelving units filled with cardboard boxes.

At Crystal Clean, we partner with our vendors, customers, and other stakeholders to create long-term value and economic growth in our supply chain. By collaborating on all levels, we are able to build a more responsible, sustainability-minded future and further our vision to help the business world run cleaner.



# Sustainability and Partnerships

## Partnerships with Federal and State Regulators

As a responsible environmental services provider, Crystal Clean is committed to consistent communication and compliance with the U.S. Environmental Protection Agency and state regulators to ensure the proper management of waste from cradle to grave. Crystal Clean recognizes the importance of transparency and building positive relationships with the regulatory community. We actively seek out these relationships to help build a common understanding of the benefits we provide to customers as we help them better understand regulatory requirements. Crystal Clean is committed to ensuring communication with customers and regulators is managed in a logical, transparent, and well-coordinated manner using the appropriate practices, processes, and tools.

In 2020, Crystal Clean participated in the EPA's National Recycling Strategy feedback process, providing recommendations focused on strategies to reduce contamination, increase efficiencies, and improve recycling initiatives.



## Trade Associations

Crystal Clean is an active participant in multiple trade associations related to the environmental services industry, collaborating with fellow members to continually advocate for and develop sustainable environmental services. Crystal Clean is a participant in the following trade associations:

- National Oil Recyclers Association (NORA)
- Chemical Industry Council of Illinois (CICI)
- National Association for EHS&S Management (NAEM)
- Connecticut Business & Industry Association (CBIA)
- Illinois Manufacturers Association (ILMA)
- Indiana Manufacturers Association (INMA)
- Michigan Manufacturers Association (MMA)
- Virginia Manufacturers Association (VMA)
- Page Co-Operative (Page Co-Op)
- Tennessee Chamber of Commerce & Industry (TCCI)
- West Virginia Automotive & Truck Dealers Association (WVATDA)
- Wisconsin Manufacturers & Commerce (WMC)
- Automotive Oil Change Association (AOCA)
- Automotive Service Association (ASA)
- National Association of Manufacturers (NAM)
- Illinois Trucking Association (ITA)
- National Automotive Fleet Association (NAFA)
- Asphalt Institute (AI)



# Sustainability and Partnerships

## Safety and Environmental Compliance Audits

In addition to Crystal Clean's own internal audit program, we have partnered with several leading auditing organizations to improve our organizational accountability on safety and compliance.

Crystal Clean has an internal audit program to ensure compliance of all facilities. We also work with CHWMEG, a global facility auditing organization, to continually review the environmental operations of our various facilities. In 2020, 26 Crystal Clean facilities participated in CHWMEG's facility review program.

Crystal Clean also works with ISNetWorld, Avetta, and several other third-party evaluators, to provide information to online contractor management databases. These third-party evaluators assess companies on health and safety programs and policies, regulatory records, and sustainability operations. The data can expand Crystal Clean's visibility and provide information as part of a customer's prequalification process.



## Vendor Sustainability

With our vision to help the business world run cleaner, Crystal Clean values partnering with vendors who have integrated sustainability and include building a better world as a part of their business goals. We work with a variety of vendors that share a similar mindset and have made varying commitments to sustainability as part of their business operations. In addition, Crystal Clean has a vendor evaluation program to ensure that any third-party sites who manage waste meet our rigorous compliance standards. Crystal Clean continues to evaluate vendors and business partners based on the services they provide, as well as their own sustainability practices.

# Sustainability and Prosperity

A background image showing volunteers in a warehouse or food bank setting. They are wearing masks and gloves, packing food items like canned goods and bread into cardboard boxes. One volunteer's name tag is visible, reading "VOLUNTEER".

At Crystal Clean, we work together to sustain prosperity and improve our economic, social, and corporate governance progress. We strive to partner with the communities we live and work in to make a positive impact that goes beyond the standard scope of our business as we build a better world. Our corporate headquarters, network of branches, and operating facilities have developed relationships with non-profits and other organizations within their communities to support the diverse range of needs their community may have.



# Sustainability and Prosperity

## Corporate Sponsorship of Non-Profits

Our corporate headquarters has partnered with several organizations that have local and national reach to support their mission and make an impact to sustain and improve prosperity for members of our communities.

### Partnerships Include:

#### Toys 4 Tots

The Crystal Clean corporate office has a partnership with Toys 4 Tots, an organization that distributes toys during the holidays for families in need, that dates back to 2003. Since the partnership began, Crystal Clean employees have donated more than 8,700 toys and \$46,000.



#### Versiti Blood Drives

Crystal Clean facilitates quarterly blood drives with Versiti, one of the largest blood donation organizations in the midwestern USA. Although there were challenges organizing blood drives in 2020 due to an abundance of caution with COVID-19 safety protocols, Crystal Clean employees still donated enough blood to impact 66 lives during surgery and emergency operations.

#### Food For Greater Elgin

Crystal Clean has supported the Chicago-area non-profit Food For Greater Elgin (FFGE) since it was founded in 2011. FFGE is the second largest food pantry in Kane County and provides food for more than 1,200 households in the Elgin area, fulfilling their mission to provide food security and access to community resources to stabilize lives. In collaboration with FFGE, Crystal Clean sponsors their Pallet to Palate fundraiser and also supports their Chip in for Hunger golf tournament. Additionally, Crystal Clean employees volunteer to help sort and set up food twice a month at the FFGE distribution center.



#### Technology Reuse

Crystal Clean provides used company-issued iPhones to a repair company that gives us credit towards repair of existing equipment, which offsets breakage costs and limits the scrapping of broken phones. Parts can also be used by other companies and any remaining scrap is then recycled for raw materials as appropriate.

# Sustainability and Prosperity

## Employee Spotlights

### Dan Gregus

#### Indianapolis Re-Refinery

#### Education Assistance Program

Dan Gregus is the Jr. Process Engineer at Crystal Clean's Oil Re-Refinery and participated in the company's Education Assistance Program. After graduating the University of Dayton in 2014 with a bachelor's degree in biochemistry, Dan began his career at Crystal Clean as one of the oil re-refinery's lab technicians. As he continued to learn more about the operational side of the re-refinery, he became interested in expanding his knowledge and joining the engineering team. Dan decided to pursue a master's degree in Chemical Engineering, and chose to take advantage of Crystal Clean's Education Assistance Program to lower the cost of tuition. He received his master's degree in Chemical Engineering from North Carolina State University in 2020, and quickly joined the engineering team at the re-refinery. Now, Dan is responsible for ensuring the safe and efficient operation of the multiple units at Crystal Clean's state-of-the-art re-refinery.



### Nate Shearon

#### Nashville Branch

#### Blackman Youth Football Association

In 2012, Nate Shearon, a Vacuum Truck Sales & Service Representative at Crystal Clean's Nashville branch, helped found a non-profit youth football and cheerleading program for children aged 5-12 called the Blackman Youth Football Association. The program's goal is to develop and prepare today's young athletes for what lies ahead in sports and in life. Guided by a volunteer board of directors, the program has positioned itself to be a premier football and cheer organization and serves 13 communities across middle Tennessee.





# Sustainability and Peace

An aerial photograph of a lush, dense tropical forest. A river or stream winds through the center of the image, surrounded by thick green foliage. The trees are tall and have a dense canopy, creating a vibrant green landscape.

Human capital management (HCM) is an important corporate governance issue. It is increasingly viewed as a significant contributor to risk mitigation, performance, and a company's reputation. At Crystal Clean, we work together to sustain a peaceful, fair, and inclusive atmosphere that is free of fear and violence to strengthen proper governance. We do this through our governance programs, diversity & inclusion initiatives, and proper training programs for all employees.



# Sustainability and Peace

## Environmental, Health, and Safety Compliance

### Environmental Management System (“EMS”)

Crystal Clean has invested in a comprehensive EMS, enabling us to further develop our incident investigation procedures and corrective and preventative action plans. The EMS is a key tool to drive accountability and visibility across all levels of management. The system allows us to use predictive analyses to reduce incidents and improve environmental compliance. Improved root cause analyses, enhanced employee training, action items with due dates for completion, managing closure of the open action items, and senior management involvement are consistently implemented for each reportable incident. Crystal Clean continuously collects data to evaluate leading and lagging indicators for various areas of EHS compliance. The data is analyzed to determine necessary response areas and identify opportunities to reduce incidents and improve compliance.

### Incident and Event Management

Crystal Clean’s EHS team has a comprehensive system to identify and mitigate risks and to improve compliance. This system allows us to investigate and track all auto, spill, and property claims. It also captures data to provide leading indicators of operational effectiveness such as internal audits, facility inspections, training completion, and more. This helps us continue improving our environment compliance and drive incident reduction in pursuit of operational excellence.

### Auditing and Inspections

Internal audit and inspection processes are in-place throughout various levels of the company to ensure proper, efficient business practices are in-place throughout the company. The results from these audits and inspections are evaluated and any action plans needed are implemented and tracked through their resolution.

### Enterprise Risk Management (“ERM”) Committee

Crystal Clean has an ERM Committee which has oversight across the company for all categories of risk in order to ensure that proper practices are in-place to evaluate, understand, and manage priority risks. The ERM Committee reports to the Board of Director’s Audit Committee. The ERM Committee developed a charter that requires an annual review of potential business and legal risks arranged in a matrix and then ranked by priority, likelihood and severity. Each year, priority risks are identified for immediate mitigation. This allows Crystal Clean to identify potential hazards, prioritize, and implement action plans that will eliminate or mitigate environmental and safety risks, and protect our stakeholders.





# Sustainability and Peace

## Diversity & Inclusion

### Employee Diversity & Inclusion

Crystal Clean continues to build an inclusive culture that fosters, supports, and values the diverse contributions of our employees. It also helps us connect with our vendors, customers, and the communities we serve. We recognize that different ideas, perspectives, and backgrounds create a stronger and more engaged work culture.

### Board Diversity & Inclusion

Crystal Clean is a founding pledge partner of The Board Challenge, an initiative launched in September 2020 that encourages US-based companies to improve diversity on their Board of Directors. Crystal Clean committed to add a person-of-color to its board of directors, and successfully completed its pledge with the addition of Tony Chase to its Board of Directors in February 2021.



Tony Chase, Director

## Privacy and Cybersecurity

Safeguarding privacy and ensuring data security is of utmost importance to Crystal Clean. We are committed to maintaining a strong and resilient cybersecurity foundation as we develop our programs. We regularly train our employees to improve and ensure the effectiveness of our system. Our online training covers data protection instruction, current hacker or phishing attack methods, and privacy training. Crystal Clean's IT department is stationed in-house at the corporate address and available 24 hours a day to the field.



## Ethics, Anti-Harassment, Discrimination, and Governance Policies

### Anti-Harassment, Discrimination, and Ethics

Crystal Clean values creating a safe work environment where employees hold the highest standards of business conduct and people are treated with dignity, decency, and respect. All employees participate in annual anti-harassment, discrimination, and ethics training to maintain a positive work environment. Crystal Clean employs an external confidential hotline for employees to report unethical behavior.

### Governance Policies

Proper governance is key to a successful business, and Crystal Clean understands that corporate governance is fundamental to improving our excellence as a company. Governance policies can be found on Crystal Clean's website under the Investor Relations section, and guide how we function as an organization and apply to all employees and board members. The board has established several committees to allow for transparent governance.

#### Audit Committee

- Oversees the quality and integrity of financial statements and information reported to stakeholders and regulators.
- Reviews the company's accounting policies, audit processes, and legal, ethical, and regulatory compliance.
- Maintains communication among the Board, the company's management, internal auditors, and independent accountants.
- Has regular interaction with and provides oversight to the Company's Enterprise Risk Management Committee.
- Has regular interaction with and provides oversight to the Company's management, including the Chief Information Officer, regarding the Company's cybersecurity program.

#### Nominating & Governance Committee

- Evaluates potential nominees for the Board of Directors.
- Addresses shareholder questions regarding Board of Directors members.
- Conducts annual self-assessments of the Board of Directors.
- Provides annual educational updates to the Board of Directors.

# Sustainability and Peace

## COVID-19 Response

Like many other businesses in 2020, Crystal Clean quickly responded to the COVID-19 pandemic by establishing a COVID-19 Response Committee to establish policies and best practices to ensure the health and safety of our customers, employees, and their families. Policies such as mask wearing, social distancing, staggered start times, work rotation schedules, temperature screenings, and sanitizing procedures were implemented during this time of uncertainty.

We also increased communication to keep our employees engaged and informed about our COVID-19 response, and our CEO also held Town Hall meetings as a forum to provide information and address questions and concerns that our employees had raised. In addition, our employees were able to communicate through the use of our Teams meeting platform to keep in touch and connect with others. Crystal Clean also established an emergency decontamination and disinfectants service to assist our customers and communities in need of COVID-19 response teams. Our employees remain committed to the safety, engagement, and empowerment of Crystal Clean's culture.





An aerial photograph showing a two-lane asphalt road that curves through a lush, green forest. To the left of the road is a calm body of water, likely a lake or a wide river. The forest is dense with tall, thin trees, possibly pines or firs. A single white car is visible on the road, traveling away from the viewer. The overall scene is peaceful and natural, emphasizing the company's commitment to sustainability.

# The Future of Our Sustainability Journey

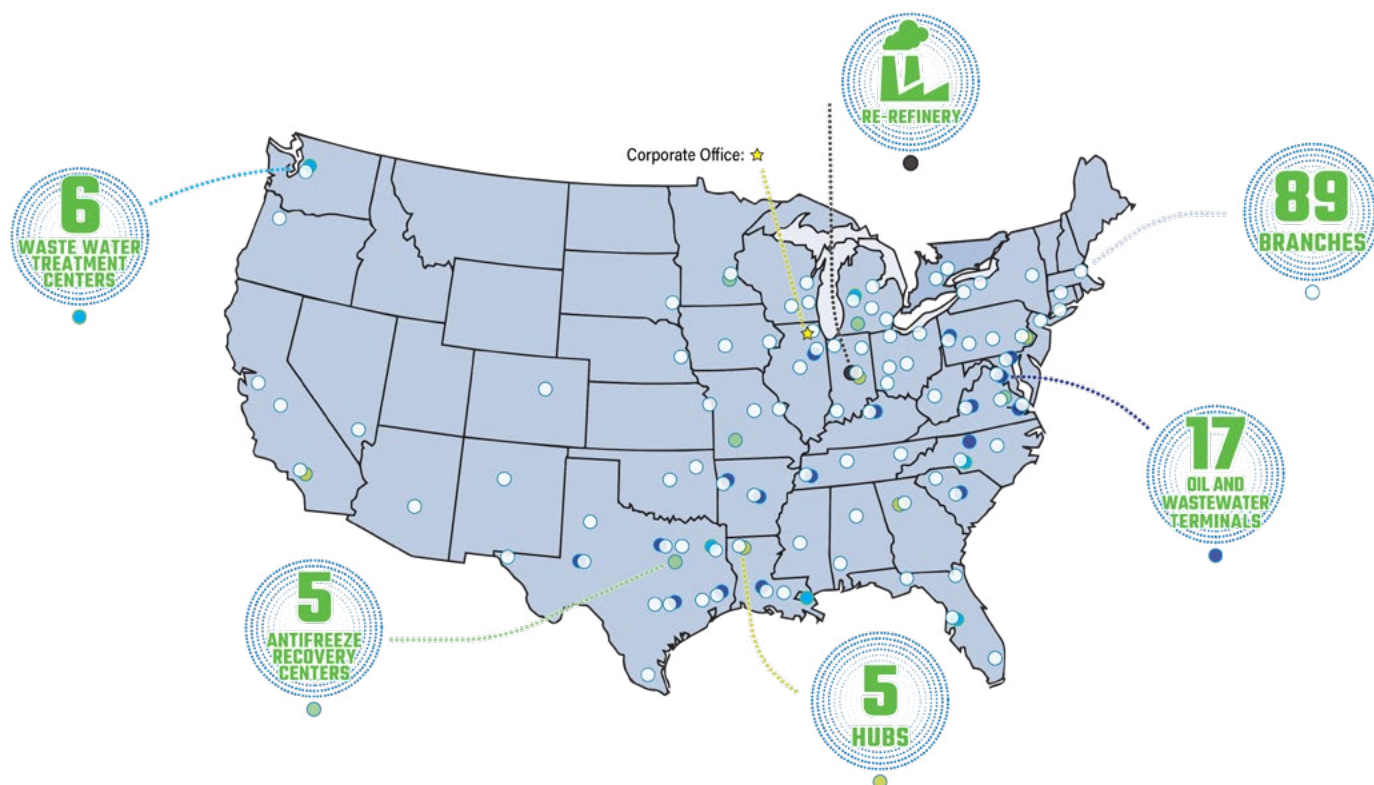
Crystal Clean is currently conducting, with the help of an external consultant, a comprehensive materiality assessment to identify environmental, social, and governance (ESG) issues of significance to our business and stakeholders. We have surveyed and completed workshops with our executives and reviewed data, statistics, and information from our customers, suppliers, business peers, investors, and ESG ratings firms. We recognize that ESG creates value for our stakeholders over the long term.

For Crystal Clean, sustainability is more than a checkbox on a list of business practices. It is part of who we are as a company. As an environmental services provider, we have a responsibility to sustainably manage the waste we collect. We have been doing that for years by implementing renewable solutions into our business, such as oil re-refining, wastewater treatment, energy recovery, antifreeze recovery, and non-hazardous stabilization. We are transforming how we see waste and helping the business world run cleaner.

Discovering alternative uses of waste has become paramount for many companies as they focus on improving their sustainability initiatives. Crystal Clean remains committed to sustainability in all areas of the company and helping others do the same. As we continue to evaluate ways to improve our ESG practices, we will focus on the ways we can build a better world.



# Nationwide Network:



## Service Offerings:



Oil Services



Parts Cleaners



Wastewater Vacuum Services



Waste Drum Disposal



Antifreeze Services



Field Services



Absorbents



Aqua Filtration Systems



**Heritage-Crystal Clean, Inc.**  
 2175 Point Boulevard, Suite 375  
 Elgin, Illinois 60123  
 877-938-7948  
[www.crystal-clean.com](http://www.crystal-clean.com)





**Heritage-Crystal Clean, Inc.**  
2175 Point Boulevard, Suite 375  
Elgin, Illinois 60123  
877-938-7948  
[www.crystal-clean.com](http://www.crystal-clean.com)