



ENVIRONMENTAL SUSTAINABILITY INITIATIVE PROGRAM

2023

Copper State Bolt & Nut Co. is committed to operating with honorable and socially responsible practices throughout our operations and facilities. We believe that corporate social responsibility and sustainability is an ongoing investment that serves to minimize our environmental impact, augment risk management, to captivate and employ skilled employees, enhance our operations and competitiveness in the industry, and to preserve our reputation.

Our Environmental Sustainability Initiative Program (ESIP) aims to analyze and improve the company's operational practices and social responsibilities to minimize our impact on the environment and to strengthen Copper State's current and future success.

Our ESIP is structured along the U.S. Green Building Council's LEED certification criteria including:

- Location & Transportation
- Sustainable Sites
- Water Efficiency
- Energy & Atmosphere
- Materials & Resources
- Indoor Environmental Quality
- Innovation in Operations

Our ESIP is implemented in 5 phases to identify our existing practices and define the attainable practices or activities, to identify cost and energy savings, and to establish measurable science-based target goals with an action plan to achieve set goals. Our ESIP is an ongoing program that will be continuously monitored and improved over time throughout our operations.

ESIP Phases:

Phase 1: Existing Practices

Identify all existing practices or activities that are already implemented within our operations based on our current Environmental Sustainability Program (est. 2013), and gather corresponding usage data (cost, energy, CO2 emissions etc.).

Phase 2: Attainable Practices

Define practices or activities that can easily be implemented within our operations in the next 3-6 months.

Phase 3: Cost-benefit Analysis

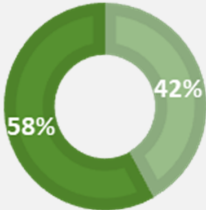
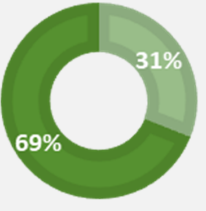
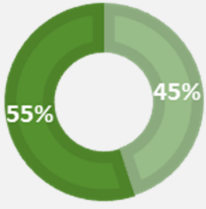
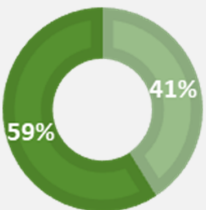
Perform a cost-benefit analysis based on energy and environmental savings from the existing practices or activities from Phase 1 and the attainable practices and activities from Phase 2.

Phase 4: Target Goals

Set measurable science-based target goals for both the existing and the attainable practices or activities that aim to improve cost and energy savings, reduce our carbon footprint, or enable an environmentally and socially responsible environment that improves the quality of life.

Phase 5: Action Plan

Strategize an action plan aimed to accomplish each goal and implement the plan throughout our operations.

LEED Category & Percent of Compliance	Sub-Categories of Practices	Percent Compliant	Category Weight (1-5 most)
Location & Transportation: 58% 	Carpool/Vanpool Incentives	42%	1
	Public Transportation Incentives	41%	1
	Alternative Fuel and Fuel efficient vehicle incentives	41%	1
	Salesperson routing and GPS location services to minimize travel distance	26%	2
	Low emissions or electric company vehicles - light duty	13%	2
	Low emissions or electric company vehicles - delivery & van	54%	2
	Supplier logistics incentives	94%	3
	Minimized travel distance routes for CSBN delivery trucks	84%	4
	Located near public transit	83%	4
	Onsite bike racks	38%	5
Sustainable Sites: 69% 	Sustainable Roofs	69%	3
Water Efficiency: 55% 	Swamp cooler water efficiency	28%	1
	Low flow toilets/water fixtures	50%	1
	Native landscaping (minimal to zero water use)	91%	1
	Track water consumption	100%	2
	Storm water retention/use	9%	2
Energy & Atmosphere: 59% 	Renewable energy use (rooftop solar panels)	34%	1
	LED lighting (interior and exterior)	84%	1
	Motion sensed lighting	38%	1
	Sky lights	63%	2
	Tinted windows	69%	2
	Water heaters on timers	5%	3
	Energy efficient A/C units	63%	3
	Wind curtains/plastic screens on rollup warehouse doors	8%	3
	Track gas consumption	100%	3
	Track energy consumption	100%	3
	Programmable A/C thermostats	77%	3

Paper Usage	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2
	463,180	483,697	454,855	479,941	420,087	455,498
<p>The average tree produces around 15,000 pieces of paper.</p> <p>CSBN Tree Equivalence: 129 Trees</p>						



5 PHASE PLAN OF ACTION

2023

Phase 1: Existing Practices

- Identify all existing environmental practices or activities within our operations
- Establish our baseline of compliance across all Copper State facilities
- Gather measurable usage data based on current practices (associated costs, energy usage, CO2 emissions etc.)
- Calculate our total emissions according to the GHG protocol methodology

Phase 1 Status: Complete.

Phase 2: Attainable Practices

- Define practices or activities that can easily be implemented within our operations
- Incorporate gathered data in the company's monthly Financial Manager Reports

Phase 2 Status: Complete.

Phase 3: Cost-benefit Analysis

- Perform a cost-benefit analysis based on energy and environmental savings from the existing practices or activities from Phase 1 and the attainable practices and activities from Phase 2
- Measure value chain impact of indirect upstream and downstream activities
- Prioritize each activity based on carbon footprint, emissions, feasibility, and cost
- Prepare our first ever Sustainability Report reflecting business operations in 2022 and 2023

Phase 3 Target Completion Date: December 2023

Phase 4: Target Goals

- Set measurable science-based climate target goals for both the existing and attainable practices and activities that aim to improve cost and energy savings, reduce our carbon footprint, or enable an environmentally and socially responsible environment that improves quality of life.
- This will be accomplished by means of:
 - Building Capability
 - Development
 - Communication

Phase 4 Target Completion Date: December 2024

Phase 5: Action Plan

- Strategize an action plan aimed to achieve each target goal
- Implement the plan throughout our entire operations
- Communicate targets internally and externally throughout our operations
- Measure and document progress and emissions on a regular basis
- Perform quarterly and annual check-up reports for each facility

Phase 5 Target Completion Date: 2025 and Beyond

Our ESIP is dynamic and ever-changing, adapting to new ideas, new solutions, and customer/supplier requirements. Throughout our entire organization, we continue to search for ways to improve operational efficiency and environmental sustainability.