



**BEAVER**™

MANUFACTURING COMPANY

**2023  
Sustainability  
Report**

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# CEO Message



**Michael Dubin**  
**President & CEO**

At Beaver Manufacturing, we prioritize safety and continuous improvement in all of our operations. We are committed to improving our impact on society and the planet. We are thrilled to announce a significant milestone in our sustainability journey as we release our inaugural Sustainability Report for 2023.

In 2022, we established a Corporate Social Responsibility team as part of our Operational Excellence program. This team comprises global researchers, plant managers, supply chain managers, and myself. We collaborated to develop new policies and tracking infrastructure, establishing a baseline from which we will set targets and goals.

Ecovadis awarded us a Bronze rating in 2023, and we aspire to attain a Silver rating in 2024. We will leverage this tool to guide us as we work with our team to implement an effective and comprehensive Environmental, Social, and Governance strategy.

*Michael Dubin*

## About Beaver Manufacturing

In 1971, Ed Needham, the founder of Beaver Manufacturing Company, pondered how textile fibers could be adapted to retain their advantages while also opening up entirely new applications through innovative treatments. Today, thanks to exceptional research and advanced manufacturing, Beaver Manufacturing Company collaborates to develop groundbreaking solutions that set new benchmarks for innovation and sustainability in the automotive, innovative treatment, telecommunications, and other industries. As a family-owned group of companies with international development and production facilities, we are able to respond promptly to specific market needs, working directly with our clients in over 50 countries. With every fiber we produce, we assist our customers in introducing new products that not only promote sustainability but also enhance safety.



### **Innovative Industrial Technical Yarns and More**

Our company specializes in converting industrial technical yarns, precision winding, and fiber treatment. Featuring our signature Beaver fibers, our products are engineered to be stronger, more durable and resilient. Our state-of-the-art manufacturing facilities and flexible production capabilities allow us to deliver cost-effective materials tailored to meet our customers specific needs.

We prioritize our customers' goals and needs in all aspects of production and adjust our processes to meet their unique requirements. Our team works closely with our clients throughout the production cycle, enabling us to adapt quickly to any new demands that may arise.



# Core Philosophies

## OUR PURPOSE:

Develop smarter solutions to engineer success

## OUR MISSION:

We create innovative fiber solutions with unique treatments and a wide range of product lines to ensure lasting customer satisfaction.

## OUR VISION:

To be the market leader in fiber innovation and converting solutions

**EVERY FIBER FOR A BETTER LIFE**

# Corporate Social Responsibility Framework

## Environmental Sustainability

- Use recycled materials in our products and packaging
- Invest in energy-efficient technologies
- Reduce waste
- Protect water resources



## Community Engagement

- Donating to local charities and non-profits
- Volunteering the time of our employees
- Investing in local schools and businesses



# Corporate Social Responsibility Framework

## Employee Health and Wellness

- Offering competitive wages and benefits
- Providing opportunities for professional development
- Promoting a positive work culture



## Product Safety

- Conducting rigorous testing
- Using high quality materials
- Adhering to strict safety standards

# Corporate Social Responsibility Framework

## Responsible Sourcing

- Hold our suppliers to a supplier agreement aligning with Beaver practices
- Minimize transportation emissions
- Source from suppliers with responsible environmental practices
- Engage with stakeholders about responsible sourcing challenges and solutions





# Health, Safety and Environmental Policy

At Beaver Manufacturing Co., Inc. we focus on a core set of ideals to promote Health, Safety & Environmental awareness. With this in mind, our company is able to produce a product that meets customer requirements for Performance, Reliability, and Quality.

- **Promote a Healthy Workforce**
  - Beaver Manufacturing is a Tobacco-Free Facility. We encourage healthy living and provide support and resources through our Wellness Program. Our focus is on nutrition, fitness and incentive programs to encourage our team to live a healthier lifestyle.
- **Ensure a Safe Workplace**
  - Safety is an integral part of all operations at Beaver Manufacturing. Employee training is conducted to include safe work practices and focus on accident prevention. Appropriate Personal Protection Equipment (PPE) is required at all times. Management is committed to continually looking for opportunities for improvement.
- **Minimize Environmental Impact**
  - We must be conscious of our actions to better preserve the environment surrounding our facilities and the community. Highlighting pollution reduction, creating a sustainable process to conserve natural resources, produce better products, be a model for our industry, and improve individual lives.
- **Comply with all Legal Regulations**
  - We will keep our knowledge current and comply with all local, state and federal laws.
- **Uphold Corporate Responsibility**
  - To be an active member in the county supporting philanthropic efforts.

The Health, Safety and Environmental Policy will be upheld by every employee as a condition of employment. This condition will not be sacrificed in the interest of time, cost, or production. We will require those who do business with Beaver to perform their activities in a manner that protects the Company from health, safety, and environmental risks. Teamwork and cooperation is a vital key to accomplishing our goals.

Sincerely,



Michael J. Dubin  
President & CEO

# Governance

The company has established an internal committee dedicated to pursuing higher levels of Corporate Social Responsibility (CSR) in all practices. This committee, which includes the CEO, and a global team reports results to the Board of Directors bi-annually. The company will use 2023 as the base year for reporting and add each year thereafter in future sustainability reports to monitor progress year over year.

## PRODUCTION LOCATIONS:

- **Mansfield, GA USA**
  - Corporate Headquarters
  - Global support
  - North America (CAN, USA, MEX)
- **Tepeji del Río, Hidalgo, México**
  - México & South América
- **Mühlhausen/Thüringen, Germany**
  - Europe & Asia



# Governance

## Our Stakeholders

Stakeholder	Relationship	Expectations
<b>Customers</b>	Service Contracts	<ul style="list-style-type: none"> <li>• Provide exceptional customer service and quality product</li> <li>• Technically support developments and foster collaboration of new ideas</li> <li>• Provide a transparent view of our sustainability initiatives and the framework around our CSR strategy</li> </ul>
<b>Suppliers and subcontractors</b>	Service Contracts	<ul style="list-style-type: none"> <li>• Work with suppliers to ensure our values and CSR initiatives are cascaded</li> <li>• Seeking out alternative supply that offers sustainable advantages</li> </ul>
<b>Industrial Associations</b>	Memberships	<ul style="list-style-type: none"> <li>• Participate as members for enhanced learning and professional and personal growth</li> <li>• Collaboration with other adjacent industries</li> </ul>
<b>Communities</b>	Institutional	<ul style="list-style-type: none"> <li>• Participation and outreach to support local areas</li> <li>• Donations to local arts and learning institutions</li> <li>• Overall community involvement and having a positive presence and impact</li> </ul>
<b>Collaborators</b>	Employee	<ul style="list-style-type: none"> <li>• Health and safety</li> <li>• Fair compensation, with a living wage above standard minimum wage</li> <li>• Opportunities for development, empowerment and recognition</li> <li>• Stable work environment</li> <li>• Positive culture</li> </ul>

# Governance

## Cyber Security

At Beaver Manufacturing, we contract with a global Information Technology (IT) firm for all of our infrastructure and cyber security. Our network is secured by layers of firewalls, and protected from malware through SPAM filtering as well as managed detection and response - monitored 24/7. Cloud resources are protected through multi-factor authentication and data backup is continuously monitored. Anti-phishing services are also provided and include user education and user testing.



## Business Ethics

Beaver Manufacturing operates with unwavering commitment to ethical business practices. We adhere to the highest standards of laws, regulations, and ethical behavior, ensuring fair and responsible conduct in every aspect of our operations. We believe in transparency and accountability, striving to build long-term trust with our stakeholders. By prioritizing ethical conduct, we not only contribute to a sustainable business environment but also empower our employees and build stronger relationships with our communities.

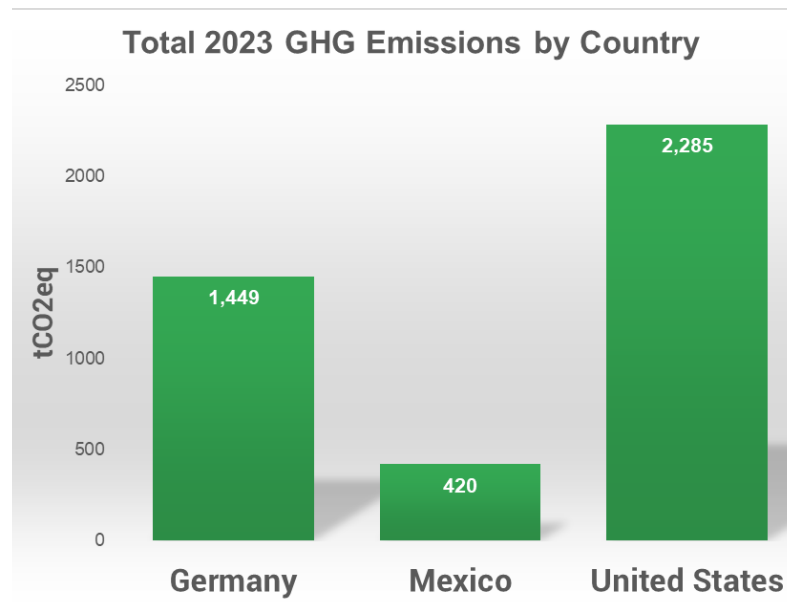
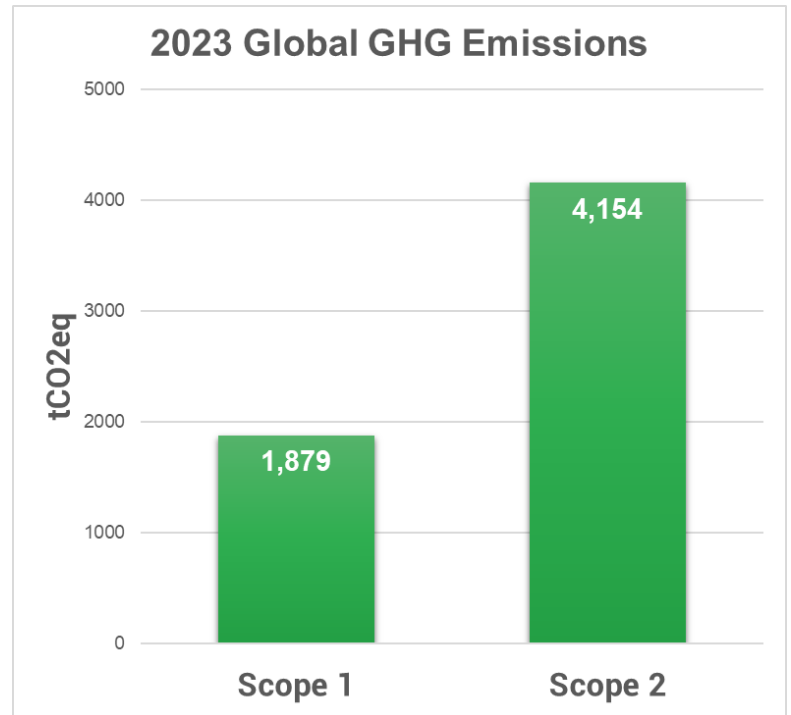
# Environmental Sustainability

The global facilities of Beaver Manufacturing monitor their surrounding environment to assess the potential impact of operations and comply with all applicable laws and regulations.

2023 was the first year the CSR team was implemented along with global energy tracking of Scope 1 and Scope 2 emissions. Only company owned vehicles were included in the mobile source fuel combustion calculations, not individual employee commutes.

## Methodology

An industry available tool was utilized in these calculations. The tool calculates using the following methods; GHG emissions from mobile source fuel combustion were calculated following the WRI/WBCSD's GHG Protocol: Corporate Accounting and Reporting Standard. Total GHG emissions are reported in metric tons of CO2 equivalent, independent of any GHG trades. First, primary data were obtained for the mass or volume of fuel combusted for each fuel type. Second, the quantity combusted data were multiplied to appropriate emissions factors to calculate associated Scope 1 GHG emissions. These emissions factors are sourced from EPA's Emission Factors Hub, April 2022.



# Environmental Sustainability

Water is a resource of immense value, crucial to both individuals and industries worldwide. Beaver Manufacturing recognizes the significance of responsible water usage and has initiated a global tracking process. By assessing the quantity of water utilized, we aim to develop effective strategies to curb our consumption levels.

## Methodology

Water consumption was calculated using data from monthly service contracts throughout the year 2023 for all three locations.

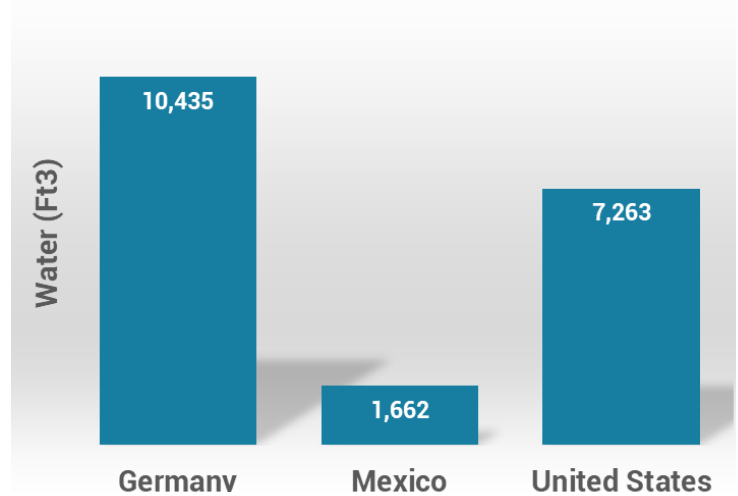
## Environmental Management Systems

At all of our US locations, a third-party group of environmental and safety engineers provides on-going health, safety and environmental (HSE) consulting services to maintain compliance with HSE regulations. Regular inspections and audits, preparation and maintenance of HSE programs, training, all submittals to applicable local and federal authorities.

Our Mexico facility also uses a third party service to maintain environmental and occupational health and safety programs. Ensuring compliance with local regulations and regular internal inspections to adhere to best practices.

Our German facility has a robust management system in place and has obtained their ISO 14001 and ISO 50001 certification.

Total 2023 Water Usage by Country

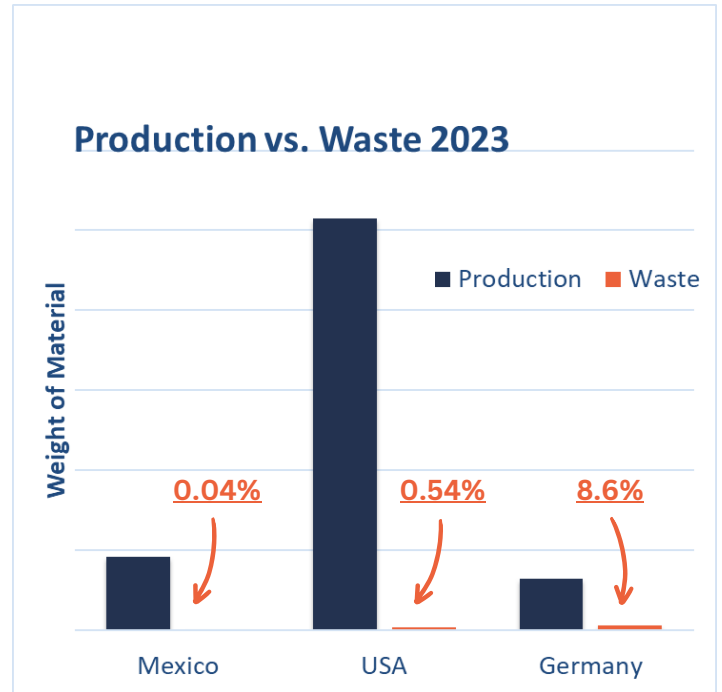


# Environmental Sustainability

## Waste

Beaver Manufacturing focuses on reducing waste through a continuous improvement program led by the Operational Excellence Waste Reduction team. The program analyzes data to identify waste issues, develops solutions, and implements them to decrease non-conforming materials. Investments in technology and process optimization further enhance efficiency.

Beaver Manufacturing currently recycles yarn and cardboard at several facilities. In 2023 the US location recycled 337,536 lbs of cardboard and 15,719 lbs of styrofoam. To further enhance our efforts, we are implementing a robust tracking system in 2024 to monitor progress and identify opportunities for expansion across all locations.



**Recycled Material**  
**337,536 lbs Cardboard**  
**15,719 lbs Styrofoam**

## Summary

Year	Energy (kWh)	Water (Ft^3)	Natural Gas (MCF)	Production Waste (lbs)
2023	10589221	232331	31507	417383

# Community

The Needham family, owners of Beaver Manufacturing, are known for their commitment to the local communities in which they operate. The first facility and current headquarters, is located in Mansfield Georgia and is the heartbeat of this very small town located in the southeast of the US. Ed, the founder of Beaver, was known as a man with a heart for education. As strong advocates for early childhood education the Needhams are very involved in the local elementary school and the local arts.



The Needhams, and Beaver Manufacturing have and continue to be apart of the local community, even dedicating a nature trail in Nonie Needham's name to the surrounding community. We at Beaver strive to keep this philanthropic spirit alive and expand upon what the Needhams have built.



**Goal to double  
community outreach in  
Mexico & Germany**





# Community

## Community Involvement

Beaver manufacturing supports several community events such as 5K marathons and community concerts. Sponsorships for education and the arts are made to local area programs and schools. Our company prides itself on our community involvement, from the small holiday events to being known in the community we strive to have a positive impact and presence at all of our global locations.



## Breast Cancer Awareness month, pink out!



Donations from employees for breast cancer research were matched by Beaver Manufacturing to double the donation. Goal for fundraising was not just met, but exceeded!

Community also includes our industrial neighbors, and we have leveraged our fellow industries by participating in a local Advanced Manufacturing Consortium at our US locations. Presenting best management practices and discussing solutions that work and don't work with fellow professionals allows us to have a real and meaningful opportunity for growth with peer assessment and real-time feedback. The consortium members met at Beaver Manufacturing for training given by our HR manager on our efforts to take all of our training materials into a digital platform for improved tracking, traceability and overall efficiency. The consortium provided valuable feedback to help us further improve our processes.

# Employee Well-Being

## Safety

We prioritize the well-being of our employees and visitors by making health and safety our top concern. Regular safety audits are performed at all our global facilities to prevent accidents. We inspect equipment, tools, supplies, and logs for safety issues. These audits generate corrective action lists which are resolved by different teams. Our HSE team reviews safety incidents and near misses monthly to identify possible solutions to safety issues.

## Global Safety Metrics

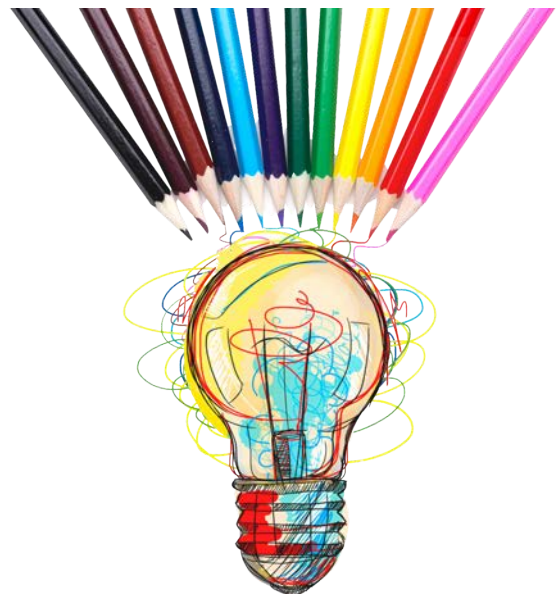
Hours Worked	482,668
Days lost to work related injuries	110
Fatalities as a result of work related injuries and ill health	0
Work related accidents	15
Work related ill health	0

## Collaboration

The IDEA program targets improvements in four key areas, safety, quality, productivity and waste reduction by soliciting employee feedback. Employees are encouraged to submit ideas for review by the IDEA team, and if approved the idea will be implemented and the submitter receives a financial incentive. In 2023, 126 ideas were submitted and 45 were approved and implemented.

Ideas submitted

126



45

Improvements in safety  
and efficiency made!

# Employee Well-Being

## Training, Onboarding & Retention

The Training, Onboarding and Retention team, comprised of both the HR manager, staff and operators is devoted to training, onboarding and retention. Their collective mission is to:

**“Improve culture through communication, scheduled interaction while being proactive in creating a positive environment with a commitment to safety and quality”**

This team made significant improvements to BMU's training system, including advanced tracking for increased training consistency. Certified Trainer meetings were also introduced to continuously improve teaching methods. Leadership training is offered to current and emerging leaders in their areas.



The improvements made by this team to BMU's training system have had a significant impact on the overall success of the organization. Here are some of the key benefits that these changes have brought about:

- Advanced tracking has increased training consistency, ensuring that all employees receive the same high-quality training.
- Certified Trainer meetings allow trainers to share best practices and continuously improve their teaching methods, resulting in more effective training overall.
- Leadership training is offered to current and emerging leaders, helping them to develop the skills they need to lead their teams to success.

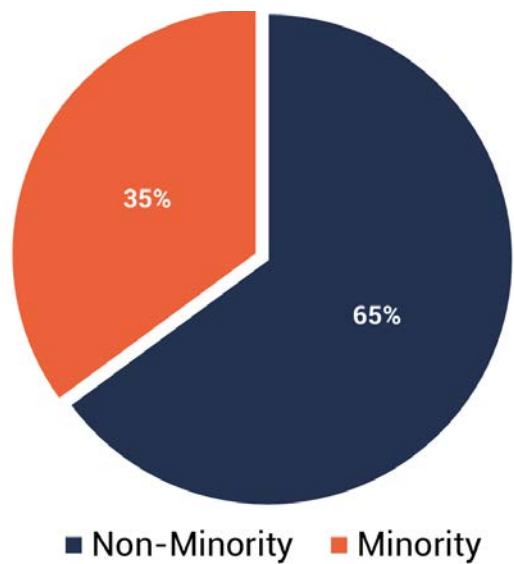
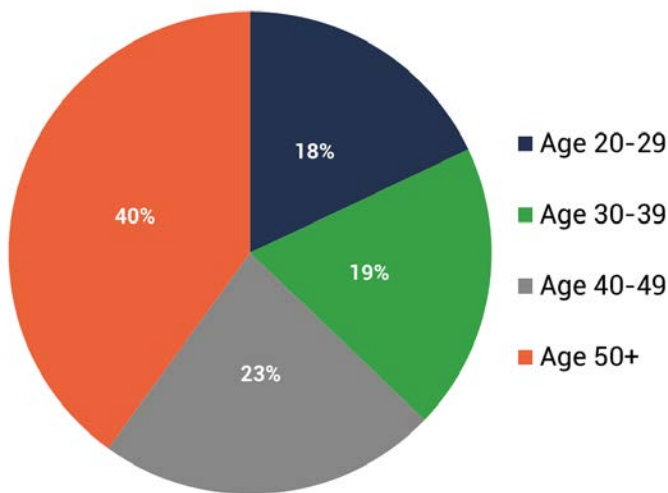
Overall, these changes have transformed BMU's training system into a more effective and efficient tool for developing and supporting employees at all levels of the organization.

# Employee Well-Being

## Diversity

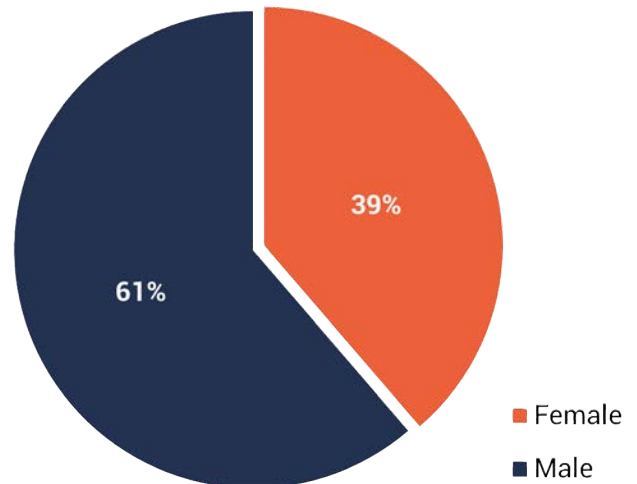
At Beaver, we believe that diversity is not just a value, it's a catalyst for innovation, growth, and success. We're committed to fostering an inclusive environment where every individual feels valued, respected, and empowered to contribute their unique talents and perspectives.

We understand that discrimination, in any form, is harmful and has no place in our company. We stand firmly against bias based on race, ethnicity, gender identity, sexual orientation, religion, age, disability, veteran status, or any other characteristic.



## Women in the Workforce

Top Management	Board of Directors	Organization Total
47%	25%	39%



# Employee Well-Being

## Health and Wellness

At Beaver Manufacturing, we prioritize the health and safety of our employees by actively monitoring our work environment and culture for areas of improvement. We use communication tools like "Quick Start" boards to address safety issues and production priorities directly on the production floor. Starting in 2024, we will conduct employee surveys to further evaluate our culture.



We also have programs in place, supported by both the company and health insurance provider, to promote healthy habits. Health-coaching is offered by trained professionals and regular biometric screenings. These initiatives reflect our commitment to creating a healthy lifestyle and workplace for our employees.

## Education Assistance Program

The Needham family advocates for continuous learning at all stages, and our Education Assistance Program encourages our team to enhance their skills. Beaver Manufacturing provides an education assistance program that includes covering tuition, lab fees, registration fees, and other direct expenses for full-time employees seeking to expand their knowledge and expertise. Upon finishing the course, reimbursement is provided to the employee based on the grade achieved.



# Product Safety

## Robust Testing and Quality Control

Quality is our top priority, with a focus on increasing awareness and involving employees in continuous improvement initiatives. Beaver diligently adheres to and strongly promotes our quality policy. Currently, all our facilities are certified under ISO 9001:2015 for industrial textile yarn design and production.



## Quality Policy



"Our top priority is the commitment to ensure prompt and reliable customer satisfaction through continuous improvement, and thorough knowledge of the customer needs and expectations.



We strive to provide the highest Quality in the marketplace by working in partnership with our suppliers and customers.



We promote quality awareness and employee involvement for continuous improvement opportunities."



**"One Tube...  
One Cone...  
One Case  
at a Time."**

IATF 16949 aims to assist companies in establishing efficient and strong Quality Management Systems for automotive product design, development, production, installation, and servicing. All of our facilities are certified under IATF 16949.



# Product Safety

## Proactive Design and Development

Product safety is top priority during the design and development process. We work to source safer alternatives to hazardous chemicals as they become available for existing products and research sustainable options for new developments.



## Transparency and Communication

Our commitment to safety and compliance is central to our values. We provide accurate safety data sheets for our engineered fibers, ensuring they meet safety standards. Promptly addressing safety and regulatory inquiries, we prioritize quality and safety in all business operations.

## Continual Improvement

Continuous improvement is crucial for our company's success, as every action, regardless of its size, shapes the future of our business. We strongly believe that both continuous improvement and innovation can take place at any level within the organization. To facilitate idea generation, we have established channels for employees to share their insights. Our Opportunities for Improvement (OFI) Operational Excellence team, consisting of staff and operators, conducts thorough analyses of our OFIs and presents their findings and corrective actions regularly for review.



**8 OPERATIONAL  
EXCELLENCE  
TEAMS**

# Responsible Sourcing

## Supply Chain Management

We are dedicated to establishing a responsible and sustainable business across our entire value chain, which involves maintaining ethical sourcing practices with our suppliers who significantly influence our environmental and social footprint. Our supplier contract mandates suppliers to possess pertinent quality certifications and systems, as well as demonstrate environmental management certifications or plans for certification. Furthermore, suppliers must promptly communicate any regulatory issues regarding products and notify us of material changes that could affect product safety. A Corporate Social Responsibility agreement has been enforced for all Beaver suppliers to uphold our core values within our supply chain and is the framework for our sustainability strategy. The agreement has been completed by 79% of targeted suppliers.

## CSR Supplier Clause

**Environmental sustainability:** Suppliers must use environmentally friendly practices in their operations. This includes using recycled materials, reducing waste, and protecting water resources.

**Community engagement:** Suppliers must support their local communities. This includes donating to local charities, volunteering the time of their employees, and investing in local schools and businesses.

**Employee Health and Wellness:** Suppliers must provide a safe and healthy work environment for their employees. This includes offering competitive wages and benefits, providing opportunities for professional development, and promoting a positive work culture.

**Product safety:** Suppliers must ensure that their products are safe for consumers. This includes conducting rigorous testing, using high-quality materials, and adhering to strict safety standards.



# Awards and Certifications

Certification	USA	Mexico	Germany
ISO 9001:2015			
IATF 16949:20126			
ISO 14001:2015, ISO 50001:2018			



## Bronze rating on our initial Ecovadis Assessment

EcoVadis is a global platform that assesses and rates companies' sustainability performance. It provides businesses with a scorecard that measures their environmental impact, labor and human rights practices, ethics, and sustainable procurement practices. This scorecard can be used by businesses to track their progress over time, benchmark themselves against their peers, and identify areas for improvement.

# Sustainability Goals and Targets

## 2024 Goals

- ▶ **Silver rating on 2024 Ecovadis assessment**
- ▶ **Recycling tracking system and expansion of recycling initiatives**
- ▶ **Decrease transport GHG emissions by decreasing shipping distances**
- ▶ **Broadening community outreach in Mexico and German locations**
- ▶ **Life cycle analysis for major classes of Beaver products**



## Our Commitment,

As Beaver Manufacturing, we are proud to present our inaugural sustainability report. We are dedicated to transparency regarding all sustainability aspects and are delighted by the progress we have achieved. We take pride in being stewards of the communities we serve since the company's inception. The Needham family's values are deeply embedded in our business, and at Beaver, we are eager to further enhance our journey towards continuous improvement to responsibly care for our people, products, and the planet.

In this report, we have established targets and objectives that we sincerely aim to reach. However, these are forward-looking goals that may evolve with industry shifts and unforeseen circumstances. We are committed to giving our best efforts to attain these objectives and continuously enhance our understanding of our collective impact. This will help drive positive change within our organization and supply chain.

