

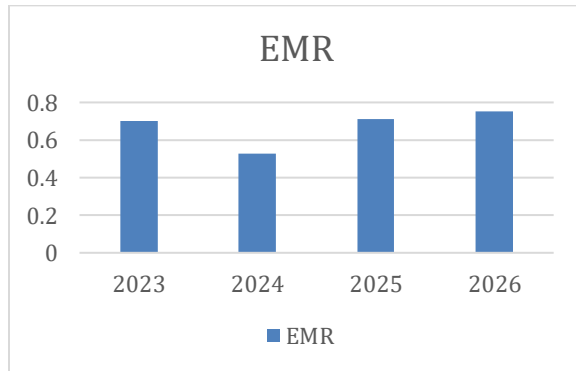
2025 Sustainability Snapshot

People & Training

Our workforce logged 345,500 hours, which includes roughly 17,500 hours dedicated to safety and quality improvement training. We believe strong training directly reduces risk, improves quality, and drives long-term sustainability outcomes.

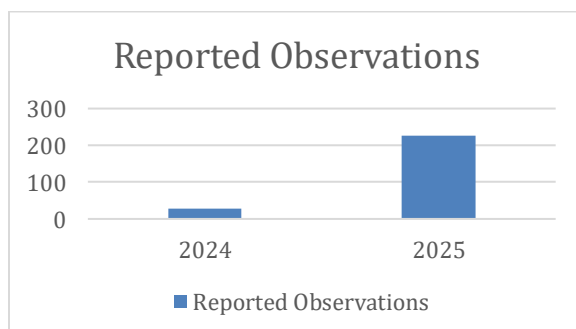
Safety Performance (EMR)

Our EMR has consistently improved and remains below the industry benchmark of 1.0, demonstrating strong safety culture and risk management. Trend: 2018 (1.05) → 2026 (0.75).



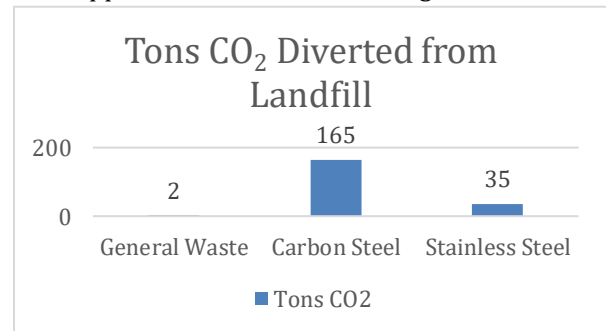
Safety Impact

In 2025, we strengthened a major safety initiative focused on increasing team member engagement in safety observation reporting. This effort was designed to shift our approach from reactive response to proactive risk identification and intervention. As a result, safety observation reporting increased by 700%, strengthening our ability to identify potential hazards early.



Recycling Impact

We recycled 196 tons of metal and additional materials, avoiding approximately 385 metric tons of CO₂e. This is equivalent to the carbon absorption of roughly 6,000+ trees. Recycling reduces raw material demand, lowers emissions, and supports circular manufacturing.



Operational Footprint

Energy and resource use includes 2,944 gallons of propane and over 2 million gallons of water. We are actively working to track and reduce these impacts through improved monitoring and efficiency initiatives.

Roughly 60% of water usage is tied to hydrostatic testing, a critical quality control process. This water remains non-contaminated and is discharged to a controlled retention pond, supporting responsible water management, minimizing environmental impact, and encouraging a natural landscape.

In 2025, a major facility upgrade took place by implementing new insulation inside the manufacturing shop. We are projecting to see a major increase in heat retention and therefore decrease electrical/gas usage for heating. Additionally, a heat recapture unit was put in place to recycle warm air throughout the facility and not vent outdoors.

Implementation of new technology throughout the manufacturing process has allowed for more efficient production and has reduced secondary materials (such as grinding wheels, cut off discs,

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wire wheels/brushes), Quality Control materials (solvents, dye, x-ray material and film), and the need for rework (labor risk exposures). This technology supports both environmental and worker safety initiatives.

Our purchasing team prioritizes sourcing from 100% domestic suppliers, reducing environmental impacts associated with long distance shipping and cross continental logistics.

Certifications & Responsibility

We operate under strict standards including ASME (U, R, S), UL 142, API 650, TEMA, and all Federal, State, and Local compliance standards. Our tanks are built for durability and environmental protection, helping customers operate more sustainably with products built to last.

We are proud to be recognized by STI/SPFA with over 30 Product of the Year awards, most recently Special Fabrication Tank of the Year Award, 2025. Additionally, several Kennedy Tank team members were awarded with Weld of the Year – a highly competitive and skill driven award.

We also maintain compliance with ISN and Avetta, and have a partnership with DISA.

Opportunities for Improvement

Expand recycling beyond metals:

We are working to expand our recycling programs beyond metals to capture additional waste streams across the operation. This effort supports a more comprehensive, circular approach to resource management by reducing waste to landfill.

Improve energy and emissions tracking (CO₂e):

We are taking steps to enhance our ability to track energy consumption and associated CO₂ emissions across the facility. By improving this visibility, we will be able to reduce our overall

footprint and drive long-term emission reductions.

Increase proactive safety reporting:

Building on our successes of 2025, we want to remain strong in our approach to a positive and preventative safety culture. Strengthening the incentive program will further encourage additional participation.

Improve Recordkeeping

We are working to strengthen data collection and recordkeeping across our operations to establish clear benchmarks for future performance. Improving data visibility will allow us to more accurately track progress, measure outcomes, and hold ourselves accountable to our sustainability goals. This effort will support more informed decision making and drive continuous improvement across the business.

Summary

In 2025, we strengthened our commitment to safety, quality, and sustainability through increased training, improved safety performance, and meaningful environmental impact. A 700% increase in safety observations reflects our shift toward proactive risk management, while recycling efforts avoided 386 metric tons of CO₂e – equivalent to the carbon absorption of roughly 6,000+ trees. With strong certifications and focus on continuing education and training, our workforce will only continue to grow in knowledge and skill. Through our focus on continuous improvement and responsible resource management, we are committed to delivering long-term value to our customers, environment, and future generations of Kennedy Tank & Manufacturing.