



2020 ESG Report

Pursuing our vision for Environmental, Social and Governance

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Statement from the CEO

HydroChemPSC (HPC) is the premier leader in industrial cleaning and environmental services in North America. We provide our customers with the safest and most efficient operational experience, and ensure our employees receive the most comprehensive training and career development opportunities. We have a strong commitment to our people and the values that promote safety, craft apprenticeship and collaboration.

For twenty-seven years we have invested in our employees, our operations, and our communities to deliver industry-leading industrial services. We value investing in training and professional development so that our employees may return home safely to their families every day. We provide innovative solutions that help our clients achieve their operational needs as well as their sustainability goals. We employ state-of-the-art technologies to streamline our operations and keep our employees safer, while allowing us to provide more services utilizing fewer resources. At HPC, we understand that a strategy built on sustainability has a tremendous positive impact on our communities, our environment, and the future of our business.

We believe that providing a workplace which nurtures and encourages workers from all perspectives provides a richer, more well-rounded employment experience. In our family we value diverse backgrounds, opinions and approaches to make our world better. There is strength in diversity both internally and with our business partners. At HPC opportunities for fulfillment and success are limited only by our imagination and willingness to pursue new frontiers.

Therefore, I am pleased to share with you our 2020 Environmental, Social & Governance Report. ESG remains a priority throughout our organization, supported at the highest levels of management. We have implemented a shared governance model across the organization so that all areas of business share responsibility and accountability for protecting our environment, developing our people, and strengthening our position in the marketplace.

BRAD CLARK
President and Chief Executive Officer



Executive Summary

In January 2009, HydroChemPSC launched its first Sustainability Plan. Since that time, the company has made tremendous strides in building a formal sustainability program, engaging stakeholders in the process, implementing sustainability-based efficiencies and developing services to assist our clients in meeting their own sustainability goals.

As we move forward toward a new era of growth we are once again redefining what “sustainability” means to our organization. While environmental protection remains a core belief, social responsibility and sound corporate governance now round out the three pillars of accountability. For HydroChemPSC, sustainability continues as a long-term strategic vision focused on the company’s goals of social responsibility, environmental stewardship and economic prosperity. We’ve redefined sustainability to create more value, better manage risk, provide superior solutions, and even further integrate sustainable thinking into our daily operations. This report covers the 2020 calendar year.



REDEFINING SUSTAINABILITY



ENVIRONMENTAL, HEALTH, SAFETY & TRANSPORTATION (EHS&T) COMMITMENT



At HydroChemPSC, excellence in environmental, health, safety and transportation performance is the foundation of everything we do. It is HydroChemPSC's policy to conduct our business in a manner that safeguards and protects the people, environment and resources of the companies and communities we serve. We, as HydroChemPSC employees, are committed to doing our part to contribute to a safer and healthier environment. These principles integrate into our daily operations using the Company's four foundational elements.

ABOUT HydroChemPSC

WORKING TOGETHER,

these four key elements drive our daily behaviors and align us with a collective vision for success.

- 1 -
SAFETY & ENVIRONMENTAL COMPLIANCE



- 3 -
GREAT PEOPLE



- 4 -
CUSTOMER STEWARDSHIP



SAFETY & ENVIRONMENTAL COMPLIANCE

- Employee and customer safety is our number one priority
- Best safety and environmental services in the industry

TECHNOLOGY & INNOVATION

- Leading safety, productivity, and reliability with automation
- Advanced innovation through technology

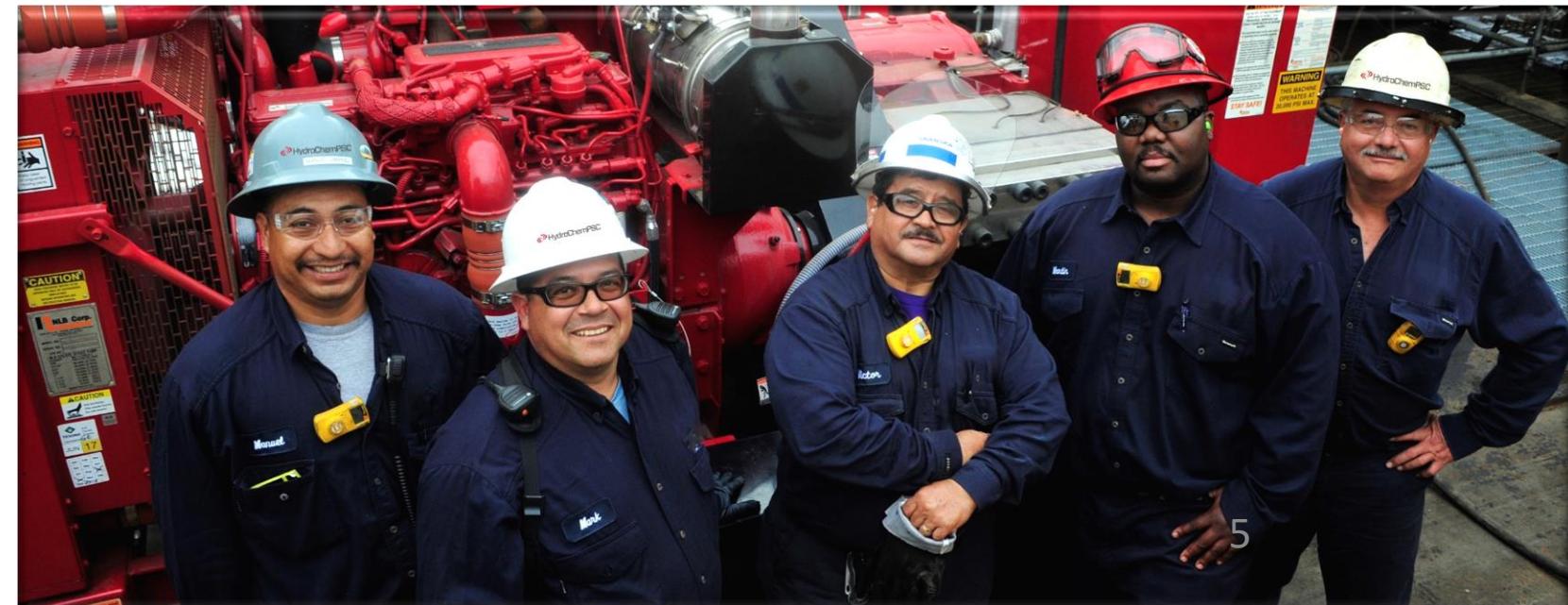
GREAT PEOPLE

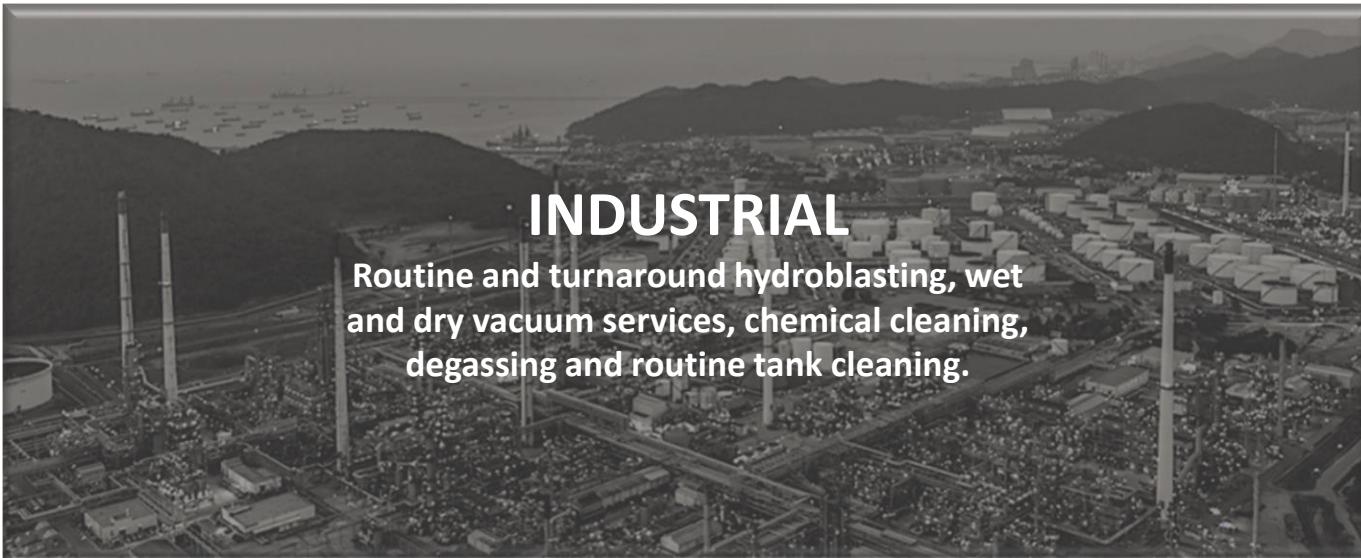
- Recruiting a highly trained and motivated team
- Career development program to support employee growth

CUSTOMER STEWARDSHIP

- Ground-breaking stewardship model with KPI's
- Transparent communication and support to drive improvement

HydroChemPSC is the premier industrial cleaning and environmental services company in North America supporting the upstream, midstream, downstream and utility sectors. With an already broad array of services, HPC continues to cultivate and bolster its offerings to our customers through the acquisition of Carber and Tristar Tank Services. HydroChemPSC offers an exceptional two component safety system, innovative career development platform, committed customer service, deep industry expertise, and advanced technology and automation. We are committed to safety and environmental compliance, technology and innovation, great people, and customer stewardship. We provide the safest, most efficient operational experience for our customers and the most comprehensive training and career development for our employees. Our company has a deep operational bench, and when combined with industry-leading automation technology, creates exceptional value for our customers challenging maintenance needs.





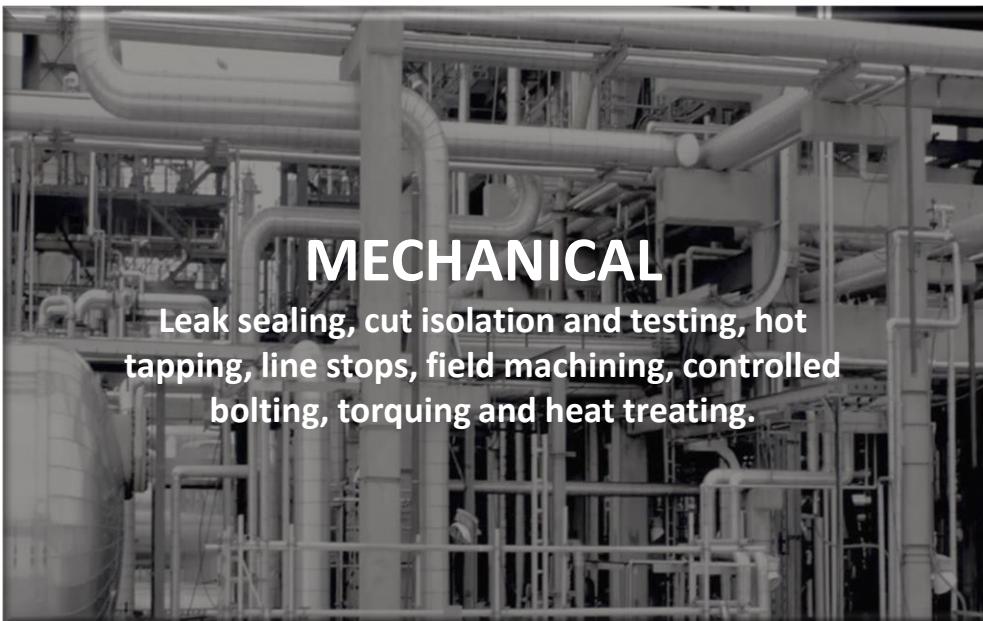
INDUSTRIAL

Routine and turnaround hydroblasting, wet and dry vacuum services, chemical cleaning, degassing and routine tank cleaning.



SPECIALTY SERVICES

Complex tank cleaning with reduction technology, leak detection and repair, vapor control management, fixed facility design and operation.



MECHANICAL

Leak sealing, cut isolation and testing, hot tapping, line stops, field machining, controlled bolting, torquing and heat treating.

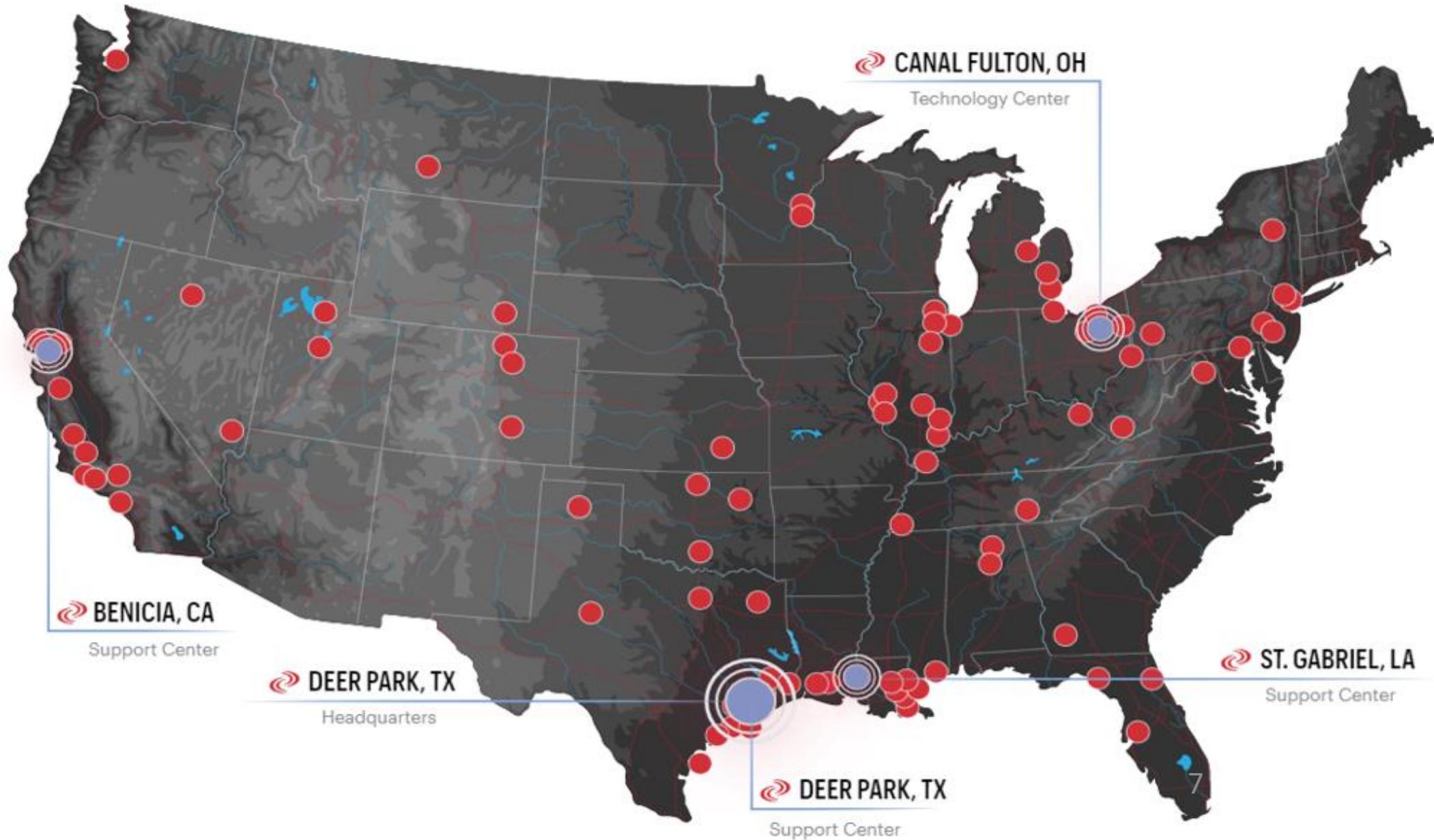


UTILITIES

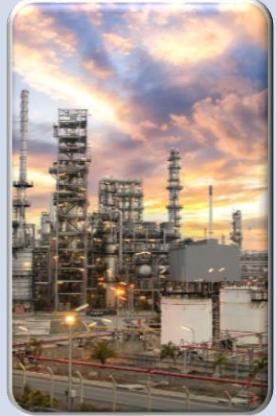
Environmental management, water treatment, waste management, manhole cleaning, soft dig services, asset integrity, hydro excavation, decontamination and NDE.

Locations

With over **5,000** employees, located in over **100** facilities across the country, HydroChemPSC has the operational size and geographic breadth to service clients regardless of size or location. HydroChemPSC-owned assets, combined with our innovative, service-oriented management culture, help make us the industry leader in providing comprehensive industrial services.



Stakeholder Engagement



Customers

Employees

Government Agencies

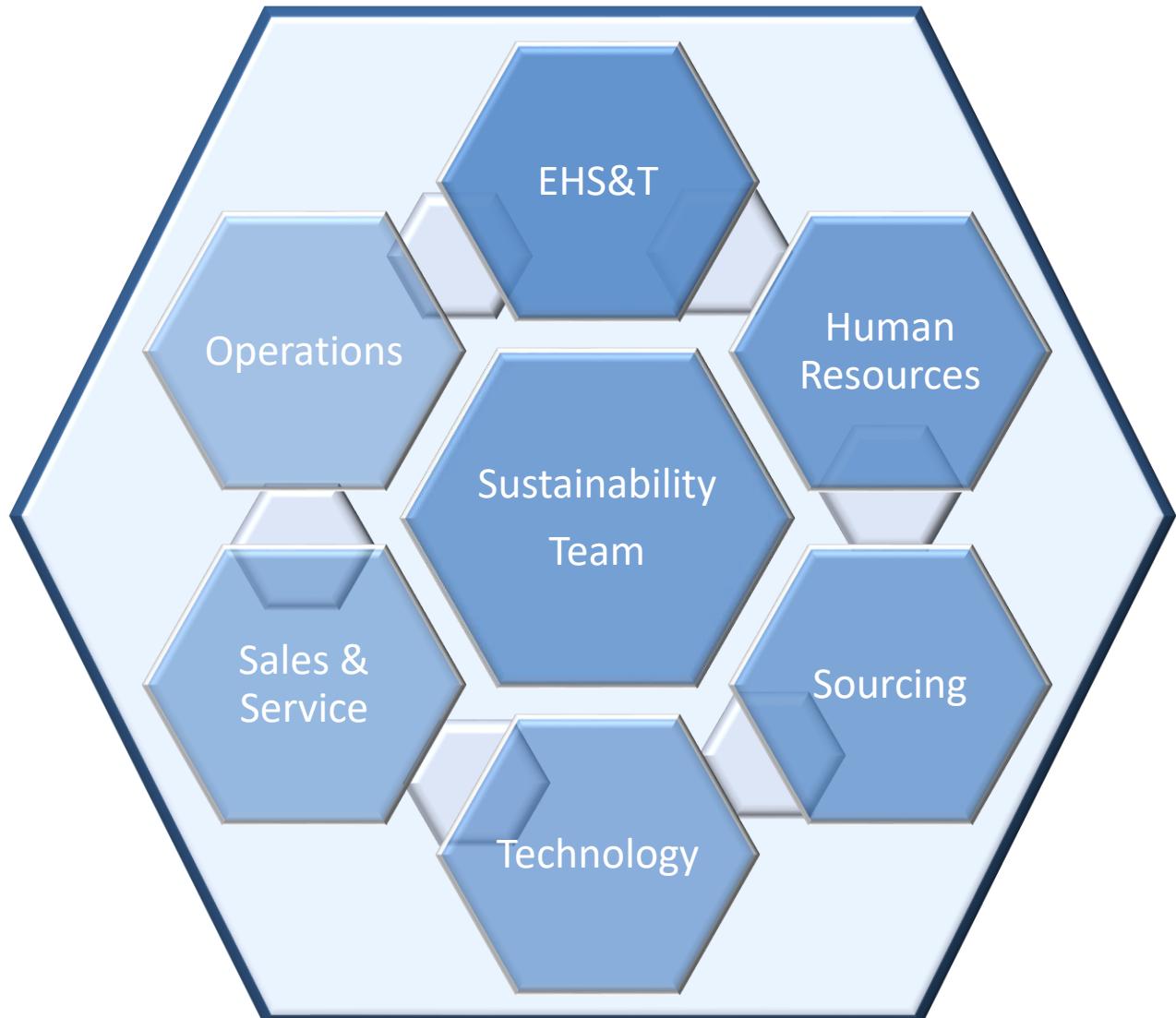
Communities

Industry Organizations

Vendors

- HydroChemPSC recognizes the interests and expectations of a variety of stakeholders in achieving sustainability. Through on-going efforts, we use a wide variety of channels of engagement to solicit input and feedback that enables us to understand the expectations and interest of our stakeholders. Additionally, the stakeholder engagement process serves as a tool for communicating our sustainability goals, initiatives and results.
- HydroChemPSC continued our comprehensive stakeholder engagement process throughout 2020. The information gathered through this process was used in setting the company's sustainability goals and identifying action items for the next five years.
- Our avenues of engagement include one-time special events, daily activities, open-ended media channels, and annual campaigns. HydroChemPSC identified six primary stakeholder groups for our business.

Sustainability Leadership Team



HydroChemPSC SHARED SUSTAINABILITY
GOVERNANCE MODEL

The Sustainability Leadership Team is comprised of senior leaders representing the business functions primarily responsible for driving sustainability throughout the organization. Our leadership team works together to ensure that sustainability is part of the company culture.



General Sustainability Goals



HydroChemPSC sustainability goals are aligned with the company's four key foundational elements. Baseline measurements and target values are set for a variety of performance indicators associated with each goal. These goals continue to drive ongoing improvement.



Two-Component Safety System

HPCT

Human Performance Catapulted by Technology

Human Performance

- LPS - Comprehensive behavior-based Loss Prevention System
- Best In Class Knowledge and Career Development platform
- Supported and reinforced with heavy Executive Leadership field presence



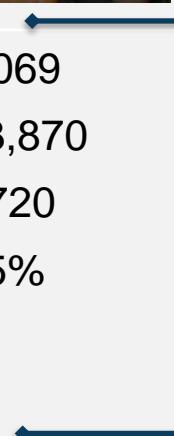
Technology

- Continuous development of technology solutions to reduce or eliminate hazards
- Automated tooling solutions that enable reductions in average crew sizes
- Best in class field management systems placing knowledge into the hands of workers



Safety and Sustainability Progress

KEY PERFORMANCE INDICATORS – 2020

SAFETY	ENVIRONMENTAL	TRANSPORTATION	PARTICIPATION	COMMUNITY
 <ul style="list-style-type: none"> ✓ Stop Work → 3,069 ✓ LPOs → 13,870 ✓ Near Loss → 1,720 ✓ FAST → 95% - HB Automation 	 <ul style="list-style-type: none"> ✓ Air → 13.1K(Tons) ✓ Water → 1.9MM(Gal) ✓ Waste → 5.1K(Tons) ✓ Oil → 1.5MM(Gal) ✓ Fuel → 0.9MM(Gal) Recovered-Recycled-Saved 	 <ul style="list-style-type: none"> ✓ Driver Qualification → 99.5% ✓ GPS Safe Driving → 96% (Speeding/Harsh Driving) 	 <ul style="list-style-type: none"> ✓ WJTA Board ✓ HASC Board ✓ GBRIA Committees ✓ NAHAD Hose Safety Institute ✓ Client Safety Teams 	 <ul style="list-style-type: none"> ✓ 250 Backpacks Delivered ✓ 1,000 Meals Made ✓ 20 Trees Planted ✓ 400K Buses Sanitized
 <ul style="list-style-type: none"> ✓ DAWC → 0.00 ✓ TRR → 0.11 ✓ EMR → 0.89 	 <ul style="list-style-type: none"> ✓ Reportable Spills → 0 ✓ Permit Violations → 0 	 <ul style="list-style-type: none"> ✓ DOT ISS Rating → 35 (Non-Inspect) ✓ DOT MVA Rate → 0.26 	 <ul style="list-style-type: none"> ✓ CPC Presidents Award ✓ Dow Diamond Award ✓ XOM Diamond (2) ✓ GBRIA Best In Class ✓ 57 AFPM Awards 	 <ul style="list-style-type: none"> ✓ Lives Changed ✓ Stronger Communities

LEADING INDICATORS

LAGGING INDICATORS



9 million gallons of fuel saved



100 thousand tons of reduced air emissions



27.5 million gallons of water conserved



25 million gallons of oil recovered



40 thousand tons of hazardous waste treated

Cumulative totals for 2018-2025 vs. 2017 baseline

Energy Progress



Energy reductions are achieved through continued implementation of HPC's CTCS technology and vehicle fleet efficiency improvements.



2017

2020

3.41
mil



2026

9 million gallons
of fuel saved



HPC's Computerized Tube Cleaning System (CTCS) maximizes cleaning force and efficiency, resulting in saving fuel while improving cleaning times and effectiveness.

HPC operates a massive fleet of vehicles to effectively service the needs of our customers at a moment's notice. Through targeted efforts to optimize service coverage areas and minimize routes we have reduced vehicle miles driven by over 38% since 2011.

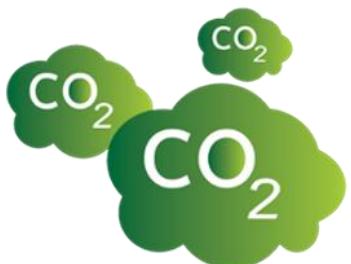
Cumulative reductions from 2017 baseline year

Air Emission Progress



2026

**100 thousand
tons** of air
emissions
reduced



2020

**43k
tons**

Air Emissions reductions are achieved through Vapor Control technologies as well as vehicle fleet efficiency improvements.



2017

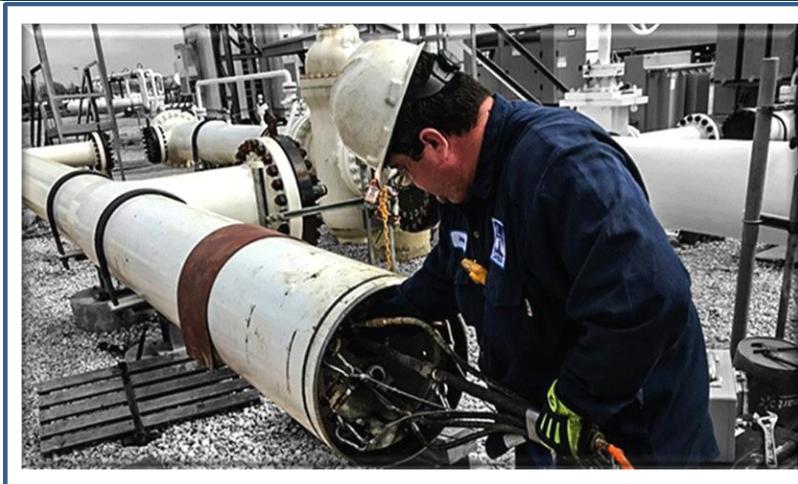
HPC has worked to optimize fleet efficiency in terms of miles driven per manhour worked. This has resulted in a significant reduction in CO₂ emissions from vehicle fuel combustion.

The continued growth of HPC's Vapor Control Management (VCM) division has eliminated thousands of tons of hydrocarbons from activities at client sites that otherwise would have entered the atmosphere.

VCM provides a wide variety of vapor control services tailored for the refinery, terminal, pipeline, and petrochemical industries.

Cumulative reductions from 2017 baseline year

Water Use Progress



Water conservation reductions are achieved through Weld Test Tool and Computerized Tool Cleaning System (CTCS) technologies



2017

2020

6.19
mil



HPC's CARBER Weld Test tool revolutionizes the way weld hydrotests are performed by reducing the amount of water used on thousands of tests by 99%.

In addition, The CTCS System is an industry-leading technology developed by HPC to clean heat exchanger tubes more safely, efficiently and consistently than ever before. This implementation has saved millions of gallons of water since 2019.

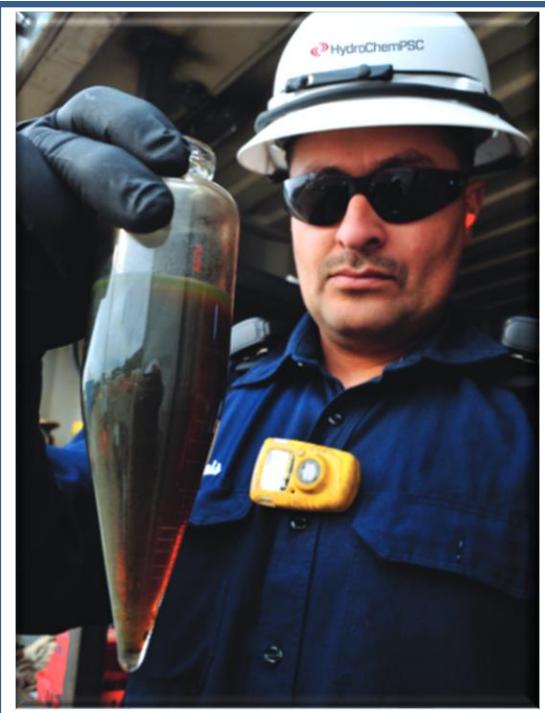
Cumulative reductions from 2017 baseline year

2026

27.5 million gallons of water saved



Waste Progress



Waste reduction results
are achieved through
HPC Oil Recovery
Facilities

2017



2020

16k
tons



2026

**40 thousand
tons**

of hazardous
waste rendered
non-hazardous



HPC's oil recovery facility in Norco, LA provides a valuable service to refinery clients by converting thousands of tons of hazardous sludge into non-hazardous ash using thermal technology.

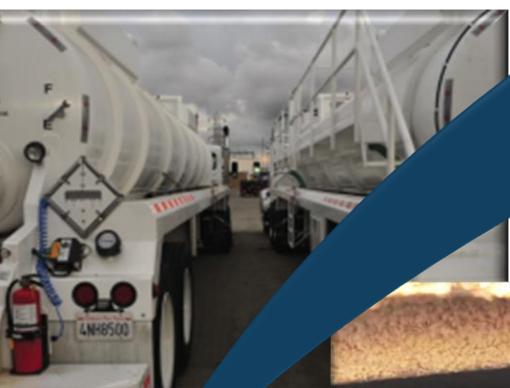
This process produces a residual solid that meets UTS and renders the feed material non-hazardous, which allows for disposal at a non-hazardous waste landfill. Additional processing will be added when a second Gulf Coast facility is brought online in 2021.

Cumulative reductions from 2017 baseline year

Oil Recovery Progress



Oil Recovery results are achieved through HPC Oil Recovery Facilities



2017



2020

7.96
mil



2026

25 million gallons
oil recovered



In addition to converting hazardous sludge into non-hazardous waste, HPC's Oil Recovery facilities also recover valuable crude oil that is reintroduced to a refinery to become a usable product.

This represents thousands of gallons of new natural resources that do not need to be extracted from the earth in order to meet global demand.

Cumulative reductions from 2017 baseline year

NORF Fresh Start Success

In 2014 HydroChemPSC's Norco Oil Recovery Facility (NORF) in Norco, Louisiana took sustainability to the next level by achieving certification to the **ISO 14001 Standard**. The primary vehicle for this industry-leading accomplishment is HydroChemPSC's Fresh Start environmental management system (EMS). Through the hard work of the NORF team, their EMS was **successfully recertified to the ISO 14001:2015 Standard in 2020**.



By setting and achieving environmental objectives with measurable targets as part of this program, HydroChemPSC continues to:

- *Reduce fugitive emissions*
- *Lower energy consumption*
- *Minimize odors*
- *Mitigate environmental risks*

Social Responsibility



Sustainability is a long-term strategic commitment at HydroChemPSC. We incorporate the three principles of sustainability: **social responsibility, environmental stewardship, and economic viability** into our daily and long-term decision making. Our efforts are focused on implementing new programs to achieve our vision. Our primary emphasis is on **energy consumption, public outreach, and corporate stewardship**. We have integrated rapidly evolving technological innovations driving us to be industry frontrunners, focusing on highly specialized service standards. HydroChemPSC continues to invest in its people, equipment and facility infrastructure, emphasizing loss prevention that propels safety and performance.

HydroChemPSC continues to leverage and integrate its sustainability efforts into new technologies to deliver the best service in the industry by automating its processes that deliver a safer and more economical service. This results in stronger customer relationships which create new opportunities for revenue growth while reducing the environmental footprint of our operations. **Our long-term strategy is to continue to build our business based on superior technology; clean and efficient equipment and facilities; and a highly skilled, safe, and trained workforce focused on sustainability.** By doing so we are prepared to face the challenges associated with climate change, changing economic cycles, rapidly accelerating technology, and evolving government regulations. We are committed to delivering best-in-class service for our customers with precision unmatched in the industry.

HydroChemPSC's Environmental, Health, Safety, and Transportation (EHST) department continues to **focus on regulatory compliance and maintaining a safe workplace** at all HydroChemPSC facilities to **protect** not only **our employees**, but also **the communities** in which we live and work.

Community Impact



During the pandemic of 2020, HydroChemPSC **sanitized 405,383** buses for New Jersey's public transit allowing the community to travel with peace of mind. HPC also provides decontamination services to local utility companies at their payment fulfillment centers so their customers can visit and pay their electric bills in a safe environment free from fear of exposure.



Diversity, Equity and Inclusion Plan



Inclusion is the purposeful enrollment of all employees in the work processes.



No one left behind...



Regardless of differences between us, we all have value.



Mining that value is the job of great leaders.



Lack of inclusion leads to isolation, loneliness and lost opportunity.

Diversity, Equity and Inclusion

HydroChemPSC recognizes that inclusive recruitment and partnering strategies help drive the optimal use of talent which provides a broader perspective for achieving dynamic solutions while minimizing the risks of workplace inequity.

2020 hiring trends included:

- **37% Minority team members**
- **10% Women**
- **5% Veteran**

12% of Director positions and above are staffed by **Minority/Women team members**

23% of vendor spend with **Minority/Women owned businesses**

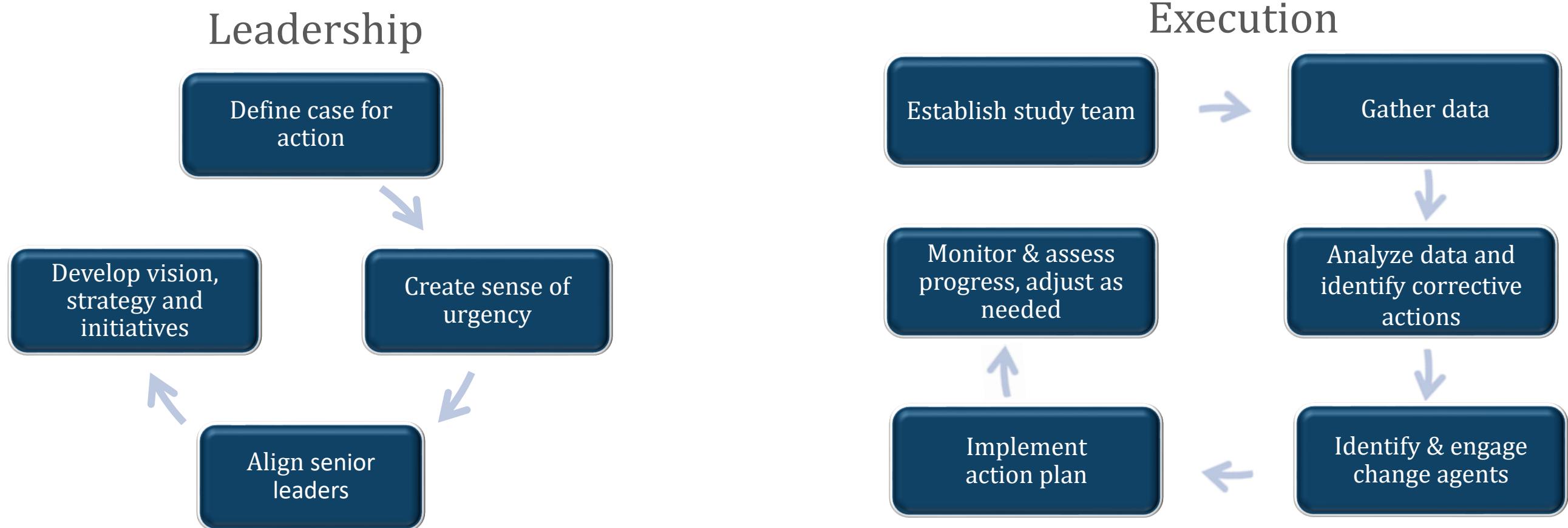
Hiring opportunities across the company are posted on all the following job boards:

- | | |
|--|--|
| <ul style="list-style-type: none">✓ African American Careers✓ African American Jobs✓ Asian Careers✓ Asian Workforce✓ Asian Jobs✓ Disability Jobs✓ Disability Careers✓ USD Veterans✓ Veteran Careers✓ Veteran Jobs✓ USD Disabled Vets | <ul style="list-style-type: none">✓ Gay Careers✓ Hispanic Careers✓ USD Hispanic Workforce✓ Hispanic Jobs✓ Native American Careers✓ American Indian Jobs✓ Senior Careers✓ Senior Jobs✓ USD Working Women✓ Women's Careers✓ Women's Jobs |
|--|--|



HPC Look in the Mirror

In July 2020 HydroChemPSC's leadership team created the HPC Look In The Mirror initiative to gain a clearer understanding of our current company culture and obtain an honest assessment of how our company operates. **Our vision is to create an open and inclusive culture in our organization that recognizes and values the diversity of our employees.** During the second half of 2020 the HPC leadership team laid the groundwork by meeting and educating themselves on what it means to have unconscious bias. In 2021 our plan is to execute a path forward by rolling out educational training to our operations leadership team and start having constructive conversations at that level of management.

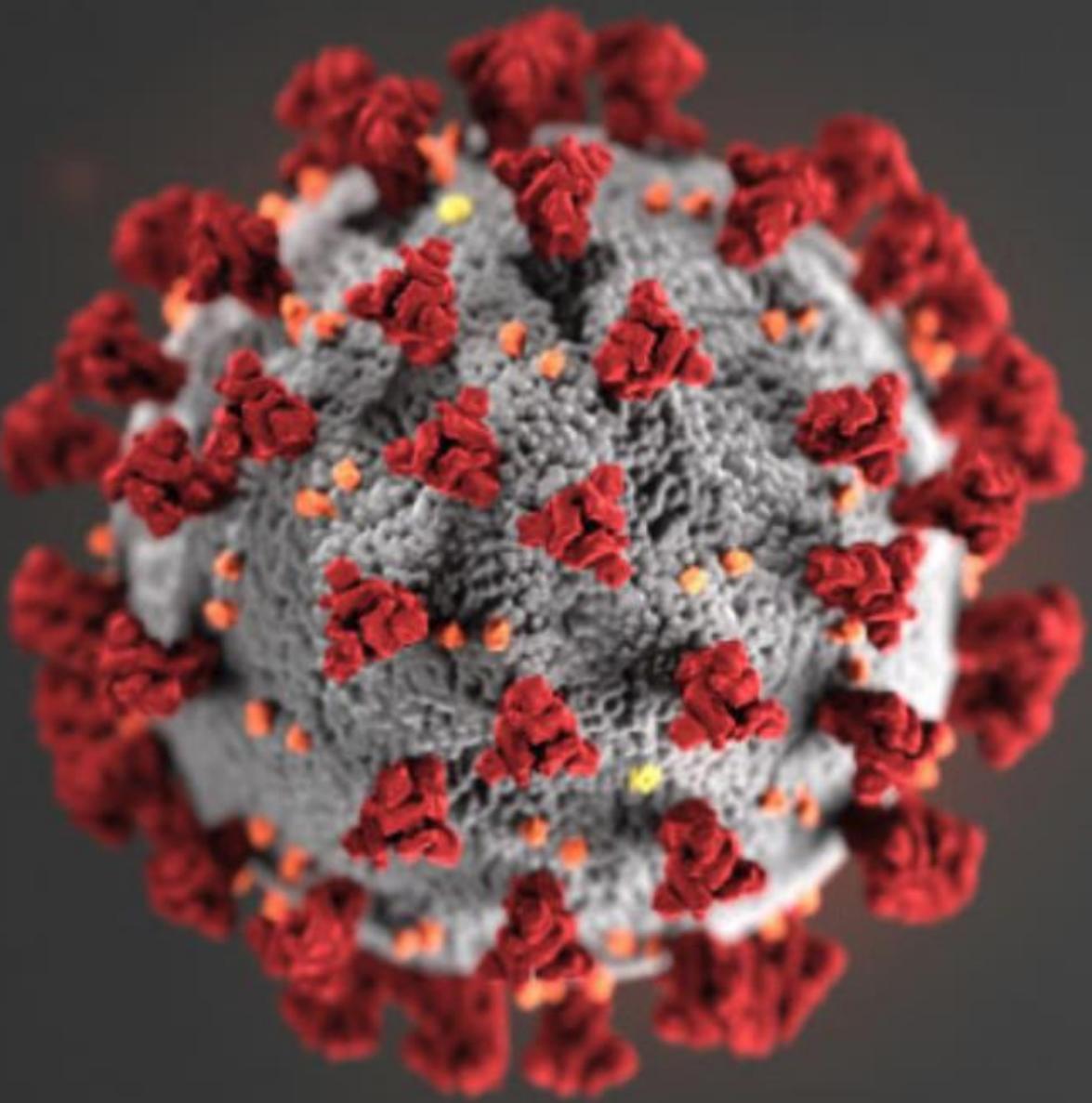


Governance During The Pandemic

In 2020 the world was thrust into the worst pandemic since 1918. In response to the difficult economic conditions HydroChemPSC asked all employees to make sacrifices to help the company weather this unprecedented storm.

In April 2020, all HydroChemPSC employees took a temporary wage reduction, with Senior Leadership taking a percentage of earnings cut **up to 3x higher** than hourly workers. All personnel worked diligently to protect each other, provide excellent customer service and took actions to keep the workplace as safe from Covid as possible. These moves resulted in fewer jobs lost as a result of the economic downturn. Our CEO recorded frequent 'State of the Company' style updates that were distributed to all employees to provide progress reports as well as inspire hope that we could survive this together.

Once the worst of the crisis had passed, at the first available opportunity, pay rates were restored to **hourly workers first** in December 2020. Later, in April 2021, as this publication went to press, salaried personnel pay rates were reinstated.



Contact Us

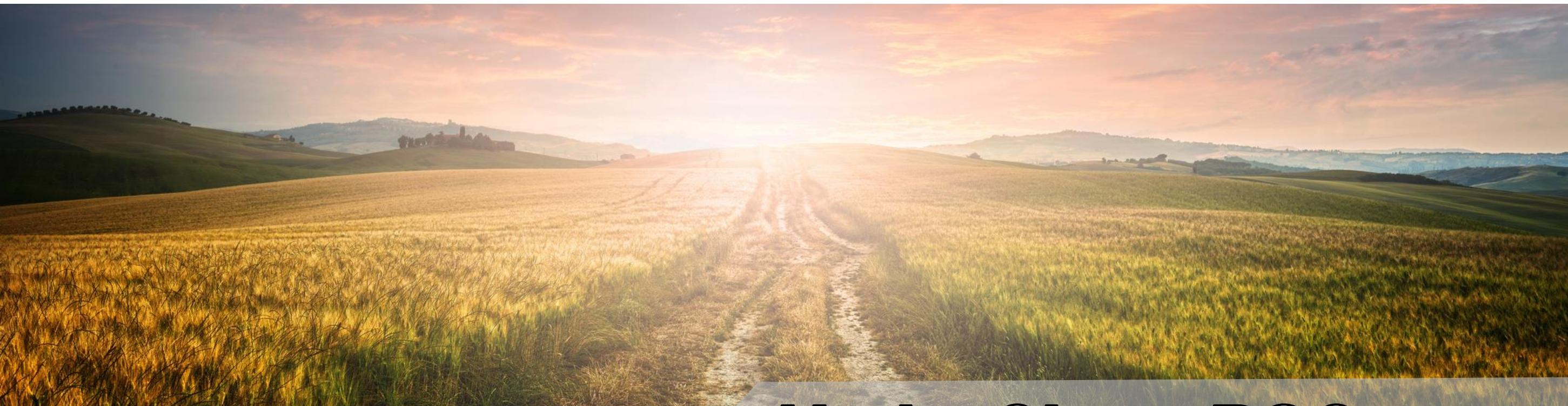


HydroChemPSC

We welcome your questions, comments and suggestions.

EHSTCommunications@hydrochempsc.com

HydroChemPSC
900 Georgia Avenue
Deer Park, Texas 77536



HydroChemPSC.com