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For questions regarding this report or how you can participate in DAMRON’s sustainability journey please contact the Sustainability Lead at deadra@damroncorp.com



A Letter from the Founder



DAMRON family,

Like many of you, I take great pride in DAMRON Corporation's foundation as a local, diverse-owned tea manufacturer and distributor, although this only scratches the surface of DAMRON's story.

With over 75 years of experience in manufacturing, tasting, blending and packaging, our Tea masters can guarantee first pick of the very best teas from across the globe

The company's expertise and quality supply chain has earned DAMRON the privilege to supply tea to the world's largest quick service restaurant and world's largest retailers, as well as private label and company brands.

An extension of these values and priorities, accomplishments, and vision, are DAMRON's commitment to operating in a holistic, environmentally sustainable manner.

In consideration of the earth we inhabit and valuable resources we all share, DAMRON's focus on operational efficiency has expanded to quantify and reduce the amount of energy we use, the amount of waste we generate and continued efforts to give back to our community.

In this Annual Sustainability Report, I am pleased to share the accomplishments of our ongoing, impactful work in this arena, which, among other successes, includes a 27% reduction in electricity since 2016 and achievement of 97% waste reduction in our manufacturing and packing operations in 2018.

These efforts go beyond reducing DAMRON's environmental footprint, as they lend to cost savings and efficiency in operations. Through this report I invite you to not only learn more about DAMRON's work in this sphere, but also to join us in supporting these initiatives and their impact on our environment, community and clients.

Sincerely,
Ronald Damper



Our Tea

DAMRON has been manufacturing and distributing high quality tea products for over forty years.

We are a leading provider of premium tea sourced from famous growing regions all across the world. In addition to our own variety of brands, DAMRON provides both hot and iced tea for private label.

Rainforest Alliance

DAMRON is dedicated to processing tea for customers private label products. We have reached 100% Rainforest Alliance certification for our tea products.

This is an important milestone for us, as well as our customers, The Rainforest Alliance standards are used to establish sustainable farming practices, protecting biodiversity and focusing on the conservation of natural resources.

Supply Chain

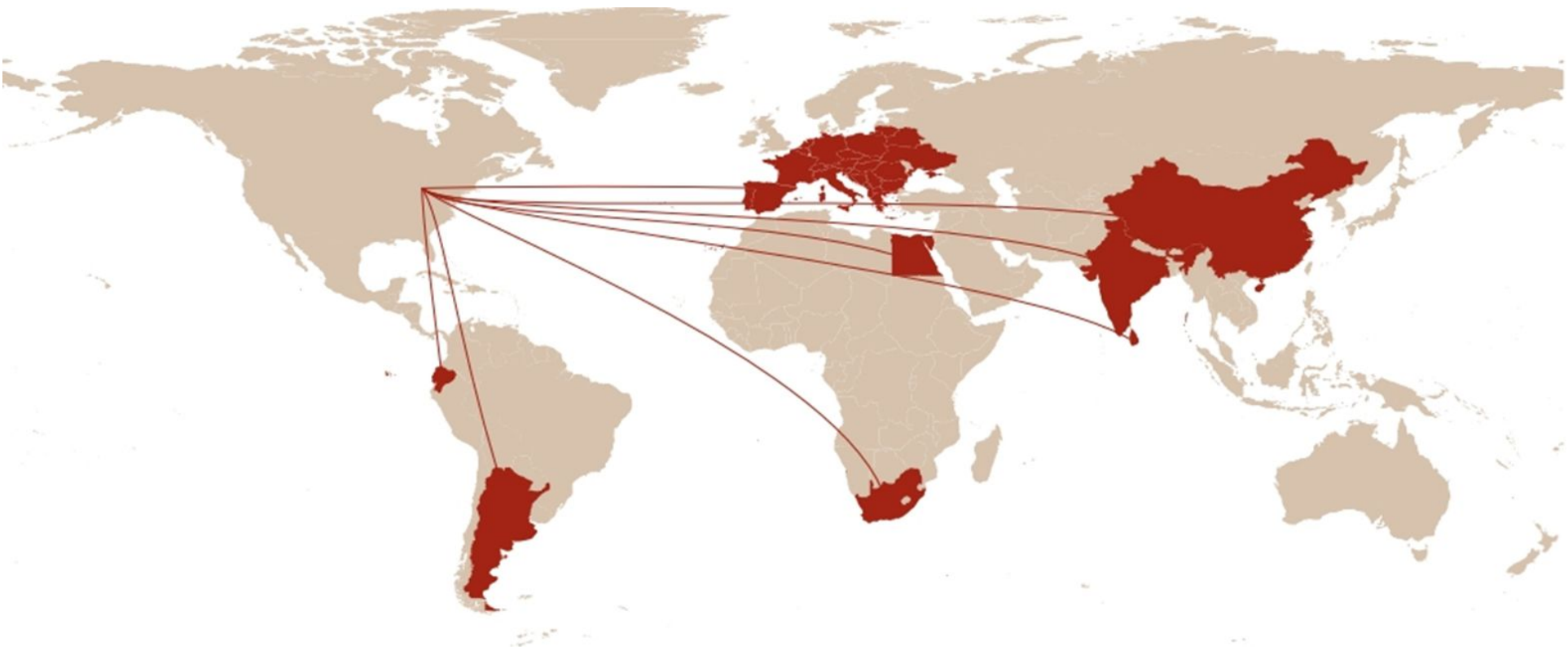
We care about where our tea comes from and who it comes from.

Our supply chain is truly global, spanning across five different continents, so it is important for us to have a positive impact everywhere we are involved.

We are committed to supporting living wages to the farmers and the workers that made it possible for our customers to enjoy a cup of our tea.

The Damron tea family

Where our tea comes from



Our Family

Very few things continue to bring people together globally as tea.

As a family-owned business rooted in the community, our success is due to the love and commitment of those around us.

We have never forgotten the transformative potential of bringing people together.

DAMRON has continued to ensure that as it grows it continues to stay true to the social covenant that has enabled its success.

Employee Benefits

All DAMRON employees benefit from 401K, profit sharing, health, dental and life insurance and paid-time off and vacation.

Along with the above standard benefits, full-time employees benefit from career advancement training and education.

Over 50% of our staff has been with the DAMRON family for over 20 years; this is a testament of the employee benefits at DAMRON.



Community Engagement

DAMRON is proud to be part of a thriving business in Chicago and goes above and beyond to give back to the community that it calls home! Over the years, DAMRON contributed thousands of dollars to support local nonprofits.

- N. Lawndale Employment Network
- Church Teas
- Christmas Toy Drives and Parades
- Thanksgiving Giveaways
- NAACP
- Chicago Urban League
- Timeless Gifts
- National Black McDonald's Operators Association
- Knoxville College
- Chicago Hope Academy

Our commitment to the community goes beyond financial contributions.

DAMRON participates in;

- RMHC events, Kicking for the House, Annual Gala,
- Chicago Aids Walk/Run
- North Lawndale U-Turn Permitted program that provides readiness training for men and women who have a felony background.

Our Sustainability Journey

In 1990, we move into our manufacturing plant located on Chicago's West Side.

This plant has served as the headquarters of DAMRON's operations and is where we prepare tea for our private label customers.

Recently, we have taken steps to tackle the impacts of this location, specifically in understanding our energy intensity, water intensity, and focus on waste reduction.

We have taken steps in our supply chain to promote sustainable practices in farming and labor so we believe it is time to incorporate sustainability into our everyday operations.

Sustainability Vision

It is DAMRON's belief that sustainability must be dynamic in nature and umbrella **three key business components** for operational excellence, namely;

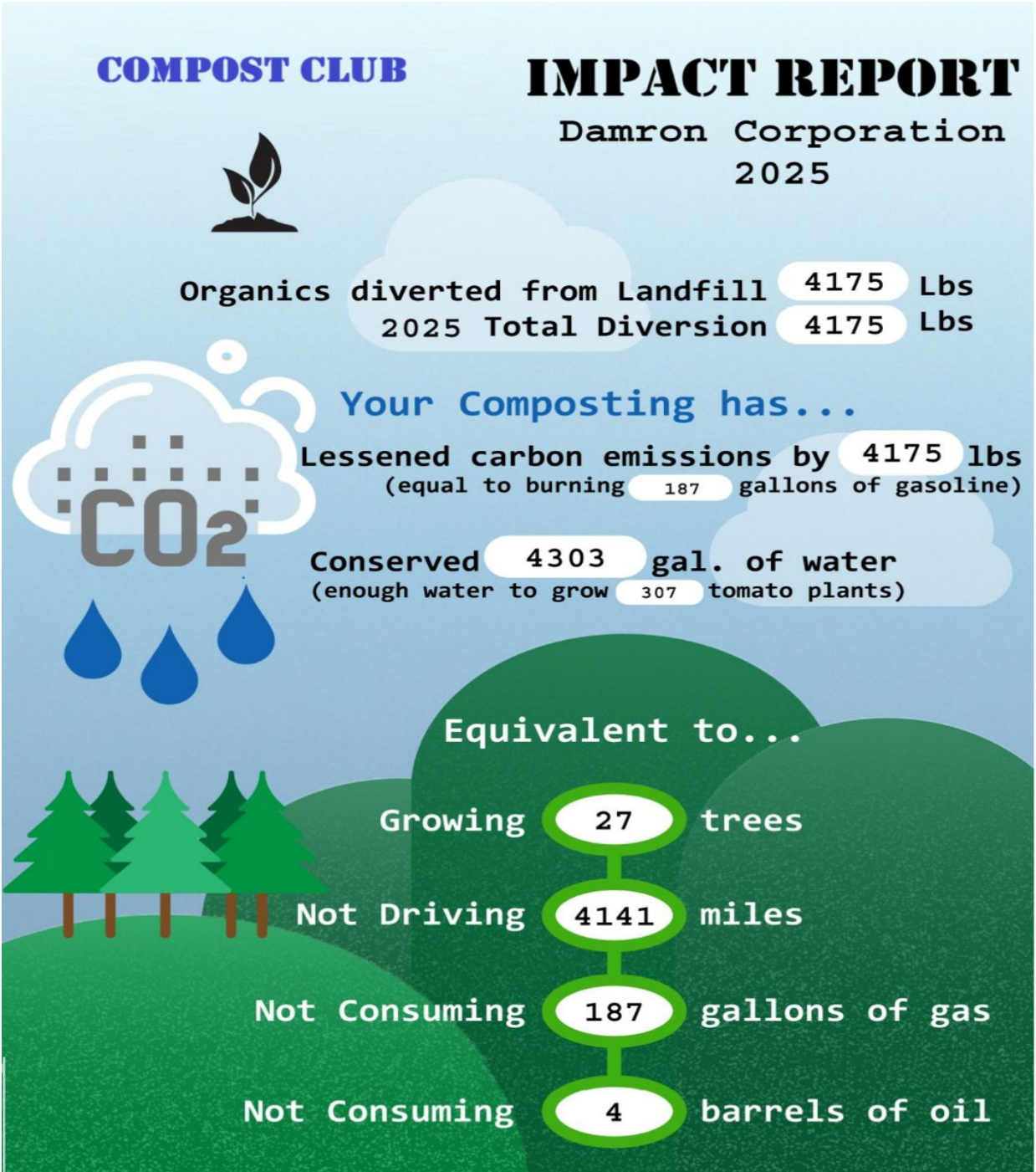
1. Safety,
2. Environment and
3. Community.

These three components will provide structure and stability while maintaining a sustainable business.

In order to operationalize this vision DAMRON created and adopted a **Sustainability and Environmental Management Plan**. (This organization-wide document will enable all departments to effectively implement projects in line with our vision.)



Achievements 2020-2025



- Production line and packaging equipment automation/innovation
- Installed two new HVAC units
- Building tuckpointing - sealed gaps to improved energy efficiency
- Insulated exterior walls beneath windows to improve energy efficiency
- Renovated QA Lab
- Sealed and resurfaced warehouse and production room floors
- Completed 50% roof replacement with energy efficient materials
- Energy contractor conducted compressed air and plant energy efficiency audit
- Installed LED energy efficient lighting throughout the facility

Our 2030 GOALS

In line with our sustainability vision and feedback from our stakeholders, communities, and customers, the leadership at DAMRON has identified the following goals for the organization to be achieved by 2030 from a 2020 baseline:

- reduce total greenhouse gas impact by 42%
- reduce electricity, natural gas and water usage by 20%
- strive to achieve zero waste for all manufacturing and packaging operations from current 97%
- replace 50% of roof; add rooftop solar panels
- install infrared heaters where needed
- execute Comed's compressed air and energy efficient plant audit program recommendations
- expand employee single stream recycling/composting and training program
- work with supply chain and recycling partners to improve packaging materials circularity to reduce landfill and incineration disposal and increase recyclability



ZERO WASTE DIVERSION

One of the main challenges at our Chicago facility is the minimization and diversion of manufacturing waste.

We continue to strive to achieve zero-waste from our production lines and have made great strides since 2019.

DAMRON conducted a waste characterization assessment and determined that by adding a composting program, we can divert 97% of our total waste stream.

Through this process DAMRON has diverted 100% of the bulk tea waste.

Additionally, hand dryers were added to all bathrooms to eliminate most of our usage of paper towels which were previously sent to be landfilled.



Increased Diversion

With the results of the waste characterization DAMRON instituted a formal diversion program that collects and bales all the recyclable materials for collection by a local recycler.

DAMRON currently diverts cardboard, film plastic, and plastic bulk bags through this program.



2030 GOALS

- Work with supply chain to reduce the amount of material required for packaging and explore circularity solutions
- Research alternative paper stretch wrapper to reduce plastic waste

COMPOSTING/RECYCLING

At the end of 2018, DAMRON identified composting as an effective option for reaching zero- waste from our manufacturing operations.

We have partnered with a local composting service provider that can accept our tea scrap.

The service provider operates a nearby farm, just a few miles from our Chicago location, providing the finished compost product to businesses throughout our neighborhood and the city.

After seeing the success of composting our production waste, we decided to take it a step further.

Our break room will soon be outfitted with a compost bin to accept food scraps, paper towels, and any other organic waste that may have otherwise been landfilled.

The implementation of this project has been an important step in our sustainability journey and is already yielding significant results.

We look forward to continuing composting in 2026 and investigating any other materials that we can additionally include or opportunities to expand our waste diversion strategy.

Since implementation in late 2018, DAMRON has diverted 97% of bulk tea waste through our partnership with the local composting operation.



2030 GOALS

- Expand employee single stream recycling/composting and training program

ENERGY

DAMRON is committed to improving the energy efficiency of our manufacturing operations, as well as our office spaces.

We have set a significant goal for ourselves of achieving 20% reduction in energy intensity by 2030, using 2020 as our baseline.

This goal is based on our electricity and natural gas consumption normalized by our units of production.

In 2020, we installed motion-sensor lighting in our storage spaces to reduce needless electricity consumption.

Our sustainability team also increased its education and training efforts to ensure that all machines, lights, and equipment were turned off when inactive.

These efforts have significantly helped DAMRON reduce its electricity usage and meet sustainability goals.

In 2019, DAMRON’s electricity usage was 146 MWh, a 27% decrease from the baseline.

All of the natural gas usage at DAMRON is used for non-manufacturing purposes such as building heating & air conditioning and water heating.

Electricity Usage (MWh)

Constellation (Electricity)	2024	2025
Jan	11.65	11.48
Feb	12.44	11.23
Mar	10.24	10.31
Apr	9.84	9.98
May	11.38	9.14
Jun	14.88	14.67
Jul	15.52	14.11
Aug	14.73	11.83
Sep	13.42	11.58
Oct	10.50	9.62
Nov	9.90	9.91
Dec	10.15	9.91
Totals	144.65	133.77

Natural Gas Usage (mWh)

Peoples Gas	2024	2025
Jan	5.37	4.84
Feb	4.01	4.66
Mar	2.24	3.16
Apr	3.01	2.35
May	0.46	0.6298
Jun	0.35	0.3119
Jul	0.14	0.0388
Aug	0.00	0.032
Sep	0.00	0.034
Oct	0.04	0.049
Nov	1.54	1.117
Dec	3.30	3.509
Totals	20.46	20.73

2030 GOALS

- Compressed Air Audit and Comed Assessment
- Complete 50% Re-roofing project with additional insulation and reflective white roofing membrane.
- Continue to reduce electricity usage through employee training and engagement.
- Install rooftop solar panels
- Enhance environmental data collection/tracking and measurement practices



WATER

In addition to reducing energy usage, DAMRON has also set a goal to reduce water intensity by 20%.

In 2024, water consumption was baselined at 652,000 gal. We identified a waterline leak; thereby reducing our 2025 consumption to 255,000 gal.

The majority of water at DAMRON is being used for non-manufacturing purposes at our facility so motion-activated faucets were introduced to improve conservation.

DAMRON installed a sub-meter to identify sources of high water usage and has operationalized a process to systematically reduce water usage across the facility.

- Continue to sub-meter facility to identify sources of high usage
- Improve cleaning operations to use water efficiently

2030 GOALS

Water Usage		
City of Chgo (Water)	2024	2025
Jan	0.00	0.00
Feb	14.00	102.00
Mar	0.00	0.00
Apr	21.00	28.00
May	26.00	0
Jun	0.00	37
Jul	0.00	0
Aug	120.00	27
Sep	0.00	0
Oct	226.00	31
Nov	0.00	0
Dec	245.00	30
Totals	652.00	255.00

EMISSIONS

As we strive to reduce our environmental footprint, DAMRON will be cognizant of the effect this will have on the greenhouse gas emissions related to our operations.

It is essential that we do what we can to mitigate our own contributions to climate change.

In 2018, DAMRON compiled utility, water, and production data to establish baselines for 2020 and to guide a path towards our 2025 goals.

The data collection has now been a continuous process and allows DAMRON to make decisions on sustainability projects based on its overall impact on energy, waste, and water.

A solar panel project is currently being investigated for our facility and would generate a significant amount of the electricity required for our operations while also reducing the amount of emissions associated with our energy portfolio.

GHG Emissions - CO2e (metric tons)

YEAR:	2020	2025
Co2e:	86.63	72

2030 GOALS

- Reduce GHG emissions 42% by 2030 from 2020 baseline for Scope 1 and 2.

Moving Forward

Since our inception over 40 years ago, DAMRON has continued to serve through constant innovation and sustained growth.

DAMRON looks forward to a continuation of building on its past success and reach towards meeting its 2030 goals.

Specifically, we look forward to meeting our reduction in greenhouse gas emission goals through a series of operational improvements and efficiencies.

DAMRON is committed to developing and implementing new and greater sustainable efforts to ensure we are always conscious of our Social, Economic and Environmental impact on our company, our employees and the communities we serve.

Selena Boyd-Pitman
President



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