

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2021

**danimer**   
scientific  
*A Biotechnology Company*



2021 ESG REPORT

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## Forward Looking Statement

Please note that in this report we may use words such as “appears,” “anticipates,” “believes,” “plans,” “expects,” “intends,” “future,” and similar expressions which constitute forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are made based on our expectations and beliefs concerning future events impacting Danimer Scientific (the Company) and therefore involve a number of risks and uncertainties. We caution that forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in the forward-looking statements. Potential risks and uncertainties that could cause the actual results of operations or financial condition of the Company to differ materially from those expressed or implied by forward-looking statements in this release include, but are not limited to, the overall level of consumer demand on our products; general economic conditions and other factors affecting consumer confidence, preferences, and behavior; disruption and volatility in the global currency, capital, and credit markets; the financial strength of the Company’s customers; the Company’s ability to implement its business strategy, including, but not limited to, its ability to expand its production facilities and plants to meet customer demand for its products and the timing thereof; risks relating to the uncertainty of the projected financial information with respect to the Company; the ability of the Company to execute and integrate acquisitions; changes in governmental regulation, legislation or public opinion relating to our products; the Company’s exposure to product liability or product warranty claims and other loss contingencies; disruptions and other impacts to the Company’s business, as a result of the COVID-19 global pandemic and government actions and restrictive measures implemented in response; the stability of the Company’s manufacturing facilities and suppliers, as well as consumer demand for our products, in light of disease epidemics and health-related concerns such as the COVID-19 global pandemic; the impact that global climate change trends may have on the Company and its suppliers and customers; the Company’s ability to protect patents, trademarks and other intellectual property rights; any breaches of, or interruptions in, our information systems; the ability of our information technology systems or information security systems to operate effectively, including as a result of security breaches, viruses, hackers, malware, natural disasters, vendor business interruptions or other causes; our ability to properly maintain, protect, repair or upgrade our information technology systems or information security systems, or problems with our transitioning to upgraded or replacement systems; the impact of adverse publicity about the Company and/or its brands, including without limitation, through social media or in connection with brand damaging events and/or public perception; fluctuations in the price, availability and quality of raw materials and contracted products as well as foreign currency fluctuations; our ability to utilize potential net operating loss carryforwards; and changes in tax laws and liabilities, tariffs, legal, regulatory, political and economic risks. More information on potential factors that could affect the Company’s financial results is included from time to time in the Company’s public reports filed with the Securities and Exchange Commission, including the Company’s Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K. All forward-looking statements included in this report are based upon information available to the Company as of the date listed in this report, and speak only as of the date hereof. We assume no obligation to update any forward-looking statements to reflect events or circumstances after the date of this report.

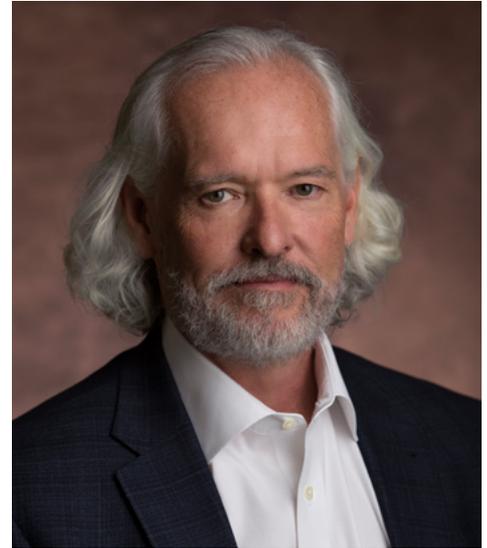
# MESSAGES FROM OUR LEADERS

## LETTER FROM THE CEO

Reducing the global impacts of plastic waste is my personal passion and core to our corporate mission at Danimer Scientific. Everything we do is focused on our goal of providing sustainable alternatives to traditional plastics. Creating products that naturally return to the environment at the end of their lifecycle is a crucial element of addressing the global plastic waste crisis. This mission also includes steps to reduce the effects of climate change by tapping a variety of renewable materials, such as canola oil, high-oleic soybean oil, and pennycress oil, to serve as feedstocks for manufacturing our products instead of non-renewable petrochemicals.

Our commitment to the environment extends to the well-being of our people and our community. In its inception, Danimer benefited from the financial backing and support of the local community in Bainbridge, GA. Today, as a public company with international customers and shareholders, we remain dedicated not only to our employees, but also their families, friends and neighbors. We collaborate with local schools in Kentucky through our Junior Ambassador Program and community organizations in Kentucky and Georgia to support education of all age groups. We also have relationships with universities nationwide to help us bring in talent from a wide range of backgrounds.

After recently passing our first anniversary of becoming a public company, we look forward to further advancing our sustainability and governance policies to maintain the well-being of our environment and our people, now and in the years to come.



**Stephen E. Croskrey**  
Chairman and Chief Executive Officer

## OUR CSO's PERSPECTIVE



**Scott C. Tuten**  
Chief Marketing and Sustainability Officer

As the Chief Marketing and Sustainability Officer, I have the unique privilege of enabling our partners and customers to understand the transformative benefits in the bioplastics we produce and how they can contribute to our shared goals of reducing the environmental impact of products used every day. This includes driving active, two-way conversations with key stakeholders to maintain transparency in our corporate practices and strengthen our sustainability and governance policies.

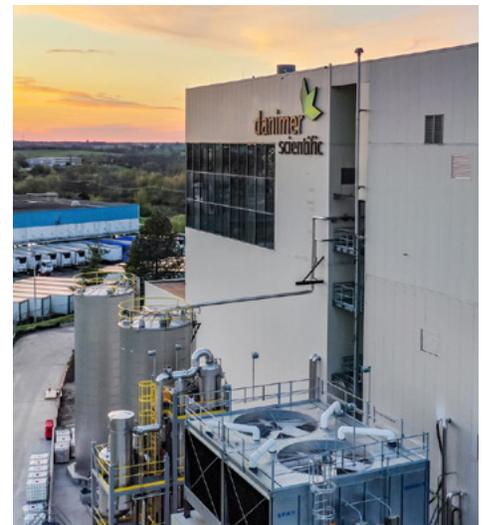
While we've set out to improve the world, we know we won't be able to do it alone. Sustaining and protecting the environment will take a collective effort, which is why both our company and many of our employees are actively involved in industry associations and coalitions. Through our work with groups such as the U.S. Plastics Pact, the Biodegradable Products Institute and others, we aim to help set the bar for global sustainability initiatives and help educate companies and communities on the best ways to improve their own policies and practices. Our door is always open for those who wish to learn more about these initiatives.

For more than a decade, our renewable and sustainable biopolymers have helped create plastic products that are biodegradable and compostable and return to nature instead of polluting our lands and waters. Danimer's technology can be found in a vast array of plastic end products that people use every day. These products offer all the advantages of bioplastics, including:

- Reduced dependency on petrochemicals
- Adherence to International and European requirements for biodegradability and compostability
- FDA approved food contact
- Reduced carbon footprint

Applications for biopolymers include additives, aqueous coatings, fibers, filaments, films, thermoforming, and injection-molded articles. As of September 2021, we hold more than 390 granted patents and pending patent applications in more than 20 countries for a range of manufacturing processes and biopolymer formulations.

We customize a wide variety of PHA (polyhydroxyalkanoate) and PLA (polylactic acid) products for end uses specified by our customers. Our formulations are designed to meet a wide spectrum of technical characteristics and lifecycle requirements. We also provide specialty toll-manufacturing services that allow us to manufacture items using our customers' own formulations, materials, and instructions. This customized research and development service, paired with our growing capacity for production, makes us a valuable partner for many companies committed to reducing the environmental impacts of plastic waste.



## Diversification and Growth: Novomer Acquisition

In August 2021, we acquired Novomer, a leading developer in catalyst and process engineering, whose technology enables opportunities in feedstock sourcing and end-of-life polymer disposal. This acquisition will advance our strategy of providing biodegradable solutions to the plastics industry.

Novomer's highly complementary proprietary technology and process development expertise offer numerous technical, operational and financial benefits for Danimer and our customers. Paired with Danimer's leadership in application development, we will now have the potential to provide an even broader range of products with improved barrier properties for packaging and other uses at a lower cost – all while using less energy and delivering biodegradability.

Further, we expect that Novomer's simplified manufacturing and operational processes will accelerate our ability to scale our production capabilities and to do so at a much lower average capital expenditure per pound than we had previously forecast.

Located in Rochester, NY, Novomer added a R&D and manufacturing location, approximately 21 employees, and an intellectual property portfolio with more than 100 issued patents and over 140 patents pending to Danimer.

Danimer regularly evaluates its plans against potential opportunities to further improve its cost profile while maintaining flexibility to enable capacity for expected increasing customer demand.

# ABOUT DANIMER



Founded in **2004**  
(went public in 2020)



**390** patents & pending patents



**15** partnerships with major brands and distributors



Locations in Georgia, Kentucky, and New York

## FAST FACTS



**3** R&D facilities



**289** employees



2018 and 2020 recipient of PLASTICS innovation in **Bioplastics Award**



# OUR TECHNOLOGY

## PROBLEM: GLOBAL PLASTIC POLLUTION CRISIS

Globally, over 800 billion pounds of plastic are produced each year. Opportunities arising from the plastics industry's negative environmental impacts include a demand for more products and packaging using sustainable, renewable, and non-petroleum-based resources. Additionally, we believe there is heightened demand for biodegradable and compostable materials, as well as materials that facilitate greater safety for the public and the environment.

According to [The Global Commitment 2021 Progress Report](#), businesses and governments are actively driving the elimination of the most commonly identified problematic plastic packaging. Danimer has joined more than 100 other businesses and 17 governments across 5 continents to promote transparency and consistency of data sharing on plastic alternatives to tackle plastic pollution at its source.

## SOLUTION: PHA AND PLA TECHNOLOGY

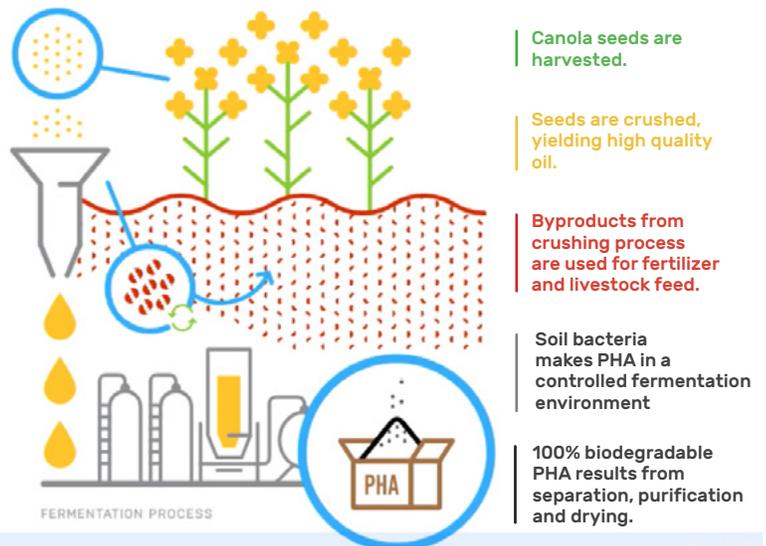
We believe polyhydroxyalkanoate (PHA) and polylactic acid (PLA) are excellent replacements for non-renewable, non-biodegradable commercial plastics that today are created with synthetic polymers derived from petrochemicals. PHA has the market potential to replace over 500 billion pounds of plastic applications annually. Our goal is to build a commercially successful biopolymer business to produce bioplastic products at scale that are based on the unique properties of our PHA and PLA biopolymers.

### PHA

#### Nodax®

Danimer is a leading producer of PHA, which occurs naturally in living organisms and is chemically similar to polyesters. Our PHA biopolymers are formulated to meet various biodegradability requirements and standards. Our PHA is also U.S. Food and Drug Administration (FDA) approved for food contact and will biodegrade aerobically or anaerobically in soil, water, and industrial compost.

Since 2020, Danimer has produced PHA resins made with our proprietary Nodax® for use in a wide variety of applications such as straws, containers, and films. Nodax is a biodegradable and renewable plastic input currently produced using canola oil as a primary feedstock.

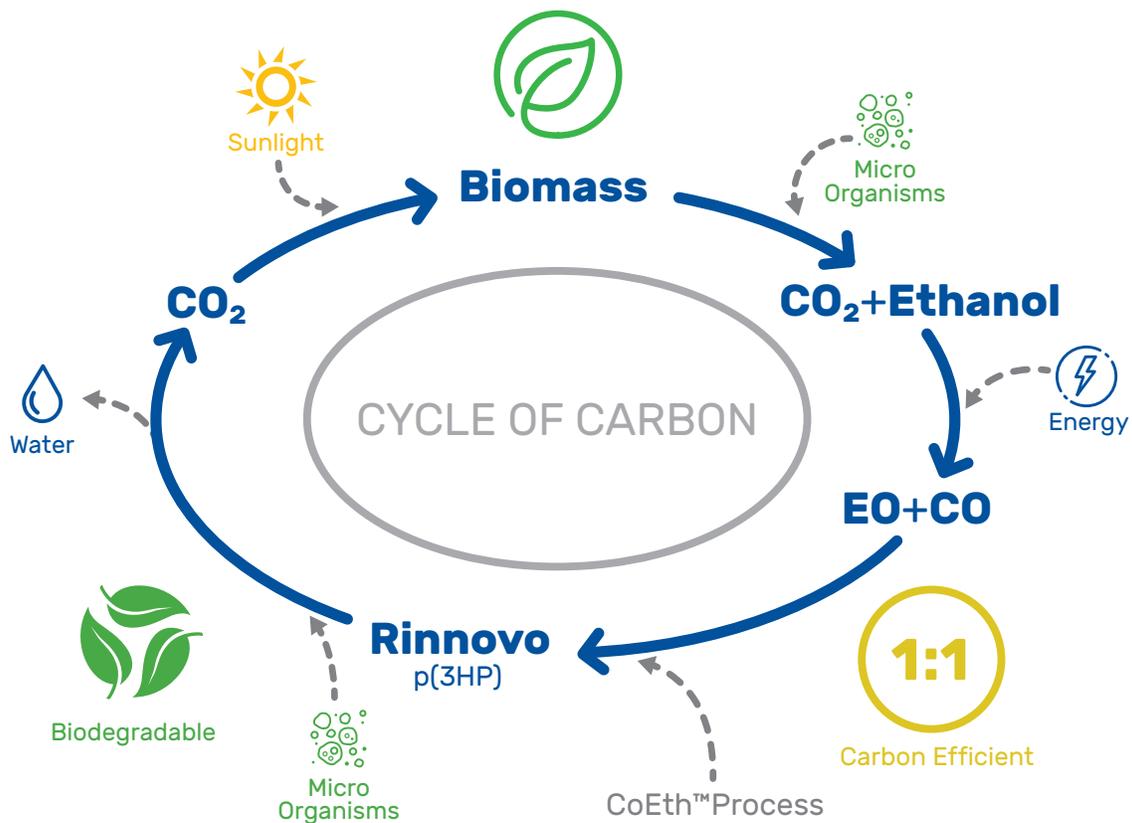


# OUR TECHNOLOGY

## Rinnovo™ p(3HP)

With the acquisition of Novomer, Danimer will now manufacture Rinnovo, a poly(3-hydroxypropionate) or p(3HP), a type of PHA, which can be sourced from renewable or non-renewable feedstocks. We believe that Rinnovo™ is highly complementary with Danimer’s inputs and can be incorporated as a component in certain Danimer resins.

Rinnovo has different properties and attributes than our signature Nodax® input: Nodax® has strong performance and biodegradability properties, making it possible to be used across diverse end-use applications, while Rinnovo™ has improved barrier properties and is a lower cost non-fermented input. By incorporating Rinnovo™ into Danimer’s customer solutions, Danimer expects to have greater flexibility to meet an even broader range of customer needs, and also expects to be able to produce its resins at a substantially lower cost. Additionally, by blending these inputs, Danimer can reduce the amount of fermentation required in the production of its resins.



## PLA

Danimer creates proprietary bioplastics using this natural plastic as a base resin and has been in this line of business since 2004. Danimer’s reactive extrusion technology has allowed many companies to begin to use renewable and compostable plastic materials that incorporate PLA, such as creating a bioplastic coating for disposable paper cups to withstand the temperatures of hot liquids including coffee. Our PLA-based biopolymers are formulated to meet international biodegradability and industrial composting requirements.

# OUR ESG STRATEGY

While our products aim to combat one of the largest environmental threats to our society and economy, we apply a holistic approach in how we manage and transparently report environmental, social, and governance (ESG) issues pertinent to our organization. As a young company in a unique and dynamic field, we do not fit squarely into one traditional industry group. We utilize the Sustainability Accounting Standards Board (SASB) topics to identify and understand material ESG areas for our company, and complement these with other key performance indicators relevant to our field.

## ALIGNMENT WITH THE U.N. SUSTAINABLE DEVELOPMENT GOALS

Danimer supports the [United Nations Sustainable Development Goals \(SDGs\)](#) and remains deeply committed to driving progress on select goals closely aligned with our company's priorities.

8 DECENT WORK AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES



### PEOPLE

We are investing in our local communities to support economic prosperity where we live and operate and foster a diverse set of opportunities for all backgrounds, education levels, and skillsets.

### PRODUCT

Our ability to provide highly customizable solutions at scale are a result of operational excellence, close customer collaboration, and investment in research and innovation.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



14 LIFE BELOW WATER



### ENVIRONMENT

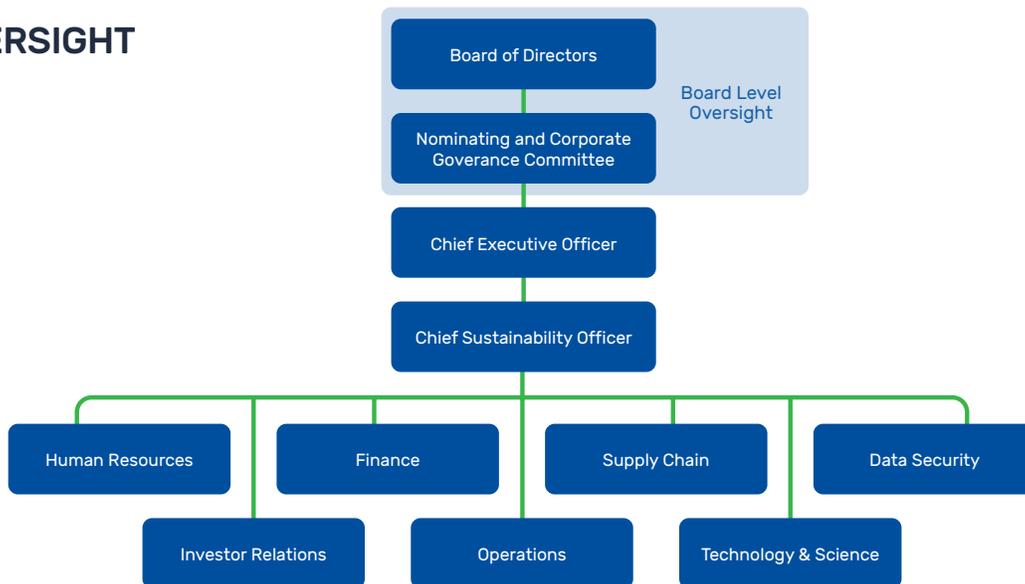
We consider the full lifecycle of our products, from where our inputs are sourced, to the byproducts and impacts during production, to end of life after consumer use.

# GOVERNANCE OF ESG

ESG governance starts with our Board of Directors, a group of seasoned professionals with unique specializations and shared understanding of sustainability and ESG more broadly. Oversight of ESG sits within the Nominating and Corporate Governance Committee of the Board.

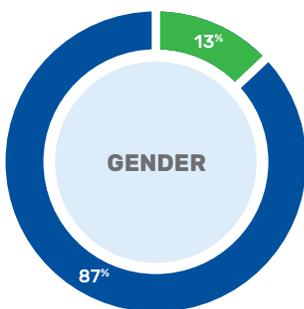
The responsibility for implementing Danimer’s ESG strategy and day-to-day management is held by our Chief Marketing and Sustainability Officer, who reports directly to our CEO. The CSO advises and collaborates with a group of internal subject matter experts from various business functions including HR, Finance, Supply Chain, Data Security, Investor Relations, Operations, and Technology and Science who are actively integrating ESG across the organization and leading relevant ESG initiatives within their functional areas. We also consult with external experts for regular updates on current ESG issues and trends and ensure our ESG strategy aligns with investor and other external stakeholder expectations.

## ESG OVERSIGHT

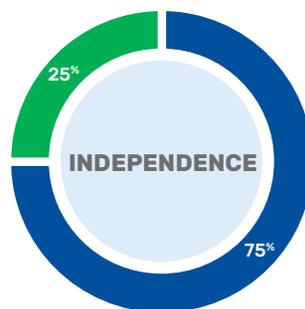


## BOARD DIVERSITY

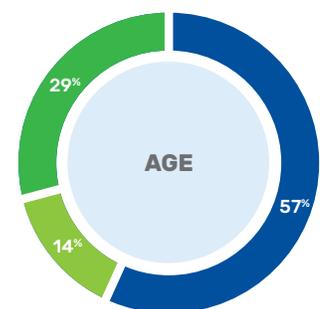
We believe that our eight person Board represents diversity of thought, background, skill, and expertise. For more information on our directors, please see our [annual report](#).



■ MALE ■ FEMALE



■ INDEPENDENT ■ NOT INDEPENDENT



■ 50s ■ 60s ■ 70s

# GOVERNANCE OF ESG

## BUSINESS ETHICS

Operating ethically and with integrity has always been fundamental to Danimer’s identity. Our commitment to honest and ethical conduct is outlined in our [Code of Ethics \(Code\)](#) and is overseen by the Board of Directors. Our Code applies to directors, officers, employees, vendors, consultants, contract workers, and temporary employees. All employees are required to read and understand our Code upon onboarding and to conduct business in accordance with our values. We deploy high-quality, relevant, and timely training on these issues through a consistent and standardized approach which supports compliance training requirements. All inquiries or questions relating to the Code should be done without fear of retaliation or discrimination.

## ETHICAL SELLING PRACTICES AND MARKETING

As a B2B company, we primarily market our products to major consumer packaged-goods companies and manufacturers in the plastics industry seeking to address environmental, public health, renewability, certification, composting, and biodegradability concerns and be responsive to customer perceptions or comply with government regulations.

The marketing of our products and services must be truthful and accurate. False claims about competitors’ products and services are never acceptable. Our distributors and partners are subject to our due diligence process to ensure they meet our standards.

## ANTI-CORRUPTION

As outlined in our [Code of Ethics](#), we comply with the anti-corruption laws of the countries in which we do business, including the U.S. Foreign Corrupt Practices Act. To the extent prohibited by applicable law, directors, officers, and employees will not directly or indirectly give anything of value to government officials, including employees of state-owned enterprises or foreign political candidates. These requirements apply both to our employees and agents, such as third-party sales representatives, no matter where they are doing business.



# GOVERNANCE OF ESG

[Leader Messages](#) [About](#) [Technology](#) [ESG Strategy](#) **[Governance of ESG](#)** [Stakeholder Engagement](#)  
[People](#) [Product](#) [Environment](#) [Appendix](#)

## RISK MANAGEMENT

As a recently public company, we are acutely aware of potential risk factors influencing our business and have addressed them in detail in our public records filed with the U.S. Securities and Exchange Commission, including our Form 10-K, Form 10-Q and Form 8-K. Our executive management team holds weekly meetings to discuss emerging and existing risk factors in each area including operations, sales, and manufacturing. We discuss challenges and opportunities to properly address risk and proactively identify risk factors as they arise. We also have a monthly strategic meeting that includes our broader management team where we conduct scenario analysis, look at the best and worst occurrences that month, and create actionable plans that reflect ways to improve moving forward. The Audit Committee of the Board has oversight for the company's risk management process, including ESG-related risks, and receives periodic updates from executive leadership.

We frequently undergo stress tests and are documenting our processes and controls in all business areas including IT to ensure business continuity. We use the Committee of Sponsoring Organization (COSO) integrated framework to design and implement effective internal controls.

Our priorities include securing strong relationships with our suppliers, and attracting and retaining top talent to meet the demanding needs across manufacturing, technology and innovation.

## DATA SECURITY

Data protection is an essential aspect of our operations. Our Information Security Program consists of a comprehensive set of policies, procedures, and guidelines across standard information security domains. All policies are reviewed and updated at least annually to meet all applicable federal and state regulations.

We work with a third-party expert to address IT related issues and to run tests that verify the security of our network. We communicate our security measures to our employees and train them bi-annually to avoid phishing and other security risks related to cybersecurity.

Vendor data security risk is also continuously monitored by our risk management process. Our IT lead regularly receives updated documentation produced by these reviews. In this documentation, they look for solutions to previously noted deficiencies, and check to ensure no new deficiencies have been discovered. If no concerns are raised, the security risk can then be evaluated for reclassification and re-approval. Critical vendors must meet Danimer's data security requirements or show equivalency in their own policies and management system.



# STAKEHOLDER ENGAGEMENT

The success of our ESG strategy relies on collaboration with, and input from, key stakeholders, including stockholders, employees, suppliers, customers, industry bodies, nongovernmental organizations (NGOs), sector experts and others. Through close regular contact with our stakeholders, we are better able to anticipate emerging trends and challenges and develop innovative solutions.

## CUSTOMERS

Global consumer brands are actively seeking compostable and biodegradable alternatives to traditional plastic products, and this demand is evident in the numerous partnerships Danimer has established. Partners including PepsiCo, Mars Wrigley, Bacardi, Nestlé, WinCup, Eagle Beverages, Columbia Packaging Group, Genpak, Plastic Suppliers, Inc., and UrthPact are currently working with us to produce biodegradable and compostable alternatives to plastic products. Below are a few examples of how we are collaborating to create collective change and advance sustainability in the food-packaging industry.

**“From the start, PepsiCo has taken a holistic approach to our sustainability work. Our first objective is achieving long-term profitability, and that requires sustainable solutions to grow our business while minimizing our environmental impact. Our plan to scale Danimer Scientific’s technology is a step toward achieving both our greenhouse-gas emission reduction and our recoverable and recyclable packaging goals.”**

*Dr. Mehmood Khan,  
 former PepsiCo Vice Chairman  
 and Chief Scientific Officer*



The PepsiCo Positive initiative, which is focused on sustainability in its business operations, includes an industrial compostable bag made with Danimer’s PLA-based resins. This same bag was awarded the 2018 Innovation in Bioplastics Award. We also collaborate on designing, developing, manufacturing, and assessing PHA-based packaging to replace single-use plastic for their snack brands.



# STAKEHOLDER ENGAGEMENT

## MARS

Mars Wrigley is seeking to transform candy packaging to make it more sustainable, starting with developing packaging for Skittles® with Danimer that reliably breaks down in industrial composting facilities and backyard compost units.

**“Collaborating with Danimer to advance this breakthrough technology represents a major step to creating positive societal impact and better environmental outcomes across the full lifecycle of small, flexible packaging.”**

*Alastair Child  
Mars Wrigley VP of Sustainability*



## BACARDI.

Danimer is helping Bacardi, the world's largest family-owned spirits company, make the most sustainable spirits bottle on shelf by 2023. The new 100% biodegradable bottle is expected to replace 80 million plastic bottles – 3,000 tons of plastic – currently produced by Bacardi across its portfolio of brands every year. Petroleum-based plastics used by Bacardi today will be replaced by bioplastics using Danimer's Nodax™ PHA, a biopolymer derived from the natural oil of canola seeds. While a regular plastic bottle takes over 400 years to decompose, the new spirits bottle made from Nodax™ will biodegrade in a wide range of environments, including compost, soil, freshwater, and saltwater.

We are collaborating with Nestlé to design and manufacture bio-based resins for packaging for Nestlé's water business using our PHA biopolymer Nodax™. In 2018, Nestlé announced its commitment to make 100% of its packaging recyclable or reusable by 2025. To achieve this goal, the company has already undertaken several initiatives, including the creation of the Nestlé Institute of Packaging Sciences. The institute is dedicated to the discovery and development of functional, safe and environmentally friendly packaging solutions, including functional paper and biodegradable materials. Danimer is working to help them meet their packaging goals.



# STAKEHOLDER ENGAGEMENT

## INDUSTRY GROUPS

We are proud to be affiliated with the following leading organizations that align with our mission and values:



US Composting Council®



GEORGIA BIO™  
The Life Sciences Partnership



## U.S. PLASTIC PACT

In 2021, Danimer helped launch U.S. Plastic Pact's Roadmap to 2025 and committed to help achieve four targets related to circular economy. We join other stakeholders across the plastics value chain in our shared goal of accelerating progress toward these 2025 targets by inspiring and supporting upstream innovation through coordinated initiatives such as rethinking products, packaging, and business models to transition away from today's take-make-waste model to a circular economy where plastics never become waste.

### Roadmap to 2025 Targets:

- Define a list of packaging to be designated as problematic or unnecessary and take measures to eliminate them by 2025.
- Make 100% of plastic packaging reusable, recyclable, or compostable by 2025.
- By 2025, undertake ambitious actions to effectively recycle or compost 50% of plastic packaging.
- By 2025, ensure the average recycled content or responsibly sourced bio-based content in plastic packaging is a minimum of 30%.

Launched in August 2020, the U.S. Plastics Pact is a consortium led by The Recycling Partnership and World Wildlife Fund (WWF) as part of the Ellen MacArthur Foundation's global Plastics Pact Network, which unites a holistic ecosystem of cross-industry stakeholders behind a common vision and national strategy to address plastic waste at its source by 2025.





# STAKEHOLDER ENGAGEMENT

## UNIVERSITIES

We work with local universities, both in our scientific developments and innovation and as a source for recruitment of top talent.

### University of Georgia Innovation Center

We operate joint specialty labs with our valued partner, The University of Georgia. This collaboration enhances our research and development capabilities, giving us access to unique resources that help us optimize formulas to meet specific customer needs. Specifically, access to state-of-the-art equipment, such as the 900 MHz nuclear magnetic resonance (NMR) spectrometer, has allowed us to create high quality, cutting-edge products more efficiently. Another advantage of this partnership is the access to academic leaders who help contribute to our pipeline of strong talent.

### Southern Regional Technical College Student Training

We developed specialized training for students in the Bainbridge, Georgia community who are interested in becoming future operators. This joint training builds capacity for technical positions in our community and creates a pipeline for jobs in our expanded facility in Bainbridge. Headquartered in Bainbridge for over a decade, we currently employ more than 100 people in southwest Georgia and plan to hire many more in production, maintenance, and management over time.

### University of Minnesota Forever Green Initiative

Starting in July 2021, we have partnered with the University of Minnesota's Forever Green Initiative to research the potential for using pennycress oil to produce our Nodax® biopolymer. The project will help determine whether pennycress oil can serve as a viable feedstock to supplement Danimer's current use of canola oil. Researchers will also compare pennycress oil sourced from wildtype seeds with plants domesticated as winter cover crops. Research results will guide the development of commercial models for using pennycress oil to produce PHA-based resins for biodegradable drinking straws, cutlery, packaging, and other products.

**“We are excited about the potential of pennycress oil for our manufacturing process. Our partners at the Forever Green Initiative are the leading experts on this crop, and we are grateful to have their knowledge and expertise on this project. This ultimately will help us further our mission of reducing the impacts of plastics waste with renewable and biodegradable alternatives.”**

*Phil Van Trump,  
Danimer Scientific Chief Science  
and Technology Officer*

# PEOPLE

We could not be prouder of our growing team as Danimer expands its operations in Georgia, Kentucky, and New York. Because of the diverse needs of our company, we employ a wide range of professionals from operators to microbiologists. We draw people from all backgrounds who share our concern for the environment and are committed to our collective mission to provide sustainable biopolymer solutions to address plastic pollution through innovative technologies. Unlike our competitors, we are also producing and hiring at the source of great talent in rural and less developed areas of the U.S. rather than large urban centers. We find this provides symbiotic benefits, such as revitalizing and providing economic opportunity in rural geographies, while allowing us proximity to our suppliers, cost savings and close relationships with the community.

## DIVERSITY, EQUITY, AND INCLUSION

A critical part of our recruiting strategy is partnering with colleges and universities to create awareness of career opportunities in our field and develop a strong pipeline of early career professionals, particularly for women and other underrepresented groups in science and engineering. In 2021, 50% of our new hires in engineering were women, a precedent that will inform future hiring practices. We are further exploring ways to expand our diverse candidate pool by evaluating partners that support recruitment of underrepresented groups. While recruitment is our greatest focus for DEI currently, we intend to deepen our efforts through training, mentorship, and career development opportunities as we scale.

### Demographic Breakdown\*

GENDER	PERCENTAGE
Women	21%
Male	78%
Not Disclosed	1%
<b>TOTAL</b>	<b>100%</b>

RACE/ETHNICITY	PERCENTAGE
White	85%
African American	6%
Hispanic	5%
Asian	2%
Two or More Races	2%
<b>TOTAL</b>	<b>100%</b>

ROLE	PERCENTAGE
Senior Leadership	7%
Administrative	7%
Operations / Technicians	45%
Engineering / Technology	41%
<b>TOTAL</b>	<b>100%</b>

\*Data as of December 2021 and includes 289 total employees

## EMPLOYEE ENGAGEMENT AND TRAINING

At Danimer, we aim to foster a fulfilling and positive work experience. We offer competitive salaries and benefits to both full time employees and contractors. Our benefits package includes health insurance, life insurance, long term disability, 401k matching, employee stock options, paid vacation, and paid time off.

Education and continuous learning are particularly important in our dynamic and evolving industry. We encourage our employees to pursue professional development and relevant training opportunities. Our team members are eligible for reimbursement of professional certifications, training, and courses relevant to their role.

While restrictions related to the COVID-19 pandemic have hindered regular team-building activities, we support opportunities that will bring our team members together both virtually and in-person when safety allows. We host regular lunch and learn sessions and team-building events that foster employee engagement and collaboration.

We have a robust leadership development program that takes place annually. Managers across the organization select strong candidates who will have access to mentoring and coaching opportunities. They receive leadership training and have personal meetings with our executive leadership team to influence the company's forward-looking strategy and development based on insights from their roles and day-to-day responsibilities.

## HEALTH AND SAFETY

### Pandemic Response

The COVID-19 pandemic has proven how critical the well-being of our employees is to the health of our economy. Following the outbreak of the COVID-19 pandemic, we acted quickly to ensure that our employees were safe. We created business continuity plans and took health and safety precautions in accordance with CDC guidelines. Non-essential workers were all instructed to work from home, and necessary equipment distribution and accommodations were made to enable them to do so. At our plants, production teams were supported with prepared lunches, social-distancing guides, access to regular testing, and paid time off for anyone who had COVID symptoms or family members with COVID-19. We also gave every employee paid time off to receive their vaccines and set up a vaccination clinic at the plant as an incentive and to provide accessibility. We continue to monitor how COVID-19 impacts our employees and our business and the pandemic response has been embedded in our regular safety and compliance audit.





# PEOPLE

## Occupational Health and Safety

More broadly, every employee must complete a health and safety training upon onboarding, including occupational health and safety, emergency preparedness and well-being. We also offer monthly safety training on various topics through our internal learning platform for all employees.

In our operations facilities, we take extra precautions with our team members who undergo job-specific trainings covering topics such as personal protective equipment (PPE) and chemical safety. There is also task-based and specialized training for technicians and operators. For the safety of our workforce, we keep a robust and updated management of change process that includes multi-step approvals for decisions that could impact the safety of our workforce alongside other potential risks. To date, there have been zero incidents regarding process safety.

Compared to other manufacturing processes, our process is primarily bio-based with fermentation, which has a comparatively higher level of safety. For example, our fermentation process relies on water at room temperature and normal atmospheric pressure. The process is also mostly naturally occurring and automated, so employees are not typically required to operate heavy machinery.

Even so, we have a Hazard Assessment Program for our teams on the ground to understand how to safely use each component, minimize employee exposure to risk, and eliminate possible externalities on the environment. When looking at alternative materials, we use the hazard profile to evaluate potential health and safety risks and determine whether to make the switch.

## COMMUNITY AND ECONOMIC DEVELOPMENT

We are intentional about our support of economic development in the community and take our role as a primary employer in the cities where we live and operate seriously. Based out of Bainbridge, Georgia, Winchester, Kentucky, and Rochester, New York, Danimer has a significant role to play in not only in finding a cost-effective and environmentally sound alternative to petroleum-based plastic, but also revitalizing rural America. By way of building and operating state-of-the-art facilities in these two locations, Danimer has created direct employment in a range of jobs and directly supported parallel industries such as construction, plumbing, and electricity.

Our community came together showing immense support for those struggling because of COVID-19. On several occasions, we supplied food to healthcare workers, distributed goods to community members, and shared resources for our fellow employees needing guidance and support.

In line with our business strategy, we also facilitate awareness and education around alternative plastics and the global crisis of plastic pollution. For example, we periodically work with the Kentucky River Clean Up to remove plastic and waste. We also host tours and talks to students in our community to inspire them to move into careers that will help make the world more sustainable for generations to come.

We are currently working on formalizing a community engagement strategy and plan on disclosing metrics around our social impact in future reporting.

# PRODUCT

For more than a decade, Danimer Scientific has been helping to create a cleaner world and a healthier global product marketplace. As an innovative leader in the biotechnology industry, we were founded on the belief that most plastic products intended for short-term use should be manufactured with biodegradable polymers. All of our products undergo extensive review and third-party verification to ensure we are meeting the utmost customer expectations and regulatory requirements. When products involve food safety, there is an additional review process to ensure compliance and zero harm in various extreme conditions.

## SUPPLY CHAIN RESPONSIBILITY

Our suppliers are our partners and a key input to achieving innovation and success with our customers. We source from suppliers who align with our values of quality, collaboration, and sustainability. Therefore, we aim to work with a smaller number of suppliers that are committed to our long-term vision and journey toward replacing traditional single-use plastics.

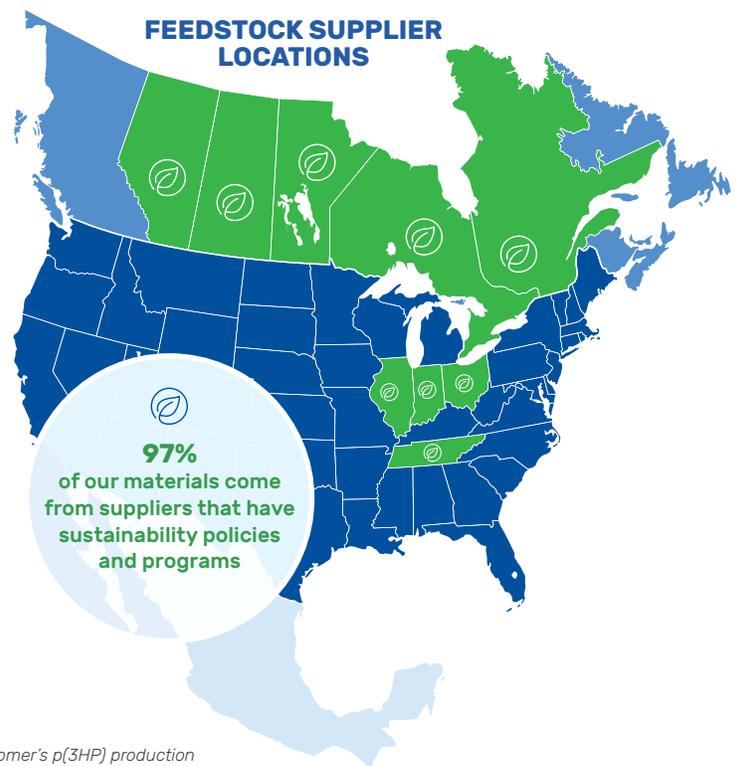
In our business relationship, our suppliers agree to comply with our Supplier Code of Conduct which outlines supplier expectations for ethics, environmental management, labor practices and safety. We select our suppliers carefully and consider ESG factors such as geographic location and various other risk factors. We follow the largest U.S. trade preference program, Generalized System of Preferences (GSP), to inform the best trading partners for our business.

Our primary suppliers produce feedstock for our fermentation process. The majority of our supplier spend is allocated to sourcing vegetable and plant-based oils, the largest ingredient in the production of PHA. We rely mostly on canola oil, which has a lower carbon footprint than other oils in the market. We are always looking for sustainable inputs for our technology, and are considering expanding the use of high-oleic soybeans and distillers corn oil (a byproduct of ethanol production) from the U.S. that provide increased functionality and improved shelf life for applications across the food and manufacturing industries.

In 2021, 100% of our feedstock suppliers operate in North America. The map below shows further detail on the supplier locations providing our feedstock as of September, 2021. We are continuously exploring feedstock options that are local, sustainable, and viable for our production process.

Our suppliers primarily are mature companies that have robust internal sustainability management systems, policies, and programs to protect their farmers, land, and the environment. Over 97% of our materials come from suppliers that have sustainability policies and programs.

In our supply chain, sustainability and efficiency go hand in hand. Our engineers try to reduce the total number of materials in the production of PHA and drive out materials that may have better alternatives.



Map does not reflect potential suppliers for Novomer's p(3HP) production

## PACKAGING AND DELIVERY

Danimer operates B2B; therefore, packaging and shipping for our product is designed to be intentionally practical for transportation and able to be re-used and recycled. We package PHA pellets in pallets made up of over 80% recycled materials and absent of labeling or branding to allow for easy re-use or recycling by our customers.

Our customers' sustainability goals are the primary drivers of our packaging and logistics decisions. We share a common interest in developing the most sustainable packaging solutions and collectively work towards a more circular economy.

## PRODUCT END-OF-LIFE

We improve our designs and processes to be more sustainable and efficient while still creating opportunities for revenue and cost savings. We are always seeking circular opportunities; for example, where we have excess feedstock, we can sell this material back to biofuel companies to use as an input in their production process.

Our greatest challenge and strength is the ability to make products and packaging with targeted durability. We want all end products to fulfill their function while biodegrading quickly. Our products focus on practical performance on an industrial scale. PHA's physical properties make it able to perform while still meeting our customers sustainability preferences of a short end-of-life. It is also highly customizable.

We work to achieve several end-of-life scenarios, such as managed composting, industrial composting, and marine biodegradability. We can consider the factors for these different scenarios in the design of the product and as a result shorten or reduce the time frame in which some products biodegrade over others. As a consumer, you would not want your plate to fall apart as you are using it, so a plate may take longer to biodegrade than a thin film coating on a paper straw. Our goal is always making our products highly customizable without compromising performance.



# ENVIRONMENT

Danimer is a pioneer in creating more sustainable, more natural ways to make plastic products. For more than a decade, its renewable and sustainable biopolymers have helped create bioplastic products that are biodegradable and compostable and return to nature instead of polluting our lands and waters.

## CLIMATE RISK

Heightened awareness of climate change and resource depletion is highlighting the value our sustainable solutions deliver. We monitor the increasing risks associated with a warming climate. Although we have not identified any acute short-term or significant medium-term (one to five years) risks to our business related to climate change, there are some risks that our company might be exposed to in the future. The most relevant physical climate risks for Danimer relate to the increased severity of extreme weather events and potential supply-chain disruptions if key suppliers are adversely impacted by climate change. One of the ways in which we are addressing future supply chain risk is diversifying the type of feedstock we source in anticipation of future climate-related issues with farming. Key transitional risks also come from potential government regulation and shifts in consumer preferences. We are committed to early action in anticipation of these risks to limit potential impacts.

Due to the nature of our business, there are also business opportunities related to climate change since regulation and consumer preferences for alternative plastics can fuel our innovation. We are proud to develop products that help our customers reduce their own environmental impact across the value chain.

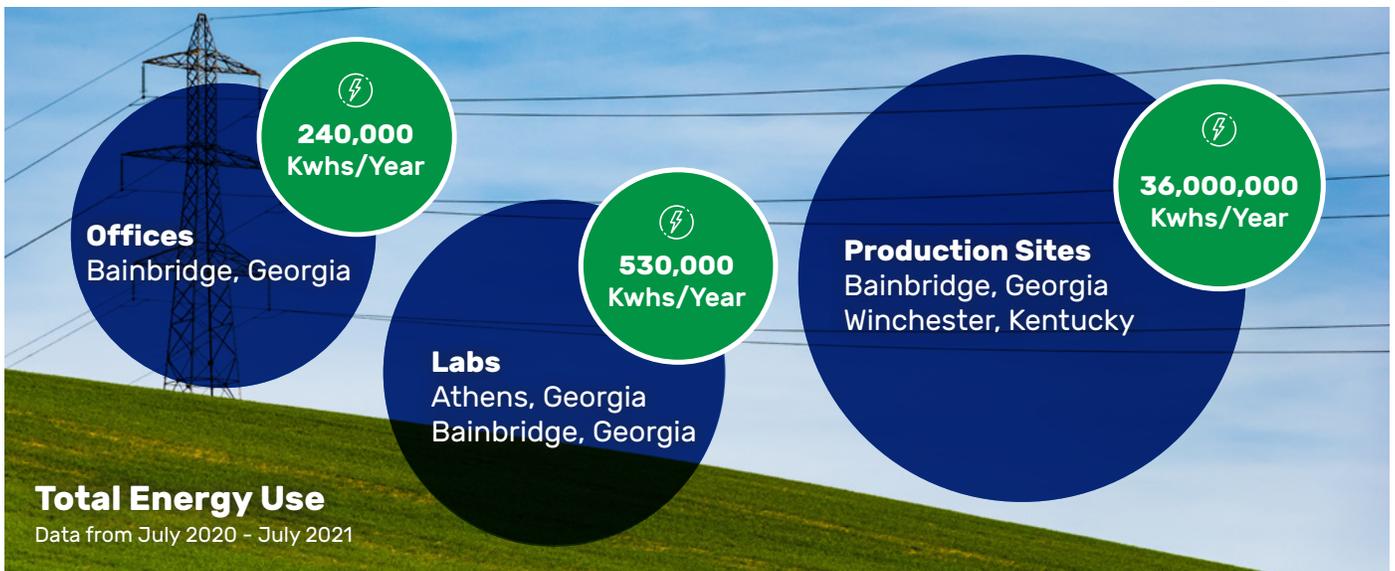
## ENERGY MANAGEMENT

We are committed to reducing our impact, not only with our packaging solutions but also in our own operations. We currently rely on local utility companies to direct the source of our electricity and water. Our local energy company in Georgia plans to source over 40% of its energy from renewables, which would in turn help our operational footprint. As we build out new facilities, we are pursuing energy efficient solutions and designs to optimize resources and reduce water and waste.



**Our local energy company in Georgia has plans to source over 40% from renewable energy**

We are currently undergoing a comprehensive lifecycle assessment to understand our total emissions and intensity along the value chain. We plan to disclose the metrics related to our findings in future reporting.



# APPENDIX

## SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)

The table below references relevant sections of the report and other sources of disclosure that align with the Sustainability and Accounting Standards Board topics most relevant to our company. We are aligning to industry guidelines that relate to our business model, including, but not limited to, chemicals, agricultural production, alcoholic beverages, and biofuels.

TOPIC	ACCOUNTING METRIC	REFERENCE IN ESG REPORT
<b>Energy Management</b>	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	<a href="#">Energy Management</a>
<b>Physical Impacts of Climate Change</b>	Description of policies and practices to address the physical risks due to an increased frequency and intensity of extreme weather events	<a href="#">Climate Risk</a>
<b>Packaging Lifecycle Management</b>	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	<a href="#">Packaging</a>
<b>Environmental &amp; Social Impacts of Ingredient Supply Chain</b>	Discussion of strategy to manage environmental and social risks arising from contract growing and commodity sourcing	<a href="#">Supply Chain Responsibility</a>
<b>Community Relations</b>	Discussion of engagement processes to manage risks and opportunities associated with community interests	<a href="#">Community and Economic Development</a>
<b>Workforce Health &amp; Safety</b>	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to chronic health risks	<a href="#">Health and Safety</a>
<b>Product Design for Use-phase Efficiency</b>	Revenue from products designed for use-phase resource efficiency	100% of revenue comes from products designed for use-phase resource efficiency
<b>Safety &amp; Environmental Stewardship of Chemicals</b>	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact	<a href="#">Health and Safety</a>
<b>Genetically Modified Organisms &amp; Management</b>	Percentage of products by revenue that contain genetically modified organisms (GMOs)	100% of feedstock is currently genetically modified
<b>Ingredient Sourcing</b>	Identification of principal crops and description of risks and opportunities presented by climate change	<a href="#">Supply Chain Responsibility</a> <a href="#">Climate Risk</a>