

Aspen Aerogels, Inc.

*Environmental & Sustainability
Policy*

ENVIRONMENTAL & SUSTAINABILITY POLICY

Aspen Aerogels, Inc. and its subsidiaries (“Aspen” or the “Company”) are committed to operating in an environmentally conscious, sustainable manner, prioritizing the well-being of our employees, our key stakeholders, the communities in which we operate, and ultimately, our planet. We are committed to being a leader in sustainability and environmental stewardship, supporting resource conservation, complying with applicable environmental regulations and requirements, and protecting the health and welfare of our stakeholders across all of our locations. Aspen’s environmental and sustainability programs function to ensure the well-being of our employees and to limit our impact on the environments in which we operate and in which our products are utilized.

SCOPE

This policy sets forth the Company’s enduring commitment to operating its business in an environmentally sound, climate-conscious manner, and its expectations regarding adherence to all applicable environmental regulations and requirements. Further, this policy articulates the Company’s commitment to consistently advance its sustainability goals year over year, with the objective of achieving carbon neutrality by 2035 in our Scope 1 and Scope 2 emissions. This policy applies to all Company operations, locations, personnel, activities and products.

ENVIRONMENTAL PROGRAM FRAMEWORK

Environmentally Conscious Operations

Aspen is committed to being a steward of the environment. This path includes continued adherence to all environmental regulatory compliance obligations as well as a focused integration of comprehensive, measurable sustainability programs and initiatives across the organization. We aim to do this in a number of ways, including:

- Routinely assessing and quantifying environmental risk such that we can take decisive actions to effectively minimize any adverse environmental impacts of our operations, products and activities;
- Conducting internal and third-party assessments to evaluate our conformance to both our own requirements as well as those of our external stakeholders;
- Using standard methodologies and processes to evaluate our chemicals and materials in the development stage for their potential impact to the environment;
- Actively seeking and implementing alternative materials and less hazardous chemical solutions for those substances with potentially adverse impacts;
- Manufacturing new products that generate less hazardous waste, yield less air pollutants and require less water use on a daily basis;
- Optimizing energy use to reduce our reliance on fossil fuels and reduce our greenhouse gas (“GHG”) emissions in alignment with a 1.5° transition pathway;

- Implementing additional monitoring and measuring technologies such that we can deploy additional grey waters into our operations;
- Installing systems into our manufacturing operations that will allow us to shift away from fossil fuel reliance in favor of recaptured materials;
- Executing product lifecycle analyses such that product and/or material reclamation or reconstitution efforts are deployed;
- Establishing and monitoring our progress and growth through key performance indicators (including, by way of example, Scope 1 and Scope 2 emissions, equipment hours, actual energy to predicted energy usage, etc.) that require continuous year-over-year improvement;
- Deploying a variety of performance measurement and productivity optimization tools (including, by way of example, the Company’s ongoing use of the Energy SENSEI platform, managed by Cascade Energy) to ensure employee awareness, ownership, accountability, and engagement across our sustainability programs and initiatives;
- Maintaining our ISO 14001 certification, expanding this certification to other manufacturing locations as they become operational, and working toward ISO 45001 accreditation;
- Periodic reporting concerning our environmental programs and initiatives to the Company’s executive management, Board of Directors, and in “all-employee” town hall meetings; and
- Fostering collaborative efforts to expand environmental awareness among our employees and the communities in which we operate.

ENVIRONMENTAL REGULATORY COMPLIANCE

Aspen’s commitment to compliance with all applicable environmental laws, regulations and standards is one of the fundamental pillars driving our sustainability journey. The Company has developed and implemented various environmental policies, procedures, and programs; an internal audit and inspection system; routine employee training; and a compliance tracking matrix to ensure ongoing compliance with applicable regulatory obligations. Our Environmental Management System (“EMS”) likewise affords tools to assist the Company in satisfying its regulatory compliance requirements.

The Company’s relevant environmental programs include:

- Air Pollution Prevention and Management and Control: This program was developed and implemented with the primary goals of maintaining and sustaining compliance with all issued air permits and reducing the release of emissions into the environment. In addition, when new equipment, processes or chemicals are considered for introduction into a facility, a review for potential emissions is conducted.
- Water Pollution Prevention Management and Control: This program was designed to be comprehensive in its management of all potential impacts regarding surface, ground and navigable waters. The Company’s program on water pollution prevention includes stormwater, wastewater and oil spill management and control, with each location having its own site-specific plans. The key objectives of this program are permit compliance, resource conservation, and environmental impact minimization.

- **Hazardous Waste Management and Control:** Though not exclusive to regulated (hazardous) waste activities, this program was developed and implemented to ensure that each aspect of waste – including its generation, handling, storage, transportation, and disposal – is continually reassessed for proper management and control. In addition to this focus on compliance with all federal and local requirements, the Company’s program on waste is also rooted in the ongoing search for opportunities to decrease the overall hazards and volumes of waste produced, thereby minimizing the amount of waste generated.

SUSTAINABILITY

At Aspen, we recognize that we operate in a world with ecological thresholds and sustainability imperatives. Systemic degradation of air, water, soil and biodiversity poses existential threats to humanity, exacerbates poverty and inequality, and weakens the global economy. In developing our sustainability strategy, we are guided by scientific research on planetary boundaries, such as the United Nations Intergovernmental Panel on Climate Change (“IPCC”), to help us understand the broader context of our environmental responsibilities and what our “fair share” of impact looks like.

Aspen is committed to being part of the solution in the transition to a net-zero emissions economy. The foundation of that commitment is a forthright and honest reckoning with our current environmental impacts. It also means being transparent about the progress we are making on our sustainability journey.

The Company has established the following sustainability goals and objectives to guide us toward achieving carbon neutrality by 2035 in our Scope 1 and Scope 2 emissions:

- **Carbon and Climate:** While we have tracked and analyzed selected emissions data related to our primary manufacturing facility, we have not yet undertaken a comprehensive greenhouse gas (“GHG”) inventory. We are committed to completing that analysis by 2024, guided by incrementally developed goals that are aligned with science-based targets.
- **Buildings and Infrastructure:** As Aspen continues to grow, we are committed to ensuring that our physical facilities consider environmental impact. Our priorities include a focus on natural resource efficiency, alternative and renewable energy sources, and electrification.
- **Water:** We are cognizant of our responsibility to be good stewards of water wherever we operate, and especially in areas of high baseline water stress. Our priorities include water conservation, the reuse of water whenever possible, spill prevention, and stormwater and pollution prevention.
- **Materials Management:** We recognize the need for a lifecycle approach to materials management, from designing new products and technologies with environmental impact in mind, through the development and implementation of green manufacturing processes, to end-of-life impacts. We are committed to identifying and implementing programs and processes that will move us toward a zero waste, circular value chain.
- **Products:** A decarbonized economy will require the electrification of all forms of transport, and Aspen’s innovative technology has an important role to play in extending the useful lifespan of electric vehicle (“EV”) batteries.

GENERAL GUIDELINES AND EXPECTATIONS

All Aspen employees must attest to compliance with the Company’s Code of Business Conduct and Ethics (“Code of Conduct”), thereby indicating that the employee understands and agrees to adhere to all applicable Aspen policies and procedures. The Company may verify compliance with this policy through various methods, including but not limited to periodic walk-throughs, video monitoring, business tool reports, internal and external audits, and feedback to the policy owner.

Failure to comply with this policy may result in disciplinary action, up to and including termination, as outlined in the Code of Conduct. Actions which may violate this policy may also expose the individual in violation to fines, penalties and/or third-party damages for which the individual may be held personally liable.

Revision History

VERSION	STATUS	REASON FOR CHANGE	DATE
V 1.0	Initial Adoption & Publication	New Policy Issuance	July 27, 2022 (approved by Aspen executive management)

Policy Owner (Department): Operations & Strategic Development

Related Company Policies

- Code of Business Conduct and Ethics