



2022 Sustainability Report





OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE

APPENDIX

OVERVIEW

- A message from our President and CEO, JP Aucoin
- About Bakelite Synthetics
- About this Report
- Our Sustainability Aspirations: strategy and focus areas

OUR SUSTAINABILITY APPROACH

- Stakeholder Engagement
- Sustainability Materiality Assessment
- Our 2030 Sustainability Goals
- Supply Chain Sustainability

ENVIRONMENTAL IMPACT

- Environmental Management Systems
- Energy and Emissions: energy efficiency and sourcing renewable energy
- Water Quality and Wastewater: responsible water consumption, water use, and effluent
- Residuals and Waste Management
- Materials and Innovation
- Recycled Content
- Compliance and Certifications

SOCIAL IMPACT

- Occupational Health and Safety
- Employee Health and Well-being
- Employment
- Human Capital Development: advancing careers, talent recruitment, and retention
- Diversity, Equity, and Inclusion
- Community Engagement

GOVERNANCE

- Corporate Governance: Board leadership and ESG governance
- Ethics and Code of Conduct: anti-corruption and human rights
- Supplier Relations
- Risk Management
- Data Privacy and Compliance
- Looking Ahead: Next Steps in 2023 and Beyond

APPENDIX

- 2022 GHG Inventory
- Global Reporting Initiative (GRI) Content Index
- Forward Looking Statements



OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE

APPENDIX

Overview





OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE

APPENDIX

A Message from our President and CEO, JP Aucoin

I have never been more proud to be part of Bakelite Synthetics. From new ownership to our recent acquisition of Georgia-Pacific Chemicals, we are seizing opportunities to grow. We are seeking to embed sustainability in everything we do, from creating sustainable products and technologies to advancing our corporate culture that emphasizes safety, operational excellence, and continuous improvement. That is who we are, and our sustainability strategy is a natural extension of our 100-year legacy of innovation to profitably produce infinite solutions that make life better for you and the planet.



We have achieved many milestones in 2022 that have helped us become a more sustainable, resilient company, from establishing our baseline greenhouse gas inventories, to laying the foundational work to publish this inaugural report on Bakelite's sustainability journey. Our efforts have aligned with the sustainability criteria set forth by the United Nations (UN), and we are proud to be a participating member in the UN Global Compact.

Another important development is that we have joined the American Chemistry Council (ACC)

and its Responsible Care® program. As a member of the Responsible Care® program, we will be working alongside industry leaders to enhance our sustainability practices and improve our environmental performance. We are confident that our membership in the ACC and participation in the Responsible Care® program will enable us to make even greater strides toward achieving our sustainability goals.

We are also proud of our dedication to making a positive impact in the social domain, with our employees at the core of our focus. Social impact is a key component in our success. We are dedicated to our employees' well-being and safety, and proud to have a safety performance ranking in the top quartile of American Chemistry Council (ACC) peer companies in 2022. To further support our employees, we expanded parental leave benefits in the U.S. in 2022. Our employees are at the heart of our business and have a strong voice in shaping the future of Bakelite. We encourage them to put their fingerprints on our business and join us in making a difference, not just for our company but also in the communities where they live and work.

In our unwavering commitment to remain at the forefront of sustainability in the industry, we have established a new executive role and an ESG Advisory Committee dedicated to driving

our sustainability initiatives. We know that our dedication to sustainability will help us become a stronger company while also making a positive impact on our planet.

At Bakelite Synthetics, our products touch lives daily, and we are committed to becoming a stronger company while contributing to the betterment of our planet. Together with our Executive Leadership Team, I am proud to share our sustainability journey with you as a key element in Bakelite's strategy and as a leader in our industry.

JP Aucoin
President and CEO,
Bakelite Synthetics





OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE

APPENDIX

About Bakelite Synthetics

**We are Bakelite –
the next generation!**

We are a company with over a century of experience in innovative solutions, driven by infinite curiosity and a passion for harnessing the power of innovation to create a safer, cleaner, and better world. From the beginning, Bakelite Synthetics has been dedicated to exploring the endless possibilities that science has to offer, resulting in countless transformative breakthroughs.

Our abundant curiosity propels us to discover the next generation of innovations that will improve our lives and our planet.

As a market leader in Europe and the Americas, our globally recognized Bakelite Synthetics brand is synonymous with technology, quality, and service.

We are utilizing chemistry in ways that not only enhance the products and materials we use daily, but to promote sustainability and minimize environmental impact.



Our mission is embracing our 100-year legacy of innovation to profitably deliver solutions that improve conditions for our customers and the planet.

From making homes sturdier and safer to driving the future of transportation from electric cars to space travel – we believe in the infinite potential for solutions in collaboration with our global partners.



OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE

APPENDIX



Our diverse global product portfolio includes cutting edge technology supporting the building materials, transportation, industrial, and chemical intermediates applications. Our chemistries enable customers to meet their product performance goals and enhance process efficiency across our key product lines of phenolic, amino, melamine, and formaldehyde. Our products focus on attributes such as fire resistance, durability, strength, lightweighting, and sustainable properties. In addition, our expanded global footprint ensures proximity to our customers.





OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE

APPENDIX

About this Report

This report outlines the most significant environmental, social and governance operations and activities of Bakelite Synthetics for the calendar year 2022 and key sustainability initiatives for 2023. Our objective is to ensure transparency in our management and measurement of progress towards meeting our sustainability objectives and fulfilling stakeholder expectations. This report also contains forward-looking and aspirational statements regarding targets, plans, strategies, and objectives.

The content was guided by our ESG materiality assessment in 2022, which identified topics that are important to both our stakeholders and the sustainable growth of our business. The report was prepared *with reference* to the Global Reporting Initiative (GRI) and the UN Sustainable Development Goals (SDGs).

Bakelite Synthetics contracted WAP Sustainability Consulting to provide limited assurance over its GHG emissions data for 2022, covering Scope 1, Scope 2, and Scope 3 emissions. The verification was conducted in accordance with ISO 14064-3:2019 and aligned with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, to ensure accuracy, reliability, and objectivity of the data.





OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE

APPENDIX

Our Sustainability Aspirations: strategy and focus areas

We believe in continuous improvement and have a longstanding history of viewing our work with a critical lens and striving to get better every day. It's simply part of our DNA. This mindset extends to sustainability, which is not just a strategy or initiative, but a core part of our identity and purpose. Our commitment to sustainability is reflected in various aspects of our operations, including:



Minimizing Carbon Footprint



Reducing waste



Reusing materials



Innovating new products with bio-renewable and recycled materials

We are driving numerous initiatives in environmental stewardship, people and safety, and product innovation. These range from harnessing steam generated from our processes to generate electricity, to collaborating with customers to incorporate bio-renewable raw materials into our products. Through bold initiatives and goals, we seek to unite and inspire as we strive towards creating a more sustainable world.



future based **thinkers**

We are developing targets that inspire us and others to create a more sustainable way of working.

Our sustainability aspirations are also directly connected with Bakelite's Core Values:

WE DO THE RIGHT THING.

We say what we mean and we do what we say. Everything starts with integrity and working ethically.

WE LIVE "SAFETY FIRST".

It's personal, and each of us is accountable. Our work is never more important or urgent than performing it safely. We stand for sustainability and the elimination of all environmental, health, and safety incidents.

WE CREATE VALUE.

For our customers, associates, vendors, community, and shareholders. We use ingenuity to overcome obstacles and have a bias towards action.

WE BUILD TRUST.

It unleashes our individual and collective strengths to work collaboratively and in a boundaryless way. We own our results, and we commit to the good of the whole.



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE

APPENDIX

Our Sustainability Approach



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE

APPENDIX



Our journey towards shaping a more sustainable future started with the recognition that driving a healthy business and more sustainable practices go hand in hand.

Our commitment to shaping a more sustainable future is rooted in our awareness of the environmental impacts of our operations and the role we play in developing environmentally responsible technologies.

We have taken steps towards this goal by establishing our environmental impact baselines through comprehensive research and measurements. By doing so, we have been able to set meaningful goals and strategies for reducing our greenhouse gas (GHG) emissions, waste, water impacts, and more.

We believe that achieving our sustainability objectives requires a continuous cycle of reflection and improvement, and we are committed to working with stakeholders to ensure that we meet and even exceed our sustainability goals.

“We have never been better than when we innovate under design constraints. Being a strong, profitable company; ensuring that Bakelite is a place where our associates are excited to come to work; pursuing healthy solutions for our customers, our supply chain partners, our planet - we’re up for the challenge. It’s what excites us and fuels our passion.”

Andrea Croslyn
EVP, Business Process and Sustainability



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE

APPENDIX

Stakeholder Engagement

Bakelite Synthetics is committed to proactively addressing pressing sustainability topics for our stakeholders. This involves engaging in ongoing dialogue with a diverse range of stakeholders to evaluate the relevance of sustainability issues, identify areas for improvement, and keep them informed of our progress.

Shareholders: Our shareholders are valued partners in our journey, and we are proud of the strong relationship we have built with them. Through ongoing collaboration and open communication, we work together to achieve shared goals and drive the long-term success of our company. We remain fully committed to nurturing this partnership and continuing to strengthen our bonds of trust and transparency.

Customers: We work with our customers to innovate the products they need to be successful, including products with sustainable attributes. In addition, we are committed to managing our own sustainability impacts and reducing our carbon footprint, and by doing so, we not only reduce our own environmental impact but also enable our customers to do the same.

Community: We embrace our local communities and support them as an important part of our mission. As part of our charitable initiatives, we lend our support to numerous organizations across the globe, such as the Balthasar Children’s Hospice in Olpe, Germany, and the Bernardita Serrano Children’s Home in San Pedro de la Paz, Concepción, Chile. As a part of our global outreach, we volunteer at local charities in the communities where we live and work. We are also engaged with our industrial neighbors in matters of shared resources and other areas of infrastructure collaboration.

Suppliers: We work with both our direct and indirect suppliers on sustainability topics on many different levels. One area is our Supplier Code of Conduct which includes topics such as: Ethics

and Compliance with Laws; Human Rights; Environmental, Health, and Safety; Intellectual Property and Information Protection; and Trade Controls and Customs Compliance. We also encourage suppliers and third parties to report a concern confidentially via phone or [website portal](#).

Employees: Our employees are the core of Bakelite’s safety culture, drive for continuous improvement, and spirit of innovation. Their well-being is crucial and we support our organization through employee wellness programs, training, and development programs. We also offer a global mental health campaign, expanded parental leave benefits in the U.S, and travel safety programs. We deeply value diversity and inclusion at our company, which is why we are laying the foundations for an employee resource group for Bakelite women, which will be composed of professional women who work together to create community and enhance career and personal growth.

Bakelite Synthetics has successfully integrated sustainability considerations into many of our business practices and policies across our operations and supply chain through collaboration with our customers, community, employees, and suppliers. By working together, we can create a positive impact on the world.





OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE

APPENDIX

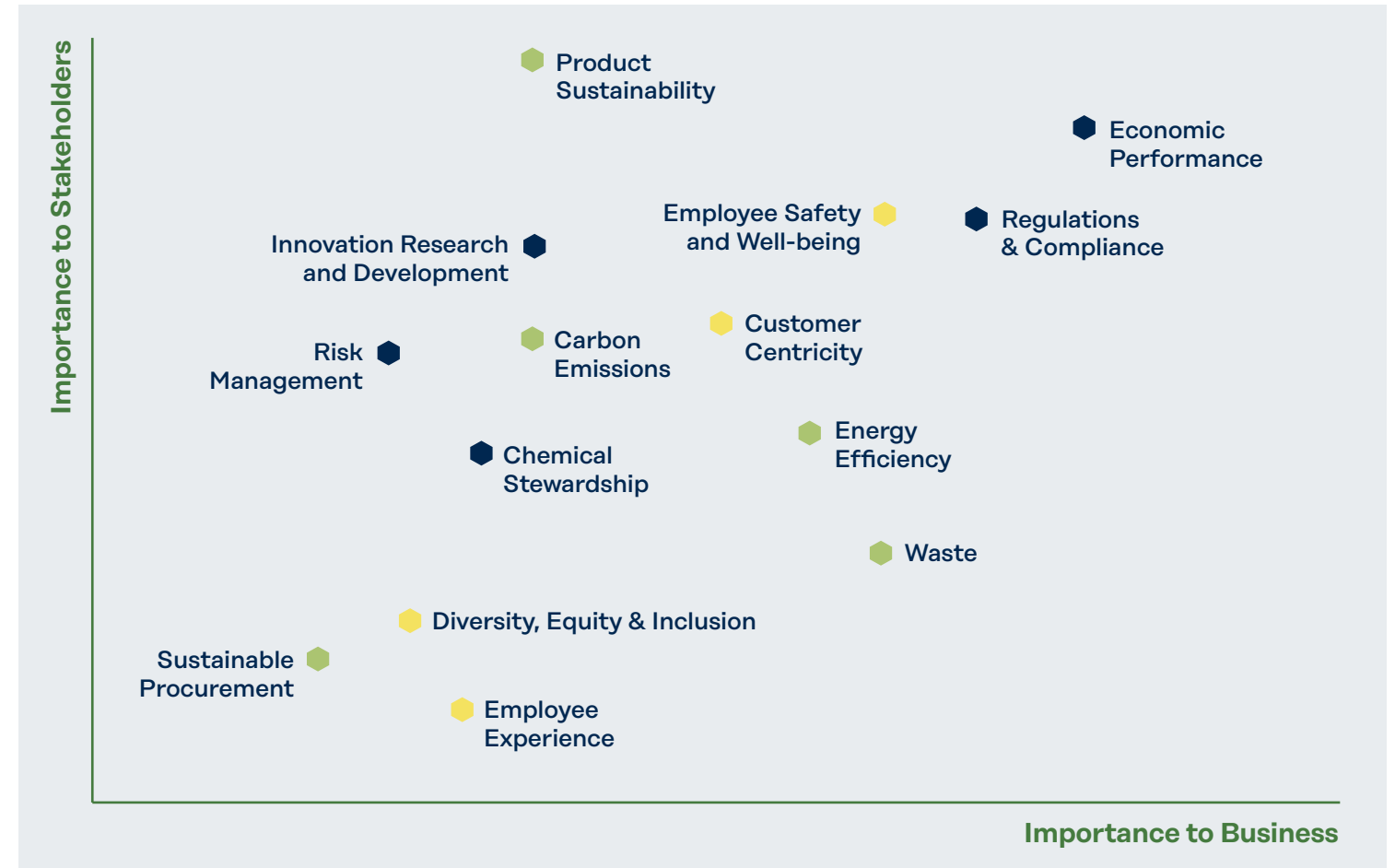
Sustainability Materiality Assessment

We engage our stakeholders on sustainability topics via our ESG materiality assessment. In 2022, we conducted our materiality assessment to identify and prioritize our activities and to inform our corporate strategy and ESG reporting, guided by the Global Reporting Initiative (GRI) Reporting Principles.

In 2022, we utilized GRI's materiality definition to identify and evaluate priority topics across our value chain. These topics are significant to our stakeholders, align with our purpose to advance humanity through technology, and are relevant to our business. Our evaluation considered industry trends, ESG best practices and standards, risk assessment results, and benchmarking of peers and industry leaders to determine their relative importance and potential risks and opportunities for Bakelite Synthetics.

Our ESG Advisory Committee, comprised of Bakelite Synthetics leaders overseeing our strategy under the guidance of our Board of Directors, reviewed the assessment results and informed updates to our sustainability strategy. We will continue to assess and refresh our strategy regularly to ensure that we are meeting the expectations of our stakeholders and making a positive impact on the planet and communities.

WE HAVE IDENTIFIED THE FOLLOWING TOPICS AS SIGNIFICANT TO OUR BUSINESS AND IMPORTANT TO STAKEHOLDERS:





OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE

APPENDIX

Our 2030 Sustainability Goals

Bakelite Synthetics adopts a comprehensive approach towards advancing sustainability practices across our business, industry, products, and services. Our strategy is centered around three key pillars: Environmental Stewardship, People & Safety, and Product Sustainability. These pillars provide a framework for identifying strategic areas and objectives to drive progress and integrate sustainability considerations throughout our operations and value chain.

We prioritize investments in activities and initiatives that align with these strategic focus areas to maximize the impact of our efforts. We can continue pursuing our sustainability goals by effectively addressing important issues through the adoption of this approach.



With our newly combined organization post-acquisition in May 2022, we are working to use the best of our united strengths, areas of opportunity, and data streams as we solidify our 2030 goals.

VISION & MISSION		
ENVIRONMENTAL STEWARDSHIP	PEOPLE & SAFETY	PRODUCT SUSTAINABILITY
<ul style="list-style-type: none"> Achieving sustainable manufacturing through best-in-class science and engineering 	<ul style="list-style-type: none"> Creating a safe workplace and an enhanced employee experience through a culture of trust 	<ul style="list-style-type: none"> Harnessing innovation to continuously improve product sustainability
OBJECTIVES & TARGETS		
<ul style="list-style-type: none"> Reduce Energy Consumption Minimize Climate Change Impact Promote Sustainable Water Management Promote Sustainable Production Patterns 	<ul style="list-style-type: none"> Enhancing Worker Safety/Well-being Raise Associate Engagement 	<ul style="list-style-type: none"> Increase Sustainability Focus in R&D Increase the Number of Products with Sustainable Attributes



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE

APPENDIX



"The exciting part about our journey is that we are now viewing our work through a new lens with sustainability. We have a different perspective and approach, not just in terms of compliance, but in how we can use our business to create value for our customers and drive sustainability. As a result, we are discovering new opportunities that we hadn't seen before. This is really invigorating and engaging for our employees, who are deeply committed to sustainability and want to feel a sense of purpose in their work. They are fully invested in this journey."

Andrea Croslyn

EVP, Business Process and Sustainability



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE

APPENDIX

Supply Chain Sustainability

Bakelite Synthetics is committed to ensuring that our suppliers share our values when it comes to sustainability, the treatment of employees, and how safety programs are conducted. We engage with both our direct and indirect suppliers on various sustainability topics, through our [Supplier Code of Conduct](#). We also ask suppliers to engage in programs such as Responsible Care® and EcoVadis.

Furthermore, we invest significant time and resources to understand the emissions associated with the production of the raw materials that we purchase. We are actively exploring ways to reduce emissions from the production of these raw materials, as well as their transportation and packaging.

Through our Code of Conduct, which applies to all suppliers and third parties that do business with Bakelite Synthetics or any of our subsidiaries worldwide, we strive to ensure that our suppliers share our commitment to sustainability principles. We expect them to implement effective systems and controls that will promote compliance with applicable laws and foster a culture that values ethics and integrity in business dealings.



>60%

of all Bakelite raw material spend is with vendors that are EcoVadis "Gold" certified, or higher

>30%

of all Bakelite raw material spend is with vendors who participate in the Responsible Care® initiative of the American Chemical Council



Employee Highlight

In 2022, Gustavo Viviani, Agustin Gracia, and Patricio Solano took action to invest in sustainability by initiating the Responsible Care® certification process at Bakelite’s Concordia site in Argentina. This voluntary initiative in the global chemical industry goes above and beyond what government and regulatory compliance entities require, ensuring the continuous improvement and protection of the environment, health, safety, and security of employees and communities.

The certification process includes the commitment to the six basic principles of Responsible Care®:

- 1. Improve Environmental Health & Safety (EHS) knowledge and performance of technologies, processes, and products to avoid harm to people and the environment.**
- 2. Use resources efficiently and minimize waste.**
- 3. Report openly on performance, achievements, and shortcomings.**

- 4. Listen, engage, and address stakeholder concerns and expectations.**
- 5. Cooperate with governments and organizations to meet or exceed regulations and standards.**
- 6. Foster responsible chemical management along the product chain.**

The team aims to certify their program by the end of 2023, reflecting our unwavering commitment to sustainability. Once certified, the program will help us achieve our environmental, social, and commercial goals while meeting the expectations of our stakeholders.

In addition to our site in Argentina, our ten sites in North America have also started the process to become certified in Responsible Care®. Our site in Concepción, Chile is already certified. Bakelite Synthetics is proud of the hard work and dedication of our employees, who are driving the company forward in our sustainability journey.

“This initiative will allow standardizing the best practices of the international chemical industry through continuous improvement and a philosophy that works together with customers, suppliers and the community.”

Gustavo Viviani
Plant Manager, Concordia, Argentina





OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE

APPENDIX

Environmental Impact





OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT



SOCIAL IMPACT

GOVERNANCE

APPENDIX

We are identifying ways to contribute to urgent environmental challenges such as climate change.

As a company that develops environmentally responsible technologies, we understand our role in reducing our environmental impact. To achieve this, we have integrated sustainability into our business strategy, operations, and risk management.

We have implemented several initiatives to achieve our sustainability goals, including promoting sustainable water management, reducing energy consumption, minimizing our climate change impact, and promoting sustainable production patterns. We remain committed to continuous reflection and improvement as we collaborate with our stakeholders to create a more sustainable future.

“What excites me about sustainability is the genuine and earnest manner with which we approach it. We are demonstrating our values, through our actions, right to the plant level. The language of efficiency, waste reduction, and resource conservation that our team speaks is truly reflective of our commitment to sustainability, not just for cost savings, but for a better future.”

Curtis Shelast
EVP and Americas General Manager





OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE

APPENDIX

Environmental Management Systems

Bakelite Synthetics takes its commitment to environmental management seriously, and has implemented a range of systems and processes to ensure that it meets its obligations and aspirations in this area. The company recognizes that environmental sustainability is an integral part of its overall strategy, and is promoting responsible practices by striving to efficiently use natural resources, optimize existing processes, and enhance products and technologies through innovation.

Bakelite Synthetics has an EHS Global Management System (GMS) that defines management and technical requirements through specific standards. These standards

are divided into categories such as environmental, industrial hygiene, safety, process safety, and security/plant protection.

We recognize the importance of creating and maintaining a high level of EHS awareness to ensure associates and contractors understand the environmental, health, and safety aspects associated with their jobs and adopt safe behaviors. To do this, the company has developed several programs to support EHS awareness and engagement, such as the Recognition, Observations and Concerns (ROC) program. Training and qualification programs are also in place to ensure the right competencies and skills are developed and maintained to cover all

the EHS processes, from legal compliance to risk assessment and working in the field. The average full-time Bakelite employee spends 63 hours a year on learning and development, and 91% of employees benefit from training opportunities.

Bakelite Synthetics is dedicated to ensuring high standards of environmental, health, and safety management, and has implemented a range of systems and processes to achieve this goal.

Our EHS.
Today for the
next generation



63_h

EHS AWARENESS

The average full-time Bakelite employee spends 63 hours a year on learning and development, and 91% of employees benefit from training opportunities.



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE

APPENDIX

Energy and Emissions: energy efficiency and sourcing renewable energy

At Bakelite Synthetics, we seek to reduce the carbon footprint associated with our energy consumption and other sources of emission. We accomplish this by identifying opportunities to reduce the total energy we consume through site-level energy assessments sharing best practices, and sourcing low-carbon energy. We will continue to track our share of greenhouse gas (GHG) emissions through GHG inventories.

We have implemented initiatives to harness renewable energy and capture energy created from exothermic processes.

2022 is the baseline year for Bakelite Synthetics' greenhouse gas inventory.

We are also undertaking engineering design work for solar power at our manufacturing locations in Barry, United Kingdom, and in Lantaron, Spain, which will cover a fifth of each sites' electricity demand and reduce CO2e by 160 MT per year.

In support of our customer's Scope 2 goals, we are also pioneering new technologies such as Bakelite's Resi-Boost™ Gen2. This product for wood adhesive applications supports customers to increase throughput, lower application rates, and save energy while maintaining performance, potentially saving millions of dollars per mill by cutting glue usage.

We have also achieved ISO 14001 certifications, which focus on the environmental management system, demonstrating our commitment to sustainability and effective management of environmental impacts. This provides assurance to stakeholders and serves as a framework for responsible environmental management while supporting business growth and competitiveness. See our [website](#) for more information.

For details regarding our GHG Inventory, please refer [here](#).



2022 GHG EMISSIONS

3.5% **SCOPE 1**
Direct emissions from owned or controlled sources

4.6% **SCOPE 2**
Indirect emissions from the generation of purchased energy

91.9% **SCOPE 3**
Indirect emissions that occur in value chain, including emissions upstream and downstream

Water Quality and Wastewater: responsible water consumption, water use, and effluent

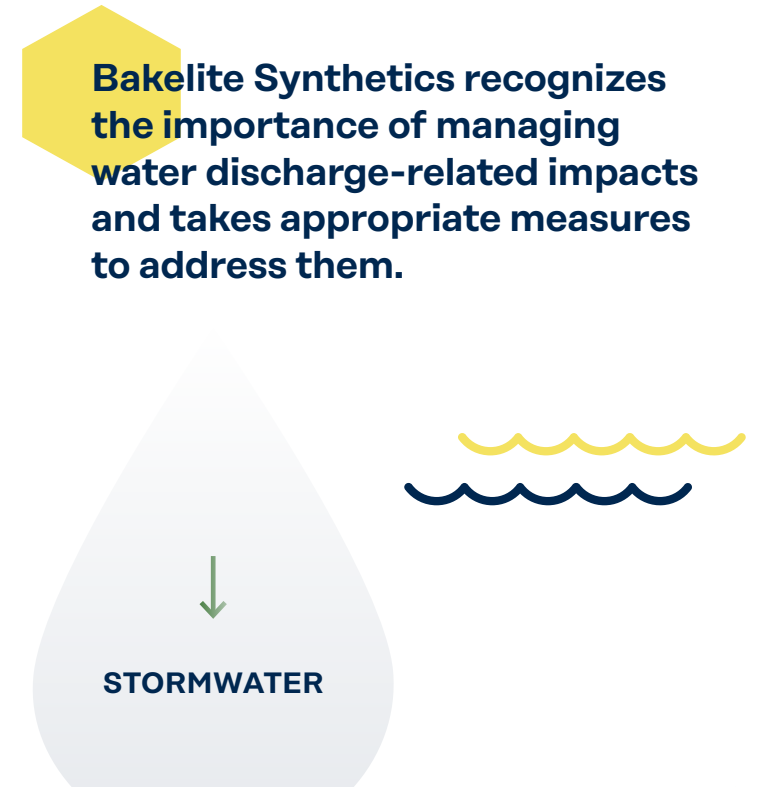
Water is a precious resource around the world and is anticipated to become increasingly strained as the impacts of climate change continue to grow. We recognize the importance of responsible water consumption, as well as proper effluent management. Bakelite Synthetics plans to map water consumption for all sources to establish a baseline, share best practices between manufacturing locations, and set reduction targets.

Water is used in many ways in our manufacturing facilities:

- Withdrawn:** Water comes from multiple locations, such as purchased from local municipalities, utilizing local groundwater sources, and collecting and reusing stormwater.
- Consumed:** Water is used as a major component of our products (and from an environmental standpoint, is preferred over the usage of other solvents). It is also used to support our processes, such as cooling water to regulate the temperature of our final products.
- Reuse/Recycled:** We strive to maximize the reuse of water that contains chemical content. This is smart for our business and our planet.

- Discharged:** Bakelite facilities meet or exceed all regulatory requirements related to water use and discharges. Process water contains a collection of stormwater, treated water and fresh water to provide maximum recycle and minimal discharge. Utility water in recirculating systems is treated and cycled to maximum efficiency. Steam and condensate are recovered through energy efficient operations. On site treatment facilities are operated to ensure the cleanest effluent and most efficient operation, reducing contaminants below permit requirements.

Bakelite Synthetics recognizes the importance of managing water discharge-related impacts and takes appropriate measures to address them.



WATER IN OUR OPERATIONS

- is a major component of our products
- is processed using equipment which is engineered, operated and maintained to ensure municipal & utility water and chemical process streams are fully separated and contaminant free
- is reclaimed and reused, often many times
- is treated for reuse, or before being discharged

Municipal water

Local groundwater

Imported water by-products

A component of our products

Discharged to air from evaporation processes

Discharged to licensed receptor (river, sea)

Discharged to municipal systems

Sent to 3rd parties as waste



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE

APPENDIX

Residuals and Waste Management

Bakelite Synthetics is committed to reducing waste generation and promoting the reuse of byproducts wherever possible. We believe that waste should be viewed from a molecular perspective, and we strive to find ways to repurpose the good molecules from byproduct streams to create value and minimize our impact on the environment.

To support this goal, we have implemented recycling programs for post-industrial waste streams at our Iserlohn-Letmathe, Germany facility, with a target of achieving 90% recycling waste.

As part of this effort, we introduced receptacles for metal, cardboard, plastic, and mixed waste streams that go to recycling. We are committed to working with customers and suppliers to increase the percentage of refurbished, reused, and recycled packaging materials.

Bakelite Synthetics categorizes waste as hazardous and non-hazardous, and we use a variety of local providers to recycle, incinerate, or landfill waste, as appropriate to the material.

We are committed to responsibly managing wastewater generated in our operations, and we utilize a range of treatment and disposal methods for any water that cannot be recycled or reused. For instance, our Kitee, Finland plant implemented a project that will reclaim approximately 300 MT of collected rainwater for reuse instead of disposal.

Our waste reduction and management efforts are central to our commitment to sustainability principles, and we strive to finding innovative ways to reduce our impact on the environment and create value from waste materials.

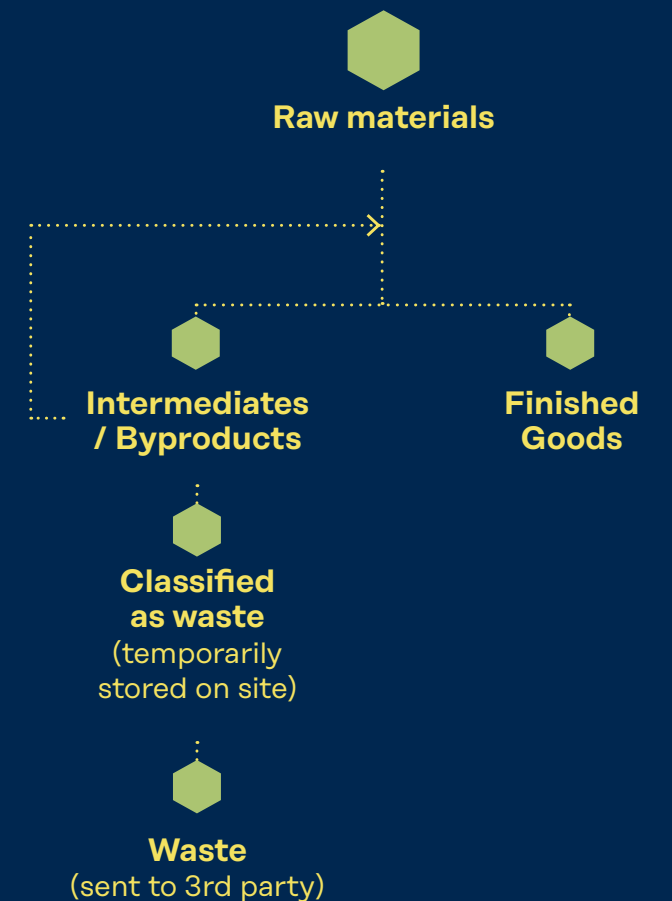


300 MT

Our Finland plant implemented a project that will reclaim approximately 300 MT of collected rainwater for reuse instead of disposal.



INTERMEDIATES AND WASTE





Employee Highlight

In the early 2000s, a team of quality control and engineering associates across ten sites in the Americas concentrated their efforts on improving five critical areas:

- ◆ **Manufacturing Instructions**
- ◆ **Raw Materials**
- ◆ **Weighing and Charging**
- ◆ **Inventory Management**
- ◆ **Measurements**

By continuously improving these areas, the team aimed to drive improvements in the final product consistency and, in turn, reduce waste and costs associated with poor quality.

To achieve this, multiple tools and initiatives were employed, including:

- ◆ **Automating batch processes**
- ◆ **Statistical Process Control (SPC)**
- ◆ **Implementing three primary metrics that measure total quality, process performance, and cost**

Our team focused on refining these metrics to identify the next steps for continuous improvement, and the sites took action to implement the necessary changes.

Thanks to these efforts, our team achieved impressive results. Their scrap and defect rates decreased, and our process efficiency and consistency improved. They also significantly reduced costs associated with poor quality, such as claims, disposal, and extra transportation. Additionally, their efforts have resulted in less waste generated.

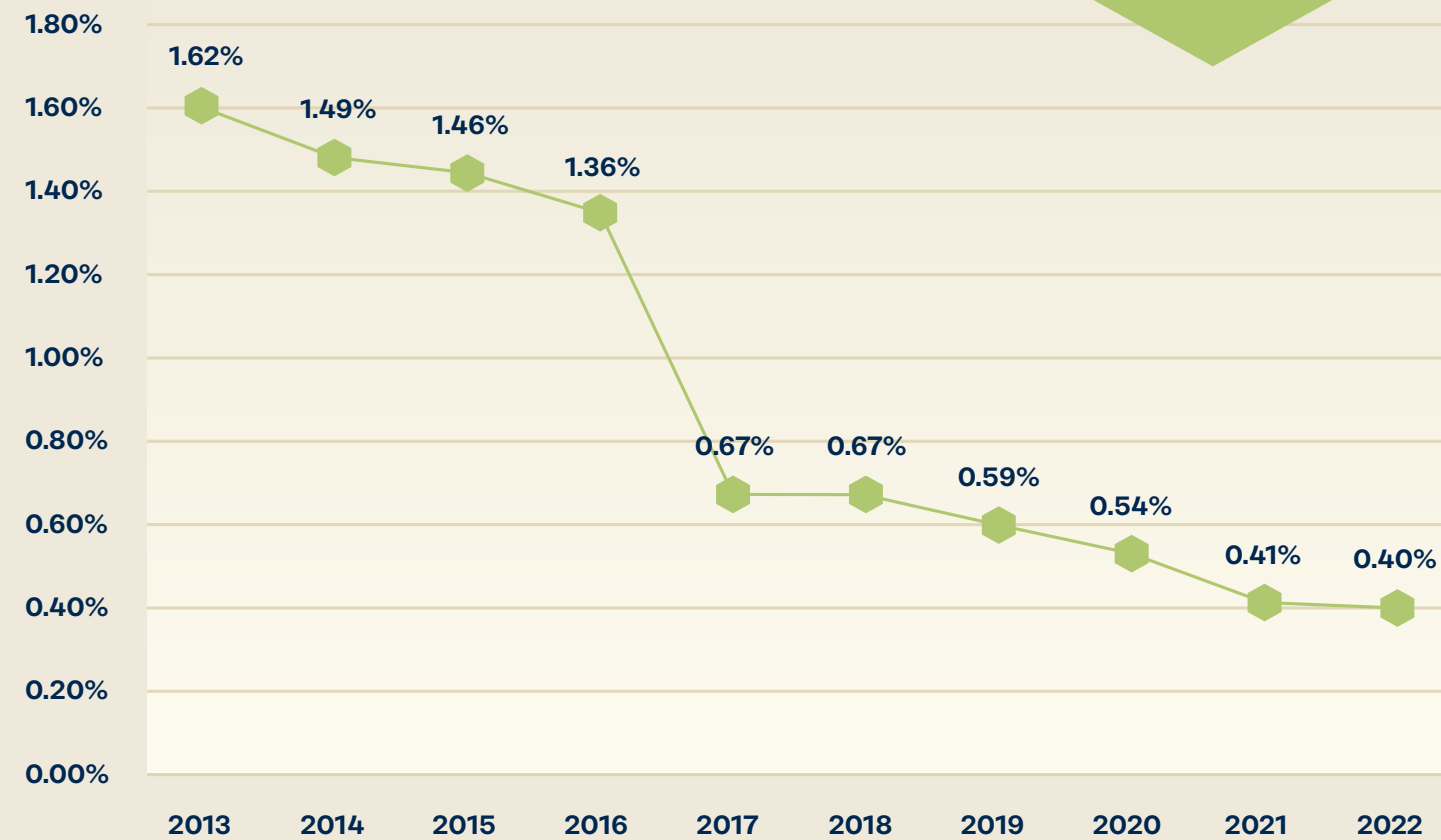
“I believe our capabilities in the area of Quality are key to meeting our sustainability goals. Improvements in consistency, efficiency, and speed do more than just help our bottom line. Those improvements also mean we consume fewer resources and create less waste.”

Darrell Parker
Manager Quality Engineering and Compliance, Atlanta, Georgia, USA





Employee Highlight



**HISTORICAL
PQI**

The PQI (Product Quality Index) measures the percentage of products that were made, stored, or shipped out of specification





OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE

APPENDIX

Materials and Innovation

Bakelite Synthetics' commitment to sustainability is reflected in the innovation of new materials. Most often, this is driven by our engagement with customers to collaboratively address their own short and long term goals for sustainability. In recent years, we have focused on the development of materials that are more environmentally friendly, including bio-renewable raw materials, low-Volatile Organic Compounds (VOC) content materials, and

recycled content materials. These products are not only more sustainable but also meet the performance requirements of our customers.

Our Bakelite® products are highly durable, which is beneficial for both circularity and carbon capture. For instance, in our industrial resin sector, our Bakelite® products are renowned for their longevity, enabling them to be used for longer periods. This helps ensure that materials

remain in circularity for longer, benefiting the environment while delivering greater value to our customers. Similarly, our resins are ideal for forest products applications as they permit the entire tree to be utilized, including sawdust and wood chips. Trees possess a natural ability to absorb carbon, and our resins allow customers to make the most of the entire log, reducing waste and storing carbon for longer periods.



Bakelite Synthetics has focused on the development of materials that are more environmentally friendly, including bio-renewable raw materials, low-Volatile Organic Compounds (VOC) content materials, and recycled content materials.



OVERVIEW

OUR SUSTAINABILITY APPROACH



SOCIAL IMPACT

GOVERNANCE

APPENDIX

Here are some **sustainable attributes of the Bakelite Synthetics' portfolio**, and examples of our materials that demonstrate these attributes while maintaining the highest level of quality:

Bio-renewable raw materials

Bakelite Synthetics has products for both forest and industrial applications that replace fossil fuel-based raw materials with biogenic materials.

- Variety of products replacing phenol with lignin in plywood and laminate applications.
- On-going initiatives to leverage biogenic raw materials beyond lignin for replacement of fossil fuel based raw materials.

Recycled and/or reused raw materials

Some Bakelite materials contain recycled raw materials (indicating that the material underwent a mechanical or chemical process in order to be used again), or a reused raw material (the material can be added without modification).

- At our manufacturing site in Concepción, Chile, we have partnered with a customer to ensure their washwater is consumed in their products, minimizing discharge quantities.

- Similarly, one of our industrial resins is formulated with a specific raw material that enables our customer to recover and recycle it at their facility for use as an energy source. The recycled raw material enables energy efficiency for the customer.

Enabling Energy Efficiency

The product below provides an improved and measurable energy efficiency in the customer's process.

- **Resi-Boost™ Gen2:** Our next-generation material offers significant advantages in increased throughput, lower application rates, and energy savings while improving performance over the incumbent technology. It's a more advanced material while also being better for the planet.



“We are constantly working with our vendor base to develop and commercialize the next big innovation in sustainable materials. Ensuring Bakelite will be an early adopter of cutting-edge technologies is a priority of the procurement organization. The incorporation of next generation renewable materials into our products is the goal - to support Bakelite's, and our customers' sustainability journeys.”

Paul Vogt
EVP and Chief Procurement Officer



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE

APPENDIX

Improved Workplace Environment

Beyond Performance Attributes

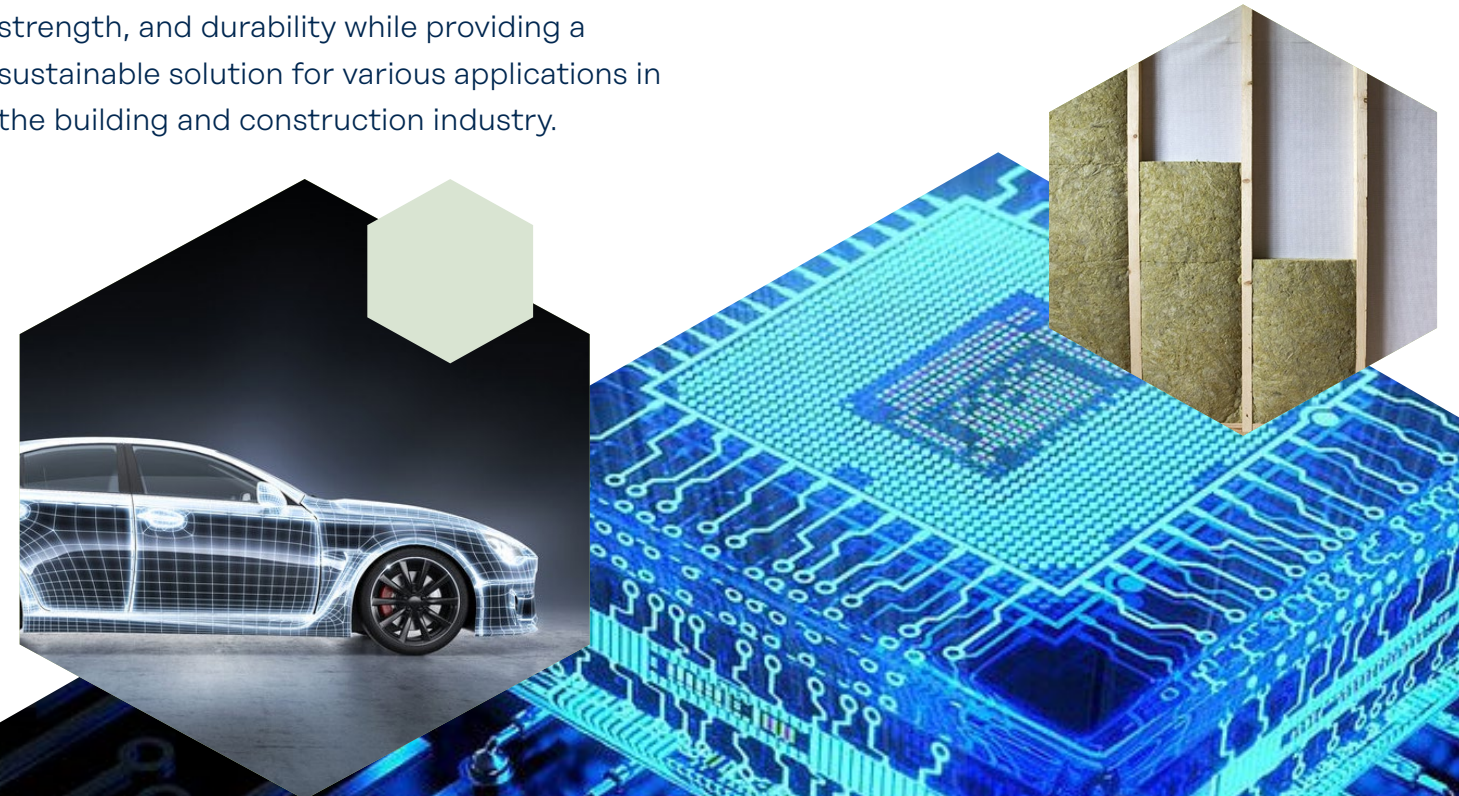
Our resin products go beyond delivering performance attributes. Whether with inherent chemical properties or with innovative solutions, our formulations mitigate emission concerns and assist the customer end-products to meet environmental and emission product compliance and achieve specific green certifications.

- **LEAF™ Low-emission Adhesives.** LEAF™ is a family of ultra-low-emitting formaldehyde (ULEF) resin systems formulated to assist manufacturers of composite wood products in complying with CARB and TSCA Title VI requirements. Further, these resin systems aid composite wood products to achieve credits under the various LEED® rating systems.
- **BreakThru™ Technology.** The BreakThru™ technology lowers free formaldehyde in phenolic resins to below 0.1%. This results in lower emissions during curing compared to those of standard phenolic resins. Customers monitoring emissions in their manufacturing sites measure emissions below OSHA regulated action levels.

- **Bakelite® Insulation Binder Resins.** These resins are designed to lower emissions during mineral wool manufacturing, comply with building material regulations for indoor VOC emissions, and reduce process emissions. As a result, the customer end-products satisfy Greenguard® certification criteria.
- **LEAF Free™.** These products are formulated without formaldehyde, which helps manufacturers meet their environmental goals. These resins offer excellent adhesion, strength, and durability while providing a sustainable solution for various applications in the building and construction industry.



To learn more about our products, please visit the [product page](#) on our website.





Employee Highlight

Klaus Haselhofer

Technical Director for Forest Products at Bakelite Europe, Klaus understood the evolving market expectations related to sustainability. His vision led him to run a number of initiatives at Bakelite Synthetics to cut our carbon footprint, as well as support customers who are working to reduce their own emissions.

The percentage of projects at Bakelite Synthetics related to sustainability has grown to approximately 25% globally. The company is working with customers across market segments to innovate carbon footprint reductions of 20-50% through various innovative routes. The teams at Bakelite Europe, as well as in the Americas, continue to explore creative ways to contribute to a healthier planet. Raw material substitutions, reducing monomer and Volatile Organic Compounds (VOC) content, improved cycle times, and R&D support to help reduce waste are some of the areas where the teams are actively innovating.

Klaus's leadership and commitment to sustainability make him a valuable asset to the team at Bakelite Europe, and his initiative has put the company on a path of growth and competitiveness in the market.



“Market expectations have been changing dramatically over the last few years, resulting in a need to add sustainability-related value to our products. To achieve this, innovation will be crucial for business growth and competitiveness.”

Klaus Haselhofer

Technical Director for Forest Products, Bakelite Europe





OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE

APPENDIX

Recycled Content

Bakelite Synthetics is committed to reducing waste and promoting sustainability through the reuse and recycling of materials. At our sites, we regularly recycle post-industrial waste such as cardboard, metal, plastic wrapping material, and paper goods. We also prioritize the reuse of packaging materials.

As part of our efforts, we focus on responsible water usage and strive to reuse all types of water, including process and cooling water, on site. Moreover, we aim to reuse materials that have a molecular or carbon value, avoiding sending them as waste. These efforts contribute to a healthier environment and improve our business operations.

Furthermore, we purchase by-products from third parties to incorporate them into our processes, further supporting our commitment to recycling and sustainability.

“Our emphasis on sustainability is bringing a focus on long-term value that is evidenced in a variety of ways – not only in mitigating risks and reducing costs, but building brand value, attracting and retaining talent, and meeting the needs of a wide variety of stakeholders.”

Barry Canipe
EVP and Chief Financial Officer





OVERVIEW

OUR SUSTAINABILITY APPROACH



SOCIAL IMPACT

GOVERNANCE

APPENDIX

Compliance and Certifications

Bakelite Synthetics' commitment to sustainability and quality management is evident through attainment of internationally recognized ISO certifications. The renewal of our ISO 14001 certification acknowledges our environmental sustainability efforts and validates that our environmental management system meets the required standards, effectively managing our impacts and continuously improving our performance while actively minimizing our environmental footprint. Similarly, our ISO 9001 certification exemplifies our dedication to quality management, confirming the effectiveness of our quality management system in enhancing customer satisfaction and driving continuous improvement in our processes. By obtaining ISO 9001 certification, we provide our customers with the confidence that we consistently deliver products and services that align with their needs and expectations.

These certifications support our goal of providing high-quality products and services while promoting business growth and competitiveness.

We have earned **ISO 14001 environmental management certifications** at the following manufacturing locations:

- **Kitee, Finland**
- **Botlek, The Netherlands**
- **Frielendorf, Germany**
- **Iserlohn-Letmathe, Germany**
- **Solbiate, Italy**
- **Lantaron, Spain**
- **Barry, United Kingdom**

We have earned **ISO 9001** at the following manufacturing locations:

- **Botlek, The Netherlands**
- **Frielendorf, Germany**
- **Iserlohn-Letmathe, Germany**
- **Solbiate, Italy**
- **Lantaron, Spain**
- **Barry, United Kingdom**
- **Concepción, Chile**
- **Acme, North Carolina, United States**
- **Louisville, Kentucky, United States**



Our sites at Iserlohn-Letmathe and Frielendorf, Germany; Lantaron, Spain; and Solbiate, Italy have also received the ISO 50001 certification, which means that their energy management system has been audited and found to comply with the requirements of the ISO 50001 standard. It demonstrates our commitment to responsible energy management, cost reduction, and environmental sustainability across our organization.

With a long history of certifications at multiple locations worldwide, we uphold strong and mature management systems, ensuring compliance with international standards and promoting sustainable practices. These certifications signify our dedication to responsible operations and our goal of delivering high-quality products and services while fostering a sustainable future.



To view our full list of certifications, please refer to our [website](#).



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT



GOVERNANCE

APPENDIX

A background image showing a woman and a man in a library or office setting, looking at a book together. The woman is on the left, and the man is on the right. The image is partially obscured by a dark blue diagonal overlay.

Social Impact



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT



GOVERNANCE

APPENDIX



We place tremendous value on our employees and recognize that their well-being, satisfaction, and fulfillment are essential to our ability to achieve our goals.

We are committed to investing in our people through our professional development programs, an inclusive and diverse workplace that promotes teamwork and mutual respect, comprehensive health and safety standards, and opportunities to give back to our communities.

“One thing I always like to highlight is that you have a chance to put your fingerprint on this organization. I want employees to make an impact on Bakelite. We have an organizational structure that optimizes interaction, which in turn drives progress, and anyone in the organization can reach out to me. I want to foster that culture and mindset.”

JP Aucoin
President and CEO





OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT



GOVERNANCE

APPENDIX

Occupational Health and Safety

Safety is one of our values. We live “safety first” and believe that work is never more important than performing it safely.

To promote our employees' health and safety, we have an [EHS \(Employee Health and Safety\) Policy](#) that lays out our guiding principles and leadership expectations around EHS. This policy is the foundation of our EHS Standards and Programs that guide our actions and track key indicators to drive enhancement of EHS performance.

Creating and maintaining EHS awareness is crucial to ensure our associates and contractors understand risks and adopt safe behaviors.

These programs promote a culture of safety, where everyone is engaged and accountable for safe work practices and responsible environmental behaviors. Each site is required to develop an effective training plan as part of their overall EHS improvement initiatives.



KEY FOCUS AREAS

We have numerous programs to support and educate our employees including:

- ◆ **Both corporate and local, tailored safety training**
- ◆ **Job Risk Analysis (JRA) and Last Minute Risk Analysis (LMRA) tools and training**
- ◆ **Life Saving Rules which support EHS awareness and engagement**
- ◆ **Recognition, Observations, and Concerns (ROC)**
- ◆ **Job Stop Trigger**
- ◆ **EHS Calls and EHS Alerts**
- ◆ **EHS Dialogues**



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT



GOVERNANCE

APPENDIX

We place a strong focus on Critical Risk Reduction as a key area of our operations. By identifying Severe Incident Factors (SIFs) associated with activities that could lead to severe injuries if not properly controlled, we are committed to reducing exposure to these critical risks. Investing in automation, such as innovative analytical inline methods to minimize material sampling, is one of the ways we strive to achieve this. Through these measures, our aim is to effectively control risks and minimize the likelihood of severe incidents. We foster a workplace culture that prioritizes safety and enables our employees to thrive.

Additionally, we have adopted advanced governance and policies from our legacy companies while working towards standardizing to our unified and unique culture. Our goal is to achieve top performance in our OSHA Occupational Injuries and Illnesses Rate (OIIR), and we take pride in attaining top quartile results compared to peer American Chemistry Council companies in 2022.

To ensure ongoing safety, our local sites organize an annual Safety Day, which serves as a comprehensive review of our safety procedures and equips our team with new skills and knowledge to maintain a safe working environment. These engaging day-long workshops have been highly successful, and we remain committed to continuing this tradition as part of upholding the highest safety standards in our workplace.

Furthermore, in 2022, we celebrated the ISO 45001 certification of our Barry, United Kingdom site, making it the second site to achieve this certification, alongside our Solbiate, Italy location. ISO 45001 outlines the necessary criteria for implementing an occupational health and safety (OH&S) management system and provides guidance on its effective use. This standard enables organizations to create safe and healthy workplaces by preventing work-related injuries and illnesses, while continually improving their OH&S performance through proactive measures.





OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT



GOVERNANCE

APPENDIX



Bakelite Italia is an excellent example of our commitment to promoting worker wellness. Since 2014, the Workplace Health Promotion program has encouraged healthy lifestyles in the workplace and promoted well-being both inside and outside of work. The program includes initiatives on topics such as maintaining a healthy diet and physical activity, measures to support smoking cessation and promotion of work-life balance. Bakelite Italia has been recognized for its efforts and has been awarded by the Insubria Health Protection Agency for seven consecutive years.

Employee Health and Well-being

At Bakelite Synthetics, the health and well-being of our employees is our top priority, and we take a comprehensive approach to support their physical and mental health. We offer employee assistance programs that give employees access to counselors, and resources such as childcare and legal resources. Additionally, they provide guidance on pregnancy, diet, sleep, and fitness to help employees stay healthy.

We also recognize that work-related travel can be stressful, and we have a dedicated program in place to ensure the safety and well-being of our employees while traveling. This program includes training, resources, and emergency response plans.

We are dedicated to maintaining a safe and healthy workplace for all of our employees. By supporting our organization in this area, we believe that we are creating a positive and productive workplace culture that benefits everyone.



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT



GOVERNANCE

APPENDIX

Employment

At Bakelite Synthetics, we value our strong contributors and continuously strive to enhance our talent.

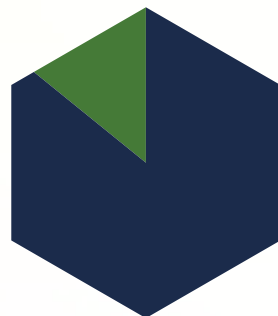
For this reason, we invest in the personal and professional growth of our employees and collaborate to define long-term career paths, as we see this as an investment in our future. Through engagement, associates are encouraged to bring their best ideas to the table, work effectively with others and achieve meaningful results. We seek to create a culture of constant learning and development that supports our employees in reaching their full potential.

Bakelite Synthetics is committed to providing its employees with fair and competitive employment policies, including leave policies

that support a healthy work-life balance. We deliver competitive employee packages that allow us to attract, develop and retain associates. This includes competitive compensation, benefits, performance recognition, and career development opportunities. We were proud to implement a paternity leave policy in the U.S. in 2022, making paternity leave available now in all global Bakelite locations. We believe that when we take good care of families, we take good care of Bakelite.

Engaged and thriving employees are the foundation of an innovative, growing business. That is why we prioritize creating a positive and inclusive workplace culture where all employees feel valued and supported.

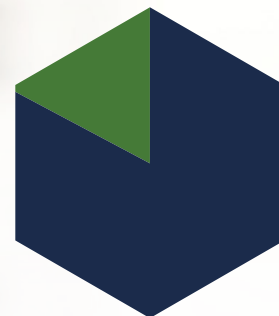
EMPLOYEES BY GENDER (includes acquisition)



Europe
560 Male | 119 Female



South America
103 Male | 17 Female



North America
501 Male | 103 Female

604
North America



120
South America

679
Europe

EMPLOYEES
BY REGION





Human Capital Development: advancing careers, talent recruitment, and retention

Bakelite Synthetics prioritizes employee development and career advancement by investing significantly in training and development programs. These comprehensive programs cover various areas, including health and safety, job-specific skills, and professional development, equipping employees with the necessary skills to succeed.

In addition to its training initiatives, Bakelite Synthetics has implemented various HR policies and programs to support its workforce. With the acquisition of Georgia-Pacific Chemicals, the company successfully rolled out updated benefits programs and integrated over 700 new associates. This work also included harmonizing and updating multiple HR policies.



“There are several reasons why people choose to join us. First, they appreciate the jobs we offer because they come with exciting challenges and opportunities to make a difference and have an impact. Second, they are drawn to the vision we have set out for the company. And third, they align with our core values and the culture we have created here.”

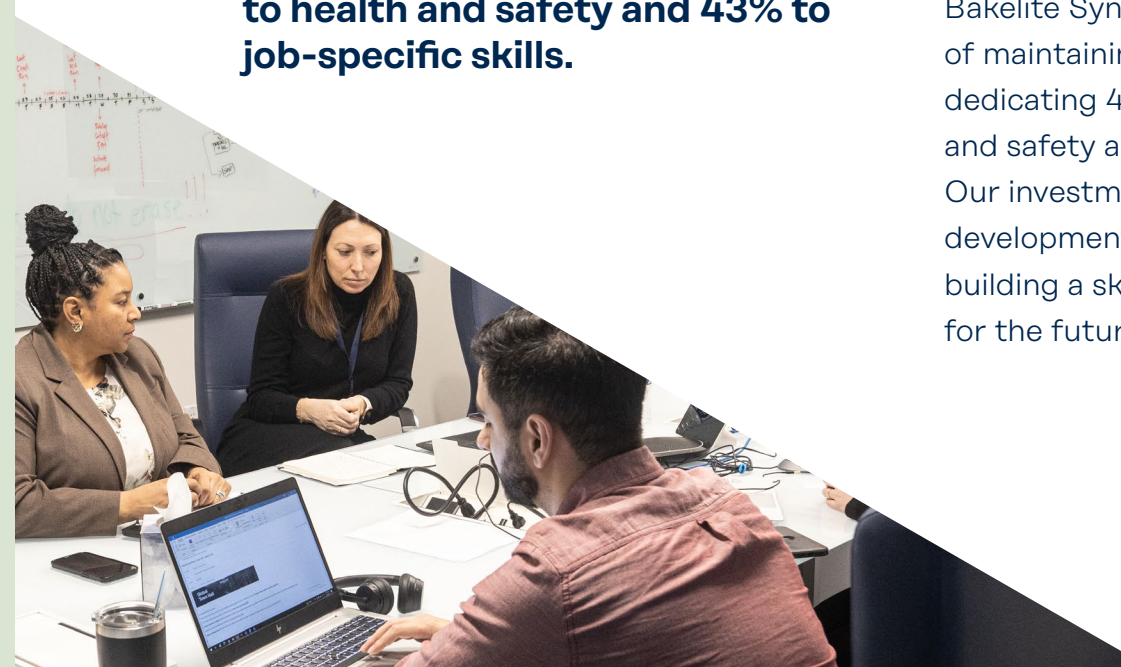
Alex Greenberg
EVP and Chief Human Resources Officer

Bakelite’s commitment to employee development extends to career progression and management. New roles are mapped into the Bakelite Career Roadmap Framework, and the company’s annual cycle of performance management activities. The workforce is recognized through a service awards program every five years.

Bakelite Synthetics recognizes the importance of maintaining a safe and healthy workplace, dedicating 43% of training hours to health and safety and 43% to job-specific skills. Our investment in employee training and development demonstrates our commitment to building a skilled and knowledgeable workforce for the future.

43%

Bakelite Synthetics recognizes the importance of maintaining a safe and healthy workplace, dedicating 43% of training hours to health and safety and 43% to job-specific skills.



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT



GOVERNANCE

APPENDIX



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT



GOVERNANCE

APPENDIX

Diversity, Equity, and Inclusion

Bakelite Synthetics upholds the belief in the creation of a respectful and friendly work environment where Diversity, Equity, and Inclusion (DE&I) are fundamental values. We hold ourselves to a high professional standard, treating one another with dignity and respect. Embracing and valuing the diverse backgrounds, cultures, experiences, and opinions of our associates, we recognize that our diversity makes Bakelite Synthetics more competitive and stronger in the global marketplace. Our commitment to DE&I enables us to foster an inclusive workplace culture where trust, respect, and a sense of belonging are paramount. By embracing diversity, we drive innovation and better serve our customers and communities.

One of the ways we're promoting DE&I is through creating an Employee Resource Group for women, which will be composed of professional women who work together to create community and enhance career and personal growth. We are also committed to consciously hiring diverse talent to promote DE&I.

We believe that a diverse and inclusive workforce leads to a better understanding of our customers and enables us to provide innovative solutions that meet their needs. Having an inclusive workforce is not only the right thing to do but also helps us to remain competitive and relevant in an ever-changing market.



Bakelite's female employee base is at 17%, and females comprised 22% of new hires in 2022, moving us in a positive direction.



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT



GOVERNANCE

APPENDIX



Employee Highlight

Debora Costa

Debora Costa, Vice President of Global Environmental Health and Safety, is a pioneer for health and safety at Bakelite Synthetics, as well as an advocate for diversity. She has accomplished much at Bakelite, including creating a strong safety culture at the Solbiate, Italy site, where she served as site leader for ten years.

She established the annual Solbiate Safety Day, a day-long event where employees learn various skills and engage in important discussions to create a safer working environment. Under Debora's leadership, Safety Day has become an invaluable opportunity for our team to come together and strengthen our commitment to safety every day and every hour of the week.

In addition to this impressive work, Debora is an integral member of the core team driving the creation of our Employee Resource Group for women. She draws her inspiration from her past experience working in manufacturing.

Debora's unwavering commitment to diversity, health, and safety has made her a leader in her field, setting the standard for excellence at Bakelite Synthetics and beyond.



"As a woman in manufacturing, I understand the challenges that come with being a process engineer and working in the field with operators, which is why I believe it's crucial to have coaching and support for young women looking to grow in this field. By promoting and retaining talented women, we can continue to drive growth and success in the manufacturing industry."

Debora Costa
Vice President, EHS



Employee Highlight



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT



GOVERNANCE

APPENDIX

Community Engagement

Our local communities play a vital role in our success and sustainability, and we are committed to supporting them through our charitable initiatives. Our efforts are diverse and range from organizing food drives to volunteering at local organizations. For example, our Italian team runs a food drive to support their community, while our Louisville associates volunteer at the Shively Area Ministries (SAM), an organization that provides a sanctuary for people in need in the area. We also support the UK Hospice Garden in Barry, which provides a calming outdoor space for patients and their families.

Our commitment to supporting local communities extends beyond individual initiatives, as we have established long-term partnerships with organizations such as the Bernardita Serrano Children’s Home in San Pedro de la Paz, Concepción, Chile. We have been supporting the home for 15 years, providing a safe and nurturing environment for children in vulnerable conditions, until they can return to their families or are adopted.



Our charitable initiatives reflect our core values of community, compassion, and social commitment. By supporting our local communities, we are investing in the well-being of the people and places that support us, fostering positive relationships and contributing to a better future for all.



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT



APPENDIX



Governance



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT



At Bakelite Synthetics, we recognize that strong corporate governance and ethical practices are crucial for building trust among our employees, customers, and shareholders.

We are guided by our core values and are committed to nurturing a corporate culture that prioritizes honesty, consistency, and continuous improvement.



SOCIAL IMPACT

APPENDIX



We seek to implement the best practices in governance behaviors, while also protecting the rights of our people, managing potential risks associated with our business activities, and meeting our compliance obligations. To achieve these goals, we leverage advanced governance practices and remain dedicated to enhancing the efficiency of our ethical and regulatory compliance initiatives.

“As a leadership team, we constantly discuss how we can make our mark on this organization. We ask ourselves, what do we want this company to represent? What kind of leaders do we want to be? This approach fills me with pride, as I believe it is the right way to move forward.”

Julian Welfoot
EVP and Managing Director, Europe



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT



APPENDIX

Corporate Governance: Board leadership and ESG governance

The Board of Directors for Bakelite Synthetics provides governance and high-level direction for corporate activities. The company ensures strong oversight by engaging external auditors, and through committees such as the Audit and Risk Committee. Bakelite Synthetics also drives robust governance through our policies and procedures such as in the areas of ethics, company and third party code of conduct, risk management, and data privacy and compliance.

Sustainability initiatives are driven by the executive team, in partnership with the Executive Vice President of Sustainability. Supporting the executive team is the ESG Advisory Committee, which is comprised of leaders representing Bakelite's functions and geographic regions.





OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT



APPENDIX

Ethics and Code of Conduct: anti-corruption and human rights

At Bakelite Synthetics, we rely on our core values, policies, and procedures to support equitable and uniform business operations. We remain dedicated to consistently evaluating and enhancing the efficiency of our ethical and regulatory compliance initiatives to align with the demands of our ever-changing industry landscape.



ENGAGING OUR EMPLOYEES

Our ethical and regulatory compliance initiatives hinge on the conduct of our workforce in accordance with our values. We require each employee to confirm their understanding and adherence to our [Bakelite Code of Conduct](#), which outlines the following:

- **Our commitment to environmental health and safety**
- **Our commitment to each other**
- **Our commitment to the marketplace**
- **Our commitment to honesty and integrity**
- **Getting help and reporting concerns**

We also require our employees to learn and follow our Mutual Respect Policy, which states Bakelite’s

expectation that associates are to treat one another with dignity and respect. It also states that every employee accepts responsibility for their own behavior. Bakelite Synthetics is committed to providing every employee with a safe work environment, free from harassment of any kind.



LABOR AND HUMAN RIGHTS

At Bakelite Synthetics, we’re dedicated to upholding ethical business practices and regulatory compliance. We require our employees to adhere to our principles and Business Conduct Standards, evaluated during annual performance reviews through core competencies. Our commitment to human and labor rights is embedded in our corporate policy, in line with UN Global Compact principles.



ANTI-BRIBERY

We maintain a robust anti-bribery and corruption compliance program that complies to local and international bribery laws, including the US Foreign Corrupt Practices Act, the UK Bribery Act, and similar anti-bribery laws and resolutions in other countries where Bakelite Synthetics conducts business.

Our policy prohibits all forms of bribery, regardless of the recipient’s background or who initiates it. The policy also emphasizes the company’s commitment to maintaining accurate records and a robust internal control system for the management of company assets.



PARTICIPANT



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT



APPENDIX



“Sustainability has become a key consideration in our decision-making process. When we engage with our suppliers, we make a concerted effort to better understand their sustainability practices. We inquire about their involvement in sustainability programs and initiatives, and look for ways to collaborate with them in this area.”

Jacob Ananias, Executive Leader for South America

Supplier Relations

At Bakelite Synthetics, we value our reputation for integrity and strive at all levels of the company to adhere to the highest ethical standards in the conduct of our business, and comply with all applicable laws and regulations. This is why we have created the [Code of Conduct for Suppliers and Other Third Parties](#), which applies to all Suppliers and other Third Parties that do business with Bakelite Synthetics or any of our subsidiaries around the world.

We expect and require all suppliers to comply with this Code of Conduct in all aspects of their dealings with or on behalf of Bakelite Synthetics. We expect them to implement effective systems and controls that will promote compliance with applicable laws and foster a culture that values ethics and integrity in business dealings. We also expect suppliers to report any violation of the Code of Conduct.

Compliance with our Code includes:

- Ethics and compliance with laws
- Human rights and labor
- Environment health and safety
- Intellectual property and information protection
- Trade controls and custom compliance

Risk Management

We understand that risk can come from anywhere, but it can be hard to anticipate and swiftly respond to. This is why we have set up robust processes to identify, report, and manage risk in accordance with corporate governance and best practice standards.

We have developed the Enterprise Risk Management and Reporting (ERMR) manual, which outlines a framework that provides group functions with guidance on how to complete the risk management process as well as report on risk. It ensures that Bakelite Synthetics effectively identifies, responds to, and monitors the risks we face, in line with corporate governance and best practice standards. All employees have the responsibility for risk management, and we foster a culture of awareness that empowers them to pinpoint key risks and address them accordingly.

We continuously refine and update this manual and our approach. Through interviews at least twice a year with top management, we ensure that the Risk Management Process stays current.

THE RISK MANAGEMENT PROCESS





OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT



APPENDIX

Data Privacy and Compliance

We adhere to the relevant privacy laws, regulations, and agreements, and have established – amongst others – our own [Privacy Policy](#) by which we abide. Moreover, we take necessary measures to ensure the proper utilization and confidentiality of personal information by limiting access exclusively for employment and business purposes.

We also have frameworks in place to report a breach of privacy. In case an employee has a concern that they do not feel comfortable telling their manager, Bakelite's legal team, or HR representative, a Bakelite Synthetics Hotline is available. This line is a confidential and secure resource that is operated by an independent provider and does not use caller identification.



Bakelite Synthetics places great importance on protecting personal information, which is any data that enables the identification of an individual either on its own or in combination with other information.



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT



APPENDIX

Looking Ahead: Next Steps in 2023 and Beyond

As we reflect on our sustainability efforts in 2022, we are proud of the progress we have made.

We have taken significant steps toward achieving our sustainability objectives, and we are committed to transparency and accountability. We understand that sustainability is a journey rather than a destination, and we are excited to continue sharing our progress.

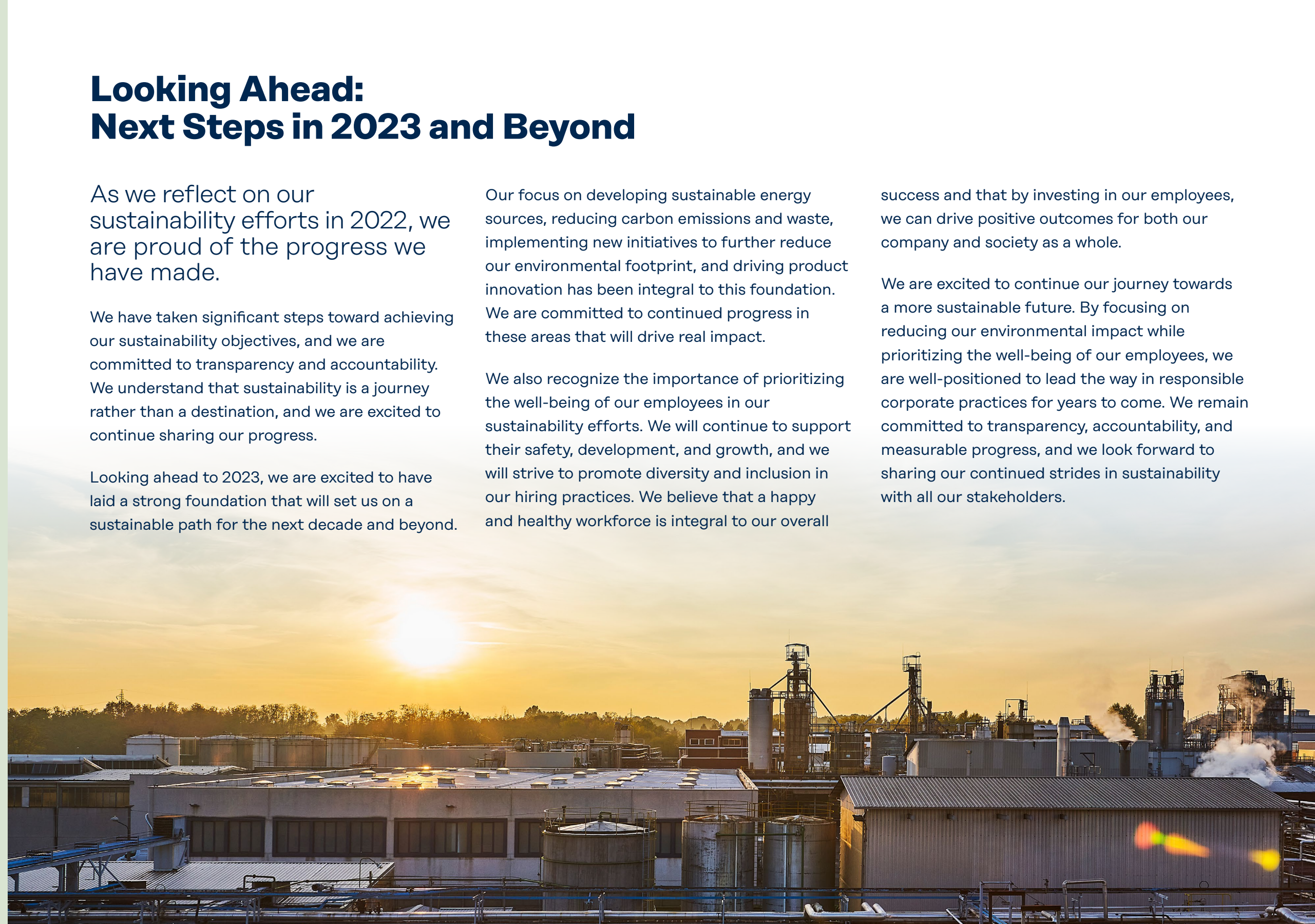
Looking ahead to 2023, we are excited to have laid a strong foundation that will set us on a sustainable path for the next decade and beyond.

Our focus on developing sustainable energy sources, reducing carbon emissions and waste, implementing new initiatives to further reduce our environmental footprint, and driving product innovation has been integral to this foundation. We are committed to continued progress in these areas that will drive real impact.

We also recognize the importance of prioritizing the well-being of our employees in our sustainability efforts. We will continue to support their safety, development, and growth, and we will strive to promote diversity and inclusion in our hiring practices. We believe that a happy and healthy workforce is integral to our overall

success and that by investing in our employees, we can drive positive outcomes for both our company and society as a whole.

We are excited to continue our journey towards a more sustainable future. By focusing on reducing our environmental impact while prioritizing the well-being of our employees, we are well-positioned to lead the way in responsible corporate practices for years to come. We remain committed to transparency, accountability, and measurable progress, and we look forward to sharing our continued strides in sustainability with all our stakeholders.





OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE



Appendix





OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

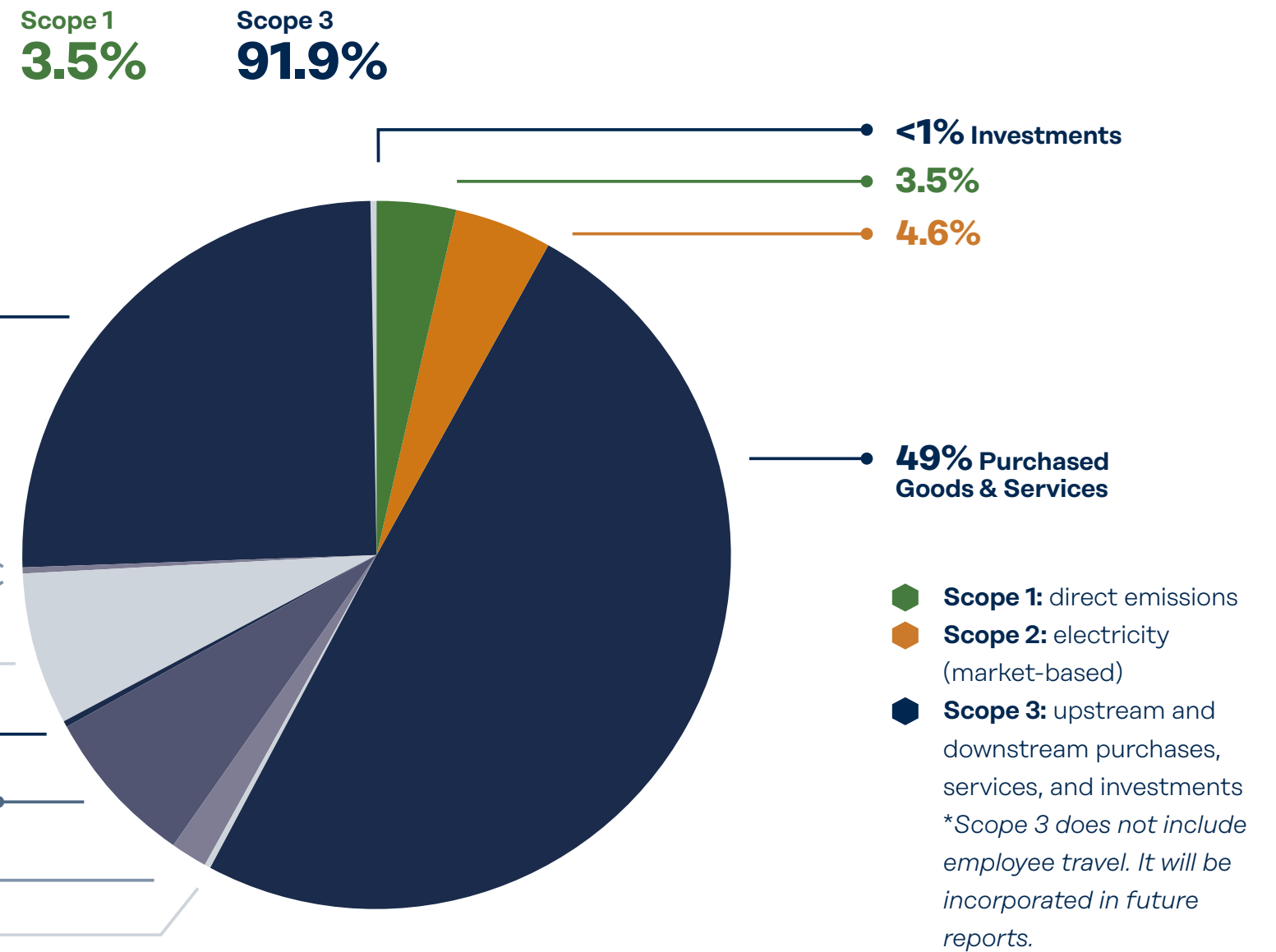
GOVERNANCE



2022 GHG Inventory

In adherence with the GHG Protocol, we conducted a comprehensive evaluation of Bakelite Synthetics' assets, facilities, and operations to create our 2022 GHG inventory. This inventory will serve as a baseline for GHG emissions, against which we can measure and establish our goals for reducing GHG emissions in the future.

2022 SCOPE 1, 2 AND 3 EMISSIONS





OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE



Global Reporting Initiative (GRI) Content Index

With the GRI Universal Standards 2021 serving as a guide, this report includes disclosed indicators for the period spanning from January 2022 to December 2022. Our report or other public disclosures have fully or partially reported the indicators from our targeted SDGs in relation to GRI Standards. The following index lists these indicators for your reference:

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	Please reference About Bakelite Synthetics on page 5 of our Sustainability Report.
	2-2 Entities included in the organization’s sustainability reporting	The entities included in the organization’s sustainability reporting are Bakelite Synthetics and the Georgia-Pacific Chemicals acquisition.
	2-5 External assurance	Please reference the GHG Inventory on page 50 and About this Report on page 7 of our Sustainability Report.
	2-6 Activities, value chain and other business relationships	Please refer to page 11 of Bakelite’s Code of Conduct . Please reference About Bakelite Synthetics on page 5-6, Stakeholder Engagement on page 11, and Supply Chain Sustainability on page 15-16 of our Sustainability Report.
	2-7 Employees	Total workforce: 1452 as of 2022 Please refer to Who we are on our website. Please reference Employment on page 36, Employee Health and Well-being on page 35, and Human Capital Development: advancing careers, talent recruitment, and retention on page 37 of our Sustainability Report.



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE



GRI STANDARD

DISCLOSURE

LOCATION

2-8 Workers who are not employees

Please reference **Ethics and Code of Conduct: anti-corruption and human rights** on page 44 of our Sustainability Report.

2-12 Role of the highest governance body in overseeing the management of impacts

Please reference **Corporate Governance: Board leadership and ESG governance** on page 43 of our Sustainability Report.

2-13 Delegation of responsibility for managing impacts

Please reference **Corporate Governance: Board leadership and ESG governance** on page 43 of our Sustainability Report.

2-14 Role of the highest governance body in sustainability reportings

Please reference **Corporate Governance: Board leadership and ESG governance** on page 43 of our Sustainability Report.

Bakelite Synthetics executive team is responsible for reviewing and approving sustainability-reported information.

2-15 Conflicts of interest

Please refer to page 13 of Bakelite's [Code of Conduct](#).

2-16 Communication of critical concerns

Please refer to page 18-19 of Bakelite's [Code of Conduct](#).

2-22 Statement on sustainable development strategy

Please reference **A Message from our President and CEO, JP Aucoin** on page 4 of our Sustainability Report.

2-23 Policy commitments

Please reference **A Message from our President and CEO, JP Aucoin** on page 4, and **Our Sustainability Aspirations: strategy and focus areas** on page 8 of our Sustainability Report.

2-24 Embedding policy commitments

Please refer to page 7-12 of Bakelite's [Code of Conduct](#).

Please refer to **Ethics and Code of Conduct: anti-corruption and human rights** on page 44 of our Sustainability Report.

2-26 Mechanisms for seeking advice and raising concerns

Please refer to page 18-19 of Bakelite's [Code of Conduct](#).

2-27 Compliance with laws and regulations

Please refer to page 7-12 of Bakelite's [Code of Conduct](#).

Please refer to **Ethics and Code of Conduct: anti-corruption and human rights** on page 44 of our Sustainability Report.



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE



GRI STANDARD	DISCLOSURE	LOCATION
	2-29 Approach to stakeholder engagement	Please reference Stakeholder Engagement on page 11 of our Sustainability Report.
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Please reference About this Report on page 7, and Our Sustainability Approach on page 10 of our Sustainability Report. Our team comprised 14 members from executive and senior leadership, along with 3 shareholders, bringing diverse expertise from various functions and regions, while our approach to determining materiality involved analyzing public data, industry experience, and stakeholder engagement.
	3-2 List of material topics	Please reference About this Report on page 7, and Our Sustainability Approach on page 10 of our Sustainability Report. During the assessment process, the team delved into a wide range of topics spanning environmental stewardship, people and safety, and product sustainability and independently voted on these topics.
	3-3 Management of material topics	Please reference About this Report on page 7, and Our Sustainability Approach on page 10 of our Sustainability Report. The team took charge of material topics management, combining data analysis with industry knowledge gained through stakeholder interactions to formulate the initial materiality assessment.
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Bakelite Synthetics is subject to various anticorruption laws, including the Foreign Corrupt Practices Act, UK Antibribery and other U.S. and international laws and regulations governing international business practices.
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Bakelite Synthetics prohibits predatory or unfair business practices. We are expected to comply with all applicable antitrust and competition laws in all of the countries where Bakelite Synthetics conducts business and are subject to the requirements of Bakelite Synthetics' Antitrust and Competition Policy.



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE



GRI 301: Materials 2016	301-1 Materials used by weight or volume	Please reference Materials and Innovation on page 25 - 28 of our Sustainability Report.
	301-2 Recycled input materials used	Please reference Recycled Content on page 29 of our Sustainability Report.
	301-3 Reclaimed products and their packaging materials	Please reference Residuals and Waste Management on page 22-24 of our Sustainability Report.
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Please reference GHG Inventory on page 50 of our Sustainability Report.
	302-2 Energy consumption outside of the organization	Please reference GHG Inventory on page 50 of our Sustainability Report.
	302-3 Energy intensity	Please reference GHG Inventory on page 50 of our Sustainability Report.
	302-4 Reduction of energy consumption	Please reference Energy and Emissions: energy efficiency and sourcing renewable energy on page 20 of our Sustainability Report.
	302-5 Reductions in energy requirements of products and services	Please reference Energy and Emissions: energy efficiency and sourcing renewable energy on page 20 of our Sustainability Report. Please refer to Next Gen Panel Technology on our website. Resi-Boost Brochure.



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE



GRI 303: Water and Effluents 2018

303-1 Interactions with water as a shared resource

Please reference **Water Quality and Wastewater: responsible water consumption, water use, and effluent** on page 21 of our Sustainability Report.

303-2 Management of water discharge-related impacts

Please reference **Water Quality and Wastewater: responsible water consumption, water use, and effluent** on page 21 of our Sustainability Report.

303-3 Water withdrawal

Please reference **Water Quality and Wastewater: responsible water consumption, water use, and effluent** on page 21 of our Sustainability Report.

303-4 Water discharge

Please reference **Water Quality and Wastewater: responsible water consumption, water use, and effluent** on page 21 of our Sustainability Report.

303-5 Water consumption

Please reference **Water Quality and Wastewater: responsible water consumption, water use, and effluent** on page 21 of our Sustainability Report.

GRI 305: Emissions 2016

305-1 Direct (Scope 1) GHG emissions

Please reference **GHG Inventory** on page 50 of our Sustainability Report.

305-2 Energy indirect (Scope 2) GHG emissions

Please reference **GHG Inventory** on page 50 of our Sustainability Report.

305-3 Other indirect (Scope 3) GHG emissions

Please reference **GHG Inventory** on page 50 of our Sustainability Report.

305-4 GHG emissions intensity

Please reference **GHG Inventory** on page 50 of our Sustainability Report.

305-5 Reduction of GHG emissions

Please reference **Our Sustainability Aspirations: strategy and focus areas** on page 8, and **Energy and Emissions: energy efficiency and sourcing renewable energy** on page 20 of our Sustainability Report.



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE



GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Please reference Residual and Waste Management on page 22-24, and the GHG Inventory on page 50 of our Sustainability Report.
GRI 401: Employment 2016	401-3 Parental leaves	Please reference Stakeholder Engagement on page 11, and Employment on page 36 of our Sustainability Report.
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Please reference Occupational Health and Safety on page 33-34 of our Sustainability Report.
	403-2 Hazard identification, risk assessment, and incident investigation	Please reference Risk Management on page 46 of our Sustainability Report.
	403-4 Worker participation, consultation, and communication on occupational health and safety	Please reference Employee Health and Well-being on page 35 and Occupational Health and Safety on page 33-34 of our Sustainability Report.
	403-5 Worker training on occupational health and safety	Please reference Employee Health and Well-being on page 35 and Occupational Health and Safety on page 33 of our Sustainability Report.
	403-6 Promotion of worker health	Please reference Employee Health and Well-being on page 35 of our Sustainability Report.
GRI 404: Training and Education 2016	403-8 Workers covered by an occupational health and safety management system	Please reference Employee Health and Well-being on page 35 of our Sustainability Report.
	404-1 Average hours of training per year per employee	Please reference Human Capital Development: advancing careers, talent recruitment, and retention on page 37 of our Sustainability Report.
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Please reference Diversity, Equity, and Inclusion on page 38-39, and Corporate Governance: board leadership and ESG governance on page 43 of our Sustainability Report. Please refer to our Code of Conduct .



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE



GRI 409: Forced or Compulsory Labor 2016

409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor

Please reference **Supplier Relations** on page 45, and **Supply Chain Sustainability** on page 15 of our Sustainability Report.

GRI 413: Local Communities 2016

413-1 Operations with local community engagement, impact assessments, and development programs

Please reference **Community Engagement** on page 40 of our Sustainability Report.



OVERVIEW

OUR SUSTAINABILITY APPROACH

ENVIRONMENTAL IMPACT

SOCIAL IMPACT

GOVERNANCE



Forward Looking Statements

This report includes forward-looking statements regarding Bakelite Synthetics' expectations, plans, and prospects for achieving our sustainability goals, improving our environmental, social, and governance (ESG) performance, and other related objectives. Such statements are based on our expectations and assumptions as of the date of the report and are subject to uncertainties, risks, and changes in circumstances that may differ materially from those contemplated.

These risks include our ability to successfully implement sustainability initiatives, respond to changing market conditions, and manage social and environmental risks, among other factors. We anticipate that subsequent events and developments may cause expectations and assumptions to change, and we undertake no obligation to update or revise forward-looking statements, except as required by law.





endless ideas for a better tomorrow

The information provided herein was believed by BAKELITE UK Holding Ltd. and its affiliated companies ("BAKELITE SYNTHETICS") to be accurate at the time of preparation or prepared from sources believed to be reliable, but it is the responsibility of the user to investigate and understand other pertinent sources of information, to comply with all laws and procedures applicable to the safe handling and use of the product and to determine the suitability of the product for its intended use.

All products supplied by BAKELITE SYNTHETICS are subject to BAKELITE SYNTHETICS' terms and conditions of sale. BAKELITE SYNTHETICS MAKES NO WARRANTY, EXPRESS OR IMPLIED, CONCERNING THE PRODUCT OR THE MERCHANTABILITY OR FITNESS THEREOF FOR ANY PURPOSE OR CONCERNING THE ACCURACY OF ANY INFORMATION PROVIDED BY BAKELITE SYNTHETICS.

© 2022 BAKELITE. All rights reserved.

® and ™ denote trademarks owned or licensed by BAKELITE SYNTHETICS.