

GRACE

Talent | Technology | Trust™

W. R. Grace & Co. GRI Report



Table of Contents

About This Report	4
About Grace	5
Economic Value Generated and Markets Served	5
Our Business Segments	5
Catalysts Technologies	5
Materials Technologies	7
Our Management Approach	8
Governance	9
Board Leadership	9
Sustainability Governance	9
Sustainability Strategy	10
Risk Mitigation and Adaptation	11
Transition Risks	11
Physical Risks.....	11
Ethics	12
Our Commitment	12
Our Management Approach	12
Our Performance	13
Stakeholder Engagement	13
Approach to Stakeholder Engagement	14
Engagement with Workers	15
Engagement with Suppliers	15
Engagement with Communities	16
People, Inclusion, and Diversity	17
Our Commitment	17
Our Management Approach	17
Talent Acquisition and Retention	17
Professional Development	17

Diversity and Inclusion	18
Total Rewards	18
Transition Assistance Programs	19
Our Performance	19
Executive Diversity and Inclusion	19
Talent Acquisition	19
Professional Development	19
Human Rights	20
Our Commitment	20
Our Management Approach	20
Our Performance	21
Health, Safety, and Process Safety	22
Our Commitment	22
Our Management Approach	22
Leadership.....	22
EHSS Management System	22
Hazard and Risk Identification	23
Stop Work Authority	23
EHSS Engagement.....	23
Emergency Response.....	24
Occupational Health Services.....	24
Our Performance	25
Cybersecurity	26
Our Commitment	26
Our Management Approach	26
Our Performance	27
Natural Resource Management Energy, Greenhouse Gas, and Emissions	27
Our Commitment	27
Our Management Approach	27
Our Performance	28
Greenhouse Gas Emissions	28
Energy Consumption.....	30
Air Emissions.....	31

Water Management 32

- Our Commitment 32
- Our Management Approach 32
- Our Performance 33

Waste Management..... 35

- Our Commitment 35
- Our Management Approach 35
- Our Performance 36

Environmental Compliance 37

- Our Commitment 37
- Our Management Approach 37
- Our Performance 38

Product Stewardship..... 38

- Our Commitment 38
- Our Management Approach 38
- Our Performance 39

Responsible Sourcing 40

- Our Commitment 40
- Our Management Approach 40
 - Responsible Mineral Supply Chains 41
- Our Performance 42

GRI Content Index 43

About This Report

3-1, 3-2

This report describes W. R. Grace and Co.'s (Grace) sustainability strategy and initiatives for the calendar year 2021, covering all manufacturing and administrative facilities under Grace's operational control. This report has been prepared in alignment with the GRI Core Option requirements.

In September of 2021, Grace became a privately held company. Our response is aligned with the period January 2021 through September 2021 as it most accurately represents the programs during the reporting period. All references to Grace's governance structure, board committees, and leadership were accurate as of September 2021.

We consider SASB's materiality matrix for the chemical industry relevant to Grace and have used that as the basis for our report. In addition, Grace solicits input from various stakeholders that informs its overall sustainability strategy and disclosure approach. A discussion on our materiality matrix can be found on our [website](#) through the [SASB standard for the chemical industry](#).

Grace currently collects sustainability metrics on an annual basis. These metrics include greenhouse gas emissions, energy, water withdrawal and consumption, hazardous and non-hazardous waste generated, health & safety recordable incidents, and Process Safety Tier 1 and 2 events. This data is aggregated, analyzed, and reviewed by Grace's Corporate EHSS function and other key internal stakeholders. Our data undergoes an internal quality control process and, beginning in 2021, external assurance from a licensed assurance provider following the GHG Protocol (ISO 14064).

The material topics that will be discussed in this report are listed below. The GRI standards addressed by each topic will be indicated as a marker below the topic heading.

- About Grace
- Economic Value Generated and Markets Served
- Governance
- Ethics
- Stakeholder Engagement (Community, Customers, Raters, Employees, etc.)
- Employee Retention, Diversity, and Inclusion
- Health, Safety, and Process Safety
- Mitigation and Adaptation (Risk Management, Climate, Water, Physical and Transition)
- Natural Resource Management (GHG, Energy, Water, Waste)
- Product Safety and Sustainability
- Sustainable Sourcing

Please use the [Contact Us](#) link on our website to address any questions or to request additional information.

About Grace

2-1, 2-2, 2-3, 2-4, 2-5, 2-6

W. R. Grace & Co.-Conn. is engaged in the production and sale of specialty chemicals and specialty materials on a global basis through two business segments: Catalysts Technologies, which includes catalysts and related products and technologies used in refining, petrochemical and other chemical manufacturing applications; and Materials Technologies, which includes specialty materials, including silica-based and silica-alumina-based materials, used in consumer/pharma, chemical process, and coatings applications.

Grace manufactures hydroprocessing catalysts through our Advanced Refining Technologies LLC (“ART”) joint venture with Chevron Products Company (“Chevron”). We hold a 50% economic interest in ART, which is not consolidated in our financial statements. ART revenue is included in Grace’s total revenues to calculate intensity metrics to align with Grace’s operational control over all production.

W. R. Grace & Co. delivers value through performance. Our catalysts and specialized silicas improve the products and processes of many of the world’s best companies. Through world-class know-how, collaboration, and experience, we help customers in 70 countries achieve some of their most important goals, from high-performing products and high-productivity manufacturing to improved efficiency, sustainability, and profitability.

On September 22, 2021, Grace became privately held company acquired by Standard Industries Holdings Inc., a privately held global industrial company.

Grace currently operates manufacturing facilities in 8 countries globally: Brazil, Canada, Germany, Malaysia, the Republic of Korea, Spain, Sweden, and the United States of America. Grace also owns its Corporate Headquarters located at 7500 Grace Drive, Columbia, Maryland 21044, USA.

Economic Value Generated and Markets Served

2-6

Our Business Segments

Catalysts Technologies

Catalysts Technologies uses our significant catalysts knowledge and applications expertise to design and manufacture products to create significant value for our customers. Our customers include plastics and chemicals manufacturers as well as oil refiners. We believe that our technological expertise and broad technology platform provide a competitive advantage, allowing us to quickly design products that help our customers create value in their operations and end markets. A network of globally coordinated plants manufactures our Catalysts Technologies products. Our integrated supply chain organization is responsible for effectively utilizing our manufacturing capabilities.

Specialty Catalysts

Specialty Catalysts provides process technology for polypropylene and a broad range of high-performance catalysts and supports specialized processes in the chemical value chain, from plastics to petrochemicals.

We are the only fully integrated supplier of polyolefin catalyst solutions across all process and catalyst technologies. Our strong strategic position is particularly evident in our worldwide polyolefin catalysts and process technology licensing business. We offer customers the broadest and most technically advanced portfolio of polyolefin catalyst technologies that enable the production of high-performance and differentiated resins. Polyolefin catalysts are used to produce plastics, including HDPE (high-density polyethylene), LLDPE (linear low-density polyethylene), and PP (polypropylene). Applications include packaging, consumer/ housewares, food packaging, construction, and automotive segments providing recyclable, lightweight, durable, and versatile materials.

Grace's POLYTRAK[®] catalyst enables manufacturers to produce key polypropylene grades for automotive applications, including the exterior, interior, and under-the-hood components. The growth in these applications come from the replacement of more costly polymers and metal. The improved strength-to-weight ratio of reinforced polypropylene grades means that weight can be reduced by up to 50 – 80% over aluminum and steel parts.

FCC Catalysts and Additives

We are a global leader in developing and manufacturing fluid catalytic cracking or FCC catalysts and additives. Our FCC products also enable refiners to reduce emissions from their FCC units and reduce sulfur content in the transportation fuels they produce. Oil refining is a highly specialized discipline, and FCC catalysts must be tailored to meet local variations in crude oil feedstocks and a refinery's desired product mix. We regularly work with our customers to identify the most appropriate catalyst and additive formulations for their changing needs. FCC units are designed to produce a broad spectrum of refined product yields, including gasoline, middle distillates, liquefied petroleum gas, or LPG. Traditionally, many FCC operators have focused on maximizing yields of transportation fuels; however, as demand for petrochemicals increases, a growing segment of refiners have transitioned their FCC operations with the primary objective of maximizing yields of petrochemical feedstocks, such as propylene.

Sustainability Product Story: DESOX

Sulfur oxides (SO_x), nitrogen oxides (NO_x) and carbon monoxide (CO) are all air pollutants regulated by global regulatory agencies, including US EPA. SO_x and NO_x play a major role in smog generation and can lead to acid rain, which impacts crops, forests and aquatic species and contributes to the acidification of soils and oceans. The acidification of soils from acid deposition reduces nutrient availability limiting above and below-ground biomass production. This prevents carbon sequestration and reduces the effectiveness of the second largest global carbon sink. Preventing further soil degradation and allowing soil restoration could lead to increased carbon removal from the atmosphere, helping mitigate climate change.

Our Environmental Additives portfolio has, for over 25 years, enabled the cleaner operation of refineries by allowing for significantly reduced SO_x, NO_x, and CO emissions from the refinery, with zero capital investment. We continue to innovate and invest in making these materials even more efficient than today's technologies.

Grace's ART[®] Hydroprocessing catalysts technologies (ART) enable refiners to produce cleaner transportation fuels. Feedstocks can be naturally high in sulfur and nitrogen, producing oxides when burned. Sulfur oxides (SO_x) and nitrogen oxides (NO_x) are air pollutants regulated by global regulatory agencies, including [US EPA](#). SO_x and NO_x play a major role in the generation of smog and can lead to

acid rain, which impacts crops, aquatic species, and forests and contributes to the acidification of the oceans. And they can be harmful to human health in high concentrations.

Hydroprocessing enables refiners to remove these contaminants and produce fuels that meet stringent environmental regulations. ART's hydroprocessing catalyst portfolio enables customers to meet low sulfur fuel regulations by reducing sulfur content by 75-99%.

ART's DHT and HCR catalysts remove over 99% of all feed sulfur in many applications. Our FBR products remove over 90% of sulfur, and our EB products tackle the most challenging streams to remove over 75% of sulfur from these feeds. Grace catalysts can remove over 200 million pounds of sulfur annually in an average hydroprocessing unit.

Materials Technologies

Materials Technologies uses our significant specialty silica, zeolite, and fine chemical knowledge and applications expertise to design and manufacture products to create significant value for our customers. Our customers include pharmaceutical companies, consumer products manufacturers, coatings manufacturers, emission control system manufacturers, petrochemical and natural gas processors, and plastics manufacturers.

Silica-Based Products

We globally manufacture functional additives and process aids, such as silica gel, colloidal silica, zeolitic adsorbents, precipitated silica, and silica-aluminas, for a wide variety of applications and end-use industries. We also custom manufacture fine chemical intermediates and regulatory starting materials used primarily in the pharmaceutical and nutritional supplements industries.

Our materials are integrated into our customers' manufacturing processes and when combined with our technical support, can increase the efficiency and performance of their operations and products. By working closely with our customers, we seek to help them respond quickly to changing consumer demands.

Beginning in 2020, we deepened our collaboration with customers to align some of our Materials Technologies product capabilities to support customers in addressing the global COVID-19 pandemic. Our silica-based technology provides separation capabilities found in the PCR (polymerase chain reaction) test kits. Similarly, our silica-based materials are used in purifying lipids that are required to hold together mRNA used in two of the leading COVID-19 vaccines.

Sustainability Product Story: SYLOID® MX 110 Silica

In 2021, we launched SYLOID® MX 110 silica, a product specifically developed to fulfill the increasing technical challenges of matting environmentally friendly coatings (low VOCs) where film shrinkage during drying is minimal. SYLOID® MX 110 silica is a uniquely designed amorphous silica structure that provides superior matting ability at low concentrations. It delivers an environmentally friendly (low VOC) solution in VOC-compliant coatings systems while allowing the use of fewer matting agents for the same amount of units. It does not contain respirable crystalline silica. In addition, our silica is a synthetically manufactured material similar to a naturally occurring mineral. Grace manufactures this product in a controlled environment to achieve specific properties.

Sustainability Product Story: DARACLAR® Silica

Food, Beverage, and Pharma companies rely on water availability for their products and processes as part of our Materials Technologies Business. Grace has worked with our customers in water-intensive industries to develop products specifically designed to reduce water consumption and solid waste.

Grace's DARACLAR® 9000HP Silica reduces water consumption during filtration and stabilization for beverage companies by 58.2% leading to significant water savings in these process steps. Based on a Grace case study, for an average cost of US\$ 70 per cycle for filtration Cleaning In Place (CIP) cycles which includes chemical and water treatment costs, customers will be able to save 66,850 Liters of water and a reduced filtration CIP cost by 62%.

Filtration is typically a mechanical process to separate undesired impurities from the main liquid stream. In brewing, beer is generally mixed with a filter aid, such as Diatomaceous Earth (DE), that is retained on a filter septum. Clarified beer goes through the DE filter cake, which is then removed and usually disposed of at a landfill. Regardless of possible reuse scenarios, the brewing industry has committed to reducing or eliminating the use of DE to reduce costs associated with its disposal and, as a matter of health, due to food safety risks associated with its use. DARACLAR® 9000HP silica was able to help the customer achieve a total DE reduction of 50% in volume, reducing the amount of solid waste in landfill.

Pharma

Grace supported critical COVID-19 PCR Testing. Promega products are used worldwide in COVID-19 research and vaccine development. Hospitals, clinical laboratories, and molecular diagnostic manufacturers also use Promega products to support SARS-CoV-2 testing globally. The products Promega manufactures from materials supplied by Grace are used in SARS-CoV-2 PCR testing to extract viral nucleic acid from patient samples. This step of the testing workflow is referred to as "sample preparation."

Our Management Approach

We create value for customers by profitably growing our specialty chemicals and materials businesses and achieving high efficiency and cash flow levels. To meet these objectives, we:

- Invest in accelerating growth and extending our competitive advantages;
- Invest in great people to strengthen our high-performance culture;
- Acquire to build our technology and manufacturing capabilities for our customers.

Our businesses are well-positioned to grow through our customer-driven innovation, commercial and operating excellence and thoughtful, disciplined merger and acquisition approach. Our businesses are interconnected through shared materials science and our highly integrated global manufacturing and supply chain operations. Our organic growth drivers include: global demand for cleaner fuels; rising living standards and growing middle class incomes; stricter environmental standards; and increased focus on health and wellness.

Governance

2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-15, 2-16, 2-17, 2-18, 2-19, 2-20, 2-22, 2-23

Board Leadership

Grace's governance is led by its Board of Directors.¹ We have established [Corporate Governance Principles](#), [Business Ethics](#), and [Conflicts of Interest](#) policies to guide employees in their daily business interactions. The policies reaffirm Grace's commitment to comply with all applicable laws and be governed by the highest level of business ethics.

The standing committees of the Board of Directors are²:

- Audit Committee
- Compensation Committee
- Nominating and Governance Committee
- Corporate Responsibility Committee

Sustainability Governance

The Corporate Responsibility Committee comprises all board members, including the chairman, CEO, and all other board members³. This committee assisted the Company's Board of Directors and management in addressing the Company's responsibilities as a global corporate citizen (including its duties to its various stakeholders, such as shareholders, customers, employees, and the communities in which the Company operates). The Committee addressed the Company's responsibilities in a wide range of areas, including affirmative action, equal employment opportunity and diversity initiatives; corporate contributions and community service programs; corporate training programs; sustainability; environmental, health and safety matters, and climate-related issues as they rise to the level of importance that would have a substantive impact on the operations or finances of the Company. The Board of Directors endorsed our emissions reduction target of 22% over ten years.

The Grace Sustainability Leadership Team was responsible for the strategic development, planning, and oversight of sustainability issues and initiatives throughout the organization. It was comprised of business presidents and Integrated Supply Chain leaders. It was chaired by the Senior Vice President of Public Affairs and Environment, Health, and Safety, Chief Sustainability Officer, a corporate officer directly reporting to the CEO and Board of Directors, and has executive oversight of all Environmental, Health, and Safety programs at Grace.

Additional information can be found in the [Governance](#) section of our website.

¹ On September 22, 2021 Grace was acquired by Standard Industries Holdings Inc., a privately held global industrial company (Grace.com Press Release 9/22/2021). All references to Grace's governance structure, board committees and leadership were accurate through that date.

² See footnote 1

³ See footnote 1.

Sustainability Strategy

On April 8, 2022, Grace became a signatory to the United Nations Global Compact, supporting the world's largest corporate sustainability initiative. "By signing the United Nations Global Compact, we are demonstrating Grace's commitment to responsible and sustainable business practices to our customers, employees, and communities," said Grace Chief Executive Officer Bob Patel. Grace joins over 15,000 companies across 162 countries in our commitment to accelerate and scale the collective global impact of business toward a sustainable future. "In upholding the UN Global Compact's ten principles, Grace will contribute to the UN Sustainable Development Goals and the Paris Agreement through the values based approach our organization and products deliver in the marketplace," said Chief Sustainability Officer Keith Cole. By submitting our letter of commitment to the UN Global Compact, Grace is taking action to support and report on the following ten principles:

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2: Businesses should make sure they are not complicit in human rights abuses.

Labor

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labor

Principle 5: Businesses should uphold the effective abolition of child labor

Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges

Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility

Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies

Anti-corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

As our customers' appetites for more sustainable products and processes have increased, so has Grace's focus on integrating sustainability into our products' design, functionality, and value propositions. Our best customers are innovative and value-focused, and increasingly demand solutions are moving them toward their sustainability goals. Our commitment to helping our customers meet their sustainability goals is at the company's very top.

The value we deliver through customer-driven innovation is increasingly based on how we help our customers meet their sustainability goals. Grace products and technical services improve the efficiency of our customers' processes, reduce energy and water use, cut harmful emissions, conserve material inputs,

and reduce waste. Our technologies enable our customers to make products that meet the toughest environmental standards or to reformulate products to address rising consumer and regulatory expectations for sustainability, human health, and safety. The products in our portfolio that address these sustainability endpoints accounted for 51-percent of sales in 2021. See Grace's [Product Innovation and Impact](#) page for more information.

Grace has established targets to reduce emissions, energy, water, and waste consumption. As stated in CDP guidance, an emissions reduction target of 22% over ten years is aligned with science-based targets to limit warming to below 2°C above pre-industrial levels. Grace also set a 10% reduction target for water withdrawal and a 5% reduction of generated waste sent to landfills, including hazardous wastes, from a 2019 baseline by 2029.

Risk Mitigation and Adaptation

Grace recognizes that it faces emerging transition and physical risks related to climate change which can negatively impact its operations and business. We evaluate these risks through our Enterprise Risk Management Committee comprising cross-functional Grace senior leaders.

Transition Risks

Regional, national and international governments are increasingly regulating GHG emissions through cap and trade systems, such as the EU's Emission Trading System or North America's proposed carbon pricing mechanism. Emission credit prices associated with these systems may increase the operating cost for Grace facilities. To mitigate this, Grace has begun integrating an assumed carbon price into the capital planning process, particularly for facilities under the EU-ETS, to promote investments in projects that meet our sustainability objectives.

The growth of electric vehicles and emerging regulations may lead to reduced demand for liquid transportation fuels which could negatively impact our revenues and business as this transition occurs.

Physical Risks

Certain Grace facilities globally are located in areas prone to increasing severe weather events such as hurricanes and flooding, resulting in production disruptions. These weather events can also negatively impact our suppliers and customers, which can delay our facilities' raw material and utility supply and decrease production demand.

Grace's emergency planning includes providing temporary housing and emergency supplies for affected employees, bringing in temporary power generation, meeting customer demand from inventory, and shifting production to alternate locations.

In 2022, the EHS/Operational Risk Management team will use [The Climate Explorer](#) to track various climate change physical risks. Future forecasts can be used within business continuity assessments for Grace locations. In addition, Grace has developed a Hurricane Playbook, which defines the preemptive steps that sites/locations will take in pending extreme weather. [NOAA](#) website is monitored daily during hurricane season from May – November. If a storm is impending within 48 hours, the Risk Management team will convene leaders from within Supply Chain, EHS, and Operations and initiate the playbook.

Ethics

3-3, 2-23, 2-24, 2-25, 2-26, 205-1, 205-2, 205-3, 206-1

Grace has established corporate governance principles, business ethics, anti-corruption, and conflicts of interest policies to help employees in their daily business interactions and policies on any political activities. Grace also requires all of its employees to undergo annual ethics training. The policies and related training reaffirm Grace's commitment to comply with all applicable laws and be governed by the highest level of business ethics.

- Business Ethics Policy
- Conflicts of Interest Policy
- Political Contribution Policy
- Corrupt Business Practices Policy
- Corporate Governance Principles

The policies can be found in our website's [Ethics and Business Conduct](#) section.

Our Commitment

Grace is dedicated to the values of teamwork, performance, integrity, speed, and innovation. Grace expects the highest ethical behavior from its employees and representatives throughout its global operations. Our Business Ethics and Antitrust Compliance policies embody our unwavering commitment to integrity and ethics and outline the principles that each director, officer, employee, and other representative acting on behalf of Grace and its subsidiaries are expected to follow.

Our Management Approach

Prior to our acquisition in September 2021, Grace conducted periodic corruption and bribery risk assessments through the Board of Directors Audit Committee⁴, which oversees Grace's Internal Audit function. The internal audit function is designed to provide independent, objective assurance and advisory results to evaluate and improve business effectiveness, risk management, control, and governance processes. Control procedures are audited regularly using independent third-party auditors as well as internal audits through the independent internal audit function.

Grace, through its Board of Directors, has established an Ethics and Integrity Action hotline that employees, customers, vendors, or other interested persons can use to anonymously report violations or express concerns, including, but not limited to, any matters involving accounting, internal accounting controls, audit matters or fraud. Stakeholders can also express their concerns to their Grace contact, the Chief Ethics Officer, the independent Chairman, or the Lead Independent Director, as appropriate.

We provide annual employee training on our business ethics and antitrust compliance policies. Upon completion of these training, select employees are required to sign the Ethics Certificate to certify that they will conduct all business on behalf of Grace in compliance with all applicable laws and regulations and conformance with these policies. The Antitrust Compliance policy provides employees with guidelines

⁴ On September 22, 2021 Grace was acquired by Standard Industries Holdings Inc., a privately held global industrial company (Grace.com Press Release 9/22/2021). All references to Grace's governance structure, board committees and leadership were accurate through that date.

covering relations with competitors, customers, mergers and acquisitions, joint ventures, and documentation.

Our anti-corruption policy is also incorporated into our Supplier Code of Conduct. Grace requires 100% of its suppliers to abide by the Code and encourages its Suppliers to require their suppliers and subcontractors to follow the principles of this Code in their operations. Failure of a Supplier to comply with the requirements in this Code may be considered a material breach by Grace in the related contract(s) or transaction(s) between Grace and Supplier, and Grace may terminate such contract(s) or transaction(s) with Supplier at its discretion as a result.

Our Performance

Before our acquisition in September, Grace's Audit Committee regularly reviewed the Internal Audit function's performance and all corruption, bribery, and antitrust risk assessments during the calendar year. The Audit Committee held four meetings in 2021. Our Chief Ethics Officer also reviews all calls to the Ethics Hotline for potential business ethics breaches, such as antitrust violations or corruption incidents.

All Grace employees received ethics training on the below courses:

- The Company Code of Conduct
- What if...? A Reporting Unethical Behavior Vignette
- Trust and Speaking Up: Raising Concerns
- Managing and Resolving Conflicts of Interest Involving Gifts and Gratuities in Business

Cybersecurity courses were assigned as part of the Ethics training. All employees participated in the 2021 Ethics Training and met the Ethics training requirement.

Our anti-corruption policy is also incorporated into our Supplier Code of Conduct, which applies to all Grace suppliers. Grace also assesses its suppliers' ethics and anti-corruption management systems using a third-party supply chain assessment company. The assessments are evidence-based, and suppliers must provide documentary evidence of ethics and anti-corruption policies, practices, and performance. By 2021, suppliers representing approximately 70% of Grace's direct material spend had completed an assessment.

Stakeholder Engagement

2-29, 2-30

Grace is an active member of the communities and markets in which we participate. We recognize that our operations, products, and services impact various internal and external stakeholders, including our customers, investors, employees, communities, regulators, and many more. We regularly engage with these stakeholders through formal and informal channels to understand their interests and maintain mutually beneficial relationships. We also communicate our sustainability performance to our stakeholders and consider their feedback as valuable input for the continuous improvement of our sustainability initiatives.

Approach to Stakeholder Engagement

We rely heavily on our understanding of this network and the voices of our customers and neighbors. Across a broad spectrum of stakeholders, we enable dialogue through various channels.

Our Stakeholders	Sharing and Listening	Typical Areas of Interest
Customers	We are proud to serve many of the world's most respected and successful companies. Large or small, our customers engage with us through our global sales network, customer service, our trusted distributors, our global technical service teams, and product development projects. We are active participants and frequent sponsors of conferences and events, from Grace user groups to the leading trade groups in countries worldwide.	Our relationship with customers is built on talent, technology, and trust. Our mutual interest in developing, manufacturing, and delivering quality products that improve our customers' products and processes lies at the core of our engagement.
Candidates and Employees	Prospective and current employees are the lifeblood of Grace. Our media channels range from regular face-to-face conversations to social media and our other digital connections, including the Careers section of our website.	Our relationships with candidates and employees are rich, deep, and highly consequential. Our commitment is to be as transparent as is legal and practical as we strive to identify countless opportunities for mutual benefit.
Unions, Works Councils, and Safety Committees	Unions or local works councils represent many Grace employees. Engagement with these groups is constant and an integral part of our operations in those locations. Employee-driven health and safety committees have been long-established at many of our sites.	Matters within the purview of unions, bargaining units, and works councils span working conditions and ways to improve our business and commitments to other stakeholders. Worker health and safety is a key priority for our many safety committees collaborating with employees, EHSS staff, and site leadership.
Suppliers	Current and prospective suppliers reach us through our website and global Strategic Supply Chain organization. The SAP Ariba solution supports our interaction. Additionally, Grace hosts periodic sustainability-specific learning opportunities or requests its strategic suppliers to complete a sustainability-focused assessment. These assessments may result in corrective actions. For more information, please see the	We strive to achieve mutually beneficial partnerships with our suppliers around the world. We share our commitment to ethical standards through our Supplier Code of Conduct.

	<u>Responsible Procurement</u> section of this report.	
Local Communities	We participate in many advisory groups, neighborhood and business associations, and countless ad hoc conversations with our communities worldwide. Our employees volunteer time, talent, and charitable gifts often matched by Grace.	Each of our facilities is engaged with groups in their area on matters of public safety, charitable giving, health and human services, education, and more.
Industry Groups	We are members of many industry trade groups and professional associations worldwide. Our participation spans the breadth of ways these groups engage their members.	Our participation is driven and informed by many priorities, including our need to be aware of developments affecting our business and many stakeholders. In our industry, trade groups offer a means to engage customers, comply with regulations, and much more.
Regulators and Policy Makers	We engage with regulators and policy makers at various local, national, and international levels through various methods and functions within Grace, including our site leaders, business leaders, government affairs and communications team, trade associations, and legal counsel.	Grace's engagement with regulators and policy makers is focused on ensuring compliance with laws and regulations affecting our business in jurisdictions around the world. Relationships are often collaborative and subject to disclosure under various reporting standards.

Engagement with Workers

Many Grace facilities have established worker-management health & safety committees to evaluate and manage Environment, Health, Safety, and Security (EHSS) risks as part of our Responsible Care Management System. Facilities also engage with our neighbors through community advisory panels, and many employees participate in volunteering initiatives to support the development of their local communities. At the corporate level, Grace engages its customers on sustainability by developing products designed to meet our customers' sustainability objectives and response to customers' sustainability questionnaires as part of their requirements for doing business with Grace.

Engagement with Suppliers

Grace engages with suppliers on sustainability issues through its Responsible Sourcing Program in our supply chain. The foundation of our responsible sourcing approach is the Grace Supplier Code of Conduct, which outlines our requirements for suppliers in environmental responsibility, labor, and human rights, and business ethics. This Code applies to 100% of Grace suppliers.

We assess the sustainability performance of our suppliers using a 3rd party supply chain ratings service. These assessments are evidence-based, requiring document verification of sustainability claims, and enable sourcing managers to assign corrective actions. We incorporate these sustainability scores into our overall supplier risk assessment and performance monitoring. Finally, we provide forums to train our suppliers on sustainability expectations. In 2021, we held two virtual town hall meetings to provide

sustainability training to our suppliers, which approximately 80 supplier representatives attended. In 2021, approximately 150 suppliers representing 70% of our direct material spent, completed a supplier sustainability assessment.

Engagement with Communities

As a global specialty chemical company, we recognize that our reach extends well beyond the customers we serve or the investors in our business. We acknowledge our responsibility in earning the trust of millions worldwide who are touched by our presence or products.

Grace is connected and available to neighbors and leaders of our communities. We make a special effort to introduce ourselves to communities when we acquire new facilities and connect with leaders when we exit a business or a facility. We have been active in some communities for many years: over a century in Baltimore's Curtis Bay area; since the 1950s in Lake Charles, LA, and Valleyfield, Quebec; since the mid-1960s in Chattanooga, TN; since the early 1970s in Worms, Germany and Sorocaba, Brazil; since the early 1980s in Aiken, GA; since the 1990s in Kuantan, Malaysia. Since then, Grace has continued to expand our global footprint and is proud to be an active partner with the communities in which we operate.

As you would expect, our employees are members of the communities where we operate. They are active as individuals and Grace employees in improving these communities. Grace supports their efforts through the W. R. Grace Foundation (in the U.S.) and charitable support through our various facilities abroad.

Additional information can be found in the [Stakeholder Engagement](#) section of our website.

People, Inclusion, and Diversity

3-3, 401-2, 404-1, 404-2

Our Commitment

Grace's great talent and high-performance culture are the most important sources of our competitive advantage. Our high-performance culture is based on our commitment to performance and our five Grace Leadership Behaviors: Deliver Results; Think Critically; Be Authentic; Communicate; Engage and Include. We aspire to strengthen these by welcoming and valuing the unique backgrounds, cultures, ethnicities, genders, experiences, perspectives, and contributions of our employees around the globe.

Our Management Approach

Talent Acquisition and Retention

All employment decisions at Grace are based on business needs, job requirements, and individual qualifications, without regard to race, color, religion or belief, national, social or ethnic origin, sex (including pregnancy), age, physical disability, HIV status, sexual orientation, gender identity and/or expression, marital, civil union or domestic partnership status, past or present military service, family medical history or genetic information, family or parental status, or any other status protected by the laws or regulations in the locations where we operate.

Grace also cultivates its talent pipeline through the 12-week Summer Internship Program, wherein qualified students work on projects across different functional areas that contribute to Grace's business objectives and complement their academic learning. Graduates of the Summer Internship Program are often recruited into the 3-year Manufacturing Leadership Program (MLP) upon completion of their undergraduate degrees. MLP Participants are given rotational assignments across our Global Operations organization. The program provides participants with valuable experience in Grace's operations and processes and prepares them for future leadership roles within Grace.

In our German operations, most of our apprentices become full-time Grace employees at the end of their apprenticeship. A team of experienced professionals provides guidance, training, and individual coaching in six apprentice categories:

- Chemical Technician
- Industrial Mechanic
- Electronics Technician for Operating Technology
- Chemical Laboratory Technician
- Forwarding Agent
- Dual Study Business Administration, focus on Digital Business Management

Professional Development

Grace uses multiple approaches to encourage and reinforce the ongoing professional development of its people's talents. Our high-performance culture is fueled by the engagement, inclusion, and diversity of our workforce's array of experiences and their innate curiosity and desire to be lifelong learners.

Grace encourages the creation of robust development plans and a healthy coaching relationship between employees and their managers. All are encouraged to consider ways to improve technical, business, and

leadership capabilities for their current role and any potential roles they aspire to. Employees are expected to take responsibility for their growth and development plan, seek support when needed, take advantage of tools and resources, and continually reassess their needs and plans. Managers are accountable for supporting these efforts and role-modeling leadership behaviors.

Employees are encouraged to apply a 70-20-10 rule of thumb—70 percent of learning from work/job experience; 20 percent coaching, feedback, and peer mentoring; and 10 percent formal training—when planning their development and to work with their manager to identify real-world opportunities. For the 10 percent of traditional development, a wide array of business, professional, and leadership training is available in the Company's online learning center and through facilitated courses.

Grace supports continuing education, including tuition reimbursement for eligible employees.

Diversity and Inclusion

In 2020, Grace launched its Diversity and Inclusion (D&I) Commitment Statement. It reflects our aspirations and is an early step in a cultural shift that will take place over many years. Like our commitment to safety, our actions to improve our effectiveness in D&I will never end. And like our approach to safety improvement, we know we must be self-reflective, honest, and transparent with employees if we expect to grow and achieve our aspirations. In 2021, each single team member at Grace signed this commitment.

Our D&I approach centers on five core pillars around which we plan ongoing improvement activities:

- Transparent Communication
- Executive Commitment
- Employee Engagement
- Practices and Policies
- Meaningful Measurement

In addition to these five pillars, Grace has committed to deeply and systematically probing our employees' perceptions, reactions, and ideas as we roll out new improvement ideas and actions, embracing them as partners in our D&I approach. One important lever to measure our D&I strengths and opportunities is the Grace Engagement and Inclusion survey. The initial survey in 2021 had a total participation rate of 89%.

Grace has initiated workshops such as Unconscious Bias and Inclusive Leader Training, Communicating Across Differences: measuring perceptions of inclusion and engagement, and tracking our representation across key locations and roles—all of which will be woven into our holistic plan for improving D&I.

Total Rewards

Grace is dedicated to achieving equal opportunity for all employees and applicants for employment. We comply with this connection's Equal Employment Opportunity Posting (for U.S. locations) policy.

We provide the following benefits to all full-time U.S.-based employees at all of Grace's significant operating locations. We offer similar benefits to employees at our international facilities in compliance with local employment laws.

Grace provides a competitive compensation and benefits package, including medical, dental, life insurance, parental leave, employee assistance program, and others.

Transition Assistance Programs

Grace makes every effort to reduce the impact of layoffs during operations in a highly dynamic and competitive industry. Where changes in the workforce are unavoidable, Grace works to lessen the effects on its employees.

Our Performance

Executive Diversity and Inclusion

The Nominating and Governance Committee⁵ has included the diversity of industry and product experience among its criteria for recommendation and nomination of director candidates.

Our corporate Human Resources regularly reviews diversity and inclusion within our organization. In 2021, all Grace employees completed training on the following diversity and inclusion modules:

- The Company Code of Conduct
- What if...? Reporting Unethical Behavior
- Trust and Speaking Up: Raising Concerns
- Managing and Resolving Conflicts of Interest Involving Gifts and Gratuities in Business

Talent Acquisition

We introduced a Talent Selection Workshop to help the organization implement a structured and efficient behavioral interviewing process to select the right talent consistently. Additionally, the workshop introduced tools to manage unconscious bias that may get in the way of hiring diverse talent. In 2021, 16 programs were held, each consisting of two 3-hour workshops. People managers completed this training. The workshops were held in both English and German. We are continuing the training in 2022.

Professional Development

We have invested heavily in our global talent and talent management system, including aligned goal setting, ongoing feedback and coaching, effective performance reviews, and a continuous professional development cycle. We have also invested significantly in talent development and effectiveness, including over \$6 million and 50,000 hours of commercial excellence investment and training for our commercial teams since 2016.

As part of our 2021 Diversity and Inclusion initiative, people managers at Grace completed “Unconscious Bias to Inclusive Leadership” training. This valuable training exposed managers to their implicit biases and provided tools to adjust automatic thinking patterns and ultimately help avoid discriminatory behaviors. These classes were held in both English and German.

Grace’s Aspire web-based training platform provides access to a tremendous number and variety of online training content to enable and promote continual learning and development opportunities for all employees.

⁵ On September 22, 2021 Grace was acquired by Standard Industries Holdings Inc., a privately held global industrial company (Grace.com Press Release 9/22/2021). All references to Grace’s governance structure, board committees and leadership were accurate through that date.

Training Hours by Gender ¹	Number of Training Hours
Male	82,523
Female	9,796
Total	92,319

1 – This data reports total training hours from our global manufacturing operations and does not include corporate and business functions personnel.

Training Hours by Employee Category	Percentage
Manager	12%
Professional Contributor	35%
Union Employees	53%
Total	100%

Human Rights

3-3, 2-23, 2-25, 2-26, 2-30, 406-1, 407-1, 408-1, 409-1

Our Commitment

Grace is committed to protecting and advancing human rights wherever we operate. We do not tolerate any form of exploitative child labor as defined in the International Labor Organization Convention 182, Article 3 (Worst Forms of Child Labor). We also do not use indentured, enslaved persons, bonded, or other forced involuntary labor and reject corporal punishment. Our commitment to human rights extends to both our operations and supply chain.

Our Management Approach

Grace is a signatory to the United Nations Global Compact and adheres to the United Nations Universal Declaration on Human Rights principles and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, all of which form the basis of our human rights commitments. Our Human Rights policy outlines our commitment to the following:

- Employee, customer, and community health & safety
- Compliance with all EHS and human rights laws and Grace requirements
- Non-tolerance towards child and human labor in our operations and supply chain
- Fair employee working hours and compensation
- Diverse and inclusive workplace free from discrimination
- Employee right to freedom of association
- Non-tolerance toward corruption, bribery, and other business ethics violations

Facility management and human resources regularly engage with unionized employees of their facilities on health & safety, working conditions, and compensation. Collective bargaining agreements are regularly reviewed with union leadership to ensure local labor laws and regulations comply. Many facilities have established management-employee health & safety committees for employees to raise any EHSS hazards and issues.

All Grace employees are required to complete annual human rights training through our learning system. Any human rights violations can be reported confidentially by employees, customers, vendors, or other interested persons to our Ethics Hotline. Employees can also report these violations to their managers or local human resources representatives.

Grace has participated in internship programs sponsored by the German and Brazilian governments allowing interns to start at age 17. No other facilities employ labor under the age of 18.

All Grace suppliers must ensure that they do not use child or forced labor, respect their employees' right to bargain freely, and comply with all local labor and human rights laws, as stipulated in our Supplier Code of Conduct. Suppliers are required to report violations or legal proceedings related to human or labor rights to Grace. We also encourage our suppliers to require their own suppliers and subcontractors to adopt the principles of Grace's Supplier Code of Conduct in their operations. Failure to meet these standards is grounds for us to terminate contracts and transactions with the supplier.

Incidents may be reported to a public hotline maintained by Grace which can be found on our website in the [Ethics and Business Conduct](#) section.

Our Performance

Prior to our acquisition in September 2021, we conducted internal human rights and workforce reviews for Grace facilities to ensure full compliance with labor and human rights laws and Grace requirements in response to specific inquiries.

In 2021, no freedom of association, child labor, or forced labor violations were reported from our operations, and we are not aware of such violations from our suppliers. All Grace employees received human rights training on the below courses:

- Developing an Ethical Culture
- Retaliation, Age Discrimination, Diversity
- Sexual Harassment

Health, Safety, and Process Safety

3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10,

Our Commitment

Grace's EHSS core values are: No One Hurt, Nothing out of Place, and No Harm from our Products. Globally, we aspire to have zero recordable health and safety incidents and zero Tier 1 process safety events at our facilities. To achieve this, we have set a short-term target to meet or exceed top quartile performance within the chemical industry for the Total Recordable Incident Rate (TRIR) and Tier 1 & 2 Process Safety Event (PSE) rate.

Our Management Approach

Leadership

Grace's commitment to providing a safe and healthy workplace is anchored on its EHSS policy and implemented through its global Responsible Care Management System. All Grace employees, contractors, and suppliers are also empowered to Lead with Safety through the following principles:

- All Grace employees, contractors, and suppliers make a personal commitment to working safely.
- We take ownership of our actions to drive our safety culture, ethics, and core values.
- We speak up when we observe unsafe behaviors or conditions.
- We are all responsible for recognizing risks and doing something about them.
- Crucial conversations lead to safe workplaces.
- Safety is not an act but a mindset.

Grace facility managers are accountable for effectively implementing the EHSS Management System at their facilities, following Grace's EHSS Core Values. Each facility employs full-time EHSS leaders responsible for its day-to-day implementation and promoting the Lead with Safety culture among plant leaders and employees.

EHSS Management System

The global framework for Grace's EHSS activities is our EHSS Management System. Our US facilities adhere to the chemical industry-specific Responsible Care Management System to evaluate and manage all environmental, health & safety, process safety, product safety, and security risks. Our International facilities adhere to the International Organization for Standardization (ISO) 14001, 45001, and 50001 to manage their environmental, safety, and energy impacts.

Conformance to the EHSS Management System at both the facility and corporate headquarters level is audited annually and certified every three years by third-party registrars to demonstrate conformance with Responsible Care® or ISO 14001 / 45001 requirements.

Safety is managed through management systems certified to the Responsible Care Management System or ISO standards. Twelve of Grace's manufacturing facilities have been so certified.

As appropriate, the company, operating segments, and facilities are required to establish a program to assure EHSS compliance. The scope of EHSS assurance also extends, commensurate with risk, to consider the performance of carriers, suppliers, distributors, customers, contractors, and third-party providers. These programs:

- Verify compliance with laws, regulations, and operational controls established by applicable law and required by this management system.
- Assure and verify timely and effective containment, corrective, and preventive actions;
- Maintain systems to track corrective and preventive actions to closure;
- Include communications mechanisms that ensure audit results and follow-up are communicated to management;
- Include a formal process to establish and communicate audit frequency and scope.

Hazard and Risk Identification

Grace uses a tiered structure to identify and assess its hazards and risks based on the scope and operational context. At the Corporate level, risks are identified and managed through a hazard and risk assessment process in alignment with the Responsible Care Management System. Each facility is required to maintain its own hazard and risk assessment (HRA) specific to its operational risks. A process hazard analysis (PHA) with Layer of Protection Analysis (LOPA) is conducted using tools and methodologies based on industry standards and best practices for new and existing processes that meet applicability thresholds. The management of change (MOC) process is in place at all Grace facilities to carefully consider the impacts of procedure, equipment, and organizational changes throughout the process and facility lifecycle. Grace has aligned all the above risk assessment processes to a unified risk matrix, ensuring that risks are consistently evaluated and prioritized across the organization.

Stop Work Authority

Employees at all levels are empowered to stop work should unsafe conditions be identified. Plant leaders are expected to model these behaviors through regular safety walkarounds at the facility. Employees can also report unsafe activity anonymously through the Grace Ethics Hotline.

EHSS Engagement

All employees are required to undergo training to identify and eliminate EHSS risks associated with their job, using the local language used by employees. These requirements are supplemented by specific training requirements in corporate implementing procedures for lock-out tag-out, confined space entry, hot work, fall protection, safety observations, and other similar scenarios. Each Grace facility is responsible for maintaining a site-specific training program covering Grace employees and contractors that meets regulatory and Responsible Care requirements.

Many Grace facilities have established worker-management health and safety committees that make decisions and investments in workplace health and safety. A tiered meeting structure from the facilities up through corporate headquarters meets weekly and monthly and includes representatives from all levels of facility leadership and workers. Committees develop and implement programs to eliminate EHSS-related risks at the facility as part of internal initiatives. Many committees also have long-standing programs to track and report leading indicators, near-misses, incidents, and other safety priorities. A robust internal and management system audit program often engages committee members in audit interviews and facility tours.

Grace's Corporate Communications and EHSS functions engage with internal and external stakeholders on key EHSS issues through various channels.

Process safety and occupational health and safety events are reported using a centralized incident management system available to any individual within the organization globally. Significant Near Miss events are investigated to identify the root cause using methods appropriate to the context of the event. EHSS and Facility leadership identify containment, corrective, and preventive actions to ensure the root cause of each event is addressed and to prevent reoccurrence. High learning value events are reviewed by global leadership and communicated throughout the integrated supply chain organization through defined meeting cadences.

Emergency Response

Emergency preparedness is a key component of our Management System. All Grace facilities are required to maintain emergency response programs and plans. We regularly conduct emergency response drills involving cross-functional teams, including the Grace Leadership Team. Post-drill evaluation is conducted as part of the continuous improvement of the emergency procedure.

Our facilities have specialized onsite emergency response teams, contracts with local third-party response providers, or a close working relationship with local governmental authorities to prepare for emergencies. Several locations with onsite teams also participate in local mutual assistance programs. Additionally, Grace has HAZMAT specialists trained and available to advise quickly on off-site incidents involving certain high-hazard chemicals.

Grace uses CHEMTREC as its 24/7/365 emergency response call center and has several country/regionally specific arrangements in Asia. All known incidents are tracked, and investigations are conducted following the procedures employed for other incidents.

Additional information on our Emergency Response Program can be found in our [EHS Management System](#) section on our website.

Occupational Health Services

Grace provides occupational health services for our employees. Several manufacturing locations have an on-site occupational health nurse and visiting physician who provide risk-based medical surveillance clearances, care for work-related illness and injuries, and assist with non-occupational illness and injury management. Facilities without an on-site medical professional work with local clinics to follow our surveillance protocols and manage work-related illnesses and injuries. All facilities maintain stocked first-aid kits and AEDs and train volunteer medical responders in first aid/CPR/AED to assist in injuries and illnesses that may occur at the location.

Routine industrial hygiene sampling is conducted at the manufacturing facilities, pilot plants, and laboratories to ensure proper exposure controls are available and functional. Sampling is conducted by trained onsite personnel or industrial hygiene consultants. All samples are obtained following established sampling protocols and analyzed per established procedures at accredited laboratories. In 2021, Grace began implementing a cloud base industrial hygiene and occupational health management system as part of our continuous improvement efforts for standardization and transparency. The system will track sampling plans and results. There are several benefits to a platform system, including tracking of periodic monitoring.

Grace provides several resources to support employee wellness. Our benefits network provides EAP, Diabetes Management, and employee health advocacy programs. Our online training software provides access to ergonomic training and access software that can be downloaded to help employees remember to take ergo break and stretches. In addition, several sites provide access to onsite gyms and fitness classes.

Our Performance

The table below details the year-over-year fatalities, incidents, and recordable rates. In 2021, Grace reported one work-related fatality.

Safety Metric	2019	2020	2021
Fatalities	0	0	1
Lost-Time Incident Rate	0.30	0.30	0.28
Lost-Time Injuries	10	15	14
Recordable Rate	0.74	0.62	0.62
Recordables	24	31	31

*Note: Recordable rate for all employees calculated (Number of Recordables * 200,000) / Hours Worked
Lost Time Incident Rate for all employees (Number of Lost Time Injuries * 200,000) / Hours Worked.*

The table below details the number of work-related illnesses and injuries for all employees and contractors in 2021.

Safety Metric	2021
Employees Work-Related Illness	5
Employees Work-Related Injury	26
Contractors Work-Related Illness	0
Contractors Work-Related Injury	2

The table below details the year-over-year recorded tier 1 and 2 process safety events.

Process Safety Metric	2019	2020	2021
Tier 1	4	4	6
Tier 2	13	5	8
Total	17	9	14

Cybersecurity

3-3, 418-1

Our Commitment

Information Security is critical for W. R. Grace & Co. and its subsidiaries to meet its business objectives, protect our stakeholders, and ensure the sustainability of our operations. Grace is committed to safeguarding the privacy of its stakeholders and their personal information.

Our Management Approach

Grace's Information Security strategy is an iterative process that is designed to develop and evolve to counter changes in the threat environment pursuant to the unique risks, threats, and vulnerabilities across the global scope of our operations. Grace's Information Security program uses a layered approach to information security with Corporate and Internal IT policies, procedures, processes, standards, and information technology controls. Grace adheres to the National Institute of Standards and Technology (NIST) Cybersecurity Framework built around identifying, protecting, detecting, responding, and recovering across physical, cyber, and people dimensions.

The collection and use of information are guided by Grace's Privacy, Metadata Removal, and Information Security Policies. These policies are designed to protect customer/client data from unauthorized access or disclosure and Grace employees, visitors, contractors, and others who utilize Grace Information Technology resources. Confidentiality is ensured through these corporate and internal IT policies, procedures, processes, and standards.

Grace has dedicated resources and specialized response teams providing around-the-clock coordinated computer incident response throughout the Grace network. This tactical team executes response and recovery plans to ensure minimal disruption to ongoing operations. All response teams and systems undergo regular internal and external simulated drills to test and identify gaps in Incident Response, Business Continuity, Incident Recovery, and Disaster Recovery plans and procedures.

Prior to the disposal of electronic waste (e-waste), Grace utilizes a qualified third party to conduct asset decommissioning, which removes all data, including files and licensed software, using U.S. Department of Defense standards for disk sanitization. A qualified third party also manages the disposal of electronic waste (e-waste) in a manner consistent with Grace's internal policies and regulations. Current vendors are certified to the SERI R2:2013 standard for responsible recycling. The R2 standard is designed to help ensure the quality, transparency, and environmental and social responsibility of electronics recycling facilities. The R2 standard requires the documentation of waste anonymization and defines specific end of life requirements. Certificates of data destruction are issued on request.

As part of its Ethics program, Grace conducts annual cybersecurity awareness training that includes multiple phishing simulation throughout the year. All Grace employees are required to complete the annual cybersecurity training as part of their performance development review. Employees can report any cybersecurity violations to their line manager or anonymously through the Ethics Hotline.

Our Performance

Grace adopted NIST Risk Framework and CIS Benchmark requirements for IT structure. We also perform daily vulnerability analysis against network assets to determine the exploitability of threats against our compensating controls.

100% of Grace employees completed cybersecurity training in 2021. We received no Ethics Hotline calls from external parties or regulatory agencies regarding customer privacy breaches.

Natural Resource Management Energy, Greenhouse Gas, and Emissions

3-3, 302-1, 302-3, 302-4, 305-1, 305-2, 305-3, 305-4, 305-5, 305-7

Our Commitment

Grace is committed to cutting energy consumption and associated greenhouse gas emissions. We have also refined our product innovation process and designed new products for use-phase resource efficiency. These products enable our customers to be more efficient, requiring fewer resources and energy per unit of production, thus enhancing our sustainability value proposition.

Our Management Approach

The global framework for Grace's EHSS activities is our EHSS Management System. Our US facilities adhere to the chemical industry-specific Responsible Care Management System to evaluate and manage all environmental, health & safety, process safety, product safety, and security risks. Our International facilities adhere to the International Organization for Standardization (ISO) 14001, 45001, and 50001 to manage their environmental, energy, and occupational safety impacts. Energy, GHG, and Emissions are managed through the Responsible Care Management System for US-based facilities or through ISO 14001 / ISO 50001 for international facilities. Five Grace facilities have an environmental management system with ISO 14001 and/or ISO 50001 certification, and seven of Grace's facilities have been certified to the Responsible Care Management System.

Energy and greenhouse gas emissions data for 2021 have undergone external assurance from a licensed assurance provider in accordance with ISO 14064. Grace referenced the energy conversion factors to the U.S. Energy Information Administration for its calculation.

Grace's commitment to reducing greenhouse gas emissions and enhancing energy efficiency is anchored in its global EHSS policy and managed on a corporate and facility level through our global EHSS Management System. Grace has set a 22% global GHG Scope 1 and 2 emissions reduction target by 2029, from a 2019 baseline, which its Board of Directors has endorsed.

Grace's Sustainability Leadership Team (SLT) is responsible for developing and implementing our climate strategy. Prior to our acquisition in September 2021, the SLT was comprised of business presidents and senior functional leaders and was chaired by the Senior Vice President of Public Affairs, EHSS, and Chief Sustainability Officer. Facility and process operation managers spearhead facility-level emission and energy reduction initiatives execution. These plant leaders develop and implement productivity projects to reduce resource (i.e., raw materials, energy, and water) requirements for production, improve yields and manage costs.

Our Performance

Greenhouse Gas Emissions

Grace reported a 15% increase in scope 1 and a 42% increase in scope 2 location-based emissions in 2021 compared to 2020. As our production operations normalized following the emergence of the global pandemic, we expected a slight rise in our Scope 1 and 2 emissions for 2021. Grace's 2021 Scope 1 and 2 emission calculations include carbon footprint from its South Haven and Tyrone facilities, which Grace acquired in 2021. We plan to re-calculate our 2019-2020 Scope 1 and 2 emissions to include emissions from these facilities for future disclosure years.

Absolute Emissions	2019	2020	2021
Scope 1 (MT CO ₂ -e)	571,330	517,327	594,481
Scope 2, Location-Based (MT CO ₂ -e)	160,649	114,115	162,256
Scope 2, Market-Based (MT CO ₂ -e)	170,327	115,350	142,962

The completion of key energy efficiency projects at several facilities resulted in an estimated reduction of 28,492 MT CO₂e in energy consumption. Efficiency projects included debottlenecking and process optimization that reduced Scope 1, 2, and 3 emissions by reducing natural gas, electricity, or raw material inputs.

Emissions Intensity	2019	2020	2021
Combined Scope 1 and 2 Emissions (MT CO ₂ -e)	731,979	631,442	756,737
Total Revenue (including ART Joint Venture, USD)	2,468,500,000	2,211,900,000	2,512,600,000
Emissions Intensity (MT CO ₂ -e / USD Revenue)	0.0003	0.0003	0.0003

Grace operates in four different regions worldwide. The table below shows the 2021 emissions by facilities per region.

Region	2021 Scope 2 Emissions Location-Based (MT CO ₂ -e)
Asia Pacific	18,770
Europe, Middle East, Africa	28,533
Latin America	1,760
North America	113,194
Total	162,257

In 2020, Grace began disclosing its Scope 3 emissions to CDP’s Climate Change framework and expects to continue reporting this data in the future. This disclosure covers the 15 categories defined by WRI. In 2021, we continue to use the WRI Scope 3 Evaluator tool to calculate our Scope 3 emissions.

The WRI/Quantis Evaluator tool uses a ‘spend-based’ method to calculate an initial screen of Scope 3 emissions, with industry-average emissions factors applied based on the economic value of the goods and services. Spend data is broken down according to Grace’s internal accounting and allocated to the most appropriate product group category available within the Quantis Tool. The corresponding emissions factors from the Quantis tool are then applied to calculate an overall emission estimate for this category. The Evaluator tool is only intended to provide companies with the first estimate of their Scope 3 emissions and to guide future efforts for more refined estimates. The use of the tool entails a high degree of uncertainty as companies prepare for more refined estimates in the future.

Scope 3 Category	2020 (MT CO2-e)	2021 (MT CO2-e)
Purchased goods and services	1,107,133	1,041,162
Capital goods	65,177	51,337
Fuel-and-energy-related activities (not included in Scope 1 or 2)	152,060	181,071
Upstream transportation and distribution	0.00	0.00
Waste generated in operations	24,898	40,810
Business travel	785	593
Employee commuting	6,290	6,290
Upstream leased assets	Not relevant	Not relevant
Downstream transportation and distribution	5,949	6,430
Processing of sold products	2,468,658	2,804,263
Use of sold product	Not relevant	Not relevant
End of life treatment of sold products	226,979	229,069
Downstream leased assets	Not relevant	Not relevant
Franchises	Not relevant	Not relevant
Investments	Not relevant	Not relevant

Energy Consumption

Grace energy consumption in 2021 was 4,040,594 MWh, significantly increasing from 2020 consumption. The total 2021 consumption includes two Grace facilities, South Haven and Tyrone, acquired in 2021. Increasing production line output and demand across Grace manufacturing plants led to a significant increase of 14% in energy consumption. Overall, we anticipated increases in our 2021 GHG emissions and energy consumption due to the COVID-19 pandemic.

The calculated energy intensity combined scope 1 and scope 2 energy consumption in MWh.

Energy Metric	2021
Total Energy Consumption (MWh)	4,040,594
Total Revenue (Includes ART Joint Venture, USD)	2,512,600,000
Energy Intensity (MWh / USD Revenue)	0.0016

This is our first year reporting renewable energy consumption at our facilities. In 2021, Grace began using carbon-free energy at its Chicago 71st, Columbia, Curtis Bay, and Pasadena facilities through the issuance of Emissions-Free Energy Certificates by the utility provider. This energy is sourced from nuclear, hydroelectric, solar, and other low-carbon/carbon-free energy sources.

Grace’s facility in Valleyfield, Canada, utilizes hydroelectric energy for its operations. We estimated the total impact of our renewable energy (hydroelectricity) consumption on our 2021 emissions as 4%

Energy Source	2021 (in MWh)
Purchased and Consumed Nonrenewable Fuels	3,544,914
Purchased Electricity from Nonrenewable energy sources	371,755
Purchased Electricity from Renewable energy sources	21
Purchased and Consumed Steam	123,904
Purchased and Consumed Heat	0
Purchased and Consumed Cooling	0
Total Nonrenewable Energy Sold	0
Total Purchased or Self-Generated Renewable Energy	0
Total Energy Consumption	4,040,594

Emerging regulations such as the EU ETS may impact energy costs with restrictions on emission allowances within cap and trade systems. As Grace facilities require a significant amount of energy for its operations, these restrictions are expected to increase our operating costs in the short to medium term. We are also facing increasing pressure from our customers and investors to report organizational emission data and the carbon footprint of our customer’s products.

Grace has begun integrating a projected carbon price into capital planning processes to meet these challenges and promote investment in projects that will reduce emissions and increase efficiency at our facilities, particularly those under carbon trading systems. For example, our Curtis Bay facility began operating its combined heat and power plant in 2020, reducing its emissions. Its two generator sets produce about 5 MW of electric power, accounting for 40% of the facility’s annual electricity consumption. The combined heat and power plant at our Worms, Germany facility, supplies 95% of the facility’s electricity requirements. In 2021, Grace facilities completed 131 emission reduction and energy efficiency projects, whereas 45 are being carried out, and 14 are in the pipeline.

Air Emissions

Grace facilities utilize pollution control devices such as baghouses and scrubbers to ensure dust, particulate, and fugitive emissions do not exceed federal, national, state, or local emission standards. Certain of our facilities maintain Compliance Assurance Monitoring plans to identify all emission sources at the facility and install and maintain appropriate control devices such as baghouses and scrubbers. Many facilities have comprehensive workplace emissions measurement programs that monitor a variety of chemicals and particulates such as dust, ammonia, CO, and NOx emissions. Certain facilities implement leak detection and programs where required to ensure compliance with regulatory and Grace requirements. These programs help us strive towards our goal of Nothing Out of Place.

Process Emissions	2019	2020	2021
SOx (MT)	143	106	125
NOx (MT)	133	193	222
VOCs (MT)	46	88	80

Additional information can be found on Grace’s [Environmental Performance](#) section website.

Water Management

3-3, 303-1, 303-2, 303-3, 303-4, 303-5

Our Commitment

Grace recognizes the importance of water availability and quality for its manufacturing processes and value chain. We also acknowledge that water is a finite resource and should be protected for future generations. We withdraw most of the water we use from third-party sources, surface water bodies close to our facilities, or on-site groundwater wells.

Grace is committed to reducing water consumption throughout its operations, reusing water where feasible, and treating and discharging wastewater in accordance with all applicable regulations.

Our Management Approach

Grace’s commitment to managing and conserving water resources is based on our global EHSS policy and our EHSS Management Systems and is tied to our Nothing Out of Place goal. To achieve this, we have set a global target to reduce our water withdrawal by 10% from a 2019 baseline. Under its operational control, Grace monitors its annual water withdrawal and discharge for manufacturing and administrative facilities.

Plant and process operation managers drive water reduction initiatives at the facility level by reusing process water and implementing productivity projects. Plant leaders may also establish facility-specific water reduction targets should water availability be deemed a significant risk for the facility. The Grace Sustainability Leadership Team (SLT) oversees Grace’s overall water strategy.

Grace maintains compliance with all local, state, federal, and regional effluent quality standards through the incorporation of management systems, management of change processes within our operational facilities, and robust incident reporting procedures. As part of our commitment to Nothing Out of Place, facilities have primary and secondary containment measures to prevent unplanned or uncontrolled chemical releases from entering groundwater. Facilities are also equipped with various administrative, treatment, and operational controls to treat all wastewater parameters to permitted limits before discharge. Water discharge quality parameters are monitored at intervals specified by operating and discharge permits and are specific to each facility. The monitoring frequency set by the relevant permits may range from hourly to annually. Success is measured by achieving our target of 0 Tier 1 Process Safety Events and receiving no regulatory citations (notices of violation) from regulatory agencies. Our environment metrics can be found in our Environmental Performance section

Our internal 2020 WRI Aqueduct Assessment determined water risk across our facilities. Based on this assessment, 6% of Grace’s total water withdrawals are from facilities located in water-stressed areas- Duren and Tarragona. We have identified water quantity and quality potential as material risks to our suppliers and customers. In 2021, we continued our process for determining our water-related risks within our direct operations to assess priority locations for water stewardship activities and set water risk reduction targets to respond to any identified issues. As part of this process, we review at-risk facilities within our direct operations through the WRI Aqueduct tool and evaluate facilities for opportunities for water usage efficiency. Based on this review, water-related risks would be considered as part of our Enterprise Risk Management system should they exceed relevant thresholds. These results help inform our future water strategy. Grace began assessing its suppliers for water risk and targeted completing this assessment within five years for our key suppliers. We will incorporate this data into our supplier scorecard process to better understand our supply chain risks as part of our sustainable procurement program.

Our Performance

Grace’s total withdrawal volume increased by 13% in 2021 from 2020.

2021 Water Withdrawn from Origin (in megaliters)			
Destination	Fresh Water	Other Water	Total Withdrawn Volume
Surface Water	979	0	979
Groundwater (Renewable)	3,007	0	3,007
Groundwater (Non-renewable)	4,980	0	4,980
Third-Party (Municipal) Water	9,026	0	9,026
Total Withdrawal Volume	17,992	0	17,992

2021 Water Discharged by Destination (in megaliters)			
Destination	Fresh Water	Other Water	Total Discharge Volume
Brackish Surface Water	5,219	0	5,219
Fresh Surface Water	8,810	0	8,810
Groundwater	24	0	24
Third-Party (Municipal) Water	2,778	0	2,778
Total Discharge	16,831	0	16,831

In 2021, Grace acquired its South Haven and Tyrone facilities, and their associated water withdrawal and discharge have been included in our 2021 water inventory. We plan to back-cast our baseline data of water withdrawal and discharge at these facilities to be reported in next year's CDP submission.

Regulatory requirements at each facility dictate the level of treatment. In 2021, discharged water that underwent secondary and primary treatment increased. Facilities are equipped with various administrative, treatment, and operational controls to treat wastewater discharged to comply with permitted limits.

All Grace facilities take steps to detect and eliminate any impacts to groundwater and surface water sources through various methods ranging from leak detection and containment systems to the regular collection of monitoring well data. For example, our Hesperia facility installed impermeable ground cover and gravel throughout the facility to minimize its stormwater discharge. Many manufacturing facilities perform primary or secondary treatment of wastewater pollutants to meet or exceed regulatory requirements before discharge.

Grace also implements productivity projects aimed at reducing wastewater sludge generation and disposal. Water reduction initiatives since 2020 include:

- Water reduction at Wastewater Treatment System (at our Sorocaba, Brazil facility)
- Water leak prevention at the process area (at our Worms, Germany facility)
- Installation of a new cooling tower at our Chattanooga facility
- Water reduction at the regenerator at our Worms, Germany facility
- Cooling water reduction at the water glass cooling system at our Worms, Germany facility

As of the end of 2021, suppliers representing approximately 70% of Grace's direct spending have completed or provided Grace with an EcoVadis scorecard, which includes a variety of water-related topics, including water risk, wastewater management, and efficiency, water consumption, and impacts on groundwater. Through the EcoVadis platform, Grace may assign corrective actions for water risks and management. Based on reviews of these EcoVadis responses, we assess that while water risks in the value chain exist, they are not anticipated to have a substantive impact on our operations.

Additional information can be found on Grace's [Environmental Performance](#) section website.

Waste Management

3-3, 306-1, 306-2, 306-3, 306-4, 306-5

Our Commitment

As part of its global EHSS goal of Nothing Out of Place, Grace is committed to minimizing the generation and safe disposal of all hazardous and non-hazardous waste from our operations. In addition, we design our products to be manufactured, transported, used, and disposed of safely.

Our Management Approach

Grace's commitment to waste reduction throughout its operations and value chain is anchored on its global Environment Health and Safety EHSS policy and adherence to the Responsible Care® initiative. Grace has established a target of reducing its waste sent to landfills by 5 percent from a 2019 baseline by 2029. This includes reductions in hazardous waste sent to landfills.

Grace manages its waste-related impacts commensurate with the risk for waste generated within our activities and upstream and downstream. Hazardous waste is managed at each Grace manufacturing facility according to applicable regulations, corporate policies, and relevant industry best practices. Operational compliance with these waste management requirements is verified through periodic EHSS compliance audits facilitated by third-party registrars.

All Grace facilities have dedicated waste areas allowing segregation of incompatible waste types (such as hazardous and non-hazardous) that meet or exceed regulatory requirements. Wastes are temporarily accumulated on-site in compliance with local regulations until they are hauled for off-site disposal by qualified third-party vendors or sold to recyclers. Grace currently maintains a single landfill at one facility, which receives non-hazardous waste for disposal and is operated in compliance with local and federal requirements. A network of monitoring wells and ongoing maintenance programs minimize potential impacts on surrounding areas.

Grace facilities monitor their waste disposal primarily through invoices sent by waste disposal contractors and estimates. Waste disposal measurements are reported in weights disposed of. Waste data is collected, aggregated, and reported on an annual basis.

Stewardship of our waste is a key concern for Grace. We have established a qualification process for high-risk disposal vendors involved in the reclamation, treatment, storage, and disposal of hazardous waste. This process is designed to ensure waste is disposed of correctly and in accordance with local regulations and our internal standards. High-Risk Disposal Vendors are required to undergo audits to assess the robustness of their EHSS risk management processes, their compliance with applicable regulations, and whether they are in good financial standing with appropriate insurance.

Our Performance

Part of our data collection is waste generated from our different processes across Grace facilities. Total waste generation in 2021, combining hazardous and non-hazardous wastes, was 112,550 MT representing a significant increase of 52% compared to 2020. Grace acquired two sites, South Haven and Tyrone, in 2021.

With the increasing demand for our products in the market, the increase in production outputs directly affected waste generation. Some facilities had construction works that increased non-hazardous waste generated from construction debris.

Waste Generation	2019 (MT)	2020 (MT)	2021 (MT)
Non-Hazardous	57,740	63,753	89,747
Hazardous	10,122	10,448	22,803
Total Waste Volumes	67,862	74,021	112,550
Total Recycled Waste	656	9,886	13,340
Total Landfill Waste	49,073	48,681	75,590

The table below shows the amounts of generated wastes broken down per type of disposal treatment method it underwent.

2021 Waste Disposed by Treatment Methods	Hazardous Waste (in MT)	Non-Hazardous Waste (in MT)
Converted to Energy	6281	0
Chemical Destruction	0	0
Incinerated (energy)	0	552
Incinerated (non-energy)	3207	1427
Landfill	1004	74586
Recycled	5133	8161
Recycled for process inputs	0	0
Reused	0	46
Other	7178	4976

Grace is constantly improving the efficiency of its processes to reduce waste generated by its operations and products to reduce costs and maintain its competitive advantage. Examples include Grace offering take-back programs so customers can avoid landfill disposal of spent catalyst, a Grace facility significantly reduced its hazardous waste sent to landfill by recycling wastewater solids for use by local brick

manufacturing companies, and another Grace facility recycles metal bars from imported product containers.

Other waste management activities include spent solvent reclamation and reuse before disposal and coordinating with R2-certified electronics recycling vendors and drum recyclers to minimize the disposal of waste drums.

Additional information can be found on Grace's [Environmental Performance](#) section website.

Environmental Compliance

3-3

Our Commitment

Grace's global EHSS policy requires us to conduct business and operate facilities in an environmentally sound manner with a focus on eliminating unplanned environmental releases, improving efficiencies and reducing waste, and meeting community, state, and national regulations in jurisdictions where we operate around the world. Our commitment to EHSS compliance is anchored on our global EHSS goal of Nothing Out of Place. Progress towards this goal is tracked through our objective of 0 Tier 1 Process Safety Events and top quartile Tier 1 and Tier 2 Process Safety Event rates.

Our Management Approach

The global framework for Grace's EHSS activities is our EHSS Management System. U.S. facilities adhere to the chemical industry-specific Responsible Care Management System to evaluate and manage all environmental, health & safety, process safety, product safety, and security risks. Our International facilities with certified management systems adhere to the International Organization for Standardization (ISO) 14001, 45001, and 50001, as applicable, to manage their environmental, energy, and occupational safety impacts. Environmental Compliance is managed through the Responsible Care Management System or ISO 14001. Five Grace facilities have an environmental management system with ISO 14001 and/or ISO 50001 certification, and seven of Grace's manufacturing facilities have been certified by the Responsible Care Management System.

Through their plant and EHSS leadership, Grace facilities must develop and maintain a site-specific legal register listing all federal, national, state, and local requirements. This register also details all EHSS permits, monitoring, and reporting requirements with their respective cadences as required by the relevant EHSS authority. This process is managed through our integrated IT Systems, which support our timely and accurate preparation and completion of compliance requirements.

EHSS Management systems at both the facility and corporate levels are audited annually and certified every three years by third-party registrars to demonstrate conformance with Responsible Care® or ISO 14001 / 45001 requirements.

Reportable releases⁶, regulatory citations⁷, Tier 1 and Tier 2 Process Safety Events, and audit findings are investigated using industry-standard methods to identify the root causes and/or contributing factors leading to these events. Cross-functional facility teams work to identify containment, corrective, and preventive actions to address identified root causes.

Our Performance

Metric	2019	2020	2021
Regulatory Citations	5	4	4
Regulatory Penalties	\$0	\$0	\$2540
Reportable Releases	4	0	0

Product Stewardship

3-3, 416-1, 416-2

Our Commitment

Grace is committed to fostering a culture of continual improvement in product safety and product stewardship. We are driven by three core values – “No One Hurt, Nothing out of Place, and No Harm from our Products.” This is achieved mainly via implementing American Chemistry Council’s Responsible Care Product Safety Code and following its eleven core management principles.

Our Management Approach

Risk characterization, management, and communication are important elements of Grace’s global Product Stewardship Program. A detailed product stewardship checklist is employed for new product development as part of a stage gate process with specific questions and actions that must be completed at each gate. Responsibility for oversight of and adherence to the Product Stewardship Program lies with the Senior Vice President of Public Affairs and Environment, Health, and Safety, Chief Sustainability Officer, a corporate officer directly reporting to the CEO and Board of Directors, and has executive oversight of all Environmental, Health, and Safety programs at Grace.

Our business presidents ultimately are responsible for the stage gate process and ensure that new products or applications of existing products are assessed using this process.

The efficient use of natural resources and energy, whether we can use less hazardous raw materials, and whether the entire lifecycle of the product, including disposal, recycling, or reuse, is appropriate are also considered.

⁶ Grace considers reportable releases as releases to the air, water or land that exceed a government reportable quantity, or are otherwise reportable by law, regulation, or permit condition.

⁷ Grace defines citations as government notices covering instances of non-compliance with regulatory or environmental permit requirement for the operating facility.

As part of a strategic review of our product portfolio, we identified the products that address five key sustainability drivers.

- **Products designed for use-phase efficiency**, a concept defined by the Sustainability Accounting Standards Board (SASB) as products that "through their use—can be shown to improve energy efficiency, eliminate or lower greenhouse gas (GHG) emissions, reduce raw materials consumption, increase product longevity, and/or reduce water consumption," either through:
 - **Improved products** – by increasing the efficiency of a product during its use phase
 - **Improved processes** – by increasing the efficiency of the manufacturing process used to make a product
- **Stricter Environmental Standards** – products that directly enable customers to meet environmental regulatory/legal requirements applicable to their products or manufacturing processes.
- **Reduced Consumption/Product Reformulation** – products that enable customers to reformulate their products to avoid or reduce to *de minimis* levels substances of concern to their customers.
- **Circular Economy** – Products that enable material recycling and biofeeds

Our Performance

Recalls, withdrawals, or alerts, either required or issued for known or potential safety reasons, of Grace products that could reach a consumer and are directly or indirectly regulated by a governmental agency over the period 2015-2021 have been 0.

Examples of our products that address our customers' sustainability objectives are listed below. Together, products in these categories accounted for approximately 51% of 2021 revenue.

Sustainability Endpoints	Examples of Grace Products
Improving our customers' products	<ul style="list-style-type: none"> ▪ High-performing PP catalysts for lightweight auto parts to improve fuel economy ▪ Custom single-site PE catalysts for downgauging packaging to reduce plastics requirements ▪ Silicas for tires to reduce rolling resistance and improve fuel economy ▪ Zeolites for dual pane windows to reduce energy use
Improving our customers' processes ¹	<ul style="list-style-type: none"> ▪ Advanced FCC catalysts to reduce raw material and energy requirements ▪ Advanced silica gel for filtration to reduce water use and waste
Enabling our customers to meet stricter environmental standards	<ul style="list-style-type: none"> ▪ Hydroprocessing catalysts to meet cleaner fuels standards (e.g., IMO 2020) ▪ Additives to reduce SOx and NOx emissions from refinery operations

	<ul style="list-style-type: none"> ▪ Colloidal silicas for vehicle emission control devices
<p>Enabling our customers to reformulate their products to meet consumer demand</p>	<ul style="list-style-type: none"> ▪ Non-phthalate PP catalysts for safer packaging and household items ▪ Silicas for anti-corrosive coatings that are heavy-metal free ▪ Silicas for high performance paints with low-VOCs
<p>Circular economy / Enabling material recycling and bio-feeds</p>	<ul style="list-style-type: none"> ▪ Refinery catalysts tailored to displacing crude with bio-based feedstocks ▪ Silicas to purify recycled biofeedstocks ▪ FCC catalyst sales where Grace recycles or enables recycling of spent catalysts

Grace is investing heavily in products with at least one of these sustainability drivers. Over 300 employees conduct research at a dozen research and development centers globally. Roughly two-thirds of Grace's research projects are focused on products that will deliver one of our sustainability drivers. Over two-thirds of future revenues expected from the commercialization of those projects have at least one of the above sustainability drivers, and many have strong sustainability value propositions.

Responsible Sourcing

3-3, 308-1, 308-2, 414-1, 414-2

Our Commitment

At Grace, we strive to create value for our business partners and customers in a safe and healthy work environment in compliance with all regulatory requirements. We recognize the vital role vendors and suppliers play in helping us meet the needs of our customers, so we seek to foster healthy and mutually beneficial supplier and vendor relationships. Our robust supply chain spans a global, diverse supplier base built upon solid, long-term partnerships.

Worldwide, we work with thousands of direct and indirect suppliers to help us deliver quality products, maintain competitiveness, and manage costs. We collaborate with our suppliers to reduce end-to-end supply chain costs through joint initiatives, and we always keep communication lines open. We leverage technology and promote e-commerce tools to enable efficient business processes and faster results.

Our Management Approach

Grace's approach to responsible sourcing is its Supplier Code of Conduct, which outlines supplier requirements in environmental responsibility, labor, human rights, and business ethics. Grace's policy is that all third-party vendors that provide products or services to the Company act in compliance with this Code and adopt consistent practices. Failure of a Supplier to comply with the requirements in this Code may be considered a material breach by Grace in the related contract(s) or transactions between Grace

and Supplier, and Grace may terminate a such contract(s) or transactions with Supplier at its discretion as a result.

We assess the sustainability performance of our suppliers and alignment with the Grace Supplier Code of Conduct using a 3rd party supply chain ratings service. The results of these assessments are incorporated into regular business supplier risk and criticality reviews, covering additional risks, including country of origin, quality, and operational performance, and financial viability. Based on the overall results of these supplier risk and criticality assessments, Grace sourcing managers may assign sustainability-focused corrective actions to its suppliers. Determinants to assigning corrective actions are the suppliers' sustainability risk score and overall business criticality, among other factors. The results of these assessments are reviewed with relevant internal stakeholders, including Sourcing and Sustainability leadership.

In addition, Grace uses the management of change system to control and validate all raw material changes, a critical supplier qualification procedure for high-risk raw materials, and a prequalification process for all direct and indirect suppliers. Our audit and qualification protocols evaluate specific environmental and social issues, including environmental, human rights, health, safety, and security.

W. R. Grace & Co. also performs supplier assessments regarding REACH regulations. Grace has confirmed the REACH status of the existing supplier and has a process to confirm the REACH registration status of all new suppliers. Grace does not currently have the assessment process results to determine supplier compliance with REACH.

Responsible Mineral Supply Chains

For minerals that can be sourced from Conflict-Affected or High-Risk Areas, Grace has aligned its approach with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflicted Affected and High-Risk Areas. This includes a requirement outlined in the Grace Supplier Code of Conduct that suppliers are expected to ensure that materials supplied to Grace are sourced from responsible supply chains and do not contain metals derived from minerals or their derivatives originating from conflict regions that directly or indirectly finance or benefit armed groups.

Consistent with the OECD 5-Step Due Diligence Guidance, Grace:

- Provides a company-wide grievance mechanism via its ethics hotline;
- Regularly assesses its raw materials for minerals potentially sourced from conflict-affected or high-risk areas;
- Expects its strategic suppliers to either complete an EcoVadis supplier sustainability assessment, which includes document verification of conformance with OECD guidance, or complete a Responsible Minerals Initiative survey for conflict minerals or cobalt;
- May request corrective action based on any assessment findings; and
- Discloses its management approach and performance in these areas, including in this report.

Grace has performed reasonable country-of-origin inquiries (“RCOI”) for manufactured equipment containing electrical components from appropriate suppliers and contract manufacturers. Information related to Conflict Minerals is reported on Grace’s Form SD and is available on our website.

Our Performance

In 2017, Grace began requiring its suppliers to sign its Supplier Code of Conduct. In 2019, 100% of Grace suppliers with a minimum spend of 1 million USD signed the Grace Code or provided evidence that their codes met or exceeded Grace's. Beginning in 2020, Grace standardized the approach and now requires all suppliers to conform to its Supplier Code of Conduct requirements.

To assess performance and encourage meaningful engagement against the sustainability elements of its Code, Grace established a Responsible Sourcing Program in 2021 and initiated supplier sustainability assessments. This program, which operates within the Strategic Sourcing function, is responsible for integrating sustainability considerations into the Grace procurement and supplier management process.

Grace uses a third-party supply chain sustainability service to conduct its supplier sustainability assessments. The service uses an evidence-based methodology that assesses policies, management systems, and performance in four areas aligned with the Grace Code. At the end of 2021, approximately 150 suppliers representing 70% of Grace's direct spend (2019 basis) completed a supplier sustainability assessment. The average score for all Grace suppliers was 58 (0-100), approximately 14 points higher than the average score of all companies assessed using the same platform. These scores assign a numeric rating to the maturity of supplier ESG management systems and corresponding approximate risk when systems are immature or performance could be improved.

Based on the results of these assessments and other factors, Grace may request corrective actions through the platforms to its suppliers. The platform enables suppliers to share completed corrective actions with any requesting customer. As of the end of 2021, 60 Grace suppliers had a corrective action underway, either by Grace or another customer requesting the same supplier scorecard.

The assessment results are used in several ways, including as a component of overall risk profiles for each strategic supplier, in performance monitoring tools such as balanced supplier scorecards, and to help qualify certain high EHSS-risk suppliers.

To facilitate the launch of the supplier sustainability assessments, Grace hosted two trainings on sustainable procurement for its sourcing managers and buyer teams. These trainings were attended by or made available through recording to 100% of the sourcing and procurement team.

Grace also directly engages its suppliers in dialogue and capacity building on sustainability issues. In 2021, Grace hosted two virtual supplier town halls to discuss sustainability trends and expectations. These town halls were hosted by Grace's Chief Sustainability Officer and the Vice President of Strategic Sourcing and attended by 80 supplier representatives.

No significant environmental, health, safety, or security violations were reported from our supplier audits in 2021.

GRI Content Index

Statement of Use W.R. Grace & Co. has reported in accordance with the GRI Standards for the calendar year 2021

GRI 1 used GRI 1: Foundation 2021

The Organization and its Reporting Practices

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
2-1	Organizational details	About Grace				
2-2	Entities included in the organization's sustainability reporting	About Grace				
2-3	Reporting period, frequency and contact point	About Grace				
2-4	Restatements of information	About Grace				
2-5	External assurance	About Grace		Environmental Performance		7

Activities and workers

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
2-6	Activities, value chain and other business relationships	About Grace Economic Value Generated and Distributed				8,9
2-7	Employees		Grace does not disclose information on employees breakdown by gender and employment type. This data is considered proprietary and not disclosed to third parties.			
2-8	Workers who are not employees		Grace does not disclose information on contractors breakdown by gender and employment type. This data is considered proprietary and not disclosed to third parties.			

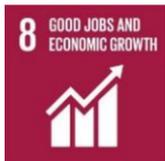
Governance

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
2-9	Governance structure and composition	Governance: Board Leadership		Governance		
2-10	Nomination and selection of the highest governance body	Governance: Board Leadership				
2-11	Chair of the highest governance body	Governance: Board Leadership		Governance		
2-12	Role of the highest governance body in overseeing the management of impacts	Governance: Board Leadership		Governance		
2-13	Delegation of responsibility for managing impacts	Governance: Board Leadership		Governance		
2-14	Role of the highest governance body in sustainability reporting	Governance: Sustainability Governance	Aligned to SDG Target 12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.			
2-15	Conflicts of interest	Governance: Board Leadership		Ethics and Business Conduct		
2-16	Communication of critical concerns	Governance: Board Leadership Ethics: Our Management Approach				
2-17	Collective knowledge of the highest governance body	Governance: Sustainability Governance		Governance		
2-18	Evaluation of the performance of the highest governance body	Governance: Board Leadership				
2-19	Remuneration policies	Governance: Board Leadership				
2-20	Process to determine remuneration	Governance: Board Leadership				
2-21	Annual total compensation ratio		Grace does not disclose its compensation ratio. This information is considered proprietary and not disclosed to third parties.			

Strategy, Policies, and Practices

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
2-22	Statement on sustainable development strategy	Governance: Sustainability Governance	<p>Aligned to SDG Target 12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.</p> <p>Grace became a signatory to the United Nations Global Compact supporting the world’s largest corporate sustainability initiative.</p>	Sustainability at Grace		
2-23	Policy commitments	Governance: Board Leadership Ethics Human Rights		Ethics and Business Conduct		1,2,3,4,5,6
2-24	Embedding policy commitments	Ethics: Our Management Approach		Ethics and Business Conduct		
2-25	Processes to remediate negative impacts	Ethics: Our Management Approach Human rights: Our Management Approach				
2-26	Mechanisms for seeking advice and raising concerns	Ethics: Our Management Approach Human rights: Our Management Approach	<p>Aligned to SDG Target 16.5 Substantially reduce corruption and bribery in all their forms</p>	Ethics and Business Conduct		10
2-27	Compliance with laws and regulations	Environmental Compliance: Our Performance				
2-28	Membership associations		<p>Grace is a member of the following trade associations:</p> <ul style="list-style-type: none"> Verband der Chemischen Industrie (VCI) – German chemical industry association American Chemistry Council (ACC) European Chemical Industry Council (CEFIC) Chemical Industry Association of Canada (CIAC) Silica Manufacturing Association Wildlife Habitat Council National Safety Council CCPS 			

Stakeholder Engagement

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
2-29	Approach to stakeholder engagement	Stakeholder Engagement	Aligned to SDG Target 16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels	Community and Stakeholder Engagement		1,2
2-30	Collective bargaining agreements	Human rights: Our Management Approach	Aligned to SDG Target 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment			3

Material Topics

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
3-1	Process to determine material topics	About This Report	Aligned to SDG Target 12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.			
3-2	List of material topics	About This Report				
3-3	Management of material topics	Our Management Approach				

Anti-Corruption

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
205-1	Operations assessed for risks related to corruption	Ethics: Our Performance	Aligned to SDG Target 16.5 Substantially reduce corruption and bribery in all their forms			10
205-2	Communication and training about anti-corruption policies and procedures	Ethics: Our Performance				
205-3	Confirmed incidents of corruption and actions taken	Ethics: Our Performance				

Anti-Competitive Behaviour

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Ethics: Our Performance	Aligned to SDG Target 16.5 Substantially reduce corruption and bribery in all their forms			10

Energy

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
302-1	Energy consumption within the organization	Natural Resource Management Energy, Greenhouse Gas, and Emissions: Our Management Approach Natural Resource Management Energy, Greenhouse Gas, and Emissions: Our Performance		Environmental Performance		7,8
302-2	Energy consumption outside of the organization		Grace does not collect energy consumption outside of the organization.			
302-3	Energy intensity	Natural Resource Management Energy, Greenhouse Gas, and Emissions: Our Performance		Environmental Performance		7,8
302-4	Reduction of energy consumption	Natural Resource Management Energy, Greenhouse Gas, and Emissions: Our Performance	Aligned to SDG Target 12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment	Environmental Performance		8,9
302-5	Reductions in energy requirements of products and services		Grace does not disclose Reductions in energy requirements of products and services			

Water and Effluents

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
303-1	Interactions with water as a shared resource	Water: Our Commitment Water: Management Approach				7,8
303-2	Management of water discharge-related impacts	Water: Management Approach	<p>Aligned to SDG Target 6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally</p> <p>Aligned to SDG Target 12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment</p>	Environmental Performance	 	8,9
303-3	Water withdrawal	Water: Our Performance				7,8
303-4	Water discharge	Water: Our Performance				
303-5	Water consumption	Water: Our Performance		Environmental Performance		

Emissions

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
305-1	Direct (Scope 1) GHG emissions	Natural Resource Management Energy, Greenhouse Gas, and Emissions: Our Performance	<p>The Global Warming Potential (GWP) reference used was the IPCC Fifth Assessment Report (AR5 – 100 year). Biogenic carbon emissions are not relevant to Grace (See CDP Climate C7.1, 6.7). We include CO2, CH4, N2O, HFCs, PFCs, SF6, NF3 in greenhouse emissions calculations.</p> <p>Our reporting boundary for GHG emissions data are all manufacturing and administrative facilities (excluding warehouses and sales offices) under Grace’s operational control.</p>	Environmental Performance		7,8
305-2	Energy indirect (Scope 2) GHG emissions	Natural Resource Management Energy, Greenhouse Gas, and Emissions: Our Performance		Environmental Performance		
305-3	Other indirect (Scope 3) GHG emissions	Natural Resource Management Energy, Greenhouse Gas, and Emissions: Our Performance		<p>The Global Warming Potential (GWP) reference used was the IPCC Fifth Assessment Report (AR5 – 100 year). Biogenic carbon emissions are not relevant to Grace (See 2020 CDP Climate C7.1, 6.7). We include CO2, CH4, N2O, HFCs, PFCs, SF6, NF3 in greenhouse emissions calculations</p> <p>We have selected 2020 as our base year due to our improved Scope 3 data collection and calculation process this year. Grace calculates its Scope 3 emissions using the WRI Scope 3 Evaluator tool.</p>	Environmental Performance	
305-4	GHG emissions intensity	Natural Resource Management Energy, Greenhouse Gas, and Emissions: Our Performance	Environmental Performance			
305-5	Reduction of GHG emissions	Natural Resource Management Energy, Greenhouse Gas, and Emissions: Our Performance	<p>Aligned to SDG Target 12.4</p> <p>By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment</p>	Environmental Performance		8,9
305-6	Emissions of ozone-depleting substances (ODS)		This is not applicable to Grace			
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Natural Resource Management Energy, Greenhouse Gas, and Emissions: Our Performance		Environmental Performance		7,8

Waste

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
306-1	Waste generation and significant waste-related impacts	Waste: Our Management Approach		Environmental Performance		7,8
306-2	Management of significant waste-related impacts	Waste: Our Management Approach	<p>Aligned to SDG Target 11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management</p> <p>Aligned to SDG Target 12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment</p>	Environmental Performance	 	8,9
306-3	Waste generated	Waste: Our Performance		Environmental Performance		7,8
306-4	Waste diverted from disposal	Waste: Our Performance				
306-5	Waste directed to disposal	Waste: Our Performance				

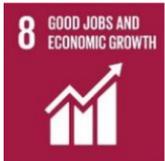
Supplier Environmental Assessment

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
308-1	New suppliers that were screened using environmental criteria	Responsible Sourcing: Our Management Approach Responsible Sourcing: Our Performance	<p>Aligned with SDG Target 12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities.</p>			8
308-2	Negative environmental impacts in the supply chain and actions taken	Responsible Sourcing: Our Management Approach Responsible Sourcing: Our Performance				

Employment

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
401-1	New employee hires and employee turnover		Grace does not disclose information on its new employee hires and employee turnover by age group, race and region. This information is considered proprietary and not disclosed to third parties.			1,6
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	People, Inclusion, Diversity: Our Management Approach				
401-3	Parental Leave		Grace does not disclose parental leave data by gender. This information is considered proprietary and not disclosed to third parties.			

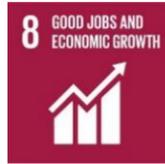
Occupational Health and Safety

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
403-1	403-1 Occupational health and safety management system	Health, Safety and Process Safety: Our Management Approach	Aligned to SDG Target 3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination	EHS Management System	 	1,6
403-2	403-2 Hazard identification, risk assessment, and incident investigation	Health, Safety and Process Safety: Our Management Approach	Aligned to SDG Target 8.8	EHS Management System		
403-3	403-3 Occupational health services	Health, Safety and Process Safety: Our Management Approach	Protect labour rights and promote safe and secure working environments of all workers, including migrant workers, particularly women migrants, and those in precarious employment	EHS Management System		
403-4	403-4 Worker participation, consultation, and communication on occupational health and safety	Health, Safety and Process Safety: Our Management Approach		EHS Management System		
403-5	403-5 Worker training on occupational health and safety	Health, Safety and Process Safety: Our Management Approach		EHS Management System		
403-6	403-6 Promotion of worker health	Health, Safety and Process Safety: Our Management Approach		EHS Management System		
403-7	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health, Safety and Process Safety: Our Management Approach		EHS Management System		
403-8	403-8 Workers covered by an occupational health and safety management system	Health, Safety and Process Safety: Our Management Approach		EHS Management System		
403-9	403-9 Work-related injuries	Health, Safety and Process Safety: Our Performance		Safety Performance		
403-10	403-10 Work-related ill health	Health, Safety and Process Safety: Our Performance		Safety Performance		

Training and Development

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
404-1	Average hours of training per year per employee	People, Inclusion and Diversity: Our Performance	Aligned to SDG Target 4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship			1,6
404-2	Programs for upgrading employee skills and transition assistance programs	People, Inclusion and Diversity: Our Management Approach				
404-3	Percentage of employees receiving regular performance and career development reviews		Grace does not disclose its employee performance review data by gender and employee category. This information is considered proprietary and not disclosed to third parties.			

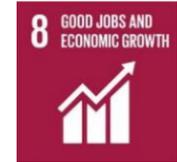
Diversity and Equal Opportunity

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
405-1	Diversity of governance bodies and employees		Aligned to SDG Target 5.5 Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life. Aligned to SDG Target 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value		  	1,6
405-2	Ratio of basic salary and remuneration of women to men		Aligned to SDG Target 10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard Grace does not disclose its employee diversity data by gender and age group, and its salary ratio data of male and female employees by employee category. This information is considered proprietary and not disclosed to third parties.			

Non- Discrimination

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
406-1	Incidents of discrimination and corrective actions taken	<u>Human Rights: Our Management Approach</u> <u>Human Right: Our Performance</u>	<p>Aligned to SDG Target 5.5 Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.</p> <p>Aligned to SDG Target 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</p> <p>Aligned to SDG Target 10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard</p> <p>Grace does not disclose this information on employees. This information is considered proprietary and not disclosed to third parties.</p>		  	1,6

Freedom of Association and Collective

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	<u>Human Right: Our Performance</u>	<p>Aligned to SDG Target 8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms</p> <p>Aligned to SDG Target 8.8 Protect labour rights and promote safe and secure working environments of all workers, including migrant workers, particularly women migrants, and those in precarious employment</p> <p>Aligned to SDG Target 16.2 End abuse, exploitation, trafficking and all forms of violence and torture against children</p> <p>We do not consider our operations and value chain to be at risk of collective bargaining violations</p>		 	1,3

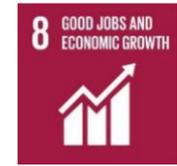
Child Labor

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
408-1	Operations and suppliers at significant risk for incidents of child labor	<u>Human Right: Our Performance</u>	<p>Aligned to SDG Target 8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms</p> <p>Aligned to SDG Target 8.8 Protect labour rights and promote safe and secure working environments of all workers, including migrant workers, particularly women migrants, and those in precarious employment</p> <p>Aligned to SDG Target 16.2 End abuse, exploitation, trafficking and all forms of violence and torture against children</p> <p>We do not consider our operations and value chain to be at risk of child labor, forced labor or other human rights violations.</p>		 	1,5

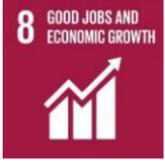
Forced or Compulsory Labor

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	<u>Human Right: Our Performance</u>	<p>Aligned to SDG Target 8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms</p> <p>Aligned to SDG Target 8.8 Protect labour rights and promote safe and secure working environments of all workers, including migrant workers, particularly women migrants, and those in precarious employment</p> <p>Aligned to SDG Target 16.2 End abuse, exploitation, trafficking and all forms of violence and torture against children</p> <p>We do not consider our operations and value chain to be at risk of child labor, forced labor or other human rights violations.</p>		 	1,4

Supplier Social Assessment

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
414-1	New suppliers that were screened using social criteria	Responsible Sourcing: Our Management Approach Responsible Sourcing: Our Performance	<p>Aligned to SDG Target 8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms</p> <p>Aligned to SDG Target 8.8 Protect labour rights and promote safe and secure working environments of all workers, including migrant workers, particularly women migrants, and those in precarious employment</p>		 	2,3,4,5,6
414-2	Negative social impacts in the supply chain and actions taken	Responsible Sourcing: Our Management Approach Responsible Sourcing: Our Performance	<p>Aligned with SDG Target 12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities.</p>			

Customer Health and Safety

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
416-1	Assessment of the health and safety impacts of product and service categories	Product Stewardship: Our Management Approach	<p>Aligned to SDG Target 3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination</p> <p>Aligned to SDG Target 6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally</p> <p>Aligned with SDG Target 8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead</p>		    	8,9
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Product Stewardship: Our Performance	<p>Aligned with SDG Target 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities</p> <p>Aligned with SDG Target 12.1 Implement the 10-year framework of programmes on sustainable consumption and production, all countries taking action, with developed countries taking the lead, taking into account the development and capabilities of developing countries</p>			

Customer Privacy

Disclosure Key	Disclosure Title	Section	Comment	Link	UN SDG	UN Global Impact Principle
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cybersecurity: Our performance	In 2021, we have not received any substantiated complaints regarding customer privacy breaches from external parties or regulatory agencies. We do not disclose information on data breaches.			