

Table of contents

Business and ethics

Business partners
Ethical conduct
Human rights
Diversity
Modern slavery
Taxation

Sustainability

Climate change and carbon reduction
Circular economy
Sustainable palm oil
Resource scarcity
Partnerships and stakeholders
Conflict minerals policy

Products and innovation

Eco-premium solutions
Product carbon footprint
Product stewardship
Nanomaterials
PFAS restriction
Ethical animal testing

Position statements

Business partners

A good reputation is essential in the global marketplace. Our customers are increasingly concerned with the ethical standards of their suppliers and partners, and when companies decide to begin or expand a business relationship, the reputation of a company is an important factor. Similarly, we expect our business partners to adopt ethical and conscientious business practices, and we hold them accountable if they fail to live up to their obligations. We expect business partners to adhere to all applicable laws, regulations and industry standards, as well as ethical requirements such as fair labor practices, employee safety and sustainable practices outlined in our Business partner Code of Conduct & Ethics. We continuously monitor the conduct of our third parties for any potential bribery, corruption, environmental, labor or other regulatory compliance issues, taking appropriate action where necessary.

Climate change and carbon reduction

Nouryon recognizes that climate change has a fundamental impact on the global environment, society and business economics, and we aim to reduce the greenhouse gas (GHG) emissions of our operations. We recognize and support the UN Paris Climate Agreement as the global framework for combatting climate change. As the transition to a net zero carbon economy accelerates, we continue to challenge ourselves to reduce impacts, mitigate risks, and harness growth opportunities related to climate change. We set an ambitious 2030 target to reduce



absolute GHG emissions in scope 1 and 2. And, by 2050, we aspire to be a net zero organization. We transparently report our plans to achieve these goals and our GHG emissions in our annual sustainability report. Our plan to achieve these goals includes: improving efficiency in our operations, increasing our use of renewable energy, analyzing emissions across our value chains, and integrating net zero and climate change considerations into our strategy and planning.

Circular economy

Nouryon embraces the circular economy in its sustainability agenda and endorses the concept as a critical part of the journey toward a sustainable society.

We source more renewable raw materials and energy and initiate or contribute to programs with a range of partners to accelerate production and adoption of these supplies. Examples include our bio-based materials partnerships and programs for wind energy and renewable steam. We also seek out opportunities for our “waste” to become a secondary raw material and use other people’s “waste” as our secondary raw material.

Sustainable palm oil

At Nouryon, we strive to contribute to a better world in close cooperation with our customers, suppliers and other partners. Palm oil is a key natural feedstock in our operations, and we embrace a world in which palm oil can be cultivated in a responsible way. [Download our statement.](#)

Conflict minerals policy

This Policy includes Nouryon’s commitment to the responsible sourcing of tin, tantalum, tungsten, and gold (“Conflict Minerals”) - [Please download here.](#)

Eco-premium solutions

Nouryon works with value chain partners and customers to grow our business based on innovative solutions that create added value with sustainability benefits. A particular focus is to



develop and market eco-premium solutions. Our Eco-Premium Solutions are products that offer significant sustainability benefits over mainstream alternatives in the market while providing the same or better functionality. The sustainability benefits of our Eco-Premium Solutions can include products developed with fewer resources, lower emissions, more efficient manufacturing processes, renewable energy, improved safety or other benefits. In addition, we design products that deliver sustainability benefits for our customers. We continue to proactively develop innovative sustainable solutions ahead of the mainstream in the market. Our product development processes are designed to drive continuous sustainability improvement in the overall portfolio as products are updated or replaced. Eco-premium solutions are a fundamental driver of our sustainability agenda and deliver value for our customers.

Product carbon footprint

Nouryon uses Life Cycle Assessment (LCA) to assess and improve the environmental performance of our products in the value chain. A product carbon footprint (PCF) is one of the many environmental impact categories resulting from the LCA. It sums the total greenhouse gas (GHGs) emissions – CO₂, and other greenhouse gases (expressed as CO₂ equivalent) – generated by a product during its life cycle. PCFs provide our customers with valuable information for assessing greenhouse gas emissions and provide transparency regarding the GHGs associated with our products.

The underlying LCAs used for developing our PCFs are being developed as self-declared environmental claims with guidance of the ISO 14021 standard. In conducting an LCA, primary data is used for Nouryon's manufacturing activities, while secondary data is in general used for other activities. We will continue to evaluate products with a reduced PCF to satisfy customer and societal needs for reduced emissions as we aspire to be a Net Zero organization by 2050.

Ethical conduct

Ethical business conduct is a core element of our strategy for growth and success and incorporated in our company values: 'We Aim High, We Own It, and We Do it Right'. We



expect each employee to learn and comply with all company policies, laws and the guiding ethical principles outlined in our [Code of Business Conduct & Ethics](#). We reinforce our commitment to ethics regularly to employees through messages from leadership, our quarterly newsletter and several mandatory online and in-person trainings. Similarly, we expect our business partners to adopt ethical and conscientious business practices as outlined in our [Business partner Code of Conduct & Ethics](#). Employees, business partners and other stakeholders can file anonymous reports about potentially unethical conduct through our confidential ethics reporting hotline available 24-hours a day in any of 30 languages.

Ethical animal testing

Nouryon does not carry out animal research on finished products such as chemical mixtures, except in those exceptional cases where required by government regulations.

When animal testing is required, Nouryon fully supports and applies the principles of the 3Rs: to Replace, Reduce, and Refine animal testing as explained in Nouryon's [Animal Testing Policy](#).

Nouryon will continue with its strategy of minimizing animal testing by supporting the development of non-animal research or animal reduction research protocols. Moreover, we will also continue the dialog with institutes and regulatory bodies to minimize the need for animal testing.

Human rights

Nouryon cultivates a respectful and inclusive work environment free of discrimination and harassment. We comply, and require our business partners to comply, with all applicable local labor and employment laws and international fair labor standards. We will not engage in or do business with any third party that we have found to engage in, forced or involuntary labor, human trafficking or child labor. We recognize the human rights of all people as outlined in the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work.



Diversity

Nouryon is committed to Diversity, and we believe a workforce that includes diverse backgrounds, experiences and perspectives is critical to our success and to anticipate and meet the needs of our global customers. Our Diversity commitment builds upon our [Code of Conduct](#), which clearly states that we respect and value all employees, irrespective of age, gender, race, religion, or sexual orientation. We also support Diversity at Nouryon by educating and providing resources to our employees and engaging with our communities. This holistic approach to Diversity ensures that we can continue to develop innovative and sustainable solutions that help our customers, partners and Nouryon grow.

Modern slavery

As a chemical company, our operations pose a low risk of child or forced labor. Our manufacturing operations generally require skilled labor with high education requirements. We also comply with all local labor laws, which require us to confirm the age of our employees when joining the company.

Nouryon is committed to promoting a workplace and supply chain where workers are treated with respect and dignity and free from modern slavery and human trafficking. We evaluate forced labor and modern slavery risks in our supply chain through risk assessments and supplier questionnaires, and we follow-up appropriately on any concerns raised. Employees, business partners and other stakeholders can file anonymous reports about potentially unethical conduct through our confidential ethics reporting hotline available 24-hours a day in any of 30 languages.

Nanomaterials

Innovation is considered vital for organic growth and sustainability at Nouryon, and our strategic ambition is to deliver world-leading innovation and products. The development of new nanomaterials and nanotechnologies is expected to play a major role in product innovation across a variety of sectors and applications.

Nouryon fully recognizes the opportunities nanomaterials present and understands that, as is



the case with all new technologies, health and safety issues must be fully considered as part of the innovation process when developing new products containing them. Safe use of all chemicals, including nanomaterials, is one of Nouryon's top priorities.

Partnerships and stakeholders

Partnerships accelerate our evolution into an even more sustainable business. We engage with external stakeholders and partners and are actively involved in the communities in which we operate to build long-lasting and productive relationships which help sustain our business. We believe that our partnerships enable us to have an impact on creating economic, environmental, and social value, thereby contributing to the achievement of the UN Sustainable Development Goals.

[Learn more - Sustainable procurement statement](#)

PFAS restriction

On 7 February 2023, the European Chemicals Agency (ECHA) published the proposal to restrict around 10,000 per- and polyfluoroalkyl substances (PFASs) within the European Union (EU).

Nouryon does not produce or market PFAS as part of our product portfolio, nor do we use any PFAS directly as raw materials for our products and as such do not expect any disruption to the supply of our products. We will continue to monitor developments on this topic closely and remain in close contact with our relevant trade associations in this matter.

[Download full statement \(May 2023\)](#)

Product stewardship

Nouryon's ambition is to create business value from product stewardship by providing safer and more sustainable solutions for our customers.

Through our Product Stewardship programs designed to manage substances of concern, we



take a proactive global approach to the review and management of hazardous substances in our products and processes. Taking this approach promotes the use of safer and more sustainable products. It also means we often take action to manage potentially harmful substances in advance of legislation, future-proofing our products against changes in regulations. Furthermore, this approach supports us in our ambition to develop and introduce eco-premium solutions into the market.

Resource scarcity

Nouryon recognizes that the world's resources are finite. At Nouryon, we are committed to continuously reducing our impact. The focus of our operational eco-efficiency program is to increase raw material efficiency, reduce energy consumption, and decrease both emissions to air and water and waste.

Taxation

A clear and responsible position on tax is an essential part of Nouryon's strategy. We regard our tax contribution as an important element of our commitment to grow in a sustainable, responsible and socially inclusive way. Nouryon supports the UN Sustainable Development Goals (SDGs). We recognize that taxation plays an essential role in sustainable development and are dedicated to ensuring we live up to all our tax obligations. This [strategy paper](#) provides a summary of our tax principles and governance.