PEOPLE MATTER MOST

2020 SUSTAINABILITY REPORT

Buckman™

People Matter Most.

At Buckman, we know what matters. Profits matter. Efficiencies matter. Breakthroughs matter quite a lot. But it's people who matter most. Their health and well-being. Their skills and contributions. And perhaps most important, their dreams and the opportunities they have to realize them. People, after all, are what make us a "company," a group of people with like-minded interests striving for the same goals.

"People matter most" is easy to say, of course. But in this era of COVID-19, we've felt it and lived it profoundly. We've hunkered down, dug deep and made the hard decisions necessary to keep employees safe, customers supplied, goals in sight. With an emphasis on retraining, reskilling and continually adapting our culture and our mindset to address the future, we've made sure that our employees can build successful futures for themselves. And through it all, we've proven that the best way to make our company more valuable is to make life better—for our employees, our customers and everyone in the larger world who benefits from the technologies we create.

This idea is at the center of our sustainability efforts. If we're making life better, we're safeguarding our environment, practicing fiscal responsibility, keeping our associates safe and empowered, reaching out to our communities, and helping our customers make their companies more valuable by, you guessed it, making life better for *their* employees and customers and the communities they touch. It's not enough to just have metrics and plans. It starts with people—one at a time—developing psychological ownership for sustainability as individuals, as teams and as a company.

There is perhaps nothing more powerful than connection, the interrelations we have with information, ideas, nature and, of course, each other. That's why Buckman has striven to be more than a chemical company. We have become Chemistry, connected. With the latest digital technologies and data analysis, we're finding new ways to help our customers, employees and communities connect to improve efficiency, safety, compliance and sustainability. At the heart of every effort is a simple truth: People matter most. And because they do, we stay committed to protecting our planet for future generations. It is in this spirit that we share this, our latest sustainability report, just one of the ways we hope to stay connected to you.

Junai A. Maharaj
CEO

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Our Story

Back in 1945, when news from World War II was printed daily, it was normal for paper mills to shut down for hours to clean bacterial deposits. It wasn't until Dr. Stanley J. Buckman, a biochemist from Memphis, Tennessee, introduced those paper mills to an innovative chemical solution that provided an alternative to shutting down. This solution saved mills thousands of gallons of water required for the shutdown process and reduced the impact to their operations, bottom line and the environment.

Applying Dr. Buckman's chemistry throughout the process kept mills from having to shut down as often, if at all, saving them untold time and money. With that one chemical solution, a company was born.

Dr. Buckman started Buckman Laboratories on the site of an old lumberyard in Memphis with a single 50-gallon reactor and a team of five. The first product created was named BSM-11 and was used to control bacteria.

Today, we are still producing BSM-11 for the pulp and paper industry. We've also expanded into industrial water treatment and solutions for the leather industry. But as much as things have changed in the past 70+ years, one thing has remained the same: We are still completely focused on helping our customers solve problems. Now we do so with a sustainable future in sight.

OUR MISSION

We, the associates of Buckman, will excel in providing measurable, cost-effective improvements in output and quality for our customers by delivering customer-specific services and products, and the creative application of knowledge.

Our Sustainability Strategy

United Nations Sustainable Development Goals
Connected to Our Stakeholders

Every business practice at Buckman will sustain the health and well-being of people, the financial prosperity of our company and the wholesomeness of the environment on which we all depend. We make this commitment to ensure that future generations can achieve a quality of life that is the same or better than our own. Buckman's commitment to sustainability is manifested in four areas: the quality of our work, the safety of our people, the support of our communities and the protection of our environment.

Buckman is committed to transparency in our reporting and to continuously improving the processes for sustainability management and performance. We use a cross-functional Corporate Sustainability Project Team for accountability and oversight in the preparation of this report and a management software program to track and oversee our progress toward our stated goals. Quantitative data is collected at each operating facility, which allows us to monitor, track and identify opportunities at both the local and global levels. We use the Global Reporting Initiative (GRI) Standard for sustainability reporting to provide the best possible disclosures based on the nature of our global business and the related risks and opportunities.

Our Commitment to the United Nations Sustainable Development Goals (SDGs)

Buckman is committed to being a positive global force for good, and we realize that our business practices and decisions affect communities and ecosystems around the world. To this end, Buckman has pledged its support for the United Nations Sustainable Development Goals (SDGs), a universal call-to-action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. The SDGs are a bold commitment to tackle some of the most pressing challenges facing the world today. The 17 SDGs are interconnected; often the key to success in one goal will involve tackling issues more commonly associated with another.

Focusing on the SDGs most meaningful to our business reaffirms our global commitment to build a more sustainable, safe and prosperous planet for all.

Our attention naturally falls to goals targeting Good Health and Well-Being; Quality Education; Clean Water and Sanitation; Decent Work and Economic Growth; Industry, Innovation and Infrastructure; Responsible Consumption and Production; Climate Action; and Peace, Justice and Strong Institutions. The SDGs are unique in that they cover issues that affect us all.

Connected to Our Stakeholders

No company can operate in isolation, and we are all stronger when we work together. Buckman builds strong relationships with our key stakeholder groups to maximize the value created through our operations.

Through this approach, we are in a better position to understand our stakeholders' interests and proactively identify issues that inform our policies, reporting and disclosure practices.

Buckman has a long history of engaging and responding to stakeholders through formal and informal channels. The guidelines for stakeholder engagement to support Buckman's sustainability efforts are based on GRI Standards, ISO 14001 standards and the AA1000SES Stakeholder Standard developed by the AccountAbility Institute for Social and Ethical Accountability. Throughout the entire process, we take into consideration the information needs of:

- Our employees through intercompany surveys
- Customers, seeking sustainable products, technology solutions and information about our sustainability policies and practices
- Communities, wanting to understand our sustainability management and engagement efforts as a responsible corporate citizen

- Suppliers, whom we expect to abide by our Code of Conduct and who are critical to our operations
- Other stakeholders who have an interest in our industry and operations.

Customers

Customer engagement practices include:
- A Buckman Customer Survey (BCS) to identify needs and develop a plan to address them
- Return on Environment (ROE) for key customers
- Face-to-face discussions with key customers to better understand sustainability issues that are most important to them
- Reporting to sustainability platforms such as Sedex and EcoVadis.

Employees

In addition to our Stakeholder Engagement Survey, we conducted two pulse surveys in 2020 among our employees both in North America and in our international organization. The survey was administered in multiple languages to ensure employees had the opportunity to share their insights and opinions in their first language.

The objectives were to:
- Collect perceptions on Diversity, Equity & Inclusion, specifically in the fields of growth and development, belonging and objectivity. This was to understand employee receptiveness before starting D & I initiatives at Buckman.
- Collect feedback on engagement and enablement.

Our survey results indicate that more than 70% were favorable and proud to work for Buckman, felt they were treated with respect and had opportunities to learn and grow at Buckman.

Some of our employees raised concerns about career opportunities, barriers and conditions on the job that affected productivity and efficiency. As a result, managers worked with their teams to come up with action steps for them to implement to address areas of concern in response to these surveys.

Buckman has adopted an agile associate feedback process to ensure we are hearing frequently from our employees through Pulse surveys and acting on appropriate concerns as they arise.

Communities

Buckman has established programs for serving our communities, and we regularly engage with our local communities to ensure that our efforts result in positive impacts to both lives and the environment. See the *Connected to Our Communities* section of this report for a description of our community relations activities through our BuckmanCares initiatives.

Suppliers/Business Partners

We work closely with our suppliers to find ways to streamline, conserve and save. Our current collaborative efforts cover a broad range of activities, including customer and market needs management, open innovation, supply and demand planning, waste reduction and more. Open collaboration drives our relationships with each partner and supplier.

Our goal is to continue formalizing our process for learning about each other. We believe that the more our suppliers and partners understand our expectations, and we theirs, the stronger all of us become. In 2019-2020, supplier engagement initiatives included:

- A supplier questionnaire to engage suppliers in our supply chain
- A Buckman Global Procurement Organization chartered with procurement sustainability and supplier engagement as top priorities
- A globally standardized supplier qualification and performance review process with enhanced sustainability and supplier engagement requirements.

Buckman has an ongoing global supply chain manufacturing optimization initiative that involves collaboration with contract manufacturers having core competencies in key manufacturing processes utilized by Buckman. This effort not only optimizes our global supply chain, but it also better consolidates production risks into more specialized facilities with better scale and engineering to reduce risks and waste.

Government/Regulatory Stakeholders

Local governments and regulatory agencies are engaged via participation on committees or task forces, through written communications to agencies and with face-to-face meetings. The level of corporate or local engagement varies, depending on the issue.

Industry Trade Associations

Buckman participates in strategic industry trade associations to gather feedback on sustainable practices in their respective areas for use in determining materiality.

Board of Directors

Regular engagement with the Board of Directors enables us to ensure each Director has the information necessary to help establish an appropriate strategy for mitigating risk.

Measuring Sustainability

While our efforts to report on our sustainability commitments are products of this century, Buckman's care for our community is long-standing. Buckman began reporting its sustainability performance in 2010, following the GRI G3 reporting guidelines. The report was built on several years of environmental, health and safety disclosures and reporting.

For this report, we follow formal GRI Standards reporting guidelines to provide stakeholders with the data and perspective to understand and evaluate our performance, impacts and opportunities. Management software enables us to track our progress toward our stated goals.

Each operating facility is responsible for entering quantitative data, which allows us to monitor, track and identify opportunities at both the local and global level, providing the best possible disclosures based on the nature of our business.

Much of the data in this report reflects sustainability results and activities during the 2019 and 2020 fiscal years. Our cross-functional Corporate Sustainability Project Team provides accountability and oversight in preparing this report.

Materiality Assessment

To manage our environmental impact effectively, we must be able to measure key areas of influence. One of the key principles of the Global Reporting Initiative is the Materiality Principle that states an organization should report on topics that cause the most important economic, environmental and social impacts, and/or on topics that are considered the most important by the organization's internal and external stakeholders. During the process of determining these issues, an organization must actively involve its stakeholders and examine all the topics for the period to which the sustainability report will refer.

Methodology

Step 1: Determination and prioritization of the stakeholders to be involved in the process. In this Materiality Assessment

with Buckman, the scope included six key stakeholder groups:
• Group 1: Board of Directors
• Group 2: Community Partners
• Group 3: Industry Associations
• Group 4: Customers
• Group 5: Suppliers
• Group 6: Employees

Step 2: Identification and prioritization of all sustainability topics (economic, environmental, workplace related, human rights, social, responsible products, etc.) using the GRI Standards and CSE benchmarking research outcomes from the chemicals industry.

Step 3: A stakeholder materiality survey conducted through a qualitative questionnaire to identify the material topics. For every question, a qualitative scale (very high, high, medium and low) was used to evaluate the importance of each topic.

According to the GRI Standards, the topics of very high importance to stakeholders and/or those where the organization has the highest impacts must be included. For the remaining topics, it is up to the organization to decide whether to include them in its

sustainability report. This report does include those topics of very high importance and/or impact as well as several topics, such as emissions, energy consumption, water usage, waste management and employment, that did not rate as high in materiality among stakeholders, but we deemed important to our business.

Step 4: Analysis of the outcomes and results and the representation of the topics in a materiality matrix.
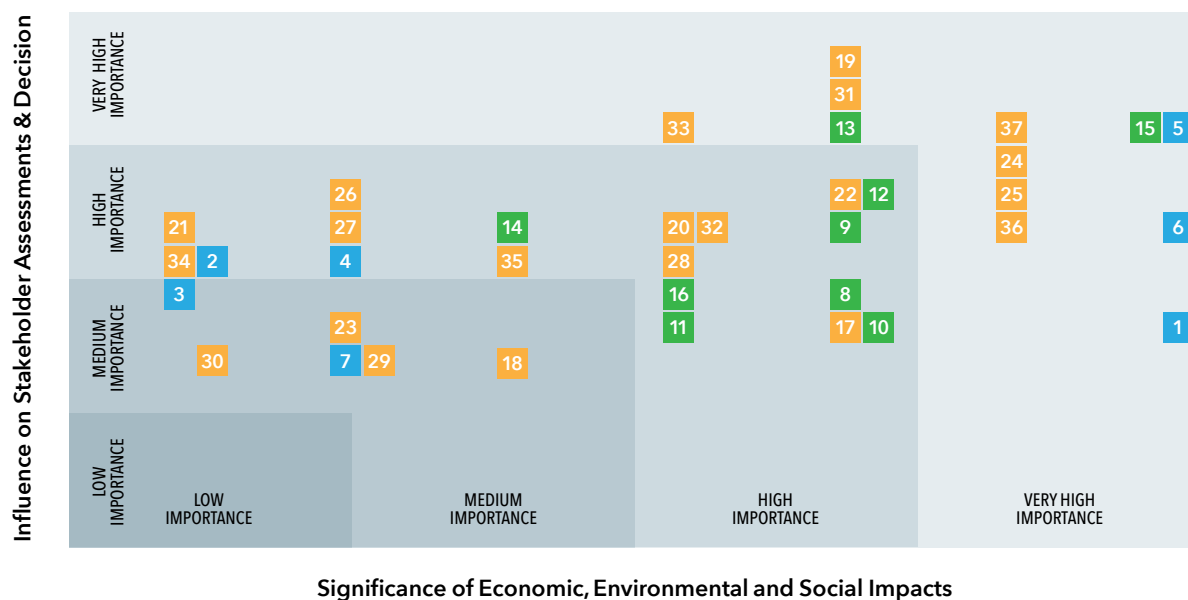
GRI Standards recommend presenting the results of the materiality assessment process in a materiality matrix, so a materiality matrix was created representing the topics that are very important, somewhat important or less important. A numerical value was assigned to each response to the survey. For every topic, an average value was calculated based on all the questionnaire replies.

The Y-axis represents the opinion of all the stakeholder groups (excluding Buckman Board of Directors) consulted during the materiality assessment process. The X-axis represents the impacts of the organization on each topic, based on the opinion of the Company (Buckman Board of Directors).

Upon completion of the materiality assessment process, the topics below were presented as very high importance and, thus, are included in this report. These material issues affect the "10 Impacts, Risks and Opportunities" identified by the Risk Management Committee of the Buckman Board of Directors and noted in the *Company Profile and Governance* section. They are also integral to the nine SDGs Buckman has committed to supporting.

Materiality Matrix ■ economic ■ environmental ■ social–employees–product–customers

Influence on Stakeholder Assessments & Decision

Significance of Economic, Environmental and Social Impacts

Boundaries and Limitations of Material Topics

Material Topic	Internal Boundaries (Impacts)	External Boundaries (Impacts)
Environmental Compliance	Board of Directors, Shareholders, Employees	Government/Regulatory, Community and Community Partners
Anti-Corruption	Board of Directors, Shareholders, Employees	Government/Regulatory, Suppliers and Business Partners
Anti-Competitive Behavior	Board of Directors, Shareholders, Employees	Government/Regulatory, Industry Associations
Direct Economic Value Generated and Distributed	Board of Directors, Shareholders, Employees	Government/Regulatory, Lenders
Reliability	Board of Directors, Shareholders, Employees	Customers, Suppliers and Business Partners
Child Labor	Board of Directors, Shareholders, Employees	Government/Regulatory, Suppliers and Business Partners
Forced or Compulsory Labor	Board of Directors, Shareholders, Employees	Government/Regulatory, Suppliers and Business Partners
Technology and Innovation	Board of Directors, Shareholders, Employees	Customers, Suppliers and Business Partners
Occupational Health and Safety	Board of Directors, Shareholders, Employees	Government/Regulatory
Customer Health and Safety	Board of Directors, Shareholders, Employees	Customers, Suppliers and Business Partners
Waste Management	Board of Directors, Shareholders, Employees	Community and Community Partners
Customer Privacy	Board of Directors, Shareholders, Employees	Customers, Government/Regulatory

Ethical Conduct

Ethical conduct is not just something we do; it is an integral part of our identity. Buckman's commitment to ethical conduct is outlined in The Buckman Fundamentals, which explain who we are and what we believe. They are a guide by which we operate around the world. They support our main goal, which is to build long-term relationships and create sustainable value for our customers while maintaining the highest ethical standards. The Buckman Fundamentals ensure that we will act in an ethical, honest and transparent manner to solve customers' problems, safeguard the environment and maintain safety in the workplace.

These fundamentals include:
- Buckman Code of Ethics
- 7 Principles of Highly Effective Teamwork
- Mission Statement
- Buckman 4.0
- Charitable Councils at Each Operating Company

- Sustainability — Buckman's commitment to sustainability is manifested in four areas: the quality of our work, the safety of our people, the support of our communities and the protection of our environment
- Quality
- Safety
- Community
- Environment
- Our Goal: Zero Negative Environmental Impact

All employees are given access to EthicsPoint,® a reporting system that serves as an alternative to approaching their manager, human resources or senior management about activities or conduct believed to be unethical, illegal or in violation of our Code of Ethics.

EthicsPoint reports can be made anonymously and confidentially, so employees can feel confident that there will be no negative consequence for reporting or inquiring about potential violations in good faith. Training on the Buckman Code of Ethics and EthicsPoint is part of the new associate orientation process for all employees globally.

Operating with integrity extends to preventing corruption and anticompetitive behavior. All of our operating companies undergo risk analyses related to corruption. We maintain a risk management committee at the board level. In addition to EthicsPoint training, Buckman requires all upper-level managers to complete an online and in-person Foreign Corrupt Practices Act training course. External and internal financial audits have uncovered no incidents of corruption.

The **Buckman Code of Ethics** provides a clear understanding of the basic principles by which we operate our company. As individuals and as a corporate body, we must endeavor to uphold these standards so that we may be respected as persons and as an organization.

BUCKMAN CODE OF ETHICS

The company is made up of individuals—each of whom has different capabilities and potentials—all of which are necessary to the success of Buckman.

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We acknowledge that individuality by treating each other with dignity and respect—striving to maintain continuous and positive communications among all of us.

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We recognize and reward the contributions and accomplishments of our associates.

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We continually work to improve our teaming skills because we recognize that effective teamwork is essential to fulfilling our purpose.

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We continually strive to learn both as an organization and as individuals so that we are positioned to create value.

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We continually plan for the future so that we can control our destiny instead of letting events overtake us.

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We make all decisions in light of what is right for the good of the whole company rather than what is expedient in a given situation.

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Our customers are the only reason for the existence of Buckman and, to serve them properly, we must supply services and products which provide economic benefit over and above their cost.

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We must apply creativity to everything we do.

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We must use the highest ethics to guide our business dealings to ensure that we are always proud to be a part of Buckman.

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We will discharge the responsibilities of corporate and individual citizenship to earn and maintain the respect of the community.

Company Profile and Governance

Buckman is a global business, employing 1,612 employees (including contractors) and conducting sales activities in more than 90 countries. Buckman is a privately-owned organization and has been so since its inception in 1945.

Ownership and Legal Structure

Bulab Holdings, Inc., is a privately-owned corporation organized under the laws of the State of Tennessee, United States. Bulab Holdings, Inc., is the parent company of Buckman Laboratories International, Inc., and Buckman Laboratories, Inc. In addition, Bulab Holdings, Inc., is the parent company of multiple operating companies located strategically in the following regions: North America, Latin America, Europe, Sub-Saharan Africa and Asia Pacific. Buckman Laboratories International, Inc., is the administrative service provider to Bulab Holdings, Inc., and its subsidiaries. The Buckman family owns approximately 80% of the outstanding shares of capital stock. An Employee Stock Ownership Plan, established for the benefit of employees working in the U.S., owns approximately 10% of the stock. Most of the remaining minority share ownership is in the hands of Buckman retirees, current employees and charitable organizations that have received stock as a gift from its shareholders.

Governance Structure

Bulab Holdings, Inc., is governed by an eight-member Board of Directors, a majority of whom are outside directors (not full-time employees). Committees within the Board include: Audit, Compensation, Risk Management, Capital Stock and Executive. All are chaired by outside directors.

Activities – Products – Services

Bulab Holdings, Inc., through its principal company, Buckman Laboratories International, Inc., provides clients with advanced chemistries and the application of those chemistries to help a wide variety of industries clean and clarify heating and cooling waters, industrial process waters and wastewaters. The Company provides specialized technologies that aid in leather processing, such as microorganism control programs, and solutions that enhance production and product quality in the pulp and papermaking industry.

For all these industries, Buckman delivers innovative products and services that help save energy and water, increase production efficiency and recycling and re-use opportunities, and reduce environmental impact. Additionally, the offering includes a variety of freestanding performance chemicals that either enhance the performance of products or the manufacturing of those products. Brands include Bulab,® Busperse,® Busan,® Maximyze,® Optimyze,® Vybrant,® WSCP,® Buckman OnSite® and Oxamine,® among others. Buckman strives to maintain patents, registrations, trademarks, trade secrets and confidential information needed to ensure the protection of our intellectual property.

Additionally, in 2019, Buckman established the Digital Innovations Hub that is charged with bringing new digital solutions to the market.

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Markets Served

Buckman serves worldwide markets that include the pulp and paper manufacturing and leather processing industries and provides advanced water treatment for those and other industries. Water treatment technologies encompass many manufacturing environments, including power generation, oil and gas, ethanol plants, sugar production and others, as well as facilities with cooling towers such as hospitals. Secondary market industries include paint, coatings and plastics, metalworking, agriculture, lumber and biofuels. Buckman provides advanced chemistries to help clean and clarify heating and cooling waters, industrial process waters and wastewaters. In addition, the company offers specialized technologies that aid in leather processing and solutions in the pulp and papermaking industry.

Operations

Buckman has seven operating companies with nine manufacturing facilities located in the United States, Canada, Brazil, Belgium, South Africa, China and Singapore. Company headquarters is in Memphis, Tennessee, USA, and serves customers in over 90 countries. Below is a map of the operating company and areas served by Buckman.

AREA SERVED BY BUCKMAN   NOT SERVED BY BUCKMAN   BUCKMAN MANUFACTURING FACILITY

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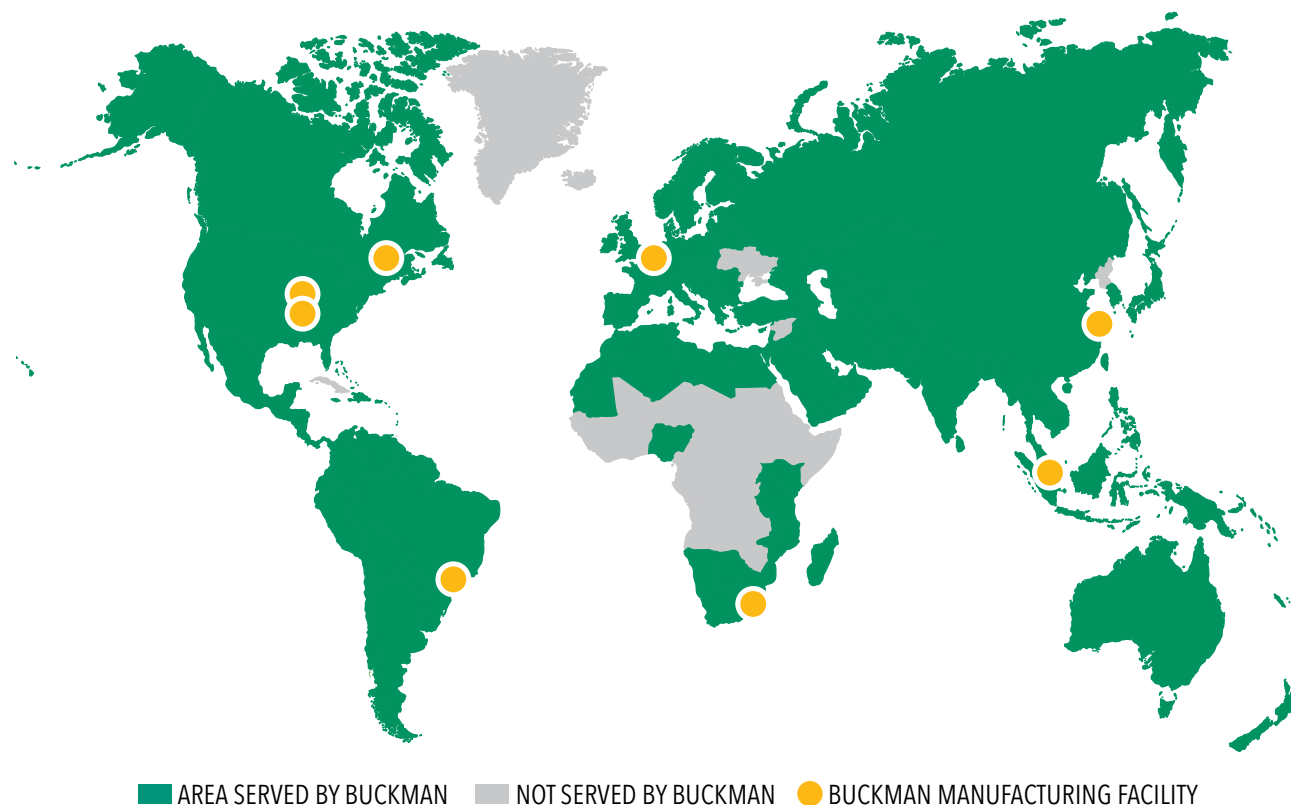
Financial Performance

Buckman generates economic value from the sale of chemistry, expertise and smart technology, which in turn helps our customers operate more efficiently and sustainably. This economic value benefits our many stakeholders:

- Our suppliers and service providers realize the economic value through the purchase of raw materials and services by the Company.
- Our employees are beneficiaries through compensation, benefits and opportunities for learning and growth.

- Our surrounding communities benefit through the purchase of goods and services in these communities as well as the donation of time and money by the company and employees. These communities also benefit as returned profits to our shareholders are spent or invested in our communities.
- Our company retains value by reinvesting in R&D, capital investments and technology.

Our net sales have increased year-over-year prior to the 2020 pandemic, but sales declined as most of the world economies entered a recession. The percentages of each market served as well as our sales in each geographic region did not change significantly. We continue to optimize our product portfolio and reduce risks at our locations. Economic performance is often measured by costs, income and profit. Buckman also measures economic performance by the investments made in its workforce. Employees see the return on that investment in the form of opportunities for learning and growth, personal fulfillment and financial reward.

2020 Equity
$265,138,742 USD

2020 Debt
$50,272,087 USD

2020 Total Wages and Benefits
$169,698,716 USD

2020 Net Sales
$650,453,413 USD

9% Leather	**12%** Direct Water Treatment	**65%** Pulp & Paper	**14%** Secondary Markets

2020 Sales by Geographic Region

Sub-Saharan Africa 7%
North America 44%
Europe 11%
Latin America 13%
Asia-Pacific 25%
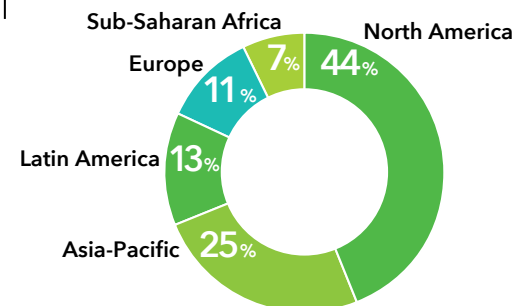
Impacts, Risks & Opportunities

Risk management is essential to company success and sector leadership. We have identified the top seven global risks for Buckman and their potential impact on the company. These risks are listed in the order of their combined likelihood and severity from highest to lowest. Risk descriptions were developed by management and then presented, discussed and modified with input from the Risk Management Committee of the Board.

Note: Velocity is defined as the speed at which the occurrence of a risk could impact Buckman once the risk manifests, but it does not address how long the impact will last. A designation of immediate velocity could impact the company less than one month after the risk manifests; medium velocity could create an impact from within one month to one year; and long-term could create an impact longer than one year out. These risks are affected by the material issues related to sustainability identified by the materiality assessment.

1. Performance Gap

Performance gap risk is the risk of Buckman failing to manage the business to meet the financial performance expectations of our employees and shareholders. Failure to do so could negatively impact the long-term sustainability of the business by limiting the company's ability to make investments needed to grow the business or by being forced into selling the company at the request of shareholders. Performance gap risks include the following:

- Declining gross margins
- Declining operating margins
- Increasing operating expenses
- Failure to generate sufficient free cash flow
- Failure to stay competitive in the marketplace with existing and new technologies

The velocity of this risk is long-term.

2. Business Interruption

Business interruption risk is the risk that there could be an interruption to Buckman's critical operations and processes that have a negative material impact on the business.

Buckman's ability to continue its operations within a given geographical region or regions is dependent on the following:

- Its ability to operate its manufacturing and distribution facilities
- The availability of certain raw materials
- The availability of third-party transportation services
- The operation of critical information systems (addressed more comprehensively in the risk area of *Information System Integrity*)

Business interruption could arise from the following:

- Accidents
- Natural disasters
- Limited availability of raw materials or reliance on one supplier for key raw materials
- Third-party work stoppages
- Sabotage
- Political actions taken by a country that impact Buckman's operations

The velocity of this risk is immediate to medium-term.

3. Competitor

Competitor risk represents the risk that competitors could establish or sustain a competitive advantage over Buckman in such a way that we would not be able to effectively compete in one of our target markets. The three primary areas in which this risk is the greatest:

- Competitors could enter the market and compete effectively against Buckman in areas where Buckman has had a unique position.
- Buckman's relatively small size in the water treatment market would not allow it to establish and maintain a competitive advantage against its larger competitors.
- Competitors could come from nontraditional areas such as technology companies that use alternate approaches to solve our customers' problems.

The velocity of this risk is long-term in nature.

4. External Economic and Financial

External economic and financial risk is the risk that circumstances and events outside the control of Buckman would have a negative material impact on our ability to do business in certain locations and on our financial results. Possible circumstances and events that fall into this type of risk include the following:

- Economic downturn, recession or depression
- Economic crisis in a specific geographic region
- Political crisis in a specific geographic region
- Fluctuations in currencies relative to the U.S. dollar
- Changing tax regulations
- Changing import/export regulations for a specific geographic region
- Exchange controls imposed by a government that limit Buckman's ability to transfer funds in or out of the country
- Risk of high inflation in a particular geography

The velocity of this risk is medium- to long-term.

5. Regulatory Compliance

Buckman operates in a highly regulated environment in most parts of the world. Failure to comply with applicable laws and regulations could have a significant impact on Buckman's ability to continue operating in certain locations and/or could negatively impact its financial results. External compliance failure could result from failure to comply with laws and regulations related to:

- The manufacture of products
- The transportation of products
- The sale of products
- The application of products
- The disposal of waste materials

The velocity of this risk is medium- to long-term.

6. Product/Service Failure

Buckman sells products and services that are used in industrial processes. The failure of a product or poor advice to a customer could have a negative financial impact on a customer and could damage the reputation of Buckman. In some cases, products are used directly in the process and could have an immediate impact on the goods being produced. Additionally, some of the services offered by Buckman's employees could impact the customer's production. In all cases, there is some degree of potential exposure of products to employees and third parties working in a customer facility. Examples of product or service failure include the following:

- Product was not appropriately designed for the application
- Product is not stable until point of application
- Failure of the application equipment
- Unsafe application equipment setup
- Improper advice provided by the Buckman sales associate to the customer
- Failure of sales associate or customer representative to abide by safe handling procedures for the product
- Negative human exposure trend information despite prescribed handling procedures for the product

The velocity of this risk is immediate to medium-term.

7. Information System Integrity

Buckman relies on its information system to take orders from customers, manage production, ship products, invoice customers, pay suppliers, pay employees, determine the profitability of products and evaluate financial results. The failure of the system would have a significant impact on Buckman's ability to operate. The ongoing integrity of the system impacts management's ability to make informed business decisions. The integrity of Buckman's information system could be negatively impacted by the following:

- Failure to recover the system within a reasonable period
- Inconsistent standards regarding the input of data into the system
- Failure to abide by standards established for the input of data
- Limitations on the design of the system and type of data inputted
- Continued reliance on manual manipulation of data
- A security failure that compromises data in the system

The velocity of this risk is immediate to long-term.

Addressing the Precautionary Principle

Buckman supports the Precautionary Principle as defined in Principle 15 of the Rio Declaration. As a responsible corporate citizen, Buckman uses well-defined processes for assessing and managing risks, including hazard identification, exposure assessment and risk assessment of current products as well as those currently being researched and developed.

External Influences

We are guided by the following national and international economic, environmental and social principles and initiatives to which we subscribe or endorse:
- ISO 9001
- ISO 14001
- ISO 45001
- GRI
- EcoVadis
- EPA-endorsed "12 Principles of Green Chemistry"
- Sedex
- United Nations Sustainable Development Goals (SDGs)

Association Memberships

- American Chemical Society (US)
- ALCA – American Leather Chemists Association
- American Society for Microbiology (ASM)
- Argentine Leather Industry Chemists and Technicians Association (AAQTIC)
- Argentine Chemical and Petrochemical Industry Chamber (CIQYP)
- AQTCL (Asociación de Químicos y Técnicos de Curtiduria en León)
- Association of Chemical Pulp and Paper Chemists and Engineers (ZELLCHEMING)
- Belgian Federation for Chemistry and Life Sciences Industries (essenscia) – Europe
- Bioplus-Probio
- Boston College for Corporate Citizenship
- Brazilian Chemical Industry Association (ABIQUIM)
- Brazilian Association of Metallurgy, Materials and Mining (ABM)
- Center for the Brazilian Tanning Industry (CICB)
- Brazilian Association of Sugar & Ethanol Technicians (STAB)
- Brazilian Association of Leather Industry Chemists and Technicians (ABQTIC)
- Brazilian Pulp and Paper Technical Association (ABTCP)
- CICUR (Cámara de la Industria de la Curtiduría del Estado de Guanajuato)
- CANACINTRA – Morelos (Mexico)
- Center for Chemical Process Safety (CCPS)
- Chemical and Allied Industries Association (CAIA)
- Chemistry Australia
- China Leather Association
- Commissie Productbeleid
- cooperation for assuring defined standards (cads)
- Confederation of European Paper Industries (CEPI)
- COPARMEX – Morelos (Mexico)
- Dutch Paper Technologist Association (VAPA)
- Eurofins | BLC Leather Technology Centre Ltd
- Enzyme Technical Association (US)
- European Biocidal Product Forum (EBPF)
- European Chemical Industry Council (CEFIC)
- European Pulp and Paper Chemical Association (EPCG)
- European Society for Sugar Technology (ESST)
- FIDECOMP – Morelos (Mexico)
- FP Innovations
- French Paper association (ATIP)
- Indian Pulp & Paper Technical Association (IPPTA)
- Leather Industries of America (LIA)
- Leather Naturally LN!
- Microbiology Society
- National Safety Council (NSC)
- National Union of Manufacturers of Chemicals for Water Treatment and Sanitation (Syprodeau)
- National Association of Sugar and Alcohol Technologists (ANTZA – Italy)
- NZ Leather and Shore Research Association (LASRA)
- Pulp and Paper Technical Association of Canada (PAPTAC)
- Responsible Packaging Management Association of Southern Africa (RPMASA)
- Singapore Business Federation (SBF)
- Singapore Water Association (SWA)
- Society for Industrial Microbiology and Biotechnology (SIMB)
- Society of Leather Technologists and Chemists (SLTC)

- Technical Association of Pulp and Paper (ATCP)
- Technical Association of the Pulp and Paper Industry (TAPPI)
- The Federation of Industries of the State of Sao Paulo (FIESP)
- The Leather Working Group
- The Portuguese Association for Technicians of the Pulp & Paper Industry (Tecnicelpa – Europe)
- The Spanish Association of Water Treatment and Control Companies (AQUA ESPANA)
- UK Pulp & Paper Technical association (PITA)
- U.S. Hides, Skins and Leather Association (USHSLA)
- VLARIP
- Verband Deutsche Lederindustrie (VDL)
- Water Institute of South Africa (WISA)
- Zero Discharge of Hazardous Chemicals (ZDHC)

Awards and Distinctions 2019–2020

CHIEF LEARNING OFFICER®
LEARNINGELITE
GOLD ORGANIZATION

In 2019, Buckman was awarded gold in the LearningElite awards by *Chief Learning Officer* magazine. The award recognizes leading learning organizations around the world that display exceptional workforce development strategies that translate into business results. Buckman was recognized for its efforts in functional areas, including leadership development, use of technology, content development and executive buy-in.

Connected to Each Other – Our People

2019–2020 Highlights

- During 2019-2020, we rolled out training courses for each of the Critical Standards and Risk Reduction Standards.
- We lowered our global OIR target from 0.75 to 0.50 in 2020 and ended the year with an OIR of 0.12 and an LTIR of 0 – the lowest in Buckman's history.

Our employees are our greatest asset and should be treated as such. We're a group of 1,612 geographically, ethnically and culturally diverse professionals working together to provide world-class products and services.

We strive to provide employees with a superior work experience that gives them opportunities and leadership skills to grow, contribute to the company in fulfilling ways and have a positive impact on their communities.

Buckman has comprehensive workplace strategies and policies in place to ensure that employees can not only be successful but also stay safe and healthy doing it.

In 2020, our total number of employees was 1,612 (182 temporary and 1,430 permanent). In 2020 the percentage of female permanent employees was 21.5%.

In 2020 we hired 111 new employees (75% men and 25% women).

Buckman meets or exceeds minimum wage in all its operating companies and territories. Where there is no minimum-wage requirement, Buckman uses a salary survey to set salary ranges. Buckman offers major benefits to full-time employees in the countries where it does business. These benefits vary by country, but may include:

- Medical coverage
- Dental services
- Vision protection
- Flexible spending account
- Life insurance
- Optional life insurance
- Long-term care
- Accidental death & dismemberment insurance
- Travel accident insurance
- Long- and short-term disability
- Employee Assistance Program (EAP)
- Cancer plan
- Legal plan
- Tuition reimbursement
- 401(k)/profit sharing
- Vacation
- Relocation
- Healthcare survivor benefits

2020 Workforce

1,612
Total number of associates globally

→ **182** Temporary

→ **1,430** Permanent

→ **7** Part time
+
1,423 Full time

1,123 Male

307 Female
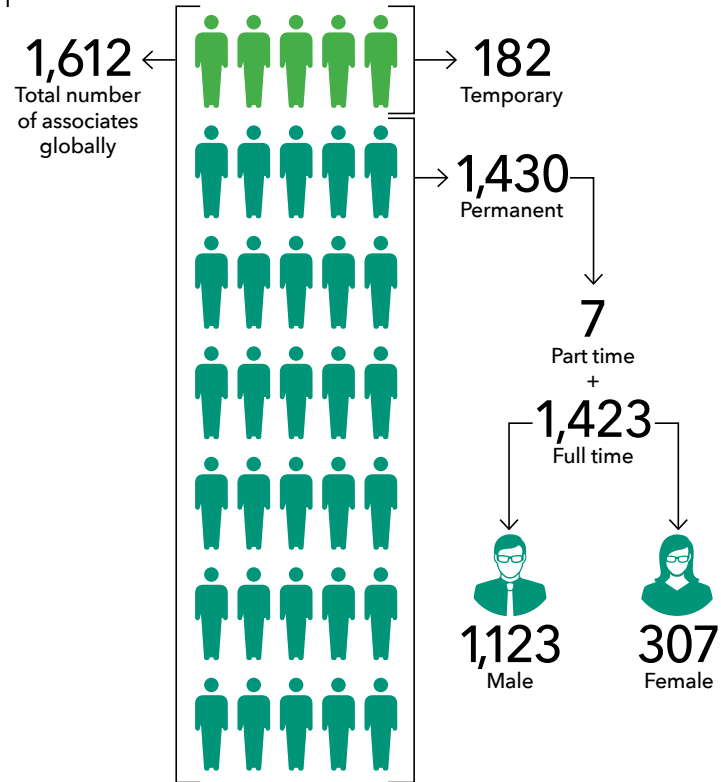
2020 Permanent Employees by Region

Buckman International **9**%

Europe **9**%

South Africa **10**%

Asia **14**%
(including Australia and New Zealand)

China **16**%

North America **26**%

15% Latin America (including Mexico)
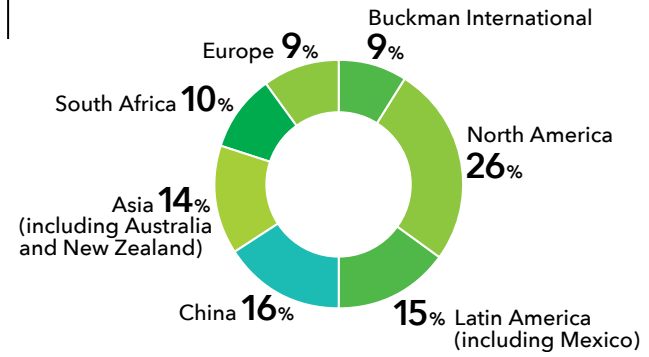
2020 New Hires by Age and Gender

Age >50 — **17**

Age <30 — **29**

Age 30–50 — **65**

111 Total

83 Male

28 Female
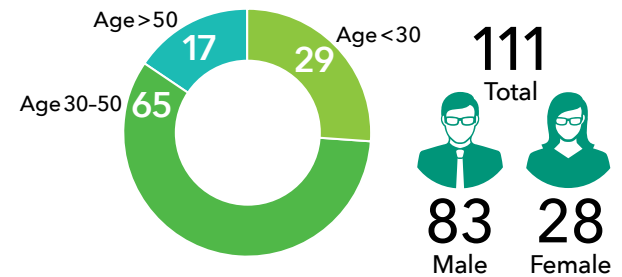
Employee Health and Safety

Buckman recognizes that excellence in safety is crucial to our long-term success, improving productivity and customer relations. We will ensure that research, manufacturing, administrative and marketing activities are accomplished without harm to our employees, customers, the public or the environment. To provide the best and safest working conditions for our employees, we are embarking on a safety transformation as we strive toward Zero Occupational Injuries and Illnesses. We want to ensure that our employees all over the globe return home safely to their loved ones because we believe that above anything else, people matter most.

Buckman's golden principle states that "all occupational injuries and illnesses can be prevented." To this end, we have set forth the following management principles:

Managers are ultimately responsible for the safety of the people they manage, their customers and the public.

Managers will seek involvement by their associates in the elimination of hazards in the workplace.

Safety education is vital to working safely. Everyone must be trained again and again.

Safe behavior is a condition of employment.

Safety will take precedence over expediency or short cuts.

Every attempt will be made to reduce the probability of incidents.

Safeguards will be provided to ensure safe working conditions.

Safety audits are a must. All deficiencies must be corrected promptly.

Where appropriate, safety standards will be set and should be reviewed annually.

A global Buckman Risk Matrix was developed to rank and prioritize risk, incidents and corrective actions. Incidents with high consequence rankings or high potential are communicated globally via a Safety Alert and a Safety Stand Down where global preventive actions are developed. To promote consistency in reporting and analytics, we purchased a global platform with applications for Incident Reporting & Investigation, Behavior Based Safety Observations, Job Safety Analysis, Process Hazard Analysis, Inspections, Management of Change and Audit Management. The Incident Reporting & Investigation and Behavior Based Safety Observations applications were implemented in 2020. Projects are in place to launch the remaining applications in 2021.

We collaborated with DuPont to begin a journey into Felt Leadership, a workshop to promote behavioral and leadership change and improve our safety culture.

We began the Felt Leadership journey with a three-day workshop for our senior leaders and continued to host smaller workshops with the goal of exposing the entire organization to the Felt Leadership concepts. A more comprehensive Global SHE Scorecard was introduced and is published monthly to senior leadership. The scorecard metrics include leading indicators, such as Near Miss and Behavior Based Safety reporting, SHE Training completion and SHE-related action items. 5S programs were launched at our manufacturing and

customer sites. We developed a Global Safe Work Permit, which has been adopted at all our manufacturing sites. We developed 12 Golden Rules for safety and focus on one each month. We launched Critical Standards and Risk Reduction Standards at our manufacturing sites and for our sales employees. These initiatives were based on input received from the first ever All Stop Safety Day, where all operations were stopped for a day devoted to safety. We lowered our global OIR target from 0.75 to 0.50 in 2020 and ended the year with an OIR of 0.12 and an LTIR of 0–the lowest in Buckman's history.

	2014	2015	2016	2017	2018	2019	2020

Total Recordable Injuries and Illnesses*

	2014	2015	2016	2017	2018	2019	2020
Buckman Incident Rating	0.87	0.65	0.49	0.60	0.63	0.48	0.12
U.S. Chemical Industry Average	2.3	2.1	2.0	2.0	1.9	1.9	—
U.S. Manufacturing Industry Average	4.0	3.8	3.6	3.5	3.4	3.3	—

Lost Workday Cases**

	2014	2015	2016	2017	2018	2019	2020
Buckman Incident Rating	0.43	0.27	0.11	0.27	0.16	0.21	0.00
U.S. Chemical Industry Average	0.7	0.6	0.6	0.6	0.6	0.6	—
U.S. Manufacturing Industry Average	1.0	1.0	0.9	0.9	0.9	0.9	—

Fatalities

	2014	2015	2016	2017	2018	2019	2020
Buckman Incident Rating	0	0	0	0	0	0	0

*Represented by a lost-time injury rate (LTIR), calculated by the total number of occupational injuries/illnesses resulting in medical treatment, lost time or fatality multiplied by 200,000 then divided by the number of employee hours worked.

**Represented by the occupational incident rating (OIR) calculated by the total number of occupational injuries/illnesses resulting in medical treatment, restricted time, lost time or fatality multiplied by 200,000 then divided by the number of employee hours worked.

■ U.S. Chemical Industry Average
■ Buckman
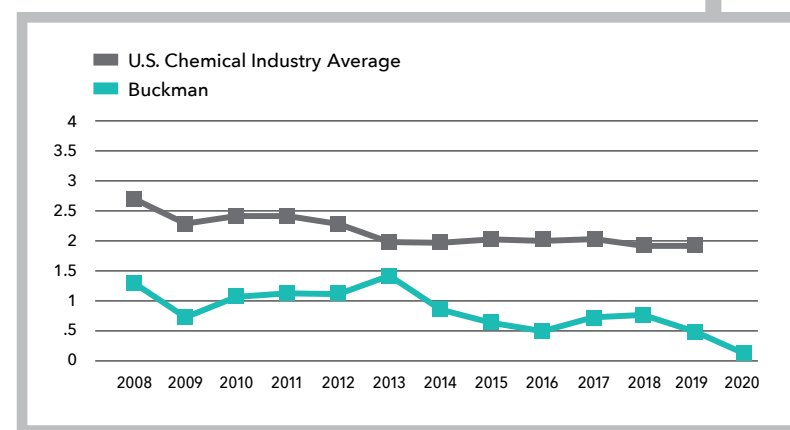
Our management system follows regulations developed by the United States Occupational Safety and Health Administration (US OSHA) and is applicable to Buckman employees, contractors and visitors. As we are also a global entity operating in many countries around the world, we must comply with local regulations governing those locations. We utilize industry best practices and standards and globally recognized certification processes such as ISO 45001 to ensure we have proper systems in place. We set protocols for the safe operation of our plants and the safe handling of our products. At the end of 2020, four of our seven major manufacturing sites were certified to the ISO 45001 Occupational Health and Safety Management System. Plans are underway to obtain ISO 45001 at the remaining three manufacturing sites.

Our Global Safety and Environmental Team, which meets monthly, consists of our Corporate Global Safety and Environment Department, which regularly engages in a disciplined program of risk analysis and planning to develop goals and measure progress. Our Global Safety, Health and Environmental (SHE) Community, which consists of global SHE managers, establishes processes and improves global communication, coordination and implementation of health and safety initiatives among operating companies and corporate departments at multiple levels. Members of the SHE Community routinely review successes and failures to establish the necessary vehicles to continuously improve our safety and environmental stewardship. Because we have acknowledged that our

battle is against risk, we continuously look for ways to prevent accidents and seek to understand the risks in our industry. We employ several different processes to identify hazards and assess risk such as:

Incident investigations

All employees are encouraged to report incidents. We continuously promote the awareness and importance of capturing and reporting near-miss incidents. Across the globe, our locations have incident reporting mechanisms in place to capture this information. Thorough investigations are conducted, and corrective actions and recommendations are developed and implemented to prevent incident reoccurrence.

Buckman utilizes Intelex for incident reporting/investigation and behavior-based safety observations, which is used by all employees. Each incident is ranked according to consequence or the high potential for a serious consequence. The Incident Report/Investigation tool uses a Five Why or Ishikawa risk assessment. Corrective actions are entered and tracked monthly. We developed Critical Standards and Risk Reduction Standards for both our manufacturing plant employees and for our sales employees. These standards were the result of the All Stop Safety Day mentioned in the 2018 report.

Risk Assessment Tools and Processes

Buckman ensures that employees are equipped with the knowledge to identify

hazards and assess risks. Internal, specialized tools were developed for use by employees across functional areas.

Global Safety, Safety, Health and Environmental Stewardship Audits. A single, comprehensive audit process encompasses all three key risk identification processes: associate safety, occupational health and environmental stewardship. Audits are scheduled at least every three years for each operating location. Audit teams are comprised of subject matter experts from within our organization and include employees from safety, environmental, plant management, process engineers and others. This auditing process provides an opportunity for Buckman employees who have similar jobs to share knowledge and best practices among each other and outside their normal environment.

Quantitative Risk Assessment (QRA). Buckman employs a QRA process that identifies chemical hazards and security vulnerabilities; facilitates and applies the appropriate risk analysis technique for the risk identified; and recommends, prioritizes and reviews options to manage risk to comply with our global standard. QRAs are scheduled every 10 years for each manufacturing facility. Some audits are scheduled more frequently as driven by location regulations.

Process Hazard Analysis (PHA). This program systematically identifies, evaluates and controls process hazards such as fires, explosions and spills to help minimize the potential for releases of chemicals that could affect associate or public safety.

Management of Change. Change is one of the leading causes of process safety incidents. Buckman has developed standards to ensure that all changes to plant operations are evaluated, approved and properly communicated with appropriate training before implementation and that all inadvertent or unintended consequences are prevented.

Pre-Startup Safety Review (PSSR). These reviews are performed to assist in verifying process equipment and plant employees are ready to safely start and maintain process operations after new materials have been introduced, changes have been made to standard operating procedures or changes have been made to the equipment. Safety education and training is vital to a safe workplace, and safety always takes precedence over expediency. Our health and safety standards are comprehensive and effective, with over 30 training topics covering all areas of the company (Manufacturing, Sales/Marketing, Administration, Laboratory/Research). Those topics include:

- Emergency Response
- Permitting Processes: Safe Work, Confined Space, Control of Hazardous Energy (LO/TO), Hot Work, Initial Line Opening, Electrical Work, Working from Heights
- Chemical Hazard Awareness
- Personal Protective Equipment (PPE) and Respiratory Protection
- Incident Reporting
- Hearing Conservation
- Ergonomics
- Powered Industrial Trucks

- Office Safety
- Laboratory Spill Response, Chemical Hygiene
- Defensive Driving
- Fire Extinguishers
- Bloodborne Pathogens
- Process Safety and Applicable Chemical Hazards

Buckman employs field experts at customer sites all around the globe. Global safety managers, field safety managers and field safety champions travel to numerous customer sites to conduct audits, but they also travel to share, collaborate and enhance safety knowledge. Buckman shares this knowledge effectively through a variety of mobile phone devices and apps. Several proprietary tools are available to assist field employees in identifying hazards and potential risks. These tools include:

Hazardous Chemical Application Standardization (HCAS). A comprehensive checklist ensures that our chemicals and chemical applications at customer sites are handled in a uniform and safe manner according to agreed-upon global standards. Documentation of these assessments must be maintained for every application and all non-conformances must be addressed.

Hazard Identification and Risk Assessment. These tools are used by our field employees to assess risk. A series of checklists and other methods are used to assist the associate in identifying hazards and risks associated with equipment installations, chemical handling or other issues that may arise.

At each of our locations, we engage with and support our employees with a variety of safety training, tools and processes. During 2019-2020, we rolled out training courses for each of the Critical Standards and Risk Reduction Standards. Monthly promotion of the Golden Rules for safety occurs, as well. We are now tracking the percent safety training completed as a key performance indicator.

Healthy Lifestyles

Buckman encourages employees to practice healthy lifestyles. This includes regular exercise, eating well, getting annual physicals and other health-maintenance activities. Buckman continues to implement employee health and wellness programs around the globe, including a global medical and health testing standard to reduce serious illness in the workplace and the related healthcare costs. USA-based associates are offered online health assessments to assist them and their qualified dependents in evaluating the genetic and lifestyle factors that increase individual risk of contracting serious illness. Employees have access to educational materials and are offered access to healthy lifestyle coaching through our Fit2BWell wellness program. Participants receive telephone coaching sessions with a professional wellness coach at no cost to the employees. Through Buckman's health insurance offerings, employees and their families may receive treatment assistance. An onsite company nurse who works closely with corporate, manufacturing and field employees is available to Memphis-based employees. The nurse is on site to provide

health and wellness-related services to Buckman employees by performing the following duties:

- Coordinates company-required physical examinations
- Reviews physical examination results with employees
- Coordinates Health Maintenance Incentive Program
- Conducts training classes and educational meetings for Buckman's First Aid teams
- Manages Worker's Compensation claims, blood drive and special services such as mammograms and flu shots
- Assists employees with their immediate healthcare needs and questions

To foster health and wellness for employees, Buckman pays the entry fee for employees and their family members for select walking, biking and running events. The Company offered on-site massages and other stress relieving activities during 2019, but these were suspended in 2020 due to the pandemic.

Labor Relations and Employee Welfare

Buckman endeavors to understand the needs of its workforce and meet those needs through labor-relations policies that not only respect workers but also empower them. The

Collective bargaining agreements cover 511 Buckman associates, or

36%

Global Safety, Health and Environmental (SHE) community holds monthly virtual meetings to share best practices, establish process, improve communications, and implement health and safety initiatives.

At Buckman, we understand the inherent risks of our industry. That's why our Global SHE department engages in a disciplined program of risk analysis and planning that includes:

- Setting and following strict protocols for the safe operation of our plants and the safe handling of our products
- Focusing on employee health, implementing a global medical and health testing standard to reduce serious illness in the workplace and the related healthcare costs

In the regions where we have formal agreements with trade unions (Southern Cone, South Africa and Mexico), we cover health and safety in those agreements. The health and safety topics covered in all local level agreements include:

- SHE representatives' safety inspections and observations reports
- First-aid kit
- Suggestion box
- Emergency response plan
- Workplace safety initiatives such as critical standards, risk reduction standards and golden rules
- Modified policies and procedures
- Audit results of ISO 9000 / 14000 / 45001
- Occupational health reports
- Hygiene reports
- Personal protective equipment
- Non-conformances
- Outstanding actions

- Consultation
- Joint management-employee health and safety committees
- Training and education
- Participation of worker representatives in health and safety inspections, audits and accident investigations
- Complaints mechanism
- Right to refuse unsafe work

Additional health and safety topics that are covered in these agreements but are specific to certain countries include:

- Compliance with the International Labor Organization (ILO)
- Arrangements or structures for resolving problems
- Commitments regarding target performance standards

Employee Training and Education

We place great emphasis on employee development, the exchange of knowledge and information, and the fostering of transformational leadership skills. Only when our employees grow better and stronger can we expect our company to do the same.

Training at Buckman is a valued driver of our business strategy at every level of our long-term plan. The performance and talent management system standardizes the learning processes for all managers and employees, creating a uniquely global culture of performance improvement at Buckman. This linkage allows us to create process-oriented feedback loops for career development plans to address skill gaps and earning programs aligned to each

key skill or behavior. Associate learning is intentionally at the heart of Buckman's three-part corporate strategy of consistent global associate development, continuous process improvement and sales account management.

Buckman's learning strategy starts with prioritizing the programs that target strategic revenue-generating sales positions. Each of these sales positions has clear performance expectations and career-development opportunities that link their careers to our learning programs. Additionally, learning objectives are linked to development actions, so our investment in learning also supports Buckman's business strategy. In 2020, the learning strategy at Buckman was designed to specifically align with our business strategy on three distinct levels: revenue generation, alignment to specific

job requirements or revenue-generating positions, and a cohesive performance and talent management program. To continuously improve safety, we utilize a suite of eLearning programs distributed by our global learning management system to all our employees. First, we focus on safeguarding the safety and health of our employees and our communities to uphold our tradition of training excellence. Our safety and health standards are comprehensive and effective, with over 30 training topics covering all areas of the company (manufacturing, sales/marketing, administration, laboratory/research), even in the regions where we have formal agreements with trade unions (Southern Cone, South Africa and Mexico). Our global Occupational Injury Rate (OIR) has remained below target, parallel to the increased amount of training Global Learning Effectiveness offers.

To ensure our employees experience a smooth transition, we provide transition assistance programs (where relevant) that focus on facilitating the continued employability and management of career endings resulting from retirement or termination. These programs include:

• Severance pay

• Career planning and outplacement/job placement services

Managers and employees (contractors not included) have a formal performance review annually at a minimum to review the prior period performance and set goals for the next period. Approximately 97% and 98% of employees completed performance reviews in 2019 and 2020, respectively. Key leaders and managers participate in annual talent forum events to discuss every associate's performance, potential and desire to move into higher levels of leadership. These forums are a key piece of our sustainability effort, as it is our people who will enable us to remain viable in the future. Having the right people in the right roles keeps us positioned to meet the changing needs of both our customers and our stakeholders.

2018 | 2019 | 2020 Average Training Hours By Department
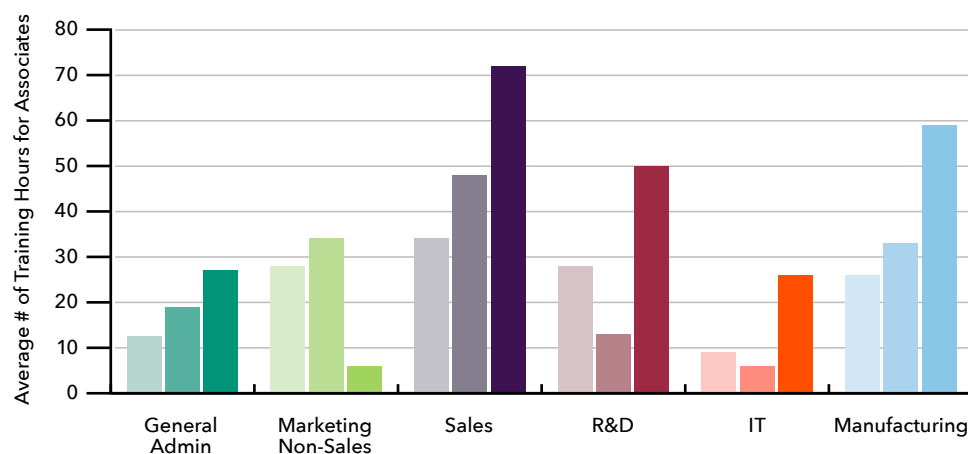
	2018	2019	2020
Total Training Hours Globally	49,391	42,325	74,467
Training Hours Per Associate	27	40	51

Connected to Society

2019-2020 Highights

- In 2019–2020, Buckman employees, friends and family members from all over the world donated 350 pints of blood, which impacted nearly 1,050 lives.
- In 2019–2020, our employees engaged in more than 7,100 hours of volunteerism
- We took significant actions to deal with the impacts of COVID-19 for our employees, customers and communities, as well as for our business in general

Buckman works hard to improve the quality of life of our employees, our local communities and the global community we all share. BuckmanCares, our global community engagement initiative, dedicates Buckman financial and human resources to three key focus areas: health and human services, environmental stewardship and education, with an emphasis on youth. Its mission is to ensure Buckman remains a responsible corporate citizen by encouraging and supporting the volunteer efforts of our employees and dedicating resources to our focus areas.

Buckman is committed to being actively engaged in our communities and seeks to:

Educate our youth through support for schools, tutoring and mentoring, and skill development.

Support volunteer service organizations that feed the hungry, promote health and minimize the pain caused by natural disasters.

Support local recreational, social and environmental initiatives.

Maintain a diversified workforce.

COVID-19 Response

Buckman formed a COVID-19 Global Task Force as well as Regional Task Forces to ensure we addressed all operational, logistics and safety needs in each of our global operations. These Task Forces activated our business continuation plans, taking the proper steps and creating new procedures so all roles can carry out their functions in the new reality of logistical changes, new work environment and new safety requirements. The Task Force's mission is to stay abreast of the dynamic situation and make swift decisions for the necessary and responsible interventions required to slow the spread of COVID-19 while remaining fully functional. For this to be effective, it required that we all collaborate more closely.

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Taking Care of Our Employees

With the onset of the pandemic in 2020, a new micro-learning program was developed to keep our Buckman employees informed about the risks and dangers of COVID-19; as well as to educate a remote workforce on how to work from home safely and effectively. Every week for the first 6 months of the pandemic, a new learning course was released to all global employees. Buckman's LinkedIn Learning program hit an all-time high with over 10% growth in March 2020, as our employees quickly pivoted to learning new skills during the pandemic disruption. From a sales perspective, our global sales employees significantly shifted the way in which they engaged with their customers. Our global salesforce adopted new remote sales skills to maintain the same, if not better, levels of customer engagement when access to customer sites were restricted. All in all, 2020 represents a year in which Buckman took advantage of global crisis to re-invest and transform with new skills to stay competitive in years to come.

We have been following the advice and recommendations from the World Health Organization (WHO), Centers for Disease Control and Prevention in North America and other local health organizations as well as local city and state governments. As we are following the guidelines for social distancing and Shelter in Place, we implemented Work from Home (WFH) protocols and tools to enable as many employees as possible to work from home. To ensure that process is both safe and effective, we have:

- Opened digital channels to answer employee questions

- Strengthened our technology infrastructure to facilitate this new level of virtual collaboration
- Held global and regional meetings that provided continual updates
- Launched a new remote training to ensure staff is safe working from home, both ergonomically and with cyber security, and that they learn more about COVID-19 and how to protect themselves and their families
- Regular santization of all high-traffic areas, as well as surfaces, with disinfectant
- Set expectations for our employees to practice social distancing and good hygiene at work and at home
- Enhanced mailroom policy to include spraying all incoming mail/package deliveries with disinfectant and holding them for a 2-day quarantine

Taking Care of Our Customers

Buckman is committed to delivering digital, chemical and technical solutions to help customers meet production and safety requirements. Specifically:

- Working with customers to limit site visits but complying with customer safety guidelines and expectations when visits are necessary
- Monitoring supply chain daily, and working with our logistics and transportation partners to maintain delivery with as few disruptions as possible
- Equipped driver with necessary documentation to travel and transport during lockdowns
- Provided regular updates on out external website

- Implemented heightened measures to protect all according to best practices and local guidelines
- Our finance, administration, customer service and sales teams collaborated daily to optimize stock requirements, ensuring that we updated our manufacturing schedules frequently, and adjusted to customer chainging needs.

Taking Care of Our Business

As a chemical manufacturer, Buckman is designated as an essential business in almost every country around the world. We are committed to operate without compromising safety and ensuring our own supply chain remains intact and fully functional, so we can continue to serve our customer base during this challenging time. Taking care of our business includes three disciplines: disciplined people, disciplined thought and disciplined actions. To have disciplined people, we are providing them with new tools, support, technologies and capabilities to be successful working from home. To have disciplined thought, we are ensuring all our actions are centered around our objective: taking care of our employees, our customers and our business. And to have disciplined action, we are ensuring we execute with excellence all our plans without compromising our values, our safety protocols, our governance and our code of ethics.

Taking Care of Our Communities

The pandemic ignited a very challenging global business environment—and while we intend to manage the business with the same long-term view and careful, risk-

averse style that has helped us weather so many obstacles in our 75 years–we want to continue to support those in need in our local communities. In 2020, due to the unexpected and extraordinary conditions imposed by the COVID-19 pandemic, most of the BuckmanCares initiatives were suspended. Not surprisingly, in 2020 we did see a 20% shift in focus area from education to health and human services. We hope to be able to resume our full BuckmanCares activity as soon as possible.

Storytelling

Children best learn concepts like responsibility and commitment when they are taught with creativity, and that's why storytelling is one of our core BuckmanCares initiatives. We believe that children learn best when they are having fun, so whether we're using science, team-building games or puppets, our employees work hard to keep the children creatively engaged.

Buckman employees in the U.S. perform puppet shows for the students of Springdale Elementary, one of our adopted schools, teaching them communication skills to use at school, home and in the community. Buckman sales employees in China participated in a project to teach school children about effective teamwork through painting and teambuilding games. Students learned to negotiate with other teams for a win-win outcome. At the Singapore Children's Society, Buckman employees taught children about healthy conflict, communication and leadership through play-based learning.

Blood Donation

We are impacting lives one drop at a time through our BuckmanCares blood donation initiative. In 2019-2020, Buckman employees, friends and family members from all over the world donated 350 pints, which impacted nearly 1,050 lives. Additionally, we challenged our families, contractors, interns and local universities to roll up their sleeves and give blood, helping our donations go even further. Buckman's global headquarters received three awards from the local non-profit blood center in Memphis: Corporate Group of the Year, Continued Financial Support Award and the Dick Benson Community Service Award.

	2018	2019	2020
Employee Volunteer Hours	8,900	5,389	1,794
Estimated Value	$587,255	$137,042	$48,797

2020 Volunteer Hours by Focus Area

Environmental 11%
Health & Human Services 72%
Education 17%
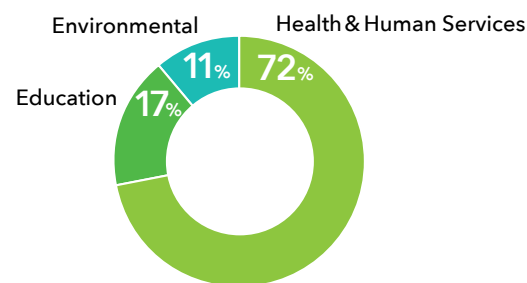
Connected to Our Future – Business Responsibility

2019-2020 Highights

- Buckman has review processes in place for the development and commercialization of 100% of all new products.
- Regarding corruption incidents, there have been no reports of any governmental actions, such as investigations or inquiries, against any Buckman entity or employee.
- We have not identified any operations or suppliers to be under significant risk for incidents of child labor or the exposure of young workers to hazardous work.
- We have not identified any operations or suppliers to be under significant risk for incidents of forced or compulsory labor.

At Buckman, we take bold steps to ensure we remain a long-term, value-oriented, future-focused business. We know the decisions we make and the way in which we conduct business impacts our employees, customers, suppliers, communities and our future.

All efforts are aimed at consistently meeting customer expectations.

We actively seek out and listen to the needs and concerns of customers, suppliers and associates.

Buckman quality values and objectives are shared with all customers, suppliers and associates.

Quality is achieved through people.

Each associate is empowered and expected to assume responsibility for customer satisfaction.

Every associate will abide by Buckman's corporate Code of Ethics in relentless pursuit of this goal.

Contributions to quality and customer satisfaction are continually recognized.

Management demonstrates its commtiment to quality through personal example and dedication of time and resources.

Standards are provided to ensure consistent performance. All associates are challenged to improve them. Continual improvement is ensured when incremental advances are implemented at all times.

We measure performance to judge progress. Our business processes are compared with examples of excellence.

Supply Chain Management

Buckman values our suppliers and believes supplier relationship management is key to ensuring the sustainability of our business. Governance includes the Buckman Fundamentals and ISO 14001 Environmental/ ISO 9001 Quality Management Systems registered sourcing policies and programs. Buckman collaboratively engages suppliers throughout the organization because strategic supplier relationships are necessary for critical sourcing needs and key technologies. Sustainable suppliers are selected according to Buckman's established supplier selection, qualification and performance evaluation processes. Supplier selection is integrated into the earliest phases of new product and process development. Collaborative engagement with our suppliers covers a broad range of activities, including customer and market needs management, open innovation, supply and demand planning, make-versus-buy, risk management, waste reduction and regulatory compliance. Continuous improvement is driven through open collaboration with suppliers, according to our established practices.

Product Responsibility

At Buckman, we take the quality, safety and efficacy of our products seriously and have measures in place to ensure our products work to sustain the highest possible positive economic impact for both our company and our customers.

All new products undergo a stringent Buckman review process during development and commercialization. In addition, regulatory changes or new hazard information trigger safety reviews for existing products. In selected cases, Buckman also incorporates product life cycle tools as part of product evaluations.

It is standard for Buckman to administer a customer satisfaction survey to customers meeting a certain sales threshold for a calendar year. The purpose of this survey is to measure and improve customer experience, and we administer it to more than one person at each customer location. Once a survey has been administered, the results are compiled and a report is generated. Our sales team then reviews the report with the customer at an annual business review meeting. Once the report has been presented to the customer, the sales associate prepares an action plan based on the findings and discussion with the customer. The sales associate then reviews the business plan with the customer. These actions are governed by our 8 Business Management Standards:

- Communication
- System knowledge
- Planning
- Safety
- Program manuals
- Service and activity reports
- Business reviews
- Continuous improvement

Continuous improvement is the end goal and driving inspiration for everything we do for every customer. All products go through a new product introduction process in each region in which they are sold. Ingredients are reviewed against local regulations, including those related to banned substances. Buckman does not knowingly sell any products into markets where they are banned.

Marketing and Labeling

Buckman products must comply with hazard communication laws for the countries in which Buckman sells them. These requirements include product Safety Data Sheets (SDS) and labels. When required by local and national regulations, the content of the SDSs and labels includes information on country of origin, concentration, safe handling, disposal and other information as required for compliance. Information on the sourcing of individual components is collected but not disclosed to customers via SDSs and labels. Buckman also provides direct support to customers when additional information is needed regarding safe handling and uses for specific applications. Buckman complies with the global implementation schedules of the Globally Harmonized System for Classification and Labeling.

Marketing Compliance.

Non-compliance with any regulations or voluntary codes regarding marketing communications have not been identified within Buckman.

Labeling compliance.

Buckman did not have any labeling compliance issues during the 2019–2020 reporting period.

Customer Health and Safety

Buckman has review processes in place for the development and commercialization of 100% of all new products. Regulatory changes or new hazard information can also trigger safety reviews of existing products. In selected cases, Buckman also incorporates product life cycle tools as part of product evaluations.

Anti-Corruption

All our operating companies are analyzed for risks related to corruption. We educate all our employees on our Code of Ethics and train them on our anti-corruption policy. External and internal financial audits have uncovered no incidents of corruption.

All Buckman employees across the world must adhere to the Buckman Fundamentals (the fundamental guiding principles of how we conduct business throughout our global operations), which includes the Code of Ethics, Safety First Policy, the 7 Principles of Highly Effective Teamwork and the Buckman Anti-Corruption Compliance Policy. Each operating company worldwide instills these fundamental principles in its culture to ensure we all operate from the same code of conduct, no matter where our employees are in the world.

In addition, Buckman provides employees with access to EthicsPoint, a confidential reporting tool. EthicsPoint training is provided to each newly hired associate. Buckman employees at all levels and in all locations receive tailored, in-person training on the anti-corruption policy and applicable anti-corruption laws in their jurisdiction on a biennial basis, as well as on-demand legal support and coaching to ensure compliance. Buckman requires all managers to annually confirm in writing his or her compliance with Buckman's anti-corruption policy and conflict of interest policy. There have been no reports of any governmental actions, such as investigations or inquiries, against any Buckman entity or associate. Buckman has specific compliance best practices that involve all its operations and officers globally to ensure commitment in this regard.

Customer Privacy

Buckman takes the privacy of our customers seriously, and we are committed to complying with data privacy protection laws in the countries where we do business. Our compliance with the EU General Data Protection Regulation (GDPR) includes mapping the flow of personal data throughout our systems, services, databases and infrastructure; conducting privacy impact assessments; creating and revising internal and external documentation such as privacy statements and policies; auditing our data breach response and cybersecurity processes to ensure compliance. We also launched an internal communication campaign to ensure all employees were aware of GDPR and Buckman's efforts to be in compliance now and in the future and required employees to complete online GDPR training. Buckman has not received nor been put on notice of any customer privacy breaches or loss of customer data. Buckman has put in place a policy and best practices to ensure protection of customer privacy and data globally and continues to work on improving and enhancing such compliance. Buckman North America and our Digital Innovation Hub in India obtained ISO27001 certification for information security in 2019.

Forced, Compulsory and Child Labor

Abolishing child labor is a key objective of major human rights legislation in almost all countries. We constantly strive to ensure that labor conditions are of the highest standard in all of our facilities and operations. Through our due diligence, we prevent the use of child labor within our activities. At the same time, we avoid contribution to the use of child labor through our relationships with suppliers and clients. We have not identified any operations or suppliers to be under significant risk for incidents of child labor or the exposure of young workers to hazardous work.

Through the same process, we make sure that no form of forced or compulsory labor takes place in our activities. We have not identified any operations or suppliers to be under significant risk for incidents of forced or compulsory labor.

Connected to Our Planet – Environmental Responsibility

2019-2020 Highlights
Our Goal: Zero Negative
  Environmental Impact
Environmental Compliance

Water Consumption
Energy
Emissions
Effluent and Waste

2019-2020 Highights

- We achieved a 14% reduction in the consumption of direct energy per kg of production from our baseline year (2015) and have already met our 2020 reduction goal.
- No fines or nonmonetary sanctions were levied against any Buckman facility in 2019 or 2020.
- We established revised goals of 20% reduction of water consumption, water discharge and waste for 2025 using 2020 as a baseline.
- We established a goal of 15% reduction in emissions for 2025 using 2020 as a baseline.

Buckman and its employees will strive to consistently achieve and maintain the highest standards of environmental protection. Buckman is continuously improving our environmental management practices, educating our employees in sound environmental procedures to ensure the responsible management of chemicals, and complying with environmental laws and regulations as well as our own high corporate standards.

Buckman strives to:

Implement appropriate environmental standards promulgated by national and international organizations.

Conduct all of our business operations in such a way as to minimize any risk of adverse impact on the community and the environment.

Foster openess and dialogue in responding to community concerns about chemicals and their use.

Advise customers on the safe handling, use and fate of our chemicals.

Work diligently to resolve environmental issues that may arise from the handling, use and fate of our chemicals.

Develop and maintain emergency preparedness plans in cooperation with government officials.

Manage natural resources to achieve their efficient use throughout our operations.

Evaluate and, where appropriate, use technology in a timely fashion to enhance our environmental stewardship.

Consider our suppliers' environmental performance when making procurement decisions.

Assess environmental performance through periodic management system audits.

Review and consider environmental performance when determining compensation of general managers, plant managers, product and process development managers, and other appropriate associates.

Share our environmental expertise with our suppliers, customers and community and empower them to be sustainable, in their own lives and work.

Pursue awards and recognition that acknowledge environmental excellence and leadership.

Our Goal:
Zero Negative Environmental Impact

Buckman continually seeks to identify and eliminate operational emissions to the air, water and land. To achieve our goal, we will:

- Determine on a regular basis the level of operational emissions of our manufacturing plants and estimate the operational emissions resulting from the contract manufacture of Buckman products.
- Set and aggresively pursue objectives for continual reduction of operational emissions, giving priority to higher-risk emissions.
- Make having a "zero negative environmental impact" a high priority when designing new processes, introducing new products and making capital investment decisions.

- Use, in order of preference, source reduction, recycling and treatment to reach our goal.
- Report regularly to the Board of Directors progress in the reduction of operational emissions.

Environmental Compliance

Buckman's global SHE department utilizes auditing to verify conformance to Buckman's policies and standards and industry standards such as ISO 14001. Annual ISO 14001 audits are conducted at all manufacturing locations by external consultants. All audit non-conformances are reported to the global SHE department and tracked locally to completion. No fines or nonmonetary sanctions were levied against any Buckman facility in 2019 or 2020.

Water Consumption

Only two of our manufacturing plants receive water from a well, Sumare, Brazil, and Cadet, Missouri. All other plants receive municipal water. Additionally, the Brazil plant in Sumare captures rainwater for gardening use on the property. Based on the 2015 baseline, we set a 10% reduction target by 2020 for water consumption per kilogram of production. In 2015, the water consumption per kilogram of production was 0.001718 m³/kg. Based on this, the target for 2020 was 0.0015462 m³/kg. In 2020, the water consumption per kilogram of production was 0.001866 m³/kg. The percentage of municipal water withdrawn in 2019 was 76% and in 2020 was 82%, while the percentage of ground water withdrawn was 23% in 2019 and 16% in 2020.

Total Water Withdrawn by Major Source

Ground Water 16% — Municipal Water 82% — Surface and Process Waste Water 2%
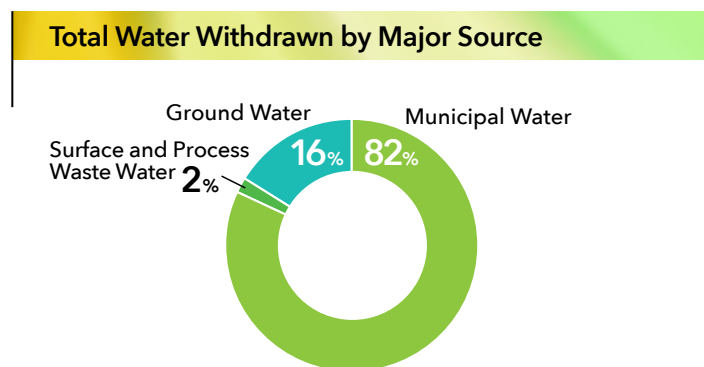
	UNITS	2015	2016	2017	2018	2019	2020
Total Water Withdrawn							
Intensity	m³/kg	0.001718	0.001666	0.00167	0.001503	0.001480	0.001866
VOLUME	**m³**	**263,072**	**261,946**	**281,378**	**294,549**	**297,395**	**371,095**

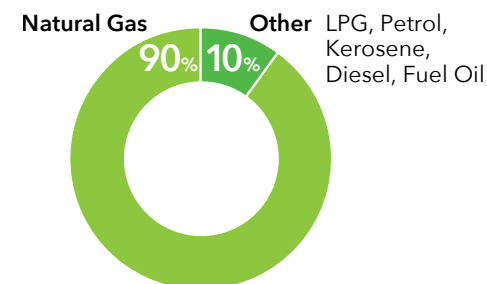|	UNITS	2015	2016	2017	2018	2019	2020
Total Water Withdrawn by Major Source							
Ground Water	m³	56,747	54,208	63,285	70,702	69,142	60,075
Municipal Water	m³	206,325	207,738	217,493	223,247	227,653	303,406
Surface Water	m³	–	–	600	600	600	600
Process Waste Water	m³	–	–	–	–	–	7,014
TOTAL	**m³**	**263,072**	**261,946**	**281,378**	**294,549**	**297,395**	**371,095**

Energy

Direct Energy Consumption

The direct energy consumed by the company to manufacture products and provide power to our office buildings in 2020 was 205,274 gigajoules. About 90% (185,475 GJ) of the direct energy was generated from purchased natural gas and 10% from other liquid fuel sources (LPG, petrol, kerosene, diesel and fuel oil). The direct energy consumption is reported for all our major sites, which includes our global headquarters and sites containing manufacturing plants. In 2015, the nonrenewable direct energy consumption per kilograms of production was 1.19 MJ/kg. Based on this, the target for 2020 was 1.071 MJ/kg. In 2020, the direct nonrenewable energy intensity was 1.03 MJ/kg. We have achieved a 14% reduction in the consumption of direct energy per kg of production from our baseline year (2015) and have met our 2020 reduction goal.
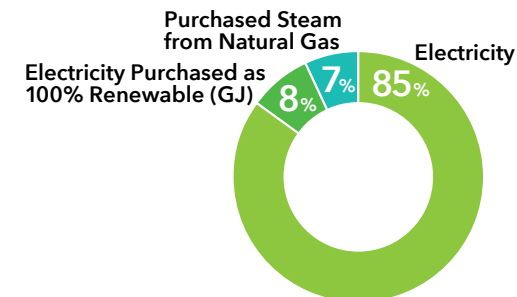
Direct Energy Consumption

Natural Gas 90% Other 10% LPG, Petrol, Kerosene, Diesel, Fuel Oil

	UNITS	2015	2016	2017	2018	2019	2020
Direct Energy Consumption							
Intensity	MJ/kg	1.19	1.17	0.96	0.88	1.08	1.03
TOTAL	**GJ**	**182,164**	**184,752**	**161,576**	**171,835**	**216,048**	**205,274**
Direct Energy Consumption by Source							
Diesel	GJ	1,428	1,060	1,233	2,340	2,526	1,204
Fuel Oil	GJ	12,965	11,716	13,995	9,727	10,974	9,988
Kerosene	GJ	6,195	6,210	6,762	7,983	8,468	8,552
Petrol	GJ	172	156	118	197	0	0
Propane	GJ	514	367	267	261	70	55
Natural Gas	GJ	160,890	165,243	139,201	151,327	194,010	185,475
TOTAL	**GJ**	**182,164**	**184,752**	**161,576**	**171,835**	**216,048**	**205,274**

Indirect Energy Consumption

The indirect energy consumed by the company in 2020 was 108,198 GJ. The indirect energy consumption is reported for all our major sites, which includes our manufacturing plants and offices. This includes all indirect energy consumption at these sites, which consists of purchased electricity and purchased steam (only in China). In 2015, the indirect nonrenewable energy intensity was 0.543 MJ/kg. Based on this, the target for 2020 was 0.489 MJ/kg. In 2020, the indirect energy intensity was 0.500 MJ/kg. We have achieved a 8% reduction in the consumption of indirect energy per kg of production from our baseline year (2015).

Indirect Energy Consumption

Purchased Steam from Natural Gas — 7%
Electricity Purchased as 100% Renewable (GJ) — 8%
Electricity — 85%

	UNITS	2015	2016	2017	2018	2019	2020
Indirect Energy Consumption							
Intensity	MJ/kg	0.543	0.520	0.470	0.434	0.523	0.500
TOTAL	**GJ**	**99,230**	**98,842**	**91,689**	**96,788**	**114,822**	**108,198**

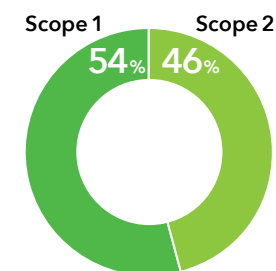|	UNITS	2015	2016	2017	2018	2019	2020
Indirect Energy Consumption by Source							
Electricity	GJ	68,192	68,353	68,430	70,465	98,431	92,226
Purchased Steam from Natural Gas	GJ	15,190	13,680	10,772	14,687	6,685	7,180
Electricity Purchased as 100% Renewable (GJ)	GJ	15,848	16,809	12,487	11,636	9,706	8,792
TOTAL	**GJ**	**99,230**	**98,842**	**91,689**	**96,788**	**114,822**	**108,198**

Emissions

Buckman collects data on direct greenhouse gas (GHG) emissions (Scope 1) from sources owned or controlled by Buckman. Buckman also collects data from indirect GHG emissions (Scope 2) from sources because of Buckman energy needs that are not owned or controlled by Buckman (e.g., purchased electricity and steam). Data collected is from all manufacturing facilities and offices. CO_2 emissions from these activities were calculated using emission factors. Factors of conversion of energy quantities to equivalent CO_2 are derived from data published by The American Chemistry Council.

The GHG impact of distribution of products and waste (Scope 3) has not been assessed and is not included. Our reduction target was 10% by 2020 for GHG emissions (Scope 1 and 2 combined) from our baseline year (2015). In 2015, the GHG emissions per kilograms per tonne of production was 0.09627. Based on this, the target for 2020 was 0.086643 kg per tonne of production. In 2020, the GHG emissions intensity was 0.119413, which means we met our GHG emissions target for 2020.

We have established a goal of 15% reduction in emissions for 2025 using 2020 as a baseline. We formed a global operations sustainability team and regional sustainability

GHG Emissions 2020

Scope 1   Scope 2
54%   46%

teams at each manufacturing plant to collaborate and leverage best practices for actions to meet the new goals.

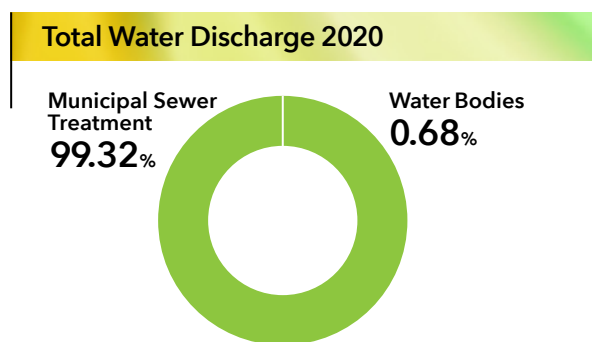|	UNITS	2015	2016	2017	2018	2019	2020
GHG Emissions							
Scope 1 Emissions	metric tons of CO_2	14,778	14,775	13,456	14,750	13,684	12,780
Scope 1 Intensity	kg/tonne of production	0.09627	0.093677	0.079881	0.075272	0.068096	0.064271
Scope 2 Emissions	metric tons of CO_2	11,689	11,591	11,280	11,925	11,298	10,964
Scope 2 Intensity	kg/tonne of production	0.076147	0.073490	0.066966	0.060852	0.056224	0.055142
TOTAL INTENSITY	**kg/tonne of production**	**0.172417**	**0.167167**	**0.146847**	**0.136124**	**0.124320**	**0.119413**

Effluent and Waste

Water Discharge

Process effluent is typically discharged to a municipal sewer system where it is further treated and released to the environment. In all cases, the discharge of process effluent is completed under a permit that includes specific requirements for which the discharged water will be allowed. The Ghent, Belgium, plant discharges rainwater from containment basins directly to a body of water. This water is tested to ensure it meets specific permit requirements prior to discharge. A global operations sustainability team has been formed to share action plans and leverage best practices around water discharge. Some of these activities include recycling vessel wash water, return of boiler steam condensate, capture and use of rainwater.

Our reduction target was 10% by 2020 for total water discharged intensity from our baseline year (2015). In 2015, the total water discharge intensity was 1.003101. Based on this, the target for 2020 was 0.90279 cubic meters per tonne of production. In 2020, the total water discharge intensity was 0.861. We reduced our water discharge intensity by 14% from 2015 to 2020, surpassing our goal of 10%. We've set a new goal of 20% reduction in liquid effluent waste by 2025 using 2020 as a baseline.

Total Water Discharge 2020

Municipal Sewer Treatment 99.32%

Water Bodies 0.68%

	UNITS	2015	2016	2017	2018	2019	2020
Total Operational Discharge							
Intensity	m³/tonne	1.003	0.796	0.755	0.860	0.999	0.861
Municipal Sewer Systems	m³	150,183	121,067	127,254	168,560	200,563	170,073
Water Bodies	m³	3,769	4,575	0	74	89	1,168
TOTAL	**m³**	**153,952**	**125,642**	**127,254**	**168,634**	**200,652**	**171,241**

Waste – Total Mass of Waste by Type and Disposal Method

Per Buckman's environmental policy, we strive to avoid the generation of waste first and foremost. If waste must be generated, we pursue recycling before waste treatment. If waste treatment is unavoidable, the waste is sent to a properly licensed third-party disposal company for incineration or fuel blending. Each manufacturing plant must review and audit third-party disposal companies as a requirement of their ISO 14001 Environmental Management System registration. Our reduction target was 10% by 2020 for total waste from our baseline year (2015). In 2015, the intensity of total waste was 0.022191 kilograms per kilogram production. Based on this, the target for 2020 was 0.019972. Due to the changes in

GRI guidelines requiring some effluent to be reported as waste, we experienced an increase in our total waste intensity, which was 0.037705 kg/kg production. Moving forward, we have established a revised goal

of 20% reduction of waste for 2025 using 2020 as a baseline. A global operations sustainability team has been formed and meets monthly to share action plans and leverage best practices.

Total Mass of Waste 2020
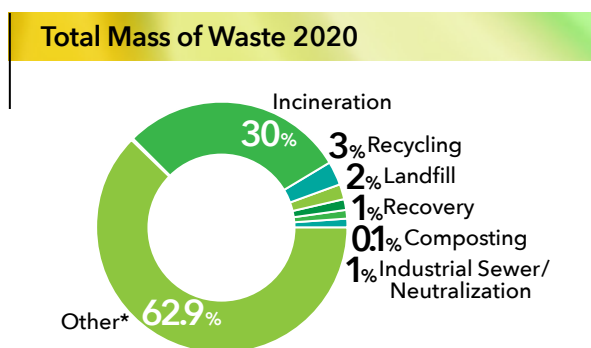
	2016	2017	2018	2019	2020
Total Mass of Operational Hazardous Waste (kg) by Disposal Method					
Recycle	3,023	31,887	2,433	195,732	122,311
Recovery	0	105	55	67,026	97,412
Incineration	1,132,080	1,383,942	3,052,948	3,273,861	2,153,274
Landfill	0	30	1,401	0	0
Industrial Sewer/Neutralization	630,904	51,490	41,942	32,683	17,413
Other*	235,875	163,015	64,549	6,766,380	4,604,242
Total All Methods	**2,001,882**	**1,630,469**	**3,163,328**	**10,335,682**	**6,994,652**

	2016	2017	2018	2019	2020
Total Mass of Operational Non-Hazardous Waste (kg) by Disposal Method					
Reuse	1,905	0	0	0	0
Recycle	172,237	145,888	314,598	16,601	122,992
Recovery	0	3,778	2,564	2,259	0
Incineration	124,388	102,138	168,302	244,794	118,033
Landfill	73,680	114,231	3,308	84,750	63,908
Industrial Sewer/Neutralization	161,988	260,732	424,672	114,955	83,878
Other*	359,761	102,510	22,200	130,933	53,634
Total All Methods	**893,959**	**729,277**	**935,644**	**594,292**	**442,445**

	2016	2017	2018	2019	2020
Total Mass of Non-Operational Waste (kg) by Disposal Method					
Recycle	155,725	152,668	113,474	9,300	0
Landfill	124,519	383,404	140,180	32,652	45,895
Composting	0	0	0	0	9,230
Other	159,665	5,245	3,800	9,670	4,948
Total All Methods	**439,909**	**541,317**	**257,504**	**51,622**	**60,073**

*Process effluent shipped offsite as a hazardous waste is reported under hazardous waste rather than process effluent discharge.

Goals and Targets

Connected to Our People
Connected to Business Responsibility
Connected to Our Communities
Connected to Environmental Responsibility

Connected to Our People

Our goal is zero occupational injuries and illnesses. We also plan
to implement several safety culture improvements such as:

Goal	Progress	Goal 2021–2022
All Stop Safety Day	Achieved	Hold another company-wide safety event to obtain employee feedback for future initiatives.
Global Golden (Safety) Rules	Achieved	Continued emphasis.
Global Critical Standards per functional group (labs, manufacturing, sales, administration)	Achieved	Launch Risk Reduction Standards per functional group (labs, manufacturing, sales, administration).
National Safety Council survey action plans finalized and implemented	Achieved	
Safety leadership development for managers and supervisors leveraging DuPont's Safety Leadership Program and the Train the Trainer workshops	Trained	Continue to cascade the program throughout the entire organization.
Upgrading our Global Incident Management System	Achieved. We also implemented a standardized Behavior Based Safety Program for the entire organization.	Implement standardized applications for Management of Change, Job Hazard Analysis and Hazardous Chemical Application Safety Audits.
ISO 450001	In progress. 4 of 7 manufacturing plants achieved in 2019.	Implement ISO 45001 at all major manufacturing plants.

Connected to Business Responsibility

We continuously aspire to conduct ourselves individually and as a company with integrity in all that we do, and especially in the areas of anti-corruption, customer privacy and product quality, and expect the same from our suppliers.

Goal	Progress	Goal 2021–2022
Continue record of no governmental actions against Buckman related to corruption or anticompetitive behavior	Achieved	No governmental actions against Buckman related to corruption or anticompetitive behavior.
Continue record of no customer privacy breaches or loss of customer data	Achieved	No customer privacy breaches or loss of customer data.
Maintain ISO 9001 Quality Management Systems registered sourcing policies and programs	Achieved	Integrate registration of ISO 9001, ISO 14001 and ISO 45001 at all manufacturing sites.

Connected to Our Communities

The goal of our global BuckmanCares initiative is to remain a responsible corporate citizen by encouraging and supporting the volunteer efforts of our employees and dedicating resources to our focus areas.

Goal	Progress	Goal 2021–2022
Meet or exceed global blood donation goal of 239 liters for 2019	Achieved in 2019: 305 liters of blood were donated. Not achieved in 2020 due to social distancing requirements related to COVID-19.	Increase global blood donations back to pre-pandemic totals.
Increase volunteer time in focus areas of Health and Human Services, Education, Environmental	Achieved in 2019: 5,389 volunteer hours. Not achieved in 2020 due to social distancing requirements related to COVID-19.	Increase global volunteer hours back to pre-pandemic totals.

Connected to Environmental Responsibility

We have established five (5) year reduction targets for 2025 from our new baseline year (2020) for the following. We plan to meet or exceed annual intensity reduction targets in all categories. Targets will be determined by location and aggregated.

Goal	Progress	Goal 2021–2022
Nonrenewable direct energy	Achieved	Established a new goal of 15% reduction in emissions by 2025 using 2020 as a baseline.
GHG emissions (Scope 1 and 2 combined)	Achieved	Established a new goal of 15% reduction in emissions by 2025 using 2020 as a baseline.
Water consumption	Re-evaluated	Established a new goal of 20% reduction for water consumption by 2025 using 2020 as a baseline.
Total waste	Re-evaluated	Established a new goal of 20% reduction of waste by 2025 using 2020 as a baseline.
Effluent waste	Achieved	Established a new goal of 20% reduction in liquid effluent waste by 2025 using 2020 as a baseline.

About This Report

This report has been prepared according to GRI Standards: Core Option. Because there is no GRI sector standard for our industry, we rely on globally collected data from each of our operating regions worldwide that is maintained in our Corporate Sustainability platform.

Contact:

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sustainability@buckman.com

This Sustainability Report has been conducted by the Center of Sustainability and Excellence.

CENTER for
SUSTAINABILITY and
EXCELLENCE

ESG Scorecard 2020

Metric	Performance
Environmental	
Total non-operational waste	60,073 (kg)
Total operational waste	442,445 (kg)
Total operational hazardous waste	6,994,652 (kg)
Total mass of waste	7,497,170 (kg)
Total operational water discharge	171,241 (m³)
Total operational discharge intensity	0.861 (m³/tonne)
Total scope 1 emissions	12,790 (metric tons of CO_2)
Scope 1 emissions intensity	0.064271 (kg of CO_2/tonne of production)
Total scope 2 emissions	10,964 (metric tons of CO_2)
Scope 2 emissions intensity	0.055142 (kg of CO_2/tonne of production)
Indirect energy consumption	108,198 (GJ)
Indirect energy consumption intensity	0.500 (MJ/kg)
Direct energy consumption	205,274 (GJ)
Direct energy consumption intensity	1.03 (MJ/kg)
Total water withdrawn	371,095 (m³)
Total water withdrawn intensity	0.001866 (m³/kg)
Incidents of environmental non-compliance	0

Metric	Performance
Social	
Total number of employees	1,612
Permanent employees	1,430
% of women permanent employees	21.5%
LTIR	0
OIR	0.12
Collective bargaining agreements	511 employees (35.7%)
Employee volunteer hours	1,794
Estimated value of employee volunteer hours	$48,797
Governance	
Incidents of child labor	0
Incidents of forced labor	0
Incidents of corruption	0
Incidents of loss of customer data	0
Incidents of non-compliance with marketing and communication	0
Board of Director Members	8
Board Committees	5
Material issues	12

GRI Index

General Disclosures

GRI Indicator	Disclosure/Indicator Title	Sustainable Development Goals	Page Reference
Company Profile			
GRI 102-1	Name of the organization		Buckman
GRI 102-2	Activities, brands, products and services		13–14
GRI 102-3	Location of headquarters		Memphis, TN
GRI 102-4	Location of operations		14
GRI 102-5	Ownership and legal form		13
GRI 102-6	Markets served		14
GRI 102-7	Scale of the organization		15
GRI 102-8	Information on employees and other workers		20–21
GRI 102-9	Supply chain		32
GRI 102-10	Significant changes to the organization and its supply chain		There have been no significant changes from previous reporting periods.
GRI 102-11	Precautionary Principle or approach		18
GRI 102-12	External initiatives		18
GRI 102-13	Membership of associations		18–19
Strategy			
GRI 102-14	Statement from senior decision-maker		2
Ethics and Integrity			
GRI 102-16	Values, principles, standards and norms of behavior		11–12
Governance			
GRI 102-18	Governance structure		13
GRI 102-25	Conflict of interest	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	12, 33
GRI 102-30	Effectiveness of risks management process		16–17
GRI 102-31	Review of economic, environmental and social topics		8–10

GRI Indicator	Disclosure/Indicator Title	Sustainable Development Goals	Page Reference
Stakeholder Engagement			
GRI 102-40	List of stakeholder groups		6–7
GRI 102-41	Collective bargaining agreements		2–6
GRI 102-42	Identifying and selecting stakeholders		6, 8–9
GRI 102-43	Approach to stakeholder engagement		6–7
GRI 102-44	Key topics and concerns raised		6–7, 9
Report Profile			
GRI 102-45	Entities included in the consolidated financial statements		15
GRI 102-46	Defining report content and topic boundaries		8–10
GRI 102-47	List of material topics		9–10
GRI 102-48	Restatements of information		No restatements
GRI 102-49	Changes in reporting		No significance changes
GRI 102-50	Reporting period		2019–2020 calendar years
GRI 102-51	Date of most recent report		2018
GRI 102-52	Reporting cycle		Biannual
GRI 102-53	Contact point for questions regarding the report		p.44
GRI 102-54	Claims of reporting in accordance with the GRI Standards		This report has been prepared in accordance with GRI Standards: Core option
GRI 102-55	GRI content index		46–52
GRI 102-56	External assurance		No external assurance has been sought for the sustainability report. The Center for Sustainability Excellence (CSE) has provided verification that the report is in compliance with the GRI Standards requirements. The data and information included in the report have been checked against company sources.

Specific Disclosures

GRI Indicator	Disclosure/Indicator Title	Sustainable Development Goals	Page Reference
Direct Economic Value Generated and Distributed (GRI 201: Economic Performance 2016)			
GRI 103	Management approach		
GRI 103-1	Explanation of the material topic and its boundary	8 DECENT WORK AND ECONOMIC GROWTH	8–10
GRI 103-2	The management approach and its components		15
GRI 103-3	Evaluation of the management approach		15
GRI 201-1	Direct economic value generated and distributed		15
Anti-Corruption (GRI 205: Anti-Corruption 2016)			
GRI 103	Management approach		
GRI 103-1	Explanation of the material topic and its boundary	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	8–10
GRI 103-2	The management approach and its components		33
GRI 103-3	Evaluation of the management approach		42
GRI 205-3	Confirmed incidents of corruption and actions taken		There were no incidents of corruption during the reporting period.
Anti-Competitive Behavior (GRI 206: Anti-Competitive Behavior 2016)			
GRI 103	Management approach		
GRI 103-1	Explanation of the material topic and its boundary	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	8–10
GRI 103-2	The management approach and its components		11–12
GRI 103-3	Evaluation of the management approach		11–12
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices		During the reporting period, there were no legal actions against Buckman for anti-competitive behavior, anti-trust or monopoly practices.

GRI Indicator	Disclosure/Indicator Title	Sustainable Development Goals	Page Reference
Energy Consumption (GRI 302: Energy 2016)			
GRI 103	Management approach		
GRI 103-1	Explanation of the material topic and its boundary		8–10
GRI 103-2	The management approach and its components		36–37
GRI 103-3	Evaluation of the management approach		36–37
GRI 302-1	Energy consumption within the organization		36
GRI 302-2	Energy consumption outside the organization		37
GRI 302-3	Energy intensity		36–37
Emissions (GRI 305: Emissions 2016)			
GRI 103	Management approach		
GRI 103-1	Explanation of the material topic and its boundary		8–10
GRI 103-2	The management approach and its components		38
GRI 103-3	Evaluation of the management approach		38
GRI 305-1	Direct (Scope 1) GHG emissions		38
GRI 305-2	Indirect (Scope 2) GHG emissions		38
GRI 305-4	GHG emissions intensity		38
Waste (GRI 306: Waste 2020)			
GRI 103	Management approach		
GRI 103-1	Explanation of the material topic and its boundary		8–10
GRI 103-2	The management approach and its components		39–40
GRI 103-3	Evaluation of the management approach		39–40
GRI 306-1	Waste generation and significant waste-related impacts		39–40
GRI 306-2	Management of significant waste-related impacts		39–40
GRI 306-3	Waste generated		39–40
GRI 306-4	Waste diverted from disposal		40
GRI 306-5	Waste directed to disposal		40

GRI Indicator	Disclosure/Indicator Title	Sustainable Development Goals	Page Reference
Environmental Compliance (GRI 307: Environmental Compliance 2016)			
GRI 103	Management approach		
GRI 103-1	Explanation of the material topic and its boundary		8–10
GRI 103-2	The management approach and its components		34–35
GRI 103-3	Evaluation of the management approach		34–35
GRI 307-1	Non-compliance with environmental laws and regulations		34
Occupational Health and Safety (GRI 403: Occupational Health and Safety 2018)			
GRI 103	Management approach		
GRI 103-1	Explanation of the material topic and its boundary		8–10
GRI 103-2	The management approach and its components		22–26
GRI 103-3	Evaluation of the management approach		23, 41
GRI 403-1	Occupational health and safety management system		24
GRI 403-2	Hazard identification, risk assessment and incident investigation		24–25
GRI 403-3	Occupational health services		25–26
GRI 403-4	Worker participation, consultation and communication on occupational health and safety		22–26
GRI 403-5	Worker training on occupational health and safety		26
GRI 403-6	Promotion of worker health		22–26
GRI 403-9	Work-related injuries		23
Training and Education (GRI 404: Training and Education 2016)			
GRI 103	Management approach		
GRI 103-1	Explanation of the material topic and its boundary		8–10
GRI 103-2	The management approach and its components		26–27
GRI 103-3	Evaluation of the management approach		26–27
GRI 404-1	Average hours for training per year per employee		27

GRI Indicator	Disclosure/Indicator Title	Sustainable Development Goals	Page Reference
Child Labor (GRI 408: Child Labor 2016)			
GRI 103	Management approach		
GRI 103-1	Explanation of the material topic and its boundary		8–10
GRI 103-2	The management approach and its components		33
GRI 103-3	Evaluation of the management approach		33
GRI 408-1	Operations and supplies at significant risk for incidents of child labor		33
Forced or Compulsory Labor (GRI 409: Forced or Compulsory Labor 2016)			
GRI 103	Management approach		
GRI 103-1	Explanation of the material topic and its boundary		8–10
GRI 103-2	The management approach and its components		33
GRI 103-3	Evaluation of the management approach		33
GRI 409-1	Operations and suppliers at significant risks for incidents of forced or compulsory labor		31, 33
Customer Health and Safety (GRI 416: Customer Health and Safety 2016)			
GRI 103	Management approach		
GRI 103-1	Explanation of the material topic and its boundary		8–10
GRI 103-2	The management approach and its components		25, 29, 33
GRI 103-3	Evaluation of the management approach		25, 29, 33
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		In 2019–2020, there were no incidents of non-compliance concerning the health and safety impacts of products and services.
Customer Privacy (GRI 418: Customer Privacy 2016)			
GRI 103	Management approach		
GRI 103-1	Explanation of the material topic and its boundary		8–10
GRI 103-2	The management approach and its components		33
GRI 103-3	Evaluation of the management approach		33
GRI 418-1	Substantiated complaints concerning breaches of customer privacy or losses of customer data		42

GRI Indicator	Disclosure/Indicator Title	Sustainable Development Goals	Page Reference
Reliability			
GRI 103	Management approach		
GRI 103-1	Explanation of the material topic and its boundary		8–10
GRI 103-2	The management approach and its components		www.buckman.com/ applications
GRI 103-3	Evaluation of the management approach		www.buckman.com/ applications
Technology and Innovation			
GRI 103	Management approach		
GRI 103-1	Explanation of the material topic and its boundary		8–10
GRI 103-2	The management approach and its components	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	www.buckman.com/ innovation
GRI 103-3	Evaluation of the management approach		www.buckman.com/ innovation

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