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SOLENIS POLICY

Sustainable Procurement of Raw Materials

1.0 Introduction

Sustainability is crucial to Solenis, not only in what we do at our plants and facilities, but in what we do to help our customers meet their own sustainability goals. We have developed a comprehensive sustainability strategy encompassing all the environmental, social and governance elements of sustainability. Solenis' sustainability strategy can be found at <https://www.solenis.com> under the Sustainability - Strategy Vision section.

2.0 Policy

Solenis' objective is to qualify, maintain and improve suppliers whose attributes and behaviors could impact Solenis from safety-based, financial, ethical and environmental risks. Solenis has established a Supplier Code of Conduct which sets forth Solenis' expectations of its suppliers regarding ethical and socially responsible business practices. Supplier acknowledges that it has reviewed the Supplier Code of Conduct, which can be found at <https://www.solenis.com/en/suppliers>. Solenis requires its suppliers, their employees, their affiliated entities, their agents or anyone acting on behalf of the suppliers to comply with this Code of Conduct and agree to adhere to the principles contained therein or to abide by their code of conduct containing the same or similar provisions. This code is not exhaustive and suppliers are expected to use good judgment to ensure appropriate conduct relative to all applicable laws, regulations, standards and topics that are not specifically addressed in the Supplier Code of Conduct document.

In support of this objective, Solenis will seek, whenever possible, to do business with raw material suppliers who:

- adhere to Solenis' sustainability principles, and
- directly participate in the American Chemistry Council's Responsible Care* initiative, or
- be a participant of the 10 Principles of UN Global Compact, or
- are assessed by a third party for sustainability (e.g. EcoVadis), and
- commit to improve their performance in the fields of environmental protection, occupational safety and health protection, process safety, product stewardship, security, supply chain and logistics through their own internally developed programs.

The Solenis supplier needs to give permission to verify compliance, respond in a timely manner, allow on-site audits and allow employees to report concerns to Solenis.

*Trademark owned by a third party



Solenis will re-evaluate existing raw material suppliers' participation in sustainability and equivalent initiatives or internally developed programs, as applicable, on an as-needed basis. Suppliers are expected to proactively notify Solenis of any changes to their status regarding these programs. and previous information provided.

3.0 Procedure

3.1 Supplier expectations

All Solenis selected suppliers* need to provide either a current year EcoVadis assessment or a completed [Raw Material Supply Sustainability Performance Survey](#) (survey questionnaire attached to this policy).

By 2025, Solenis' goal is to drive 80 percent of our raw material suppliers (based on annual spend) to be responsive to our Sustainable Procurement expectations. Once that goal is reached, we will target the remaining supplier base, based on spend and/or supplier risk evaluation (90 percent by 2030).

3.2 Supplier evaluation

Suppliers are categorized by:

- Suppliers with a current EcoVadis assessment of bronze or higher. Completion of the Raw Material Supply Sustainability Performance Survey is not required for suppliers in this category.
- Suppliers who do not have an EcoVadis assessment, who will be required to complete the Raw Material Supply Sustainability Performance Survey and will be categorized into tiers based on risk profile and number of yes responses to the survey questions.
- The tier rating for suppliers who have an EcoVadis assessment or completed the survey are:

Tier	EcoVadis Medal	RM Survey %	Compliance Status
Tier 1	Platinum / Gold	>90%	Compliant – minimal risk
Tier 2	Silver	70% - 89%	Compliant – low risk
Tier 3	Bronze	50% - 69%	Compliant – medium risk
Tier 4	No Medal	<50%	Supplier watch – higher risk
Tier 5	Not Assessed	N/A	Non-compliant

- Global Sourcing will review any suppliers in the Tier 4 and Tier 5 categories to determine business risk and a path forward to improve sustainability performance.
- Supplier performance will be measured by evaluating the responses year over year to the Raw Material Supply Sustainability Performance Survey or Suppliers who achieve a higher EcoVadis rating. Solenis will also proactively support our non-conforming suppliers by gaining alignment with them on the development of an improved Corporate and Social Responsibility (CSR) model.
- Solenis' goal is to continuously reduce the number of Tier 4 or below suppliers, year over year, by finding alternative sources or supporting existing suppliers in addressing those survey questions with a "no" response.

*Raw material suppliers who meet Solenis' set spend threshold or are in a certain risk category



- Suppliers in the Tier 4 or below category can also be assessed after a visit to their facilities or office.
- Solenis' expectation toward its suppliers is a continuous improvement, so that more suppliers will be in higher tiers over time and Solenis' risk decreases continuously. Solenis will monitor progress annually.

Global Sourcing will consolidate all surveys results on an annual basis in a specific report and commits to achieving an overall score improvement according to the goals stated above.

3.3 Solenis' commitment

After the first submission, Solenis will request existing suppliers to revalidate their results on a yearly basis. Suppliers can either provide a current year EcoVadis assessment of bronze or higher or resubmit responses to the Raw Material Supply Sustainability Performance Survey.

Should Solenis determine a supplier no longer subscribes to sustainability principles, Solenis will inform the supplier in writing of the decision that it is no longer an approved source for Solenis. The supplier will be provided the opportunity to correct and / or demonstrate its adherence to sustainability principles and retain its approved supplier status.

If Solenis finds that the supplier is not acting in compliance with this policy, we will specify which issues need to be corrected or improved. The supplier must then take corrective actions promptly and provide adequate evidence of improvements. **Solenis nevertheless reserves the right to cancel outstanding orders, suspend future orders, and/or terminate the main contract with the supplier in case of a material breach of this policy or the supplier refusing to take corrective actions.**

We promote an open dialogue with all our suppliers and partner with them to help them meet our requirements.

This policy outlines minimum standards for our suppliers in addition to applicable laws and regulations, and it forms an integral part of all contracts between the supplier and Solenis. If there are differences between the requirements of laws and regulations and this policy, the supplier must adhere to whatever is stricter.

Solenis reserves the right to update or modify this policy at any time without prior notice.

The supplier and any of its employees may report their concerns confidentially to: supplierrisk@solenis.com.

4.0 Scope

This policy applies to Solenis. All applicable country laws, tax rules, labor contracts or company code policies are respected. No items in this policy and / or guidelines provided will overrule any such laws, regulations, etc.



5.0 Owner

Chief Procurement Officer

6.0 Exceptions

There are no exceptions to this policy.



Raw Material Supply Sustainability Performance Survey

(Please print or type)

Survey Date:			
Supplier Name:		Contact Name:	
Supplier Address:		Contact Title:	
		Contact Email:	
Supplier Telephone		Signature	

Please mark next to either “Yes” or “No” for each question that you are asked to answer

I. Site Classification		
<p>1. For each of your operating sites that provide goods or services to Solenis, please indicate if the site is classified as:</p> <ul style="list-style-type: none"> a. Urban: Urbanized area/township of 50,000 or more residents b. Semi-Urban: Area/town/city of at least 2,500 and less than 50,000 residents c. Rural: Any population and territory not included within an urban or semi-urban area d. Industrial Park: A portion of a city that is zoned for industrial use (versus residential or commercial) <p>2. For each of your operating sites that provide goods or services to Solenis, please indicate and elaborate about:</p> <ul style="list-style-type: none"> i. If they are PSM / Seveso regulated ii. If national authorities inspected the site more than once a year during last 4 years iii. Number of emergency shut downs during last 4 years (max. acceptable 2) iv. Number of forced shutdowns from the national authorities due to legal violations during last 6 years (max. acceptable 2). v. Number of notices of violation from the national authorities during last 6 years (max. acceptable 2). vi. Please indicate LTI Lost Time Injury Incidence Rate of last 4 years. vii. Please indicate the number of fatalities during the last 5 years. 		
II. EcoVadis Assessment	Yes	No
<p>3. Are you EcoVadis assessed and scored bronze or higher? If yes, please provide a copy of your assessment</p>		

If you are EcoVadis assessed bronze or higher you have completed the survey.

III. Chemical Trade Association		
<p>Is your company a member of a chemical trade association that participates in the International Council of Chemical Associations (ICCA)? Examples include the American Chemistry Council (ACC) in the USA, Chemistry Industry Association of Canada (CIAC), Associacao Brasileira da Industria Quimica (ABIQUM) in Brazil, Korea Chemical Industry Council (KOCIC), and Verband de Chemischen Industrie (VCI) in Germany? In case of affirmative answer, mention the name of the organization</p>		
IV. Environmental Health Safety (EHS) Certifications		
<p>For the sites supplying Solenis with materials, has your company obtained RC 14001 certification? If yes, please provide a copy of your certificate.</p>		
<p>For the sites supplying Solenis with materials, has your company obtained ISO 14001 certification? If yes, please provide a copy of your certificate.</p>		
<p>For the sites supplying Solenis with materials, has your company obtained OHSAS 18001 / ISO 45001 certification? If yes, please provide a copy of your certificate.</p>		
<p>For the sites supplying Solenis with materials, has your company obtained ISO 9001 certification? If yes, please provide a copy of your certificate.</p>		

Responsible Care Principles	Yes	No
V. Sustainability, Environmental, Health, Safety and Security, Human Rights, Product Stewardship		
A. Sustainability – General		
Does your company have a Sustainability Policy? If yes, please provide a copy.		
Does your company have a Sustainability Report? If yes, please provide a copy.		
Does your company have external assurance of their Sustainability Report and data listed under section B, C, and F.		
Does your company participate in the UN Global Compact Initiative?		
B. Environmental		
Does your company have an Environmental Policy? If yes, please provide a copy.		
Does your company assess the environmental impact of its operations?		
Does your company measure and publicly report Environmental Information (i.e., through an annual environmental, sustainability, or corporate socially responsible/CSR report)? If yes, please provide a link to a web address.		
Does your company plan and carry out internal environmental audits?		
Does your company monitor emissions to land, water and air from the manufacturing process?		
Reduction in Natural Resources <i>Please provide goal statement and performance to date for each</i>		
Does your company have a goal and programs to Reduce Energy Use?		
Does your company have a goal and programs to Reduce Packaging Material?		
Does your company have a goal and programs to Reduce Waste Generation?		
Does your company have a goal and programs to Reduce Water Use?		
Reduction in Carbon Footprint		
Does your company have a goal and programs to reduce Greenhouse Gas (GHG) Emissions? Please provide a goal statement and performance to date.		
Does your company have initiatives to use renewable energy [i.e., biomass, solar, wind, or purchase renewable energy certificates (RECs)]?		
Does your company respond to the Carbon Disclosure Project (CDP)?		

C. Health and Safety. Human Rights.	Yes	No
Does your company have a Health and Safety Policy? If yes, please provide a copy.		
Does your company have goals and programs to prevent and reduce work-related employee injuries and illnesses?		
Does your company have an emergency preparedness response plan for a catastrophic incident affecting workplace safety?		
Does your company have ethical and legal employment practices assuring compliance with all applicable employment laws impacting employees and suppliers?		
Does your company plan and carry out internal health and safety audits?		
Does your company have a program or procedure to ensure the confidentiality and protection of workers that report suspected violations of ethical misconduct?		
Does your company have written policies and programs to establish and maintain a diverse workplace environment?		
Are the minimum hiring age and minimum wages for your employees in accordance with local/national laws?		
Has your company been adjudged to have violated, or been the subject of any suit, claim, inquiry or investigation alleging its violation, of applicable laws, rules and regulations pertaining to forced, bonded or compulsory labor or human trafficking and slavery?		
D. Security		
Do you subscribe to CTPAT or equivalent?		
Is there a system to control all types of your site's access and egress?		
Are there effective measures to ensure security of all materials?		
E. Product Stewardship		
Does your company use a Product Stewardship/Lifecycle approach to reduce the environmental impact of its products and operations?		
Does your company make energy and natural resources key considerations when it designs, develops and improves its products and processes?		
Does your company provide all health safety information (i.e., research, studies, toxicology and epidemiology information, etc.) related to its products?		
Does your company have a formal incident investigation program in place for product incidents?		
Does your company have programs, standards, or procedures to identify and reduce potential health safety hazards related to its products?		
Does your company provide on-site consultation for customers in safe handling, use, and storage of its products?		
Does your company respond to requests for emergency support, from any point in the supply chain, for its products on a 24-hour basis?		

F. Evaluation of your company's suppliers	Yes	No
Does your company ask its value chain partners (warehouses, distributors, and carriers) to immediately report incidents (e.g., spills) associated with the handling or use of its products?		
Does your company periodically review the performance of its suppliers?		
Does your company periodically review the performance of its distributors, customers and other direct product receivers to foster proper use, handling, recycling, disposal and transmittal of appropriate information to downstream users?		
Does your company plan and carry out supplier audits?		
Site Visit		
Are you willing to let a representative from Solenis visit you for taking part in your sustainability work? If yes: Contact person:		

We appreciate your time and effort in completing this survey. Please include any other comments you would like to make related to your Responsible Care, Raw Material Supply Survey, or compliance efforts. Please sign and return the evaluation form.

As a follow-up to the items requested in this survey, please provide a copy of all above indicated documents to supplierrisk@solenis.com