



EOC Group
Global ESG Report
2021

THE POSITIVE IMPACT OF
GROWTH





/ About this report

Our 4th Global ESG Report covers the entire EOC Group business and value chain. Highlighting our Environmental, Social and Governance (ESG) performance during the reporting period, it includes information from our production plants and companies across Asia and Europe, but not about our external partners. The report has not been reviewed externally prior to publication, nor has assurance on the entire report been requested. This is our first digital report which is more sustainable and offers easier navigation.

REPORTING ORGANISATION AND LEGAL FORM

EOC Group of companies and EOC Management NV

NATURE OF OWNERSHIP

100% privately owned

OUR REPORTING PERIOD AND CYCLE

This is a bi-annual report, which contains global data for the 2 year period ending on December 31, 2020.

ACCORDANCE LEVEL GLOBAL REPORTING INITIATIVE

We use the 5P Framework to report on all the materiality issues which we implement according to the Global Reporting Initiative (GRI) guidelines. This report's level is GRI Standard - Core.

SDG AND MATERIALITY TOPICS HIGHLIGHTS

This report shows how our business is aligned with the 5 United Nations Sustainable Development Goals (SDGs) pillars Planet/People/Prosperity/Partnership/Peace (5Ps). We have emphasized the SDGs which had a direct impact on our business during the reporting period and identified the issues that matter most to our internal and external stakeholders. Highlights of our latest materiality topics can be found in the most relevant case studies presented within this report.

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/ Message from our CEO

Welcome to EOC Group's Global ESG Report 2021. This report follows on from our last Global Sustainability Summary Report, which was published in 2020. As you will see, our sustainability efforts have continued and expanded over the past years based on our vision of a sustainable future.

COVID-19

Clearly, the reporting years 2019 and 2020 have been challenging. While the short-term impact of COVID-19 on EOC Group, and in a broader sense on our stakeholders and society, has been overwhelming, we have taken the momentum to turn this into an opportunity to focus even more on our sustainability strategy and the digitalisation process. We realise that tackling the long-term effects of the pandemic will require an inclusive approach that simultaneously supports economic recovery and addresses the global challenges of sustainability and global inclusion.

MEGATRENDS ⁱ page 5

The future of our planet, our stakeholders, and our organisation are influenced by several megatrends, through which we are defining, developing, and executing our 2030 Goals. The megatrends are large-scale social, economic, political, environmental, and/or technological changes that will have a profound and lasting impact on many human activities, processes, and perceptions. It is vital that we anticipate and integrate these interconnected megatrends into our long-term strategic thinking. On a strategic level, they push us to continuously consider the future influence of the circular economy, climate

change, digitalisation, and more on our business activities.

DIALOGUE WITH STAKEHOLDERS ⁱ page 13

In the reporting period, we also undertook a full materiality assessment to identify the Environmental, Social, and Governance (ESG) issues that have the most impact on our business and which our stakeholders care the most about. This assessment is part of our continuous dialogue with our stakeholders. It gives us the opportunity to use sustainability to better assess our business strategy, identify potential areas for growth, spot new trends, and gain insight into our role in our community, including how we create value in our society.

SUSTAINABILITY AT EOC GROUP ⁱ page 14-16

Over the reporting period, we have expanded our efforts to meet stakeholder expectations on sustainability. We have continued to develop a sustainability approach that focuses on the 5Ps (*People, Planet, Prosperity, Partnerships, and Peace*) and measure our progress against the United Nations 17 Sustainability Development Goals (SDGs). Based on the issues, values, and concerns that are most important to us, we have focused on projects that are vital to our sustainability strategy.

We are proud of our achievements related to fall protection which increases work safety (*Belgium, India and Italy*), achieving our first ECO Factory Award (*Thailand*), incorporating alternative local sourcing of raw materials (*oils in Europe*), increasing the use of renewable energy (*Belgium and Poland*), focusing on sustainability

in the development of new products (*halogen-free flame retardant materials*), promoting gender diversity throughout the organisation, being awarded the PRS Green Award (*The Netherlands*), achieving the Ecovadis Gold Medal for the second time, and more. In the report you'll find further details about each of these projects and many more that highlight the central role sustainability plays in our business actions.

THE POSITIVE IMPACT OF GROWTH

Our impact on the world is a fundamental aspect of our sustainable business goals. It is essential that EOC Group continues its path to growth to be able to permanently commit itself to having a positive impact on our business goals, our stakeholders' expectations, and society's development.

In 2021, we will continue our journey to growth. The COVID-19 pandemic will undoubtedly continue to have an effect, but we will maintain our spirit of problem solving, creativity, and flexibility. If anything, 2020 has shown how resilient we can be.

I invite you to continue reading this report to discover how EOC Group lives up to the challenge of being sustainable.

Join us and contribute to a better world.

Gerard Marsman, CEO



AT A GLANCE / SUSTAINABILITY HIGHLIGHTS

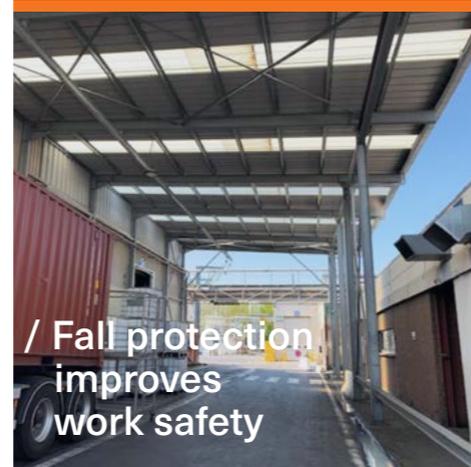
Our 5P sustainability highlights



/ Increasing renewable energy generation

Solar and wind energy reduce our reliance on fossil fuels.

[page 25-27](#)



/ Fall protection improves work safety

Employee safety when working at heights is of the utmost importance.

[page 43](#)



/ Digitalisation for a greener and stronger business ecosystem

Changing the way we work, innovate, communicate, produce, and consume.

[page 49](#)



/ EcoVadis awarded us a Gold Medal for our sustainability efforts

Our sustainability efforts are rewarded by EcoVadis.

[page 56](#)



/ Achieving our first Eco Factory Award in Thailand

Strong community engagement results in this prestigious award.

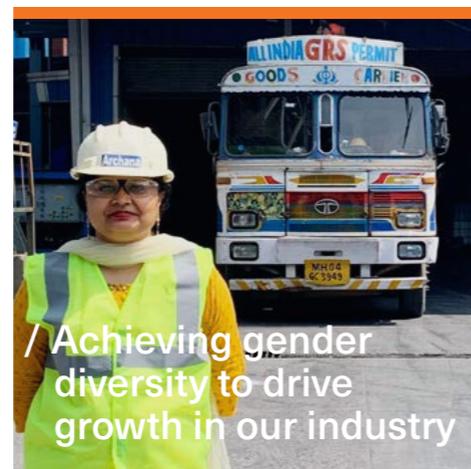
[page 62](#)



/ Reusing IBC packaging benefits the circular economy

Reducing the consumption of new materials for a greener future.

[page 29](#)



/ Achieving gender diversity to drive growth in our industry

Promoting diversity at all levels of our organisation.

[page 40-41](#)



/ Incorporating sustainability in our product development

Sustainability is part of every stage of the product lifecycle.

[page 59](#)



/ Local European oils for sustainable sourcing

Incorporating alternative local sourcing for raw materials.

[page 57](#)



/ Strong partnerships for our 2030 goals

Stakeholders' engagement results in an UNITAR SDG Pioneer certificate.

[page 61](#)

AT A GLANCE / MEGATRENDS

/ Megatrends are challenging drivers of change to shape a sustainable future

Megatrends are areas of change that we have to take into account when developing and executing our 2030 Goals. Megatrends are large-scale social, economic, political, environmental or technological changes that are slow to form but which exercise a profound and lasting influence on many if not most human activities, processes and perceptions. It is key to anticipate and integrate interconnected megatrends into long-term strategic thinking.



CIRCULAR ECONOMY

Today, the world is facing the challenge of ever-increasing demand for natural resources. For the global economy it is essential to increase circularity, transforming waste into valuable new raw materials. The chemical industry is continuously defining processes to innovate, resulting in materials, products and technologies that are safe and which enable accelerating the transition towards a circular economy.



CLIMATE CHANGE

Climate change continues to transform our planet. Europe, with its Green Deal, wants to achieve net-zero greenhouse gas emissions of at least 55% by 2030, compared to 1990 levels. The challenge is to balance economic growth and prosperity with finite natural resources, reducing environmental emissions from site operations in the manufacture of products, their use and disposal.



PROTECTING THE SOCIETY

The world has set the protection of the environment and human health at the pinnacle of a rigid political agenda. At the global level, sustainability challenges like poverty, inequality, food security, access to healthcare and education are still an issue for a large part of the global population. The chemical industry as an important upstream supplier must guarantee compliance with these standards in its supply chain and production.



DIGITALISATION

The impact of digitalisation has completely changed the way we work, communicate, innovate, produce and consume. At a time of rapid digitalisation when traditional thinking is being challenged, our ability to innovate keeps us ahead of the curve while adding value to customers, governments, and industries. Work towards digital ways-of-working and high standards of data security are the aim.



UN SDGS & EU GREEN DEAL

Both the core of global and EU business models make the climate, energy, land use, transport and taxation policies fit for reducing net GHG emissions. Through the responsible production, use, and management of chemicals, the chemical industry is challenged to support the UN SDGs through innovative products and practices that minimize negative impacts, promote social progress, protect the planet, and support growth.



AT A GLANCE / COMPANY PORTRAIT

/ Our company portrait

From those early days producing foam rubber for the mattress industry to our current position as a global player in the chemical industry with production facilities in Asia and Europe, our focus has remained unchanged.

OUR PRODUCTS

Our 8 product divisions - Adhesives, Surfactants, Compounds, Polyurethanes, Thermoplastic Elastomers, Textile Chemicals, Emulsions and Latices (*Polymers*) - are committed to developing innovative and high-quality products that form the heart of materials found in almost every home around the world.

More information about our sustainable global production, long-term ambition, and sustainable development highlights can be found on [i](#) pages 7-9.

OUR HEADQUARTERS

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OUR LOCATIONS GLOBALLY

We have 4 production sites in Asia and 11 in Europe. For more information and contact details for the EOC Group locations, visit www.eocgroup.com/eoc-worldwide

AT A GLANCE / SUSTAINABLE GLOBAL PRODUCTION

/ Sustainable global production at EOC Group

Our high quality and innovative products are used in a wide range of products, ranging from bathmats and shampoo to cereal boxes and home isolation. We continue to innovate and collaborate with our customers, to offer new solutions for issues that arise while expanding our product range and geographical presence.

With such a large variety of products being used in a wide range of applications, our activities might seem complex at first glance. However, they can be divided into three main categories.

OUR PRODUCT RANGES

Firstly, we produce building blocks that react in different ways to create end products. Surfactants and our Polymers (*Emulsions and Latices*) are good examples of this. Secondly, we blend finished products to make end products as can be seen in our Compounds, Adhesives, Thermoplastic Elastomers, Polyurethanes, and Textile Chemicals ranges. Lastly, we improve processes, to enhance sustainability and reduce costs for us and our customers.

OUR STAKEHOLDERS DIALOGUE

Sustainability is a commonality that runs through all our activities. Through our dialogue with our stakeholders, we have identified our priorities so we can generate a positive impact on society, minimise risk, reduce costs, and generate revenues.

Our customers are looking for sustainable options. In general,

they are focused on increasing the use of recycled content and bio-content, as well as facilitating the recyclability of waste and end products to enable the circular economy.

However, sustainability for us encompasses a broader range of activities, from working towards achieving the EU's Green Deal net-zero GHG goal to helping society with additional employee training and charity work. To give our actions more structure and impact, we use the United Nation's Sustainability Development Goals (*SDGs*) framework and measure our results to monitor our progress.

OUR FUTURE FOCUS

Certificates and standards are a good way to see how far we have come and what we still need to do. One emerging label is the ISCC+ (*International Sustainability and Carbon Certificate*) which refers to the amount of sustainable raw materials used in a product. We are currently studying how we can implement this new label to help our customers make more sustainable choices. We hope our sustainability actions will have a profound and lasting influence on our company and our society.

/ Our brands enable sustainable products for our customers

We work hard to make our products and brands more sustainable and have a positive impact on both society and the environment. This has the added benefit of helping our customers and their customers reach their sustainability goals.





ADHESIVES *(including hotmelts)*

Share of EOC Group
Sales in 2019 + 2020 **31%**

Long-term ambitions:

Our Adhesives Division continues to develop and improve adhesives based on synthetic and natural polymers to provide an economic and technical advantage to our customers in the paper and cardboard, construction, and textile industries.

Sustainability development highlights:

- ⌚ Evaluation of bio-based, renewable and/or recycled raw materials eg bio-VAM and resins.
- ⌚ Research to develop products that can be classified as bio-based, biodegradable and/or compostable.
- ⌚ Development of 100% vegan hotmelts.

 www.eocgroup.com/adhesives



COMPOUNDS

Share of EOC Group
Sales in 2019 + 2020 **16%**

Long-term ambitions:

Increased recyclability is a top priority for our Compounds Division. This will increase the overall sustainability of end products that use our compounds, reducing their environmental footprint.

Sustainability development highlights:

- ⌚ Development of non-XSBR compounds, including polyolefine-based to improve the recyclability of carpets, use of recycled polymers into the compound, low emission polymers to reduce the emissions caused by XSBR, and 100% biopolymer-based compounds.
- ⌚ Improvements to the drying speed of our backings to create process cost reductions for our customers.

 www.eocgroup.com/compounds



POLYMERS *(Latices and Emulsions)*

Share of EOC Group
Sales of polymers in 2019 + 2020 **35%**

Long-term ambitions for Latices:

Our Latices Division is developing bio-based latices for the carpet, textile, paper, manufacturing, and construction industries that incorporate a wide range of exceptional qualities including bonding strength, adhesion, age and water resistance, fire-retardation, and antistatic properties.

Sustainability development highlights:

- ⌚ Evaluation of bio-based monomers, including bio-styrene, bio-butadiene, bio-acrylic acid, and bio-acrylic esters.
- ⌚ Development of safe and environmentally friendly self-crosslinking latices.
- ⌚ Development of water-based barrier coatings as replacement for plastic or metal coating in food packaging.

 www.eocgroup.com/latices

Long-term ambitions for Emulsions:

Our Emulsions Division is implementing and investigating ways to simultaneously increase the sustainability and extend our product range while simplifying processes and reducing costs.

Sustainability development highlights

- ⌚ Simplification of the monomer removal step in the production of emulsions to reduce quality and production issues.
- ⌚ Development of a fully or partially bio-based polymers with improved recyclability and biodegradability.
- ⌚ Development of water-based barrier coatings as replacement for plastic or metal coatings in food packaging.

 www.eocgroup.com/emulsions



POLYURETHANES

Share of EOC Group

Sales in 2019 + 2020 **1%**

Long-term ambitions:

Sustainability is key for our Polyurethanes Division. Our focus lies on improving recyclability of end products and evaluating and expanding our range of bio-based equivalents.

Sustainability development highlights:

- ⌚ Development of polyurethane solutions for carpet backings that allow the carpet to be recycled.
- ⌚ Continuous evaluation of bio-based equivalents to the polyols that we currently use.
- ⌚ Development of a recyclable polyurethane for artificial grass.

 www.eocgroup.com/polyurethanes



SURFACTANTS

Share of EOC Group

Sales in 2019 + 2020 **15%**

Long-term ambitions:

The market is looking for sustainable and bio-based alternatives for fossil derived surface-active agents. And EOC Group is ready to provide them. Our research in this area continues as we investigate the possibilities of wholly bio-based surfactants.

Sustainability development highlights:

- ⌚ Development of products based on locally sourced feedstock including vegetable oils and insect oil.
- ⌚ Development of highly concentrated surfactants that reduce water usages and the volumes that need to be transported.
- ⌚ Launch of products with improved ecotoxic profile.

 www.eocgroup.com/surfactants



TEXTILE CHEMICALS

Share of EOC Group

Sales in 2019 + 2020 **1%**

Long-term ambitions:

Flame retardancy is vital when it comes to safety and protection. Our Textile Chemicals Division continues to develop new ways to protect vehicles, buildings, and lives as part of our Exoflam portfolio.

Sustainability development highlights:

- ⌚ Evaluation of more sustainable polymers as base binders.
- ⌚ Development of replacements for the heavy metals in flame retardants, both with and without halogens.
- ⌚ Investigation into the split production of our heavy metal and heavy metal-free products to reduce cross contamination and improve product quality.

 www.eocgroup.com/textile-chemicals



THERMOPLASTIC ELASTOMERS

Share of EOC Group

Sales in 2019 + 2020 **1%**

Long-term ambitions:

Recycled product content and recyclability are of utmost importance for our Thermoplastic Elastomers Division, leading our R&D to focus on improving the circularity of our product range.

Sustainability development highlights:

- ⌚ Investigation into the use of recycled polymers.
- ⌚ Research into the use of bio-based and recycled polymers in sensitive formulations.
- ⌚ Evaluation of the reuse and recycling of TPE-backed carpet scraps and end of life carpet.

 www.eocgroup.com/thermoplastic-elastomers

AT A GLANCE / COVID-19 IMPACT

/ Reflecting on the impact of COVID-19 on our business

From increasing remote working to changing projects and priorities, COVID-19 has had an impact on all of us. We have worked together to tackle the challenge in front of us and find solutions that keep our employees and stakeholders safe while achieving our business and sustainability goals.



GERARD MARSMAN
CEO

“We have also communicated with employees about the consequences of COVID-19.

This includes procedures that facilitate working from home where possible and workshops on resilience to help them cope with the reduced social contact that is a direct result of not coming to the office.

Some of our employees fell ill and quarantines meant that they were unable to work for a while. Despite this, we are fortunate that our employees are flexible, so our customers have experienced little to no inconvenience.”



HANS VROMAN
HEALTH & SAFETY MANAGER

“COVID-19 helped all of us, from employees to management, to realise that we need to increase our monitoring to ensure everyone’s safety.

We have seen the trend towards the increasing use of digital technologies in the workplace transform the way we work. During the lockdown, our trainings and meetings were carried out digitally.

When the threat from COVID-19 was reduced, in-person gatherings restarted for smaller groups and took place in well-ventilated meeting rooms with Plexiglas and hand sanitisers for safety.”



YOURI DEBLANC
FINANCE DIRECTOR

“The first lockdown increased questions about the supply of raw materials and business continuity. Fortunately, we were able to solve these concerns.

We first saw lower orders for the car and textile industry. But this decline didn’t last long. We also noticed large swings in the demand for specific products in our surfactants range. There was exceptionally high demand for materials used for ‘hard surface’ cleaning, particularly detergents.

However, some customers had to shut down different activities, such as producing soaps for hotels or detergents for industrial kitchens.”



JOHAN ROBBENS
BUSINESS DIRECTOR EUROPE

“Working from home and not being able to travel internationally to visit customers has reduced our CO2 emissions which is better for our environmental footprint and sustainability goals. However, the lack of customer visits has meant our communication is now 100% digital which can have an impact on personal connections.

When it came to the supply chain, there are fewer intermodal options available, which means that we rely more heavily on road transport than we did before the lockdown started. This hasn’t had a major impact on our delivery schedule, but there are consequences related to sustainability.”



ALBERTO PAVARIN
MANAGING DIRECTOR ASIA PACIFIC

“The situation in Asia has been extremely challenging. The first lockdown was the most difficult. Due to COVID-19 travel restrictions, all communication with our plants in China, India, and Thailand was digital.

In China, supplies of raw materials were less than normal, resulting in lower levels of production.

India didn’t have a lockdown during that period, but there was a lot of confusion and contrary information.

In Thailand, we supported the local community around the plant by providing protective materials and paying for vaccines.”

AT A GLANCE / COVID-19 COMMUNITY ENGAGEMENT



/ Our community engagement during the pandemic



/ In China employees from Adhesives and Surfactants gave back to society via blood donations

Clinical operations require a large amount of blood to be in stock, so when supplies dropped to critical levels due to fewer donations during the pandemic, the Shanghai Blood Bank sounded an alert. EOC Group in China participated in the blood donation, helping to publicise the cause, increase awareness of the blood donation process and the need for safe blood, and reward employees that participated.



EOC GROUP IN CHINA DONATED BLOOD



/ We protected our employees while boosting breast cancer research in Belgium

Think Pink fundraises to fund scientific research into breast cancer. Due to corona, the charity was unable to put on any events, so it decided to generate income by selling Think Pink face masks. EOC Group in Belgium purchased over 2,000 face masks, providing the needed funds to the charity for their research, increasing awareness of breast cancer, and protecting our employees from corona. A win-win situation.



MASK FOR EOC GROUP IN BELGIUM



/ In Thailand we helped our community by providing vaccines and protective materials

As a company, we want to support our local communities. In Thailand, local health care volunteers were critical in spreading information about COVID-19 prevention, symptoms, and self-observation while handing out hand-sewn face masks, alcohol-based gel, and health flyers. To support this valuable and underfunded work, we donated plastic gloves, face masks, alcohol gels, and vaccines.



DONATED BY EOC GROUP IN THAILAND



ESG Strategy

/ Transforming our ESG Aspirations and 2030 Goals into a strategy full of growth and positive impact



ESG STRATEGY / MATERIALITY MATRIX

/ Identifying the issues that matter

The differing view of our company and activities by each group of stakeholders prioritises a distinct group of issues. We undertook a full materiality assessment to identify the ESG issues with the most impact on our business and which our stakeholders care the most about.

OUR STAKEHOLDER DIALOGUE

Our materiality assessment is part of our dialogue* with stakeholders. We use sustainability to empower our business strategy, identify potential areas for growth, spot new trends, and understand our role in the community, including creating value in the society.

OUR MATERIALITY ASSESSMENT

We used the materiality assessment to focus on internal and external stakeholder views across the value chain to highlight our most important stakeholders in terms of scope and impact, the right areas of material focus, and where we should focus our efforts and resources.

OUR SUSTAINABILITY STRATEGY

The valuable information empowered us to set priorities, generate a positive impact on society, minimise risk, reduce costs, and generate revenues. These results were an essential guide as we updated our sustainability strategy and set our 2030 Goals.

* Due to COVID-19 restrictions, the materiality assessment and stakeholder dialogue took place online.

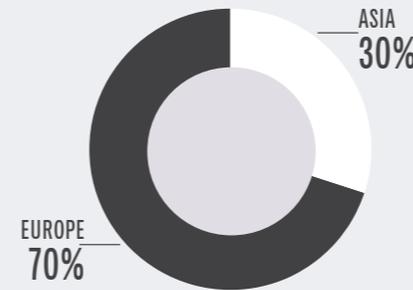
Internal stakeholders

- Board / Shareholders
- Management
- Employees

External stakeholders

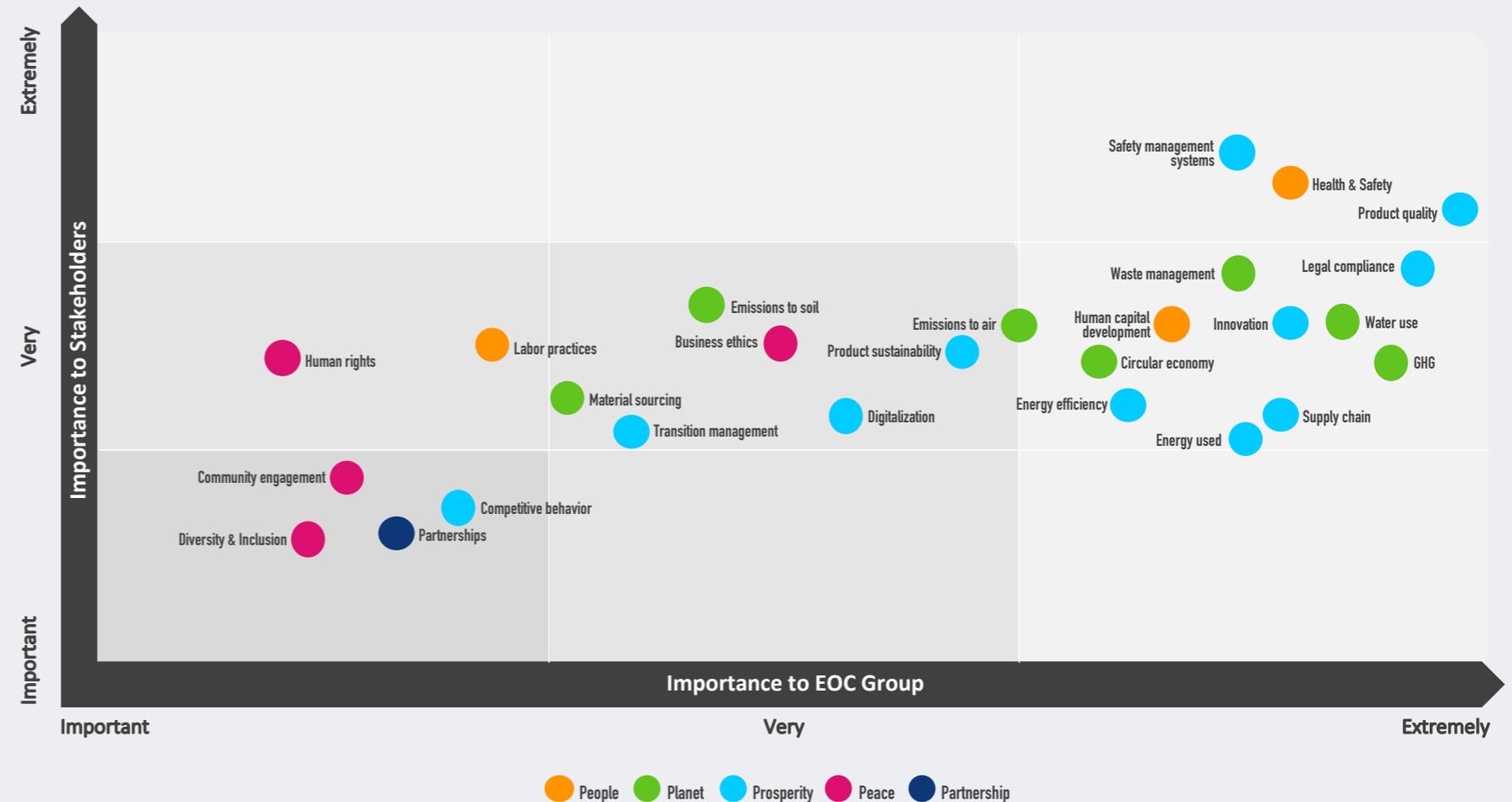
- Customers / Dealers
- Suppliers / Contractors
- Regulators / Council
- Financial / Insurance Association / Institution
- Community / NGO

Involved stakeholder response (≈ 100 stakeholders)



Our approach

1. Identify our industry topics
2. Gather stakeholder input
3. Validate the survey
4. Create the materiality matrix
5. Set our ESG aspirations
6. Establish our vision, strategy, and commitments



Valuing our resources and developing our talents



Social Progress

PEOPLE

Innovating sustainable products, profitable processes, and responsible service



Economic Development

PROSPERITY

Taking action for responsible procurement and assessing performance with transparency



Empowering Society

PEACE

Building a sustainable partnership with our value chain and engaging with the community



Collaborative Growth

PARTNERSHIP



ESG STRATEGY / 2030 GOALS

Our updated sustainability strategy, the **ESG ASPIRATIONS - 2030 GOALS** are aligned with the **European Green Deal** and the **17 UN Sustainable Development Goals (SDGs)**, which help us to set forth an ambitious plan for achieving sustainable economic, social, and environmental development by 2030. We use the **5P Framework** to report on all the **materiality issues** which we implement according to the **Global Reporting Initiative (GRI)** guidelines.

▲ increase ▼ decrease

PLANET

Environmental Responsibility

Committing to the Circular Economy and helping to protect our planet by focusing on:

Energy usage reduction



-20% Energy

Responsible water usage



-30% Water

Reduce, reuse, and recycle



-20% Waste

Less GHG emissions



-30% Emissions



OUR IMPACT OPPORTUNITIES

SDG 3: Good health and well-being

SDG 4: Quality education

SDG 6: Clean water and sanitation

SDG 7: Affordable and clean energy

SDG 8: Decent work and economic growth

SDG 9: Industry, innovation and infrastructure

SDG 12: Responsible consumption and production

SDG 13: Climate action

SDG 15: Life on land

ESG STRATEGY / SDG IMPACT OPPORTUNITIES

Our highest priority SDGs and our impact opportunities

EOC Group actively supports the achievement of the United Nations Sustainable Development Goals (SDGs), which are designed to stimulate collective global action that tackles the challenges and enables the opportunities in order to drive progress towards sustainable development. The SDGs are a trusted guide as we develop our business, set new ambitions, and engage with our stakeholders.

We contribute to almost all of the SDGs. Taking best practices as our guide, we emphasise our efforts for the SDGs where we can clearly contribute the most to achieve a significant step forward by 2030.

OUR DIRECT IMPACT

We have identified 9 SDGs as most relevant for our business in the chemical industry. Each of these SDGs show evidence of having a significant positive or negative influence on or by EOC Group, leading to a direct impact on our business. Our products, services, and global working processes help to achieve these SDGs.

OUR INDIRECT IMPACT

When working towards the SDGs, our contribution impacts multiple SDGs. As the SDGs are directly and indirectly connected to each other, our business activities also impact the SDGs that we didn't mark as the most relevant. This interconnection helps us to create positive impact on all the 17 SDGs.

STRATEGY / ESG ASPIRATIONS ROADMAP 2030 GOALS

/ Our way forward - ESG aspirations roadmap 2030 Goals based on the 5Ps

We set end of 2020 as the benchmark, so we have a decade to measure ambitious actions and adapt in time to achieve our goals by end of 2030.

5PS	COMMITMENT	IMPROVE AREA	2030 TARGET	INVEST AREA	MONITOR KPIs	SDG
PLANET	Energy usage reduction	Energy efficiency / Energy usage / Renewable electricity use / Steam generation and usage optimisation / Heat energy recycling	-20% Energy	Training / Energy saving projects	Energy consumption / Electricity, gas and other energy carriers	SDG 7
	Responsible water usage	Water usage optimisation and water reuse / Water stewardship / Reduction of water pollution, water discharge and water management	-30% Water	(Waste-) water: reuse streams, evaporating flows, treatment optimisation / Water consumption training / Alternatives for ground water / Water treatment plant	Water consumption / Quantity of recycled (waste-) water streams	SDG 6, 14
	Reduce, reuse and recycle	Raw material usage / Material efficiency / 100% recyclable packaging / Total Waste Management (TWM)	-20% Waste	Training / Innovative contribution R&D / Contribution to circular economy / Zero landfill by 2030 waste water treatment	LCA / Waste, including residual waste / Coagulate and sieve residues / Filtercake	SDG 12
	Less GHG emissions	GHG emissions reduction during production and from transport / Sustainable transport and logistics / Supply Chain optimisation / Renewable electricity use / On-site electricity generation	-30% Emissions	Green fleet management / Carbon management / Green energy / Purchase renewable electricity production	Fuel consumption / Supply Chain carriers Carbon footprint and emissions	SDG 13
PEOPLE	Valuing our resources and developing our talents	Health, well-being, and safety of all stakeholders / Diversity and inclusion in the workplace / Sustainability knowledge, actions and implementation across the business / Zero accidents on the long-term	Targets on social progress will be set in 2021	Health and well-being coaching / A culture of equality / Career and skills development / Global sustainability training / Safety awareness and campaigns	Health and safety performance / Employee evaluation / Training platform performance	SDG 3, 4, 5, 8, 11
PROSPERITY	Innovating sustainable products, profitable processes and responsible service	New ways to create a sustainable competitive advantage / Sales and profit / Performance and cost optimisation / Sustainable KPIs incorporation for all global business units to maintain its competitive edge	Targets on economic development will be set in 2021	Performance management and systems / R&D, innovation and circular economy / Digitalisation	Performance of Operational Excellence, Efficiency, Quality Management, R&D, Digitalisation, and Sales and profit	SDG 8, 9, 12, 16, 17
PEACE	Taking action for responsible procurement and assessing performance with transparency	Sustainable procurement and supplier engagement / Supply Chain risk management, transparency and traceability / Grievance procedure / Promotion of responsible sourcing and collective action to increase sustainable production	Targets on empowering society will be set in 2021	Performance ethic issues and grievance procedure / Benchmarking tools to improve suppliers CSR practices / Supplier Risk Assessments / Sustainable purchasing policy	ESG performance in the Supply Chain / Reporting on ethic issues / Performance of EcoVadis scorecard	SDG 11, 12, 13, 16, 17
PARTNERSHIP	Building sustainable partnership with our value chain and engaging with the community	Customer relationship to strive towards circular economy / Engagement with key stakeholders to succeed the 2030 global sustainability ambitions and beyond / Public image and relations to better the society as a whole	Targets on collaborative growth will be set in 2021	Circular economy projects / Strategic partnerships and network building / Communication and dialogue / Community engagement projects	Circular economy indicators / Business sustainability rating / Result of global engagement in the community	SDG 3, 8, 11, 12, 17



Governance

/ Creating a connection between impactful change management and our corporate governance approach

GOVERNANCE / GOVERNANCE STRUCTURE



/ Good governance is the base of our positive impact

EOC Group is committed to striving for the highest standards of corporate governance and ethical business conduct. This commitment is instilled across our business, from the boardroom to the production floor, and throughout our operations and supply chain.

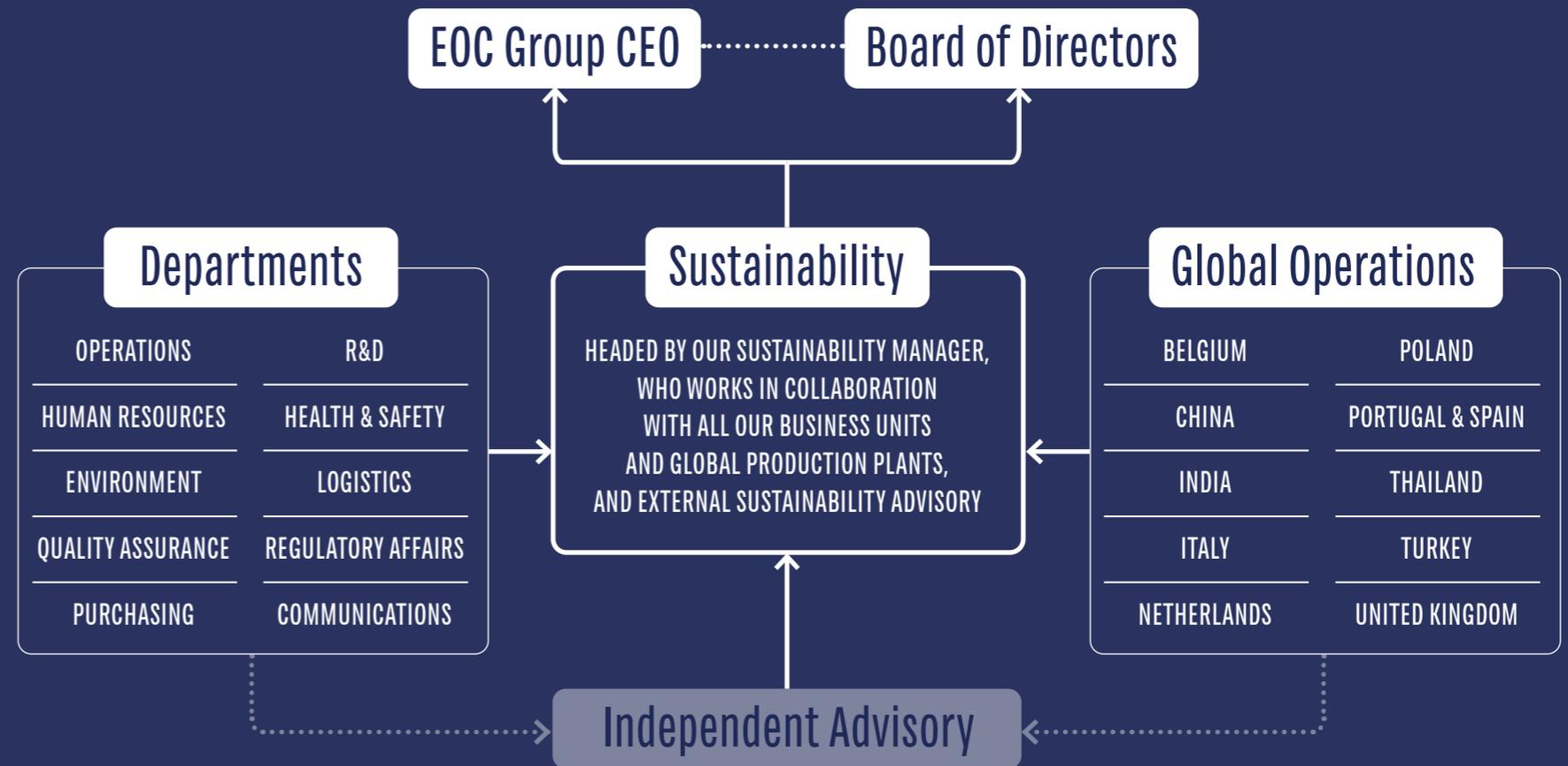
OUR GOVERNANCE APPROACH

We believe that ethical business conduct must be promoted from the most senior levels of the business and fostered through the entire organisation. This section outlines our approach to governance in terms of sustainable conduct as well as the standards of conduct we expect from our suppliers.

The Board of Directors led by the EOC Group's CEO is responsible for ensuring we demonstrate leadership within our industry and driving and providing the overall strategic guidance of our sustainability strategy for the benefit of all our stakeholders.

Our sustainability strategy continues to focus on three key pillars: Environment, Social, and Governance (ESG) and these are divided into the 5Ps (People, Planet, Prosperity, Peace, and Partnership) of the 17 SDGs.

EOC Group's Sustainable Governance Structure



The CEO and the Board of Directors oversee the management of EOC Group's sustainability strategy, supported by our Sustainability Manager who provides an oversight of our sustainability performance targets. Our Sustainability Manager works in collaboration with all business units and global operational plants to implement our sustainability strategies and initiatives. Furthermore, external Independent Advisory experts provide support when executing and evaluating the implementation of our sustainability strategies.



GOVERNANCE / ACCOUNTABILITY

/ Delivering consistently high-quality products that our customers can depend on

EOC Group is committed to delivering high-quality products that live up to our customers' expectations as well as complying with relevant local, regional, national, and international rules and regulations. As part of our compliance with our quality, safety, and environmental management systems, we implement KPIs, carry out audits and execute regular evaluations.

OUR GOVERNANCE APPROACH

Management systems ⓘ page 20

Our sustainable development approach is supported by international, independently verified management systems. We recently received positive recommendations for recertification of the certificates listed on page 20, including updating the OHSAS 18001 into the ISO 45001 for our Belgian production plants. Thus we manage our risks and opportunities to eliminate the chance of future hazards and find ways to improve overall safety standards.

Changing standards ⓘ page 50

To ensure our continuous compliance with quality standards, we stay up to date with changes in laws, norms, regulations, codes, and performance standards, including the recent EU Green Deal rules which will make the EU's climate, energy, transport, and taxation policies fit for reducing net GHG by at least 55% by 2030 compared to 1990 levels.

Product Compliance and Liability implications ⓘ page 48

EU law ceased to apply in the UK at the end of the transition

period on 31 December 2020. At this point, the UK became a third party for the EU, leading to customs formalities and border controls. Within the EU, there are no significant changes regarding product liability in the short- to medium-term.

Internal audits

Internal audits, including compliance audits and risk-based audits, help us to improve our processes. Our internal audit team consists of auditors from all departments to deliver a balanced approach that helps us to understand the diverse aspects of our business.

External audits

EOC Group is audited by third parties, including Public Authority Checks (*in response to requests for licences or to comply with existing licences*), Seveso checks in Europe (*auditing our preventative measures, inspection procedures, and maintenance programmes on Seveso sites*), customer audits (*carried out by our customers*), and certification agency audits (*independent checks as part of the certification of our management systems*).

Product related certifications ⓘ page 7-9

We also comply with internationally recognised product related certifications like Kosher, Ecocert, and Cosmos.

Customer and employee satisfaction ⓘ page 37

We listen closely to our customers, sending out frequent customer satisfaction surveys and following up the results closely. Generally, customer feedback is positive, with most customers agreeing that our approach to sustainability is important to them. We also carry out an employee satisfaction survey.

Policies ⓘ www.eocgroup.com/policy-and-gdpr

Our policies and procedures provide our employees with clear guidelines that reflect our values and our desire to show good social citizenship. These include our corporate policy statement, GDPR procedures, information security policies, privacy notice applicants, anti-corruption policy and our code of conduct.

OUR MATERIALITY TOPICS

Legal Compliance / Safety Management Systems

WE COMPLY WITH:

WE ALIGN WITH:

MANAGEMENT SYSTEMS	ASIA			EUROPE							
	China	Thailand	India	Belgium	Italy	Netherlands	Poland	Portugal	Spain	Turkey	UK
QUALITY (QMS)											
ISO 9001	•	•	•	•	•	•	•	•	•	•	•
EFfCI GMP*	•			•							
ENVIRONMENTAL (EMS)											
ISO 14001	•	•		•							
SAFETY											
ISO 45001				•							
SUPPLY CHAIN											
RSPO				•	•						
SUSTAINABLE RATING											
ECOVADIS	•	•	•	•	•	•	•	•	•	•	•

*Our Surfactants Divisions in China and Belgium (Evergem plant) are EFfCI GMP compliant



We are a member of RSPO



License number 2-0349-12-100-00
Check our progress at www.rspo.org



GOVERNANCE / CERTIFICATIONS, STANDARDS AND MANAGEMENT SYSTEMS

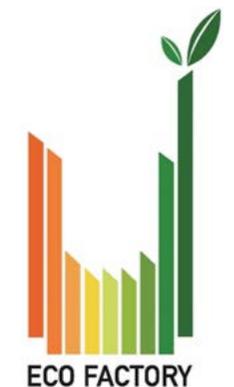
/ Strengthening our value chain for sustainable partnerships

EOC Group is committed to delivering high-quality products and services that live up to customers' expectations as well as complying with relevant local, regional, national, and international rules and regulations.

As part of our compliance with our quality, safety, and environmental management systems, we implement KPIs, carry out audits, and execute regular evaluations. Striving to go beyond compliance is one of our 2030 Goals.

OUR ACHIEVEMENTS

The journey towards achieving sustainability certifications has helped us to create a green corporate culture that rewards sustainability and promotes responsibility. We are proud of the engagement, commitment, and drive shown by our employees at all stages of our journey. We were awarded the Eco Social Value Factory certification in Thailand and UNITAR SDG Pioneer certificate in Belgium.



GOVERNANCE / CRISIS MANAGEMENT

/ A strong crisis communication plan contributes to effective crisis management

EOC Group works hard to manage the risks associated with storing, transporting, and handling chemicals with comprehensive training and strict policies and procedures that our employees and external stakeholders follow every day. However, it is not possible to remove all risk, which is why we have reviewed our crisis communication plan.

When a crisis occurs, organisations are under pressure to respond quickly with clear and complete information. Providing stakeholders with incorrect or incomplete information or delaying the sharing of information can have a negative impact on the organisation, damaging its bottom line, reputation, productivity, strategic direction, potential prospects, and employee morale.

Therefore, it is important for management to take an active role in crisis management. This ranges from ensuring open channels of communication for both whistleblowers and safety suggestions and addressing complaints, to delivering extensive training and implementing comprehensive procedures.

OUR GOVERNANCE

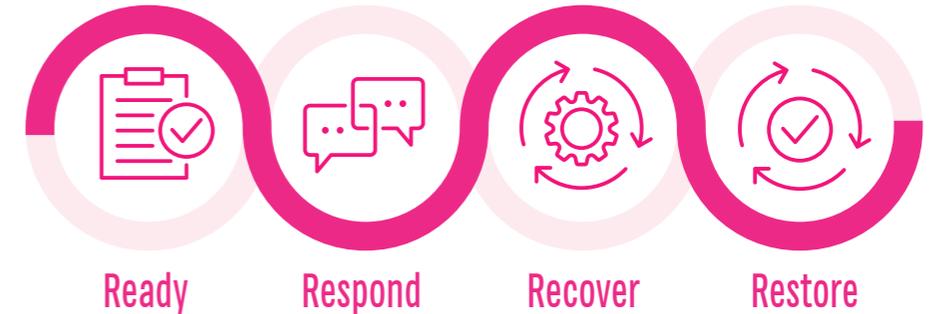
Our crisis communication plan

The updated crisis communication plan gives clear instructions about what to do at every stage of a potential crisis that has unexpected or unintended consequences or creates an immediate danger for human safety, environmental

damage, or property loss. The crisis communication plan starts by clarifying the steps we need to take in case of an emergency. This includes how to establish the right crisis team for the situation and continues with how to prepare a crisis centre, maintain a press list, and assign communication roles for different channels, including emails, phone calls, press releases, and interviews.

It also establishes procedures to ensure professional and empathetic communication of facts during the crisis and a comprehensive analysis and evaluation of the situation after the crisis, complete with clear communication to the press and other stakeholders and updated procedures to avoid a repetition of the crisis.

There are different aspects to the crisis communication plan, including policies for cybersecurity incidents, privacy breaches, a pandemic response plan, an emergency notification and evacuation plan, a disaster recovery plan,



a facilities response plan, and a brand or reputation response plan.

OUR IMPACT

The crisis management plan complements our policy statement and code of conduct. It is also part of our ISO 45001 management system documentation that strives for a world where every employee can do their work and return home safely every day.

OUR MATERIALITY TOPICS

Business Ethics / Legal Compliance / Human Capital Development / Transition Management

OUR FUTURE FOCUS

Currently the crisis communication plan covers EOC Group in Belgium. It will be extended to cover all European locations starting in the next reporting period. By 2026, the crisis communication plan will cover the entire EOC Group.





GOVERNANCE / CYBERSECURITY

/ Cybersecurity plays an increasingly important role for good governance

Our ability to effectively manage our business depends on the security, reliability, and capacity of our ICT systems, as well as the protection of our intellectual property and sensitive business information. EOC Group has invested and continues to invest in technology security initiatives and disaster recovery plans that help to protect against significant risks to our information technology systems and data.

We invest increasingly significant budgets in cybersecurity for our locations worldwide. All locations use the same information technology systems and solutions, including the same firewalls and anti-virus programmes. Cybersecurity is coordinated by the EOC Group ICT department in Belgium in collaboration with external local partners.

OUR GOVERNANCE IMPACT

Information system policies

We constantly review, test, update, and enhance our information security systems and processes as required. Furthermore, during the current reporting period we prepared our disaster recovery policy. This internal document will be used in case of fire, cyber-attack, or other occurrence, and details who should be contacted and what needs to be done.

Cybersecurity policies also state which security profiles to use on different mobile devices, as well as establishing what can be installed on them.

When it comes to data, we have established a stretched data centre. Located in four different places, if one data centre fails for any reason, the others are available to take over.

Employee education

Effective cybersecurity requires constant vigilance of all employees, which is why education is an essential part of protection. We strive to reinforce a cybersecurity-aware culture within EOC Group. This includes following an annual cybersecurity training with phishing session. This course is regularly updated based on the latest types of attacks and security best practices.

OUR MATERIALITY TOPICS

Business Ethics / Legal Compliance / Digitalisation

OUR FUTURE FOCUS

Currently the training platform is only used in Belgium, but this will be extended to other locations in the coming years.



/ Cyber resilience is a critical ESG governance issue

Our customers' growing data privacy awareness has encouraged EOC Group to include data privacy and digital ethics in our environmental, social, and governance (ESG) strategies.

While this is a relatively new stance for us, we are implementing comprehensive cyber resilience organisational practices that are customized to our entire organisation, including our supply chain.

OUR FUTURE FOCUS

We must think about cyber and cyber resilience as something that runs our organisation and is interconnected with strategy, operations, people, processes, technology, and data. In the coming years we will include 'technology' in our strategy as we move from ESG to ESGT (Environmental, Social, Governance, and Technology). Our customers rely on us, and ultimately on the stability of our company, communities, and governments, on a global level.



Planet

/ Taking responsibility for our impact on the environment



-20% Energy, -30% Water, -20% Waste, -30% Emissions

We are committed to expanding the circular economy and contributing to protecting our planet by focusing on ENERGY USAGE REDUCTION / RESPONSIBLE WATER USAGE / REDUCE, REUSE AND RECYCLE / REDUCING GHG



/ Our global impact on Environmental Responsibility

We take responsibility for the impact of our global footprint and are working towards reducing it by 2030. This involves implementing ambitious actions and adapting our procedures to ensure we can achieve this. EOC Group's efforts also acknowledge the European Green Deal and the UN SDGs' urgent mission to be climate neutral by 2050.

RESPONSIBLE WATER USAGE

Our water stewardship strategy contributes to **SDG 6 "Ensure availability and sustainable management of water and sanitation"** and **SDG 14 "Conserve and sustainable use the oceans, seas and marine resources for sustainable development"**.

We prioritize water efficiency by investing best practice technologies for water conservation, educating employees, and mitigating against water pollution and spills.

We monitor KPIs for our water consumption and quantity of recycled (*waste-*) water streams.

page 28



ENERGY USAGE REDUCTION

We continue to improve **SDG 7 "Ensure access to affordable, reliable, sustainable and modern energy for all"** by taking a dual approach to energy usage: aiming to reduce energy consumption while increasing the proportion of renewable energy. This will reduce our environmental impact.

We invest in renewable energy sources, prioritize energy efficient practices, including training, and implement clean energy technologies and infrastructure.

KPIs are set to monitor our efforts and to continuously improve.

page 25-27



REDUCE, REUSE AND RECYCLE

Conforming to **SDG 12, we "Ensure sustainable consumption and production patterns"**.

In the chemical sector, we play a vital role in finding new solutions that enable sustainable production patterns. Our R&D investments contribute to the circular economy.

We identify where interventions in the value chain have the greatest potential to improve sustainable sourcing and material efficiency, recycling, and total waste management, while monitoring the life cycle assessment and implementing waste KPIs.

page 29-30



REDUCING GHG EMISSIONS

By contributing to **SDG 13, we "Take urgent action to combat climate change and its impacts"**.

Through a variety of initiatives, we have decarbonised our operations and supply chain, improved our energy efficiency, increased our use of renewable energy sources, and reduced the carbon footprint of our products, services, and processes.

As part of our ambitious targets in line with the EU Green Deal, we monitor our fuel consumption KPIs, carbon footprint, emissions, and supply chain carriers.

page 31-33



BIODIVERSITY & ECOSYSTEMS

We work towards **SDG 15 "Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation, and halt biodiversity loss"**.

Our business and ecosystems are linked due to our reliance on them. We voluntarily incentivise sustainable land use, stewardship and environmental restoration. Our initiatives include R&D activities, natural infrastructure investments, and responsible sourcing policies. These initiatives will become part of our 2030 Goals in the future.

page 34



PLANET / ENERGY USAGE REDUCTION



/ Increasing renewable energy generation in Belgium

Finding ways to reduce energy consumption as well as increasing the proportion of renewable energy that we use are straightforward ways to combat global warming. With this in mind, we have investigated and implemented several initiatives.

Ensuring our energy usage is sustainable, from both reducing our consumption and by transitioning to renewable energy, is part of a 5 year project that we are undertaking with external partners.

However, as it can be difficult to predict renewable energy quantities in advance, this type of approach needs to be well thought-out to be both cost efficient and sustainable.

OUR KEY PARTNERSHIP

EDF Luminus is fully committed to renewable energy by maintaining, renewing, and developing its own production capacity. As part of this strategy, EDF Luminus is always looking for new sites that are suitable for renewable energy production. This made it an ideal partner for EOC Group for several renewable energy projects.

OUR IMPACT

We began our energy initiatives in 2017/2018 with an energy efficiency audit which led to us starting to renovate our lighting at our production plants in Belgium. In 2019-2020 we

continued this initiative, as well as installing solar panels at our production plants and a cogeneration plant and a wind turbine. Together, we could reduce energy consumption at EOC Belgium by 37% by the end of 2020.

OUR MATERIALITY TOPICS

Energy Efficiency / Energy used / Partnerships / Innovation

OUR CURRENT ENERGY INITIATIVES

Installing a cogeneration plant

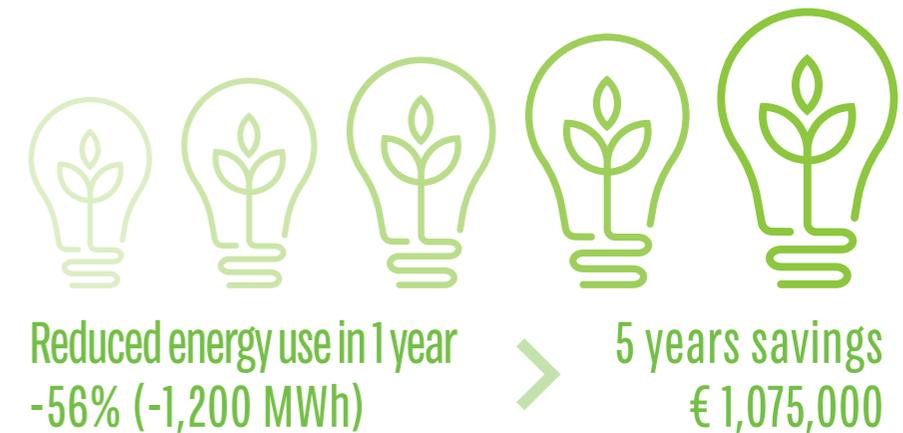
At the start of the current reporting period, we worked with Vanparijs Engineers to install a cogeneration plant (CHP) with a capacity of 600 kW at our production plant in Evergem, Belgium. The unit replaces a steam and hot water boiler, providing a relative primary saving of more than 20%.

Renovating lighting

From the first phase in the renovation of our lighting at our production plants in Belgium, we have already noticed a

significant drop in downtime and maintenance, as well as considerable energy savings. Once the renovation has been completed, the lighting at EOC Group in Belgium will consume 56% less energy (1,200 MWh) per year.

Motion sensors, dimmable lighting, and the WAGO light management control system will reduce energy usage further. Plus, maintenance costs and downtime for the renovated system will also fall. In total, we expect to save €1,075,000 over 5 years.



PLANET / ENERGY USAGE REDUCTION



Installing solar panels

We have installed solar panels on the roofs of two of our buildings in our production plant in Oudenaarde, Belgium, to generate renewable solar energy and reduce our ecological footprint. The solar panels were installed in 2019/2020 and will start generating power in 2021.

The installation has been financed by an external stakeholder as part of a partnership between the financier, EDF Luminus, and EOC Group. We will lease the installation for a period of ten years before ownership will be transferred to us. As the original investment cost has been made by an external party, this facilitates our cashflow.

Installing a wind turbine

In 2017, we submitted an initial permit application to install a wind turbine at our production plant in Evergem, Belgium. While waiting for a decision on this permit, we additionally applied for a second permit for the same wind turbine. This was approved for 20 years with a possible extension of 5 years.

When the plans for the wind turbine originally came to light, the local community opposed the potential location due to fear of noise pollution, cast shadow, and the potential risk from us being a Seveso site (*an industrial area where companies store, use, or produce large quantities of hazardous substances*).

These concerns were discussed during an information meeting with the local municipality, EDF Luminus, and us.

We planned to engage further with the local community to explain the potential benefits of the project and the strict safety standards that all partners would be following. Unfortunately, due to COVID-19, these sessions could not happen safely.

The wind turbine at our production plant in Evergem was ready to start-up at the end of 2020. The generated power will be used by our Adhesives and Surfactants Divisions, with the surplus being transferred to the grid.

The wind turbine is a 200m tall new generation wind turbine. The 131m mast holds three blades, each 69m long, making it the tallest onshore wind turbine in Belgium and unique in the region. The parts were transported to Evergem via the waterways to the Gentse Ringvaart, where a 155m high crane was used for the assembly.

OUR FUTURE FOCUS

We are also investigating the possibility of installing a wind turbine at our production plant in Oudenaarde, Belgium, as well as looking at other global projects that can help us achieve our 2030 Goals.



/ Poland solar energy investment

EOC Group in Poland installed 124 solar panels on the roof of our Adhesive Division plant together with a green partner.

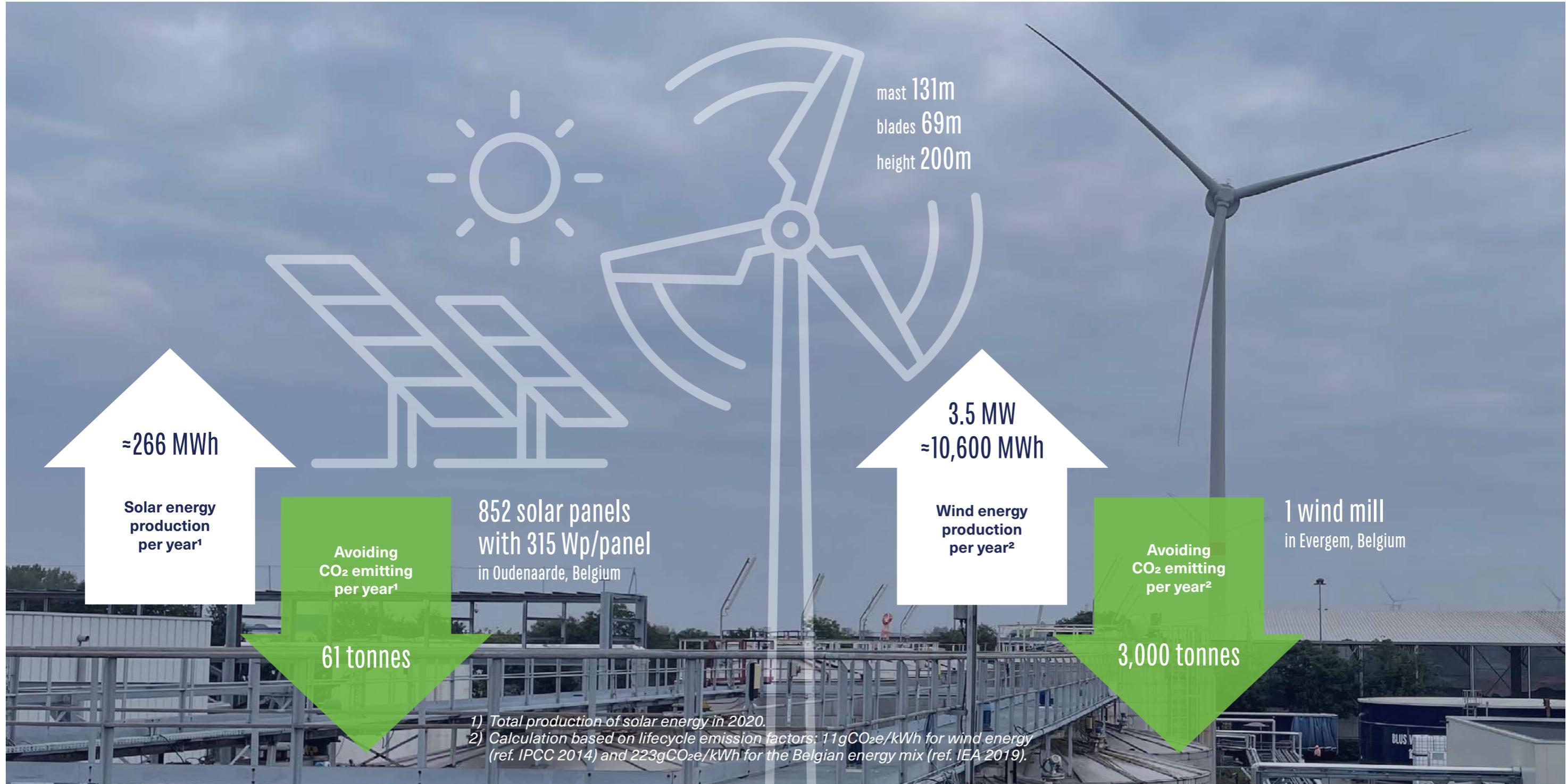
OUR IMPACT

The installed solar panels can generate 49.6 kWp (*124 panels of 400 Wp*), which allows us to produce almost 50 MWh of green energy per year, which is about 10% of the electricity needed in our production plant. That is a reduction of 10,605 kg of CO₂, the equivalent of 124 trees.

The 400 Wp solar panels are connected to a SolarEdge installer and an optimiser and controlled by an intelligent energy management system to ensure the maximum performance of each module.

OUR PARTNERSHIP

SELFA, the Polish manufacturer, has a good reputation for efficient and robust installations. They were awarded the EKO Brand 2020 emblem for their pro-ecological activities and environmentally friendly products and services.



PLANET / RESPONSIBLE WATER USAGE



/ Sustainable groundwater treatment at our production plants in Belgium

When it comes to water, quality and quantity are essential to ensure production in the chemical sector. The water supply can become more sustainable based on the water source used, the way it is treated, and the quantity required.

The EOC Group uses different types of water. For example, process water is used as feed water for cleaning activities. The steam boilers are fed with softened water. Demineralised water is needed for the polymerisation reactions. The different types of water have specific quality requirements and can be produced from different water sources, such as surface water or tap water.

Ekopak installation

In 2019/2020, we entered into a partnership with Ekopak for a new water installation at our production plant in Oudenaarde, Belgium. The new installation extracts groundwater before producing process water (removing iron and manganese), softened water (for steam boilers and cooling towers), and demineralised water (for polymerisation processes).

OUR IMPACT

The new Ekopak installation prevents the use of regeneration salts and consequently chlorides in waste water, and saves water throughout the production process.

No salt consumption and no formation of added chlorides

Previously the process water was softened decentrally using resins that were then regenerated using a brine solution. The new Ekopak installation softens process water using nanofiltration technology. This is based on the difference in pore size of the membrane which allows water molecules to pass through but blocks salts.

Water-saving technology

The Ekopak installation takes the wastewater from the nanofiltration unit and feeds it into a recup process, resulting in less water being lost in the production, softening, and demineralisation process. The amount of water saved will be further improved in the following reporting period as the installation is fine-tuned based on usage.

OUR FUTURE FOCUS

This environmental-friendly initiative is an addition to our various responsible water usage projects that we will increase on a global level to reach our 2030 Goals.

/ Achieving outstanding results with our partners

Sustainable water treatment is a driving force within our 2030 Goals. That's why Ekopak's view that "Sustainable Water, a driving force behind a circular economy", fits our sustainability strategy and follows our philosophy.

OUR PARTNERSHIP

Ekopak Sustainable Water recycles and re-values water to give their customers the certainty of an uninterrupted water supply, which is important for process water used in our production plant.

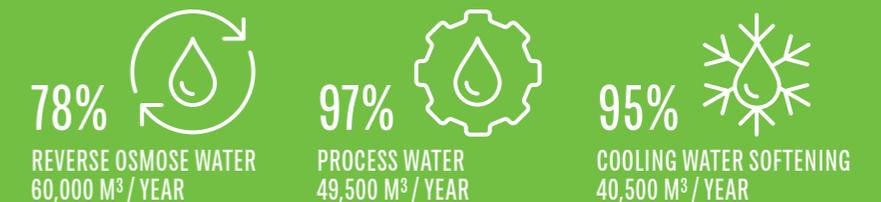
OUR MATERIALITY TOPICS

Water Use / Partnerships / Innovation

CURRENT EFFICIENCY DATA

We aimed to reuse 87.5% of our wastewater in Oudenaarde per year. By recycling the water we use in production, this resulted in an outstanding efficiency of 89%.

Current reused waste water per year - which includes:





PLANET / CIRCULAR ECONOMY

/ Reusing IBC packaging benefits the circular economy in Italy

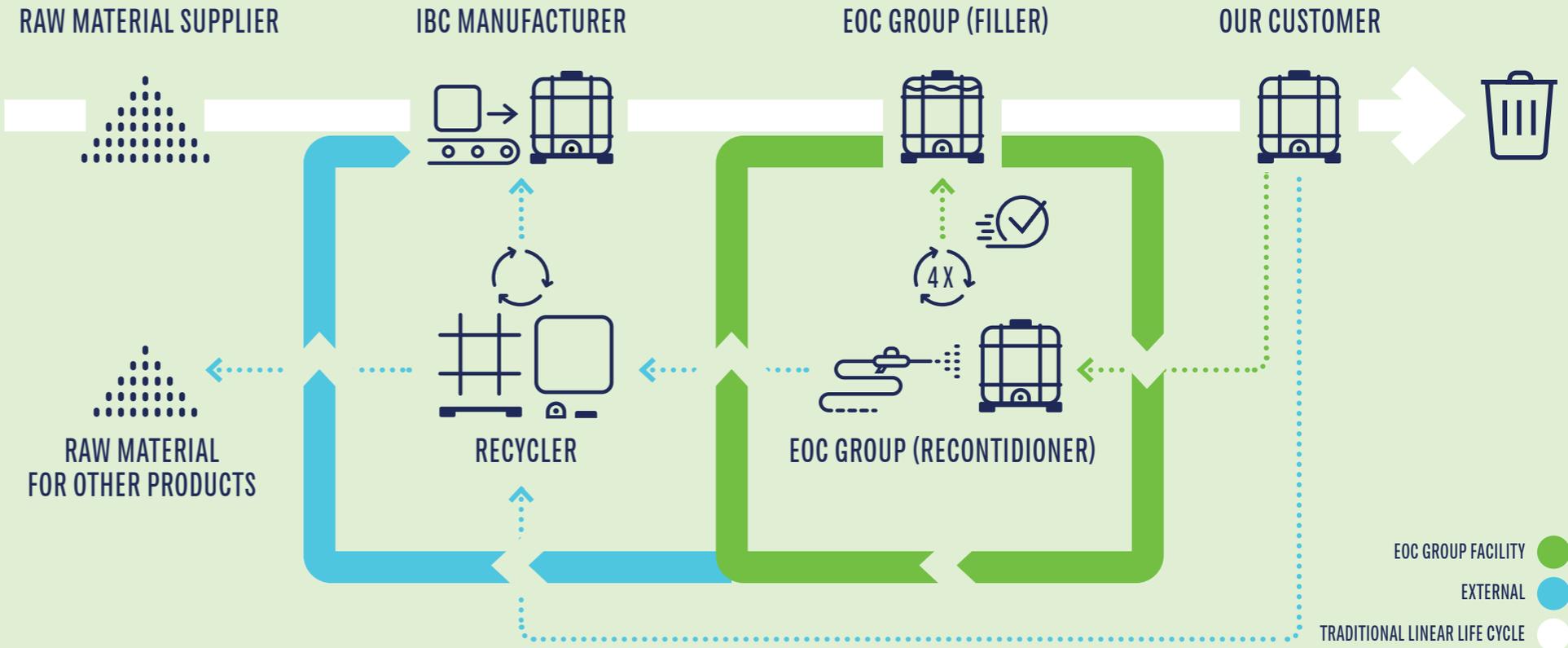
We are focused on improving packaging performance and redefining durability for our customers, finding ways to deliver circular solutions, reducing environmental impact and promoting sustainable activities. Extending the life cycle of packaging in Italy, as we have previously done in Belgium, is one example.

OUR IMPACT

We supply most of our end products in reused IBCs of 1,000 litres. We reuse IBCs by rinsing thoroughly after each use. All IBCs that contained hazardous materials are cleaned by an external organisation. Some customers require new IBCs for critical applications which is taken into consideration in our recycle and reuse policy. Customers that prefer smaller quantities continue to receive our end products in plastic or metal barrels.

OUR MATERIALITY TOPICS

Circular Economy / Waste Management / Partnership / GHG



/ From linear to circular solutions

Our integrated lifecycle management capabilities have a positive sustainability impact for us and our partners. The reconditioning, reuse, and recycling of IBCs reduces packaging waste and improves our environmental impact.



PLANET / CIRCULAR ECONOMY

/ We are awarded the PRS Green Label in the Netherlands

Pallets are a vital element for smooth transport and logistics in the chemical industry. To reduce the overall carbon footprint and show our commitment to the circular use of resources, EOC Group participates in the Pallet Return System (PRS), a single European pallet grouping network.

PRS is based on the supply of pallets, produced from FSC or PEFC-certified wood, to plastic polymer producers and their later recovery at their customers' warehouses after the products have been unloaded. This closed loop system promotes the circular economy.

OUR IMPACT

EOC Group is an active participant in PRS in the Netherlands having received the Green Label certificate twice (2019-2020) in recognition for our contribution to encouraging the reuse of pallets which leads to reduced packaging waste and fewer CO₂ emissions in our supply chain. A nice example of how chain parties can contribute together to sustainability!



OUR MATERIALITY TOPICS

Circular Economy / Waste Management / Partnership / GHG



Reusing certified wood pallets at EOC Group warehouse in the Netherlands



PLANET / REDUCING GHG



/ Reducing GHG emissions with sustainable transport options in Belgium

By taking a serious look at all forms of transport – including our employees commuting to and from work, transporting goods to our customers, and moving materials around our plants - EOC Group can implement new transport solutions that are more sustainable, more flexible, and more efficient.

Employee vehicles

While there are significant advantages of electrifying the fleet of our company cars, there are also some obstacles that need to be overcome. Electric cars currently have a range of approximately 300 km and the charging infrastructure is not yet extensive enough to reassure all potential drivers. Even with these obstacles, we started to electrify our company car fleet in 2019/2020, starting the transition by moving from diesel cars to hybrid vehicles.

We have implemented a number of policies to promote the use of hybrid and electric vehicles, including placing 20 new charging stations at our production plants in Belgium and installing charging stations at employees' homes. The hybrid and electric cars use an intelligent charging cable that recognises if the employee is charging the vehicle at home or at work and reimburses the employee for the electricity costs of charging at home.

Bike leasing

During the current reporting period, we introduced a new bike leasing scheme in Belgium. On condition that the employees commuted to work 20% of the time, they could lease a bike of their

choice via an external leasing company. After three years of lease payments, the bike will belong to the employee.

OUR IMPACT

In addition to the health benefits of encouraging employees to exercise more, bike leasing is part of a new HR trend that enables employees more flexibility to choose the right mobility solution for their situation. Plus, increasing the number of kilometres that employees cycle instead of drive has environmental benefits. To date 53 employees in Belgium have started a bike lease.

OUR MATERIALITY TOPICS

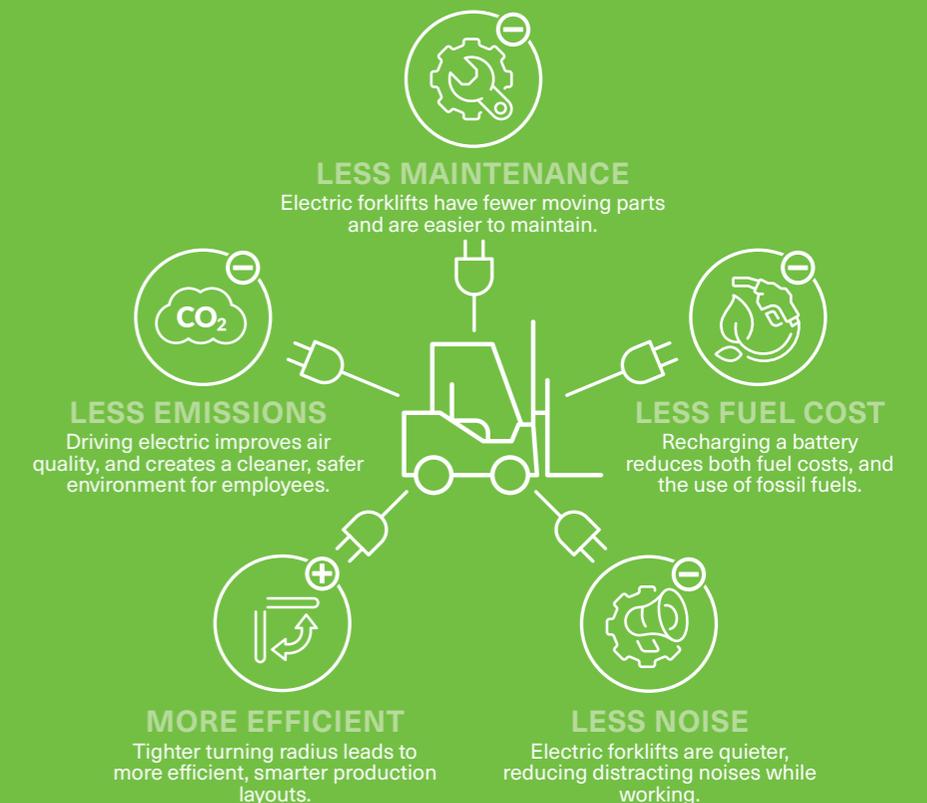
GHG / Legal Compliance / Partnerships / Supply Chain

OUR FUTURE FOCUS

Assuming the market can support EVs, the aim is to be fully electric by 2025. We will ease this transition by increasing the amount of charging locations at our production plants in Belgium and encouraging more employees to start the bike leasing programme. We will also investigate the feasibility of implementing similar projects on a global level.



/ Enhancing eco-efficiency with electric forklifts in China adds many advantages





PLANET / REDUCING GHG

/ Fleet renewal in Belgium improves our supply chain

To further enhance the sustainability and flexibility of our supply chain, we ordered 12 new MAN trucks in 2020.

OUR INVESTMENT

The new Euro 6 standard trucks will be operational in 2021. As well as fuel efficiency, thanks to their aerodynamic chassis for a low drag coefficient, the new trucks offer increased safety for its drivers and other road users. This includes improved mirror positioning and onboard cameras for better visibility, and driver assistance systems such as emergency brake assist, electronic stability programme, antislip regulation, and lane guard system.

OUR PARTNERSHIP

Thanks to our positive experience working with Frankin MAN maintenance service centre, including their high service levels and technical knowledge, we ordered the new trucks from them. To ensure that we can fully utilise the benefits of these trucks, our drivers have taken a MAN's ProfiDriver eco-driving course to learn how to use the new vehicle features and how to drive economically and environmentally friendly.

OUR IMPACT

Additionally, the data generated by the fleet will be captured in the new Trimble Black box telematics solution in each truck and transmitted in real-time to a new digital web platform that will be operational during the next reporting period.



Goal ≈ 31.5 litre / 100 km
Diesel fuel use (including unloading)



Test Results ≈ 29 litre / 100 km
Diesel fuel use (including unloading)

Eco-driving course

All our drivers are trained how to drive economically with the new MAN trucks





/ Lowering GHG emissions in our Asian production plants



/ Improving water rinsing scrubbing to meet stricter Chinese standards

- ⌚ **REGULATION** The regulations in China for pollutant discharge became stricter in 2018 for facilities like our Compound and Adhesive plants, with the Ministry of Ecology and Environment issuing permits to companies that complied with the tighter regulations.

- ⌚ **PRODUCTION** Previously the waste gas from these productions was discharged after being treated by bag dust removal, but other emissions were not treated.

- ⌚ **SOLUTION** We started to collect the waste gas from the Compound and Adhesive plants, including escaped vapour from the breathing valve of the volatile liquid storage tanks and wastewater pool. This was piped through a water rinsing scrubber and active carbon absorption unit for treatment before being discharged. The equipment needed to meet these standards was installed and put into operation in 2020.



/ Reducing the discharge of pollutants by retrofitting boilers in China

- ⌚ **REGULATION** Environmental regulations are regularly updated, with stricter controls that we need to meet. At the end of 2020, the emission standards for air pollutants from boilers became tighter, reducing allowed exhaust discharges.

- ⌚ **REDUCTION** Previously, boilers could emit <math><20\text{mg}/\text{m}^3</math> of particles, <math><20\text{mg}/\text{m}^3</math> sulphur dioxide, and <math><150\text{mg}/\text{m}^3</math> nitrogen oxide. The new standards reduce this to <math><10\text{mg}/\text{m}^3</math> of particles, <math><10\text{mg}/\text{m}^3</math> sulphur dioxide, and <math><50\text{mg}/\text{m}^3</math> nitrogen oxide.

- ⌚ **SOLUTION** Our surfactant department in China had two boilers that were affected by the stricter standard. The boilers already complied with the lower levels of particles and sulphur dioxide, but their nitrogen oxide emission was $110\text{mg}/\text{m}^3$, so we retrofitted low-nitrogen combustion technology to the boilers which successfully lowered the emissions.



/ Reducing the consumption of fresh activated carbon in Thailand

- ⌚ **PRODUCTION** Producing products containing EA often results in a lingering odour that can have a negative impact on our neighbours. To reduce this effect, we use activated carbon, which is replaced every three weeks, but this results in a high consumption of carbon.

- ⌚ **SOLUTION** Based on advice from TREVI, a Belgian consultant, we modified our wet scrubbing system to reduce our carbon consumption. Now the waste gas goes to the wet scrubber unit between passing through the small and large active carbon units before it is discharged.

- ⌚ **RESULTS** As well as eliminating odour complaints, the modified flow has also reduced our active carbon consumption from 11.3 mt in 2019 (*the year before the modification*) to 7.8 mt in 2021 (*the year after the modification*).



Our certificate for planting trees with Quercus on February 1, 2020, at Casal Vale de Salteiros farm, Ponte de Sor, Portugal.



400 planted trees > all CO₂ emissions from one year of production in Portugal



PLANET / BIODIVERSITY

/ Planting trees to improve biodiversity in Portugal

EOC Group in Portugal brought together employees and their families to plant 400 cork oak and myrtle bushes with Quercus. This will help boost local biodiversity, help return native species to the area, and reduce the effects of climate change.

🕒 **OUR PARTNERSHIP**

We collaborated with Quercus, a Portuguese NGO that encourages people to take actions that have a positive impact on climate change such as facilitating tree planting and educating future generations. As part of a multi-faceted mitigation strategy, planting trees can play an important role in the fight against climate change and the devastation it causes.

🕒 **OUR MATERIALITY TOPICS**

Community Engagement / Business Ethics / Lowering GHG Emissions / Partnerships

🕒 **OUR FUTURE FOCUS**

Starting in 2022 we will plant trees around our production plants and offices in Belgium and Thailand. We are also encouraging our employees and management to follow the example of our Portuguese colleagues and actively partner with local NGOs to contribute to SDG 13 “Climate action” and SDG 15 “Life on land”.





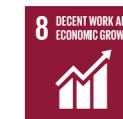
People

/ The impact of social progress on our most important asset



Social Progress

Our ambition is improving social progress by focusing on VALUING OUR RESOURCES AND DEVELOPING OUR TALENTS



/ Our global impact on Social Progress

Our social responsibilities form a key aspect of our 2030 Goals. EOC Group invests in impactful opportunities that monitor and improve the well-being and future prospects of all our stakeholders, from employees and contractors to visitors and local residents.

GOOD HEALTH AND WELL-BEING

We continue to invest in **SDG 3 "Ensure healthy lives and promote well-being for all at all ages"**.

Some of the ways that we achieve this is by listening to our employees' concerns and needs in one-on-one meetings and monthly team meetings and investing in health and well-being coaching.

We monitor health and well-being KPIs through our employee evaluations and employee satisfaction survey.

page 37-38



IMPROVE KNOWLEDGE ACROSS THE BUSINESS

We achieve **SDG 4 "Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all"** by implementing long-term strategic investments in career and skills development that will lead to a larger, more talented pool of *(future)* employees.

Our digital e-power dashboard and performance training platform play a vital role in this. We also report annually on our employee training, competency management, and performance management.

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DIVERSITY AND INCLUSION IN THE WORKPLACE

We are working towards **SDG 5 "Achieve gender equality and empower all women and girls"** by creating equal opportunities for all.

The chemical sector plays a vital role in promoting equality, therefore we are making a greater commitment to ensure women rise to leadership roles for a more correct spread within the business community.

We pay equal remuneration, including benefits, for work of equal value and strive to pay a living wage to all women and men.

page 40-41



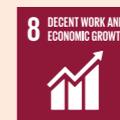
EQUALITY OF CAREERS AND SKILLS DEVELOPMENT

Conforming to **SDG 8**, we "**Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all**".

We are the engine for job creation and economic growth and promote economic activity through our value chain.

We invest in decent employment opportunities and careers and skills development, which is good for both business and society, including fair hiring and assessments and on-the-job training.

page 37-44



SAFETY OF ALL STAKEHOLDERS

We continue to invest in **SDG 11 "Make cities and human settlements inclusive, safe, resilient, and sustainable"**.

The safety of our employees, contractors, visitors, local residents, and society is an utmost priority to us. As it directly affects our effectiveness and the well-being of all our stakeholders.

We aim for zero accidents in the long term, invest in safe and sustainable infrastructure, and monitor health, safety, and security continuously, which benefits all.

page 42-44



PEOPLE / HEALTH AND WELL-BEING



/ Investing in employee feedback and satisfaction to create a winning workforce

Every 2 years EOC Group organises an employee satisfaction survey. This gives us important insights into how our employees are feeling at work, their stress levels, and their psychosocial well-being.

OUR IMPACT

The survey focuses on work organisation, job content, relations, and compensation, plus employment conditions. We also monitored employee empowerment, career advancement, work intensity, work/life balance, values and culture, change policy, and information provision to measure employee satisfaction.

The results were positive. Compared to the Belgian benchmark, our scores were good. But while employees enjoy working for EOC Group, there is still room for improvement in many areas.

OUR MATERIALITY TOPICS

Labor Practices / Business Ethics / Partnerships*

OUR FUTURE FOCUS

We will strive globally to turn satisfied employees into engaged employees who love challenge, purpose and meaningful work. We will invest in targeted resources, training and stronger communication which our employees find important.

*We conducted this survey in collaboration with our external service for prevention and protection at work



PEOPLE / HEALTH AND WELL-BEING



/ Improving health and well-being is vital to support our employees to live healthy lives

Research tells us that health and well-being at work has a huge influence on employees, not only in the workplace, but also in their private lives, which is why we implemented a range of training courses to help our employees become healthier and happier.



OUR IMPACT

Resilience during COVID-19

The uncertainty of COVID-19, coupled with the constantly changing rules, anxiety, and feelings of loneliness, have made it challenging for employees to remain resilient. At our production plants in Belgium, employees of all levels were invited to attend an online workshop to help them become more resilient during

the pandemic, with a private follow-up session by an external stakeholder to discuss their individual concerns.

The workshop explained what resilience is and how external situations, like COVID-19, can affect it. Practical tips were also shared on how to notice problems with resilience in yourself and others, and how to boost your resilience to help yourself in difficult situations.

Help to quit smoking

Smoking has a detrimental effect on all aspects of the lives of smokers, including their health and finances. As part of the Flemish Government's initiatives to reduce the numbers of active smokers, everyone living in Flanders is entitled to counselling to help them quit smoking. This is partly paid by the individual.

In Belgium, we established group sessions to support smokers as they undertook the behavioural change to quit and become healthier. We paid the individual's contributions for the eight sessions.

Standing still with movement

On the one hand, experts state that sitting is the new smoking. However, on the other hand, experts also state that extreme exercise isn't healthy. To find out where the balance lies, we arranged a workshop to give our employees insights into dynamic relaxation exercises and balanced active movement.

OUR MATERIALITY TOPICS

Health & Safety / Human Capital Development / Labor Practices / Business Ethics / Partnerships

OUR FUTURE FOCUS

In our well-being survey, employees stated that they would like more healthy eating options at work, such as fresh meals, fresh soup, fruit, or healthy snacks, as well as the opportunity to physically relax or exercise before work, during breaks, or after work in a relaxation room or sports facility. While we have not been able to implement these changes yet due to COVID-19, we plan to continue assisting, maintaining and improving the mental and physical well-being of all our employees in Europe and Asia.

PEOPLE / (SUSTAINABILITY) KNOWLEDGE



/ Importance of great communication skills for workplace success

Good communication, whether it is between employees, managers and colleagues, or EOC Group and external stakeholders, adds value for all parties. With this in mind, we implemented a training course to help improve communication throughout the organisation.

When everyone is aware of how their communication comes across to others, potential causes of miscommunication can be reduced or even avoided completely. We want to improve standardised communication to ensure information is shared promptly and clearly with all relevant parties, avoiding the possibility that employees are not informed of certain matters in advance.

OUR IMPACT

Run by an external stakeholder, the training course focused on oral communication, looking at how an interlocutor can interpret a message as well as how to convey a message in a positive way which leads to cooperation and consultation. Other focus points included active listening, reflecting on the effect of communication, and learning to work together through communication.

Each session was open to up to 12 employees from across our production plants in Belgium, resulting in unique groups that spanned different levels, departments, cultures, genders, and education levels.

To make it easy for employees to attend, the training courses were all scheduled at different times during standard working hours. As it was not possible to schedule the sessions for evenings, nights, or weekends to accommodate shift workers, these employees received overtime to cover the time spent in the training course.

TOTAL TRAINING PARTICIPANTS



OUR MATERIALITY TOPICS

Human capital development / Business Ethics / Partnerships

OUR FUTURE FOCUS

This training course will be followed by a specific training for all managers to strengthen their leadership capabilities, including their communication style. Furthermore, a new Communication Manager will be recruited to ensure that communication remains an important focus area.

/ New challenge: remote communication

Even before COVID-19 made it a global standard, employees were asking EOC Group to implement remote working. We remain open to organising work differently to meet new and ever-changing employee requirements.

Lockdown saw the process of employees working from home being accelerated, with some working remotely for the first time. While distributed teams working remotely can increase productivity, they come with a different set of working conditions and a very big challenge: communication.

It also changes the role of the manager, who is now more likely to step into the role of coach, directing and inspiring team members from a distance. Every team strives to have excellent communication that enables work to flow smoothly, teams to form, and output to increase. Yet remote communication is distinct from its office-based equivalent. What works in-person may not translate well online. Therefore, virtual teams need to understand and practice effective communication.

OUR MANAGEMENT SYSTEMS

We implemented a range of initiatives to facilitate remote working for all employees that can feasibly work from home. This includes a new policy covering home working and investments in infrastructure upgrades.



PEOPLE / DIVERSITY AND INCLUSION

/ Achieving gender diversity to drive growth in our industry

EOC Group believes that diversity and inclusion are essential for the future of our work and workplace. By forming cohesive teams from different backgrounds, ethnicities, genders, generations, and religions, we will become more motivated, creative, and innovative, providing better products and services to our customers.

OUR IMPACT

Over the last 10 years, the balance of 83% men to 17% women within the group has remained virtually unchanged. However, China, Poland, and Thailand have a better balance (70%-30%) in both white- and blue-collar positions. In Belgium there is a similar ratio for white collar and R&D employees.

OUR MATERIALITY TOPICS

Diversity & Inclusion / Human Rights / Labor Practices

OUR FUTURE FOCUS

We recognise the need for greater participation of women at all levels of our industry. By increasing the number of female leaders, decisions are made differently, retention rates increase, and knowledge is spread more widely. That's why we plan to make the leadership team more diverse by increasing the number of women in leadership positions by 2030 and further developing our culture to be more inclusive and supportive.



Archana Talegaonkar,
Manager Sales & Administration,
EOC PIPL India



SIRILAK SRIMUMANG / Director & Financial Controller / EOC Polymers Thailand

/ "Thailand actively promotes female leadership - and that's also true at EOC Group."

- ⊗ **EQUALITY** Thailand is committed to prioritising the empowerment of women, so they can become a more important part of the country's economy and society.

- ⊗ **DIVERSITY** I have always worked in finance, slowly moving from being a Junior Accountant to a Senior Accountant and then to a Finance Manager. At EOC Group, I have been given a wide range of career opportunities. In addition to my accounting responsibilities, I have become a leader in the organisation and play an active role in team building. I also represent the company to our stakeholders, in particular government agencies and local communities. EOC Group has consistently supported and created equality within the organisation.

- ⊗ **INCLUSION** In my experience, I have found that women are often better at managing conflicts in organisations than men as we know when to use a soft touch. This has helped me to feel included and welcome at EOC Group.



ARCHANA TALEGAONKAR / Manager Sales & Administration / EOC PIPL India

/ "The chemical industry is mostly a man's world, but I always feel included."

- ⊗ **EQUALITY** In Indian culture, women are respected. We get equal opportunities in every sector, and we receive the same respect and equality in our workplace.

- ⊗ **DIVERSITY** I joined EOC Group in India as a Sales Coordinator in 2010. My manager had faith in my abilities, empowering me to grow in my role over the past 12 years. Today I am the Manager Sales & Administration, responsible for the dispatch and production planning, HR, customer communications, and administrative tasks. I am happy with the support that I have received from my manager and colleagues.

- ⊗ **INCLUSION** Culturally in India, we enjoy respect and recognition from people in our society and in our workplaces. I lead daily production meetings, organise welfare events, and continuously interact with the shop floor team to ensure the smooth running of the plant. Everyone responds respectfully to me.



JENNY YAO / Finance Manager / EOC Polymers China

/ "As a female manager, I have had a positive impact on our working culture and our financial efficiency."

- ⊗ **EQUALITY** In China, women have always enjoyed equal rights in education, work, and pay.

- ⊗ **DIVERSITY** As a woman, I am happy that I can realise my dreams. Since I graduated from university, I have worked in financial departments, and I have never been treated differently at work because of my gender. This has allowed me to improve my talents and expand my knowledge. Since joining EOC Group as a financial manager in 2007, I have found a space where my skills can be fully utilised. And as a manager, I am directly involved in the operation of the company, just like the male managers.

- ⊗ **INCLUSION** I am very happy that I can live in China and work for EOC Group. As Xi Jinping, our Chinese President, said "in the pursuit of a better life for the Chinese people, every woman has the chance to make a difference in life and realise her dreams".

PEOPLE / SAFETY FOR ALL STAKEHOLDERS



/ It is our duty and responsibility to protect the safety of all stakeholders involved at all times

Everyone should have access to training, knowledge, materials, and PPE they require to remain safe at work. Therefore, EOC Group's prevention services and employee representatives drew up a long-term safety plan for 2020-2024 to ensure a safer and more ergonomic workplace.

This is part of our commitment to protecting the health, safety, and welfare of our employees, contractors, visitors, and neighbours. When it comes to safety, we believe that all accidents and injuries are preventable. This means that we aim to prevent all accidents at all our locations.

As the long-term safety plan will be rolled out over several years, we have also prepared an Annual Safety Action Plan for our Belgian production plants that details our strategy for the upcoming year. This will also be presented visually based on annual roadmaps to facilitate understanding throughout the organisation.

OUR IMPACT

In 2019/2020 the long-term safety plan focused on three priorities: First, the importance of safety when working at heights was highlighted by a serious occupational accident in 2016 which led us to adapt our related policies and install new fall protection systems. Second, to reduce the impact of bottlenecks concerning communication, we implemented a new digital safety management system to allow efficient and transparent follow-up of all safety

concerns. Last, we established a uniform and transparent internal emergency plan for all potential situations in Belgium.

In order to maintain our flexibility, while still achieving our safety targets, we will adapt and add actions to the Annual Safety Action Plans during the year based on current operational needs.

OUR MATERIALITY TOPICS

Health & Safety / Safety Management Systems / Labor Practices

OUR FUTURE FOCUS

Our efforts to improve safety are ongoing. In the coming years, we will focus on the safe traffic systems for internal transport, safe management of chemical substances, the modernisation of safety installations, and the increased intrinsic safety of existing installations. Each initiative will be comprehensively audited by our Health and Safety Managers to ensure compliance with standards and best practices.

/ New materials highlight our safety rules

Safety materials need to be clear, comprehensive, and up to date in order to be effective and keep all stakeholders safe. We updated our safety brochures and posters for our Belgian production plants during the current reporting period.



OUR COMMUNICATION TOOLS

The new brochures include a detailed evacuation plan for each location, information about required PPE for all employees and visitors, and rules concerning safety, behaviour, and hygiene. The same information is also shared via posters that have been displayed on internal noticeboards.

OUR SAFETY RULES

The materials also highlight EOC Group's 5 Golden Safety Rules. These rules act as a reminder of the general safety procedures that everyone needs to follow in order to ensure a safe future for all stakeholders.



PEOPLE / ZERO ACCIDENTS

/ Being safe when working at height in India, Italy and Belgium

Working at height can be a dangerous activity when safety precautions are not taken. EOC Group is legally required to protect all employees from falling when working at height, with additional measures needed for employees working more than 2m from the ground.

OUR INVESTMENT

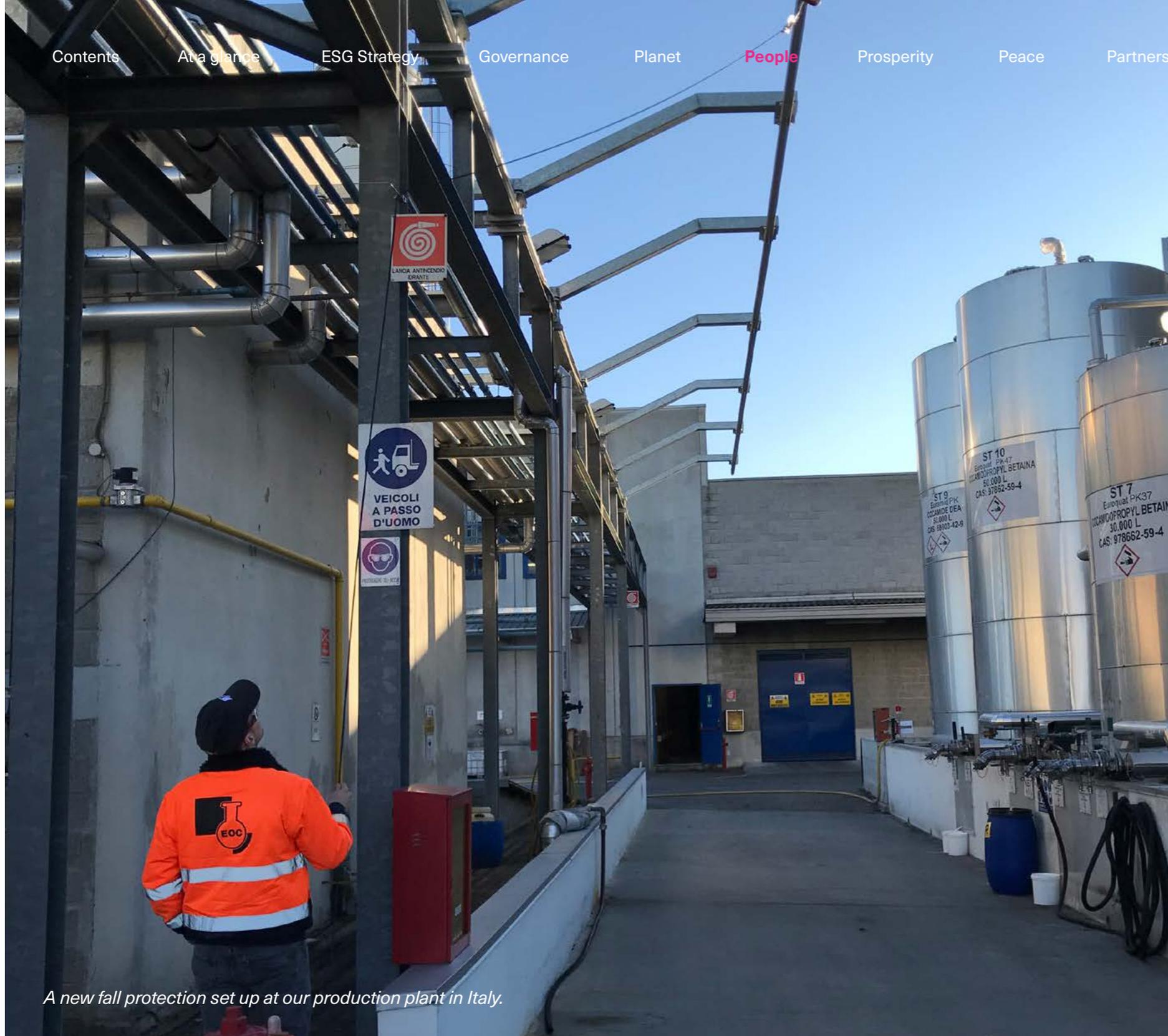
Therefore we take our responsibilities serious and aim to provide a working environment that is designed, set up, and equipped to guarantee safety. In 2019 and 2020 we installed fall protection systems at our production plants in Belgium, India, and Italy, above the HSL storage tanks for transporting hazardous and non-hazardous cargo.

OUR AWARENESS

We continuously create awareness so any worker carrying out tasks at a height is obliged to wear personal protection equipment (PPE) from falling. Supported by safety training, internal awareness campaigns and monitoring safety monthly.

OUR FUTURE FOCUS

We plan to follow-up progress and invest further in this area to ensure safety equipment is installed in all non-secure areas, such as the Compound department at our production plant in Oudenaarde, Belgium.



A new fall protection set up at our production plant in Italy.

/ It is key for our Asian production plants to continuously improve and invest in health, safety, and security



/ Improvements in China contribute to a healthy, safe and secure workplace

- ⊙ **HEALTH** We established requirements and procedures for working in confined space operations, such as in and around the storage tanks, reaction kettle, and underground sewage tanks.
- ⊙ **SAFETY** We conducted a workplace safety assessment of explosive dust (*wheat starch and sulphur powder*) used in the adhesive workshop, which resulted in new safety procedures and some minor infrastructure modifications.
- ⊙ **SECURITY** We established a double risk prevention system for special equipment. This listed the characteristics of all special equipment. Additionally, we evaluated identified risks and assigned potential solutions and control responsibilities to each.



/ Thailand promotes a strong safety culture for all our stakeholders

- ⊙ **HEALTH** We have replaced the gas detector system and control cabinet with a new Honeywell system which provides increased monitoring sensitivity.
- ⊙ **SAFETY** We installed a new sprinkler system in the unloading area in case of fire and modified the fire alarm system in response to changes in production to enhance its effectiveness.
- ⊙ **SECURITY** We have labelled all pipes with the product name, direction, and relevant hazard signs to increase employee risk awareness, facilitate maintenance, and assist emergency responders when required.



/ India implements new equipment, procedures, and safety system

- ⊙ **HEALTH** We installed a fixed pipeline with barrel pump for dosing biocide and a dip pipe for ammonia dosing on the inside tank in the latex and compound plant to ensure that the manual handling of biocide is now safer.
- ⊙ **SAFETY** In order for the risk of falls from tank containers to be effectively controlled, we installed new fall protection equipment above the HSL storage tanks.
- ⊙ **SECURITY** In addition to purchasing new confined space entry and rescue equipment (*Davit arm system*) and implementing a multi-gas detector with LEL (*lower explosive meter*), we have given employees additional training on the safe execution and rescue of others from confined spaces.

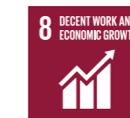
Prosperity

/ How driving our 2030 goals in the new global context impacts our economic development



Economic Development

Our ambition is improving our economic development by creating more INNOVATIVE SUSTAINABLE PRODUCTS, PROFITABLE PROCESSES AND RESPONSIBLE SERVICE



/ Our global impact on Economic Development

At EOC Group, we know that economic development is compatible with our 2030 Goals. We use the SDGs as a framework, implementing initiatives that contribute to both our bottom line and our sustainability efforts.

SUSTAINABLE COMPETITIVE ADVANTAGE

To achieve **SDG 8**, we "**Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all**".

We invest in safe and secure work and recognise the importance of sustained economic growth and high levels of economic productivity for the creation of well-paid quality jobs, as well as resource efficiency for consumption and production.

We use KPIs to monitor our contributions to our value chain and how we can increase our sustainable competitive advantage.

page 47



DIGITALISATION, INNOVATION, AND INFRASTRUCTURE

Conforming to **SDG 9**, we "**Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation**".

We achieve higher levels of economic productivity through the improvement of product diversification and innovation. We invest in new infrastructure, with a focus on value-added digitalisation.

We manage and optimise our company projects and initiatives by establishing standards, promoting regulations, and monitoring KPIs.

page 49



RESEARCH & DEVELOPMENT AND THE CIRCULAR ECONOMY

We work towards **SDG 12** to "**Ensure sustainable consumption and production patterns**" by using improved product portfolio analysis tools, including KPIs, to give us more insights into the environmental and social footprint of our products and help us to transition from a linear production model to the circular economy.

We invest in finding new solutions that enable sustainable consumption and production by focusing on sustainable sourcing, resource efficiency of products and services, procurement practices, and materials recycling.

page 51-52



SUSTAINABLE PERFORMANCE MANAGEMENT AND SYSTEMS

We contribute to **SDG 16** "**Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels**" by improving our supply chain risk management, responsible sourcing, and grievance procedures, while adhering to all relevant laws, regulations, and anti-corruption policies in respect to responsible business practices and human rights.

We monitor and measure our ESG performance in the supply chain, report ethical issues and use performance scorecards.

page 48, 50



SUSTAINABILITY KPIS FOR ALL BUSINESS UNITS

We support **SDG 17** to "**Strengthen the means of implementation and revitalize the global partnership for sustainable development**" by working towards the circular economy, engaging with key stakeholders to better society.

Our investments include circular economy projects, strategic partnerships, network building, community engagement projects, and external communication.

We monitor the effectiveness of these projects to engage with the community and build sustainable partnerships with our value chain.

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PROSPERITY / ECONOMIC DEVELOPMENT



/ Using economic development to achieve our 2030 Goals

EOC Group has implemented numerous initiatives designed to help us achieve our 2030 Goals. These initiatives drive progress towards innovative sustainable development, reduce our environmental impact, create healthy living for healthy societies, implement profitable processes and responsible services, and bring economic benefits to all stakeholders.

While our work contributes to nearly all the SDGs, we have focused our efforts on the SDGs where we believe we can have the greatest impact and can represent a significant step forward by 2030. Our 2030 Goals also support the EU Green Deal.

EXTERNAL INFLUENCES

The current megatrends, as well as the economic and political situation, have had an impact on our development. In addition to the negative impact of COVID-19 on our employees, it has also impacted our business with supply chain issues. However, the pandemic has also had a positive impact on sales of our surfactants used in cleaning products, adhesives used in packaging applications, and a variety of products for the construction industry.

We monitor the changing situation in the UK due to Brexit and change our procedures accordingly. So far, this has resulted in increased costs for customs clearance and customs documentation, as well as up to 3 months of safety stock of all raw materials being stored at an off-site storage facility which has had a negative impact on our cashflow.

Digitalisation, which has been accelerated due to the pandemic, has completely changed the way we work, communicate, innovate, produce, and consume. This investment will help us improve our performance.

Our business activities are continuously affected by the impact of climate change. This comes with a cost but at the same time we make sure that our operational expenses, loss of capital and supply chain disruptions due to climate change remain limited and under control. However this also leads to new business opportunities.

OUR INVESTMENTS

Investments in 2019-2020, included digitalisation flows, waste reduction processes, fall protection equipment, greener fleet, and windmill and solar panels installation. While we will enjoy a return on all these investments, it will take time to materialise.

OUR IMPACT

On a practical level, we have set 2020 as our benchmark, giving us a decade to achieve our ambitious 2030 Goals, increase our

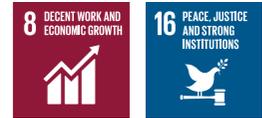
value creation, and strengthen our day-to-day performance. We use economic tools, such as performance and cost optimisation, digitalisation, KPIs, and roadmaps, to measure and monitor our progress and guide our way forward.

OUR MATERIALITY TOPICS

Transition Management / Competitive Behaviour / Digitalisation / Innovation

OUR FUTURE FOCUS

We will further roll-out the digital transition to cloud computing. Also the automation to reduce manual operations and improve the quality of work for our blue-collar workers. We will continue to invest in infrastructure that will further benefit the circular economy with sustainable products, profitable processes, and responsible services. We will review our growth and business model to optimize our organisational structure that focuses more on our global network, while enabling us to adopt a more customer-centric approach. These actions are essential to achieve our 2030 Goals, as well as economically benefitting our organisation.



PROSPERITY / COMPETITIVE ADVANTAGE



/ The impact of Brexit on our business and its sustainability

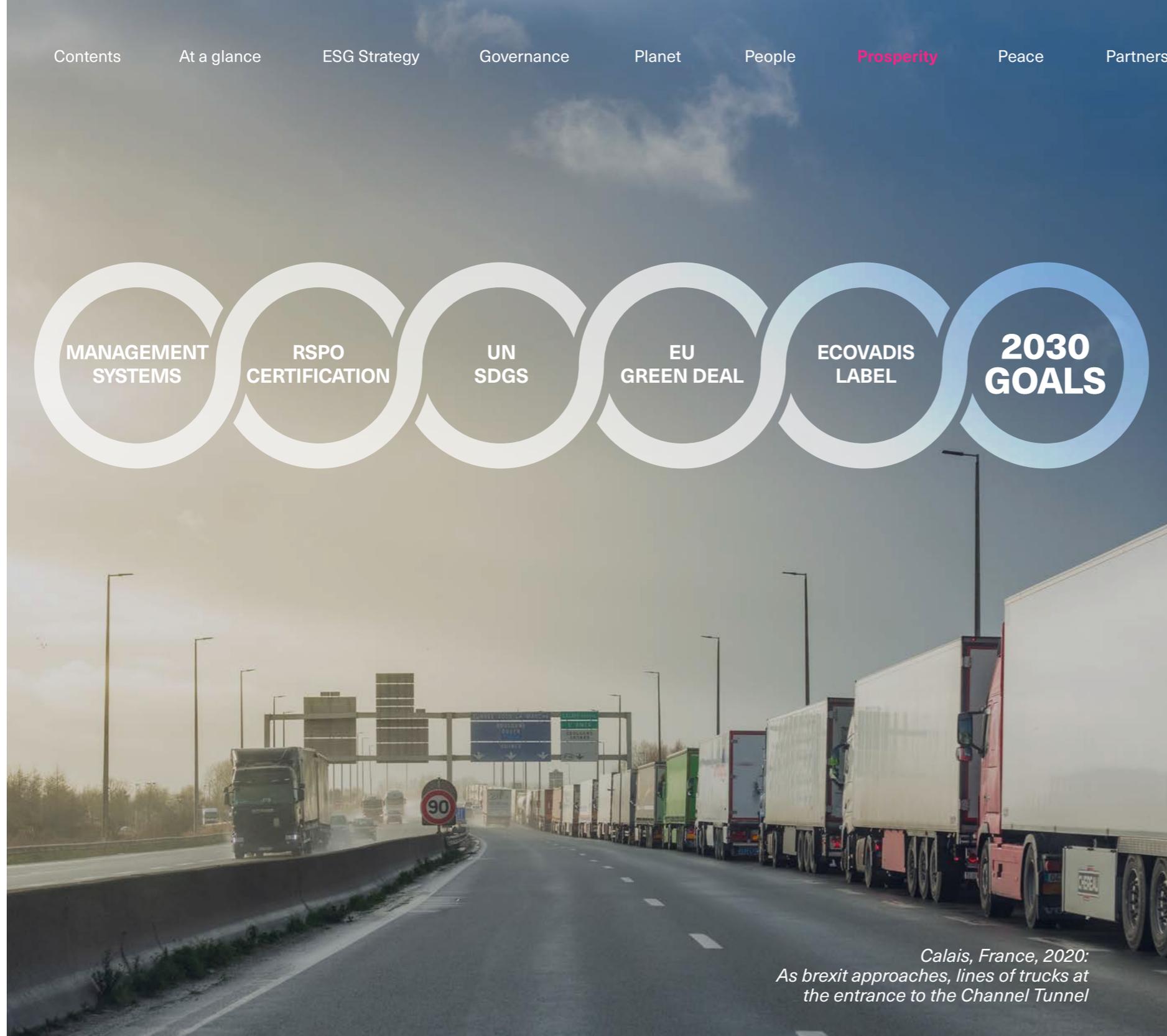
EOC Group is concerned about Brexit for two main reasons: the REACH system for managing chemicals, and the implications for trade relations between the EU and the UK.

As the UK has left the EU, companies on both sides of the Channel can choose to leave REACH, which would result in adopting the new UK regulations. This could weaken the international competitiveness of EOC Group’s production plants in the EU and UK. Furthermore, it could also risk diverging levels of health, safety, and environmental protection.

OUR SUPPLY CHAIN IN THE UK

Concerning trade, our industry depends on an integrated single market across Europe. Our chemical products are at the beginning of the value chain. Any disruption to the supply chain will have consequences for our direct or indirect customers further down the chain. Our UK production plant has already been affected by Brexit with higher import duties, additional costs of preparing customs documentation, border crossing delays due to customs formalities, increased stock holding and storage requirements, and difficulties in finding HGV drivers.

We will continue to increase value creation with the ambition to bring our UK production plant to the same ESG level as stated in our 2030 Goals to ensure our competitiveness in the industry.



Calais, France, 2020: As brexit approaches, lines of trucks at the entrance to the Channel Tunnel

PROSPERITY / DIGITALISATION



/ Digitalisation for a greener and stronger business ecosystem

/ Digitalising our workflows

When it came to digitalising our workflows, we decided to follow the Management of Change (MOC) approach which describes all changes in detail, identifying risks conducting Pre-Startup Safety Review (PSSR), and carrying out training before anything is implemented. The goal is to safeguard workers from potential harm during the transition period. Using MOC, we started optimising and automating our existing administration in Belgium in 2019-2020. In the coming years, we will continue digitalising our workflows in Belgium and expand into other countries.

/ Procedures and quality assurance

In 2019-2020 we continued to digitalise our procedures, including our quality assurance processes. One procedure that was digitalised during this period was our claim flow for Europe.

Our IT department established an internal standardised flow where all incident flows, quality incidents, complaints flow, and claim flows are assigned to individuals. This optimises these flows and incidents, and enables detailed analysis, generating insights on how to further optimise our processes.

/ E-power platform for HR

The development of our employees is important for their future careers and their motivation at work, which is important for us to deliver the service that our customers expect. The new e-power platform for HR follows up each employee, including their evaluations, training requests and requirements, current job description, and more.

We will expand the use of the platform from Belgian to all our European production plants. Asia uses a different digital system so it won't be included for the time being.

/ Ethical platforms and certificates

Digitalisation has encouraged transparency and openness across the company. It makes it easier to quickly and accurately measure and monitor our progress towards important safety and environmental targets.

These systems ensure transparency and openness across the company, and also help internal and external stakeholders to feel comfortable when coming forward to raise awareness of potential issues and risks. With this in mind, we have established an online whistleblowing reporting tool. ⓘ page 54

/ Reporting tool sustainable innovations

Sharing and collaborating on ideas and best practices is the easiest way to enhance innovation across the company. With this in mind, our R&D department created a digital tool to assist with this goal.

The new digital tool deepens our ability to innovate collaboration both internally and externally, deliver enhanced data across the company, and share R&D knowledge. This will accelerate innovation delivery, improve customer collaborations, generate growth through the impactful innovation of sustainability-driven solutions.

/ Migration to SAP S/4HANA Cloud

After many years using SAP for our operations, we decided to migrate our current infrastructure to the cloud and upgrade to SAP S/4HANA, which is a complete Enterprise Resource Planning (ERP) system. By integrating intelligent technologies, including advanced analytics, it helps us to take the next step in our digitalisation journey. The benefits include helping us to adopt new business models, transform quickly to meet business challenges, and manage internal and external resources. The migration and conversion are due to take place in the coming years, with a full roadmap for digitalisation stretching to 2026.



OUR IMPACT

- 01 Contributing to all 17 UN SDGs
- 02 Turning waste into valuable resources
- 03 Helping design fully recyclable products that never go to waste
- 04 Ensuring smart mobility of the future
- 05 Capturing and covering CO₂ into a useful resource
- 06 Ensuring health and well-being
- 07 Implementing Responsible Care
- 08 Making REACH work
- 09 Powering the building revolution with smart materials and processes
- 10 Reducing emissions
- 11 Advancing wind and solar energy
- 12 Enabling the bio-economy

Resource: Cefic, the European Chemical Industry Council, and active member of the International Council of Chemical Associations (ICCA).

PROSPERITY / INCORPORATING SUSTAINABILITY



Delivering the European Green Deal

By implementing our 2030 Goals we support the European (EU) Green Deal and Europe's ambition to become climate neutral by 2050. Reaching this goal will only be possible with the help of climate-neutral and circular economy solutions.

We are committed to extending Europe's ambition across all our plants as we believe that the positive impact of our initiatives will have a positive effect across our global business, not just the EU.

OUR PARTNERSHIP

Cefic is the voice of the European chemical industry. As a Cefic member, we stay up to date about the EU Green Deal and participate in working groups that deal with strategic issues affecting our industry, such as REACH, Responsible Care, the Emissions Trading Scheme (ETS), and international trade.

OUR FUTURE FOCUS

The 12 impact steps help Europe, our customers and our organisation reach their goals by inventing innovative products and technologies, developing recycling, and collaborating with other industries and customers. Examples of our initiatives include turning waste into valuable resources, reducing emissions, and expanding wind and solar energy usage.

OUR MATERIALITY TOPICS

Innovation / Product Sustainability / Circular Economy / Legal Compliance / Business Ethics / Partnership

PROSPERITY / R&D AND INNOVATION



/ Incorporating sustainability in our product development ecosystem

When developing any new product or working on improvements for existing products, EOC Group’s R&D department incorporates sustainability to reduce the use of raw materials and improve end of life recyclability. Sustainable innovation helps us to stand out and meet the demands of our stakeholders.

OUR IMPACT

Safer flame-retardant coatings

To ensure consumer safety in case of a fire or to prevent a fire from occurring, there are strict fire safety requirements for textiles. However, flame retardant formulations often contain heavy metals, which can have a negative impact on the environment and the health and safety of consumers and our employees.

R&D launched new halogen-free flame-retardant coatings in 2020. Customer-specific formulations are planned in the coming years.

Improving recyclability with TPU

The PU R&D department wants to replace the PVC (*Polyvinyl Chloride*) coating in dirt mats with a TPU (*Thermoplastic Polyurethane*) coating to improve the recyclability of the end product. This will also eliminate the release of toxic products during the production, improving the health and safety of our employees.

After industrial trials with a number of producers, the dirt mats with TPU coating were launched at the end of this reporting period.

Locally sourced natural liquid soap

EOC Group has taken steps to ensure sustainable sourcing of ingredients and raw materials. Our Surfactants Division developed Eurasol PT, a natural liquid soap. Instead of using tropical oils, the soap is based on tall oil which originates from pine trees in Scandinavia. It is readily biodegradable and suitable for Ecolabel applications, having already been certified by Ecocert and Cosmos.

Eurasol PT has been tested for use in hard surface cleaning applications, cosmetics, and natural hand soaps and shaving products.

Sustainable artificial grass

Artificial grass is typically made from polyethylene (*PE*) grass fibres, polypropylene (*PP*) backing cloth, and an adhesive coating that anchors the PE fibres. Due to the polymer links of these products, artificial grass is difficult to recycle in the same way as other products.

By the use of TPE (*Thermoplastic Elastomer*) as the adhesive layer,

at the end of its life, the artificial grass can be reground, analyzed and mixed with the fresh TPE granules to meet all coating and artificial grass requirements. The process then starts again. With its work in this area, R&D aims to reduce water consumption, improve recyclability, and reduce costs and energy usage for our customers. This project will continue in the next reporting period.

OUR MATERIALITY TOPICS

Innovation / Product Sustainability & Quality / Circular Economy / Competitive Behaviour / Supply Chain / Material Sourcing

OUR FUTURE FOCUS

Looking to the future, we will continue to collaborate with and for our customers to create green sustainable products that form part of the circular economy.

Our R&D experts use good ideas as a foundation, turning them into sustainable products that create new opportunities, solve problems, and respond to the real needs of our customers and end-users.



+ Improve - Reduce

OUR IMPACT

- European legislation + UK legislation
- Health & safety during production
- Improved customer and fire safety
- Standard waste flows for ease of discharge
- Zero Discharge of Hazardous Chemicals
- Higher classification within Oeko-Tex 100
- Global Recycle Standard
- Eliminating the risk of accidental release of heavy metals into the environment

PROSPERITY / R&D AND INNOVATION



/ Halogen-free flame retardant materials are safer and greener

In response to the increasing demand for halogen-free materials, EOC Group developed flame retardant materials for carpets, curtains, upholstery fabrics, and textile materials. These new materials meet the strict requirements for textile applications in the furnishing, transport, and automotive sectors.

OUR PRODUCT DEVELOPMENT

Flame retardant textiles are important to ensure human safety in case of a fire or to prevent a fire breaking out. However, the flame retardant coating used on these textiles often contained halogen and/or heavy metals, which have a negative impact on the environment and people. Our R&D team of the Textile Chemicals Division developed new halogen-free flame retardant materials that are free of heavy metals and halogenated components to eliminate this risk.

The new material complies with the strict regulations in force in the EU and the UK and follows the standard waste flows within EOC Group for ease of discharge. Furthermore, customers can request a global recycle standard (GRS) to support the recycled content of their products.

OUR MATERIALITY TOPICS

Innovation / Product Sustainability & Quality / Legal Compliance / Health & Safety / Waste Management

Peace

/ Our positive impact on an empowered society



Empowering Society

Our ambitions is to empower the society by TAKING ACTION FOR RESPONSIBLE PROCUREMENT AND ASSESSING PERFORMANCE WITH TRANSPARENCY





THE ADVANTAGES OF OUR WHISTLEBLOWER



REDUCING
financial losses due to fraud



BUILDING
a responsible corporate culture



PREVENTING
reputational damage



RESPECTING
human rights of all stakeholders



AVOIDING
legal issues that lead to heavy fines and penalties



DRIVING
board and management accountability



European Commission
Commission européenne

EU Commission First Vice-President Frans Timmermans gives a press conference on the Commission proposal for the protection of whistleblowers at the EU Headquarters in Brussels, 2018.

PEACE / GRIEVANCE PROCEDURE

/ Reporting complaints whistleblowers

By being courageous, whistleblowers ensure transparency and openness in organisations and society. Whistleblower reports can cover the environment, ethics, or sustainability, highlighting issues or risks that management might have overlooked.

At EOC Group, we want to support both internal and external whistleblowers so they come forward and enable us to improve our operations for all our stakeholders. With this in mind, we created an anonymous form on our website where potential whistleblowers can give details of the issue or risk along with any potential solutions they can think of.

Furthermore, all of our employees are required to report any potential or actual violations of our Code of Conduct that they come across, regardless of whether these violations affect them or their colleagues personally.

OUR FUTURE FOCUS

In the next reporting period, we plan to expand the whistleblower system in line with the EU's Whistleblowing Directive.

www.eocgroup.com/report-complaint



PEACE / BENCHMARKING TOOLS

/ EcoVadis rating benefits us to improve, to drive and to deliver

Our 2030 Goals encompass our sustainability ambitions for the coming years. These goals show our commitment to being a sustainable business partner that provides relevant solutions, delivers enhanced value, and is a trusted partner to all our stakeholders. However, it is not enough to simply state our goals, we also need to be able to measure our performance to see where we are doing well and what we can improve.

OUR METHODOLOGY

When it comes to evaluating our Corporate Social Responsibility (CSR) performance, we follow EcoVadis' strict methodology. This gives us an objective overview of the quality of our CSR management system, empowering us to proactively go beyond the legal minimum requirements to improve our business, enhance our sustainability, and live up to our promises.

The EcoVadis methodology is based upon international sustainability standards, including the Global Reporting Initiative, the United Nations Global Compact Principles, and ISO 26000. EcoVadis evaluates our CSR initiatives based on 21 sustainability criteria based on international sustainable development standards. These criteria are grouped into four themes for ease of rating: labour and human rights, ethics, environmental friendliness, and sustainable procurement.



PEACE / RISK MANAGEMENT

/ EcoVadis awarded us a Gold Medal for our sustainability efforts



We are proud to announce that EOC Group has been highly rated in the latest survey by sustainability ratings platform, EcoVadis. In 2020 EOC Group was rewarded with the Gold Medal for the second time for our overall sustainability performance in four different categories. This result places us among the top 5 percent of companies assessed by EcoVadis.



EcoVadis uses its evidence-based online platform along with questionnaires, credible documentation, and a variety of other sources to compare the organisation’s performance for relevant criteria to the EcoVadis principles. These principles highlight the importance of traceability, transparency, technology usage, excellence through continuous improvement, and evidence. The objective is to use an organisation’s policies, actions, and results to measure the quality of the organisation’s CSR management system.

OUR IMPACT

Environmental criteria look at the impact of operations on our energy and water usage and creation of GHGs and pollution, as well as the ecological footprint of our products at every stage of the product lifecycle. Labour and human rights criteria focus on employee health, safety, working conditions, and career development, plus our response to human rights issues. Ethical criteria investigate data security, corruption, and anti-competitiveness practices. Lastly, sustainable procurement focuses on supplier environmental performance and supplier social performance.

OUR ACHIEVEMENT

Each evaluation delivers a scorecard which provides a rating for each relevant criterion. This gives us a clear overview of our strengths and areas for improvement. It also provides us with a benchmark against our peers based on geographical location, size, and industry.

We are proud to have received the EcoVadis Gold level since 2018, which is the result of our sustained efforts after enrolling in 2013. Our overall CSR score is rated “Advanced”, with higher scores for the environmental and labour and human rights criteria. However, we plan to pay more attention to ethical and sustainable procurement criteria in the following reporting period to further increase our advanced score across all four criteria.

OUR KEY SUPPLIERS

We understand that our key suppliers are critical enablers in our journey to achieve our 2030 Goals. This is why we selected EcoVadis’ collaborative global platform as our preferred

monitoring tool to support the efficient sharing of data across our industry. During the current reporting period we requested that our key suppliers align with the EcoVadis scorecard. This will help ensure that we only work with ethically responsible partners and suppliers, improve traceability to the mill, deliver insights related to the strengths and areas of improvement in our supply chain, and encourage the continuous improvement of sustainability practices across our network.

MATERIALITY TOPIC(S)

Business Ethics / Material sourcing / Supply Chain / Partnerships

FUTURE FOCUS

In the coming years we will expand our CSR strategy to focus more on ethical and sustainable procurement criteria, including encouraging more of our suppliers to register with the EcoVadis collaborative global platform to improve transparency across our supply chain. We will also broaden our CSR strategy to have a global approach, so they have a more positive influence on our stakeholders in Asia.



PEACE / RESPONSIBLE SOURCING

/ Local European oils for sustainable sourcing

The cleaning industry has a large environmental impact, with the supply and transport of tropical oils and other raw materials creating high CO₂ emissions. The products frequently end in waste streams, so they need to be biodegradable to break down easily in nature without causing environmental damage. Therefore, EOC Group actively seeks to improve the sustainability of its production inputs, while striving to comply with EU Green Deal Directives on local sourcing.

OUR PRODUCT DEVELOPMENT

Our Surfactants Division developed Eurasol PT, a potassium oleate soap. Based on local European oils, the product answers several sustainability requests from the market, comprising raw materials from local sourcing. Which is vital for the industrial and strategic value chain in Europe as they are essential for the development of the green innovations that will enable Europe to meet its climate objectives.

Eurasol PT is a natural liquid soap, based on tall oil which originates from pine trees from Scandinavian forests. It is based on 100% renewable carbon content and does not contain any palm-based ingredients. It is a natural solution for hard surface products and cosmetics, which is safe for both people and the environment.



EURASOL PT

Positive impact on the environment and a more sustainable cleaning industry

+ Improve - Reduce



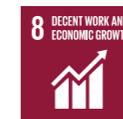
Partnership

/ Collaborative growth which impacts our value chain and local community



Collaborative Growth

Our ambitions is improving our collaborative growth by BUILDING A SUSTAINABLE PARTNERSHIP WITH OUR VALUE CHAIN AND ENGAGING WITH THE COMMUNITY





PARTNERSHIP / COLLABORATIVE GROWTH

/ Partnering in Turkey to shift towards the circular economy

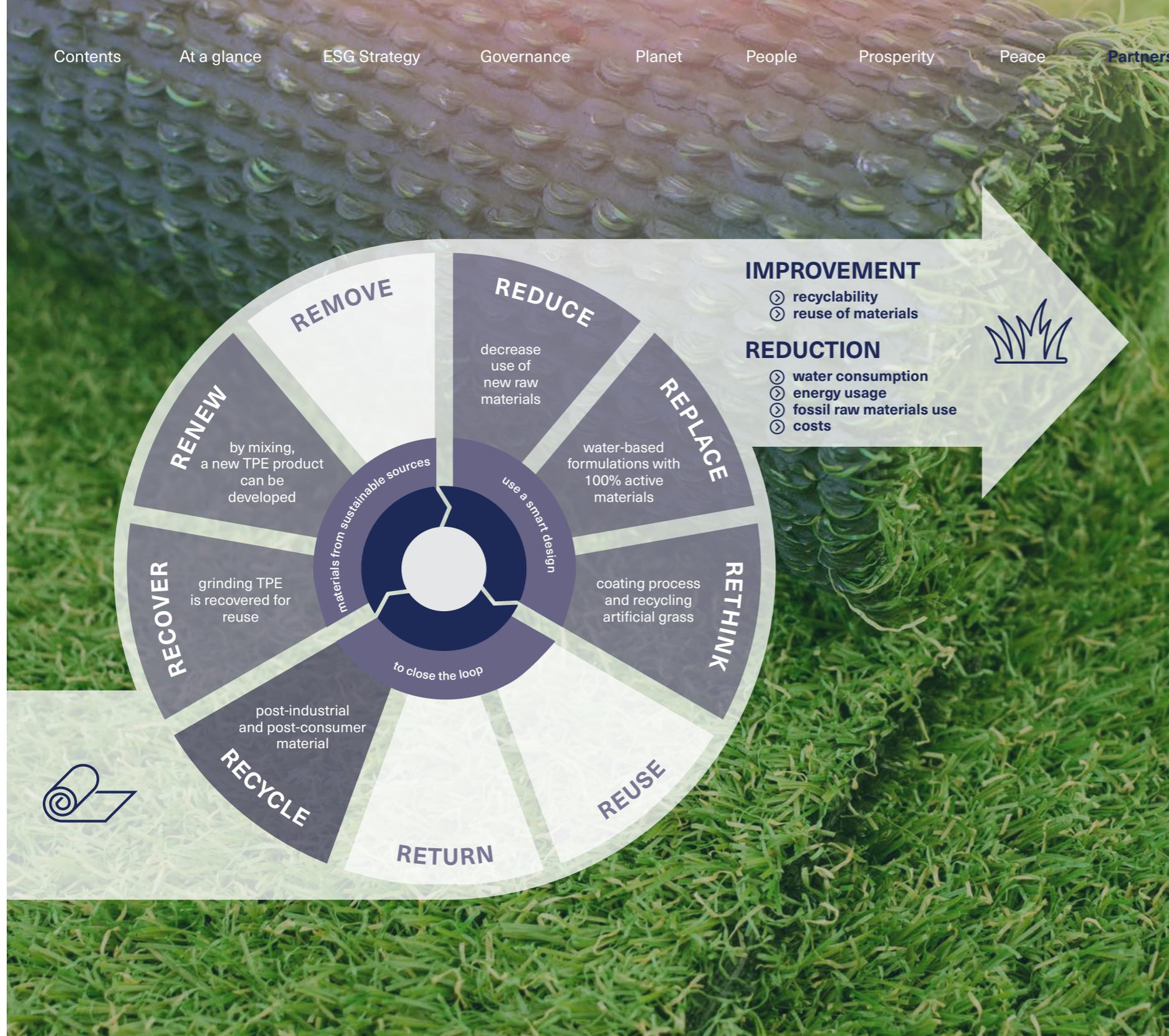
The trend towards landscaping combined with the desire to reduce water usage has significantly increased demand for artificial grass. EOC Group in Turkey has developed a process to recycle post-industrial and post-consumer artificial grass to reuse it in the next production cycle.

OUR PRODUCT DEVELOPMENT

The use of recycled material reduces the consumption of new materials derived from fossil raw materials. The process works by grinding post-industrial and post-consumer product and mixing it with new Thermoplastic Elastomers (TPE). This mixture is then used as a TPE coating for the next batch of artificial grass. Due to the use of recycled material, there is a reduced consumption of materials derived from fossil raw materials.

OUR COLLABORATION

This new process and product have been very successful thanks to our internal and external collaborations. Internally, our TPE R&D department has worked with our Latex and Compound Divisions to work on the coating of the artificial grass. Externally, we established a pilot coating line together with a key market player and other customers to prove and further develop the concept.





/ Reducing the release of organic solvents in the environment with EPDLA

Over the past 50 years, polymer dispersion technology has significantly reduced the release of organic solvents in the environment. As a member of the European Polymer Dispersion and Latex Association (EPDLA), EOC Group plays an active role in meeting targets and benchmarking results against the industry to reduce our environmental impact.

④ OUR MEMBERSHIP

EPDLA, part of the Cefic Sector Group, promotes the safe manufacture, transportation, distribution, handling, and use of waterborne polymer dispersions, lattices, and powders in compliance with regulatory requirements and industry guidelines. Like all EPDLA members, we are committed to Responsible Care® principles and have implemented relevant risk management processes.

④ OUR IMPACT

We use water-based polymer dispersion and lattices in products used in adhesives, carpet backings, food packaging, non-woven materials, paints, paper and board, and surface coatings. This means that our activities with EPDLA have an impact across our entire organisation.

④ OUR BENCHMARK AGAINST THE INDUSTRY

We work with EPDLA and external sustainability consultant

Quantis to benchmark the environmental impact of our products, including styrene butadiene, styrene acrylate, pure acrylates, vinyl acetate, and polyurethane, against other organisations in our sector for EPDLA's 7 impact categories. This enables us to determine our strengths and identify where we have room for improvement.

EPDLA's 7 impact categories for polymer dispersion are climate change (*GHG emissions*), acidification (*decreasing pH-value in an ecosystem*), eutrophication (*surplus of nutrients in an ecosystem leading to harmful effects*), photochemical ozone formation (*contributing to ground level smog formation*), energy resources (*use of non-renewable fossil natural resources*), mineral resources (*use of non-renewable minerals and metals*), and water scarcity (*relative availability of water*).

④ OUR MATERIALITY TOPICS

Partnerships / Business Ethics / Competitive Behaviour

/ Investing in sustainable and strategic memberships

At EOC Group we believe it is important to share our sustainability experience with our customers, our suppliers, and the chemical industry. Ultimately maintaining our engagement with key stakeholders and memberships to succeed the 2030 global sustainability ambitions and beyond.

We are direct and indirect member of organisations to influence the understanding and share knowledge on how to embed sustainability in all our activities.

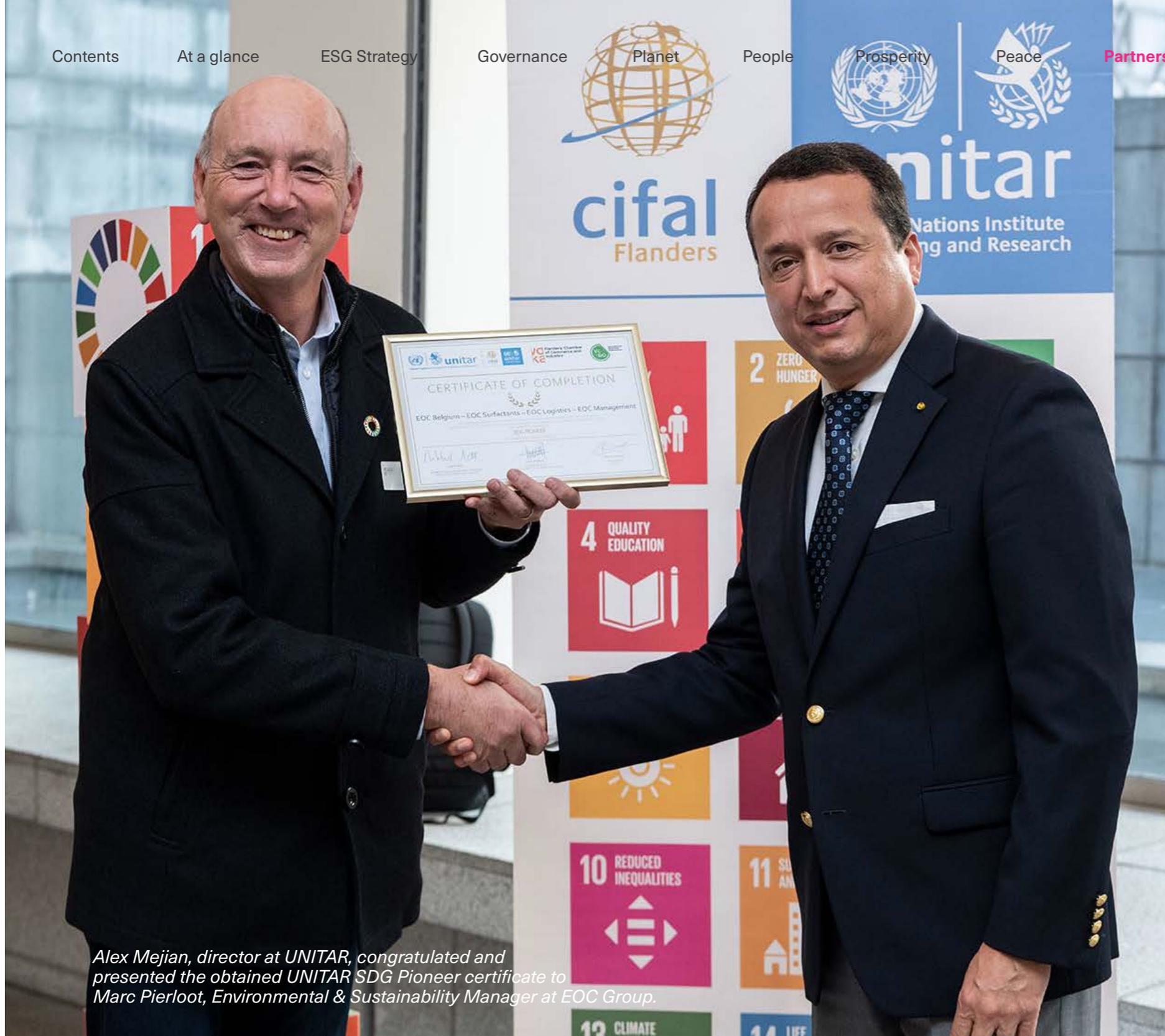
④ OUR POLICY AND GENERAL MEMBERSHIPS

We participate in organisations that are the voice of the European chemical industry, facilitate dialogue within the industry and share a wide range of expertise. We also participate in quality networks for the global chemical business community in Europe, where ideas are exchanged on our industry and its related activities. While we also engage with organisations that facilitate the integration of sustainability criteria into all stakeholder relationships.

④ OUR PRODUCT RELATED MEMBERSHIPS

We take on membership of (*non-profit*) organisations that offer neutral and unbiased information for the promotion of chemical products (*cosmetics, textile, hygiene, soaps, turf, ...*).

④ Full membership list on www.eocgroup.com/memberships



Alex Mejian, director at UNITAR, congratulated and presented the obtained UNITAR SDG Pioneer certificate to Marc Pierloot, Environmental & Sustainability Manager at EOC Group.



PARTNERSHIP / STAKEHOLDER ENGAGEMENT

/ Strong partnerships for the 2030 goals

Thanks to our strong engagement with key stakeholders, EOC Group received the prestigious UNITAR SDG Pioneer certificate in October 2020.

OUR ACHIEVEMENT

Cifal Flanders and UNITAR, the UN agency for training and research, awarded all our plants in Belgium with the UNITAR SDG Pioneer certificate, as we have successfully participated in the VOKA charter for sustainable entrepreneurship (VCDO) at least three times and established actions for each of the 17 Sustainable Development Goals (SDGs).

OUR COLLABORATION

Tackling climate change, working towards an inclusive society and strengthening circular entrepreneurship are global challenges that can be tackled locally. The SDGs are therefore an ideal tool for us to connect to our sustainability actions.

VOKA offers us a guideline for transitioning to sustainable business practices by anchoring sustainability in our DNA to achieve our goals. We used an action plan to work on business operations that are profitable for the company, as well as for the people, environment, and society.

/ Embracing the circular economy in China

In China, EOC Group's production plant is in Shanghai Chemical Industry Park (SCIP), which is located south of Shanghai and north of Hangzhou Bay. It is one of the world's largest green integrated petrochemical bases.

OUR COLLABORATION

At SCIP, EOC Group is supported in its efforts to engage with key stakeholders in order to achieve our 2030 Goals. All companies located at the park contribute to the sustainable development of the area including maximising the energy recovery from waste and implementing the circular and green economy.

OUR IMPACT

We are committed to assisting our customers to reach their own environmental protection goals, reducing the risks and liabilities associated with the generation of industrial waste, and enhance our customers' corporate image of environmental protection.

OUR FUTURE FOCUS

We will continue to invest in providing high quality, value-added, safe, and reliable hazardous waste disposal services to companies within SCIP and located elsewhere. We will also promote the circular economy model of hazardous waste treatments to enhance the competitiveness of SCIP and help Shanghai's green development.

PARTNERSHIP / STAKEHOLDER ENGAGEMENT

/ Awarded the Eco Social Value Factory certification in Thailand

Thailand is a sustainability pioneer in Asia, establishing special economic zones, actively engaging with local communities, and promoting voluntary industry participation in different schemes. As part of the country's commitment to sustainable development, the government requires all factories in Thailand to achieve green industry certification by 2025.

Factories can receive the necessary certification by complying with standards set by the United Nations Industrial Development Organisation for developing countries that wish to adopt environmentally friendly technologies and initiatives. These standards were further developed by the Federation of Thai Industries (FTI) to create the Eco Factory Awards.

OUR IMPACT

Our Thai production plant started to participate in the Eco Factory initiative by displaying our strong commitment to responsible and sustainable development. We received a good assessment for our approach to economic, environmental, and social aspects according to the Sustainable Development Framework of the Eco-Industrial Estate.

We also focused on the continuous improvement of our manufacturing processes and environmental management throughout our organisation and the entire supply chain.



OUR ACHIEVEMENT

We received the Eco Social Value Factory Bronze Award for our work to improve the quality of life of communities in our area by participating in developing schools, temples, and other community institutions. Our activities encouraged environmental conservation initiatives and promoted sustainable enterprises among local communities.

OUR MATERIAL TOPICS

Business Ethics / Community Engagement / Partnership

OUR FUTURE FOCUS

While we are proud of our Eco Factory Bronze Award, we aim to achieve Gold, focusing on the completion of our CSR projects. We want to improve our community engagement and satisfaction with initiatives that support local incomes through community enterprise projects. In line with our 2030 Goals, we aim for all our production plants with more than 50 employees to have a similar sustainability or SDG certification by 2030.

PARTNERSHIP / COMMUNITY ENGAGEMENT

/ Helping to support our local communities



/ Holidays for vulnerable children and young people in Belgium

At least 20% of all Belgians live in poverty, which can have far-reaching consequences on a person's life, such as lower education level, worse health outcomes, and low-quality housing.

To help fight poverty, EOC Group supports Akindo, a social tourism association that organises high-quality and easily accessible holiday camps for socially vulnerable children aged 4-16.



/ Supporting children and young people with burns in Belgium

Every year more than 400 children, half of them under the age of 5, are admitted to Belgian burn centres. Pinocchio tries to make their hospital stay less emotionally stressful with new toys, family activities, and financial and psychosocial support.

EOC Group believes in the safety and protection of people and is proud to support organisations, like Pinocchio, that share this belief.



/ Wheelchair tennis in Italy helps people work towards success

EOC Group compares sports to business, as both rely on mental toughness, and resolve. Sports helps to achieve success, gain confidence, brings people closer together, have fun, and be included in a community. When an athlete is disabled, this is even more important.

In Italy, we sponsored the Volare wheelchair tennis event to help disabled athletes stay active, both physically and in their community.



/ Buying gifts for Children's Day (Dzień Dziecka) in Poland

Children's Day is UNICEF's annual day of action for children that spreads awareness about children's welfare and works to reduce abuse against children.

In Poland, this is celebrated with small gifts and entertainment for children. However, not everyone can afford this, so EOC Group supports the local community in Luczynow to purchase gifts for those suffering from financial difficulties.



/ Local food stalls in Thailand supports the community

Promoting employment and raising average incomes in our local communities is important to us.

In Thailand, we encourage this by enhancing employees to order their lunch and buy fresh and healthy products from a variety of local stalls near our production facility. This enables the local community in Rayong to sell more and improve their income. It also provides a helpful service to our employees.



Appendix

/ Performance data, sustainable terms, definitions, and standards you need to know



PLANET / ENVIRONMENTAL PERFORMANCE DATA

/ Environmental performance data 2016-2020

EMISSIONS OF GHG (greenhouse gases)		2016	2017	2018	2019	2020
Total emissions	Tonnes CO ₂ /tonnes of product produced	0.0504	0.0514	0.0523	0.0499	0.0492
DIRECT EMISSIONS						
Volatile Organic Compounds (VOC)	Kg VOC/tonnes of product produced	0.0338	0.0267	0.0268	0.0383	0.0398
Nitrogen Oxide (NO _x)	Kg NO _x /tonnes of product produced	0.0466	0.0373	0.0444	0.0511	0.0416
ENERGY CONSUMPTION						
Total direct energy usage	Petajoule (PJ)	0.4459	0.4725	0.4841	0.5083	0.4861
Direct energy efficiency in production	MWh/tonnes of product produced	0.2360	0.2407	0.2518	0.2625	0.2598
WATER WITHDRAWAL						
Total water withdrawal	m ³ /tonnes of product produced	1.1458	1.1555	1.1468	1.0511	1.0364
WATER DISCHARGE						
Total water discharge	m ³ /tonnes of product produced	0.5120	0.5150	0.5460	0.5530	0.5285
EMISSION TO WATERDISCHARGE						
Chemical Oxygen Demand (COD)	kg/tonnes of product produced	0.1054	0.1176	0.1248	0.1231	0.1208
Total Nitrogen (N)	kg/tonnes of product produced	0.0036	0.0030	0.0043	0.0027	0.0064
WASTE TREATMENT						
Total waste	kg/tonnes of product produced	0.0275	0.0246	0.0280	0.0248	0.0290
Total weight of non-hazardous waste	kg/tonnes of product produced	0.0227	0.0211	0.0247	0.0232	0.0273
Total weight of hazardous waste	kg/tonnes of product produced	0.0048	0.0035	0.0033	0.0016	0.0017

MATERIALS USED BY VOLUME		2016	2017	2018	2019	2020
Number of new IBC	#	19,076	21,620	23,949	11,918	13,813
Number of IBC internal cleaned	#	24,853	28,370	32,697	37,371	39,366
Number of IBC external reconditioned	#	40,345	51,808	57,536	29,916	29,854
Number of new barrels	#	65,803	71,441	94,434	63,101	76,600
Number of IBC internal cleaned	#	20,552	21,487	23,101	27,429	37,358
TRANSPORT						
Road transport	%	93.10	94.30	93.60	91.56	90.60
Rail transport	%	2.50	0.30	0.40	0.44	0.40
Short sea shipping and/or deep-sea shipping	%	4.40	5.50	6.00	8.00	9.00

PROSPERITY / ECONOMIC PERFORMANCE DATA

/ Economic performance data 2016-2020

KEY DATA (in million €)		2016	2017	2018	2019	2020
Sales revenue	in million €	266	309	320	298	263
Operation costs	in million €	39.7	42.1	45.0	49.0	39.3
Employee wages and benefits	in million €	32.5	33.1	34.7	38.5	35.4
EBITDA	in million €	17.3	18.7	13.3	9.1	18.9
EBIT	in million €	10.5	11.4	7.1	2.0	13.3



PEOPLE / SOCIAL PERFORMANCE DATA

/ Social performance data 2016-2020

NUMBER OF EMPLOYEES WORKING IN/AS	2016	2017	2018	2019	2020
Total workforce	680	662	683	717	689
Full time employees (FTE)	668	648	668	668	643
Part time employees (PTE)	12	14	15	49	46
WORKFORCE BY GENDER	2016	2017	2018	2019	2020
Men	574	550	566	591	572
Women	106	112	117	126	117
WORKFORCE BY AGE	2016	2017	2018	2019	2020
Age 18-24	30	27	31	48	42
Age 25-34	212	184	189	204	182
Age 35-44	211	222	218	190	194
Age 45-54	171	167	169	198	185
Age 55-64	52	62	74	76	84
65 and older	4	3	2	1	2
NUMBER OF EMPLOYEES IN GOVERNANCE BODIES	2016	2017	2018	2019	2020
Total number of employees in governance bodies	43	51	49	43	39
BY GENDER					
Men	27	43	41	35	31
Women	3	8	8	8	8
BY AGE					
Age 18-24	0	0	0	0	1
Age 25-34	7	8	6	2	2
Age 35-44	17	24	23	18	14
Age 45-54	16	15	16	19	17
Age 55-64	4	4	4	3	4
65 and older	0	0	0	1	1

AVERAGE HOURS OF TRAINING PER EMPLOYEE	2016	2017	2018	2019	2020
BY WORKING CLASS - BY GENDER	-	H	H	H	H
Blue collar - Men	-	62.40	79.90	98.04	63.50
Blue collar - Women	-	34.40	40.70	55.94	45.67
Men	-	48.20	48.80	56.29	56.80
Women	-	45.10	41.70	54.70	45.13
NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER	2016	2017	2018	2019	2020
EMPLOYEE TURNOVER (T) - BY GENDER - BY AGE	-	T	T	T	T
Men < 30y	-	33	34	29	27
Men 30 - 50y	-	65	68	80	66
Men > 50y	-	7	12	15	15
Women < 30y	-	2	3	6	5
Women 30 - 50y	-	6	8	11	8
Women > 50y	-	1	0	0	2
NEW EMPLOYEE HIRES - BY GENDER - BY AGE	-	T	T	T	T
Men < 30y	-	37	43	41	16
Men 30 - 50y	-	37	40	37	19
Men > 50y	-	4	5	8	9
Women < 30y	-	5	8	13	2
Women 30 - 50y	-	5	8	11	2
Women > 50y	-	0	2	1	0
SAFETY*	2016	2017	2018	2019	2020
Lost time injury frequency per million working hours (LTIF)	0.76	0.27	0.50	1.03	0.49
Frequency rate per million working hours	12.43	16.06	16.06	22.14	41.09
Fatalities for total workforce (absolute number)	0	0	0	0	0
Minor injuries (absolute number)	4	9	9	13	22
Major injuries (absolute number)	11	0	0	0	0

* The social data 2016 - 2020 concerning 'safety' are solely based on the Belgian activities. Currently we are in a transition period in which we standardize our global data, in order for the information to be more statistically relevant and comparable in the future.



APPENDIX / GRI INDEX

/ GRI Standards - core option content index

EOC Group's Global ESG Report 2021 has been prepared in reference to the Global Reporting Initiative's (GRI) Sustainability Standards.

The standards allow us to report our material impacts for a range of economic, environmental and social issues. This index shows where EOC Group reference the standards. Wherever a 'Y' appears in the 'Inclusion' column in the index below, it indicates that we meet the disclosure standards; where a 'P' appears we have partially disclosed this GRI Standard. An 'N' indicates that we are not including this in its GRI disclosure.

N°	DISCLOSURE	#	REPORTED CROSS-REFERENCE CHAPTER	PAGE(S)
GRI 102: GENERAL				
Organisational profile				
GRI 102-1	Name of the organisation	Y	At a glance - Company portrait	2, 6
GRI 102-2	Activities, brands, products, and services	Y	At a glance - Sustainable global production	7-9
GRI 102-3	Location of headquarters	Y	At a glance - Company portrait	6
GRI 102-4	Location of operations	Y	At a glance - Company portrait	6
GRI 102-5	Ownership and legal form	Y	About this report	2
GRI 102-6	Markets served	P	At a glance - Company portrait	6
			At a glance - Sustainable global production	7-9
GRI 102-7	Scale of the organisation	Y	At a glance - Company portrait	6
GRI 102-8	Information on employees and other workers	Y	Appendix - Social Performance Data	66
GRI 102-9	Supply chain	Y	Planet - Reducing GHG (<i>Fleet renewal</i>)	32
GRI 102-10	Significant changes to the organisation	Y	Prosperity - Competitive advantage	48
GRI 102-11	Precautionary Principle or approach	Y	Governance - Accountability	19
			Governance - Certifications, standards, management systems	20
			Governance - Crisis management	21
			Governance - Cybersecurity	22
			Peace - Grievance procedure	54

N°	DISCLOSURE	#	REPORTED CROSS-REFERENCE CHAPTER	PAGE(S)
GRI 102: GENERAL				
GRI 102-12	External initiatives	Y	Governance - Certifications, standards, management systems	20
			Peace - Benchmarking - Risk management (<i>EcoVadis</i>)	55-56
			Partnership - Stakeholder engagement (<i>UNITAR</i>)	61
			Partnership - Stakeholder engagement (<i>Eco Factory</i>)	62
GRI 102-13	Memberships of associations	Y	Partnership - Strategic partnership and network building	60
Strategy				
GRI 102-14	Statement from senior decision-maker	Y	At a glance - Message from the CEO	3
GRI 102-15	Key impacts, risks, and opportunities	Y	At a glance - COVID-19 impact	10
			ESG Strategy - SDG impact opportunities	15
			Planet - Our global impact on environmental responsibility	24
			People - Our global impact on Social Progress	36
			Prosperity - Our global impact on Economic Development	46
			Peace - Risk management	56
Ethics and integrity				
GRI 102-16	Values, principles, standards, and norms of behavior	Y	Peace - Benchmarking - Risk management (<i>EcoVadis</i>)	55-56
			Governance - Accountability	19
GRI 102-17	Mechanisms for advice and concerns about ethics	Y	Peace - Risk management	56



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GRI 102: GENERAL				
Governance				
GRI 102-18	Governance structure	Y	Governance - Governance structure	18
GRI 102-19	Delegating authority	Y	Governance - Governance structure	18
GRI 102-20	Executive-level responsibility for economic, environmental, and social topics	Y	Governance - Governance structure	18
GRI 102-22	Composition of the highest governance body	Y	Governance - Governance structure	18
GRI 102-23	Chair of the highest governance body	Y	Governance - Governance structure	18
Stakeholder engagement				
GRI 102-40	List of stakeholder groups	Y	ESG Strategy - Materiality matrix	13
GRI 102-42	Identifying and selecting stakeholders	Y	ESG Strategy - Materiality matrix	13
GRI 102-43	Approach to stakeholders engagement	Y	ESG Strategy - Materiality matrix Partnership - Stakeholder engagement	13 61-62
GRI 102-44	Key topics and concerns raised	Y	ESG Strategy - Materiality matrix	13
Reporting practice				
GRI 102-45	Entities included in the consolidated financial statement	Y	Appendix - Economic performance data	65
GRI 102-46	Defining report content and topic boundaries	Y	ESG Strategy - Materiality matrix	13
GRI 102-47	List of material topics	Y	ESG Strategy - Materiality matrix	13
GRI 102-48	Restatement of information	Y	ESG Strategy - 2030 Goals ESG Strategy - ESG aspirations roadmap 2030 Goals Governance - Crisis management Governance - Cybersecurity Peace - Grievance procedure Peace - Benchmarking tools and Risk management	14 15 21 22 54 55-56
GRI 102-49	Changes in reporting	Y	At a glance - About this report	2
GRI 102-50	Reporting period	Y	At a glance - About this report	2
GRI 102-51	Date of most recent report	Y	At a glance - Message from our CEO More info: www.eocgroup.com/sustainability	3 online
GRI 102-52	Reporting cycle	Y	At a glance - About this report	2
GRI 102-53	Contact point for questions regarding the report	Y	At a glance - Company portrait	6

N°	DISCLOSURE	#	REPORTED CROSS-REFERENCE CHAPTER	PAGE(S)
GRI 102-54	Claims of reporting in accordance with the GRI Standards	N		-
GRI 102-55	GRI content index	Y	Appendix - GRI Index	67-68
GRI 102-56	External assurance	N		-
GRI 103: MANAGEMENT APPROACH				
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GRI 103-2	The management approach and its components	Y	ESG Strategy - 2030 Goals	14
GRI 103-3	Evaluation of the management approach	P	ESG Strategy - ESG aspirations roadmap 2030 Goals	14
SPECIFIC STANDARD DISCLOSURES				
Economic				
GRI 201	Management approach disclosure	Y	Prosperity	45-52
GRI 201-1	Direct economic value generated and distributed	Y	Prosperity - Economic performance data 2019 - 2020	65
Environment				
GRI 301-306	Management approach disclosure	Y	Planet	23-34
GRI 301-1	Materials used by volume	Y	Appendix - Environmental performance data 2016 - 2020	65
GRI 302-1	Energy consumption within the organisation	Y	Appendix - Environmental performance data 2016 - 2020	65
GRI 303-3	Water recycled and reused	Y	Appendix - Environmental performance data 2016 - 2020	65
GRI 303-4	Water discharge	Y	Appendix - Environmental performance data 2016 - 2020	65
GRI 304-3	Biodiversity - Habitats protected or restored	Y	Appendix - Environmental performance data 2016 - 2020	65
GRI 305-1	Direct (Scope 1- GHG emissions)	Y	Appendix - Environmental performance data 2016 - 2020	65
GRI 305-7	NOx, SOx and other significant air emissions	Y	Appendix - Environmental performance data 2016 - 2020	65
GRI 306-2	Waste by type and disposal method	Y	Appendix - Environmental performance data 2016 - 2020	65
Social				
GRI 401, 403	Management approach disclosure	Y	People	37-47
GRI 401-1	New employee hires and employee turnover	Y	Appendix - Social performance data 2016 - 2020	66
GRI 403-9	Work-related injuries	Y	Appendix - Social performance data 2016 - 2020	66
GRI 404-1	Average hours of training per year per employee	Y	Appendix - Social performance data 2016 - 2020	66

APPENDIX / GLOSSARY

/ Glossary

CO₂	Carbon dioxide
COD	Chemical Oxygen Demand
CSR	Corporate Social Responsibility
EBIT	Earnings Before Interest and Taxes
EBITDA	Earnings before Interest, Taxes and Amortisation
EMS	Environmental Management System
EPDLA	European Polymer Dispersion and Latex Association
ERP	Enterprise Resource Planning
ESG	Environmental, Social & Governance
ETS	Emission Trading Scheme
EV	Electric Vehicle
FSC	Forest Stewardship Council
FTE	Full Time Employee
FTI	Federation of Thai Industry
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
GRS	Global Recycle Standard
HGV	Heavy Goods Vehicle
HR	Human Resource
HSL	Health and Safety Laboratory
IBC	Intermediate Bulk Container
ICT	Information and Communication Technology
ISCC	International Sustainability & Carbon Certificate
ISO	International Organisation for Standardisation Quality Management System
Kosher	Comply with Jewish religious dietary law
KPI	Key Performance Indicator

LEL	Lower Explosive Meter
LTIF	Lost Time Injury Frequency
MOC	Management of Change
NGO	Non-governmental organisation
NO_x	Nitrogen Oxides
OHSAS	Health and Safety Standard
PE	Polyethylene
PEFC	Programme for Endorsement of Forest Certification Schemes
PP	Polypropylene
PPE	Personal Protective Equipment
PRS	Pallet Return System
PSSR	Pre Startup Safety Review
PTE	Part Time Employee
PU	Polyurethane
PVB	Polyvinylbutyral
QMS	Quality Management System
R&D	Research & Development
REACH	Registration, Evaluation, Authorisation and Restriction of Chemicals
RSPO	Roundtable for Sustainable Palm Oil
SAP	Systems, Applications & Products
SCIP	Shanghai Chemical Industry Park
SO_x	Sulphur Oxides
TPE	Thermoplastic Elastomer
TPU	Thermoplastic Polyurethane
UN	United Nations
VOCs	Volatile organic compounds

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