

Alignment with TCFD recommendations

As part of its goal of being one of the most exemplary chemical producers in terms of environmental footprint, SNF supports the recommendations issued by the Taskforce on Climate-related Financial Disclosures (TCFD). The recommendations of this working group aim to provide a framework for companies' climate change disclosures around four themes: governance, strategy, risk management, and metrics & targets.

More detailed information is available, according to the table below, in SNF's 2020 ESG report and in the CDP Climate change questionnaire, to which SNF responded in 2020.

Taskforce for Climate-related Financial Disclosures (TCFD)	ESG Report Sections	Questions CDP
1/ Governance		
<p>SNF is guided by the United Nations Sustainable Development Goals (SDGs). The SNF Group has developed a range of over one thousand products, in keeping with its goal to promote responsible chemistry and improve quality of life for the entire population of the world. In light of the economic, environmental and social challenges facing the world, SNF seeks to generate sustainable and responsible business growth. The Group is aiming to achieve carbon neutrality by 2050 by providing its clients with long-term and innovative solutions in keeping with the Sustainable Development Goals set by the United Nations. The Group has made product stewardship and the provision of sustainable and innovative solutions a major priority.</p>	1.2 p.7	C1.1b
<p>The Company is managed by a Board of Directors comprising nine members, including one CSR, Quality & Chief Compliance Officer. The goal to diversify membership of the Board of Directors is regularly reviewed to promote cultural diversity. As such, the Board includes a number of current or former business leaders with expertise in fields such as corporate social responsibility. The Board met seven times in 2020. It oversees the Group's strategic development and periodically reviews risks and opportunities, particularly with regard to social and environmental matters.</p>	3.5 p. 17	C1.2, C1.2a C1.3, C1.3a

<p>2/ Strategy</p> <p>Innovation and the movement towards a cleaner, more energy-efficient and less carbon-intensive world are major drivers of growth for SNF. To maintain its leading position, the Group is constantly expanding its product range and reinvesting all of its financial resources in improving and extending its production facilities. Positioned on core markets with regard to sustainable development issues, SNF is committed to a constant focus on progress and excellence. The goal is to boost the competitiveness of the Group and its customers while minimizing the environmental impact of the related activities.</p> <p>The Group is aiming to achieve carbon neutrality (Scope 1 & 2) by 2050 and to reduce its carbon intensity down 30% by 2030. In terms of water consumption, SNF aims to reduce its water intensity by 20% by 2030.</p> <p>SNF Responsible Chemistry reflects the Group's goal of being one of the most exemplary chemical producers in terms of environmental footprint. SNF is also committed to the Responsible Care® approach at all of its sites. Built on the principle of continuous progress, this resolute initiative in the chemical sector involves the responsible management of operations and products throughout the life cycle, promoting their role in improving quality of life and furthering sustainable development. While rigorously monitoring emissions and waste, the Group implements appropriate recovery and recycling initiatives in a circular economy approach. From the design stage of manufacturing units, environmental considerations are factored into the choice of processes and equipment.</p>	<p>p.1 5.1 p. 32 5.2 p. 33 5.2 p. 7 5.3 p.39</p>	<p>C2.3a, C2.4a C3.1</p>
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<p>3/ Risk Management</p> <p>SNF identifies and conducts a detailed review of the risk of serious infringements of human rights and fundamental freedoms and serious harm to health, safety and the environment, in relation to the Group and its stakeholders. This work supplements existing measures implemented by parent companies as part of their duty of care. Established by the monitoring committee and approved by senior management, the review is performed jointly by the human resources, health, environment, legal, procurement, control and internal audit departments.</p> <p>SNF identifies and assesses these risks using a combination of sources: generic risks and risks targeted by the Responsible Care® programme that are specific to the chemical sector, feedback, real-world cases at companies operating in similar activities or scopes, significant issues expressed by stakeholders, and the Group’s vigilance plan. SNF’s main risks and the policies and procedures it implements to mitigate or prevent them are presented in tables of the Group’s ESG report, including the results of these policies and the associated performance indicators.</p>	<p>2.4 p.12 5.3.3 p.44 5.2 p.31, 33</p>	<p>C2.2 C2.2 C2.2a</p>
<p>4/ Metrics and Targets</p> <p>Metrics and targets used to assess and manage relevant climate-related risks and opportunities are available in SNF ESG Report, such as CO2 emissions (Scope 1 & 2), Electricity consumption, Gas consumption, Net water consumption, Water consumption, Volume of wastewater, COD of wastewater, BOD of wastewater, Suspended solids in wastewater, Nitrogen content of wastewater, Hazardous waste, Non-hazardous waste, Waste recovered as energy, Other recovered waste, VOC emissions, Dust.</p> <p>Ratio per tonne produced (100 = 2015) and cross-reference table between CSR standards and SNF indicators are also available on ESG Report.</p>	<p>p.64, 65, 66 p.47, 48 p.7</p>	<p>C4.1 C4.1a, C5.1, C6.1, C6.3, C6.5 C4.2, C4.2b</p>