

2024

ENVIRONMENT, SOCIAL & GOVERNANCE

REPORT

SI Group®



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**DAVID BRADLEY**

President & Chief Executive Officer

Dear Stakeholders,

SI Group's 2024 Environmental, Social, and Governance (ESG) Report covers our approach to sustainability. Since our inaugural report in 2022, we have continued to build on a strong foundation, embedding these sustainability principles deeper into our business. In 2024, we took some strategic decisions that will support our ESG journey including the announcement of our plant shutdown in Jinshan, China and the cessation of our Ibuprofen business.

METRICS, TARGETS & INNOVATION

As with our previous ESG report, this report features SI Group's metrics based upon widely accepted and easily understood Global Reporting Initiative (GRI) standards. The targets we previously committed to have not changed. We carefully selected meaningful goals that we believe can be achieved in the near and medium term and we continue to strive to reach them. Our organization knows that reaching our targets isn't possible without innovation. As a chemical company, innovation is part of our DNA, and we are reimagining solutions through new chemistry and technologies that will make our world a better place.

The 2024 ESG Report highlights the progress we've made in our charge to improve the world and address some of today's biggest challenges through the powerful building blocks of chemistry. Undoubtedly, we have faced some challenges, but we persevere and are working diligently to drive meaningful change toward a more sustainable future. I am particularly proud of the cultural transformation within our organization and the ways our teams have embraced inclusion and given back to their local communities.

As we move forward, we remain dedicated to our goal of a sustainable future. Our commitment to continuous improvement drives our daily actions and fuels our progress. Guided by our long-standing values of operational excellence, collaboration, innovation, diligence, and perseverance, we are confident that we will make meaningful progress towards our goals.

Sincerely,
David Bradley

**Corporate
ESG Report**

- Collected baseline measurements for key metrics
- Set targets to improve our sustainability and corporate social responsibility

**Employer of Choice:**
Diversity, Equity & Inclusion

- Launched DEI Council and global employee engagement groups
- Increased women in leadership positions by 5%

**2021 EcoVadis
Gold Rating**

- Rated in the top 5% of over 50,000 companies assessed
- Intend to attain new EcoVadis rating in 2025

**Commitment to
Safe Operations**

- Upheld ISO 14001 and ACC Responsible Care® standards
- Launched Perfect Day initiative in 2022 to enhance focus on safety

**Climate Change &
Environmental Impact**

- Focused efforts on yield & material variance improvements
- Built energy & waste reductions into broader manufacturing efficiency projects

**Sustainable
Procurement
& Business Practices**

- 5% improvement in the percentage of direct spend being addressed

POLYMER SOLUTIONS



Adhesives | Elastomers | Polyolefins
Polyurethanes | Rubber | Specialty

INDUSTRIAL SOLUTIONS



Coatings | Chemical Intermediates
Fuels | Lubricants | Oilfield

PHARMACEUTICALS



Ibuprofen | Propofol



Key Industries

Aerospace, Agriculture, Automotive, Building & Construction, Consumer Goods, Electronics, Energy, Fuels, Furniture, Health Care, Lubricants, Marine, Oil & Gas, Packaging, Personal Care, Tapes & Labels, Textiles, Tire & Rubber

18

MANUFACTURING
SITES

1,900
EMPLOYEES



5

TECHNOLOGY
CENTERS

\$1.5B
NET SALES



Our Global Presence

Our vast footprint includes manufacturing facilities on three continents serving customers in over 80 countries. We are over 1,900 people working to drive change from our manufacturing facilities, regional offices, and remotely around the globe.

➤ CUSTOMERS
80 COUNTRIES

➤ MANUFACTURING
18 FACILITIES



GLOBAL HEADQUARTERS
THE WOODLANDS, TX



NORTH AMERICA

Alabama	South Carolina	Texas
New York	Tennessee	West Virginia

EUROPE

France	Switzerland
Germany	United Kingdom

ASIA PACIFIC

China	Singapore
Korea	India

EcoVadis

In 2021, SI Group reached one of its initial sustainability goals with the attainment of a gold rating from the EcoVadis Corporate Social Responsibility (CSR) Rating assessment.

This rating is a marked improvement over our previous silver rating and speaks to our drive for continuous improvement and our commitment to environmental protection, sustainability, and corporate social responsibility throughout our value chains.

SI Group intends on submitting our credentials for the EcoVadis CSR assessment in 2025.



Our Approach to Sustainability

“Our sustainability journey continues to evolve with our 2024 ESG Report. Our emphasis on transparency and continuous improvement is steadfast. Through improved reporting and targeted sustainability efforts, we remain on our course to build a more sustainable organization.”

MICHAEL B. FARNELL JR.

Senior Vice President,
General Counsel & Chief Sustainability Officer



Our Key Focus Areas

Our sustainability efforts are focused on five areas that we believe are most impactful and where we can make a difference.



**CLIMATE CHANGE &
ENVIRONMENTAL IMPACT**

**We are committed to minimizing
our environmental impact through
our sustainability initiatives.**

We understand that climate change, resource scarcity, and waste are critical challenges facing our planet. To address these issues, we are focused on taking substantial actions to measure and reduce our emissions, energy consumption, water intake, and waste generation.

Greenhouse Gas Emissions (GHG) Emissions

We are taking steps to reduce our GHG emissions with initiatives that are focused on:

➤ **SCOPE 1 EMISSIONS**
Direct emissions from sites operated by SI Group

➤ **SCOPE 2 EMISSIONS**
Indirect emissions from external energy and steam suppliers

We will focus on increasing our use of renewable energy, including wind, hydroelectric, nuclear, and solar sources outside our fence line. Within our facilities, we plan to reduce our energy usage through upgrades to our manufacturing equipment that increase the efficiency and reduce the emissions from our operations.

 **OUR TARGET** REDUCE CARBON EMISSIONS INTENSITY BY 25% BY 2030.

Water

Our operations primarily utilize water in cooling towers, steam generation, and to a lesser extent, within product chemistries. Today, our metrics allow us to quantify our water purchased or brought onto the site from external sources. We are actively building more robust metrics to track water consumption and management through the installation of water metering globally.



OUR TARGET INTRODUCE SUSTAINABLE WATER MANAGEMENT BY WATER METERING AT ALL SITES AND SET REDUCTION TARGETS FOR TWO SITES WITHIN HIGH WATER-STRESSED AREAS BY 2030.

Waste

The primary source of non-water-based waste in our facilities is generated by our manufacturing operations and the operation of our facilities in general. We will utilize our metrics to further develop waste minimization and management strategies.



OUR TARGET REDUCE WASTE INTENSITY THROUGH PROCESS EFFICIENCY AND BENEFICIAL REUSE BY 10% BY 2030.

**zero + zero + zero =
PERFECT DAY**

We aim to show improvement year-over-year through a continuous improvement approach to safety, equipment upgrades and maintenance, and a strong “tone at the top” on employee health and safety.

We have taken several significant steps to put our employees in a position to meet these goals. The most important step has been the implementation of a software system that allows employees to manage their safety and regulatory responsibilities in an efficient and timely manner. Key components of this system include easy access to applicable local regulations, a catalog of key safety and compliance actions and reporting obligations, robust work permitting, management of change, and behavior-based safety programs.

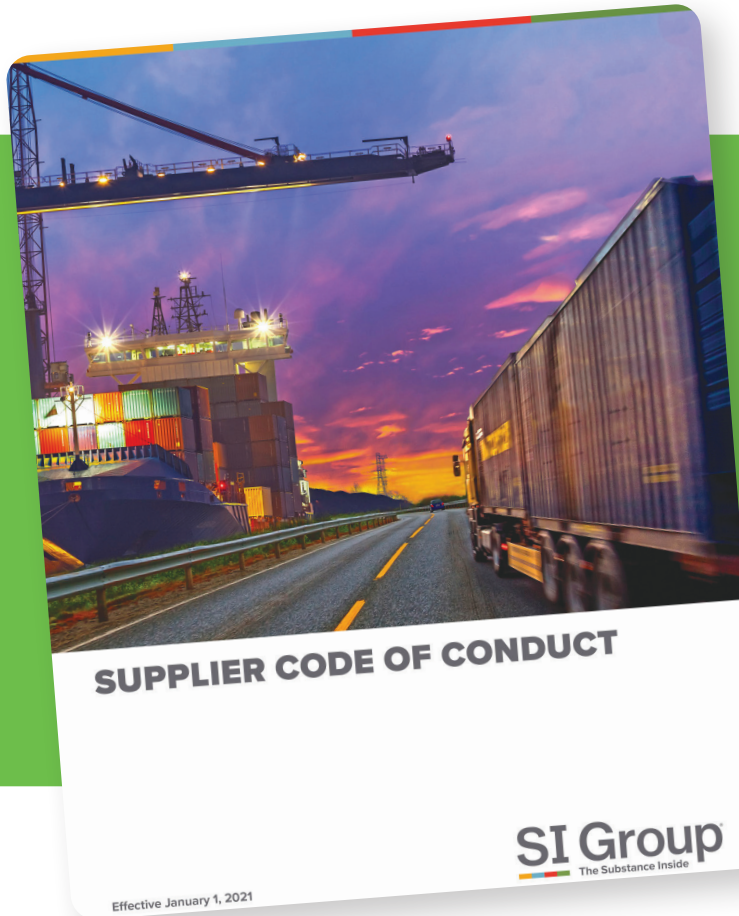
In addition, we implemented a similar software system to help facilities assess and manage risks associated with our manufacturing processes.



OUR TARGET ZERO INJURIES. ZERO ENVIRONMENT
RELEASES. ZERO COMPLIANCE VIOLATIONS

**SAFE
OPERATIONS**

SUSTAINABLE
PROCUREMENT



Environmental and corporate social responsibility are key pillars to the culture and operations of not only our business, but our entire value chain. We work to ensure that our standards of corporate social responsibility are shared by our suppliers.

We maintain active engagement with our suppliers and provide suppliers with our Supplier Code of Conduct and sustainable procurement training, reinforcing our stance on maintaining ethical and compliant procurement practices. Moving forward, we will maintain a sustainability survey of all new vendors and renewal of existing vendors as part of our standard procedures ensuring suppliers demonstrate a commitment to ESG principles.

Our Supplier Code of Conduct is a comprehensive document that is shared with our suppliers and covers SI Group's standards relating to topics including:

- Safety
- Human Rights
- Ethics
- Legal & Regulatory Compliance
- Environmental Protection
- Trade Compliance



OUR TARGET COVER >95% OF DIRECT SPEND WITH
SUSTAINABILITY EVALUATIONS BY 2030.

As a leading global performance additives producer, we recognize that our products are critical to solving the world's sustainability challenges.

We're investing in our Research & Development capabilities to provide the facilities, tools, and talent to drive sustainable innovation. Based on our four pillars of sustainable product development, our new products and solutions are designed to improve the quality of life for future generations.

Our Pillars of Sustainable Product Development:

- **Improve carbon footprint** through an understanding of our raw materials and utilizing bio-based feedstocks
- **Reduce risk/harm** through development of alternative chemistries with same functionality but present reduced risk
- **Minimize waste** through solutions designed for a circular economy
- **Improve resource efficiency through process improvements and emissions reduction programs.** In addition, we implemented a similar software system to help facilities assess and manage risks associated with our manufacturing processes



At SI Group, we value our employees as catalysts for change; each one with the potential to showcase differential performance. Our employees are ambitious, passionate, and committed; we thrive on speed, agility, and taking calculated risks.

It is this mindset and unwavering dedication to our business and our values that fuels our vision of becoming the global performance additives powerhouse. We call this culture *Ignite Impossible*; creating something extraordinary is how we define success in our company.

Diversity Fuels Extraordinary

In 2021, we expanded our definition of Ignite Impossible to emphasize inclusion and engagement. We developed a global framework for DEI, including the following principles, which will be implemented into all our interactions, both internally and externally:

- **Embrace differences** in our backgrounds
- **Ensure all voices are heard and matter**
- **Foster a safe environment** for divergent thinking
- **Provide training** to encourage diversity and inclusiveness
- **Seek out diverse talent** for open opportunities
- **Ensure equal opportunity** for advancement potential
- **Establish success metrics**

We are striving for a workforce where each employee has an opportunity to create something unique, providing differential value to the organization while having their voice heard.



OUR TARGET INCREASE THE NUMBER OF WOMEN IN MANAGEMENT POSITIONS TO 35% GLOBALLY BY 2030.



DIVERSITY, EQUITY
& INCLUSION



Building Inclusion Together

“Inclusion and culture are pillars of our organization, and we’ve seen real growth and progress in both areas. We’re still striving to improve, knowing there’s more we can do to make our workplace even more welcoming and supportive for everyone.”

BROOKE MANRIQUE

Senior Vice President, Global Human Resources & Communications

SI Group leverages technology that highlights various biases in job descriptions and makes recommendations on how to re-word or re-frame the description to be more inclusive. Our goal is to have a job description repository that is gender neutral and free of biases.

GRI 405-2: Proactive in Eliminating Gender Bias

SI Group has more than 15 active employee engagement groups worldwide. These groups have launched initiatives ranging from cultural celebrations to health and wellness campaigns. This collective effort has cultivated a sense of belonging and has helped to bridge cultural gaps within our diverse workforce.

Promoting Health and Wellness

SI Group's dedication to employee wellness is evident in our support for health awareness campaigns. This year, we hosted events for Breast Cancer Awareness Month and "Movember", encouraging early detection and preventative care. Additionally, across North America our regional HR team provided employees with comprehensive insights into our health and wellness offerings through in-person sessions, ensuring they can fully leverage the resources available to them.



Environmental Stewardship: Earth Day and Beyond

Our commitment extends beyond our workplace, as we actively strive to improve the communities where we operate. For Earth Day, SI Group employees globally participated in environmental initiatives. Highlights include tree planting in Rasal, India and Rotterdam Junction, United States, as well as community cleanups around the world, reinforcing our pledge to sustainability and community enhancement.



Celebrating Cultural Diversity

We celebrate cultural heritage through events like Diwali, Mid-Autumn Festival, and Lunar New Year providing an opportunity for employees to learn about different traditions, fostering mutual respect and understanding. Such events not only enrich our workplace culture but also reinforce our commitment to an inclusive work environment.



At SI Group, our commitment to community and inclusivity is at the heart of our global operations. We actively engage with local communities through regular dialogue, impact assessments, and tailored development programs, from educational STEM initiatives to environmental projects like tree planting—all designed to promote sustainable growth and create lasting, positive impacts. This dedication is further strengthened by our Culture Crews, employee-led groups that celebrate global diversity, foster inclusivity, and enhance community engagement. Through these Culture Crews, employees connect, share experiences, and drive initiatives that reflect SI Group's core values.

GRI 413-1: Operations with local community engagement, impact assessments, and development programs

Our mission statement and corporate values align with our sustainability philosophy and encourage employees to collectively Own Our Actions while making a commitment to sustainability. In 2021, we incorporated sustainability into our mission statement to convey to our employees and all stakeholders just how serious we are in making progress.

This mission statement fuels our everyday work and, in combination with our corporate values, keeps us accountable in the development and execution of our sustainability program. This work is supported by our employees, suppliers, and customers who support safe, healthy, environmentally friendly, and ethical business practices. Our transformative focus on sustainability will enable our future success as the global performance additives powerhouse.

Together, we own our actions; it is a choice we make to lead with integrity, take accountability, and provide solutions that make a difference for both the company and our global communities.



Our Mission

We innovate and drive change to create value with a passion for safety, chemistry, sustainability, and extraordinary results.

Our Corporate Values

Our values are centered around our commitment to sustainability, the environment, and health and safety.

Our culture is defined by living our values

- **Do the right thing**
We simply do the right thing regardless of circumstance or business pressure.
- **Reach beyond your possible**
We set aggressive targets, celebrate success, and learn from failure.
- **Captivate our customers**
We captivate our customers by developing innovative new solutions, delivering quality products on time, and by engaging proactively, professionally, and confidently in all interactions.
- **Lean in**
We show up to solve problems, challenge biases and conventional beliefs, approach roadblocks as exciting challenges, and take on things outside of our comfort zone.
- **Better every day**
We commit to make the changes necessary to become more effective each and every day.
- **Embrace the grit**
We find the strength from within to overcome all challenges.
- **Results matter**
We set clear metrics to measure progress.

About the Report

GRI 2-2 Entities included in the organization's sustainability reporting

GRI 2-3 Reporting period, frequency and contact point

Our second report aims to continue the narrative established in the inaugural report, demonstrating growth as we cover SI Group's sustainability approach and strategy, while summarizing the sustainability performance and associated activities. This report is representative of all SI Group wholly owned subsidiaries' performance, excluding joint ventures, for the calendar year 2023. The data and information presented in this report is effective as of December 31, 2023 from SI Group's official documents, both publicly available and internally reported. Michael B. Farnell Jr., Senior Vice President, General Counsel & Chief Sustainability Officer, provides formal internal approval of the report followed by review and approval of the Board of Directors of SI Group. It is the intention of this public reporting to **enhance transparency and accountability and drive our sustainable performance**. At SI Group, we are committed to sustainability with the highest degree of ethics, integrity, and social responsibility.

Thank you for your interest in our annual sustainability report. A downloadable version of this report can be found at www.siigroup.com/sustainability. We welcome your questions, comments, and feedback and can be contacted at sustainability@siigroup.com.

Sustainability Strategy



GRI 2-22 Statement on sustainable development strategy

See page 7 for our sustainability strategy.

Our Business

About SI Group

GRI 2-1 Organizational details

SI Group is a global leader in the innovative technology of performance additives, process solutions, active pharmaceutical ingredients, and

chemical intermediates. Our solutions are essential to enhancing the quality and performance of countless industrial and consumer goods within the plastics, rubber and adhesives, fuels and lubricants, oilfield, and pharmaceutical industries. With approximately 1,900 employees worldwide, our global manufacturing footprint includes 18 manufacturing facilities and five Technology Centers on three continents that serve customers in 80 countries. Please see *Our Global Presence* on page 6.

Our commitment to delivering high-quality, reliable solutions has been our foundation for more than 100 years. SI Group has a rich history of global growth through excellence in manufacturing and innovation, acquisitions, and intelligent expansion.



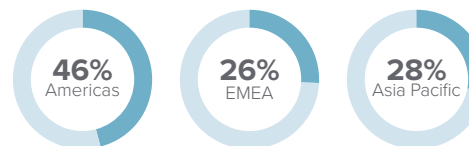
2023 Company Highlights

GRI 201-1 Direct economic value generated and distributed

SI Group's 2023 net sales were approximately \$1.5 Billion. We measure our performance based on adjusted EBITDA (earnings before interest, taxes, depreciation, amortization). The following figures are consistent with prior external reporting which is based on the business including our joint ventures and, for the relevant periods, divested sites.

	2023 (\$K)
Sales and Other Operating Revenues	1,542,533
Operating Income	(53,056)
Cash Flow from Operating Activities	4,355
Capital Expenditures	(49,528)

SALES BY REGION



GRI 201-2 Financial implications and other risks and opportunities due to climate change

GRI 2-25 Processes to remediate negative impacts

The effects of climate change can and are being felt by our facilities. Some of these changes include increased frequency of severe hurricanes and floods, tornadoes, and global sea level rise. While we have preparedness plans in place to manage weather crises, these events have the potential to cause disruption to our operations and supply chain.

GRI 201-3 Defined benefit plan obligations and other retirement plans

Our defined benefit pension plans and retirement savings plan exist in the U.S. and other regions. In addition, other post-employment benefits (OPEB) have existed for certain groups of employees, including early retirement options and certain medical benefits to certain employees in the U.S. and other countries.

As of December 31, 2023, in the U.S. where the largest population of employees work and reside, SI Group sponsors and administers two separate retirement plans. A frozen defined benefit, named the Employee's Retirement Plan of SI Group, which has plan assets with value of \$299 million and funding ratio of 89%. A frozen defined benefit plan, named the SI Group, Inc. Pension Plan for Represented Employees in Orangeburg, South Carolina, which has plan assets with value of \$3.5 million and a funding ratio of 97.4%.

Our U.K. subsidiary has a Defined Benefit Plan, which provides a provision for existing U.K. employees, but is closed to new members. There is also an Occupational Defined Contribution Plan in the U.K. and a GPP Plan, both of which are open to new members. The last annual summary funding statement prepared in the intervening years, between the tri-annual review as of April 2023 noted a marginal change of £100k from the fully funded position. As of December 31, 2023, the Defined Benefit scheme membership comprises 19 Active members, 96 Deferred members and 163 Pensioner Members. Defined Benefit Plan Assets were valued at £49m. The Defined Contribution plan has a membership of 172 of which 77 are Active members and 95 are Deferred members.

In China, Singapore, Japan and Korea, all employees are enrolled in statutory pension plans. As of December 31, 2023, these plans covered 337 employees. We also administer other mandatory government schemes globally.

In Brazil, we do not provide a supplementary company pension plan. All employees in Brazil are covered by the government pension and health care system. The government pension offers a very limited amount ranging from BRL 1,412 to a maximum of BRL 7,786 per month.

In India, individuals usually have their own personal pension plan. We offer retirement benefits as per statute that include provident fund and gratuity.

GRI 201-4 Financial assistance received from the government

SI Group obtains limited assistance from various government agencies in the form of research and development credits for 2023.

GRI 2-6 Activities, value chain and other business relationships

We innovate and drive change to create value with a passion for safety, chemistry, sustainability, and extraordinary results. Our customer-centric approach is rooted in understanding the markets we serve and the value that our products provide. Our focus and business strategy are aligned to these markets, offering differentiated solutions that feed into plastics, rubber and adhesives, fuels and lubricants, oilfield, pharmaceuticals, and others. We serve these markets through three business units:

➤ **Industrial Solutions** (47% of 2023 net sales) provides high quality building block and performance chemicals into attractive high growth end markets. The business provides products for the performance intermediates, fuel and lubricant additives, surfactants, and oilfield end markets. Our products include ETHAFLOW™ for fuels and lubricants, CERIFLOW™ for oilfields, and alkylphenol intermediates for various applications. Since our latest ESG report, there has been greater regulatory focus on certain chemistries with potential environmental and reproductive toxicity. Our solution, ETHANOX™ 4721, can substitute harmful diphenylamines in the lubricant sector, minimizing environmental and health risks. Additionally, we have introduced ETHAFLOW™ 6705 in the antiwear market, a less hazardous and more effective alternative that is also NSF certified and used at lower dosages.

► **Polymer Solutions** (48% of 2023 net sales) provides a broad portfolio of innovative additives for polyolefins, polyurethanes, rubber, adhesives, and elastomers that deliver superior application performance and safer handling with an extensive portfolio of specialty additives serving the packaging, automotive, construction, consumer goods, and electronics end markets. Our backward integration into alkylphenol chemistries enables us to supply the rubber industry with solid phenolic resins and ELAZTOBOND™ products for tires and technical rubber items. We pioneered alternative phosphite chemistries, like WESTON™ 705, to help the industry move away from heavily regulated substances like TNPP. Facing increased scrutiny in the plastics and rubber sectors, especially concerning Arvin degradants in water applications, we have developed innovative formulated solutions that replace existing antioxidants without creating these degradants in polyolefin stabilization. In the rubber industry, we are developing technologies to minimize residual para-tert-octylphenol, known as an endocrine disruptor, and have created new chemistries to entirely eliminate its use.

► **Pharmaceuticals** (3% of 2023 net sales) provide active pharmaceutical ingredients that offer critical components of pain management solutions and other specialty applications. Key product lines include ibuprofen and propofol.

The remaining 2% of our net sales in 2023 were attributable to terminal and tolling revenue which is not assigned to a strategic business unit.

Our Approach to Tax

GRI 207-1 Approach to tax

Our parent company, SK Mohawk Holdings Sarl, is a tax resident of Luxembourg and subject to the Luxembourg tax system. However, SK Mohawk Holdings Sarl has relatively minor tax obligations of its own because its status as a holding company that has limited activities. Through our subsidiaries, we have substantial operations worldwide. Income taxes are paid on the earnings generated in various jurisdictions where our subsidiaries operate production facilities, such as the U.S., U.K., France, Switzerland, Germany, India, Brazil, and Korea. Similarly, other tax obligations are incurred and paid in the countries in which we operate.

We are committed to observing all applicable laws, rules, regulations, reporting, and disclosure requirements. To meet these commitments, we recognize the importance of effective tax governance and have adopted a framework of processes to effectively manage our tax obligations.

We structure our tax activities to control tax costs and seek tax efficiency in accordance with applicable laws and regulations. Tax strategy and related actions are reviewed on an ongoing basis by the Chief Financial Officer (CFO), Senior Director - Global Taxation, and other senior personnel.

GRI 207-2 Tax governance, control, and risk management

Tax governance is part of the company's Finance function and is ultimately the responsibility of the CFO supported by the Senior Director - Global Taxation and their team. Effective tax governance at SI Group includes maintaining appropriate processes and procedures with respect to tax compliance and reporting, tax planning and tax advice, tax audits and dispute resolution. We employ tax professionals and supplement their expertise with reputable tax advisors from major accounting and law firms. Our advisors help us develop reasonable certainty in tax positions we adopt, and assess tax risks and comply with applicable laws, rules, regulations, and reporting and disclosure requirements.

We have a transfer pricing policy for SK Mohawk Holdings Sarl and its subsidiaries requiring them to be conducted and priced on an arm's-length basis with appropriate supporting documentation. Further, we have an established procedure that requires intercompany financial transactions and corporate restructurings, including those that are tax planning related, to obtain prior approval of the CFO, CLO or their designees.

Employees can report concerns about violations of company policies or the law by reporting the issue to their supervisor or manager, Human Resources representative, whistleblower hotline, or any member of the Legal or Compliance Department. See GRI 2-26 for more information on our whistleblower hotline.

GRI 207-3 Stakeholder engagement and management of concerns related to tax

We seek to maintain positive relationships with the taxing bodies in the jurisdictions in which we operate, provide timely responses to inquiries, and resolve issues in a timely manner. In addition, we aim to resolve disputes with the tax authorities in a constructive manner and pursue litigation where other administrative means are not effective.

We pursue available tax incentives, including research and development related incentives, tax deductions, credits, abatements, and similar routinely and when evaluating project economics with respect to business initiatives, which help to finance our capital expansion projects and other initiatives.

GRI 207-4 Country-by-country reporting

TAXES ¹ (PAYMENTS TO GOVERNMENT)	2023 (\$K)
Europe	12,103
Asia Pacific	734
North America	9,724
South America	6,679

¹ Taxes represent income tax paid (on cash basis)



Management Approach

We work with our local governments and surrounding communities to contribute to sustainable growth and to minimize the negative impact on the environment. We strive to be a trusted and respected neighbor in the communities in which we operate and live, and we are committed to making positive changes through protecting the environment.

As a chemical manufacturing company, we are aware of the associated risks and hazards to the environment. SI Group is constantly striving to find sustainable solutions in the development, manufacture, and application of its chemical products. We know that our continuity and success will be achieved only if we focus on making every decision with sustainable practices and the future in mind.

EHS Policy

The principles of our Environmental, Health, Safety & Security policy (EHSS) and management system directly reflect the Responsible Care® Principles through demonstration of our commitment the health

and safety of our employees, the communities in which we operate, and the environment. Learn more at: <https://www.americanchemistry.com/chemistry-in-america/responsible-care-driving-safety-industry-performance>.

We will continually improve our EHSS systems, processes, and activities to achieve operational excellence regarding the conservation of energy and natural resources, prevention of pollution, and the health, safety, and security of our employees and the public. We have set our goal to reduce negative impacts on people and the environment.

View our EHSS Policy at <https://siigroup.com/ehss>

Managing Environmental Data

The preparation of our ESG Report has allowed us to better understand the environmental data we have available today and how it is captured globally. As part of this, we are in the process of utilizing our Enterprise Resource Planning (ERP) and EHS regulatory systems as the primary sources for our environmental data, allowing real-time access for reporting purposes. The use of our systems will enhance our ability to measure, monitor, and ultimately improve our environmental performance.

Summary Metrics

METRIC	UNIT	2020 ¹	2021	2022	2023
Energy Intensity	GJ per metric ton of product	11.63	11.13	11.80	12.80
Scope 1 GHG Emissions	tCO ₂ e	275,881	301,327	324,583	309,419
Scope 2 GHG Emissions	tCO ₂ e	127,316	120,813	116,077	111,164
Combined Scope 1 and 2 GHG Intensity	tCO ₂ e per metric ton of product	0.70	0.66	0.77	0.80
Total Purchased Water	thousand liters	1,712,391	1,799,795	1,633,269	1,724,828
Purchased Water Intensity	thousand liters per metric ton product	2.96	2.82	2.84	3.26
Total Waste ²	Metric ton	25,321	29,119	31,209	27,328
Total Waste Intensity ²	Metric ton per metric ton product	0.04	0.05	0.05	0.05

¹ Baseline year 2020

² Exclusion of on-site construction and remediation waste

Materials

GRI 3-3 Management of material topics - Materials

GRI 301-1 Materials used by weight or volume

Management Approach

The major feedstocks for our operations are derived from the petrochemical industry, including phenol, isobutylene, and methyl acrylate. These and other feedstocks are used to produce finished products and intermediate products which are further processed by our downstream customers.

Our environmental metrics are reported in absolute (total) and intensity (rate per metric ton of product) terms to more clearly reflect our performance, which is subject to change based on production volumes, supply chain, and other business factors.

GRI 301-3 Reclaimed products and their packaging materials

SI Group does not reclaim products and packaging materials from customers.



Energy

Management Approach

We strive to optimize energy use in our operations to both limit our resource consumption and remain in compliance with legal requirements. By harmonizing our global energy metrics for annual sustainability reporting, we are identifying projects to improve our metrics through more disciplined operations, routine maintenance and upgrades, and the implementation of best available technology. We benchmark the results of this program with others in our industry to ensure we are an effective user of the energy we consume.

GRI 302-4 Energy reductions

In 2023, we initiated a project to analyze our chemical processes and identify opportunities to increase reaction yields. This work revealed several opportunities, prompting our teams to focus on improving yields or assessing alternative manufacturing options within SI Group. Higher yields lead to better vessel utilization and reduced energy consumption per kg of product.

GRI 302-1 Energy consumption within the organization (Scopes 1 + 2)

GRI 302-3 Energy intensity

In 2023, we consumed 884,608 GJ of electricity globally, a decrease of 10.25% from our 2020 baseline year. This represents total energy, power, steam, compressed air, cooling water pumps, and other equipment used by manufacturing facilities. Our energy intensity 2023 has increased in comparison to 2020 by 1.19 GJ/mt. This increase in energy intensity was driven by the decrease in production caused by global destocking events during 2023.

PURCHASED ENERGY (MILLION GJ)

SOURCE	2020	2021	2022	2023
Purchased Natural Gas	5.26	5.67	5.36	5.40
Purchased Electricity	0.97	0.97	0.93	0.88
Purchased Steam	0.36	0.28	0.23	0.23
Purchased Coal	0.14	0.18	0.25	0.26
Net Use	6.72	7.10	6.77	6.78

Emissions

Management Approach

We are committed to closely monitoring and controlling our emissions, complying with all laws and the terms of our permits, implementing appropriate pollution controls, and preventing pollution.

Scope 1 and Scope 2 GHG emissions

GRI 305-1 Direct (Scope 1) GHG emissions

GRI 305-2 Energy indirect (Scope 2) GHG emissions

GRI 305-4 GHG emissions intensity

Greenhouse Gas (GHG) emission management is included in our environmental management system. Greenhouse gases are accounted for in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting. Monthly data is gathered centrally from our manufacturing sites and forms the basis of our monthly reported metrics to our internal and external stakeholders. Data from each production site is consolidated into tons of carbon dioxide equivalent (tCO₂e) in absolute amounts as well as in terms of intensity (emission per metric ton of product) being produced.

GHG EMISSIONS (TCO₂E)

	2020	2021	2022	2023
Scope 1 Emissions¹	275,881	301,327	324,583	309,419
Scope 2 Emissions²	127,316	120,813	116,077	111,164
Total Emissions	403,197	422,140	440,660	420,583
GHG Intensity (metric ton of CO₂e per metric ton of product)	0.70	0.66	0.77	0.80

¹ Scope 1: Direct emissions from sites operated by SI Group

² Scope 2: Indirect emissions from external energy and steam suppliers

We have also seen production volumes decrease by approximately 8.52% from 2020 to 2023, which has impacted our GHG intensity (amount of tCO₂e produced per metric ton of product) showing a 13.6% increase. The majority of these emissions are from the use of natural gas as a fuel source for the generation of steam for our facilities.

We apply emission control technologies as necessary to minimize environmental impacts and odors. Source emissions from process equipment and storage tanks are typically controlled with flares, scrubbers, dust collectors, or Regenerative Thermal Oxidizer technologies. Leak detection and repair programs monitor and minimize fugitive emissions from valves and fittings in process equipment. Additionally, no ozone-depleting substance included in Annexes A, B, C, and E of the 'Montreal Protocol' were produced, imported, or exported by SI Group in 2023.

In Europe, our operations participate in the European Union Emissions Trading System (ETS), and we purchase annual emission allowances to meet our obligations. Our E.U. sites: Bethune, France; Catenoy, France; and Waldkraiburg, Germany, are subject to ETS and represent 5.12% of our 2023 total Scope 1 emissions equating to 15,854 tCO₂eq.

GRI 305-6 Emissions of ozone-depleting substances (ODS)

GRI 305-7 Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions

In addition to CO₂ emissions, we calculate fugitive nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions globally, but we focus our metrics and reduction targets on CO₂ equivalent emissions.

Scope 3 GHG Emissions

GRI 302-2 Energy consumption outside of the organization

GRI 305-3 Other indirect (Scope 3) GHG emissions

For this reporting period, we focused our metrics on CO₂ emissions to directly address Scope 1 and 2 reduction initiatives inside our facilities globally. Although Scope 3 emissions were not considered in this initial effort, it is an objective to work with our suppliers and transportation providers to determine CO₂ emissions outside of our facilities, enabling us to implement emissions reduction projects such as the performance of a cradle-to-gate lifecycle assessment.

Water

Management Approach

Water is a valuable and critical resource throughout our operations as well as for the communities in which we operate. Our processes and procedures are designed to meet and exceed all applicable water discharge limits and requirements. Our operations primarily utilize water in cooling towers, steam generation, and to a lesser extent, within product chemistries. Beginning in 2022, we revised our metric definition for water to focus on 1) water purchased and 2) water discharged.

GRI 303-1 Interactions with water as a shared resource

At our manufacturing sites and our offices, we use water as both potable water for drinking and sanitary use as well as within our operations. The source of water we use in operations varies by region. Our manufacturing sites reuse water to reduce the amount of groundwater and freshwater withdrawn, primarily seen through the recirculating

water systems for cooling towers. We manage water in accordance with permitted limits for discharge destination and water quality.

Water Withdrawal

GRI 303-3 Water withdrawal

SI Group purchased a total of 1,724,828 thousand liters of water in 2023, which represents less than 1% increase compared to the reported figure for 2020 (1,712,391 thousand liters). The total purchased represents water supplied by third parties, such as corporation water supply and industrial site services. We have aligned our 2023 approach in calculating water withdrawal and discharge with GRI definitions.

In 2023, we conducted an annual baseline water stress assessment of our manufacturing sites using the WRI Aqueduct Water Risk Atlas tool. Baseline water stress measures the ratio of total water withdrawals to available renewable surface and groundwater supplies. Water withdrawals include domestic, industrial, irrigation, and livestock consumptive and non-consumptive uses. Higher stress indicates more competition among users. According to the WRI Aqueduct Water Risk Atlas tool, the majority of our production sites are classified as low baseline water stress.

BASELINE WATER STRESS

LOW (<10%)	LOW – MEDIUM (10-20%)	MEDIUM – HIGH (20-40%)	HIGH (40-80%)	EXTREMELY HIGH (>80%)
Bay Minette, UNITED STATES	Four Ashes, UNITED KINGDOM	Baytown, UNITED STATES	Catenoy, FRANCE	Bethune, FRANCE
Freeport, UNITED STATES	Jinshan, CHINA	Morgantown, UNITED STATES		
Nanjing, CHINA	Lote, INDIA	Yeosu, KOREA		
Orangeburg, UNITED STATES	Newport, UNITED STATES			
Pratteln, SWITZERLAND	Rasal, INDIA			
Rotterdam Junction, UNITED STATES				
SINGAPORE				
Waldkraiburg, GERMANY				

Our two French production facilities are located in high and extremely high baseline water stressed areas as defined by the WRI Aqueduct Water Risk Atlas and withdrew 53 million liters of water in 2023. Their water withdrawal represents 3.11% of our total water intake in 2023. Of this total purchased water supplied by third parties, the Parisian Basin is the aquifer source for both sites.

At these water stressed locations, we have implemented procedures to limit the withdrawal of water by recycling process water into our systems. At our Catenoy, France facility, we utilize an on-site retention pond which collects the water discharged from production, this water is then treated and reintroduced to our production processes.

In addition to assessing our baseline water stress, the WRI Aqueduct Water Risk Atlas also indicates areas of "overall water stress." Overall water risk measures all water-related risks, by aggregating indicators from the physical quantity, quality, and regulatory and reputational risk categories to classify regions on a scale from low to extremely high water stressed.

Of our production facilities evaluated, our two India sites are noted to be in areas of overall high water stress. At our Rasal, Maharashtra site, we are conscious of our water usage.

We conserve and reuse to maintain zero wastewater discharge through treated wastewater that is utilized for general facility use and cooling tower makeup as per consent conditions. We will continue to develop a water management strategy based on risk and water stressed areas in 2023.

WATER PURCHASED (THOUSAND LITERS)

2020	2021
1,712,391	1,799,795
2022	2023
1,633,269	1,724,828



Please reference Our Sustainability Approach on page 7.

Water Intensity

From a total water intake perspective, that is water predominantly being used for generation of steam, the 2023 water intensity is 3.26 thousand liters per metric ton of production. This represents a 10.1% in water intensity increase from our 2020 baseline year.

Wastewater Management

GRI 303-2 Management of water discharge-related impacts

We have identified and applied a sustainable approach to assure proper wastewater treatment

prior to discharge. Many of our sites pretreat wastewater before being sent to municipal wastewater treatment centers. Biological wastewater treatment has been selected and implemented at a number of our locations along with other types of wastewater treatment such as carbon absorption processes. To minimize our environmental impact, we maintain water quality standards to protect ecosystems, wildlife, and human health and welfare.

GRI 2-27 Compliance with laws and regulations

We classify environmental incidents including air, water and waste releases to the environment on a scale from 1 to 3, with 3 having the highest impact. Additionally, hazardous material transportation events and non-compliances are included in our classification. We report on environmental incidents that are Level 2 or 3, indicating a failure to meet a policy, standard, or applicable law due

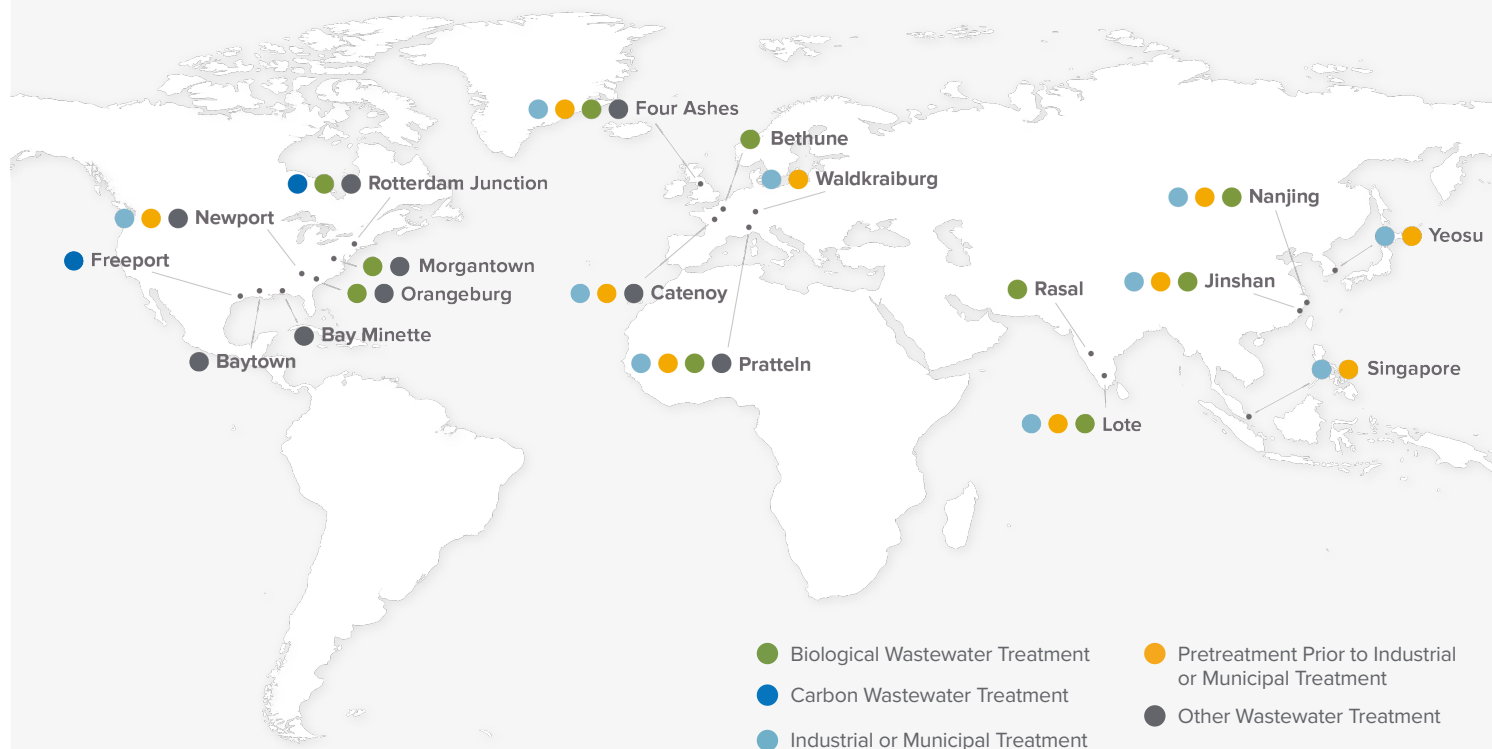
to an unplanned release or discharge into the environment. Information on fines and penalties paid to resolve environmental, health and safety enforcement actions is also provided below.

ENVIRONMENTAL INCIDENTS (LEVEL 2 OR 3)

	2023
Number of Incidents	36
Fines and Penalties	\$272,186

Data presented reflects the most current data available. Data entered for prior years may be updated in subsequent reports if additional information becomes available.

Global Water Discharge Treatment



Waste

GRI 306-1 Waste generation and significant waste-related impacts

GRI 306-2 Management of significant waste-related impacts

GRI 306-3 Waste generated

Management Approach

SI Group's product technologies and manufacturing technologies are designed to provide the highest possible levels of raw material conversion to finished product, with the lowest achievable resulting by-product and waste generation. Most of the waste we produce is hazardous solid and liquid waste from chemical plant operations. Our operations also produce non-hazardous solid waste, including general plant waste. Construction and remediation

waste were excluded from the reported metrics. All waste disposal is managed in accordance with applicable regulations that minimize environmental impacts resulting from treatment, transportation, and disposal.

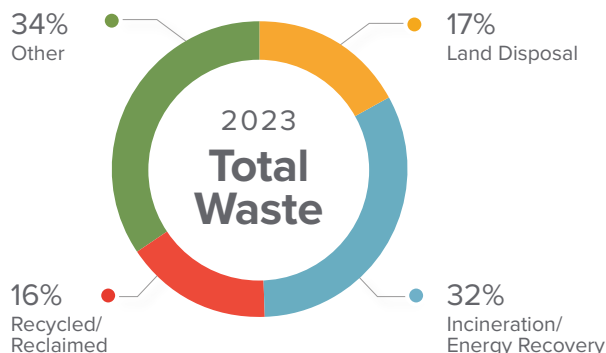
Our sites adhere to regional registration standards for waste disposal that include determination of what constitutes hazardous and non-hazardous waste. This was used as a minimum requirement for the classification and determination of disposal method for waste. Data is reported from waste manifest invoices indicating removal of waste by a licensed third party from the site.

Please reference Our Sustainability Approach on page 7.

GRI 306-5 Waste directed to disposal

WASTE BY TYPE (METRIC TONS)

	2020	2021	2022	2023
Land Disposal	2,524	5,018	7,000	4,699
Incineration/Energy Recovery	8,425	9,972	11,447	8,876
Recycled/Reclaimed	1,529	2,119	3,430	4,425
Other	12,843	12,009	9,333	9,328
Total Waste¹	25,321	29,119	31,210	27,328



WASTE INTENSITY (METRIC TON WASTE PER METRIC TON OF PRODUCT)

Total Waste Intensity¹

2020	2021
0.04	0.05
2022	2023
0.05	0.05



GRI 306-4 Waste diverted from disposal

We strive to reduce all hazardous and non-hazardous waste to the minimum levels economically and technically practical and to be in full compliance with all regulations. The primary objective of our reduction plans is to reduce waste. We will utilize our metrics to develop waste minimization and management strategies and in conjunction with economic considerations:

- **Reduce waste at the source (source reduction)**
- **Consider recycling, either on-site or off-site**
- **Consider (off-site) energy recovery**
- **Consider on-site or off-site treatment**
- **Source a secure permitted land disposal facility**

Waste reduction teams at our manufacturing locations include production technicians, process engineers, production leaders, and the environmental, health & safety (EHS) managers.

Our production processes have generated waste streams, including packaging materials, metals, and general waste, that can be directed to off-site facilities for recycling and reclamation. Wherever possible, waste is analyzed whether it can be recovered and/or reused and recycled. As part of our chemical processing, we generate a range of materials that are not core to our business but are sold to third parties. These materials are classified as upcycling for sellable material, which have been diverted from a waste stream and sold as finished products.

2023 RECYCLED MATERIALS (METRIC TONS)

Upcycling for Sellable Material	40,415
Paper/Metal/Other	4,425

¹ Exclusion of on-site construction and site remediation waste which were not attributable to our regular operations.



Management Approach

SI Group's talented and engaged workforce contribute to the success of our business. We are committed to creating and maintaining an environment where all employees have an equal opportunity to reach their personal and professional potential.

We uphold all applicable fair wage laws and offer competitive pay and benefits packages, with a focus on enhancing the engagement, health, and financial wellness of our employees and their families. We reward individual and team performance through annual salary reviews and unique reward and recognition opportunities. In addition, we engage as a company in open and ongoing dialogue with employees and their representatives to ensure transparency.

*GRI 2-7 Employees
GRI 2-8 Workers who are not employees*

As of December 31, 2023, we had approximately 1,900 full-time and part-time employees globally. The employee population reaches across 18 manufacturing locations, excluding JV locations, with the highest number of employees located in the United States.

In addition to direct employees, we had 163 contingent workers globally across various functions and sites. Most contingent workers support the IT and manufacturing functions, including production and plant engineering.

In general, contractors are employed by contract companies as flexible resources in certain locations to assist with non-core activities. **All contractors and contingent workers adhere to our Code of Conduct and are obligated to follow our ZERO, ZERO, ZERO commitment.**

Diversity, Equity & Inclusion

Management Approach

Diversity, equity, and inclusion (DEI) is critical to the future of the chemicals industry. Championing these principles allows businesses, like SI Group, to harness the full capabilities of a team and ensure employees can work as their authentic selves.

At SI Group, our vision is aspirational and motivating; our intent is to foster an inclusive culture that helps employees create differential value to drive business results.

Diversity of Employees and Governance Bodies

GRI 405-1 Diversity of governance bodies and employees

In our inaugural ESG Report, we established our goal to increase the proportion of women in management positions to 35% globally by 2030. As of December 31, 2023, the employee base is approximately 18% female, with higher percentages in professional level functional roles like Legal, Human Resources, and Finance. We continue to seek unique ways to attract females in the recruiting process and will engage them heavily in our DEI efforts to ensure retention of female talent in career planning and development.

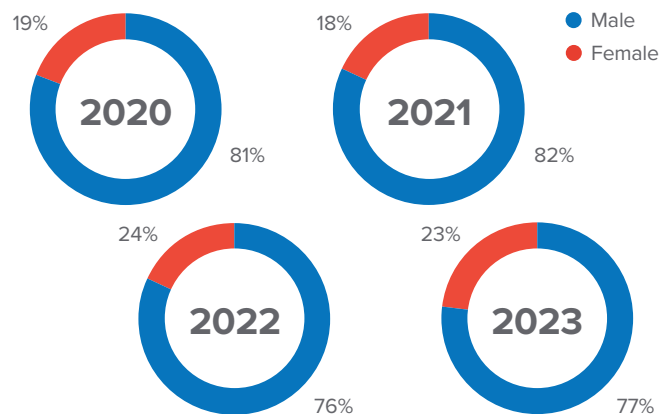


Leadership Diversity

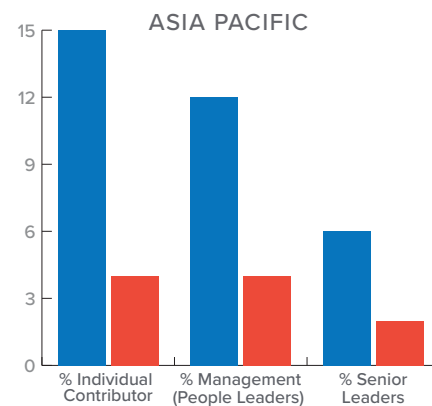
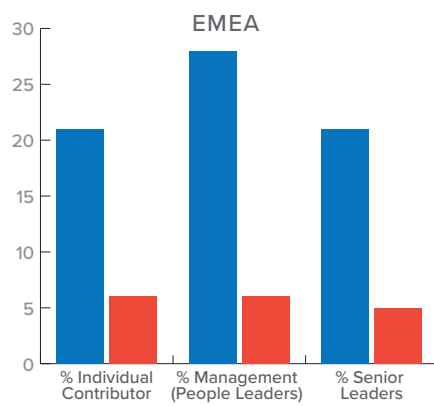
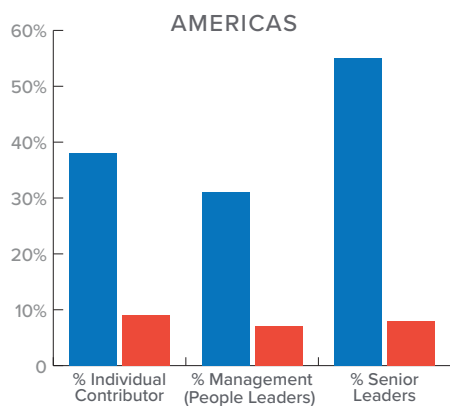
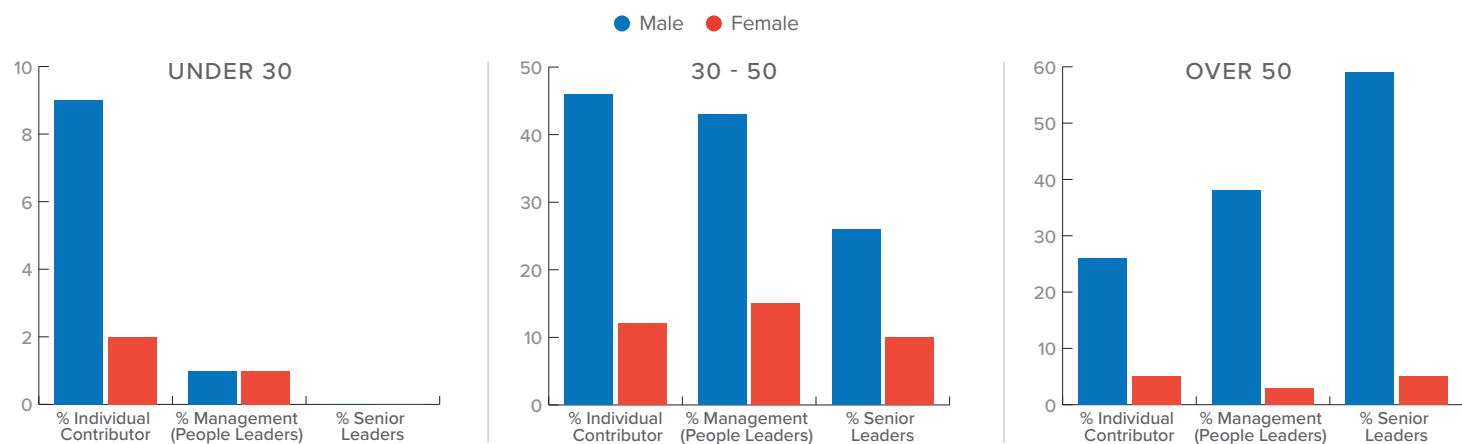
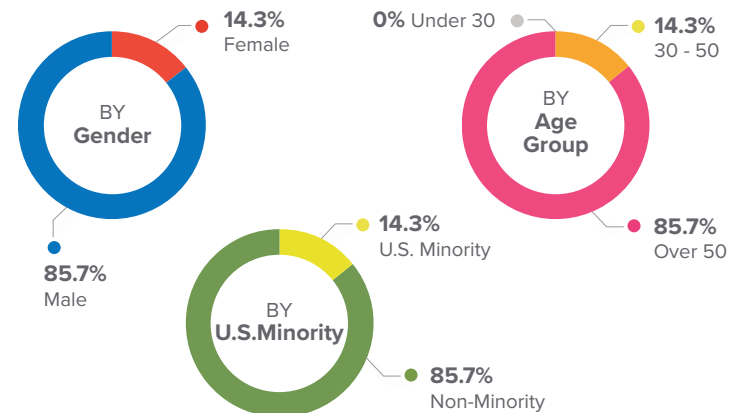
For our DEI sustainability target, we define management positions as those that belong to the job family category of manager – Executive Leadership Team (ELT), Management, Senior Leaders. These are the roles that have direct or indirect responsibility for leading teams, projects, or functions within the organization.



Global Management Diversity by Gender



ELT Leadership Diversity

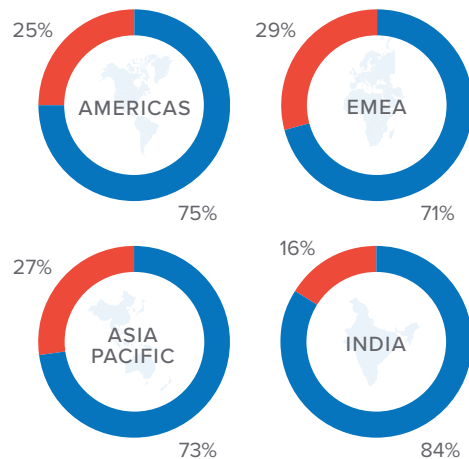


Turnover by Gender

GRI 401-1 New employee hires and employee turnover

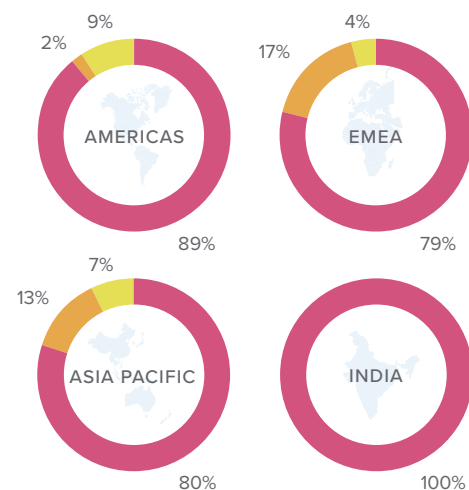
NEW EMPLOYEE HIRES – GENDER BY REGION 2023

● Male
● Female



NEW EMPLOYEE HIRES – JOB CATEGORY BY REGION 2023

● Individual Contributor
● Management (people leaders)
● Senior Leaders (global leaders/ex team)



Attracting & Promoting Diverse Talent

SI Group is committed to a fair, equitable, and consistent approach in our global recruitment and selection process. We promote a diverse candidate pool during all aspects of the recruitment and selection process and encourage hiring managers to fill open positions with the most qualified candidate for a role without discrimination.

Please reference Our Sustainability Approach on page 7.

Benefits

Benefits - A Commitment to Our Employees' Health, Wellbeing & Career

GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees

SI Group employs both full-time and part-time workers around the world with highly competitive total rewards packages. We focus on enhancing the engagement, health, and financial wellness of our employees and their families. The programs offered provide an array of solutions that support a work-life balance.

While all locations have country-specific benefits, most major SI Group locations have benefits such as:

- Paid vacation, holidays, and personal leave
- Flexible work schedules
- Disability coverage
- Wellness programs and incentives
- Medical, dental, and vision plans
- Retirement benefits
- Wellness webinars and education opportunities



Management of Collective Bargaining Agreements

In recognizing and respecting human rights, SI Group also complies with all applicable labor and employment laws including those relating to freedom of association and collective bargaining, competitive compensation and reasonable working hours, and the prohibition of child labor, forced labor, and human trafficking.

GRI 2-30 Collective bargaining agreements

We respect the rights of workers to form and join trade unions of their own choosing, to bargain collectively, and to peacefully assemble as permitted under applicable law. We also respect the rights of workers to choose to refrain from such activities. We recognize the right of workers to share ideas and concerns with management free of fear of reprisal, and we never tolerate reprisals or retribution against anyone who lodges a complaint or concern in good faith. Approximately 53% of our workforce was unionized, or covered by either formal collective bargaining agreements or works councils in 2023. This included all employees in China, who are unionized but not covered by a collective bargaining agreement.

GRI 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk

At the conclusion of 2023, we evaluated the commitment of our suppliers, representing 84% of our total direct raw material spend, for sustainable practices which include their commitment to freedom of association and collective bargaining. We have reviewed ESG reports to the extent available and EcoVadis ratings of direct raw material supplier and believe our direct spend is with suppliers that adhere to these social principles.

GRI 402-1 Minimum notice periods regarding operational changes

SI Group is committed to open dialogue in the forms of negotiation, consultation, collective bargaining, joint problem solving, joint decision-making, and exchange of information between, or among representatives of governments, suppliers, employee unions, and employees on issues of common interest relating to economic and social policy.

We proactively exchange information and provide platforms for two-way communication between both internal and external audiences, including current and prospective employees; community and government stakeholders; local media; customers; suppliers; and other relevant stakeholders, including works councils and unions. Through our management of change procedure, we ensure the notification of significant operational changes to employees and their representatives prior to implementation. In a potential instance of significant operational change, we ensure immediate employee communication within the notice period and provisions for consultation and negotiation as specified in our collective agreements. The frequency and type of communication may vary by country in which SI Group operates.

Parental Leave - Expanded Parental Bonding Leave Benefits

GRI 401-3 Parental leave

We offer our employees a generous leave policy in North America that is gender-neutral and supports all new parents. Our Paid Parental Bonding Leave Policy intends to provide all new parents with the same opportunity to bond and connect with their child. The cornerstone of this policy is flexibility, allowing new parents the choice to take leave at any time during the 12-month period immediately following the birth, adoption, or placement of a child with an employee. Our goal is to provide all new parents with the necessary time off to adapt to one of life's greatest milestones, becoming a parent.

SI Group's global leave policies for new parents vary around the world and are based on several factors, including country-specific statutory leave requirements. Our global flexibility statement is intended to provide greater flexibility and work-life balance for mothers and fathers. In North America, both birthing parents and non-birthing parents have a minimum six weeks of paid leave, which can be taken during the 12 months following the birth of a child, in addition to regional benefits provided in each country.

2023 RETURN FROM LEAVE RATES

Number of **employees** who were **entitled to parental leave**

56 Male **23 Female** **79 Total**

Number of **employees** who **took parental leave**

53 Male **21 Female** **74 Total**

Number of **employees** who **returned to work in the reporting period after parental leave ended**

53 Male **20 Female** **73 Total**

Fair, Equitable & Competitive Compensation Practices

MANAGEMENT APPROACH

The philosophy behind our compensation program is to provide an attractive, competitive, market-based total compensation program. Our goal is to be competitive in recruiting and retaining employees utilizing high-quality compensation practices that support a collaborative, performance-driven work culture that generates organizational growth.

GRI 2-19 Remuneration policies

GRI 2-20 Process to determine remuneration

SI Group uses the globally recognized Mercer International Position Evaluation (IPE) job classification system for all positions, including executive positions, senior leaders, and standard entry-level positions. This job classification system considers job impact, accountabilities, and value to the organization, and levels of compensation by country/state, and can be analyzed by gender, tenure, age, and many other factors. This comprehensive anti-discriminatory testing is conducted in parallel with annual salary planning, and the analyses determine any meaningful statistical variances in the data. Additional factors such as individual performance factor, job level, location, education, and experience level were also considered during this process.

All aspects of executive compensation are discussed and determined annually by the Compensation Committee of the Board of Directors. Executives are entitled to participate in all retirement programs, including 401K and SI Group's defined contribution program, consistent with the programs and practices offered to all other U.S.-based employees.

In addition, we take a proactive approach in reviewing basic salary, variable compensation, and benefits to eliminate gender bias and ensure consistency in our pay practices. On an annual basis, we conduct a pay equity analysis to ensure gender parity for commensurate positions in the organization including at the executive level. See GRI 405-2 for additional information.

GRI 405-2 Ratio of Basic Salary and Remuneration of Women to Men

2023 PAY EQUITY SUMMARY RESULTS	BASE PAY	PERFORMANCE AWARD
Global Female Pay to Male Pay Ratio	0.97:1	1.6:1
U.S. Minority Pay to Non-Minority Pay Ratio	1.07:1	1.2:1

Base pay is calculated based on median position in the pay range. Performance award is calculated based on the actual value granted. In addition, we conduct a gender pay-equity analysis on an annual basis.

GRI 202-2 Proportion of senior management hired from the local community

We are committed to equitable and fair pay practices and complying with all country and local specific laws and regulations. We align our jobs to the market based on their assigned responsibilities, considering job impact, accountabilities, and value to the organization by utilizing a globally recognized job classification system which will be the basis for our global job leveling framework using a consistent international position evaluation methodology. To the extent possible, SI Group hires senior leaders, as defined as Senior Director+ or reports to Senior Vice Presidents, from the local community. Over 30% of senior leaders are hired locally for positions where they were within commuting distance, or the role was deemed remote.

Learning & Development

Management Approach

We encourage continuous learning through a harmonized network of intentional content, strategy, and data to drive extraordinary results. This commitment is a shared responsibility of all employees and organizational leadership. All training for SI Group employees is delivered in local language and completed during paid working hours as described by appropriate employment agreements. Training needs are determined by leadership within functions and at manufacturing facilities through needs and skills analyses.

GRI 404-1 Average hours of training per year per employee

In 2023, we offered five training courses to all of our employees for corporate level policies and procedures which include code of conduct, antitrust, antibribery, conflicts of interest, cardinal safety rules and sexual harassment, through in-person classes and our online learning management system.

	2023
Employee Training (Average hrs.)	6.23
Average Number of Courses per Employee	5.78

In addition, our operations-based employees, including facility managers, engineers, operators, and other plant-based employees and contractors received additional training with respect to local policies and procedures tied to the operations of the facility and equipment on site. The specifics of these courses vary by jurisdiction depending on local regulatory requirements and the specific hazards associated with the operations, equipment and chemicals present on site. These courses are delivered through in person training on site and in the classroom and through computer-based training. The average number of hours and courses per employee vary widely at a facility level and is tied to an employee's or contractor's responsibilities on site.



GRI 404-2 Programs for upgrading employee skills and transition assistance programs

We believe professional development is a collaborative process; matching the appropriate activity with the identified need is key to successful development. Our approach to employee development and talent management is multi-pronged:

- **Our Employees** are responsible for seeking new learning opportunities to increase value creation.
- **Our Leaders** are responsible for coaching their employees through frequent dialogue and facilitating access to development opportunities.
- **Our Global Human Resources team** is responsible for creating global and regional professional development tools and programs, advising on quality external resources, and coaching our leadership teams on professional development best practices.
- **Our functional and manufacturing site leadership teams and subject matter experts** are responsible for identifying and securing training and assignments for specific job skills and industry-related knowledge.

Education Benefits

To encourage employee self-development, our tuition reimbursement program helps employees fund career-related courses with the intent of enhancing current job performance and career development opportunities within the company. We also help with non-degree courses or series of courses that directly pertain to the employee's current or potential job responsibilities.

Transition Assistance Program

Employees whose positions are eliminated from the company receive transition assistance provided by a leading outplacement services company. Providers and benefits differ per country with programs that include career assessments, resume writing, LinkedIn profile updates, skills training, personal coaching, and access to online research tools, job search platforms, and networking events.

Performance Reviews

GRI 404-3 Percentage of employees receiving regular performance reviews

We actively manage our employees' performance with a continuous performance management process that incorporates quarterly check-ins. On an annual basis, a more holistic performance review is performed that is centered on achievement of individual performance goals and behavioral competencies aligned with our corporate values. While all leaders are encouraged to provide continuous feedback and coaching throughout the year on performance, certain employee groups are excluded from the official performance review process including students, interns, co-ops, those who were part of divestitures and specific joint ventures, and certain union employees subject to collective bargaining units.

The completion rate for eligible employees being tracked through our performance management system online is 100%. Unionized employees in the United States, India, and Germany are not included as part of the performance management process. Performance reviews for non-exempt and hourly employees were conducted through an online system.

Our global Human Resources team creates and maintains tools and templates on corporate platforms that are easily accessible to all employees and leaders such as:

- Individual development plan templates
- Best practice guides
- Self-study training materials

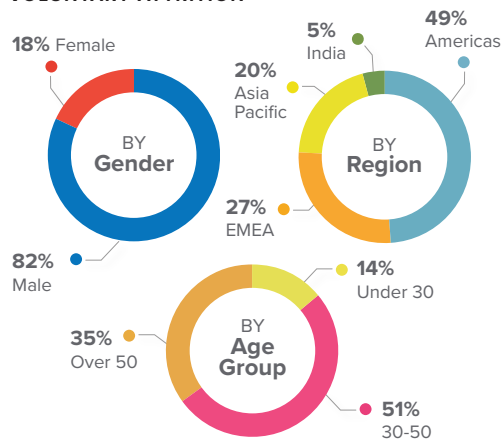
- Online and physical libraries of reading materials
- Succession planning templates
- Internally created videos with key business leaders and subject matter experts

Total Attrition

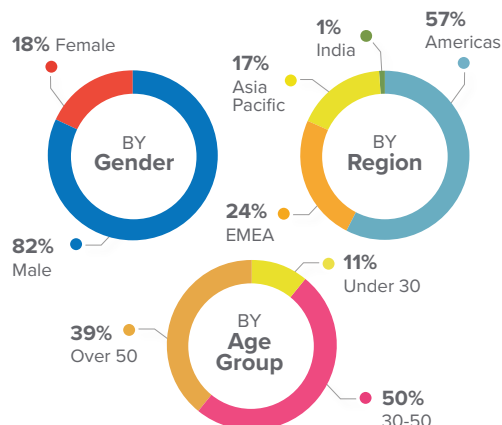
GRI 401-1 Total number and rate of employee turnover during the reporting period, by age group, gender, and region

In 2023 SI Group's employee turnover was 309 employees of which 70% were voluntary and 30% were involuntary terminations.

VOLUNTARY ATTRITION



INVOLUNTARY ATTRITION



SI Group continues to undergo transformational change in response to the Ukraine conflict and the resulting slowdown in economic activity tied to inflation and higher interest rates, which resulted in significant destocking the chemical industry. In response, we have continued to optimize our operations which resulted in 309 or 16% of employees departing the organization, either voluntary or involuntary, including resignation, termination, or retirement in 2023.

Social Dialogue

We communicate both informally and formally with employees, including written and verbal communications, face-to-face meetings with a presentation of content, virtual roundtable conversations, and weekly video messages from our Executive Leadership Team. We also encourage employees to engage with the company on our social media channels by liking, sharing, or commenting on SI Group's posts and content. **We promote open dialogue and transparency within all levels of the organization and provide opportunities for employees to ask questions including anonymous polls and submitting questions through email.**



Employee Health & Safety

GRI 403-1 Occupational health and safety management system

Management Approach

We are committed to the safety of our people and our operations. Our safety standards apply to everyone involved in our business, including employees, contractors, and suppliers. We strive to maintain a yearly target of:

- ZERO injuries
- ZERO environmental releases
- ZERO compliance violations

Our EHSS Policy addresses our commitment to our employees through our Health & Safety (H&S) performance and continual improvement of all aspects of H&S programs. Through our health and safety risk assessments, we identify and actively address any potential impact to all employees to protect their health in relation to their work environment. SI Group includes contractor safety performance together with SI Group employee performance in key lagging indicators with a goal of zero employee or contractor injuries.

All contractors, subcontractors, and their employees providing a service to SI Group must comply with our rules and procedures as set forth in documented programs with associated training. Furthermore, contractors must comply with all applicable foreign and domestic federal, state, and local regulations as a minimum requirement and condition of engagement with SI Group. All contractors and subcontractors are vetted and must demonstrate competency and commitment to safety prior to providing or continuing to provide any service to SI Group.

Cardinal Safety Rules Policy

We have implemented cardinal (lifesaving) safety rules that we deem critical to ensuring our employees are safe and protected from serious or fatal injuries.

SI Group's Cardinal Safety Rules policy demands rigorous adherence to critical safety procedures. Each of our manufacturing sites uses a safe work permit process to assess risk for each task not already risk assessed and mitigated via an approved Standard Operating Procedure (SOP).

Our cardinal safety rules have been translated to six languages on our internal policy portal to accommodate languages spoken by our employees. Any infraction of the cardinal safety rules may result in termination of business and barring contractors from the site.

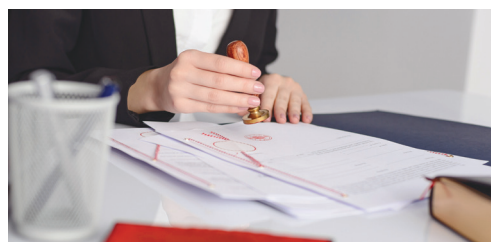
All SI Group manufacturing sites engage the workforce at all levels to access and utilize the unique knowledge each employee possesses. Through formal site EHS committees, we actively engage worker participation, consultation, and communication on occupational health and safety. These committees can focus on a variety of issues ranging from topic-specific improvement in EHS programs to solving specific issues that increase safety at a given site.

Global Health & Safety Management Systems

Our management system is grounded in requirements of the U.S. EPA and OSHA, and incorporates ideas from other regions along with our own internal requirements.

SI Group's corporate quality management system is certified according to the international quality management system standard ISO 9001, and at certain sites, IATF 16949. To support these standards, we are implementing a suite of EHS management electronic tools to support the overall management system.

Please reference Our Sustainability Approach on page 7.



Operational Facilities with EMS Certifications

All SI Group sites located in China, Germany, India, South Korea, Switzerland, the U.K., and the U.S. are certified to the Environmental Management System ISO 14001:2015.

Additionally, all SI Group locations, except for our Baytown, TX site, are certified to the Quality

Management Standard ISO 9001:2015. Our Baytown site does not hold an ISO 9001 certification as most of the production is consumed internally and managed through the quality control system of our neighboring facility. There have been no product quality complaints received against the site since the new complaint tracking system was initiated that has data spanning back to January 2021.

SI Group sites utilize independent third-party certifications for input and validation of system performance. These independent certifications are available at <https://siigroup.com/ehss>

Responsible Care®

As a member of the American Chemistry Council (ACC), SI Group participates in the Responsible Care metrics process in conformance with program requirements and as an obligation of membership. In 2002, the American Chemistry Council (ACC) enhanced the Responsible Care program by requiring the public reporting of certain performance metrics. SI Group began public reporting of performance metrics in 2004.

Leading Indicators

GRI 403-2 Hazard identification, risk assessment, and incident investigation

We review both leading and lagging metrics globally to drive EHS performance. We measure, report, and analyze compliance, behavior-based safety metrics, EHS events, and site EHS annual plans, as well as EHS training.

SI Group designs and operates its facilities to assure the health and safety of all employees and contractors. A job safety analysis is conducted at each facility to identify potential exposures and other risks and assure adequate controls. We have also implemented additional safety measures where necessary, such as workplace noise exposure monitoring with controls including area noise reduction and PPE.

Our Comprehensive Hearing Conservation Program establishes procedures for recognizing, evaluating, and controlling noise exposure, thereby protecting and preserving employees' hearing. We regularly evaluate engineering controls and provide adequate hearing protection to employees exposed to excess noise.

Reporting and Investigating Safety Issues

GRI 403-8 Workers Covered by an Occupational Health and Safety Management System

SI Group designs and operates its facilities to ensure the health and safety of all employees and contractors who are required to comply with all applicable health and safety requirements. A job safety analysis is conducted at each facility to identify potential exposures and other risks and establish adequate controls.

We require immediate internal and external reporting of all significant events including injuries, spills, and releases. Reporting ensures high-level awareness of events and adequate resources to minimize and adequately address any potential impacts. Events are investigated to identify root causes and key causal factors. Corrective and preventive actions are assigned to mitigate impacts and reduce risk of recurrence. Lessons learned are shared with all SI Group locations to continually improve processes and strengthen defenses at all locations.

We have also implemented additional safety measures where necessary such as workplace noise exposure monitoring with controls including area noise reduction and PPE where necessary.

In addition to all our manufacturing sites receiving periodic external audits, we have also developed a multi-layered internal audit program. Annually, sites confirm current conformance to EHS regulations as well as applicability to any newly promulgated regulations. Our annual regional audits confirm the sites' conformance as well as reviews site conditions and documentation to confirm compliance to regulations.

Every three years, each site receives a comprehensive corporate audit, reviewing site and regional data as well as reviewing data acquired through our EHS Management system to determine any best practices for global sharing or identified weaknesses that need to be closed.



Employee Health & Wellbeing

GRI 403-3 Occupational health services

Our EHS Policy addresses our commitment to conduct all aspects of our business to safeguard the health and wellbeing of our employees through continual improvement of all aspects of Health and Safety programs. Through our health and safety risk assessments, we detect and actively mitigate any potential impact to our employees to protect their health with regard to their work environment.

GRI 403-4 Worker participation, consultation, and communication on occupational health and safety

SI Group provides health services in a variety of ways, both in-house and by third parties. These services include injury case management as well as medical pre-screens and annual medical screens as required per local regulation. To ensure the health and wellbeing of our employees is not affected by the workplace environment, we continually review the conditions and controls to address all instances that may pose a potential risk to our employees.

Through formal site EHS committees, we actively engage worker participation, consultation, and communication on occupational health and safety. These committees can focus on a variety of issues ranging from topic-specific improvement in EHS programs to solving specific issues that increase safety at a given site.

In addition to specific health and safety programs, we have established security, facility use, and personal conduct requirements for contractors while working for SI Group. All contractors, subcontractors, and their employees providing a service to SI Group must comply with our rules and procedures as set forth in documented programs with associated training. Furthermore, contractors must comply with all relevant federal, state, and local regulation as a minimum requirement and condition of engagement with SI Group. All contractors and subcontractors are vetted and must demonstrate competency and commitment to safety prior to providing, or continuing to provide, any service to SI Group.

GRI 403-5 Worker training on occupational health and safety

SI Group provides required health and safety training to workers. Required training is documented in a training matrix and completion is tracked in a variety of tools; the most widely used being our "Frontline" Learning Management System. This software system contains a matrix of training based

on region, job title, department, and required skills. We track global EHS and operations training completion as a key leading indicator and monthly metric. Training completion rates are reported monthly with progress to the training plan reviewed. Additionally, best practices and safety moments are shared at a site and corporate level to reinforce the value of safety. Please refer to GRI 404-1.

GRI 403-6 Promotion of worker health

We recognize the value of our employees' overall health and wellbeing as it impacts their work environment, families, and communities. SI Group is committed to providing a highly competitive benefits package, consistent with the strategic objectives of the company that holistically enhances the engagement, health, and financial wellness of our employees and their families. The programs offered cultivate a focus on preventative factors and offer an array of life circumstance solutions that support optimum work life balance.

We provide a wide range of employee benefits globally to support their physical, mental, and financial well-being. Benefits vary based on geographic location, union or works council agreements, and national or governmental benefits.

Voluntary services and programs vary depending on location and are focused on areas of concern such as addressing major non-work-related health risks among workers, including both physical and mental health-related risks. Fitness and wellness reimbursements, nutritional counseling, stress-reducing programs, and promotion of community service activities. Employees' participation in any services or programs is not used for any favorable or unfavorable treatment of workers.

GRI 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

Each site also conducts Processes Hazard Analysis (PHA) and Layer of Protection Analysis (LOPA) for each manufacturing process. PHA and LOPA studies use robust methodologies to identify all process and operational risk and ensure appropriate safeguards, barriers, and controls are applied. PHA and LOPA studies are conducted as part of the process design to enforce safety at original start-up, and are updated as necessary during the Management of Change (MOC) process with a detailed review and revalidation on at least a five-year cycle.

Additionally, lower-level risk assessments, including Job Safety Analysis (JSA) and Job Task Analysis (JTA), are conducted to assess and assure safety of all routine tasks and procedures. Non-routine tasks are controlled through work permits that require risk assessment and controls for safe and

effective work execution. These key operational controls work together to provide a robust and ongoing assessment of health and safety risk and application of controls.

For additional information, please reference GRI 416-1 Assessment of the health and safety impacts of product and service categories and GRI 417-1 Requirements for product and service information and labeling.

GRI 403-9 Work-related injuries

GRI 403-10 Work-related ill health

Approximately 15% of injuries in 2023 were from slips, trips, and falls. Following every incident, all sites are notified in an event safety flash to assess for the hazard inducer and to ensure adequate controls are in place to prevent reoccurrence. Within 30 days of the incident, we evaluate and discuss the root cause as well as confirm subsequent corrective actions are documented to finalize the event in our systems.

PROCESS SAFETY	2023
Process Safety Incidents Count (PSIC)	9
Process Safety Tier 1	0.13
Process Safety Tier 2	0.26

Frequency rate for direct workforce - (total number of lost time injury events) x 1,000,000 / total hours worked companywide (hours include contractor and employee hours). We use this approach to be inclusive of higher risk activities and ensure risk management for all activity through the course of our operations.

DIRECT EMPLOYEES	2023
Number of Fatalities as a Result of Work-Related Injuries	0
Work-Related Injuries Involving Lost Time (Rate)	0.33
Recordable Work-Related Injuries (Rate)	0.61
Number of Hours Worked	3,584,217

CONTRACTORS	2023	COMBINED WORKFORCE	2023
Number of Fatalities as a Result of Work-Related Injuries	0	American Chemistry Council Industry Average (TRIR) ¹	1.48
Work-Related Injuries Involving Lost Time (Rate)	0.39	SI Group Total Recordable Injury Rate (TRIR) ¹	0.48
Recordable Work-Related Injuries (Rate)	0.39		
Number of Hours Worked	1,028,691		

¹ TRIR: Calculated by multiplying the total number of OSHA recordable incidents (injuries) in one year by 200,000 hours and divided by the total number of hours worked by all employees and contractors. OSHA recordable incident as defined by Occupational Safety and Health Administration (OSHA) in the U.S. 200,000 hours are the expected hours normally worked in a year.

Transportation Incidents

SI Group manages the risk of manufacturing and transporting dangerous goods as a fundamental feature of its operations. Operating procedures and training assure processes for loading /unloading, packaging, labeling, carrier selection and use, and necessary emergency response. Our product stewards maintain Dangerous Goods Transportation certification to ensure safe packaging and transportation classification for hazardous materials in accordance with applicable transport regulations.

Through continuous review of our hazard communication and Dangerous Goods Transport classification, **we reinforce the standard for safe transport and storage of our products by customers as we work closely with our internal and external logistics compliance teams, suppliers, and distributors.** With every shipment, we communicate the most up-to-date and Globally Harmonized System of Classification and Labelling of Chemicals (GHS) compliant safety information to our customers through product safety data sheets (SDS) and GHS labels to enable transparent decision-making regarding our products used along the supply chain.

Our products are shipped by railcar, tank trucks, pipeline, marine vessels, and air freight. We own or lease railcars, tank trucks, and pipelines as well as utilize third-party service providers for all transportation modalities. Transport incidents are defined

by national regulations, applicable laws and standards relating to hazardous materials transportation and distribution under the U.S. Occupational Safety and Health Administration, U.S. Department of Transportation and European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR) criteria, as well as other globally recognized legislative requirements for the transportation of hazardous materials.

In 2023, we had eight Level 2 or 3 transportation incidents, as classified by our internal reporting structure.



Management Approach

GRI 3-3 Management of material topics – Procurement

To ensure our path to a sustainable future with our vendors, suppliers, and third-party providers, we are committed to the principle of sustainable procurement which integrates requirements, specifications, and criteria that are compatible with how we source, transport, store, and manage our products.

Buyers must fully support the sustainability efforts of SI Group, including finding new outlets for chemical waste, incorporating more sustainable alternatives to raw material purchasing, and supporting the development of new sustainable products. As we strive to maintain a sound business relationship with our suppliers while aiming for mutual growth, encouraging innovation, and adopting a culture of continuous improvement, we are identifying opportunities for sustainability-related supply chain projects and initiatives.

Procurement/Logistics



ENGAGING OUR SUPPLY CHAIN PARTNERS

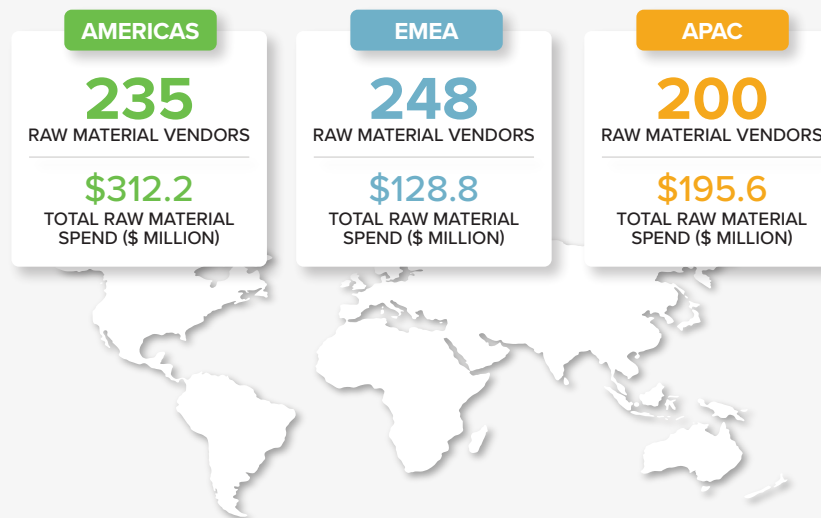
GRI 3-3 Management of material topics – Supplier social assessment

GRI 3-3 Management of material topics – Supplier environmental assessment

SI Group has 683 raw material suppliers in our supply chain that reside in approximately 100 countries, with an associated managed raw material spend of approximately \$697 million.

Our procurement organization manages supplier relations with added support of our local procurement teams across the world that assist in establishing effective relationships with global and local suppliers. We work with our suppliers

2023 SUPPLIER DIVERSITY HIGHLIGHTS



to pursue the principles of sustainability through Responsible Care, EcoVadis, and our internal assessment process.

Supplier Diversity

Management Approach

Over the past several years, we have conducted supplier surveys and maintained a target of 85% of suppliers, representing at least 50% of our raw material spend, to have completed/updated our sustainability survey.

As we evolve, we have transitioned from static CSR assessments to an organization that is engaging in transparent dialogues with our vendors and sharing our collective efforts on sustainability.

Our metrics are based on having a certain percentage of our spend with vendors who share their sustainability reports with us, who are active members of organizations that are engaged in sustainability (i.e., companies who evaluated through EcoVadis), and ensuring that our strategic partners read and understand our Supplier Code of Conduct.

As part of our sustainable procurement initiative, we have been engaging in transparent dialogues with our vendors and evaluating their sustainability efforts. Our baseline year was 2021, when we

assessed more than 90% of our total direct spend, representing 107 suppliers, and found that 60% of them had established a sustainability program, produced a recent sustainability report, or had a valid EcoVadis scorecard. SI Group has 683 individual suppliers globally; however, when consolidated to account for suppliers that are part of the same global organizations or affiliated companies, this number reduces to 400. In 2023, we assessed approximately 84% of our direct spend, representing 273 suppliers, and improved our performance to 84% of suppliers meeting our sustainability criteria.

These metrics are critical not only for the current vendor base but are an important step in the onboarding of new vendors. New suppliers are screened using environmental, regulatory, quality, technical, and social criteria. We assess our raw material suppliers with regard to REACH requirements.

GRI 204-1 Proportion of spending on local suppliers

Sustainable procurement also has an emphasis on local vendors, and we endeavor to use preferred local suppliers near our production sites. The global Logistics team is involved and considered in new vendor selection and the distance a material will travel is a factor in all purchasing decisions. In 2023, over 90% of the direct procurement budget was allocated to direct suppliers within the same country of operation, marking a 23% increase from 2021 as a result of streamlining our supply chain.

Supplier Code of Conduct

<https://siigroup.com/SupplierCodeofConduct>

GRI 308-1 New suppliers that were screened using environmental criteria

Our Supplier Code of Conduct ensures that new suppliers worldwide understand and adhere to our regulations and values. We outline environmental, health, safety, social, governance, and ethical expectations for all business partners in our Supplier Code of Conduct, which is integrated into our supplier onboarding process.

Our suppliers' conduct is governed by our Global Code of Conduct and business integrity policy, aligned with our company ethics standards. The Supplier Code of Conduct is available on SI Group's website and is included in correspondence with all new vendors.

GRI 414-1 New suppliers that were screened using social criteria

We acknowledge that different territories and activities give rise to different levels of potential risk from a modern slavery and human trafficking perspective. As such, our analysis of suppliers and transactions is assessed on a risk-adjusted basis. Suppliers and/or the territories in which they operate that pose potentially higher risks of human trafficking and/or slavery may be subject to more detailed risk assessments and additional oversight including physical inspections, if necessary, to help ensure compliance with our policies, procedures, and applicable law.

GRI 414-2 Negative social impacts in the supply chain and actions taken

GRI 308-2 Negative environmental impacts in the supply chain and actions taken

We provide our Supplier Code of Conduct to suppliers as a part of our initial screening and onboarding ensuring SI Group's procurement strategies and contract terms and conditions include references to modern slavery and human trafficking. If a supplier violates our policies, contract provisions, or applicable legal requirements, we pursue appropriate corrective action to remedy the situation. In the case of an actual or possible violation of law or regulation, we may be legally required to make a report to proper authorities. We also reserve the right to terminate our relationship for misconduct or to take any other appropriate action with any supplier under the terms of our contract. In 2023, we did not learn of any information or facts that provided indications of modern slavery or human trafficking in SI Group's supply chain.

Governance Structure



GRI 2-9 Governance structure and composition

GRI 2-10 Nomination and selection of the highest governance body

GRI 2-13 Delegation of responsibility for managing impacts

GRI 2-17 Collective knowledge of the highest governance body

Board of Directors

Our Board consists of five members, whose backgrounds are described below. SI Group is wholly owned by SK Capital. As such, SK Capital is responsible for recruiting and selecting our directors. Other than our President & CEO, David Bradley, all members of our Board are affiliated with SK Capital.

GRI 2-11 Chair of the highest governance body

BARRY SIADAT, CHAIRMAN

Dr. Siadat is a Co-Founder and Managing Director of SK Capital. He has been an inventor, innovator, business leader, and investor in the specialty chemicals and materials industries. He has over two dozen patents and is the author of over 20 scientific publications, as well as several business and management articles. From 1978 to 1995, Dr. Siadat held a variety of technical, marketing and business management positions with WR Grace & Co., including Vice President of Corporate Technology. In 1995, he joined AlliedSignal, where he was Corporate Vice President and Chief Growth Officer and later President of Avient Technologies. Since December 2000, Barry has led a variety of private control investments in specialty chemicals, specialty materials and pharmaceutical companies and has been the lead investor and Chairman of over a dozen privately held companies.

Currently, he is the Chairman of the Board of Ascend Performance Materials, Archroma, and SI Group and he serves on the Board of Directors of

Mt. Sinai Medical Center in Miami Beach, Florida. He previously served as Chairman of the Board of Aristech Acrylics and a member of the Board of Directors of Venator Materials PLC.

Dr. Siadat earned a B.S. in Chemical Engineering from the University of Wisconsin, as well as an M.S. in Polymer Science and Engineering and Ph.D. in Chemical Engineering from the University of Massachusetts.

DAVID BRADLEY

Mr. Bradley joined SI Group as President & Chief Executive Officer in March 2019. He comes to SI Group having most recently served as President & CEO of Nexeo Solutions, an international distributor of chemicals, plastics, composites, and environmental services, since 2011.

Previously, Mr. Bradley spent seven years at Kraton Performance Polymers, Inc. where he held several key executive positions including Chief Operating Officer, Vice President of Global Operations, and Vice President of Business Transformation. Prior to joining Kraton, he served as the Lexan Manufacturing Manager at GE Plastics' Mount Vernon, Indiana, site. Mr. Bradley served in a variety of leadership positions for GE Plastics from 1994 to 2004, which included roles in business process development and Six Sigma.

Mr. Bradley holds a B.S. in Chemical Engineering from the University of Louisville, Kentucky.

Currently, Mr. Bradley is a member of the Board of Directors of Ecovyst Inc. (NYSE:ECVT).

JAMSHID KEYNEJAD

Mr. Keynejad is a Co-Founder and Managing Director of SK Capital. Mr. Keynejad currently serves as a member of the Board of Directors of Ascend Performance Materials, SI Group, SEQENS and Apotex. Mr. Keynejad previously served as the Chairman of the Board of Directors of IBA Molecular and as a member of the Board of Directors of Perimeter Solutions, Halo Pharmaceutical, AEB Group, Aristech Acrylics and Addivant. Prior to founding SK Capital, Mr. Keynejad led several private investments in a variety of industries, both as a principal investor and Managing Director. He began his career at Ernst & Whinney.

Mr. Keynejad received his B.S.E. in Mathematics from London University with first class honors.

JARED KRAMER

Mr. Kramer serves as a Principal at SK Capital. Prior to joining SK Capital in 2012, Mr. Kramer worked as an Investment Banking Analyst in the Global Industrials and Aerospace & Defense Groups of



Houlihan Lokey. He currently serves on the Board of Directors of Archroma and previously served on the Board of Directors of GEON Performance Solutions and Heubach.

Mr. Kramer graduated cum laude with a BSBA in Finance and Management from Georgetown University's McDonough School of Business.

JACK NORRIS

Mr. Norris serves as a Managing Director for SK Capital and plays a leading role in all aspects of the firm's investment strategy and execution focusing on the specialty materials & chemicals sector. He currently serves as Chairman of the Board of GEON Performance Solutions, Lacerta Group and Vatriss Specialty Chemicals. He is a member of the Board of Directors of Ascend Performance Materials, TPC Group, SI Group and J&K Ingredients. He

previously served as Chairman of the Board of Niacet and as a member of the Board of Directors of Calabrian Corporation, Addivant and Foremark Performance Chemicals.

Prior to SK Capital, Mr. Norris was a Principal at Arsenal Capital Partners where he co-led Arsenal's specialty materials & chemicals investing efforts and served on the firm's Operating and Investment Committees. Prior to Arsenal, Mr. Norris was an investment professional at Berkshire Partners and an investment banker in the Mergers & Acquisitions Group of Goldman, Sachs & Co. Mr. Norris previously served on the Board of Directors of Rutherford Chemicals, Reilly Industries, Vertellus Specialties, Sermatech International and Velsicol Chemical.

Mr. Norris graduated cum laude with a B.A. in Economics from Yale University and has an M.B.A. from Harvard Business School.

Board Committees

The Board currently has two standing committees, the Audit and Compensation Committees, which each meet at least twice per year, and hold additional meetings as needed.

Committees regularly receive reports from management, report on committee actions to the Board, and may retain outside advisors. In 2023, the Board held regularly scheduled meetings monthly and held periodic special meetings to consider and approve specific transactions. Our committee members and responsibilities are described in further detail below.

GRI 2-18 Evaluation of the performance of the highest governance body

SI Group is a privately held company that is wholly owned by SK Capital. Since our shareholders appoint all board members, we have direct alignment between our shareholders and Board. For this reason, we have elected not to implement many of the Board procedures that would be typical for large, publicly traded companies, including, for instance, a nominating committee, board surveys and performance reviews.

Audit Committee

CHAIR: **JACK NORRIS**
MEMBERSHIP: **JARED KRAMER**

The Audit Committee is responsible for overseeing all matters relating to our financial statements and reporting, our internal audit function and independent auditors, and our compliance function.

Listed below are the general responsibilities of the Audit Committee:

- **Independent Auditor** – Engage external auditor, review performance, and approve compensation; review independence and establish policies relating to the hiring of auditor employees; and pre-approve audit and non-audit services.
- **Internal Audit** – Review plans, staffing, and activities of the internal audit function and its effectiveness.
- **Financial Statements** – Review financial statements and earnings releases; discuss and review accounting policies and practices and external auditor reviews; and discuss and review the effectiveness of internal controls.

- **Compliance** – Review plans, staffing, and activities of the compliance function and its effectiveness; establish and review procedures for complaints, including anonymous complaints regarding accounting, controls, and auditing; and review SI Group's Code of Conduct and system for monitoring compliance therewith.

Compensation Committee

CHAIR: **BARRY SIADAT**
MEMBERSHIP: **JACK NORRIS**

The Compensation Committee is responsible for overseeing our executive compensation and talent management programs, developing SI Group's compensation philosophy and diversity, equity, and inclusion initiatives.

In fulfilling its responsibility for the oversight of compensation matters, the Compensation Committee may delegate authority for day-to-day administration and interpretation of SI Group's compensation plans to employees, including responsibility for the selection of participants, determination of award levels within plan parameters, and approval of award documents. The Compensation Committee may not, however, delegate authority for matters affecting the compensation and benefits of the company's executive officers. The Compensation Committee's responsibilities include the following:

- **Executive Compensation** – Approve the compensation and benefits of executive officers; review executive compensation practices to ensure consistency with corporate objectives; review and approve CEO goals and objectives and evaluate CEO performance; and make recommendations to the Board regarding CEO and executive officer compensation.
- **Company Compensation and Benefits** – Review SI Group's compensation philosophy, programs, and practices; review and approve pension and benefit arrangements as well as funding of pension and benefit plans; review gender pay equity for the company; and make recommendations to the Board on these subjects.
- **Talent Management** – Review SI Group's organizational leadership structure and oversee leadership development, talent management, and succession and continuity planning for the CEO and other executive officers.
- **DEI** – Review SI Group's organizational leadership structure and oversee diversity, equity, and inclusion programs, including review of progress on key metrics at all levels of the organization.



Values



SI Group upholds high ethical standards and is committed to complying with applicable laws and regulations. Our Compliance department and robust compliance program is led by our Senior Director of Compliance. Key compliance matters are discussed with the Audit Committee. Please refer to page 14 for our company values

ESG Oversight

GRI 2-14 Role of the highest governance body in sustainability reporting

Our Board leads our commitment to sustainability and maintains oversight of the company's ESG profile. In 2023, the Board focused on our ESG progress during each monthly meeting.

Specifically, the Board reviews program information and indicators on EHS performance at each monthly meeting, and the company's Senior Vice President, General Counsel and Chief Sustainability Officer reports to the Board regularly on sustainability initiatives and reporting. The Board also reviews and approves our sustainability report each year and oversees the company's corporate governance policies.

The Compensation and Committee reviews our executive compensation, talent management, and DEI programs. Our Senior Director of Compliance presents information to the Audit Committee regarding SI Group's compliance programs and hotline complaints as circumstances require. The Audit Committee also reviews the company's audit and internal controls and enterprise risk management program.

At the management level, our President & CEO oversees SI Group's ESG profile through regular reporting and discussion on key topics and initiatives his direct reports, including our Chief Sustainability Officer.

Our Chief Sustainability Officer is responsible for aligning and embedding our sustainability strategy within our corporate strategy, including by assessing progress toward SI Group's sustainability targets. The Chief Sustainability Officer is supported by two employees, led by our Senior Director - Regulatory Compliance and Sustainability and Senior Corporate Sustainability Advisor, Regulatory, and Sustainability, who are responsible for the management of sustainability programs. This group collaborates with leaders across the organization, including Accounting and Finance, Human Resources, EHS, Legal & Compliance, and Operations, to bring together the functional expertise and skills needed to achieve our sustainability and ESG objectives.

Risk Management

GRI 2-12 Role of the highest governance body in overseeing the management of impacts

Information on our ERM organization, the Board's oversight of risk, and the effectiveness of risk management can be found on page 33 of this report. In addition, SI Group's Compliance department regularly undertakes comprehensive risk assessments related to its primary areas of responsibility (anti-bribery and corruption; antitrust/competition law; and international trade/ sanctions) and publishes the results to the Audit Committee and other relevant stakeholders. Risk assessments are conducted every year to evaluate the external and internal risks that could impact our compliance program, as well as outline the processes implemented to mitigate those risks. Risks are reviewed and categorized on an ongoing basis, and related compliance policies, procedures and guidelines are adjusted as necessary.

Ethics and Compliance



GRI 2-23 Policy commitments

GRI 2-24 Embedding policy commitments

Our Code of Conduct sets out our expectations on topics such as respecting fellow employees, anti-corruption, conflicts of interest, trade compliance,



anti-trust and competition law, sanctions, misconduct, political donations, and environmental, health and safety.

Our Code of Conduct has been translated to seven languages for our employees and can be found in English on www.siigroup.com. All employees are required to complete training on the Code of Conduct each year and must acknowledge that they have read and understand the Code.

Depending on their job duties, certain contractors receive Code of Conduct training. In addition, high-risk business partners receive anti-bribery and corruption training. Read our Code of Conduct at <https://siigroup.com/codeofconduct>.

We have established additional compliance policies, forms, and procedures related to the Compliance function's three primary areas:

1

**Anti-bribery
and
corruption**

2

**Antitrust/
competition
law**

3

**Conflicts
of
interest**

These policies and procedures are continuously reviewed and updated as necessary and made available to all employees in multiple languages. See GRI 205 and 206 for additional information on our compliance policies and training programs related to specific areas.

Our commitment to conduct business in a manner that protects the environment and provides for the safety and health of employees, contractors, customers, and the public is outlined in our Environmental, Health, Safety, and Security Policy. We uphold the principles and requirements of Responsible Care and ISO14001. Our Supplier Code of Conduct outlines our health, safety, environmental, social, governance and ethical expectations for those with whom we do business.

Our Global Human Rights and Working Conditions Policy is guided by common principles found within the United Nations Universal Declaration on Human Rights and Guiding Principles for Business and Human Rights, and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, among others, and it sets forth our commitment to respecting human rights throughout our global operations. In accordance with the requirements of the United Kingdom's Modern Slavery Act of 2015, SI Group makes information publicly available with respect to our efforts to ensure that slavery and human trafficking is not taking place in any of our supply chains and in any part of our business. These efforts include participation in the U.S. Customs – Trade Partnership Against Terrorism program in the U.S., as further described in our Statement. Find out more on the Living Our Values Portal at <https://siigroup.com/livingourvalues>.

SI Group is committed to Responsible Care, the global chemical industry's voluntary initiative to drive continuous improvement in safe chemicals management and achieve excellence in environmental, health, safety, and security performance. As a signatory to the Responsible Care Global Charter, we are committed to creating a corporate leadership culture that proactively supports safe chemicals management; safeguarding people and the environment; strengthening our chemical management systems and influencing business partners to do the same in their own operations; engaging stakeholders to understand and respond to their concerns; and contributing to sustainability through improved performance, expanded economic opportunities and the development of innovative technologies and other solutions to societal challenges.

We comply with conflict minerals laws and regulations and our Supplier Code of Conduct outlines our approach to sourcing responsibly. Minerals including tin, tantalum, tungsten, and gold, known as conflict minerals, can be associated with human rights risks, if they are sourced from countries such as the Democratic Republic of Congo (DRC).

GRI 2-26 Mechanism for advice and concerns about ethics

We encourage employees to speak up if they have concerns about violations of company policies or the law by reporting the issue to their supervisor or manager, Human Resources representative, or any member of the Legal or Compliance department. We also offer an independent whistleblower telephone hotline and website that is available 24-hours a day and in multiple languages. It is operated by OneTrust, a company providing third-party reporting for many global companies. The web intake option is available in 45+ languages and the telephone option, which is supported by trained hotline specialists, is available in 200+ languages. Issues reported include discrimination (including harassment and retaliation), misconduct or inappropriate behavior, conflicts of interests and environmental protection, health, or safety law.



The whistleblower telephone hotline is available to all employees as well as any other stakeholder. SI Group prohibits retaliation against people raising concerns and investigates any allegation that such retaliation has occurred.

Each report alleging behavior that, if true, would constitute a violation of law or company policy is fully investigated by Company lawyers and documented with a written report of the investigation, conclusion, and remedial action if any is warranted. An overview of all key investigation matters is presented to the Audit Committee at its regular meetings. Reports involving the CEO or direct reports, the CFO, or the Senior Director of Compliance must be reported immediately to the Audit Committee for review and appropriate action.

Please refer to GRI 406-1 Incidents of discrimination and corrective actions taken.

Anti-Competitive Behavior

MANAGEMENT APPROACH

SI Group must avoid any agreements with other companies that limit competition between them. This policy applies to all persons and entities acting for or on behalf of SI Group, including but not limited to our employees and business partners. For more information, see our Antitrust and Competition Law Policy.



Anti-Corruption

MANAGEMENT APPROACH

SI Group places the highest value on integrity and ethical conduct. We view compliance with all applicable laws as the responsibility of all employees and others with whom we do business. Our Anti-Bribery and Corruption Policy makes clear our commitment to detecting and preventing corruption by our employees and those acting on our behalf.

GRI 205-1 Operations assessed for risks related to corruption

We utilize the Transparency International Corruption Perceptions Index, the Resource Guide to the Foreign Corrupt Practices Act published by the U.S. Department of Justice and the Securities and Exchange Commission, the United Kingdom ("U.K.")

Bribery Act Guidance, various guidance provided in the U.S. Department of Justice settlement documents, and Evaluation of Corporate Compliance Programs published by the U.S. Department of Justice Criminal Division to assess risks related to corruption in the countries in which we operate.

We conduct internal and external audits of the books and records of our operations to ensure compliance with the anti-corruption, anti-bribery, and commercial bribery laws. SI Group has an established due diligence policy for certain third-party relationships including joint venture partners, international representatives, distributors, agents, resellers/traders, and regulatory consultants. Corresponding due diligence or risk mitigation procedures are based on the type of service provided and risk footprint. As an example, distributors must follow an appointment procedure that assures the distributor is aware of our Anti-Bribery and Corruption Policy and agrees to contractually abide with the policy while acting on SI Group's behalf, and each distributor is required to complete anti-bribery due diligence on a periodic basis.

GRI 205-2 Communications and training on anti-corruption

In addition to the ethics and compliance training, all employees are required to complete annual training that addresses anti-corruption policies and procedures. SI Group also provides tailored anti-corruption training to approximately 55% of employees based on their role within the company and potential compliance risks related to their job function.

Ethics and compliance training is available in seven languages and with annual completion rates of 100%. Training courses cover key concepts such as the need to refrain from offering anything of value to government officials or making facilitation payments to expedite government requests on behalf of SI Group.

Additionally, the Compliance Department delivers periodic emails and web-based awareness videos to selected employees on a variety of topics including conflicts of interests, accurate recordkeeping, anti-harassment, reporting concerns, and non-retaliation.

The Compliance department's standard annual compliance training program, for new and existing employees, also includes modules dedicated to antitrust and competition law compliance, including avoiding the improper exchange of commercially sensitive information, price fixing, and market allocation. Additional tailored trainings are provided periodically to address specific antitrust risks.

Conflicts of Interest

GRI 2-15 Conflicts of interest

A conflict of interest exists where an employee's personal interests interfere with, or have the potential to interfere with, the interests of SI Group. Conflicts may arise from outside employment or financial interests in any entity but may be most likely to arise from interests in business partners, customers, and competitors. Employees must disclose outside interests and work with SI Group to eliminate any actual or potential conflict of interest.

GRI 406-1 Incidents of discrimination and corrective actions taken.

POTENTIAL DISCRIMINATION REPORTS TO LEGAL, HUMAN RESOURCES, COMPLIANCE, AND OUR HOTLINE

2023	METRIC
2	Discrimination Matters Reported
1	Warranted An Investigation
1	Of Investigation Matters Were Unsubstantiated
1	Of Investigation Matters Were Substantiated
0	Of Investigations Were Unsubstantiated But Other Matters Requiring Action Were Uncovered

Reporting, Monitoring, Investigations & Remediation

GRI 205-3 Confirmed incidents of corruption and actions taken

GRI 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices

We believe one of the best ways to mitigate compliance risks is early identification through our employee reporting channels and business monitoring processes. We value transparency and expect our employees to openly communicate compliance concerns and seek answers to their questions.

Employees have a duty to report potential misconduct and may do so by contacting the Senior Compliance Director, a member of Legal or Human Resources, their manager, or SI Group's reporting hotline, which allows for anonymous reporting.

We do not tolerate retaliation against any party who reports potential misconduct in good faith, and we strictly enforce this policy with discipline, up to termination of employment.

In addition to our reporting channels, we have business monitoring processes to prevent and detect risks associated with bribery and corruption, antitrust and competition, conflicts of interest, and international trade. We conduct robust due diligence reviews of our business partners who may work with public officials on our behalf, and we monitor the giving and receiving of gifts and other business courtesies.

We monitor interactions with our competitors involving certain business transactions and at trade shows and industry events. We screen our customers for sanctions and review their reported end uses before selling them products. In 2023, SI Group had no legal actions reported, pending or completed regarding bribery and corruption or antitrust and competition.

When we detect potential misconduct through our reporting channels or business monitoring processes, the Senior Compliance Director and Deputy General Counsel, with a subject matter expert when appropriate, review the information and, if needed, oversee remedial action including process improvements and performance management. If the potential misconduct poses a legal, regulatory, or Code of Conduct violation, the team oversees a fair, impartial, and timely investigation. SI Group does not tolerate

retaliation against any party who participates in the investigation process. Investigations are kept confidential to the extent possible and result in recommended remedial action, including process improvements and employee training or discipline.

Enterprise Risk Management

SI Group has an Enterprise Risk Management (ERM) program lead by our Senior Director of Compliance. The CEO, CFO, and General Counsel are responsible for overseeing these risk management programs, including assessing risk tolerances, evaluating whether such tolerances are aligned with SI Group's strategic goals, and defining our overall risk profile. Each year, the Senior Director of Compliance leads a risk workshop with the CEO and his leadership team to refresh the SI Group's risk profile. Together, the participants validate existing enterprise risks (both opportunities and threats), select new and emerging risks to add to the risk register, and ensure risk ownership is assigned to the appropriate leadership team executives.

We actively manage key risk areas relating to Process Safety, Behavioral Safety, EHS Compliance, Natural Disasters/Business Continuity, Cybersecurity, Internal Controls over Financial Reporting, Leverage, Antitrust, Bribery, and Talent.

While the Council focuses on certain key risks each year, stakeholders in our identified risk areas review their programs annually and implement changes to further minimize risk.

Both our risk management and compliance programs aim to prevent misconduct through policies and training. The Council has a sub-committee of functional stakeholders dedicated to improving company policies, procedures, and training so our employees know how to own their actions. The sub-committee is building a process to review our Code of Conduct and other policies and procedures on a regular cadence and ensure our employees receive appropriate training on any new or updated policies and procedures in line with laws and regulations. We are driving toward a company-wide training program that is accessible and concise—making it easy for employees to develop awareness and skills.

The results of the risk management processes and updates on material risks are reported to the Board and the Audit and Compensation Committee on a regular basis.



Human Rights



GRI 408-1 Operations and suppliers at significant risk for incidents of child labor

GRI 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor

GRI 412-1 Operations that have been subject to human rights reviews or impact assessments

GRI 412-2 Employee training on human rights policies and procedures

Our Code of Conduct describes our commitment to upholding human rights in all operations and at all facilities. New employees receive ethics and compliance training included in our Code of Conduct, and all employees are required to complete annual refresher training.

GRI 2-23 Policy commitments

GRI 410-1 Security personnel trained in human rights policies or procedures

Our Code of Conduct describes our commitment to upholding human rights in all operations and at all facilities this includes security personnel employed directly by SI Group and contract employees being used for security activities.

Forced or Compulsory Labor

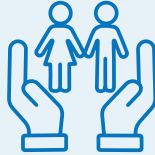
GRI 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor

SI Group is committed to providing safe, fair, legally compliant, and sustainable working conditions for our employees, which respect their human rights. SI Group commits to living up to our values and leadership behaviors to ensure all our employees live up to their fullest potential, both professionally and personally.

Certain internal policies oversee our fair labor practices, and we strictly forbid forced, bonded, indentured or involuntary labor, prison labor, slavery, or trafficking anywhere in the company globally. Employees are treated respectfully, and we prohibit any harsh or inhumane treatment of our employees no matter the role or location. In addition, we will never hold passports or other original employee documents unless necessary by law and will not restrict our employees access to these documents.

Please see GRI 407-1 and 408-1 for our sustainability assessment on our raw material suppliers and compliance assessment of SI Group operations.

We publish a Modern Slavery Policy in accordance with the U.K. Modern Slavery Act of 2015 and are committed to the abolition of modern slavery and human trafficking. We do not enter business with any organization globally which knowingly supports or is found to be involved in slavery, servitude, or forced or compulsory labor. Subject to applicable law, employees have a duty to report suspected violations of this policy to the Human Resources Department, Legal or Compliance. View the policy at <https://siigroup.com/ModernSlaveryPolicy>.



CHILD LABOR

GRI 408-1 Operations and suppliers at significant risk for incidents of child labor

We ensure that child labor is not used and that the minimum age of all employees complies with applicable local laws. No person shall be employed who is below the minimum legal age for employment.

At SI Group, we do not use forced or involuntary labor, and we ensure compliance with all applicable labor laws. We track all employees and as part of our hiring and verification process, we require proof of applicant age. In addition, consistent with our policies and local regulations, we maintain prominent signage raising awareness to these requirements.



Security Practices

Management Approach

SI Group recognizes the importance of privacy and the protection of personal data and information. We treat personal data confidentially and use it in accordance with the General Data Protection Regulation (GDPR) amongst other relevant data protection laws. Our policies and guidelines have been communicated and distributed to our employees as a part of our GDPR implementation.

We continuously monitor everchanging data privacy laws in an effort to uphold data privacy laws. Our commitment to privacy not only applies to our employees' data but the data of our customers, suppliers, business partners, and other parties we conduct business with.

Cybersecurity is the responsibility of all employees, regardless of whether employees are conducting business on a company-owned device or a personal device. All employees are required to follow SI Group's Good Cybersecurity Practices as well as any applicable local policies. At SI Group, all full-time or part-time employees, sub-contractors, project consultants, and any external parties have been made aware of their responsibilities (which are defined in their job descriptions or contracts) to preserve information security, report security breaches, and act in accordance with the requirements of the Information Security Management System (ISMS).

All employees receive triannual information security awareness training and more specialized employees receive appropriately specialized information security training such as IT Cyber Safety Communication, Technology Use Policy, and IT Phishing. New content is added every year

and is assigned as mandatory training. We monitor compliance rates and follow up with employees to ensure these training requirements are met. In addition to the trainings, triannual tests are performed to evaluate our employees' response to simulate cyberattacks and phishing.

To protect the privacy of all our employees, company, customers, and business partners, we have a record retention policy in place. In 2023 we will drive to implement a new data classification and data loss prevention technology that will improve our data retention and deletion capabilities while complying with data privacy laws globally.



Customer Privacy

MANAGEMENT APPROACH

GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

Data security breaches could compromise sensitive information related to business or the personal data of employees, vendors, and customers. We have identified and implemented appropriate measures to protect these facilities from physical and cyberattacks outlined in our Disaster Recovery and Incident Response Policy and we continue to assess potential risk and reinforce security to remain compliant with applicable data security and other data privacy laws and regulations.

To assess potential risk, we retain a third party to conduct an annual IT Risk Assessment and Penetration Test to audit our cybersecurity readiness. In 2023, we did not receive any complaints concerning the breach of customer privacy and losses of customer data.

Materiality

Materiality Assessment

GRI 3-1 Process to determine material topics

GRI 3-2 List of material topics

In 2023, we analyzed the interests, requirements, and visions of our key stakeholders into a matrix of material sustainability topics. Materiality in the context of a sustainability report, as defined by the GRI Sustainability Reporting Standards, includes aspects that reflect the organization's significant economic, environmental, and social impacts.

Our materiality matrix identifies the key topics of importance to our stakeholders and to our business. It has been used as a guide for the development of larger goals and strategies related to sustainability, corporate social responsibility, and responsible operations.

As a result of engaging with stakeholders, our material topics include added focus to our supplier social and environmental focus, which was further defined with the implementation of our Supplier Code of Conduct and expanded to focus on more sustainable procurement practices. With insight from our stakeholders, we continue to develop and grow our materiality assessment to prioritize sustainable practices and optimize our product portfolio to positively impact our sustainable outreach.

Stakeholder Engagement

GRI 2-29 Approach to stakeholder engagement

We encourage our employees to foster effective and transparent dialogue with our stakeholders to better understand feedback and identify areas of importance. These collaboration efforts provide key insights that direct our sustainability efforts and strengthen our relationships which enables our long-term success.

The methods of engagement vary within each group and are dependent on the relationship and their needs, but we are harmonized in our sustainability vision and prioritize transparent and purposeful interactions with our stakeholders. All feedback received is reviewed to identify new opportunities or potential risks related to sustainability.

Stakeholder Analysis

With the development of SI Group's Sustainability Journey, we recognize the value of collaboration and priorities of external audiences to enhance and guide our efforts.

The SI Group Sustainability Council has identified the following list of stakeholder groups as priorities in its consistent and collaborative efforts toward a more sustainable future:

- Customers
- Communities
- Employees
- Government/regulatory bodies
- Industry and trade associations
- Shareholders/investors
- Suppliers

	METHOD OF ENGAGEMENT	TOP SUSTAINABILITY ISSUES
SUPPLIERS	<ul style="list-style-type: none"> We regularly engage with our suppliers on labor and human rights, product, and process safety. 	<ul style="list-style-type: none"> Anti-competitive Behavior Anti-corruption Procurement Practices
EMPLOYEES	<ul style="list-style-type: none"> Employees have regular conversations with managers, and we gather employee feedback through an online company-sponsored Q&A and polling tool (Slido), to be addressed by our leadership. Employee-wide communications include email communications and video news updates, fact sheets at manufacturing sites, and social media updates. Our leadership team communicates with employees through various online and in-person roundtables, including regular global site visits. 	<ul style="list-style-type: none"> Diversity and Inclusion Employment Occupational Health and Safety Training and Education Sustainability
CUSTOMERS	<ul style="list-style-type: none"> Our team consistently engages with customers to improve our products and respond to their needs. Our sales representatives and technical experts work closely with customers to address concerns and provide product stewardship guidance. 	<ul style="list-style-type: none"> Anti-competitive Behavior Anti-corruption Environmental Health and Safety Customer Privacy Healthy, Safe, and Sustainable Products Sustainability, TFS, ISCC, Product Carbon Footprint
COMMUNITY/ SOCIETY	<ul style="list-style-type: none"> We meet with community members in the regions where we operate to share information about the company and listen to any concerns. At some of our manufacturing sites we engage through formal Community Advisory Panels (CAP). 	<ul style="list-style-type: none"> Air Emissions Water and Effluents Local Communities
SHAREHOLDERS/ INVESTORS	<ul style="list-style-type: none"> We directly communicate our sustainability progress with our investors and Board of Directors on a regular basis. 	<ul style="list-style-type: none"> Diversity and Inclusion Energy Efficiency Ethics and Compliance Economic Performance GHG Commitments Science-Based Targets Sustainability Reporting
REGULATORS	<ul style="list-style-type: none"> We communicate with government, legislative, and regulatory officials through written communications, issue-specific meetings, and industry events. 	<ul style="list-style-type: none"> Environmental, Health and Safety Compliance

Engaging Globally



GRI 2-28 Membership association

SI Group is committed to understanding and communicating how to safely use our products. We are a member of multiple industry associations that provide a venue for the chemical industry to lend our voices to issues that impact our industry and countries in which we operate.

Key industry associations include American Chemistry Council, European Chemical Industry Council, Association of Chemical Manufacturers. In addition, we participate in a number of subgroups and committees within these associations.

Community Engagement

MANAGEMENT APPROACH

SI Group is committed to corporate citizenship by actively engaging in programs that support the local communities in which we operate. Our employees volunteer in meaningful ways at local soup kitchens, homeless shelters, and for organizations such as The Salvation Army and United Way.

Our sites partner with local organizations, contributing volunteer time and resources towards meaningful programs and initiatives focused on STEM education, environmental stewardship, building inclusive communities, among others.

GRI 413-1 Operations with local community engagement, impact assessments, and development programs

Our local teams are active in contributing to and supporting the communities in which we operate. In the US, 80% of our sites engage through formal local Community Advisory Panel (CAP) allowing a cross-section of community representatives to work with our facilities on issues that affect their interests, including environmental, social, and

economic impacts. Over the course of 2020 & 2021, these CAPs met infrequently due to COVID-related concerns; however, there is a plan for more frequent engagement in 2024 and beyond.

Works Councils are established across our sites in Europe to represent the interests of our employees. They ensure compliance to labor laws, collective agreements, and company agreements, and serve as the intermediary between the management team and employees to discuss topics like employee welfare and benefits. SI Group sites provide support and resources to community programs and initiatives, and many of our employees are community volunteers to support important programs in the local context.

GRI 413-2 Operations with significant actual and potential negative impacts on local communities

For information on our engagement with local communities please see GRI 2-29.

Charitable Contributions

MANAGEMENT APPROACH

We aim to be a conscientious and respected corporate citizen, and to contribute positively to the communities where we operate and live. We encourage our employees to be engaged citizens who participate in community events, volunteer with charitable organizations, and fulfill civic duties. SI Group may partner with local charities or make charitable contributions in accordance with our Antibribery and Corruption Policy.

More specifically, we may make contributions on behalf of our employees to charitable organizations which have been approved by Compliance and Human Resources.

All recipients of contributions must be organized as a charitable organization under local law, operate with accountability and transparency to provide reasonable grounds to believe contributions are used primarily for charitable purposes, and provide receipts. Donations must meet all relevant tax requirements for the geographic location of the contribution, and all recipients must be a U.S. 501(c)(3), or equivalent, certified charitable organization.

GRI 415-1 Political contributions

Local laws may prohibit SI Group from making certain political contributions. Political contributions must be pre-approved by the Legal, Compliance and HR functions. Additionally, any employee participating in standard setting or legislative activities must be pre-approved by our Compliance department.



Customer Health & Safety



MANAGEMENT APPROACH

We work with our local governments and surrounding communities to contribute to sustainable growth and job creation to minimize negative impact on the environment. We strive to be a trusted and respected neighbor in the communities in which we operate and live, and we are committed to making positive changes through protecting the environment.

We take our corporate social responsibility and commitment to sustainability and environmental protection very seriously. As a chemical manufacturing company, we are aware of the associated risks and hazards to the environment.

Product Stewardship & Hazard Communication

GRI 416-1 Assessment of the health and safety impacts of product and service categories

GRI 417-1 Requirements for product and service information and labeling

Chemical products provide many benefits to society, but they must be managed responsibly throughout their lifecycle to minimize any potential adverse effects.

We ensure our procedures reflect our commitment to the safe manufacture, safe use by our customers, safety for consumers using our products, and safety for our environment at every stage of the product lifecycle.

Our processes are designed to ensure that our products are manufactured, stored, transported, used, disposed of, and recycled, when possible, to safeguard the health and safety of the environment. In addition, our processes are coordinated with key

functions including R&D, procurement, operations, logistics, commercial, and EHS.

Consistent with our commitment to the principles of Responsible Care, we support the development of responsible, science-based laws, regulations, standards, practices, and procedures that safeguard the community, workplace, and environment. We actively participate in industry associations, research, and programs to enhance environmental safety policies.

Customer Safety & Hazard Communication

As part of our commitment to safety, we believe that providing accessible and adequate information to our stakeholders about the environmental and social impacts of our products is essential.

Our product stewardship team ensures that all products marketed and sold are compliant with applicable laws, regulations, and company policy through continuous regulatory surveillance, product compliance assessment, product safety management, and hazard communication.

We maintain processes that ensure our products are safe and effective when produced and used as intended. Through our formalized process to assess and document regulatory risk, we ensure the effective implementation of our customers' health and safety.

Through our commitment to consumer safety and chemical management, we will:

- **Apply responsible standards** where laws and regulations do not exist, to ensure the safe use of our products under their intended conditions of use
- **Identify and manage risks** associated with our products that provide an appropriate level of safety for people and the environment
- **Conduct and support research** to extend knowledge about the health, safety, and environmental effects of our products, promptly applying significant findings and communicating results as appropriate
- **Comply with all applicable laws and global regulations** while continually monitoring these requirements for changes; relevant regulations include but not limited to the Toxic Substances Control Act in the U.S. (TSCA), the European Regulation on Registration, Evaluation, Authorization and Restriction of Chemicals (REACH), the Act on the Registration and Evaluation of Chemicals in Korea (Korea REACH)

Our product stewardship team leads with integrity and accountability through direct communication with our customers utilizing standard documents aimed at directing customers to the most safe and effective use of our products to maximize levels of productivity.

In 2023, our Regulatory Affairs department responded to over 7,000 requests from customers, distributors, and other stakeholders with regulatory information concerning customer product inquiries, hazard communications, trade compliance, and transportation and dangerous good queries for our products.



SI Group's NAUGARD BIO-XL™ ultra -accelerator is a next-generation innovation that uses bio-sourced technology without compromising performance in tires and technical rubber goods.

Designed with the future of the rubber industry in mind, NAUGARD BIO-XL is an environmentally friendly, high-efficiency solution that can replace Diphenylguanidine (DPG), which is known to be water-leachable from rubber particles, whereas NAUGARD BIO-XL is not.

Hazard Classification, Labeling & Review

An important element in REACH is supply chain communication on the uses of chemical substances. REACH requires our Safety Data Sheets to include relevant exposure scenarios for certain substances of concern as well as the implementation of the Globally Harmonized System (GHS) of Classification and Labeling of Chemicals.

In 2023, 60% of our products sold were classified as GHS Category 1 or 2 Health and Environmental Hazardous Substances; 100% of these products have undergone a hazard assessment. Additionally, our products are composed of synthetic material and do not contain genetically modified organisms (GMOs).

The distribution of accurate and reliable product documentation is critical to product delivery to our global customers and downstream users. We perform an extensive review of the classification, toxicology, and regulatory information to support our products' global hazard classification.



We adhere to the requirements of REACH for products marketed in the European Union and country-by-country implementation of the GHS when publishing global SDS in over 40 languages to ensure safe use.

As a part of ensuring our customers' health and safety, we have implemented processes to manage regulatory risk which include the continuous assessment, interpretation, and communication of regulatory changes such as hazard classification and labeling, transport classification, packaging, and container specifications through our Regulatory Change Notification (RCN) Process. Through this process, all affected Strategic Business Units are notified of any change, charged with responsibilities to address the change, and we work together to manage the overall implementation of the regulatory change.

Our customer health and safety focus include providing global SDS and product labels through our new database which would improve process efficiency, reduce the SDS error rate, and ensure the most current regulatory compliance on all hazard communication. Additionally, we conduct product reviews on a regular cadence to address the cleanup and maintenance of the regulatory data in our ERP system.

GRI 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services

GRI 417-2 Incidents of non-compliance concerning product and service information and labeling

GRI 417-3 Incidents of non-compliance concerning marketing communications

During the 2023 reporting period, we did not have any reported incidents of non-compliance concerning the health and safety impacts of our products and service information and labeling. Additionally, there were no occurrences of non-compliance concerning our marketing communications.

Critical Concerns

GRI 2-16 Communication of critical concerns

Interested parties may communicate with the Board or any individual director. Communications should be addressed to our Senior Director of Compliance as follows: compliance@siigroup.com or via mail to our Global Headquarters at 1790 Hughes Landing Boulevard, Suite 600, The Woodlands, TX 77380. We do not disclose critical concerns due to the confidential nature of this information.



compliance@siigroup.com



SI Group Global Headquarters
1790 Hughes Landing Blvd.
Suite 600
The Woodlands, TX 77380



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SI Group is a privately held company and is not required to publicly report information pertaining to these disclosures.

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2-5	External assurance
2-21	Annual total compensation ratio
202-1	Ratios of standard entry level wage by gender compared to local minimum wage
203-1	Infrastructure investments and services supported
203-2	Significant indirect economic impacts
301-2	Recycled input materials used
302-5	Reductions in energy requirements of products and services
303-4	Water discharge
305-5	Reduction of GHG emissions
303-5	Water consumption
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas
304-2	Significant impacts of activities, products, and services on biodiversity
304-3	Habitats protected or restored
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations
411-1	Incidents of violations involving rights of indigenous peoples

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