

# Positioned to Perform

2022 SUSTAINABILITY REPORT



**Chevron**  
**Phillips**  
**CHEMICAL**

Performance by design.  
Caring by choice.™



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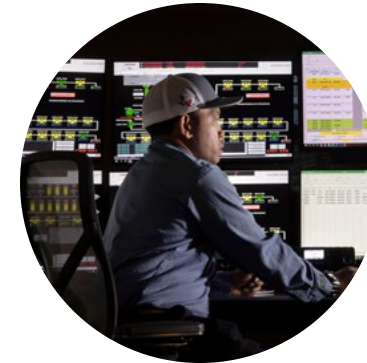
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Chevron Phillips Chemical (CPChem) presents its 2022 sustainability report, which features notable progress made along its sustainability journey, thanks to the dedicated efforts of its employees, customers and communities.

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→ **Letter from the CEO**

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## Positioning ourselves for top levels of performance involves taking on challenges boldly. In 2022, CPCChem navigated instability in the global economy, an enhanced regulatory environment and disruptions throughout the supply chain.

The progress we made over the past year to forge a more sustainable future reflects the dedication and commitment of our employees around the world. Our achievements in 2022 demonstrate agility and resourcefulness through our continued pursuit of Operational Excellence.

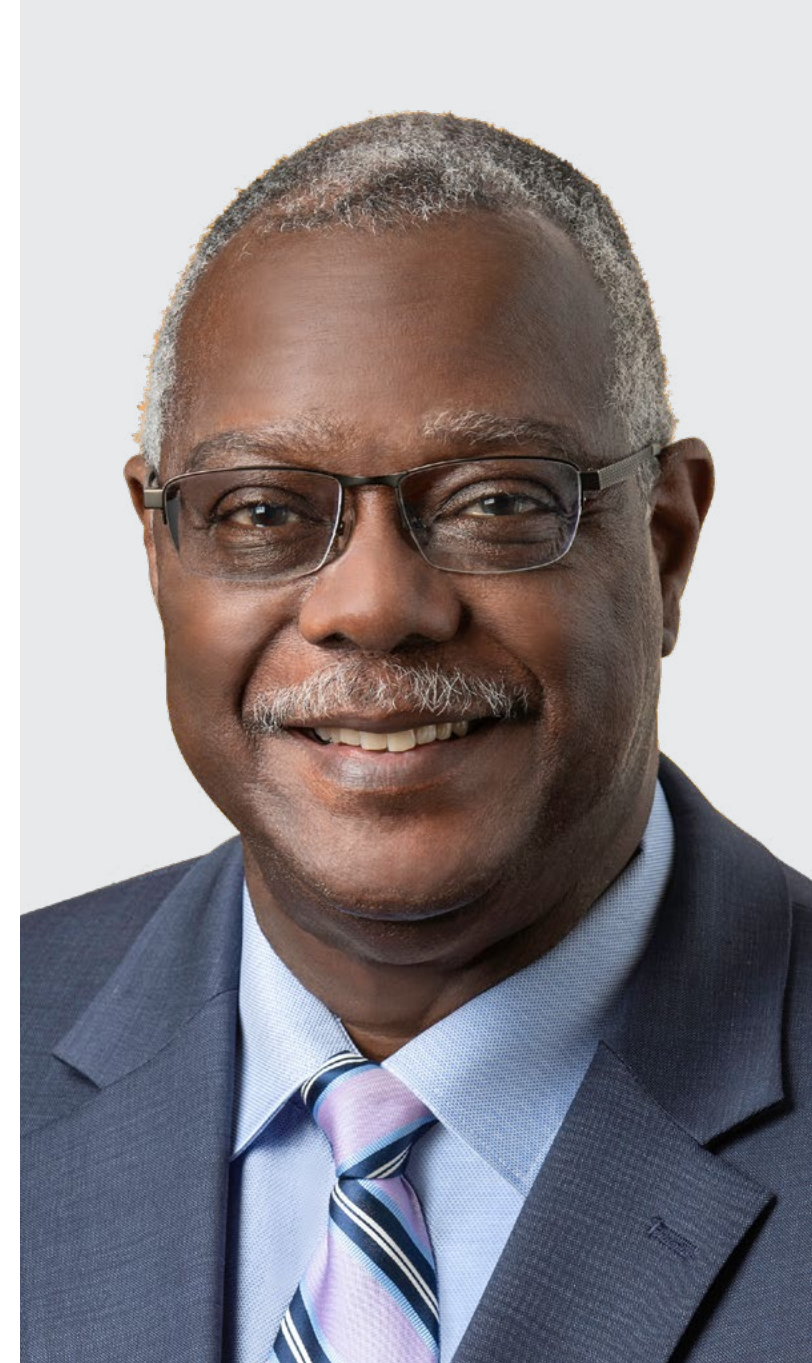
### Safety First and Always

I am proud of CPCChem's safety and reliability performance in 2022, which included zero Tier 1 events and a best-ever Process Safety Event Rate. We continue to emphasize Operational Excellence and the importance of taking the time to do the job right every time. Using lessons learned and following the blueprint of *Our Journey to Zero*, CPCChem's strategy to continuously improve safety and environmental performance, we celebrate forward movement while steadily raising the bar. Our 2022 safety and reliability performance was recognized with multiple awards from the American Fuel & Petrochemical Manufacturers and Texas Chemical Council. Additionally, we received nine awards from the American Chemistry Council

recognizing our exceptional safety performance and improvements in energy efficiency during 2022.

### Transformation of Our Business

Embracing opportunities for change, we emphasized innovation and improvement, and also advanced Diversity, Equity & Inclusion (DE&I) and Culture Evolution strategies across the enterprise. Investing in technology and digital tools has enabled greater ingenuity and efficiencies across the company. These efforts led to our manufacturing units setting 10 monthly, nine quarterly and seven 12-month production records in 2022. CPCChem's highly successful Performance by Design (PBD) program has generated more than \$1.5 billion in value since its launch just three years ago, a resounding testament to the depth of expertise and ambition present in our workforce.



## LETTER FROM THE CEO

*Continued*

*“As our business evolves to help meet the needs of a lower carbon and more sustainable future, we will continually strive to ensure CPChem is Positioned to Perform.”*



### Our Sustainability Performance

Enhancing sustainability is an established goal and a prevailing theme of day-to-day operations at CPChem. Our products and solutions contribute to a more sustainable future for employees, customers and communities. In 2022, we enhanced our efforts on Climate Change, Product Sustainability and Circularity, and Social Responsibility, the three focus areas of the company’s sustainability strategy.

### Sustainability Focus Areas

#### CLIMATE CHANGE

We achieved a significant milestone in 2022 with the announcement of a new target to reduce the carbon intensity of our operated assets by 15% by 2030 against a 2020 baseline. This goal and the plans to fulfill it are important elements of CPChem’s sustainability strategy and a critical component of *Our Journey to Zero*. We also published our second [Climate Risk Report](#), which offers details about our pursuit of carbon intensity reductions through approaches like Marginal Abatement Cost Curve (MACC) assessments and sourcing more renewable energy.

#### PRODUCT SUSTAINABILITY AND CIRCULARITY

Last year, CPChem continued its focus on strengthening the circular economy for plastics and secured several significant achievements in its advanced recycling program. We celebrated the first commercial sales of Marlex® Anew™ Circular Polyethylene, built and reinforced relationships with our circular feedstock

suppliers and invested in Infinity Recycling’s Circular Plastics Fund.

#### SOCIAL RESPONSIBILITY

Caring for our people and communities remains an essential part of CPChem’s business strategy and is paramount to the success of the company. We believe incorporating unique perspectives and backgrounds at all levels of the organization fosters a rewarding culture, empowers our employees and creates advocates for DE&I at work and at home. We aim to use the United Nations (UN) Sustainable Development Goals (SDGs) as a guide to enhance existing programs and as inspiration for new opportunities that expand CPChem’s positive social impact around the world.

This sustainability report presents our achievements and advancements in 2022, made possible by CPChem’s people, processes and technology. As our business evolves to help meet the needs of a lower carbon and more sustainable future, we will continually strive to ensure CPChem is Positioned to Perform.

Sincerely,

A handwritten signature in blue ink that reads "Bruce Chinn". The signature is fluid and cursive.

**Bruce Chinn**  
President and CEO

Letter from the CEO

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*Positioned to Perform* is CPCChem's 12<sup>th</sup> sustainability report. This report aims to communicate CPCChem's sustainability business strategy, operations and progress in areas deemed significant by our stakeholders. Key topics identified through our materiality assessment span potential impacts on people, the planet, our products and the company's performance in 2022.



### Reporting Standards and Data Collection

Data used in this report was collected through multiple processes such as information management systems, direct monitoring and sampling, engineering estimates and material balances. Data, disclosures and statements published in this report have received Limited Assurance from [KERAMIDA](#), an independent Environmental, Health and Safety, and Sustainability consulting firm.

[View Limited Assurance](#)

### Performance Data Tables

[Performance Data Tables](#) detailing CPCChem's social, environmental and financial performance over the last five years are located at the end of this report.

Use our [chart generator tool](#) to explore CPCChem's key figures.

### Global Reporting Initiative (GRI)

This report has been prepared in accordance with the 2021 GRI Standards. Material topics included in the 2022 Sustainability Report are based on the results of the company's 2020 Key Issue Assessment.

[2022 GRI Content Index](#)

This report, additional information and previous reports are hosted at [cpchem.com/sustainability](https://cpchem.com/sustainability).

Questions and comments are welcomed and may be sent to [sustainability@cpchem.com](mailto:sustainability@cpchem.com).

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CPCChem is a joint venture between Chevron U.S.A. Inc. and Phillips 66 Company. As one of the world’s top producers of olefins and polyolefins, CPCChem is a leading supplier of aromatics, alpha olefins, styrenics, specialty chemicals, plastic piping and polyethylene.



**FOUNDED**

2000

**EMPLOYEES**

4,968

**ASSETS**

\$18B

**MANUFACTURING AND RESEARCH FACILITIES**

31

**North America**

**GLOBAL HEADQUARTERS**

The Woodlands, Texas

**DRILLING SPECIALTIES COMPANY HEADQUARTERS**

The Woodlands, Texas

**PERFORMANCE PIPE HEADQUARTERS**

Plano, Texas

**RESEARCH AND TECHNOLOGY**

Bartlesville, Oklahoma  
Kingwood, Texas

**MANUFACTURING FACILITIES**

Baytown, Texas  
Borger, Texas  
Sweeny, Clemens & Old Ocean  
Orange, Texas  
Pasadena, Texas  
Pascagoula, Mississippi  
Port Arthur, Texas

**DRILLING SPECIALTIES**

Conroe, Texas

**PERFORMANCE PIPE**

Bloomfield, Iowa  
Brownwood, Texas  
Hagerstown, Maryland  
Knoxville, Tennessee  
Pryor, Oklahoma  
Reno, Nevada  
Startex, South Carolina

**AMERICAS STYRENICS\***

Allyn’s Point, Connecticut  
Hanging Rock, Ohio  
Joliet, Illinois  
Marietta, Ohio  
St. James, Louisiana  
Torrance, California

**South America**

**AMERICAS STYRENICS\***

Cartagena, Colombia

**Europe**

**EUROPE REGION HEADQUARTERS**

Diegem, Belgium

**MANUFACTURING FACILITIES**

Beringen, Belgium  
Tessenderlo, Belgium

**SALES OFFICES**

Frankfurt, Germany  
Istanbul, Turkey  
Madrid, Spain  
Manchester, United Kingdom  
Milan, Italy

**The Middle East**

**MANUFACTURING FACILITIES\***

Al Jubail, Saudi Arabia (S-Chem)  
Al Jubail, Saudi Arabia (SPCo)  
Mesaieed, Qatar  
Ras Laffan, Qatar

**SALES OFFICES**

Dubai

**Asia**

**ASIA REGION HEADQUARTERS**

Singapore

**MANUFACTURING FACILITIES\***

Jurong Island, Singapore

**SALES OFFICES**

Selangor, Malaysia  
Shanghai, China  
Tokyo, Japan

**Australia**

**SALES OFFICES**

Chadstone, Australia

\* Indicates joint venture facilities with partial ownership.

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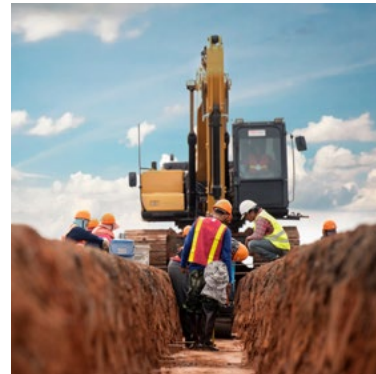
## Industries We Serve

CPCChem proudly serves industries that directly impact people around the world, and our products play a role in improving quality of life and helping create a more sustainable future. Our experience in these industries enables us to develop, advance and deliver creative solutions that help support sustainable growth and enhance our modern way of life.

Our network of more than 7,000 suppliers helps us safely and efficiently manufacture and transport our products to customers in 140+ countries. We are committed to conducting our business in a sound, responsible manner, consistent with the highest standards and principles of our industry, leadership, employees and the public.



**Automotive**



**Energy & Chemical**



**Food & Agriculture**



**Home & Electronics**



**Industrial**



**Medical & Pharmaceutical**



**Personal Care**



**Recreation**

**FORBES 2022  
RECOGNITIONS**

America's Best  
Employers by State

#40 in  
Texas

America's Best  
Employers  
for Women

#200

Best Employers  
for Diversity

#178

For more information about our company and products, visit [cpchem.com](https://cpchem.com).



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*“At CPChem, we will continue to expand frontiers, elevate alternative perspectives and find common ground, staying ever focused on reducing our impacts and creating a more sustainable world for all.”*

## A Message from the Vice President of Sustainability



Since launching CPChem’s sustainability strategy in 2021, we have experienced great acceleration in the pace of our sustainability journey. The progress and achievements of our sustainability programs are driven by an inspiring call to action that challenges us to improve quality of life and protect our planet. As the world endures natural disasters of increasing severity, instability caused by the Russia-Ukraine war and lingering effects of a global pandemic, CPChem holds steady in its established safety reputation and ambition to design innovative solutions for a better future.

We encourage an optimistic mindset that recognizes opportunities where others see opposition. Society faces many issues that transcend geographies, borders and generations, and we embrace collaboration and compassion as we work alongside our peers to address global challenges and enhance the sustainability of our organization.

Using CPChem’s sustainability strategy, we intend to affect positive and measurable action in the company’s environmental, social and governance performance. The three focus areas of our sustainability strategy directly impact our business and how we increase resources to address climate change, the sustainability and circularity of our products and our social responsibility.

I believe CPChem’s agility enables multiple approaches to maintain and enhance a trajectory toward greater sustainability. Setting goals that drive sustainable progress will push us to research, invent and activate new ideas rising from teamwork and common objectives. Our shared alignment with stakeholders will also make us more efficient in removing barriers on our forward path to success.

Establishing productive relationships across governments, NGOs, and other diverse groups will allow us to achieve more together than what is possible alone, and I look forward to building connections and extending trust with new stakeholders along the way.

For more than 100 years, science and innovation have expanded the frontier of our industry, enabling solutions where ones did not previously exist. CPChem is investing in research and development to explore new materials, technologies and business models that aim to reduce environmental impacts and generate additional value for our stakeholders and communities.

We understand that the actions of this decade will likely determine how our industry evolves, and the need to empower a pervasive culture of sustainability and inclusion is more important than ever. At CPChem, we will continue to expand frontiers, elevate alternative perspectives and find common ground, staying ever focused on reducing our impacts and creating a more sustainable future.

A handwritten signature in black ink, appearing to read 'Benny Mermans', with a stylized, cursive style.

**Benny Mermans**  
Vice President, Sustainability

OUR SUSTAINABILITY STORY

Continued

2022 Sustainability Highlights



Zero Tier 1 process safety events in 2022



CPChem President and CEO Bruce Chinn recognized by [Savoy magazine](#) as one of the most influential Black executives in corporate America

**-15%** by **2030**  
Carbon Intensity

Announced target to reduce carbon intensity of our operated assets



CPChem's European Operations received EcoVadis' GOLD rating in 2022



First commercial sales of Marlex® Anew™ Circular Polyethylene



CPChem received additional certifications from the International Sustainability & Carbon Certification (ISCC) process in 2022, adding two facilities to our growing list of sites certified by ISCC PLUS

OUR SUSTAINABILITY STORY  
*Continued*

Our sustainability journey centers on three areas where we believe our efforts can achieve the most meaningful impact. This strategy helps us focus on growing the culture of sustainability as a common, unifying aspect of our corporate identity throughout the entire organization.



*Climate Change*



*Product Sustainability  
& Circularity*



*Social Responsibility*

Learn more about our [sustainability strategy](#).

## OUR SUSTAINABILITY STORY

*Continued*

### Governance and Leadership

CPChem has a robust governance and risk management approach to oversee risks, including those related to our sustainability focus areas. Our Board comprises eight representatives: three voting representatives appointed on behalf of Chevron U.S.A. Inc. and Phillips 66 Company, and the Chief Executive Officer and Chief Financial Officer of CPChem as nonvoting representatives. Representatives from the Board and members of our Leadership Team serve on various committees, providing strategic oversight of the implementation and stewardship of CPChem’s sustainability strategy, utilizing information both from internal analysis and external subject matter experts (SMEs).

#### **BENEFITS COMMITTEE, COMPENSATION COMMITTEE AND INVESTMENT COMMITTEE**

CPChem leverages feedback from employee surveys and focus groups to inform decisions related to benefits and to generate recruitment and retention action plans for its diverse workforce. We identify appropriate salary programs and benefits through these committees.

#### **BOARD OPERATIONAL EXCELLENCE COMMITTEE**

The committee monitors and responds to global trends in the regulatory and political space and supports work to address risks with potential to affect EHSS or related manufacturing facility programs and policies.

#### **ENTERPRISE RISK MANAGEMENT (ERM)**

ERM is a core process through which the Board and company leadership identify risks to CPChem and ensure appropriate mitigation options are available. The Board evaluates risk in context to market, operational and reputational risks. An ERM committee provides in-depth assessments and reviews CPChem’s ERM process annually with the Board.

#### **ENVIRONMENTAL, HEALTH, SAFETY & SECURITY (EHSS) POLICY COMMITTEE**

The EHSS Policy Committee, consisting of core Leadership Team members, provides oversight and governance for EHSS activities and CPChem’s Operational Excellence (OE) System. OE helps CPChem standardize its efforts globally, increase collective rates of improvement, and raise its level of operational discipline in the areas of environmental, health, safety, security, reliability and quality.

#### **ETHICS AND COMPLIANCE**

The ethics and compliance program is overseen by the Board Audit Committee, to which the Chief Compliance Officer, who supervises the Ethics and Compliance Office, reports. The Ethics and Compliance Office is responsible for mandatory trainings for all employees which cover: code of conduct, anti-trust law, anti-corruption, fraud and financial misconduct. Feedback or concerns are communicated to CPChem’s highest governance body in a variety of ways including directly to the Ethics and Compliance Office and a third-party managed hotline.

#### **EXECUTIVE DIVERSITY COUNCIL**

CPChem’s Executive Diversity Council was formed to provide leadership, guidance and direction to our Diversity, Equity and Inclusion journey.

#### **TALENT MANAGEMENT COUNCIL**

A comprehensive talent management governance structure is in place to ensure that CPChem has the organizational capabilities required to meet current and future business needs and that Talent Management strategies are achieved. The Talent Management Council (TMC) governs talent decisions for executive-level employees, and each business unit, manufacturing facility and region has a Talent Stewardship Committee (TSC). The TMC and each TSC evaluate employee performance management, development opportunities, career tracks, potential for new roles and succession planning. CPChem encourages employees to engage in regular discussions of development and career goals with supervisors and TSCs.

## OUR SUSTAINABILITY STORY

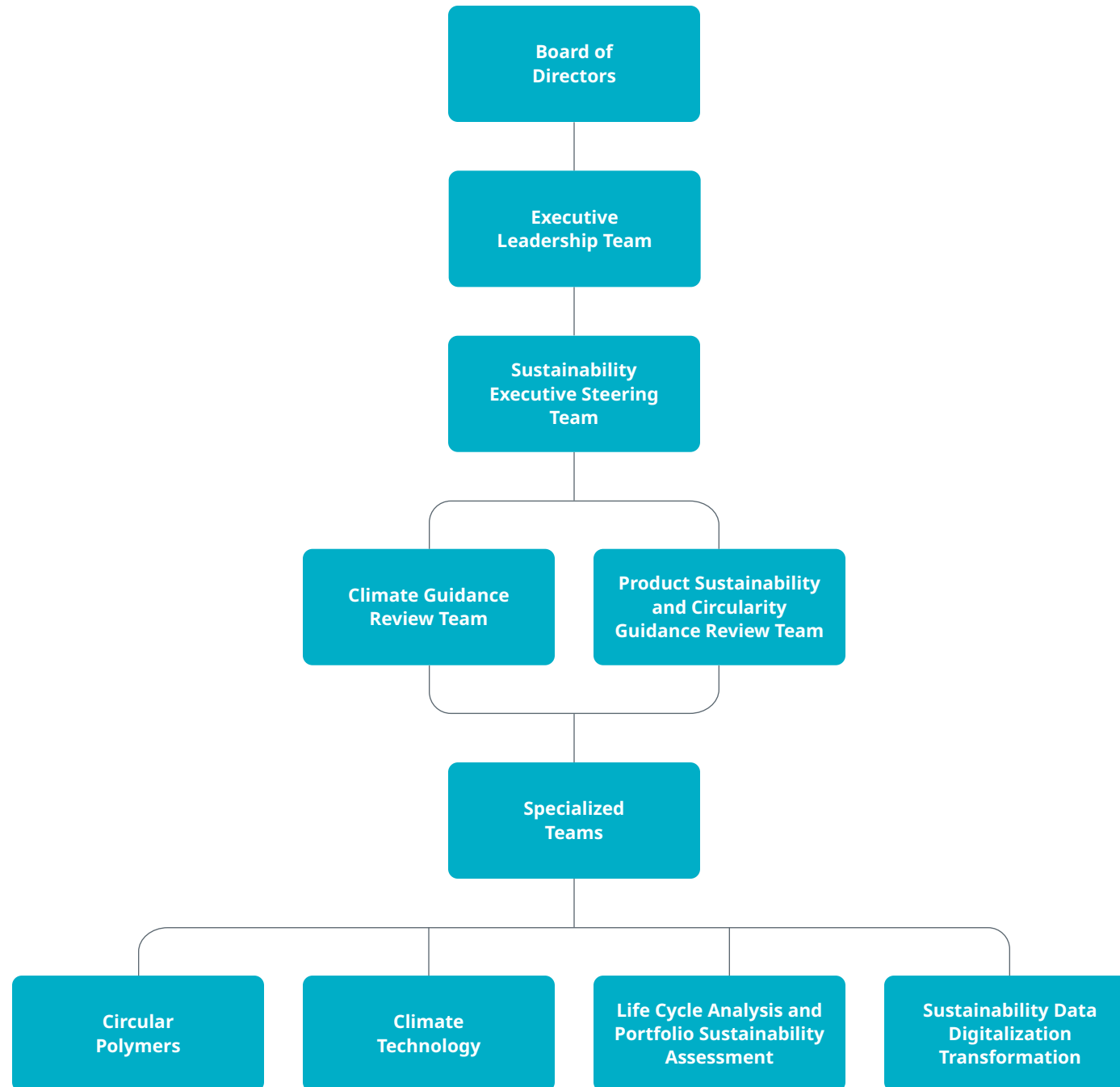
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### Governance and Leadership

Our Executive Leadership Team is comprised of accomplished individuals with extensive experience and proven talents, working together to guide the company toward a more successful and sustainable future.

CPChem’s Sustainability Executive Steering Team (EST) meets regularly to advance its expertise, make progress on sustainability initiatives and review the external policy landscape. CPChem’s vice president of sustainability and the EST extend oversight of sustainability objectives throughout the organization. With decades of collective industry experience, the EST is an informed and practical council, well-equipped to address sustainability issues identified as material to our business. In 2022, a plan was enacted to provide a mandatory companywide training during 2023 for all employees and to dedicate time for meaningful discussions of sustainability topics. Incorporating this training into our performance objectives is now a critical step on our sustainability journey.

Reporting to the EST, two executive-led Guidance Review Teams (GRTs) provide direction and oversight on a variety of strategically important sustainability issues. Our GRTs provide a multi-disciplinary view to manage and align sustainability activities with the rest of the operational, commercial and functional priorities. Specialized implementation teams provide deliberate support and investigate GRT actions and priorities.



### EXECUTIVE STEERING TEAM

#### DECISION EXECUTIVE

**Justine Smith**  
Senior Vice President,  
Petrochemicals

#### MEMBERS

**Mitch Eichelberger**  
Executive Vice President,  
Polymers and Specialties

#### Tim Hill

Executive Vice President,  
Legal and Public Affairs

#### Bryan Canfield

Senior Vice President,  
Manufacturing

#### Elliott Johnson

Senior Vice President,  
Environmental, Health, Safety  
and Security

#### Steve Prusak

Senior Vice President,  
Corporate Planning and Technology

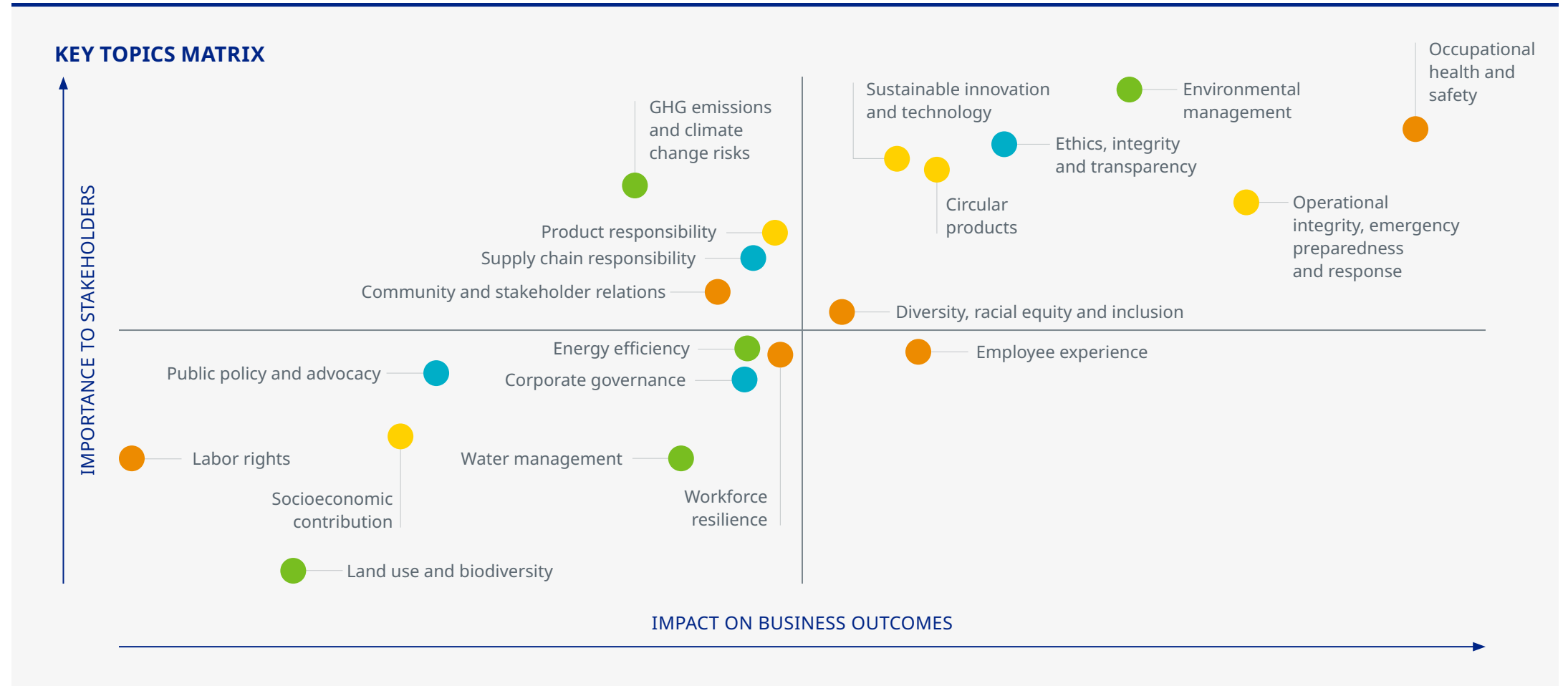
## OUR SUSTAINABILITY STORY

Continued

### Key Topics and Stakeholder Engagement

Key topics relevant to our business have been identified through a materiality assessment process that includes benchmarking and incorporating feedback from discussions with stakeholders and industry policymakers. Insights from stakeholder groups on environmental, social, governance and economic issues are leveraged to determine how resources are allocated. CPChem aligns its programs to address the needs and concerns of its stakeholders. Materiality assessments improve the quality of our reports, as these evaluations uncover risks and opportunities, while measuring each topic’s significance to our strategy and business.

Completed in 2020, CPChem’s most recent Key Issue Assessment identified and prioritized concerns of its stakeholders. Our Key Topics Matrix reflects only those topics deemed most significant to our stakeholders and business. Key topics identified through the assessment process reflect our perceived impacts on people, the planet, our products and company performance, as reported by stakeholder groups. We aim to provide context on our efforts and progress with these topics in this report.



CPChem aims to consistently evaluate and manage legislative, regulatory, policy and political activities, address potential business impacts and generate business value across activities by:

- Building and supporting relationships with external stakeholders, including governments and communities where CPChem operates
- Managing potential social risks and social impacts
- Developing and implementing issue management and stakeholder engagement plans, systematically tracking engagements, issues, and effectiveness

- Social
- Governance
- Environmental
- Economic

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→ **Supporting the UNSDGs**

## Supporting the United Nations Sustainable Development Goals

Throughout this report, references to the United Nations Sustainable Development Goals (UNSDGs or SDGs) indicate examples of how our work advancing sustainability across the company and around the world connects to specific SDGs. In 2022, CPChem completed an SDG self-assessment using an outcome map adapted by Duke University from Social Value International. During the self-assessment, CPChem mapped its strategies, projects and

products across the SDGs’ respective targets and indicators. Through this exercise, we identified 11 SDGs that we believe are material to our business. This mapping allowed us to determine possibilities to accelerate our positive contributions, while also highlighting areas where we can take action to minimize our potential negative impacts. The organization is launching an education campaign to help employees understand the value of the SDGs

and how to incorporate them into all roles and decision-making. We intend to expand efforts and use the SDGs in considerations for how we do business and when planning for the needs of our stakeholders.



### HIGH LEVEL APPROACH

#### Identify, Assess & Evaluate

Assess SDGs, connect with CPChem strategies and planned initiatives throughout the organization.

#### Review with Stakeholders

Enhance stakeholders’ experience by engaging and reviewing impact assessments, including KPIs.

#### Engage with the Organization

Drive engagement across CPChem to improve a high-performance culture.

#### Boost Shareholder Value & Accelerate Employer of Choice



# EMPOWERING PEOPLE

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→ **Social Responsibility**

Health & Safety

Many Perspectives. Greater Possibilities.

Diversity, Equity & Inclusion

Supplier Diversity

Caring for Our Communities

## CPChem has always conducted business with Social Responsibility at heart.



We invest significant time, talent and resources and leverage our products to make lasting and meaningful impact. At CPChem, Performance by design. Caring by choice.™ speaks to our high standards in operational excellence, health

and safety, ethics, human rights and DE&I. We believe these concepts help support economic growth and enhance the quality of life of our employees and communities.

### CPChem Europe Earns Gold

For the third consecutive year, CPChem’s European operations (CPChem Europe) received a gold medal from [EcoVadis](#), the world’s largest provider of business sustainability ratings. This medal recognizes CPChem Europe’s sustainability performance. CPChem Europe’s score increased from 68% to 73% over 2022, which places it in the top 3% of companies rated by EcoVadis in the chemical sector. This score reflects [EcoVadis’ assessment](#) of the company’s efforts in environmental performance, sustainable procurement, ethics and labor, and human rights in the European region.



CPChem’s European Operations

### SOCIAL RESPONSIBILITY STRATEGY OBJECTIVES



#### Protect human rights

Inspire our current and future workforce by investing in education and fostering a culture of diversity, equity and inclusion throughout our value chain

#### Promote health and well-being

Maintain and operate a workplace where we prioritize the health, safety and well-being of our employees and global communities

#### Increase economic prosperity

Enrich global communities through our products and philanthropic activities to help enable opportunities for all of our stakeholders

### CPChem Improves in EcoVadis Assessment

Companywide, CPChem’s score increased from 47% to 57%, placing us in the top 27% of companies in our industry rated by EcoVadis, and in the top 12% for labor and human rights and sustainable procurement. In the area of sustainable procurement, our score improved from 20 to 60 out of 100, a reflection of the growth of our responsible sourcing program.

SOCIAL RESPONSIBILITY  
Continued



Our tagline, Performance by design. Caring by choice.™, tells the story of who we are as a company, one that is designed to deliver industry-leading performance built upon an employee base that cares about each other, our work, customers, communities and investors.

Our license to operate is ensured by the integrity with which we meet our compliance obligations and the level of ethics to which we hold our employees, suppliers and customers. Our core values of safety, respect, integrity and drive are indicative of our approach to maintaining our respected reputation with all stakeholders. CPChem maintains its own [Code of Conduct](#), which reflects its core values and highlights principles that guide conduct.

**Ethics and Compliance**

Our ethics and compliance program applies to all employees, from our Board of Directors to front-line supervisors and individual contributors. This program is managed by the Ethics and Compliance Office, part of the CPChem legal department. This office is responsible for providing guidance on compliance matters, training personnel, investigating compliance concerns as reported through our hotline program, and reviewing compliance provisions in contracts. Anti-corruption is included within our Code of Conduct as well as our [Supplier Principles of Conduct \(SPOC\)](#). Additional policies are in place for specific topics including fraud and conflict of interest. Day-to-day implementation of these programs is managed by appropriate SMEs throughout the organization including

EHSS, finance, global trade, human resources, information technology, legal and public affairs.

**IT Security**

CPChem is vigilant in protecting assets and employs several programs to prevent security risks. Employees receive training to prevent security breaches and a whistle-blower procedure is in place for stakeholders to report security concerns. Secure measures are in place for gaining stakeholder consent regarding the processing, sharing and retention of confidential information. CPChem uses an information security due diligence program on third-parties as well as measures to protect third-party data from unauthorized access. Performing information security risk assessments, audits of control procedures, incident response and records retention scheduling are examples of how we proactively prevent security breaches.

**Employee Code of Conduct**

All employees at all levels are required to complete Code of Conduct training and review CPChem's Code of Conduct annually. Anti-corruption policies are also communicated to third-party groups that have a business relationship with CPChem. Employee or stakeholder feedback and concerns can be

anonymously reported through a third-party help line. Upholding our Code is key for operating globally, and we are proud that 100% of CPChem employees completed ethics-related trainings in 2022:

- Code of Conduct
- Anti-trust law
- Anti-corruption
- Fraud and financial misconduct

**Managing Risk**

CPChem's compliance risk assessment process is managed by our Ethics and Compliance Office. Risk assessments are conducted across the company at all facilities and occur every two years. These evaluations identify issues that may potentially impact compliance with relevant internal policies, regulations and laws. Once a risk issue is identified, mitigation steps may include updates to company policies, training, communications, audits and more. CPChem facilities were assessed in 2022 and no significant corruption risks were identified.

Social Responsibility

→ **Health & Safety**

Many Perspectives. Greater Possibilities.

Diversity, Equity & Inclusion

Supplier Diversity

Caring for Our Communities

CPCChem’s core value is the health, safety and well-being of employees and contractors. We strive for this with a positive safety culture that uses common values, best practices, healthy attitudes and experience to underline health and safety.



### Environmental, Health, Safety and Security (EHSS) Strategy

*Our Journey to Zero* is our commitment to each other and to the communities in which we live and operate. Through *Our Journey to Zero*, CPCChem is focused on eliminating high severity and high potential safety events and incidents that could result in serious injuries. There are three major components of our strategy: caring for each other, driving safe and reliable operations and improving the environment. Since the strategy was first developed in 2016, this imperative effort builds on many successful programs already embedded into our safety culture, including the following internal programs:

#### STOP WORK RESPONSIBILITY

All employees and contractors have the responsibility and the authorization to stop unsafe actions and behaviors.

#### LIFE SAVING RULES

Our nine Life Saving Rules are a tool to help focus employees and contractors on activities that, if not executed correctly every time, have a high potential for serious injury or fatality.

#### TENETS OF OPERATION

The Tenets of Operation are an extension of CPCChem’s values and principles that apply to all employees and contractors and provide a universal code of conduct to guide our decision making every day and in every task. These tenets are fundamental risk-management practices that reduce risks in the workplace.

#### GUIDING PRINCIPLES

These principles define our beliefs and are the fundamental truths from which our safety practices are derived.

- *Work safely or not at all.*
- *There is always time to do it right.*
- *If it’s worth doing, do it better.*

These three principles guide us in all circumstances, regardless of job role or position. The principles illustrate the value we place on safe, high-quality work while emphasizing the importance of using operational discipline to achieve excellence every single day.

Through *Our Journey to Zero*, we ask our employees and contractors to take the time to do the job right every time, reduce their individual risk, understand and follow established procedures, speak up and never stop learning.

## HEALTH & SAFETY

*Continued*



### Operational Excellence (OE) System

Our OE System is a risk management process providing a global framework that aims to help CPChem standardize efforts, continuously improve, and raise the level of operational discipline in the areas of environment, health, safety, security, reliability and quality. It is built upon expectations for involved and effective leadership, full employee participation, compliance with applicable regulatory requirements and integration of OE with ongoing improvement of all business results. All employees and contractors are covered by the OE System.

The OE System includes five components: Policy, Principles, Focus Areas, Verification of Compliance and Expectations and Standards.

These components, which make up our management system, are structured to fulfill requirements set by American Chemistry Council (ACC) and the International Council of Chemical Associations (ICCA) Responsible Care Management System® (RCMS®).

### Continuous Improvement

CPChem’s OE System is designed to provide the framework for promoting continual process improvements. As part of corporate governance, CPChem’s Corporate OE Review collects data related to OE practices and regulatory compliance at CPChem facilities and identifies opportunities for improvement. Through verification activities and interviews with facility personnel, the OE Review process is able to confirm strengths and potential vulnerabilities of day-to-day OE processes, which provides continuous improvement opportunities

for facilities to strengthen and sustain EHSS performance. CPChem’s U.S. petrochemical facilities are subject to an Occupational Safety and Health Administration (OSHA) Process Safety Management (PSM) and Environmental Protection Agency (EPA) Risk Management Process (RMP) Compliance Audit, conducted concurrently. While CPChem’s other global petrochemical facilities are not subject to OSHA’s PSM Standard, each has voluntarily adopted the elements of OSHA’s PSM Standard, and these locations are audited against the OSHA PSM elements.

### Voluntary Protection Program (VPP)

All 18 of CPChem’s eligible U.S. locations hold Star Status, the highest Voluntary Protection Program (VPP) certification given by OSHA. As OSHA notes, the “Star program is designed for exemplary worksites with comprehensive, successful safety and health management systems. Companies in the Star Program have achieved injury and illness rates at or below the national average of their respective industries. These sites are self-sufficient in their ability to control workplace hazards. Star participants are reevaluated every three to five years with incident rates reviewed annually.”

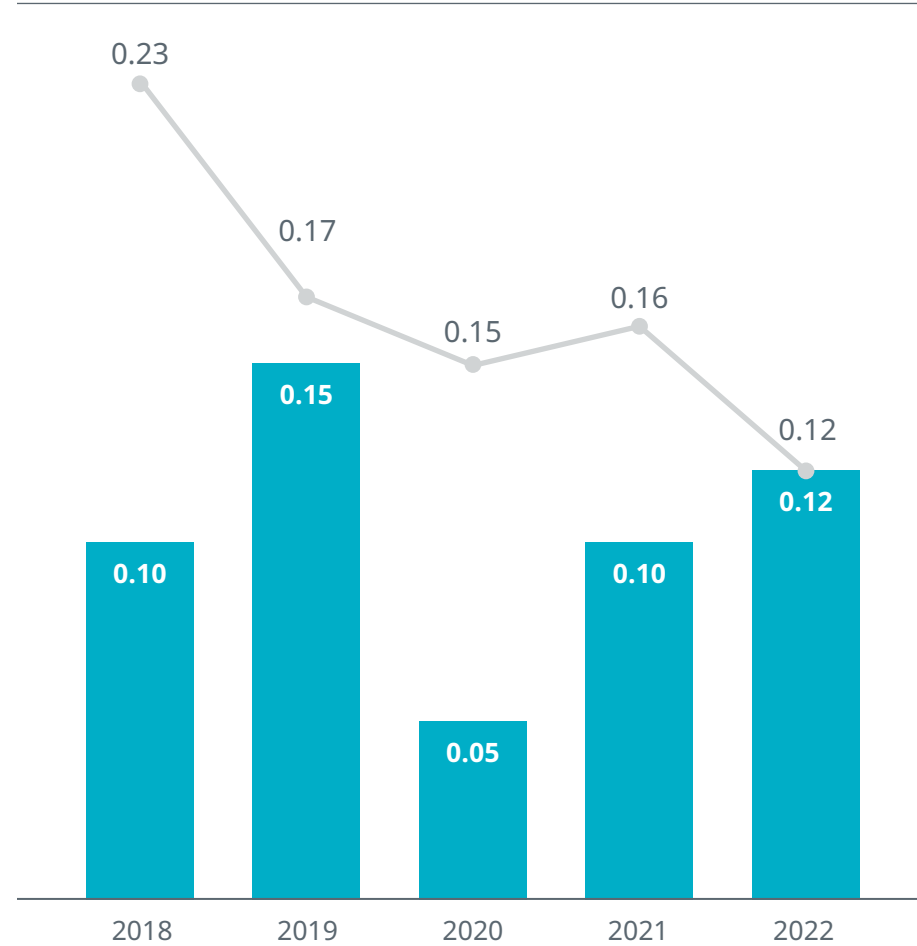
#### OE SYSTEM FOCUS AREAS

- Community Awareness and Outreach
- Distribution
- Emergency Preparedness and Response
- Employee Health and Safety
- Incident Prevention, Quality and Reliability
- Pollution Prevention
- Process Hazard Analysis
- Process Safety Information
- Product Stewardship
- Resource Conservation and Productivity
- Security of Personnel and Assets

## HEALTH & SAFETY

Continued

### Recordable Injuries and Illnesses



- Top 10% ACC member companies' Combined Employee and Contractor Total Recordable Incidence Rate that work more than 2 million employee hours in a calendar year
- CPChem's Combined Employee and Contractor Total Recordable Incidence Rate excluding COVID-19 cases (Recordable injuries x 200,000/hrs)

### Safety is a Core Value

CPChem's OE System applies a reporting and investigation methodology to determine the cause of incidents and develop action plans to prevent their recurrence. In 2022, CPChem achieved a combined employee and contractor Recordable Incidence Rate (RIR) of 0.12, following the OSHA Standard on reporting. Although CPChem's Major Capital Project (MCP) hours increased in 2022, the company's RIR remained consistent. In 2022, during an uptick in safety incidents, CPChem orchestrated a companywide safety stand down where every employee in the company was asked to pause work to deliberate safety performance and have open discussions on how to improve. For more details on our safety performance see our [Performance Data Tables](#).

#### SGD #3

#### GOOD HEALTH AND WELL-BEING

At CPChem we want to improve the quality of life of our employees and communities by prioritizing continuous improvement in *Our Journey to Zero* while integrating well-being into employee experience.



### Safety Achievement Highlights

#### BAYTOWN FACILITY, TEXAS

A new electronic safety inspection process has been incorporated into the Baytown facility's EHSS polices and this best practice has been shared with CPChem's global facilities. A myriad of benefits have been realized from the tool, including better hazard recognition, faster resolution of action items, greater efficiency, flexibility and standardization.

#### S-CHEM, SAUDI ARABIA

The S-Chem facility completed a major turnaround in 2022 without a single recordable injury.

#### KINGWOOD RESEARCH & TECHNOLOGY CENTER, TEXAS

The Center achieved a significant safety milestone of eight years without a recordable injury or illness.

#### PASADENA FACILITY, TEXAS

Achieved six years without a Tier 1 or Tier 2 PSE. This is the best Tier 1 and Tier 2 performance the site has seen since the company began tracking this metric in 2010 and is a testament to the daily front-line efforts of our team to operate safely and reliably.

## HEALTH & SAFETY

Continued

### Focusing on Safety

CPChem evaluates human and organizational factors that impact our systems and how we operate. To continue *Our Journey to Zero*, we are focusing efforts to eliminate or mitigate factors that contribute to our actual and potential high severity incidents. More details on CPChem’s safety performance can be found in the [Performance Data Tables](#).

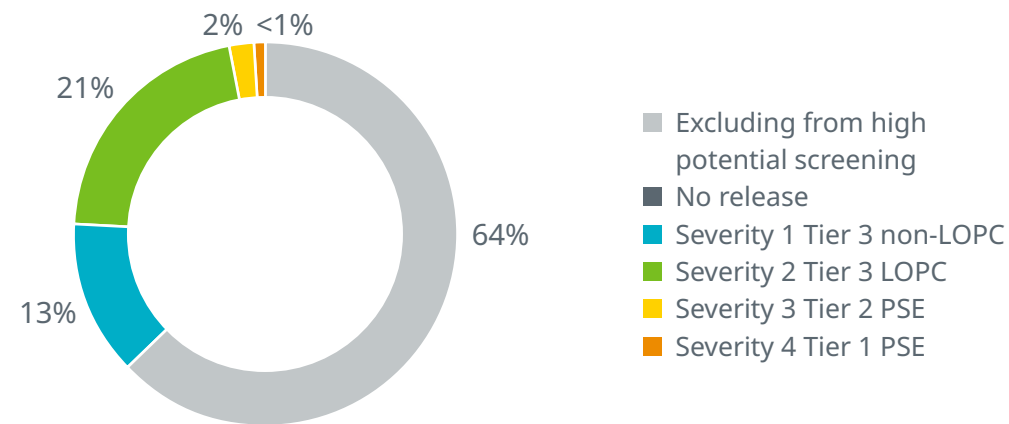
#### OVERALL PROCESS SAFETY PERFORMANCE

# 565 DAYS

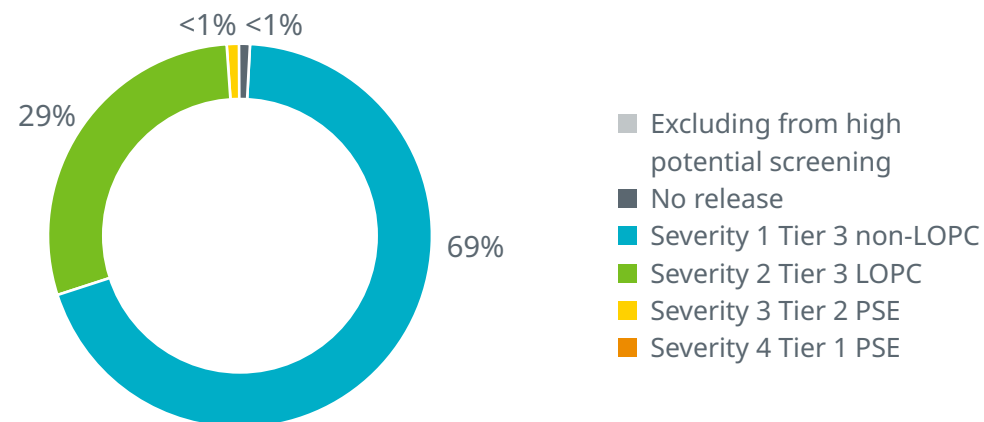
CPChem finished 2022 with zero Tier 1 process safety events, tying for CPChem’s best ever Combined PSER, achieving 565 consecutive days with no Tier 1 incidents.

### Process Safety Related Incidents by Severity

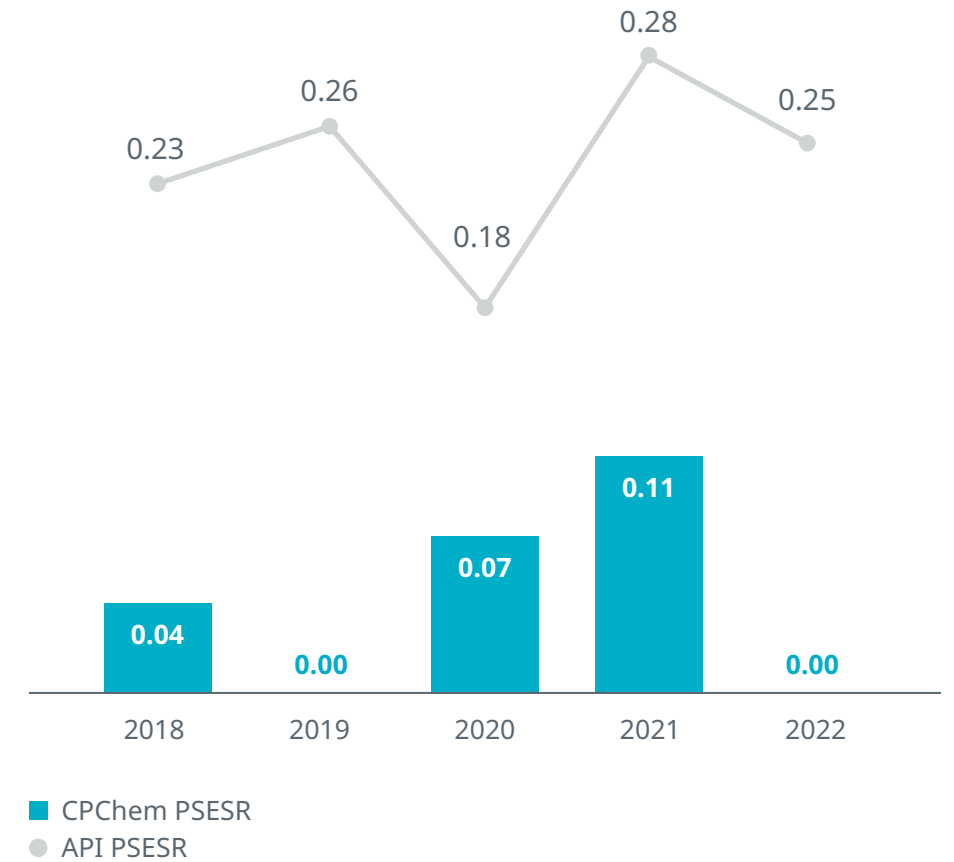
#### POTENTIAL SEVERITY



#### ACTUAL SEVERITY



### Process Safety Event Severity Rate (PESER)



## HEALTH & SAFETY

*Continued*

### Recognizing Our Commitment to Safety

#### AWARDS FROM AMERICAN FUEL AND PETROCHEMICAL MANUFACTURERS

CPChem’s Borger and Orange sites were among the nation’s top 5% safety performers to be recognized by American Fuel and Petrochemical Manufacturers (AFPM) with an Elite Gold Safety Award for their 2022 performance. CPChem facilities in Port Arthur and Sweeny earned the Elite Silver Safety Award, which AFPM gives to the top 10% of safety performers in the industry.

#### AMERICAN CHEMISTRY COUNCIL RESPONSIBLE CARE® AWARDS

CPChem is proud that seven of its facilities received nine 2022 American Chemistry Council Responsible Care® Safety Awards. Five of our sites won the Certificate of Excellence and four sites won the Certificate of Honor, both of which recognize sites with zero deaths, zero days away from work cases and zero job transfer or restriction cases.

- Bartlesville, Oklahoma
- Baytown, Texas
- Borger, Texas
- Conroe, Texas
- Orange, Texas
- Port Arthur, Texas
- Sweeny, Clemens & Old Ocean, Texas

#### RESPONSIBLE CARE® ACHIEVEMENT AWARD

CPChem’s joint venture facility in Singapore, Chevron Phillips Singapore Chemicals (CPSC), received the 2022 Responsible Care Achievement Award for Employee Health and Safety Code and the Responsible Care Gola Award for Process Safety Code. Singapore Chemical Industry Council (SCIC) is the national administrator of the Responsible Care Program for Singapore and is committed to the global chemical industry’s voluntary initiative of striving toward continuous improvement in health, safety, environment and security performance.

#### TEXAS CHEMICAL COUNCIL SAFETY AWARDS

CPChem received 25 safety awards from Texas Chemical Council (TCC) for excellence in safety performance. This accomplishment reaffirms the company’s longstanding commitment to safe and reliable operations, built upon operational excellence as part of our core business strategy. TCC’s annual award program honors member companies for their commitment and continuous improvement in safety, environmental performance and community relations.



#### EMPLOYEE SAFETY TRAINING

In 2022, CPChem’s General Manager of Manufacturing, Jacob McAlister, and Corporate Contractor and Project Safety Advisor, Kate Dean, visited facilities in the U.S. to kick off a new Contractor Buddy Manager Program. During site visits, the two promoted the program that pairs contractor managers with site leadership to perform field walkthroughs monthly, complete scorecards and align on key improvement areas. Boots-on-the-ground leadership will help strengthen engagement with the full contractor workforce while driving ownership, alignment, and accountability and building relationships and trust at all levels.

#### SAFETY DAYS

At the Sweeny, Clemens & Old Ocean facilities, CPChem conducted in-person, hands-on safety training through its Petrochemical Academy. Operations and maintenance personnel attended training covering six critical safety topics:

- Lock, Tag, Try
- First Line Break (safe procedure for making the first opening of a system)
- Confined Space Entry
- Working at Heights
- Hazard Recognition
- Ergonomics

## HEALTH & SAFETY

*Continued*



## Emergency Response and Preparedness

It is an ongoing focus of CPChem to reinforce safety through asset integrity and operational risk management while managing assets and equipment to prevent major accidents and loss of containment events. This requires maintaining effective emergency preparedness and response procedures and providing sufficient and regular training on response processes to employees and contractors. CPChem prioritizes frequent, hands-on, high-quality training of employee first responders who often volunteer to aid their communities.

### LOCAL EMERGENCY RESPONSE TRAINING COORDINATION

The Orange, Texas facility Emergency Response Team (ERT) is comprised of the site's highly trained, primary mutual aid response agency and members of the City of Orange Fire Department. Four times a year, the City of Orange Fire Department (OFD) hosts ERT members at its training facility to cross-train skillsets and share knowledge. These specialized training exercises reinforce response tactics in areas like medical emergencies, hazardous materials, technical rescues and fire suppression. Additionally, CPChem's Orange ERT invites a member of OFD to its annual fire schools hosted at Texas A&M University's training facility in College Station, Texas.

### RESPONSE AND RECOVERY

Due to frequent wildfires in the Texas panhandle, CPChem's Borger facility supports several entities in its training and recovery efforts, including the American Red Cross. In 2022, Borger employees helped to provide wildfire education to residents, performed voluntary in-home assessments, installed smoke detectors as well as performed a controlled burn to prevent the rapid spread of wildfires in the area.

Borger employees also led the Regional Odorant Spill Exercise (ROSE) drills in North Carolina and Oklahoma to train emergency responders on how to detect, alert and respond to natural gas incidents to quickly mitigate issues. Every year, hazard response teams, fire departments and natural gas utility companies are invited to the ROSE drills to learn about hazards and equip themselves with valuable skills to better protect their communities.





Social Responsibility

Health & Safety

→ **Many Perspectives. Greater Possibilities.**

Diversity, Equity & Inclusion

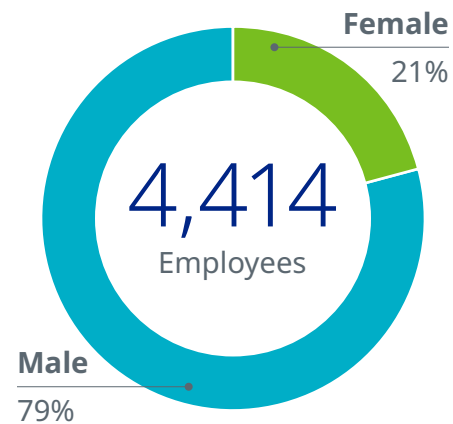
Supplier Diversity

Caring for Our Communities

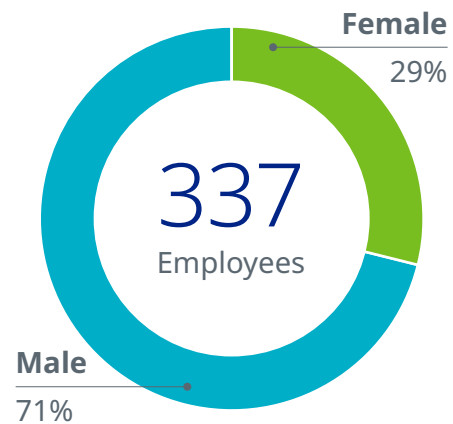
As a global company, CPChem values the diverse backgrounds and perspectives of employees in different locations representing unique cultures. People are the strength and heart of CPChem, and together, we can generate new ideas and create a space where employees thrive. We proudly offer opportunities for growth, education and professional development to enhance the lives of our employees and embolden our workforce.

## Our Global Workforce

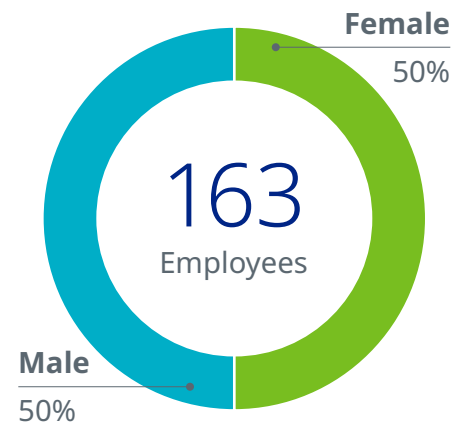
### NORTH AMERICA



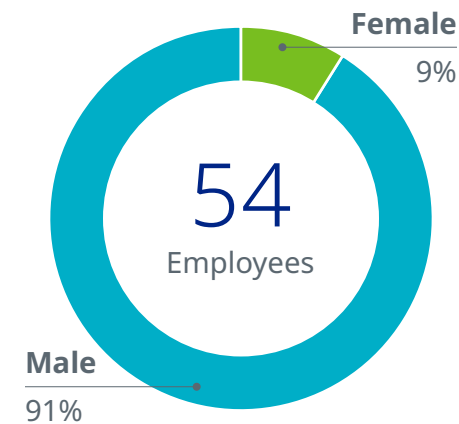
### EUROPE



### ASIA PACIFIC



### MIDDLE EAST



[Performance Data Tables](#)

## Transforming How We Work

From its origins in 2021, CPChem’s Culture Evolution program continues to encourage the type of behaviors and best practices that result in better outcomes for all. Culture Evolution, a part of CPChem’s [Business Transformation](#) initiative, fosters transparency, cooperation, accountability and creativity to drive innovation and achieve maximum potential as individuals, and as an organization.

MANY PERSPECTIVES.  
GREATER POSSIBILITIES.

*Continued*

**Developing Tomorrow’s Leaders**

CPChem’s global Leadership Elements are core skills, abilities and behaviors key to successful job performance at CPChem. The framework for CPChem’s Leadership Elements defines how employees work together to succeed and helps our employees meet current performance expectations while preparing for future assignments and new roles. The Leadership Elements are used in our performance and talent management processes and are applied to help guide leadership and employee development programs. These elements empower our employees to take ownership of their careers and play an important role in building organizational capability at CPChem, demonstrating **SDG #8 Decent Work and Economic Growth**.

Our talent management strategy includes formalized programs for recruitment, onboarding, performance recognition, learning and development, career planning, and immersive training programs for new hourly employees.

CPChem’s Elevate Talent Management program infuses culture behaviors into talent initiatives, encouraging feedback between employees and leaders and reinforcing the use of culture behaviors in employee recognition programs. Promoting an environment in which our employees feel empowered to own their performance and career development is imperative to the growth and satisfaction of our workforce, encompassing **SDG #3 Good Health and Well-being**.

Increasing organizational capability involves growing an employee’s skills and leadership abilities. CPChem promotes a culture that focuses on professional development, fosters innovation and empowers employees to spark

change. Compensation is tied to company progress of enterprisewide objectives, as well as measurement in annual performance evaluations, completed by all employees at all levels. Employees are empowered to own their development plans that reflect their personal interests, and they are encouraged to seek internal and external opportunities to expand their knowledge and experience.

Training and continuing education are cornerstones of employee development at CPChem and support **SDG #4 Quality Education**. We have a centralized learning system suited to manage the diverse responsibilities and training of our employees, including online training tools and specialized instructional programs. In addition to on-the-job training, continuing education is encouraged through education assistance programs and tuition reimbursement for employees pursuing applicable degree programs.



**SDG #3  
GOOD HEALTH  
AND WELL-BEING**



**SDG #4  
QUALITY  
EDUCATION**

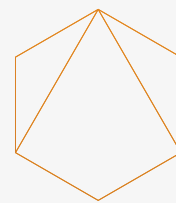


**SDG #8  
DECENT WORK AND  
ECONOMIC GROWTH**

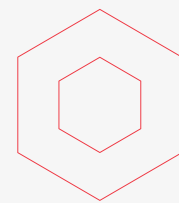
**SEVEN ELEMENTS OF CPChem’s CULTURE EVOLUTION**

The seven elements of the [Culture Evolution](#) program equip our employees with tools to flourish in their roles and champion the behaviors on which the foundation of CPChem’s culture was built.

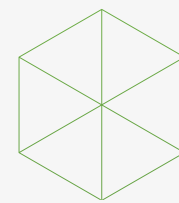
**STRENGTHS**



**Execute With Excellence**  
safety & reliability

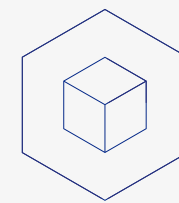


**Honor Our Purpose**  
our shared vision & values



**Cultivate Connection**  
open & trusting relationships

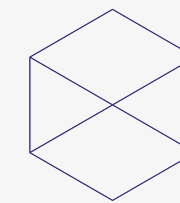
**FOCUS AREAS**



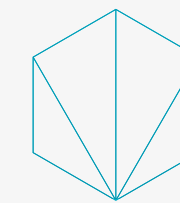
**Do What Matters**  
performance transparency



**Unlock Possibilities**  
innovation & improvement



**Maximize Potential**  
talent development & career opportunities



**Take Initiative**  
personal & leader accountability

MANY PERSPECTIVES.  
GREATER POSSIBILITIES.  
*Continued*

*“My onboarding experience through CPChem’s GRAD program was highly rewarding and allowed me to rotate through several roles in the company. I thoroughly enjoyed this unique program and the advantages it offers new employees.”*



**Audrey Miller** (she/her)  
Sustainability Project Engineer  
Global Headquarters,  
The Woodlands, Texas

### Ongoing Recruitment

CPChem’s talent acquisition teams utilize their expertise to attract and retain high quality candidates. Our graduate and intern recruitment program features an enhanced design to attract candidates with diverse backgrounds and experiences. Our recruitment teams undergo training in areas like unconscious bias, diversity, and interview tactics to collect an inclusive group of candidates and support every applicant’s experience to be positive and engaging. CPChem also orchestrates an hourly recruitment program and partners with organizations that offer certifications for our hourly employees.

Our commitment to attract, develop and retain the top talent continues to be a primary focus at CPChem. To achieve this, we continue to foster an environment where performance is recognized and every employee receives individualized feedback and development guidance to achieve their full potential.

### A Rewarding Experience

At CPChem, we take great pride in the outstanding work of our employees each and every day, and we are dedicated to providing competitive pay, benefits and a rewarding work environment.

A few examples in 2022 include:

- With guidance and input from the Compensation Committee, CPChem conducts global annual pay reviews to support that pay practices are assessed, analyzed and adjusted as needed. CPChem leverages a third-party to

perform pay analyses on a regular cadence to identify gaps in compensation practices including remuneration.

- CPChem increased time-off for parental leave and added an adoption reimbursement program for U.S. payroll employees.
- While many companies have eliminated pension programs, CPChem has continued to provide robust pension and/or savings programs for employees globally.
- The Accelerated Leadership Development Program (ALDP) provides additional opportunities and training for the company’s top employees, recognized to show promising potential for leadership at CPChem. ALDP is conducted every three years as CPChem is constantly evaluating future leadership in the company.
- CPChem facilitates comprehensive mid-level leadership and first-level leadership development programs.
- CPChem leverages feedback from employee surveys and focus groups to inform decisions related to benefits, and to generate recruitment and retention action plans for its diverse workforce.
- CPChem launched Flexible Benefits related to well-being, sustainable mobility and care to employees in Europe.
- A new Flexible Benefits program was implemented for employees in Asia, increasing the annual health and welfare reimbursement limit and expanding reimbursement eligibility

to include broader medical, dental, vision and inclusive wellness services.

### LEARNING AND DEVELOPMENT

**New Hires**

691

**Employee Training Hours**

317,062

**Average Training Hours per Employee**

63.8

### GENERATIONS OF CPChem

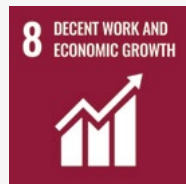
<b>Baby Boomers</b> Ages 59–76 (1946–1963)	11%
<b>Generation X</b> Ages 44–58 (1964–1978)	44%
<b>Generation Y</b> Ages 28–43 (1979–1994)	39%
<b>Generation Z</b> Ages 27 & younger (1995 & later)	6%

MANY PERSPECTIVES.  
GREATER POSSIBILITIES.

*Continued*



**SDG #3  
GOOD HEALTH AND  
WELL-BEING**



**SDG #8  
DECENT WORK AND  
ECONOMIC GROWTH**

### The Total Rewards Program

CPChem offers a comprehensive Total Rewards program to benefit the physical, mental and financial health of employees.

- 9/80 and 4/10 work schedules at many locations
- Bonus, salary increase and immediate rewards programs
- Company-paid employee assistance, financial planning and healthcare advocacy services
- Company-paid life insurance, long-term disability insurance, accidental death and personal loss (AD&PL) insurance and business travel accident insurance
- Educational assistance/tuition reimbursement
- Flexible work arrangements, including a hybrid work-from-home model for qualified employees at many locations
- Healthcare and dependent care flexible spending accounts, with company contribution to Health Savings accounts
- Matching charitable gifts for higher education and qualified nonprofit organizations
- Medical, behavioral health, prescription drug, dental and vision plans

- Optional additional life and AD&PL coverage, critical illness insurance and group legal plan
- Paid leave programs including vacation, parental leave, volunteer leave and short-term disability
- Pension plan for most employees
- Relocation assistance
- MyDay, a floating holiday benefit, provides U.S. based employees the flexibility to self-select a day of cultural, religious or personal significance to observe as a paid day off

CPChem administers a “Your Journey to Wellness” program that is designed to help employees boost their physical and financial well-being through fitness program reimbursements and cash incentives for participating in preventative care activities, supporting **SDG #3 Good Health and Well-being** and **SDG #8 Decent Work and Economic Growth**.

### 2022 EMPLOYEE BENEFITS ENHANCEMENTS

In 2022, CPChem conducted pulse surveys in the U.S. to gauge employee perspectives on employee experience, flexible work programs and performance and rewards. Survey responses were 70% favorable, indicating progress with room for improvement. Responses also suggested that our flexible work program has enhanced our employees’ work-life-balance, and this program continues to be popular at CPChem.

Insights from these surveys allow us to enact programs that strengthen CPChem’s competitiveness in attracting and retaining dynamic, diverse and creative talent. Survey data also helps us preserve important elements of employee culture, productivity and delivering the high quality service expected by internal and external customers.

- Social Responsibility

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- Health & Safety

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- Many Perspectives. Greater Possibilities.

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- **Diversity, Equity & Inclusion**

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- Supplier Diversity

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- Caring for Our Communities

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We believe our workforce should reflect the diversity of the communities in which we operate and uphold an equitable culture that values differences while promoting respect and inclusivity. We are proud to show how we are developing a productive and inclusive culture through corporate transparency, accountability and empathy.

*“CPChem’s approach and progress in the DE&I space is energizing. I like coming to work knowing we have an environment that encourages employees to be their authentic selves and let their diverse perspectives shine.”*



**Dinorah Colmenares** (she/her)  
Global Talent Manager and Chief DE&I Officer  
Global Headquarters, The Woodlands, Texas

**ICARE (Inclusion, Cooperation, Accountability, Respect Every Day)**

Launched in 2013, the ICARE principles reflect how we practice diversity, equity and inclusion (DE&I). Diversity is about blending experiences, cultures, talents, competencies, perspectives and decision-making styles. Through productive discussions and employee training, we continue to build on a culture that respects unique differences and recognizes the perspectives of all our employees.

**Renewing our Commitment**

While DE&I has been a part of our culture for a decade, 2022 was a year where we took our commitment to a higher level by naming our first Chief Diversity Officer and tying our Employee Incentive Program to the company’s DE&I efforts. Completing ICARE training sessions was a requirement for all employees in 2022, which has helped us engage in constructive conflict, share our stories of impact and promote trust.

**Executive Diversity Council (EDC)**

The Executive Diversity Council (EDC) guides the CPChem DE&I journey and is comprised of members from senior leadership and others across the company, including representatives from our locations in Asia and Europe. This group provides leadership, guidance and direction with the goal of advancing CPChem’s DE&I objectives in every facility and at every level throughout the organization.

**TOTAL HOURS OF EMPLOYEE ICARE TRAINING IN 2022**

**Leaders**

9,828

**Individual Contributors**

16,420

Completion of ICARE training was an element of the employee bonus structure and was also a companywide objective in 2022.

DIVERSITY, EQUITY & INCLUSION

Continued

**DE&I Ambassadors Across our Facilities**

Selected by local management at each of our sites and approved by the Executive Diversity Council, DE&I Ambassadors and DE&I Council members play a key role in communicating principles and engaging the workforce throughout our locations. Working in tandem with local management, ambassadors and council members engage in activities such as:

- Building awareness and understanding among employees and supporting positive workplace behaviors
- Assisting local leaders in addressing issues impacting DE&I
- Modeling appropriate behaviors and acting as agents of change for DE&I

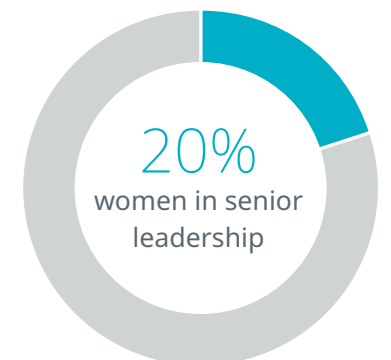
**2022 ACHIEVEMENTS**

- Employee Experience Surveys conducted by CPChem expanded to include DE&I as a benchmark.
- New leadership development programs piloted to help develop underrepresented employees.
- CPChem named one of America’s Greatest Workplaces for 2023 for Diversity by [Newsweek](#).
- Awarded Forbes America’s Best Employers for Diversity and Forbes America’s Best Employers for Women.



*CPChem President and CEO Bruce Chinn recognized by Savoy magazine as one of the most influential Black executives in corporate America.*

**Women at CPChem**



## DIVERSITY, EQUITY & INCLUSION

Continued

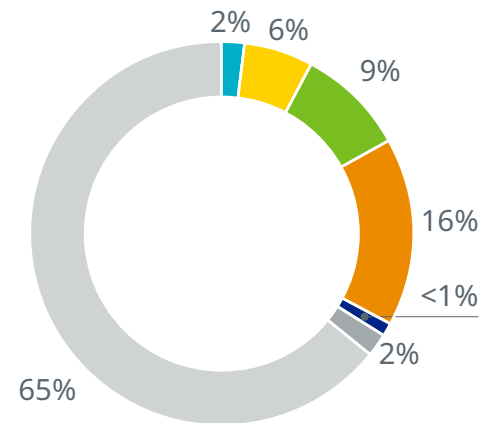
### CPChem’s DE&I Blueprint

CPChem reinforced its DE&I efforts by creating a DE&I Blueprint in 2021. This tool serves to mobilize existing culture initiatives at U.S. locations and increase awareness of CPChem’s expanding DE&I programs throughout the workforce. Maintaining an equitable place to work is a critical priority, and developing the DE&I Blueprint helped calibrate our strategy and formally incorporate equity into our companywide diversity program.

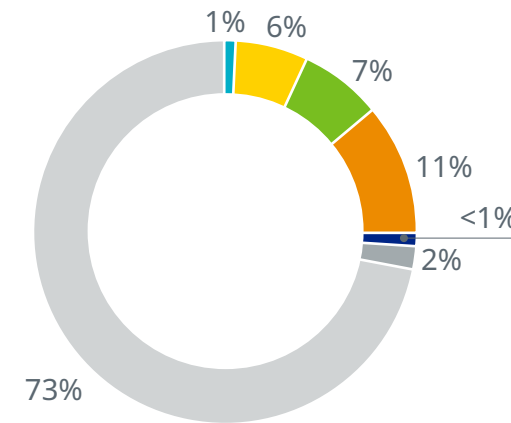
Through equity we strive to meet the unique needs of our employees and provide opportunities for development and career advancements, supporting **SDG #4 Quality Education** and **SDG #8 Decent Work and Economic Growth**. Sustaining a level playing field requires the acknowledgment that unbalanced advantages and barriers may exist, and the willingness to adjust practices to eliminate inequitable conditions that inhibit professional success.

### U.S. Diversity<sup>1</sup>

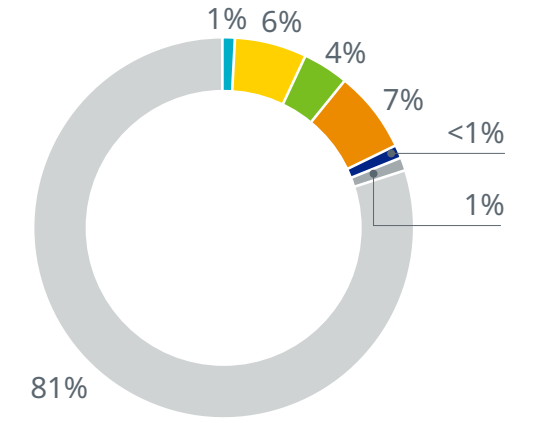
#### U.S. EMPLOYEE DIVERSITY



#### U.S. MANAGER<sup>2</sup> DIVERSITY



#### U.S. SENIOR LEADERSHIP<sup>2</sup> DIVERSITY



**SDG #4  
QUALITY  
EDUCATION**



**SDG #8  
DECENT WORK AND  
ECONOMIC GROWTH**



- American Indian/Alaskan Native
- Asian
- Black or African American
- Hispanic or Latino
- Hawaiian or Other Pacific Islander
- Two-or-more Races
- White

[Performance Data Tables](#)

1. Due to General Data Protection Regulation (GDPR), only U.S. data is included.
2. “Manager” is defined as a supervisor of at least one employee. “Senior Leadership” is defined at a certain salary grade within the organization.

## DIVERSITY, EQUITY & INCLUSION

Continued

### Employee Resource Groups

Employee Resource Groups (ERGs) are voluntary, employee-led groups that provide support in both personal and career development. These groups bring awareness to our workforce on social topics, advance our DE&I strategy and encourage important conversations about DE&I at work and at home. Our ERGs are symbolic of a culture that removes barriers and ensures all employees have a voice, supporting progress towards **SDG #3 Good Health and Well-being** and **SDG #8 Decent Work and Economic Growth**.

### A Growing Foundation of Support

In 2022, CPChem continued to nurture DE&I through the formation of new ERGs, doubling the number of ERGs from three to six. The combined membership of our ERGs now exceeds 900, and we continue to see impressive growth as ERG members and allies strengthen high-trust relationships that educate and add value to the company. Each ERG is paired with an executive sponsor, helping to strengthen communications and connections between employees and company leadership.

Combined ERG membership

900+

#### EMPLOYEE RESOURCE GROUPS



#### BELIEVE

BELIEVE stands for Black Employees Leading in Inclusion, Education, Vision and Excellence. The ERG serves as a forum to share knowledge, develop skills, leverage capabilities and recognize the achievements and advancement of Black employees.

#### PRIDE

PRIDE supports members of the LGBTQ+ community and allies. This ERG promotes an inclusive culture that enables LGBTQ+ employees to achieve their full potential by feeling confident and safe at work.



#### HOLA

HOLA stands for Hispanic Origin Latin Advancement. The ERG serves as a forum to share knowledge, develop skills, leverage capabilities and recognize the achievements and advancement of Hispanic and Latin American employees within CPChem.



#### INSPIRASIAN

InspirAsian is dedicated to fostering an environment where Asian members and allies can feel comfortable bringing their whole selves to work, be heard, valued, engaged, and receive support to reach their fullest potential.

#### STRIVE

STRIVE stands for Seeking Thoughtful Representation in Valuable Employees. The ERG is focused on driving collaborative conversation on career fulfillment with a focus on unique challenges to women in the workplace.

#### VETNET

VETNET is committed to fostering an environment for those currently serving in the military, veterans and allies to come together and support one another by sharing experiences, networking, mentoring and supporting military members and veterans in the community.



**SDG #3  
GOOD HEALTH  
AND WELL-BEING**



**SDG #8  
DECENT WORK  
AND ECONOMIC  
GROWTH**



Social Responsibility

Health & Safety

Many Perspectives. Greater Possibilities.

Diversity, Equity & Inclusion

→ **Supplier Diversity**

Caring for Our Communities

### Supplier Diversity and Responsible Sourcing

CPChem aspires to drive socially and environmentally responsible procurement practices and strategies. We developed a responsible sourcing program that integrates sustainability and diversity topics into our day-to-day procurement operations.

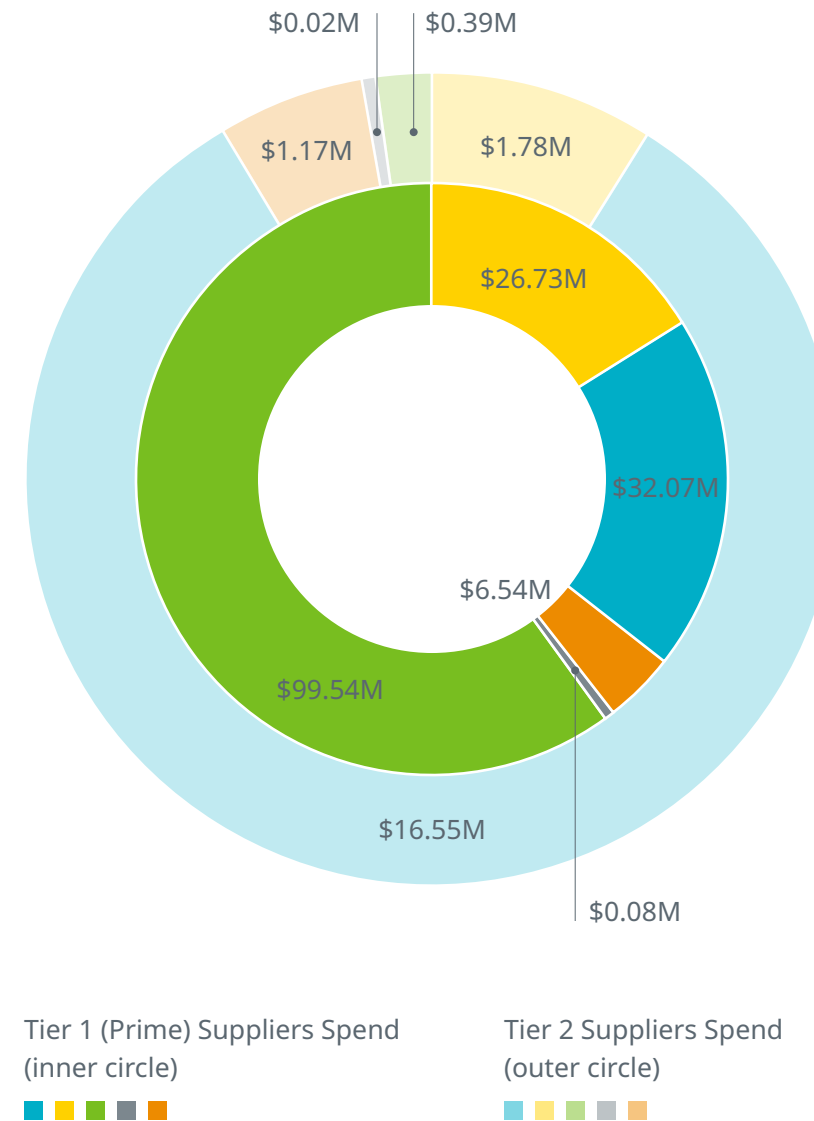
Through our responsible sourcing program, we aim to cultivate long-term relationships with suppliers inclusive of minority groups, small businesses, women, LGBTQ+, veterans, individuals with disabilities, service-disabled veterans, historically underutilized business zones and additional groups outlined by the U.S. Small Business Administration. Our objective is to provide these suppliers with opportunities to offer high quality, innovative, competitive and cost-effective products and services.

In 2021, CPChem published its SPOC which applies to all suppliers. The SPOC summarizes CPChem’s expectations for suppliers across areas of labor and human rights, environment, health and safety, ethics and compliance and management systems.

#### ENGAGING OUR SUPPLIERS

All of CPChem’s existing core, principal and new suppliers are being asked to participate in an environmental, social and governance (ESG) assessment. This ESG assessment was created in 2021 and became part of our supplier screening process in 2022. Periodic evaluations are expected to assess conformance to not only the SPOC, but also relevant legal and regulatory requirements. Supplier evaluations may trigger follow-up discussions so that we can better understand the unique positions of our suppliers and the challenges they face. Learn more about our [supplier diversity](#).

### 2022 Supplier Diversity Spend



**Minority Business Enterprise (MBE)**

**\$28.50M**

**Women Business Enterprise (WBE)**

**\$48.61M**

**Veteran-owned Business (VET)**

**\$7.71M**

**Historically Underutilized Business Zones (HUBZone)**

**\$0.10M**

**Small Business Enterprise (SBE)**

**\$99.93M**

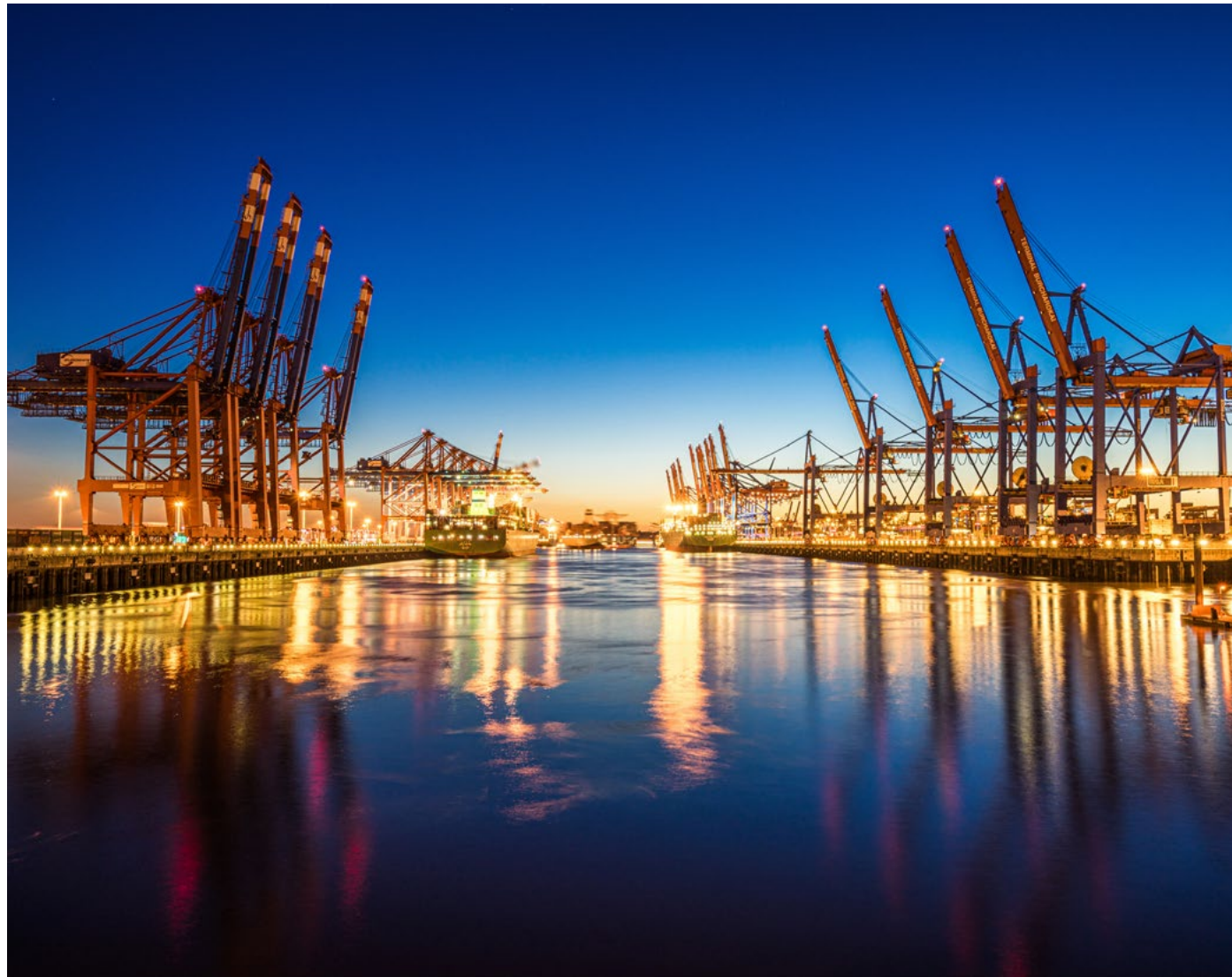
**Total Supplier Diversity Spend**

**\$184.86M**

[Performance Data Tables](#)

SUPPLIER DIVERSITY  
Continued

We believe responsible consumption and production practices require collaboration from the entire supply chain. By adhering to CPChem’s SPOC, our suppliers respect human rights and promote fair working conditions for all.



**2022 Supplier Program Achievements**

- Implemented SPOC. Our SPOC can be found on our webpage [Becoming a Supplier](#).
- Incorporated environmental, labor, human rights and ethics clauses into new supplier contracts.
- Performed ESG assessments for all prime suppliers with a response rate of 67% from all assessed suppliers, supporting **SDG #12 Responsible Consumption and Production**.
- Involved over 200 U.S. suppliers during our Contractor Safety Forum, where we shared our environmental, social and governance endeavors.
- Developed a dashboard with Key Performance Indicators (KPIs) to measure diversity efforts.
- Began tracking Tier 2 supplier spend.
- Engaged more than 300 diverse and small suppliers by participating in local and national trade shows and conferences, embracing **SDG #8 Decent Work and Economic Growth**.
- Launched a registration portal for potential suppliers.
- Established procedures to train employees in purchasing roles to address social and environmental topics with CPChem suppliers. This training is expected to be completed by the end of 2023, and 80% of the affected employees have been trained at the time this report was published.



**SDG #8  
DECENT WORK AND  
ECONOMIC GROWTH**



**SDG #12  
RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION**

Social Responsibility

Health & Safety

Many Perspectives. Greater Possibilities.

Diversity, Equity & Inclusion

Supplier Diversity

→ **Caring for Our Communities**



**SDG #4  
QUALITY  
EDUCATION**



**SDG #8  
DECENT WORK AND  
ECONOMIC GROWTH**

At CPChem, we are investing significant time, talent and resources while leveraging our products to make a lasting and meaningful impact in the communities where we operate around the world. We strive to be the neighbor and employer of choice because we care about each other, our work, our customers and our communities.

**Strengthening Connections**

We want to immerse ourselves in the communities where we live and work. CPChem makes charitable contributions and in-kind investments to improve quality of life, open doors to educational opportunities and secure growth and vitality within our communities.

We support civic, cultural, educational, health, human services institutions and more. CPChem highly values its relationships with community members.

CPChem contributes to communities by supporting local businesses near our operations, sponsoring science, technology, engineering and math (STEM) education and trade schools to enhance skills and knowledge in a professional community, and through sustainable growth investments that provide economic value throughout the value chain. CPChem has an Enterprise Contributions Policy that outlines governance of charitable contributions globally. Annual amounts are subject to Board approval and allocations are subject to CEO approval.

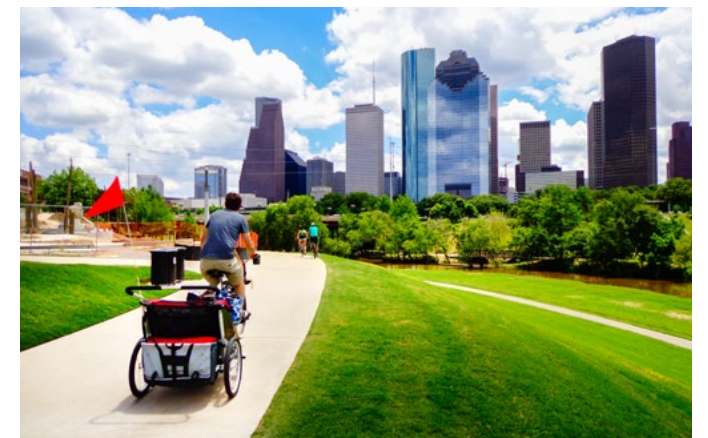
**Community Advisory Panels (CAPs)**

CPChem participates in Community Advisory Panels (CAPs) in the communities where we operate to foster informal dialogue between our organization and community members. A CAP is a group of people that lives or works near our facilities who represent the interests of their community. Key purposes of CAPs include helping to build local relationships, information sharing and identifying potential concerns from the community.

Our facilities host CAP meetings to encourage two-way dialogue between the community and industry. The open forum enhances communication with neighbors and provides an opportunity for conversations which helps build mutual respect and trust within the communities in which we operate. Additionally, our facilities have dedicated hotlines available for communities to share concerns which are promptly evaluated.

**Social Enrichment**

At CPChem, we realize that it is important to invest in the people and the communities that will help shape the future of the company. We believe quality education is a human right and we actively support enrichment programs that build awareness, interest, skills and knowledge in STEM fields. These strategic investments are in alignment with **SDG #4 Quality Education** and **SDG #8 Decent Work and Economic Growth**. Following the [SDG Compass](#) guidance, these two SDGs hope to reduce inequalities, end extreme poverty, respond to climate change, increase economic growth, and improve health and well-being for all.



## CARING FOR OUR COMMUNITIES

*Continued*

### Volunteer Days

Employees are able to dedicate two paid working days to volunteer opportunities every year to support personal causes that are important to them. The types of volunteerism chosen by our employees span helping children performing musical theatre, tutoring high school students, joining in Habitat for Humanity builds, lending a hand at pet shelters and more.

### CPChem Launches YourCause

In 2022, we launched YourCause, a cloud-based platform for matching gifts and volunteerism. This program reflects employee interest in contributing to the many worthy nonprofits addressing the diverse needs of our communities in the form of a CPChem matching donation or volunteer grant.



### Aid to Ukrainian Refugees

After the invasion of Ukraine, many employees around the world reached out, sharing concern and ideas of ways to help. To support the refugee relief efforts and supporting **SDG #17 Partnerships for the Goals**, CPChem donated to Consortium 12-12, a group of trusted, humanitarian organizations with specialized services and on-the-ground ability to deploy necessary aid to those affected in the region. Consortium members include Caritas International, Belgian Red Cross, Handicap International, Médecins du Monde, Oxfam, Plan International and UNICEF.

### Food from the Heart

Contributing to **SDG #2 Zero Hunger**, efforts to provide community support in areas around the world included donations by our operations in Europe and Asia to the charity, Food from the Heart. The charity aims to alleviate hunger by providing reliable, consistent and sustainable food support through efficient food distribution programs.

### American School in Doha

CPChem supported educational programs for the American School in Doha, Qatar, including STEM, robotics and athletics. The program supports more than 50,000 children and connects with **SDG #4 Quality Education**.

### GIVING BACK IN 2022

#### CHARITABLE CONTRIBUTIONS

\$6.15M

#### VOLUNTEER HOURS CAPTURED

4,818

#### GOOD NEIGHBOR GRANTS APPROVED

55

#### GOOD NEIGHBOR GRANTS AWARDED

\$14,000

#### HIGHER EDUCATION GRANTS APPROVED FOR EMPLOYEES AND RETIREES

33

#### HIGHER EDUCATION GRANTS AWARDED FOR EMPLOYEES AND RETIREES

\$35,253

#### GENERAL GIVING GRANTS APPROVED

152

#### GENERAL GIVING GRANTS AWARDED

\$28,372

#### CAMPAIGN TOTAL PLEDGED TO UNITED WAY FACILITIES IN 2022

\$464,000



**SDG #2  
ZERO  
HUNGER**



**SDG #4  
QUALITY  
EDUCATION**



**SDG #17  
PARTNERSHIPS  
FOR THE GOALS**

## CARING FOR OUR COMMUNITIES

*Continued*



### FOSSI: The Future of STEM

The Future of STEM Scholars Initiative (FOSSI) is a national program that seeks to increase the number of unrepresented professionals in the chemical industry workforce by providing scholarships to students pursuing STEM degrees at Historically Black Colleges and Universities, supporting **SDG #4 Quality Education**. CPChem has made a total commitment of \$1.4 million to FOSSI to date. The program will also provide programming and awards for internships at CPChem facilities beginning in the summer of 2023. The effort is sponsored by the American Institute of Chemical Engineers (AIChE), ACC and other chemical industry stakeholders.



### The Urban Enrichment Institute

Tying into **SDG #4 Quality Education**, the Urban Enrichment Institute is a youth leadership and development program for at-risk males, ages 12 to 19, strategically located in one of Houston's most economically disadvantaged neighborhoods. The goal of the institute is to empower young men to become responsible adults and productive members of their families and community.

Fifty students from the Urban Enrichment Institute summer program took a trip to the Cedar Bayou Plant in Baytown, Texas in July of 2022, where they learned about industry careers and took a walking tour of the lab. The students had the opportunity to discover the possibilities of a career at CPChem.



### Investing in Our Communities

In 2022, CPChem and QatarEnergy announced plans to construct an integrated polymers facility in Orange, Texas. The total installed cost of the project is expected to be \$8.5 billion, and we anticipate it will create more than 500 full-time jobs and approximately 4,500 construction jobs and generate an estimated \$50 billion for the community in residual economic impacts, supporting **SDG #8 Decent Work and Economic Growth**. The project is targeting to have 25% lower GHG emissions than similar facilities in the U.S. and Europe.

Also in 2022, CPChem held the groundbreaking ceremony for the expansion of the polyalphaolefin (PAO) unit at its Beringen facility in Belgium. The expansion of the PAO production capacity is a significant investment in the region and illustrates CPChem's commitment to support the growing demand for PAO products worldwide.



**SDG #4  
QUALITY  
EDUCATION**



**SDG #8  
DECENT WORK AND  
ECONOMIC GROWTH**

# PROTECTING OUR PLANET

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→ **Foundations**

Climate Action

Emissions

Energy

Water

Waste

Optimizing the processes used to make our products while minimizing their impact is a priority that helps to protect the planet and demonstrates how we embrace responsible production. In 2022, CPChem conducted focused assessments and leveraged company initiatives which led to a better understanding of its emissions reduction potential.

**Environmental Management and Governance**

As a subset of its Leadership Team, CPChem’s EHSS Policy Committee oversees the company’s global Operational Excellence (OE) program. This committee recommends policies, focus areas, global metrics, and sets long-term strategies for improving performance in various aspects of environmental performance, emissions control, facility resilience and manufacturing best practices and improvements.

CPChem’s Climate Guidance Review Team is responsible for the direction and development of the company’s climate strategy. This group reports to the Executive Steering Team and provides oversight on climate-related issues and endorses procedures aimed at reducing our carbon footprint throughout the business.

*“CPChem’s culture and business are structured so that we may serve as good stewards of our company and the environment. The fundamentals responsible for our safe and reliable performance also enable us to help protect our planet.”*



**Mitch Eichelberger**

Executive Vice President, Polymers and Specialties  
Global Headquarters, The Woodlands, Texas

**CLIMATE STRATEGY OBJECTIVES**



**Reduce Carbon Intensity**

By 2030, targeting 15% reduction in carbon intensity using a 2020 baseline

**Invest in Renewable Energy**

Procure renewably sourced electricity to support carbon intensity reductions

**Improve Climate Resilience**

Continue building resilience to physical and transition climate risks

## FOUNDATIONS

Continued



### PROGRAMS WITH POSITIVE IMPACT

#### OPERATIONAL EXCELLENCE SYSTEM

Our OE System outlines expectations and requirements to minimize impacts and comply with applicable regulations, laws and internal policies at CPChem. All facilities, corporate groups, product lines and administrative offices complete annual self-audits, as well as regular corporate and third-party audits. CPChem’s manufacturing and research and development facilities have incorporated the American Chemistry Council’s Responsible Care Management System® to streamline continuous improvement and performance. CPChem is proud to be a part of Responsible Care®, which is recognized throughout the chemical industry as a world-class environmental, health, safety and sustainability initiative.

#### OUR JOURNEY TO ZERO

As a part of *Our Journey to Zero*, CPChem’s commitment to each other and to the communities in which we live and operate, improving the environment is a key component of the strategy. In 2022, focused assessments and initiatives led CPChem to gain a more granular understanding of its emissions and emissions reduction potential. *Our Journey to Zero* has supported efforts to capitalize on cost-effective emissions reduction opportunities.

#### OPERATION CLEAN SWEEP®

In 2022, CPChem fully implemented an internal plastic management standard as part of its OE System to improve plastic containment and install additional levels of protection to prevent plastic loss from our facilities. Learn more about CPChem’s plastic management and Operation Clean Sweep® (OCS®) efforts in [Tackling Plastic Waste](#) and on our [Plastic Management](#) page. These programs support **SDG #6 Clean Water and Sanitation**.

#### GHG ACCOUNTING STANDARD

As part of our OE System, we began developing an internal greenhouse gas (GHG) accounting and reporting standard in 2022. The program’s purpose is to standardize responsibilities, requirements, and procedures of CPChem’s GHG reporting and data management practices, supporting **SDG #13 Climate Action**.



**SDG #6  
CLEAN WATER  
AND SANITATION**



**SDG #13  
CLIMATE ACTION**



Foundations

→ **Climate Action**

Emissions

Energy

Water

Waste

Addressing climate change is a pressing and worldwide priority and CPChem recognizes that the industry plays an important role in the transition to a lower carbon future.

**Climate Action Objectives**

- ACTUALIZE**  
carbon intensity reductions
- ENABLE**  
our workforce to support climate action
- ENGAGE**  
stakeholders and value chain
- INTEGRATE**  
climate considerations into business practices
- BUILD**  
resilience to climate risks and prioritize opportunities

**Climate Action Objectives**

Climate action is pivotal to advancing CPChem’s business strategy and is central to the Climate Change focus area of CPChem’s sustainability strategy. These efforts also support an environmental component of *Our Journey to Zero*.

**Climate Risk Management**

In alignment with the Taskforce on Climate Related Financial Disclosures (TCFD), CPChem uses climate-specific scenario analyses to stress-test our business and to simulate potential impacts of climate-related risks. Climate change-related risks are often classified into two main areas: physical risks and transition risks. Physical risks that could threaten our assets include flooding, extreme heat, hurricanes and water scarcity. Transition risks relate to the transition to a lower-carbon global economy and most commonly include policy and government actions, technology changes, market responses and reputational considerations. These analyses produce valuable data for CPChem’s Enterprise Risk Management (ERM) and strategic planning processes, and they aim to ensure CPChem remains resilient and competitive. Read more about climate-related risk management in CPChem’s [Climate Risk Report](#).

## CLIMATE ACTION

*Continued*

### Reducing Emissions and Emissions Intensity

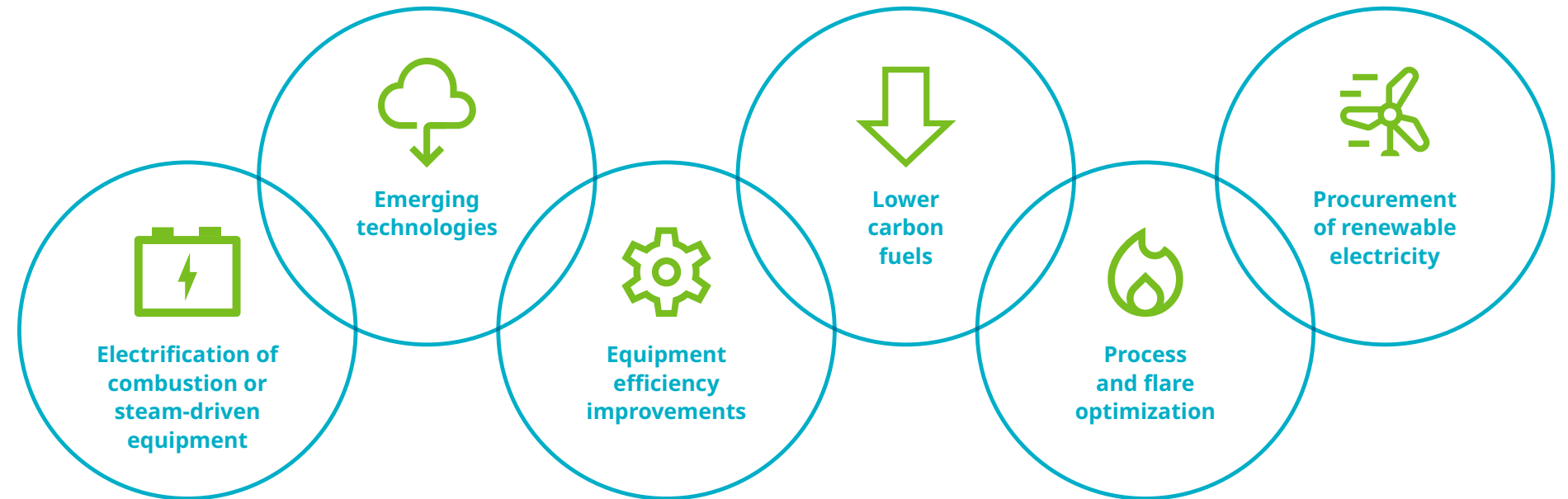
CPChem is responding to the global climate challenge by setting clear goals and making realistic plans to achieve them. In 2022, CPChem developed and established a target to reduce the carbon intensity of its operations by 15% at CPChem-operated facilities by 2030, relative to a 2020 baseline. Our planned approach to achieving this target will be multifaceted and leverage completing projects at existing facilities, lower carbon growth projects and procurement of renewable energy. We plan to source around one-third of our electricity demand from renewable sources for our operated assets to support our carbon intensity reductions, supporting **SDG #7 Affordable and Clean Energy**.

Across the company, we work to innovate solutions and improve processes to reduce emissions intensity. Our facilities further our GHG emissions reductions strategy by systematically identifying and prioritizing emissions reduction projects and potential reduction opportunities specific to each site, supporting **SDG #13 Climate Action**.

*In 2022, CPChem announced a target to reduce the carbon intensity of its operations by 15% at CPChem-operated facilities by 2030, relative to a 2020 baseline.*

**-15%** by **2030**  
Carbon Intensity

### Our Approach to Lowering Carbon Intensity



**SDG #7**  
**AFFORDABLE AND CLEAN ENERGY**



**SDG #13**  
**CLIMATE ACTION**

## CLIMATE ACTION

*Continued*

### Working Toward our Target

CPChem uses a Marginal Abatement Cost Curve (MACC) process to identify previously unrealized GHG emissions reduction opportunities and help CPChem to meet its carbon intensity target by 2030.

In 2022, CPChem started conducting strategic assessments at its facilities to develop opportunities to feed the MACC process. This approach is designed to develop short and long-term opportunities to reduce GHG emissions on existing assets through a diverse array of solutions. At each facility, a multidisciplinary team initiates assessments with an ideation exercise that garners engagement from both internal and external experts to investigate opportunities at a specific asset. Opportunities

are then prioritized and further developed by a core team. Examples of opportunities identified during these strategic assessments range from fuel switching, efficiency improvements, electrification, options for flaring reduction and more.

By engaging CPChem’s highly skilled workforce, our employees are directly contributing to measurable GHG reductions aligned with our 2030 carbon intensity reduction target. To date, CPChem teams have undertaken six MACC assessments and evaluated dozens of abatement opportunities. The company expects to complete similar assessments at all CPChem-operated facilities in the near future.

### Technology and Innovation

CPChem maintains a Climate Technology Team to develop innovative technologies for carbon reduction strategies and how these solutions could be integrated into current and future assets. This team is entrusted to investigate and endorse specific applications and technologies with potential to boost the sustainability of our process operations. Sourcing renewable electricity, exploring electrification of cracking furnaces and hydrogen firing opportunities, and examining carbon capture solutions are several areas of focus where CPChem believes technology can play a pivotal role in sustainable advancement.

*“I believe the MACC process is a great way to showcase the ingenuity, enthusiasm and resourcefulness of our teams who are dedicated to reducing GHG emissions. Together, we can be the driving force behind positive changes at CPChem.”*



**Patrick Lo**

Lead Process Engineer and MACC Champion  
Port Arthur, Texas

### SDG #7 AFFORDABLE AND CLEAN ENERGY



Many opportunities identified through the MACC process target improvements to energy efficiencies. This approach prioritizes short-term, high-value opportunities likely to lower energy use, as longer-term solutions are developed. The pursuit of these opportunities produces avenues for lower carbon energy production and use, contributing to **SDG #7 Affordable and Clean Energy**. We believe that increasing our use of renewable electricity will be an important element to help achieve our carbon intensity target.

### SDG #9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



The MACC assessment process encourages discovery and creativity around the common goal of reducing emissions, supporting **SDG #9 Industry, Innovation and Infrastructure**.

- Foundations

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- Climate Action

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- **Emissions**

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- Energy

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- Water

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- Waste

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**SCOPE 1**

In 2022, CPChem’s Scope 1 emissions were 4.5 million metric tons of CO<sub>2</sub>e on an operated basis and 7.1 million metric tons of CO<sub>2</sub>e on an equity basis.

**SCOPE 2**

In 2022, CPChem’s Scope 2 emissions were 1.7 million metric tons of CO<sub>2</sub>e on an operated basis and 2.3 million metric tons of CO<sub>2</sub>e on an equity basis.

**SCOPE 3**

CPChem does not currently publish Scope 3 emissions data. In alignment with the GHG Protocol, we are actively working to comprehensively evaluate our Scope 3 emissions, and we intend to report this data in the future.

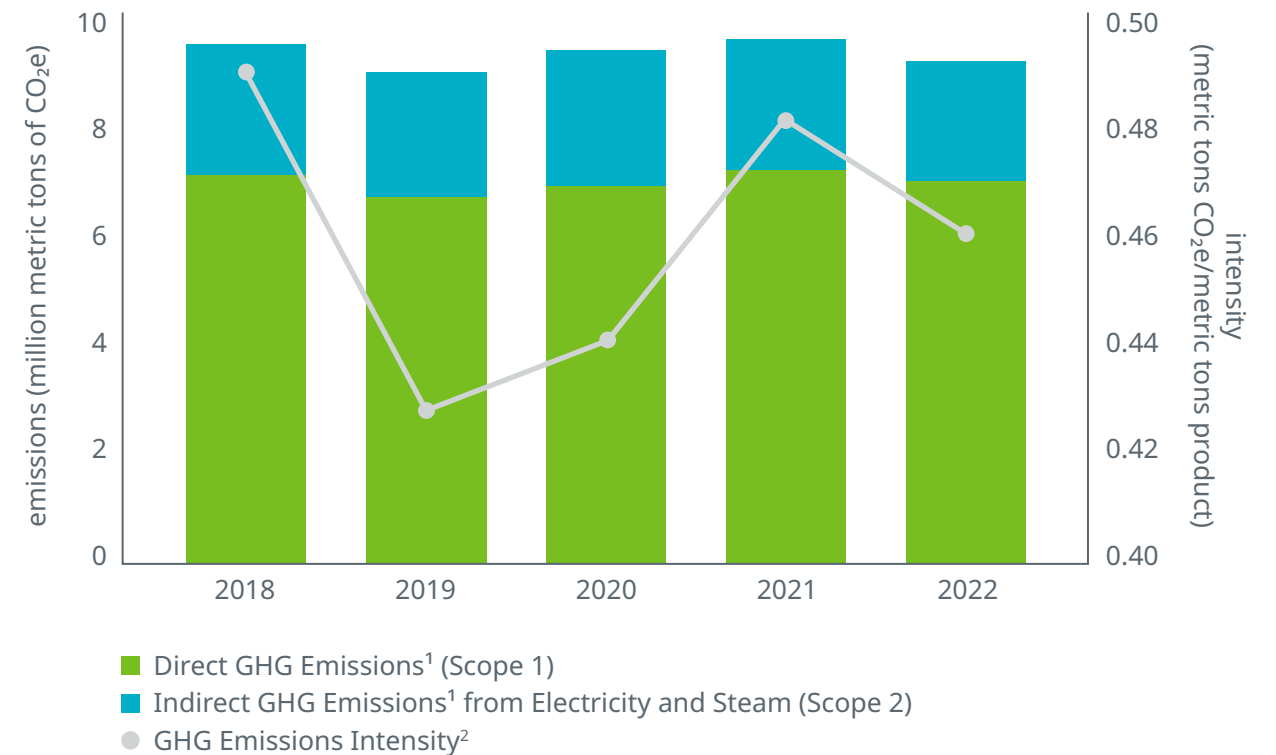
## Across the company and throughout the value chain, CPChem is shaping new initiatives which intend to lower the company’s carbon intensity.

The combustion of fuels in ethylene crackers, steam boilers and flaring account for the majority of our Scope 1 emissions in 2022. A significant portion of CPChem’s GHG emissions fall under the Scope 2 category, originating from the energy providers supplying electricity to CPChem’s operations. CPChem’s ethylene and polyethylene assets achieve a comparatively low GHG emissions intensity compared to similar global facilities due to fleet location, cracking of light feedstocks and regular enhancements of energy efficiencies.

CPChem is targeting a 15% reduction in its carbon intensity by 2030. This target includes reducing both Scope 1 and Scope 2 GHG emissions at CPChem-operated assets. GHG emissions vary with plant production, outages, turnarounds and maintenance. In 2022, GHG emissions decreased compared to the prior years and we recognized a slight reduction in carbon intensity, although still above our 2020 baseline intensity. CPChem believes short-term emissions intensities reductions can be achieved by sourcing renewable electricity, improving energy efficiencies, reducing flaring emissions and additional cost-effective solutions.

See our [Performance Data Tables](#) to learn more about our GHG emissions performance.

### GHG Emissions and Intensity



1. GHG emissions reported on an equity basis represent wholly owned operations and the equity stake for facilities where CPChem has only partial equity ownership, with the exception of owner operations in Borger, Texas, as well as a 100% stake reported for a facility in Old Ocean, Texas that is held by CPChem’s owners and operated by CPChem. We track and report emissions data from our facilities in accordance with the GHG Protocol, the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD).
2. GHG emissions intensity is reported on an operated basis and represents 100% stake for wholly owned operations. GHG intensity is the ratio of the greenhouse gases emitted (metric tons of CO<sub>2</sub>e) divided by the products produced (metric tons of product).

## EMISSIONS

Continued

### Air Emissions

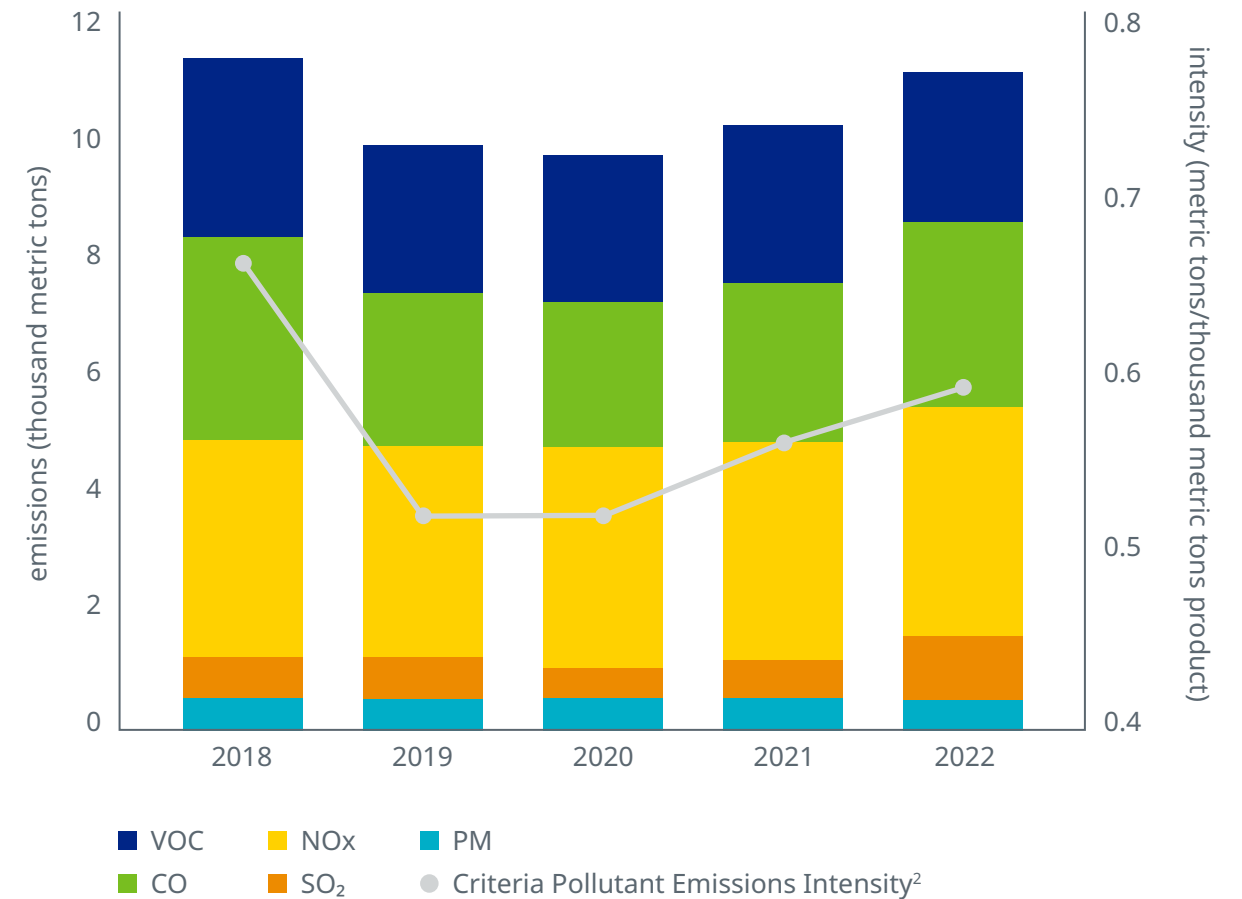
The health of our communities and the environment is of paramount importance and we pursue to minimize criteria pollutant emissions and emissions intensity. We are strengthening the reliability of our operations and equipment and honing our focus on operational excellence to further activate reductions in air emissions.

Total aggregated criteria pollutants in this report include NOx, CO, VOC, PM10 and SO<sub>2</sub>. In 2022, CPChem’s equity criteria pollutant emissions totaled 11.5 thousand metric tons, while its operated criteria pollutant emissions intensity totaled 0.59 metric tons per thousand metric tons of product. Increases in emissions in recent years can be attributed to start-up and shut-down processes caused by power outages and extreme weather conditions, in addition to as required to implement improvements to plant equipment, which are intended to improve reliability. In 2022, CPChem experienced 45 reportable emissions events, down from 54 events in 2021.

We acknowledge that steady improvements in environmental performance are expected by communities around the globe. In addition to formal programs, we trust and encourage employees to use their unique skills and knowledge and propose new initiatives that advance the company’s *Our Journey to Zero* strategy. See our [Performance Data Tables](#) to learn more about our air emissions performance.



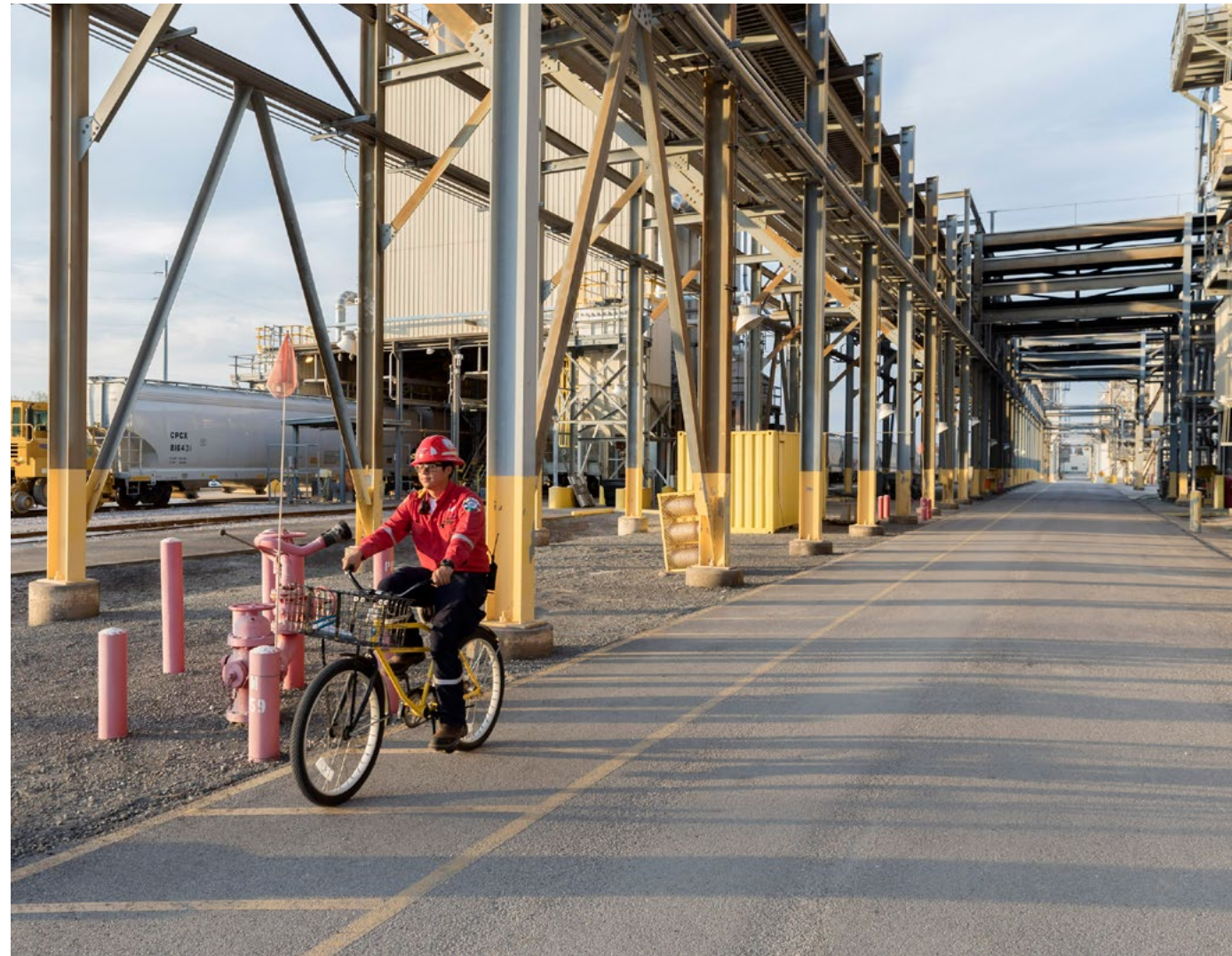
### Criteria Pollutant Emissions<sup>1</sup>



1. Criteria pollutant emissions data is reported on an equity basis and represents wholly owned operations and the equity stake for facilities where CPChem has only partial equity ownership, with the exception of Performance Pipe, AmSty and owner operations in Pascagoula, Mississippi, as well as a 100% stake reported for a CPChem-operated joint venture in Baytown, Texas, and a CPChem-operated, owner-held facility in Old Ocean, Texas.
2. Criteria pollutant emissions intensity data is reported on an operated basis and represents 100% stake for wholly owned operations, with the exception of Performance Pipe.

- Foundations
- Climate Action
- Emissions
- **Energy**
- Water
- Waste

Supporting carbon intensity reductions and improving other air emissions performance are facilitated by long-standing programs at CPChem focused on reliability, flare minimization and energy management. Emissions released during the production and use of energy account for the majority of CPChem’s GHG emissions.



### Optimizing our Energy Use

As outlined in our OE standards, all facilities are required to maintain programs that promote measured improvements in energy consumption and efficiencies.

At each location, CPChem draws on Energy Best Practice Teams to supply reports and data-driven guidance to company leaders regularly. These local teams monitor energy usage, work to improve energy performance and initiate energy enhancement projects at their sites.

We have found that the collaborative efforts of these teams promote transparency and reinforce energy best practices throughout the organization. Optimizing energy use and minimizing energy intensities can support carbon intensity reductions.

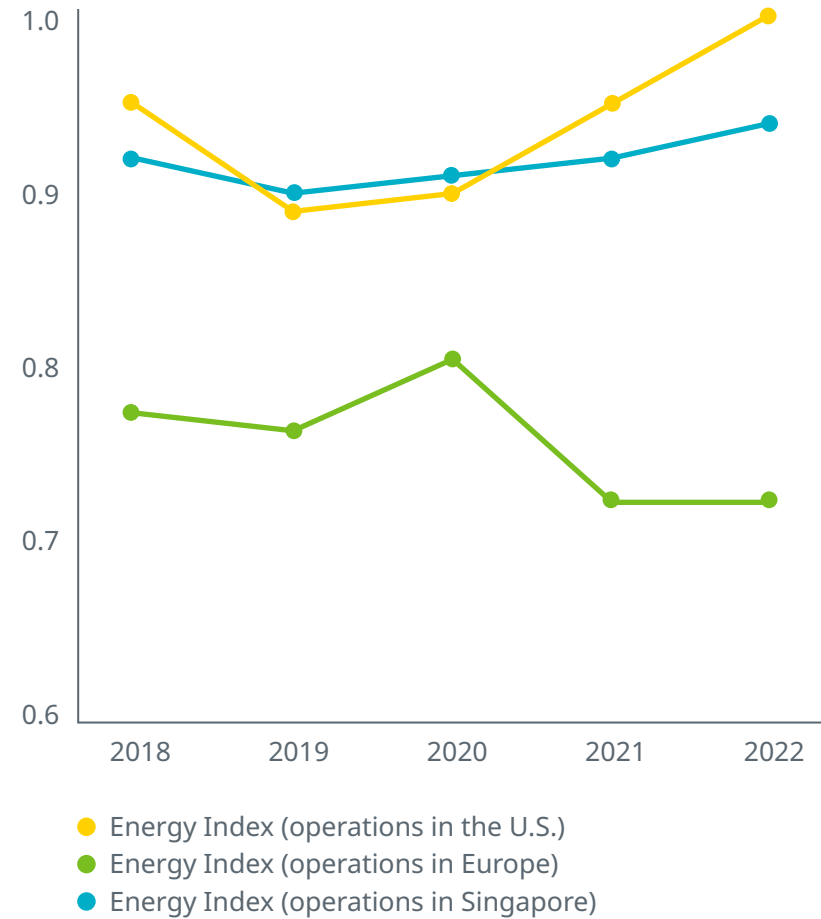
ENERGY  
Continued

**Measuring our Energy Use**

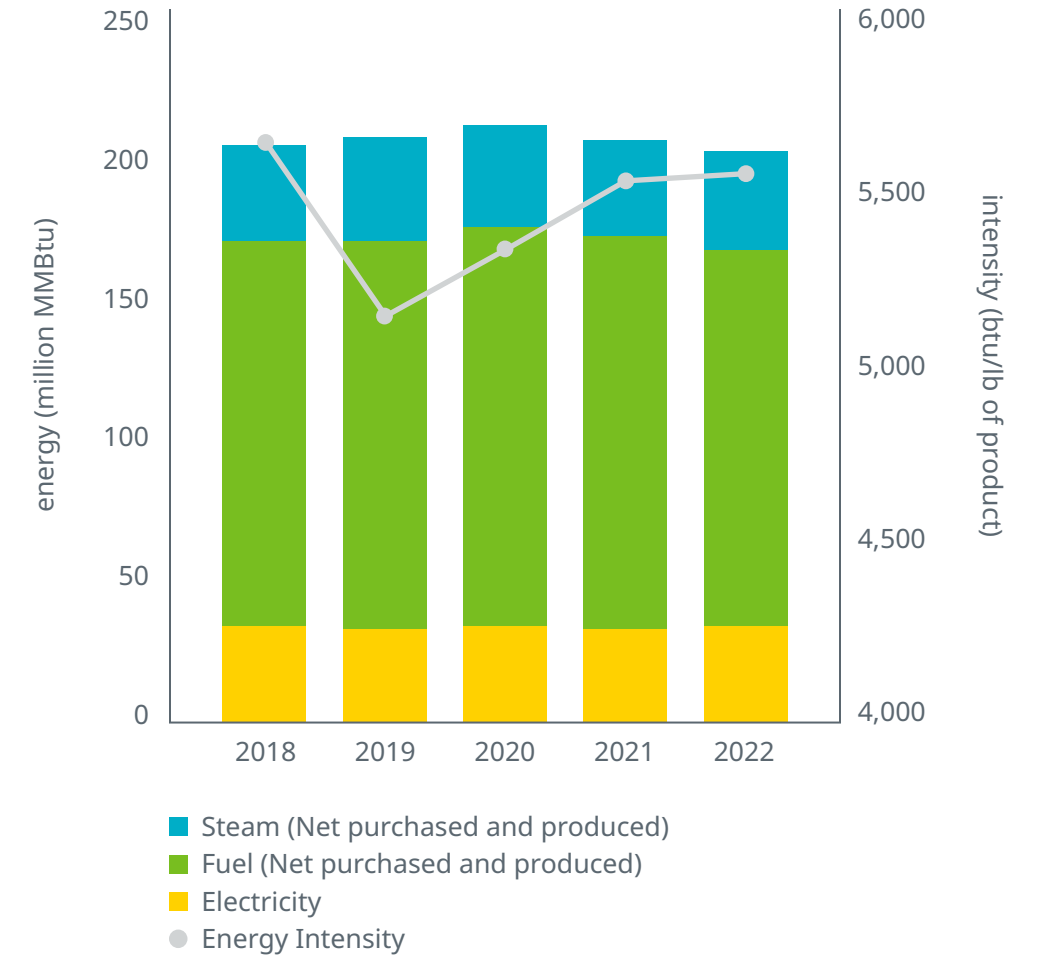
In 2022, CPChem’s global energy consumption was 204 million MMBtu on an equity basis. CPChem’s total energy consumption includes both energy supplied by third-party providers as well as energy extracted from by-product fuels. Our company purchases energy in the form of fuel, electricity and steam. Additionally, our manufacturing facilities leverage fuels created as a by-product during operations to generate energy on site. Monitoring consumption is critical, as the emissions created to generate the energy we use account for the majority of CPChem’s GHG emissions.

The organization’s energy intensity for its operated assets represented 5,530 Btu/lb of product in 2022. Increases in emissions in recent years can be attributed to start-up and shut-down processes caused by power outages and extreme weather conditions, in addition to as required to implement improvements to plant equipment, which are intended to improve reliability. CPChem’s energy intensity index for 2022 in various regions was 0.73 (Europe), 0.94 (Singapore) and 1.00 (United States). Energy intensity index calculations allow our facilities and their teams to standardize benchmarking and monitoring efforts while tracking annual progress toward energy reduction goals. See our [Performance Data Tables](#) for more details on energy performance.

**Energy Index<sup>1</sup>**



**Total Energy Consumption<sup>2</sup> and Energy Intensity<sup>3</sup>**



1. Energy index compares a facility’s performance to a baseline year. A majority of our facilities use 2008 as a baseline year.
2. Energy consumption totals are reported on an equity basis and represent wholly owned operations and the equity stake for facilities where CPChem has only partial equity ownership, with the exception of Performance Pipe, AmSty and owner operations in Borger, Texas.
3. Energy intensity is reported on an operated basis and represents 100% stake for wholly owned and joint venture operations which are operated by CPChem, with the exception of Performance Pipe.

ENERGY  
Continued

**Energy Enhancements and Reducing Emissions**

**PLANNING FOR THE FUTURE IN BELGIUM**

CPCChem’s Tessenderlo facility in Belgium is upgrading its natural-gas-fired Dry Low Emission Gas Turbine Generator Set to save energy and lower its consumption of fossil fuels. These upgrades will enable the unit to take hydrogen generated onsite during production and use it as a more efficient fuel, leading to a reduction in carbon emissions.

**EXCEPTIONAL EFFICIENCY IN ORANGE**

CPCChem’s facility in Orange, Texas won American Chemistry Council’s Energy Efficiency Award, with exceptional merit for continued improvement of energy performance. In 2022, the facility took a multifaceted approach to enhancing energy efficiency, improving the operation and reliability of its steam system. Steam is the third largest source of emissions for the facility. A condensate modification project now allows the site to direct recycled condensate to several tempered water systems, which also leads to reduction in water use.



*“Our goal with the turbine in Belgium is twofold. First, to save energy by using hydrogen from our current manufacturing process. Second, to prepare this asset to perform in a future hydrogen economy.”*



**Ives Mertens**  
Technical Manager  
Tessenderlo, Belgium

**SOLAR IN SINGAPORE**

By 2025, Asia is projected to represent 50% of global electricity consumption. Chevron Phillips Singapore Chemicals (CPSC) uses electricity as its primary source of energy (heating), the facility’s largest expense. In 2022, CPSC completed a 3,000 solar panel installation atop four of its buildings, capable of supplying nearly 1.9 MW of renewable electricity, supporting **SDG #7 Affordable and Clean Energy**.

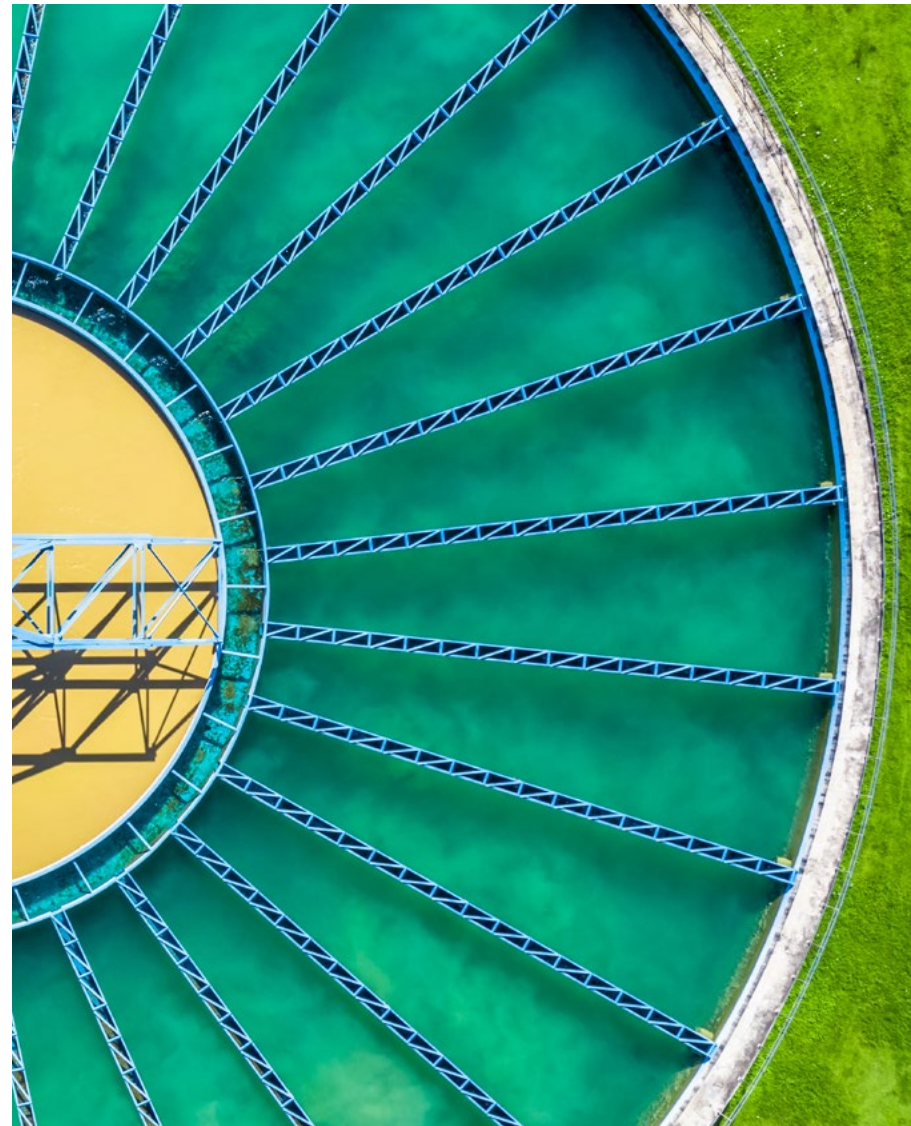


**SDG #7**  
**AFFORDABLE AND CLEAN ENERGY**



- Foundations
- Climate Action
- Emissions
- Energy
- **Water**
- Waste

Water is one of Earth’s most precious resources, serving as both an influencer and indicator of a community’s health. CPChem facilities employ water management practices to minimize impacts to water systems and optimize water use at our operations.



CPChem’s water sources include surface water, groundwater, seawater and water provided by third-parties. Water is used for cooling and steam production, as well as for managing the disposal of effluents. We implement water reuse and recycling practices, particularly in regions where water stress is highest. As part of its OE framework, CPChem requires its facilities to maintain programs that promote continued optimization of water consumption and the monitoring of potential impacts of discharged water. Prior to release water must meet all applicable regulations and limits.

Water conservation is critical to the sustainability of our business and our shared future. According to the World Resources Institute Aqueduct Water Risk Atlas, three CPChem wholly owned facilities are in areas of high water stress risk. As a part of its climate action planning process, CPChem has identified steps to better understand water stress and mitigate risk at its facilities. The company conserves freshwater through reuse, recycling and using desalinated water. Aligning with the UN, we believe that clean water should be accessible by all, and we embrace new ideas and practices that champion better water efficiency at company locations, which supports **SDG #6 Clean Water and Sanitation**.



**SDG #6  
CLEAN WATER  
AND SANITATION**

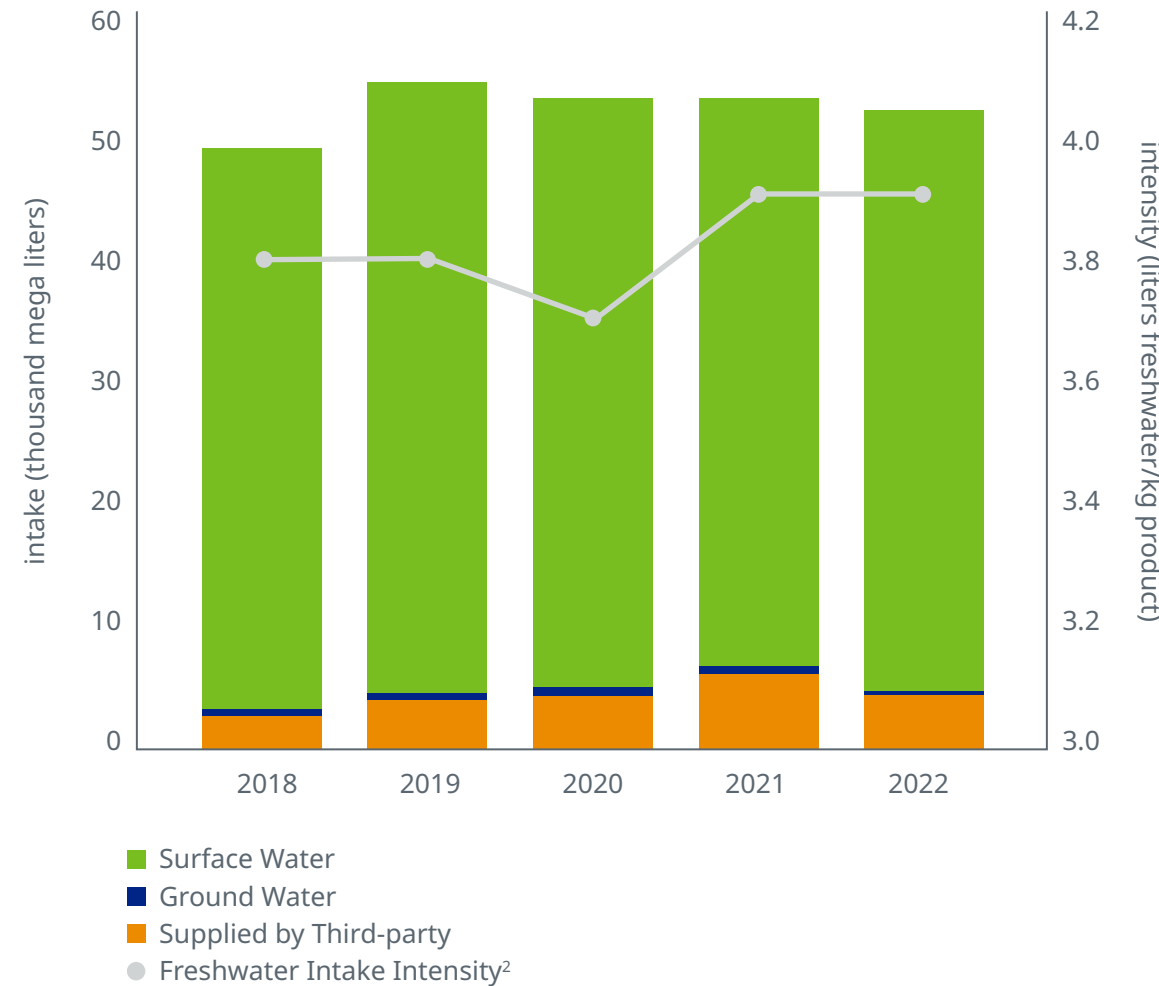
WATER  
Continued

**GO WITH THE FLOW**

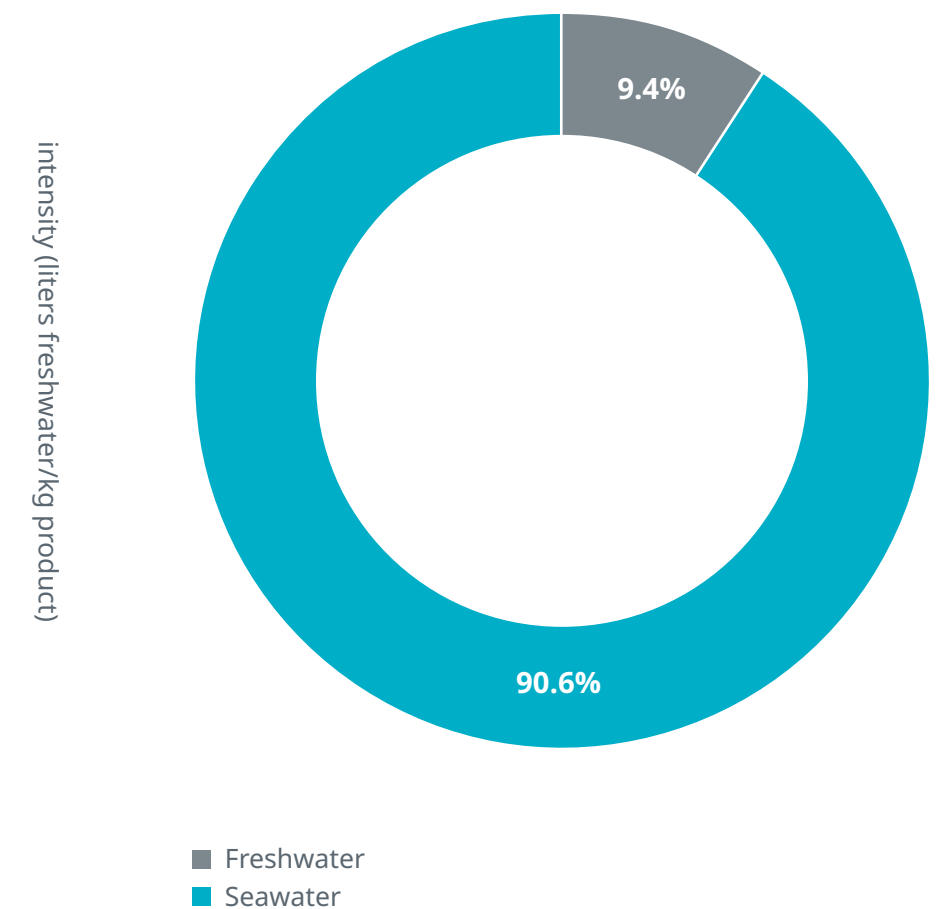
When issues arose in the water system serving CPChem’s Sweeny, Clemens & Old Ocean facilities in Texas, employees on a highly skilled utilities team got to work. Through extensive troubleshooting, the team methodically identified opportunities and completed repairs that resulted in an improvement to water flow and quality systemwide. The repairs also enabled a reduction in total water use, lowering water demand by 1,000 gallons per minute.

CPChem’s global water intake during 2022 totaled 553 thousand mega liters. Freshwater intake was measured at 51.8 thousand megaliters for 2022. Seawater intake is substantially higher than freshwater intake due to seawater being used once through cooling to reduce demand on freshwater resources. Freshwater is commonly recycled and the water intake is minimized, where seawater in the past was not recycled. CPChem’s water consumption was 30.1 thousand megaliters in 2022 and is measured by the difference in water withdrawn and water discharged. Consumption data includes water lost due to evaporation. A breakdown of water intake and discharge by destination is provided in the 2022 [Performance Data Tables](#).

**Freshwater Intake<sup>1</sup>**



**Freshwater vs Seawater Intake<sup>1</sup>**



1. Water intake totals are reported on an equity basis and represent wholly owned operations and the equity stake for facilities where CPChem has only partial equity ownership, with the exception of AmSty and owner operations in Pascagoula, Mississippi, as well as 100% stake reported for a CPChem-operated joint venture in Baytown, Texas, and a CPChem-operated, owner-held facility in Old Ocean, Texas. Total water consumption represents the difference between water intake and water discharge and includes water lost due to evaporation.

2. Freshwater intake intensity is reported on an operated basis and represents wholly owned operations and 100% stake for plants where CPChem has operational control.

- Foundations

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- Climate Action

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- Emissions

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- Energy

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- Water

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- **Waste**

### Focused Efforts on Waste

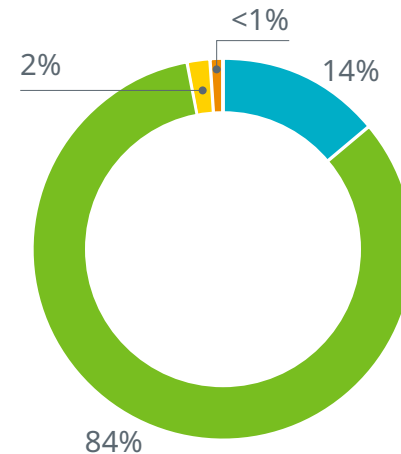
In addition to strict adherence to local waste management regulations, the company enforces its own waste management policy, governed by CPChem’s OE System with requirements all sites must follow. CPChem facilities are required to uphold waste management standards, maintain accurate documentation of waste streams, perform annual evaluations of waste management practices, and assert additional waste minimization competencies.

From our waste disposal reviews and approval procedures and checklists for disposal facilities, we advocate for the proper disposal of all waste, whether onsite or elsewhere beyond these standards, our facilities must also implement plans for spill prevention, control and countermeasures and hazardous waste contingencies.

Along with carefully measuring our consumption of energy and natural resources, we thoroughly monitor CPChem’s waste streams. Waste specialist teams at each manufacturing site develop and endorse practices to minimize waste, prevent pollution and better manage all CPChem waste processes.

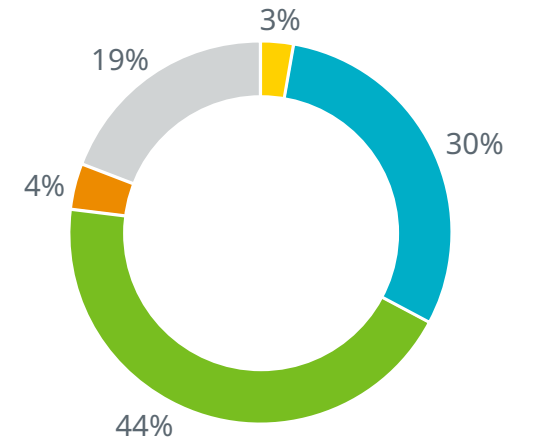
In 2022, CPChem’s global operations generated 161 thousand metric tons of non-hazardous waste and 26 thousand metric tons of hazardous waste. We are amending waste inventory reporting to incorporate onsite waste generation and are expanding data collection beyond hazardous and non-hazardous wastes. We are also differentiating disposal methods including energy recovery, incineration, landfill, materials recovery, and other treatment methods. In 2022, more than one-quarter of CPChem’s waste was recycled using recovery and reclamation processes. Through this more comprehensive inventory, CPChem can identify and prioritize specific areas for improvements.

### Waste<sup>1</sup>



- Hazardous
- Non-hazardous
- Other Material
- Universal Waste

### Waste Disposal Method



- Energy Recovery
- Incineration
- Landfill
- Other Treatment
- Materials Recovery

[Performance Data Tables](#)

1. Waste totals are reported on an equity basis and represents wholly owned operations and the equity stake for facilities where CPChem has only partial equity ownership, with the exception of AmSty and owner operations in Pascagoula, Mississippi and Borger, Texas, as well as a 100% stake reported for a CPChem operated joint venture in Baytown, Texas, and a CPChem-operated, owner-held facility in Old Ocean, Texas.

WASTE  
*Continued*

We encourage employees to “reduce, reuse, recycle” at work and at home. Several of our facilities host specialized teams of passionate employees driving waste reduction projects and recycling initiatives.



**RECYCLING HEROES**

Chevron Phillips Singapore Chemicals (CPSC), CPChem’s joint venture facility, joined the Alliance to End Plastic Waste’s Recycling Heroes Corporate Challenge. CPSC employees collected 71 kg of plastic waste during the 2022 campaign. CPSC has shown they are up for the challenge yet again, setting a goal for each CPSC employee to expand their recycling knowledge and contribute 2 kg of plastic waste during each month of the 2023 campaign.

**UNWRAPPING A NEW OPPORTUNITY TO REDUCE WASTE**

During the 2022 Halloween season, teams from CPChem’s Bartlesville, Oklahoma and Kingwood, Texas facilities participated in Rubicon’s Trick or Trash™ program. The teams collected and sent multiple loads of candy wrappers for recycling that would otherwise end up in landfills.

**UPCYCLE ART CHALLENGE**

CPChem donated \$11,343 to the Art League of Baytown to celebrate this creative challenge that invites people to view waste and recycling in a new light. This supports **SDG #17 Partnerships for the Goals.**



**SDG #17  
PARTNERSHIPS  
FOR THE GOALS**

# PRODUCTS WITH PURPOSE

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→ **Designed with Purpose**

A Second Act for Plastics

Product Stewardship

Tackling Plastic Waste

Utility, efficiency and value are several core attributes of the CPChem product portfolio. Here are a few examples that demonstrate the breadth of advantages offered by our products.



**Automotive & Aviation**

Whether on wheels or wings, the properties of plastics and lubricants can help save fuel and increase efficiencies and performance beyond what is possible with many alternative materials.



**Energy & Chemicals**

Polyethylene pipes convey clean drinking water, safely transport natural gas and protect sensitive electrical and telecommunication cables that keep the world connected. Our polyalphaolefins (PAOs) are used to optimize engine efficiencies, including engines used in renewable energy applications.



**Food & Agriculture**

Specialized plastic packaging shields the food we eat from contamination. These products preserve the freshness of fruits and vegetables, extend the shelf life of dairy, meat and poultry products, while remaining efficient and cost-effective materials to produce and transport. Plastic also plays a key role in food production, enabling efficient irrigation of crops and proper storage and transportation of produce.

**PRODUCT SUSTAINABILITY & CIRCULARITY STRATEGY OBJECTIVES**



**Drive development of circular products**

1 billion pounds per year of Marlex® Anew™ Circular Polyethylene by 2030

**Reduce product carbon footprint**

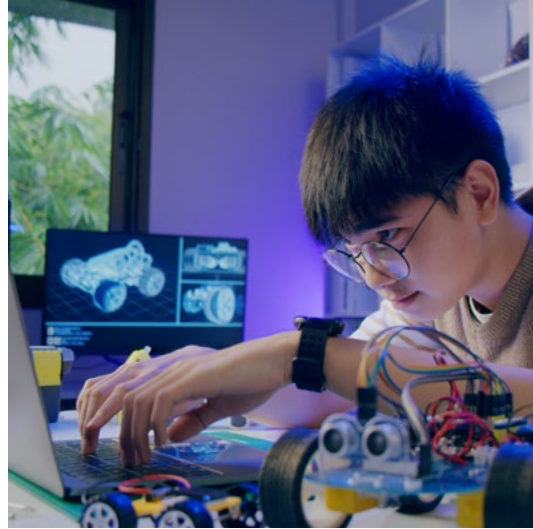
Complete portfolio Life Cycle Analysis and Product Sustainability Assessment

**Address plastic waste**

Contribute to efforts to eliminate plastic waste in the environment while continuing to deliver societal benefits through products

## DESIGNED WITH PURPOSE

*Continued*



### Home & Electronics

The versatility of plastics supports technological progress by protecting sensitive electronics while remaining easily portable and durable. Plastic is used in shielding on electrical wires, allowing us to safely use extension cords, connect network cables and charge our devices.



### Industrial

Our high-quality AlphaPlus® Normal Alpha Olefins (NAOs) are resilient and long-lasting, with excellent chemical and thermal stability. With ideal properties for numerous industrial applications, their use in synthetic motor oils and lubricants reduces wear and tear of equipment and extends the life of machinery large and small.



### Medical & Pharmaceutical

Strong and flexible, the unique characteristics of plastics make them ideal in medical applications like pharmaceutical containers as well as for packaging to keep medical instruments protected and sterile.



### Personal Care

From squeezable tubes for lotions and shampoos to deodorant packaging and feminine hygiene products, plastics provide an exceptional level of quality and accessibility in personal care products, supporting **SDG #3 Good Health and Well-being**.



### Recreation

Plastics provide lightweight and durable material for products that enhance the enjoyment of our recreational activities from sporting goods to sleeping bags, coolers and kayaks.

Designed with Purpose

→ **A Second Act for Plastics**

Product Stewardship

Tackling Plastic Waste

Expanding the recyclability of plastics can help keep them out of landfills and the environment. Extending the lifecycles of plastics and designing products to be more easily recycled will be a key element of the transition to a circular economy.



### Propelling Circularity

As our industry advances this transition and works to meet climate goals, demand for materials with lower carbon emissions is expected to rise and accelerate new innovative products and technologies. At CPChem, we propel circularity with the forward progress of our advanced recycling efforts, support growth of responsible waste management practices and drive to creatively transform barriers into opportunities for a more sustainable future.

Generally, there are two approaches to recycling plastics, mechanical recycling and advanced recycling. While both methods have unique benefits and limitations, we believe that mechanical recycling and advanced recycling are complementary, not competing.



## A SECOND ACT FOR PLASTICS

*Continued*

### What is Advanced Recycling?

Advanced recycling is a process that converts waste plastics into hydrocarbons before transforming the recycled hydrocarbons into feedstocks used to make new polymers. Because of the potential to repeatedly recycle post-use plastics using this process, polymers produced through advanced recycling are referred to as “circular polymers.” Circular polymers have safety, regulatory and product specifications equivalent to first-life polymers made from traditional feedstocks, which means materials produced via advanced recycling may be qualified for use in highly regulated applications. This supports **SDG #12 Responsible Consumption and Production**.

CPChem leverages its established advanced recycling program to produce Marlex® Anew™ Circular Polyethylene, the company’s first fully circular product line. In 2022, CPChem announced its first commercial sales of Marlex® Anew™ Circular Polyethylene, an important milestone in the organization’s journey to further expand production volumes. We are targeting an annual production volume of 1 billion pounds (~450 KTA) of Marlex® Anew™ Circular Polyethylene by 2030.

	ADVANTAGES	LIMITATIONS
<p><b>Mechanical Recycling</b></p> <p>Mechanical recycling relies on mechanical processes like grinding, melting and remolding to convert plastic into new objects. While mechanical recycling has limitations, this method is built upon years of experience and is constantly developing to meet the challenges of processing modern plastic waste streams. Mechanical recycling will remain an important part of the solution to end unmanaged plastic waste.</p>	<ul style="list-style-type: none"> <li>• Straightforward process</li> <li>• Established technologies</li> </ul>	<ul style="list-style-type: none"> <li>• Items must be sorted, washed and dried</li> <li>• Limited applications for recycled material</li> <li>• Process hampered by contamination</li> </ul>
<p><b>Advanced Recycling</b></p> <p>Advanced recycling is a promising technology that complements mechanical recycling by processing items that are difficult-to-recycle and not suitable for mechanical methods. Through advanced recycling, our company can take feedstocks produced from waste plastics, which would otherwise be disposed of in a landfill, and upgrade them into brand new products.</p>	<ul style="list-style-type: none"> <li>• Ability to process difficult-to-recycle items</li> <li>• Extensive applications for recycled material</li> <li>• More tolerant of contamination</li> </ul>	<ul style="list-style-type: none"> <li>• Increased energy required</li> <li>• Sophisticated equipment</li> <li>• Emerging technologies</li> </ul>

*We are targeting 1,000,000,000 pounds of Marlex® Anew™ Circular Polyethylene by 2030.*



**Anew™**



**SDG #12 RESPONSIBLE CONSUMPTION AND PRODUCTION**

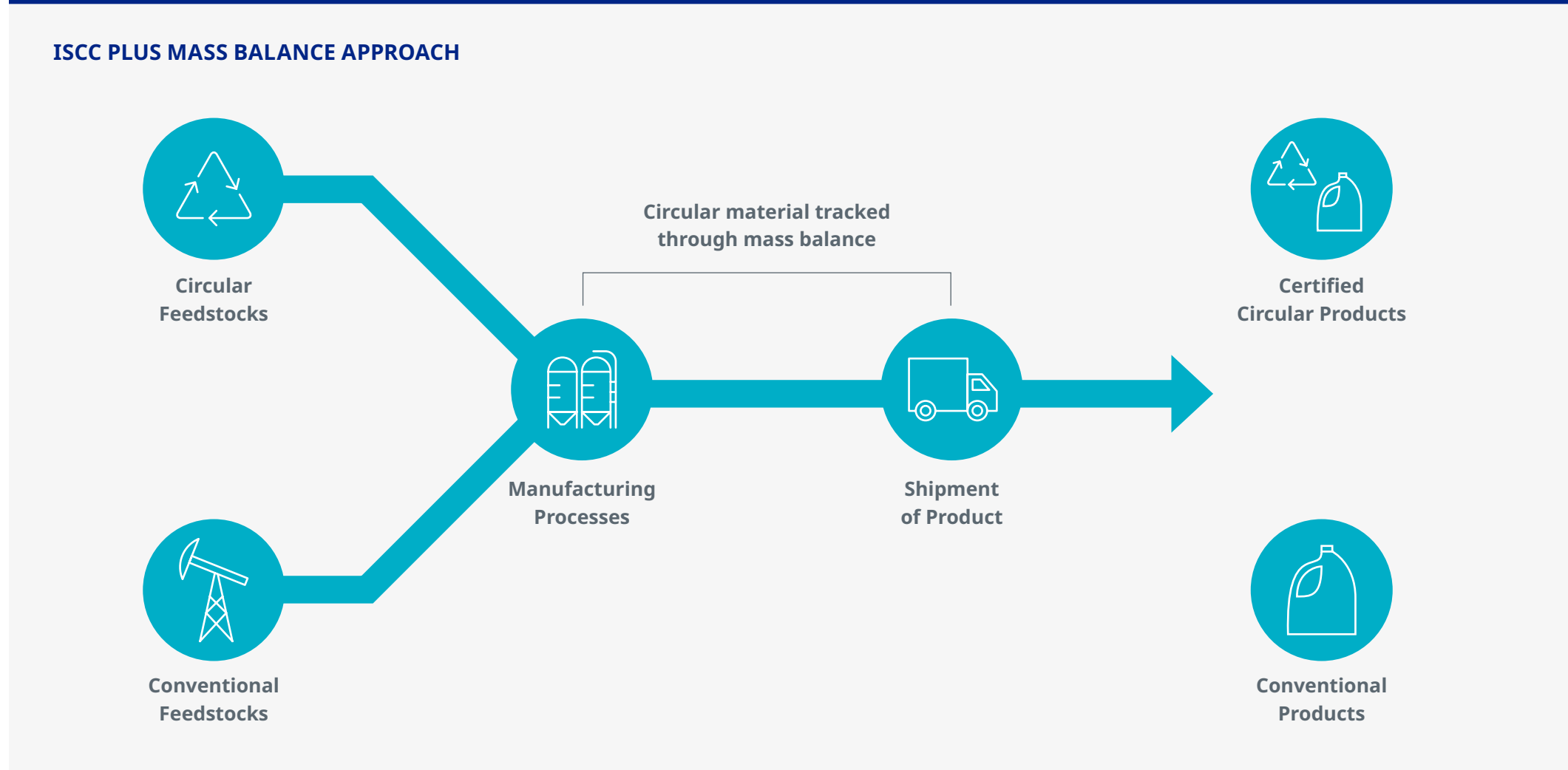
## A SECOND ACT FOR PLASTICS

*Continued*

### Credibility and Certification

The organization’s growing number of facilities involved in the advanced recycling process are recertified annually through the International Sustainability & Carbon Certification PLUS (ISCC PLUS) program, a globally recognized sustainability certification system.

Last year, CPChem expanded its network of facilities certified through ISCC PLUS and received certifications at sites in Orange, Texas and Pasadena, Texas. The company’s Baytown, Texas facility earned CPChem’s first ISCC PLUS distinction in 2020, and CPChem plans to pursue the certification at other locations as it grows its sustainable product portfolio.



*“Growing the number of sites certified through ISCC PLUS adds credibility to our advanced recycling program and elevates CPChem’s contributions toward a circular economy for plastics.”*



**Georgia Salisbury** (she/her)  
Sustainability Certification Specialist  
Global Headquarters, The Woodlands, Texas

## A SECOND ACT FOR PLASTICS

*Continued*

### Circular Feedstocks and Investing in the Future

CPChem is helping to secure the future of advanced recycling by sourcing high-quality circular feedstocks. In 2022, CPChem again signaled its determination to contribute to a more sustainable future by investing in Infinity Recycling's Circular Plastics Fund. The Fund, focusing first in Europe with the ambition to expand globally, was created to invest in businesses engaged in advanced recycling and the conversion of plastic waste into virgin-grade feedstock for the manufacture of new products.

Recycling plastic waste enables valuable materials to be reused instead of ending up in a landfill or unintended places in the environment. Recycling is an important part of the solution to create a circular economy for plastics, together with design for circularity, collecting and sorting infrastructures, consumer engagement and guiding policies. Collaboration across the entire value chain is needed to solve the plastic waste challenge.

Through this investment, CPChem aims to accelerate the development of promising recycling technologies, bridge gaps in the value chain and accelerate change for a more sustainable future.

### Meet Jacob: The Recycler

[Read how CPChem's Jacob Hilbrich is helping to change the pace of advanced recycling](#)



### Advanced Recycling in Action

[See how advanced recycling works in this video](#)



### MOVING CIRCULARITY FORWARD

CPChem was honored by BNSF Railways with a BNSF Sustainability Award for the first commercial-scale production of circular polyethylene in the U.S. Now available to CPChem customers, Marlex® Anew™ Circular Polyethylene utilizes advanced recycling technology to produce a circular feedstock made from difficult-to-recycle waste plastics. CPChem was also recognized for its collaboration with BNSF on the Empty Hopper Car Optimization Initiative, which has led to a reduction in carbon emissions and an increase in fuel efficiency. Since launching in 2020, the program has saved more than 700,000 miles and 17,500 transit days.

*“Together with circular feedstock suppliers and customers, we are transforming waste plastics into useful products that demonstrate real-world, commercial scale applications of circular plastics.”*



**Jay Bickett**  
Vice President of Polymers  
Global Headquarters  
The Woodlands, Texas

Designed with Purpose

A Second Act for Plastics

→ **Product Stewardship**

Tackling Plastic Waste

Through innovative engineering and manufacturing, we are working to minimize our environmental impact while providing high-value products that meet the needs of our customers and society. We believe responsible product stewardship is essential to the long-term success of our business and the health of the planet.



### Promoting Product Stewardship

All CPChem products are assessed using product stewardship guidelines from the company's OE System. CPChem's product portfolio review is conducted using a weighted composite score in categories like environmental performance, end-use applications, potential hazards to humans, regulatory position, exposure to distribution disruptions, production volume, public perception and marketing response. Annual reviews of hazard communication documents, transport options, customer feedback, regulatory and technical data are completed by every product line.

Our Product Risk Management Teams proactively provide an additional level of inspection to confirm that any changes to processes do not risk the safety and compliance of our products. CPChem monitors various regulations and participates on committees for scientific research to promote product stewardship.

Through REACH (Registration, Evaluation, Authorization and registration of Chemicals), CPChem registers all applicable substances contained in products imported or manufactured in the EU. Similar efforts have been done in South Korea, Turkey and other regions. In the U.S., CPChem has been supportive of efforts to modernize the Toxic Substances Control Act (TSCA) to enable the petrochemical industry to safely innovate and grow, create jobs and maintain the trust of employees, customers, communities and stakeholders.

PRODUCT STEWARDSHIP

*Continued*

**Sustainability Performance and Impact of our Products**

CPCChem is engaged in a multiyear exercise to assess the potential impact of its products. This process is often referred to as a Life Cycle Analysis (LCA). Completing the systematic analyses required for each product helps our business better understand its potential environmental and health impacts.

LCAs generate valuable data about an individual product that a company can use to perform a Portfolio Sustainability Assessment (PSA). In conjunction with LCAs, we are conducting PSAs, which incorporate economic, environmental, regulatory and social information to gauge the overall sustainability performance of our products. Through the holistic perspective of PSAs, we expect to further optimize our portfolio by amplifying strengths, mitigating risks and harnessing opportunities for sustainable innovation.

**OUR PRODUCT LIFE CYCLE PROCESS**



Designed with Purpose

A Second Act for Plastics

Product Stewardship

→ **Tackling Plastic Waste**

CPCChem’s attention to the global issue of plastic waste reaches beyond its products, and we proudly support and endorse numerous initiatives to reduce plastic waste. We support and work toward the American Chemistry Council and Plastics Europe pledges to reuse, recycle or recover 100% of plastic packaging by 2040.

We participate in many initiatives that address global issues like plastic waste and promote sustainable operations, including:

- Advanced Recycling Alliance for Plastics (ARAP)
- Alliance to End Plastic Waste (Alliance)
- Circular Plastics Alliance (CPA)
- Circulate Capital Ocean Fund (CCOF)
- Infinity Recycling-Circular Plastics Fund
- Operation Clean Sweep® (OCS®) and OCS® Blue
- Responsible Care® (American Chemistry Council)
- Voluntary Protection Program (VPP)
- Wrap Recycling Action Program (WRAP)

We are also proud of our industry associations, which include:

- American Chemistry Council (ACC)
- American Fuel & Petrochemical Manufacturers (AFPM)
- European Chemical Industry Council (Cefic)
- Plastics Europe
- Texas Chemical Council (TCC)
- World Plastics Council (WPC)



**COASTAL CLEANUP**

**Fundación Ecomar’s Coastal Cleanup**

On World Oceans Day, CPCChem employees in Spain collaborated with Fundación Ecomar to organize a beach cleanup in Spain and invited our Spanish polymers customers and youth participants from a local elementary school. Attendees worked together to clean up trash and share education on plastics, proper recycling and waste management.



**MAKING WAVES**

**Singapore Chemical Industry Council’s (SCIC) Beach Cleanup**

CPCChem employees in Singapore took their beach cleanup to the next level and hosted an interactive community outreach event. Participants and community members were invited to join cleanup efforts on the beach and hear from SCIC how the industry is working to reduce plastic waste and advancing toward a circular economy for plastics.

## TACKLING PLASTIC WASTE

*Continued*



### PAVING THE WAY FOR A MORE SUSTAINABLE FUTURE

#### CPChem's Sweeny, Clemens & Old Ocean facility's Clemens Terminal

CPChem has now repaved roads at several facilities with plastic asphalt. The plastic asphalt looks and acts the same as traditional asphalt but utilizes thousands of pounds of recycled waste plastic that was diverted from landfill.

### Operation Clean Sweep®

For more than 20 years, CPChem has been a member of Operation Clean Sweep® (OCS®), a global initiative targeting zero plastic loss to the environment. We are proud of the success of our global plastics management programs and ongoing efforts to keep plastic out of the environment. In the U.S., all CPChem plastic handling operations follow enhanced OCS® Blue membership guidelines, which involve incremental requirements around pellet loss reduction and additional program features like sharing best practices, enhanced reporting and cross-industry collaboration. Our OCS® Blue membership demonstrates the company's progress and perseverance on keeping plastic waste out of the environment, supporting **SDG #12 Responsible Consumption and Production**.

Being part of the global OCS® community means our company strives to prevent plastic loss to the environment at all stages, from manufacturing through distribution. As part of our plastics management programs, we share best practices and stay engaged throughout our value chain to promote responsible operations that help to keep valuable plastic materials where they belong.

[Learn more about our work to eliminate plastic loss to the environment](#)

### Alliance to End Plastic Waste

CPChem is a founding member of the Alliance to End Plastic Waste (Alliance). The Alliance network has grown to more than 70 global

companies that empower the organization to identify, innovate and invest in ideas that reduce plastic waste. Members have collectively committed \$1.5 billion over five years to design and scale realistic solutions that include investments in infrastructure, cleanup efforts, education and engagement. Supporting more than 50 projects across 29 countries, the Alliance project portfolio was on track to divert 30,000 metric tons and recycle 21,000 metric tons of plastic waste at the end of 2022. These efforts support **SDG #14 Life Below Water** and **SDG #17 Partnerships for the Goals**.

[Learn more about the Alliance's efforts](#)



**SDG #12  
RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION**



**SDG #14  
LIFE BELOW WATER**



**SDG #17  
PARTNERSHIPS  
FOR THE GOALS**

# TRANSFORMING OUR PERFORMANCE

- 65 Our Journey to Zero
- 66 Business Transformation
- 70 Accelerating Change & Looking Ahead





→ **Our Journey to Zero**

Business Transformation

Accelerating Change & Looking Ahead

*Our Journey to Zero*, a strategy with a tailored focus on reducing incidents by increasing the safety and reliability of our operations, makes us a better company by placing a spotlight on our strengths and opportunities for improvement. The strategy continued to be a focal point of our employee health and safety efforts throughout 2022.



Our strategy starts with our commitment to each other and our communities. Our commitment to the health and safety of all personnel is first and foremost a part of our operational hierarchy which serves as the base allowing us to operate and produce our products supporting **SDG #8 Decent Work and Economic Growth**.

We continue to eliminate high severity, high potential incidents and maintain a safe, secure and reliable workplace.

We are actively working to protect the environment. We continuously explore ways to reduce emissions and energy intensity.

We are on this journey together.



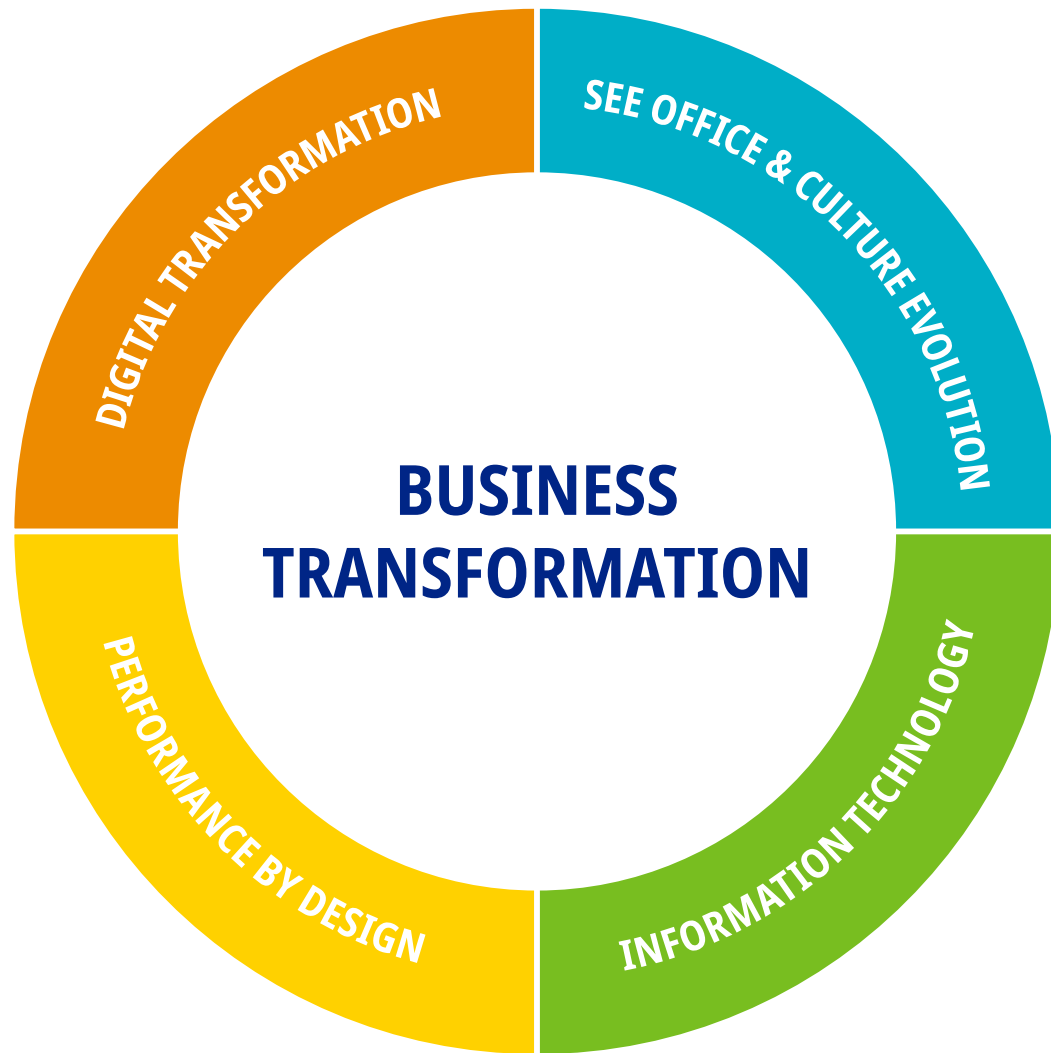
**SDG #8  
DECENT WORK AND  
ECONOMIC GROWTH**

Our Journey to Zero

→ **Business Transformation**

Accelerating Change & Looking Ahead

CPC hem aims to catalyze and sustain success using innovative technologies, expanded capabilities and efficient processes, while empowering a robust and diverse employee culture.



As a premier chemical company, we strive to be the employer of choice, the supplier of choice, the investment of choice for our owners, as well as conscientious and caring neighbors to those in the communities in which we operate. Employing a multifaceted approach, Business Transformation promotes evolution in our organization and operations with the intent to unlock the greatest value in the enterprise.

At CPC hem, Business Transformation empowers people to collaborate, innovate, challenge the status quo and explore new pathways to

creative solutions. Business Transformation embraces **SDG #9 Industry, Innovation and Infrastructure**.



**SDG #9  
INDUSTRY,  
INNOVATION  
AND  
INFRASTRUCTURE**

**Strategic Execution and Enablement (SEE) Office**

A culture that is well-equipped to embrace change requires support from management. CPC hem’s SEE Office helps prepare, equip and support individuals and teams through change to minimize disruption and overload, empower people and enable success. The SEE Office provides a high-level view of CPC hem’s high and medium impact projects and creates greater transparency to improve project resource planning. The SEE Office has also improved the pace of project planning and led to stronger implementation and adoption of change.

The SEE Office at CPC hem:

- Helps teams rethink how they work to enhance impact and efficiencies
- Improves project management to reduce initiative overload and balance workload
- Empowers teams to encourage growth and leverage training to streamline projects

Through the SEE Office, we are able to more accurately identify proficiencies and potential, which allows us to accelerate the pace of transformation at CPC hem.

## BUSINESS TRANSFORMATION

*Continued*

### Culture Evolution

Creating a rewarding and fulfilling work environment is a top priority for CPChem, and one that allows us to live out our tagline, Performance by design. Caring by choice.™ Since our Culture Evolution program launched in 2021, CPChem has integrated seven culture elements into all areas of its business. From *Our Journey to Zero* to talent development programs, culture behaviors are woven through the fabric of what we do and who we are. We believe that demonstrating the behaviors of accountability, innovation, meaningful feedback, trust, transparency and career development is paramount for CPChem employees to succeed.

Our seven culture elements are:

- Personal & Leader Accountability
- Innovation & Improvement
- Talent Development & Career Opportunities
- Performance Transparency
- Shared Vision & Values
- Safety & Reliability
- Open & Trusting Relationships

*“To me, being BOLD means facing challenges with no guarantee of success, communicating assertively and respectfully, and leading by example. I am always looking for opportunities to use my skills and experience to help my friends and colleagues work more safely and efficiently.”*



**James Harris**  
Pipefitter and BOLD Award Recipient  
Sweeny, Clemens & Old Ocean, Texas

### FAVORING THE BOLD

As a part of our Culture Evolution initiative, CPChem recognizes BOLD individuals throughout the company. To us, BOLD means to confidently move in the direction of fear and opposition to manifest progress through action. CPChem’s BOLD Award was established to acknowledge and embolden behaviors like trust, drive, collaboration, accountability, innovation and respect.

## BRAVE

Someone who boldly does something even if they are not sure they are going to succeed, tries new things without fear of failure, openly shares ideas, encourages others to share ideas and is open to applying and sharing lessons learned with others.

## OUTSPOKEN

Someone who has the courage to speak up even when the sentiment is not popular or is uncomfortable; this is someone who listens, receives and gives feedback openly.

## LEADERSHIP

Someone who demonstrates leadership with or without authority, helps others to perform to their highest potential, models our culture behaviors, ICARE principles and company Leadership Elements.

## DRIVE

Someone who drives and champions his or her own ideas and others’ ideas and demonstrates agility in the way the ideas work, moving quickly from idea to implementation.

## BUSINESS TRANSFORMATION

*Continued*

### Performance by Design (PBD)

PBD embodies how we do business at CPChem. In fact, it is a part of our culture and the CPChem way of life. Every employee can embrace PBD by bringing positive energy and ideas to the table, centered around adding value and effectiveness to any aspect of our business.

Designing better ways to do business affects all employees, at every location. At the heart of PBD is creative problem solving and a mindset of collaborative inspiration. Employees are encouraged to use their experience and knowledge to elevate ideas that add value, while calling attention to systems and processes that can be improved. Over the past three years, CPChem employees have challenged the status quo and generated over \$1.5 billion in value through new PBD ideas and initiatives, a resounding success.

*“PBD means pushing ourselves outside of our comfort zones and constantly seeking new value—not only measured in dollars, but also in areas like investments of time, customer experiences and others. PBD gives us the opportunity to try new things, fail fast and pivot in a direction that leads us to better ways of working.”*



**Jay Nesbitt**  
Business Transformation Manager  
Global Headquarters, The Woodlands, Texas

### Rewarding Innovation

CPChem recognizes contributions to enhanced performance through Keystone Awards, given to employees who demonstrate significant contributions to PBD, including finding more effective ways of doing a job, challenging the status quo and collaborating to find solutions. As an organization, we all benefit from leveraging new technologies that save time or streamline processes or address inefficiencies or redundancies. The Digital keystones are awarded when the solution or improvement achieved has a distinct digital element, such as new software tools or automations, or if it demonstrates the use of data in new ways. Fostering innovation is a key action CPChem is pursuing in support of **SDG #9 Industry, Innovation and Infrastructure**.

In 2022, there were a total of 69 awards presented to employees across all CPChem facilities, including Singapore and Belgium, with 52 of these being traditional Keystone Awards and 17 Digital Keystones.

CPChem celebrated the implementation of its 1,000<sup>th</sup> PBD initiative in May 2022. Now in its fifth year, PBD continues to grow and capture value in many forms, finding new opportunities for efficiency and enhanced performance across the enterprise.



**SDG #9**  
**INDUSTRY, INNOVATION AND INFRASTRUCTURE**

\$1.5B

\$1.5 billion value tracked since the inception of PBD.

70%

About 70% of all company employees have contributed in some way to capture value over the last three years.

1,200

We have executed over 1,200 initiatives since launching the program in 2019, 300 of which were completed in 2022 alone, demonstrating the continued momentum of our transformation.

## BUSINESS TRANSFORMATION

*Continued*

### Information Technology (IT)

Our IT organization is undergoing a transformation, bringing innovation to the forefront with new organizational structures, collaborative workspaces and a refreshed vision: enabling value through innovative technology. Evolved and energized, we will seek out digital transformative change and use technology in creative solutions to optimize resources and streamline processes across the business.

### A Digital Transformation

CPChem's digital transformation is about improving speed and the accuracy of decisions. We deliver business-led, end-to-end process transformation, enabled by digital solutions in an efficient, agile way. The benefits of this transformation go beyond product development, customer experiences and operational efficiencies.

More importantly, the use of data and technology empowers employees to work safer and more effectively. We believe that physical systems and processes should evolve alongside our employee culture, which will help to keep our people equipped with the tools and training needed to find success in any market.



*“In the face of ever-evolving technological landscapes, CPChem has embraced a digital transformation. Leveraging a strategic vision and emerging technologies, we pursue excellence in the digital realm and work to unlock the future of our company.”*



**Jason Gislason**  
 Chief Digital Officer  
 Global Headquarters  
 The Woodlands, Texas

Our Journey to Zero

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Business Transformation

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→ **Accelerating Change & Looking Ahead**

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Whether safeguarding our people and operations, engineering circular products or supporting communities across the globe, we understand there is always room to improve. As we continue on our sustainability journey, we are confident that CPChem is Positioned to Perform.



# PERFORMANCE DATA TABLES

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## Environmental Performance

	2018	2019	2020	2021	2022	GRI DISCLOSURE
<b>PLASTIC MANAGEMENT</b>						
Reported Plastic Releases (pounds)	4	0.02	0	0	0	
Plastic Recycled from U.S. Facilities (million pounds)	31.5	29.2	31.3	28.2	31.5	
<b>ENERGY</b>						
Energy Consumption <sup>1</sup> (million MMBtu)	204	207	211	206	202	302-1
Electricity	34	33	34	33	34	
Fuel (net purchased & produced)	136	137	141	139	133	
Steam (net purchased & produced)	34	37	36	34	35	
<b>ENERGY INDEX<sup>2</sup> AND ENERGY INTENSITY<sup>3</sup></b>						
Energy index (operations in the U.S.)	0.95	0.89	0.90	0.95	1.00	302-3
Energy index (operations in Europe)	0.78	0.77	0.81	0.73	0.73	
Energy index (operations in Singapore)	0.92	0.90	0.91	0.92	0.94	
Energy Intensity (Btu/Lbs of product)	5,687	5,188	5,306	5,547	5,561	302-4
Energy Intensity (current year/average of prior three years)	—	0.95	0.98	1.03	1.04	
Energy Intensity (current year/previous year)	1.06	0.91	1.02	1.05	1.00	



## ENVIRONMENTAL PERFORMANCE

*Continued*

	2018	2019	2020	2021	2022	GRI DISCLOSURE
<b>WATER INTAKE</b>						
<b>Total Water Intake<sup>4</sup> (thousand ML)</b>	565	581	570	581	553	303-3
Surface water	45.8	49.9	48.1	46.4	47.4	
Groundwater	0.6	0.6	0.8	0.7	0.4	
Seawater	515	525	509	527	501	
Third-party	2.7	4.0	4.3	6.1	4.4	
Total Freshwater Intake (less seawater)	49.0	54.5	53.2	53.1	51.8	
<b>Freshwater Intake Intensity<sup>5</sup> (liters freshwater/kgs product)</b>	3.8	3.8	3.7	3.9	3.9	
<b>Water Intake in Areas of High or Extremely High Water Stress (thousand ML)</b>	—	—	—	500.6	486.4	
Surface water	—	—	—	7.30	7.5	
Groundwater	—	—	—	0.05	0.05	
Seawater	—	—	—	493	471.1	
Third-party	—	—	—	0.20	0.14	
Total Freshwater Intake in Areas of High or Extremely High Water Stress (less seawater)	—	—	—	7.6	7.7	

## ENVIRONMENTAL PERFORMANCE

*Continued*

	2018	2019	2020	2021	2022	GRI DISCLOSURE	
<b>WATER DISCHARGE</b>							
<b>Total Water Discharge<sup>4</sup> (thousand ML)</b>	537	547	538	549	523	303-4	
Surface water	21.9	22.0	22.4	20.9	22.3		
Groundwater	0.2	0.2	0.2	0.2	0.1		
Seawater	514	523	515	526	500		
Third-party	1.2	1.3	0.9	1.8	1.5		
Total Freshwater Discharge (less seawater)	23.2	23.5	23.4	22.9	23.4		
<b>Water Discharge in Areas of High or Extremely High Water Stress (thousand ML)</b>	—	—	—	496.5	476.0		
Surface water	—	—	—	4.0	5.3		
Groundwater	—	—	—	0.17	0.1		
Seawater	—	—	—	491.0	469.4		
Third-party	—	—	—	1.3	1.3		
Total Freshwater Discharge in Areas of High or Extremely High Water Stress (less seawater)	—	—	—	5.5	6.6		
<b>WATER CONSUMPTION</b>							
<b>Water Consumption<sup>4</sup> (thousand ML)</b>	28.1	34.2	31.1	31.9	30.1		303-5

## ENVIRONMENTAL PERFORMANCE

Continued

	2018	2019	2020	2021	2022	GRI DISCLOSURE
<b>GHG EMISSIONS</b>						
<b>Total Direct (Scope 1) &amp; Indirect (Scope 2) GHG Emissions   Equity Share<sup>6</sup> (million metric tons of CO<sub>2</sub>e)</b>	9.4	8.9	9.3	9.5	9.3	305-1 305-2 305-3 305-4
Direct GHG Emissions (Scope 1)	7.1	6.7	6.9	7.2	7.1	
Indirect GHG Emissions from Electricity & Steam (Scope 2)	2.4	2.3	2.5	2.4	2.3	
<b>Total Direct (Scope 1) &amp; Indirect (Scope 2) GHG Emissions   Operated<sup>7</sup> (million metric tons of CO<sub>2</sub>e)</b>	6.4	6.1	6.4	6.5	6.1	
Direct GHG Emissions (Scope 1)	4.6	4.3	4.5	4.7	4.5	
Indirect GHG Emissions from Electricity & Steam (Scope 2)	1.9	1.8	1.9	1.7	1.7	
<b>GHG Emissions Intensity<sup>8</sup> (metric tons CO<sub>2</sub>e/metric tons product)</b>	0.49	0.43	0.44	0.48	0.46	
<b>CRITERIA POLLUTANT EMISSIONS</b>						
<b>Total Criteria Pollutant Emissions<sup>10</sup> (thousand metric tons)</b>	11.80	10.27	10.10	10.61	11.54	305-7
PM	0.58	0.57	0.58	0.58	0.54	
SO <sub>2</sub>	0.74	0.73	0.55	0.68	1.14	
NOx	3.79	3.69	3.86	3.80	4.00	
CO	3.56	2.68	2.53	2.80	3.23	
VOC	3.13	2.60	2.58	2.75	2.63	
<b>Criteria Pollutant Emissions Intensity<sup>11</sup> (metric tons/thousand metric tons product)</b>	0.66	0.52	0.52	0.56	0.59	

## ENVIRONMENTAL PERFORMANCE

Continued

	2018	2019	2020	2021	2022	GRI DISCLOSURE
<b>EMISSIONS EVENTS<sup>9</sup></b>						
Emissions Events	31	47	51	54	45	
<b>WASTE<sup>12</sup></b>						
<b>Hazardous<sup>13</sup> (thousand metric tons)</b>	—	—	—	—	26.51	
Waste directed to disposal	—	—	—	—	24.90	
Onsite	—	—	—	—	12.63	
Offsite	—	—	—	—	12.28	
Waste diverted from disposal	—	—	—	—	1.61	
Onsite	—	—	—	—	0.06	
Offsite	—	—	—	—	1.55	
<b>Non-hazardous (thousand metric tons)</b>	—	—	—	—	161.04	
Waste directed to disposal	—	—	—	—	130.55	
Onsite	—	—	—	—	38.76	
Offsite	—	—	—	—	91.79	
Waste diverted from disposal	—	—	—	—	30.49	
Onsite	—	—	—	—	0.01	
Offsite	—	—	—	—	30.48	

306-3  
306-4  
306-5

## ENVIRONMENTAL PERFORMANCE

*Continued*

	2018	2019	2020	2021	2022	GRI DISCLOSURE
<b>Other Material (thousand metric tons)</b>	—	—	—	—	4.26	306-3 306-4 306-5
Waste directed to disposal	—	—	—	—	0.00	
Onsite	—	—	—	—	0.00	
Offsite	—	—	—	—	0.00	
Waste diverted from disposal	—	—	—	—	4.26	
Onsite	—	—	—	—	0.00	
Offsite	—	—	—	—	4.26	
<b>Universal Waste (thousand metric tons)</b>	—	—	—	—	0.05	
Waste directed to disposal	—	—	—	—	0.05	
Onsite	—	—	—	—	0.00	
Offsite	—	—	—	—	0.05	
Waste diverted from disposal	—	—	—	—	0.01	
Onsite	—	—	—	—	0.00	
Offsite	—	—	—	—	0.01	

## ENVIRONMENTAL PERFORMANCE

*Continued*

	2018	2019	2020	2021	2022	GRI DISCLOSURE
<b>WASTE DISPOSAL METHOD</b>						
Energy Recovery	—	—	—	—	3%	306-3 306-4 306-5
Incineration	—	—	—	—	30%	
Landfill	—	—	—	—	44%	
Other Treatment	—	—	—	—	4%	
Materials Recovery	—	—	—	—	19%	
<b>ENVIRONMENTAL COMPLIANCE</b>						
Total Fines	7	8	9	11	7	2-27
Total Amount <sup>14</sup> (USD)	\$342,961	\$570,761	\$210,829	\$621,048	\$3,572,093	

## ENVIRONMENTAL PERFORMANCE

*Continued*

1. Energy consumption totals are reported on an equity basis and represent wholly owned operations and the equity stake for facilities where CPChem has only partial equity ownership, with the exception of Performance Pipe, AmSty and owner operations in Borger, Texas. Energy consumption in 2018–2021 has been updated to correct a calculation error discovered in previously reported data. Reported electricity consumption represents a mix of renewable and non-renewable sources. CPChem currently procures electricity from local utility grids and cogeneration facilities and does not currently procure or generate electricity directly from renewable sources, outside of those supplied to local utility grids. CPChem is working to source more renewable energy for its energy needs. Energy consumption excludes fuels used in company vehicles and in small equipment like temporary generators. Reported electricity consumption represents a mix of renewable and non-renewable sources. CPChem currently procures electricity from local utility grids and cogeneration facilities and does not currently procure or generate electricity directly from renewable sources, outside of those supplied to local utility grids.
2. Energy index compares a facility's performance to a baseline year. A majority of our facilities use 2008 as a baseline year.
3. Energy intensity is reported on an operated basis and represents 100% stake for wholly owned and joint venture operations which are operated by CPChem, with the exception of Performance Pipe.
4. Water intake, discharge and consumption totals are reported on an equity basis and represent wholly owned operations and the equity stake for facilities where CPChem has only partial equity ownership, with the exception of AmSty and owner operations in Pascagoula, Mississippi, as well as 100% stake reported for a CPChem-operated joint venture in Baytown, Texas, and a CPChem-operated, owner-held facility in Old Ocean, Texas. Total water consumption represents the difference between water intake and water discharge and includes water lost due to evaporation.
5. Freshwater intake intensity is reported on an operated basis and represents 100% stake for wholly owned and joint venture operations which are operated by CPChem.
6. GHG emissions reported on an equity basis represent wholly owned operations and the equity stake for facilities where CPChem has only partial equity ownership, with the exception of owner operations in Borger, Texas, as well as a 100% stake reported for a CPChem operated owner-held facility in Old Ocean, Texas. Totals are rounded to the nearest hundred thousand metric tons.
7. GHG emissions reported on an operated basis represent 100% stake for wholly owned and joint venture operations which are operated by CPChem. Totals are rounded to the nearest hundred thousand metric tons.
8. GHG emissions intensity is reported on an operated basis and represents 100% stake for wholly owned and joint venture operations which are operated by CPChem. GHG Intensity is the ratio of the greenhouse gases emitted (pounds of CO<sub>2</sub>e) divided by the products produced (pounds of product). The emissions intensity calculation includes CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O and HFCs represented in CO<sub>2</sub> equivalents based on the GWP factors from IPCC Assessment Report 5. Production data used for the GHG emissions intensity calculation includes all NAICS 325 products including intra-company transfers of products with inherent market value and excluding any waste or recycled materials. Facility production data represents production from all assets included in our operated GHG inventory.
9. A reportable emissions event includes air, water or land releases above the Reportable Quantity, exceedance of a water discharge limit (permit and regulatory), and emissions events as defined in local regulations or permit conditions that require immediate agency reporting. Emission events count includes wholly owned operations and operations in the Middle East.
10. Criteria pollutant emissions data is reported on an equity basis and represents wholly owned operations and the equity stake for facilities where CPChem has only partial equity ownership, with the exception of Performance Pipe, AmSty and owner operations in Pascagoula, Mississippi, as well as a 100% stake reported for a CPChem-operated joint venture in Baytown, Texas, and a CPChem-operated, owner-held facility in Old Ocean, Texas. Data from 2018–2021 has been updated to correct a calculation error discovered in previously reported data.
11. Criteria pollutant emissions intensity is reported on an operated basis and represents 100% stake for wholly owned and joint venture operations which are operated by CPChem, with the exception of Performance Pipe. Data from 2018–2021 has been updated to correct a calculation error discovered in previously reported data.
12. Waste totals are reported on an equity basis and represents wholly owned operations and the equity stake for facilities where CPChem has only partial equity ownership, with the exception of AmSty and owner operations in Pascagoula, Mississippi and Borger, Texas, as well as a 100% stake reported for a CPChem operated joint venture in Baytown, Texas, and a CPChem-operated, owner-held facility in Old Ocean, Texas. Data for previous years was not included due to amendments in CPChem's waste data collection to include onsite waste management, treatment and disposal, as well as recycled, recovered, universal and other wastes. Waste directed to disposal includes landfill, incineration, energy recovery and other treatment methods. Waste diverted from disposal includes materials recovery.
13. Hazardous waste data represents waste defined as hazardous using location-specific definitions.
14. Dollars do not directly reflect prior years' performance due to the variability and timing in how TCEQ processes penalties. The total amount of fines paid in 2022 related to environmental compliance includes a \$3.4MM penalty associated with a settlement between three CPChem facilities in Texas and the United States Environmental Protection Agency (EPA) as part of EPA's flaring initiative.

## Social Performance

	2018	2019	2020	2021	2022
<b>EMPLOYEES</b>					
<b>Total Employees at Year End</b>	4,730	4,805	4,715	4,760	4,968
<b>HEADCOUNT BY REGION</b>					
<b>North America</b>	4,193	4,247	4,207	4,254	4,414
Female	20%	20%	20%	20%	21%
Male	80%	80%	80%	80%	79%
<b>Europe</b>	285	305	306	322	337
Female	27%	28%	29%	30%	29%
Male	73%	72%	71%	70%	71%
<b>Asia Pacific</b>	161	177	151	136	163
Female	56%	49%	54%	53%	50%
Male	44%	51%	46%	47%	50%
<b>Middle East</b>	91	76	51	48	54
Female	5%	8%	10%	10%	9%
Male	95%	92%	90%	90%	91%

GRI DISCLOSURE

2-7  
2-8



## SOCIAL PERFORMANCE

*Continued*

	2018	2019	2020	2021	2022	GRI DISCLOSURE
<b>REPRESENTED EMPLOYEES BY REGION<sup>1</sup></b>						
<b>North America</b>	565	585	557	569	584	2-7 2-8
Female	11%	12%	11%	11%	10%	
Male	89%	88%	89%	89%	90%	
<b>EMPLOYMENT</b>						
<b>New Employees</b>	362	417	252	469	691	401-1
<b>Attrition Rate</b>	9.0%	6.9%	6.9%	9.1%	9.7%	
<b>Voluntary Attrition Rate (less retirements)</b>	4.9%	3.7%	2.6%	3.8%	4.60%	
<b>PARENTAL LEAVE UTILIZATION<sup>2</sup></b>						
<b>Total Employees</b>	—	—	176	183	207	401-3
Female	—	—	27	37	30	
Male	—	—	148	145	177	
Undisclosed gender	—	—	1	1	0	
<b>Return to Work Rate<sup>1</sup> (resumed role for &gt;12 months)</b>	—	—	95%	95%	—	
Female	—	—	100%	95%	—	
Male	—	—	95%	94%	—	

## SOCIAL PERFORMANCE

Continued

	2018	2019	2020	2021	2022	GRI DISCLOSURE
<b>OCCUPATIONAL HEALTH &amp; SAFETY</b>						
<b>Recordable Incidence Rate<sup>3</sup> (recordable injuries x 200,000/hrs.)</b>	0.10	0.15	0.05 (0.18)	0.10 (0.21)	0.12	403-9 403-10
Combined Employee & Contractor Recordable Incidence Rate (excluding major capital projects)	0.11	0.15	0.05 (0.18)	0.10 (0.21)	0.12	
Employee Recordable Incidence Rate (excluding major capital projects)	0.08	0.07	0.05 (0.31)	0.09 (0.31)	0.11	
Contractor Recordable Incidence Rate (excluding major capital projects)	0.13	0.24	0.05 (0.06)	0.10 (0.00)	0.12	
Major Capital Projects Recordable Incidence Rate	0	0	0	0	0.18	
Fatalities	0	0	0	0	0	
<b>Work-related Injuries Count</b>	19	26	9	17	29	403-9
Employee Work-related Injuries (excluding major capital projects)	7	5	4	8	10	
Contractor Work-related Injuries (excluding major capital projects)	12	21	5	9	17	
Major Capital Projects Work-related Injuries	0	0	0	0	2	
Fatalities	0	0	0	0	0	
<b>Work-related Ill Health Count</b>	0	1	0 (23)	0 (19)	1	403-10
Employee Work-related Ill Health (excluding major capital projects)	0	1	0 (22)	0 (19)	0	
Contractor Work-related Ill Health (excluding major capital projects)	0	0	0 (1)	0	1	
Major Capital Projects Work-related Ill Health	0	0	0	0	0	
Fatalities	0	0	0	0	0	

SOCIAL PERFORMANCE

Continued

	2018	2019	2020	2021	2022	GRI DISCLOSURE
<b>PROCESS SAFETY</b>						
Tier 1 & Tier 2 Process Safety Event Rate <sup>4</sup> (events/hrs x 200,000)	0.05	0.03	0.04	0.07	0.03	
Tier 1 Process Safety Severity Rate <sup>5</sup>	0.04	0.00	0.07	0.11	0.00	
Industry Tier 1 PSESR per API	0.23	0.26	0.18	0.28	0.25	
Tier 3 >10% of Tier 2 Quantity Threshold	0.35	0.31	0.38	0.37	0.36	
<b>EMPLOYEE TRAINING<sup>6</sup></b>						
Total Training Hours (virtual & classroom)	—	236,799	265,313	251,090	317,062	404-1
Training Hours per Employee	—	49.3	56.3	52.7	63.8	
<b>U.S. EMPLOYEE DIVERSITY<sup>7</sup></b>						
American Indian/Alaskan Native	1%	2%	2%	2%	2%	405-1
Asian	5%	5%	5%	5%	6%	
Black or African American	9%	9%	9%	9%	9%	
Hispanic or Latino	12%	14%	15%	15%	16%	
Hawaiian or Other Pacific Islander	0%	0%	0%	0%	0%	
Two-or-more Races	1%	1%	1%	1%	2%	

SOCIAL PERFORMANCE

Continued

	2018	2019	2020	2021	2022
<b>U.S. MANAGER DIVERSITY<sup>8</sup></b>					
American Indian/Alaskan Native	1%	1%	1%	1%	1%
Asian	4%	5%	5%	6%	6%
Black or African American	6%	5%	5%	7%	7%
Hispanic or Latino	8%	9%	10%	10%	11%
Hawaiian or Other Pacific Islander	0%	0%	0%	0%	0%
Two-or-more Races	1%	1%	2%	2%	2%
<b>U.S. SENIOR LEADERSHIP DIVERSITY<sup>8</sup></b>					
American Indian/Alaskan Native	2%	2%	2%	1%	1%
Asian	4%	5%	5%	6%	6%
Black or African American	3%	3%	2%	4%	4%
Hispanic or Latino	5%	4%	4%	6%	7%
Hawaiian or Other Pacific Islander	0%	0%	0%	0%	0%
Two-or-more Races	1%	1%	2%	1%	1%

GRI DISCLOSURE

405-1

## SOCIAL PERFORMANCE

*Continued*

	2018	2019	2020	2021	2022	GRI DISCLOSURE
<b>WOMEN AT CPCHEM</b>						
Percent Women among Total Employees	21%	21%	21%	22%	22%	405-1
Percent Women as Managers	20%	20%	21%	21%	22%	
Percent Women in Senior Leadership	14%	16%	17%	18%	20%	
<b>GENERATIONS AT CPCHEM</b>						
Baby Boomers (1946–1963) Ages 59–76	25%	22%	19%	15%	11%	405-1
Generation X (1964–1978) Ages 44–58	42%	43%	44%	44%	44%	
Generation Y (1979–1994) Ages 28–43	32%	33%	34%	37%	39%	
Generation Z (1995 & later) Ages 27 & Younger	1%	2%	3%	4%	6%	
<b>VOLUNTEERING</b>						
Total Employee Volunteer Hours	—	—	—	—	4,533.5	203 / 413

## SOCIAL PERFORMANCE

*Continued*

	2018	2019	2020	2021	2022
<b>SUPPLIER DIVERSITY (million dollars, USD)</b>					
<b>Prime Suppliers Spend</b>	—	—	—	—	164.96
Minority Business Enterprise (MBE)	—	—	—	—	26.73
Women Business Enterprise (WBE)	—	—	—	—	32.07
Veteran-Owned Business (VET)	—	—	—	—	6.54
Historically Underutilized Business Zones (HUBZone)	—	—	—	—	0.08
Small Business Enterprise (SBE)	—	—	—	—	99.54
<b>Tier 2 Suppliers Spend</b>	—	—	—	—	19.91
Minority Business Enterprise (MBE)	—	—	—	—	1.78
Women Business Enterprise (WBE)	—	—	—	—	16.55
Veteran-Owned Business (VET)	—	—	—	—	1.17
Historically Underutilized Business Zones (HUBZone)	—	—	—	—	0.02
Small Business Enterprise (SBE)	—	—	—	—	0.39
<b>Total Diverse &amp; Small Suppliers Spend</b>	—	—	—	—	184.86
Minority Business Enterprise (MBE)	—	—	—	—	28.50
Women Business Enterprise (WBE)	—	—	—	—	48.61
Veteran-Owned Business (VET)	—	—	—	—	7.71
Historically Underutilized Business Zones (HUBZone)	—	—	—	—	0.10
Small Business Enterprise (SBE)	—	—	—	—	99.93

## SOCIAL PERFORMANCE

### *Continued*

1. Represented employees outside the U.S. are not included due to international privacy laws.
2. 2019 was the first full year of CPChem's parental leave policy, and data prior to 2020 is not included in the Performance Data Tables. 2020 and 2021 figures have been updated to correct a calculation error discovered in 2022.
3. TRIR is the number of recordable injuries multiplied by 200,000, then divided by the total number of hours worked in a year. Data within parentheses indicate rates inclusive of confirmed work-related COVID-19 illnesses.
4. Total Tier 1 and Tier 2 events divided by work hours, multiplied by 200,000.
5. Tier 1 process safety events are ranked 1–4 based on severity. Tier 1 PSE Severity Rate =  $[(\# \text{ of Level 4 ratings} \times 1) + (\# \text{ of Level 3 ratings} \times 3) + (\# \text{ of Level 2 ratings} \times 9) + (\# \text{ of Level 1 ratings} \times 27)] / [\text{Total Process Safety Work Hours} \times 200,000]$  where a Level 4 incident is the least significant Tier 1 event.
6. 2019 data only includes virtual training and does not include classroom training. 2020 data only includes figures from the months of April through December for classroom trainings due to changes in tracking these courses. This disclosure does not include hours for any external trainings taken by employees and paid for by the company.
7. CPChem employees are not required to disclose certain information related to diversity. Reported figures represent the number of employees who voluntarily self-identified with one or more of the listed groups. Previous data has been restated to reflect minor rounding adjustments ( $\leq 2\%$ ). "Manager" is defined as a supervisor of at least one employee. "Senior Leadership" is defined at a certain salary grade within the organization.

## Financial Performance

	2018	2019	2020	2021	2022	GRI DISCLOSURE
<b>Annual Sales &amp; Other Operating Revenues</b>	11,310	9,333	8,407	14,104	14,180	2-6
<b>Total Liabilities</b>	4,173	4,421	4,774	5,014	5,087	
<b>Total Members' Equity</b>	12,437	12,447	12,252	12,763	13,569	
<b>Net Income</b>	2,069	1,760	1,260	3,684	1,662	
<b>Current Assets</b>	2,820	2,554	2,816	3,381	3,472	
<b>Total Assets</b>	16,610	16,868	17,026	17,777	18,656	
<b>Current Liabilities (excluding debt)</b>	1,281	1,247	1,394	1,853	2,146	201-1
<b>Debt-to-capital Ratio</b>	16%	16%	16%	16%	15%	
<b>Total Revenues &amp; Other Income</b>	11,696	9,443	8,266	14,403	14,274	
<b>Capital Spend</b>	553	795	525	726	1,534	
<b>Community Investment</b>	2.60	6.00	6.97	6.07	6.15	

Reported in millions of dollars (USD).



## Global Reporting Initiative Index

CPChem's 2022 Sustainability Report, *Positioned to Perform*, was prepared in accordance with the 2021 GRI Standards. The GRI Content Index is intended to supplement the information provided throughout the report.

### General Disclosures

GRI DISCLOSURE	DISCLOSURE DESCRIPTION	CPCHEM RESPONSE
<b>THE ORGANIZATION AND ITS REPORTING PRACTICES (GRI Reference Year 2021)</b>		
2-1	Organizational details	<a href="#">About this Report</a> <a href="#">Company History</a> <a href="#">CPChem at a Glance</a> <a href="#">Locations</a>
2-2	Entities included in the organization's sustainability reporting	<p>The 2022 Sustainability Report includes information on CPChem's wholly owned operations and joint venture operations where CPChem employees participate in the corporate governance and/or operations of the facilities. See <a href="#">CPChem at a Glance</a> for a list of facilities.</p> <p>CPChem is a privately held company and does not make its financial statements available to the general public. However, the following entities are material to CPChem's consolidated financial statements as of December 31, 2022:</p> <ul style="list-style-type: none"> <li>• Americas Styrenics LLC</li> <li>• Chevron Phillips Chemical Company LP</li> <li>• Chevron Phillips Chemicals Int'l N.V.</li> <li>• Chevron Phillips Singapore Chemicals (Private) Limited</li> <li>• Gulf Polymers Distribution Company FZCO</li> <li>• Jubail Chevron Phillips Company</li> <li>• Qatar Chemical Company Ltd.</li> <li>• Qatar Chemical Company II Ltd.</li> <li>• Ras Laffan Olefins Company</li> <li>• Saudi Chevron Phillips Company</li> <li>• Saudi Polymers Company</li> <li>• Six Pines Investments LLC</li> <li>• SouthTex 66 Pipeline Co, Ltd.</li> </ul>
2-3	Reporting period, frequency and contact point	<p>CPChem is a private company and does not publish a detailed financial report. Learn more <a href="#">About this Report</a> or contact <a href="mailto:sustainability@cpchem.com">sustainability@cpchem.com</a>.</p>

## GLOBAL REPORTING INITIATIVE INDEX

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GRI DISCLOSURE	DISCLOSURE DESCRIPTION	CPCHEM RESPONSE
2-4	Restatements of information	Restatements of information will be specified in each section as appropriate. Restatements on data will be noted in the <a href="#">Performance Data Tables</a> .
2-5	External assurance	View our <a href="#">limited assurance statement</a> and learn more about seeking external assurance at <a href="#">About this Report</a> .
<b>ACTIVITIES AND WORKERS (GRI reference year 2021)</b>		
2-6	Activities and workers	<a href="#">Accelerating Change &amp; Looking Ahead</a> <a href="#">CPChem at a Glance</a> <a href="#">Industries We Serve</a> <a href="#">Markets Served</a>
2-7	Employees	Information on full-time and represented CPChem employees is provided in the <a href="#">Social Performance Data Tables</a> of the 2022 Sustainability Report. The percentage of part-time and temporary employees is less than one percent.
2-8	Workers who are not employees	CPChem employs contractors to assist with non-core business functions. There were no significant variations in the total number of employees during 2022. We do not have access to or publish the gender data of represented employees outside the U.S. due to the confidential nature of this information.
<b>GOVERNANCE (GRI reference year 2021)</b>		
2-9	Governance structure and composition	<a href="#">Governance and Leadership</a>
2-10	Nomination and selection of the highest governance body	<a href="#">Governance and Leadership</a>  CPChem's Sustainability Executive Steering Team (EST) is made up of Executive Leadership Team members who meet regularly. CPChem is a private company and our senior leaders make up our highest governing body.
2-11	Chair of the highest governance body	<a href="#">Governance and Leadership</a>

## GLOBAL REPORTING INITIATIVE INDEX

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GRI DISCLOSURE	DISCLOSURE DESCRIPTION	CPCHEM RESPONSE
2-12	Role of the highest governance body in overseeing the management of impacts	<a href="#">Governance and Leadership</a>
2-13	Delegation of responsibility for managing impacts	<a href="#">Governance and Leadership</a>
2-14	Role of the highest governance body in sustainability reporting	<a href="#">Governance and Leadership</a>
2-15	Conflicts of interest	<a href="#">Governance and Leadership</a> <a href="#">Social Responsibility</a>
2-16	Communication of critical concerns	<a href="#">Governance and Leadership</a> <a href="#">Social Responsibility</a>
2-17	Collective knowledge of the highest governance body	<a href="#">Governance and Leadership</a>
2-18	Evaluation of the performance of the highest governance body	<a href="#">Developing Tomorrow's Leaders</a> Senior leaders and all employees receive performance evaluations which include sustainability objectives.
2-19	Remuneration policies	We are a privately held company and do not disclose this information.
2-20	Process to determine remuneration	<a href="#">A Rewarding Experience</a> <a href="#">Developing Tomorrow's Leaders</a>
2-21	Annual total compensation ratio	We are a privately held company and do not disclose this information.
<b>STRATEGIES, POLICIES AND PRACTICES (GRI reference year 2021)</b>		
2-22	Statement on sustainable development strategy	<a href="#">Letter from the CEO</a>
2-23	Policy commitments	<a href="#">Social Responsibility</a> <a href="#">Statement of Principles</a>
2-24	Embedding policy commitments	<a href="#">Governance and Leadership</a>

## GLOBAL REPORTING INITIATIVE INDEX

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GRI DISCLOSURE	DISCLOSURE DESCRIPTION	CPCHEM RESPONSE
2-25	Processes to remediate negative impacts	<a href="#">Ethics and Compliance</a>
2-26	Mechanisms for seeking advice and raising concerns	<a href="#">Ethics and Compliance</a>
2-27	Compliance with laws and regulations	We operate in accordance with relevant laws and regulations applicable to us concerning labor, employment, the environment, health and safety. Our OE System includes expectations and requirements to meet compliance with environmental, health, safety and security laws, regulations and internal policies. Facilities, corporate groups, product lines and administrative offices are required to complete annual self-audits and are subject to regular corporate and third-party audits to meet compliance with the standards outlined in our OE System.
2-28	Membership associations	<a href="#">Tackling Plastic Waste</a>
<b>STAKEHOLDER ENGAGEMENT (GRI reference year 2021)</b>		
2-29	Approach to stakeholder engagement	<a href="#">Key Topics and Stakeholder Engagement</a> <a href="#">Sustainability Overview</a>
2-30	Collective bargaining agreements	<a href="#">Social Performance Data Tables</a>

## GLOBAL REPORTING INITIATIVE INDEX

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### Material Topics

GRI DISCLOSURE	DISCLOSURE DESCRIPTION	CPCHEM RESPONSE
<b>DISCLOSURES ON MATERIAL TOPICS (GRI reference year 2021)</b>		
3-1	Process to determine material topics	<a href="#">Key Topics and Stakeholder Engagement Sustainability Overview</a>
3-2	List of material topics	<a href="#">About this Report</a> <a href="#">Key Topics and Stakeholder Engagement Sustainability Overview</a>
3-3	Management of material topics	<a href="#">Key Topics and Stakeholder Engagement Sustainability Overview</a>

## GLOBAL REPORTING INITIATIVE INDEX

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### Economic Disclosures

GRI DISCLOSURE	DISCLOSURE DESCRIPTION	CPCHEM RESPONSE
<b>201 ECONOMIC DISCLOSURES (GRI reference year 2016)</b>		
201-M	Management Approach	CPChem is a privately held company and does not produce a Form 10-K.
201-1	Direct economic value generated and distributed	CPChem is a privately held company and does not make its financial statements public. Select financial information is provided in the <a href="#">Financial Performance Data Tables</a> and available publicly on our external website, <a href="#">Financials</a> .
201-2	Financial implications and other risks and opportunities due to climate change	<a href="#">Climate Action</a> <a href="#">Climate Risk Report</a>
<b>203 INDIRECT ECONOMIC IMPACTS (GRI reference year 2016)</b>		
203-M	Management Approach	<a href="#">Caring for Our Communities</a>
203-1	Infrastructure investments and services supported	<a href="#">Caring for Our Communities</a>
203-2	Significant indirect economic impacts	<a href="#">Caring for Our Communities</a>
<b>205 ANTI-CORRUPTION (GRI reference year 2016)</b>		
205-M	Management Approach	<a href="#">Ethics and Compliance</a>
205-1	Operations assessed for risks related to corruption	<a href="#">Ethics and Compliance</a>
205-2	Communication and training about anti-corruption policies and procedures	<a href="#">Ethics and Compliance</a>

## GLOBAL REPORTING INITIATIVE INDEX

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### Environmental Disclosures

GRI DISCLOSURE	DISCLOSURE DESCRIPTION	CPCHEM RESPONSE
<b>301 MATERIALS (GRI reference year 2016)</b>		
301-M	Management Approach	<a href="#">A Second Act for Plastics</a>
301-2	Recycled input materials used	<a href="#">A Second Act for Plastics</a>
<b>302 ENERGY (GRI reference year 2016)</b>		
302-M	Management Approach	<a href="#">Energy</a>
302-1	Energy consumption within the organization	<a href="#">Energy</a> <a href="#">Environmental Performance Data Tables</a>
302-3	Energy intensity	<a href="#">Energy</a> <a href="#">Environmental Performance Data Tables</a>
302-4	Reduction of energy consumption	<a href="#">Energy</a> <a href="#">Environmental Performance Data Tables</a>
<b>303 WATER AND EFFLUENTS (GRI reference year 2018)</b>		
303-M	Management Approach	<a href="#">Water</a>
303-1	Interactions with water as a shared resource	<a href="#">Water</a>
303-2	Management of water discharge-related impacts	<a href="#">Water</a>
303-3	Water withdrawal	<a href="#">Environmental Performance Data Tables</a> <a href="#">Water</a>

## GLOBAL REPORTING INITIATIVE INDEX

*Continued*

GRI DISCLOSURE	DISCLOSURE DESCRIPTION	CPCHEM RESPONSE
303-4	Water discharge	<a href="#">Environmental Performance Data Tables</a> <a href="#">Water</a>
303-5	Water consumption	<a href="#">Environmental Performance Data Tables</a> <a href="#">Water</a>
<b>305 EMISSIONS (GRI reference year 2016)</b>		
305-M	Management Approach	<a href="#">Climate Action</a>
305-1	Direct (Scope 1) GHG emissions	<a href="#">Emissions</a> <a href="#">Environmental Performance Data Tables</a>
305-2	Energy indirect (Scope 2) GHG emissions	<a href="#">Emissions</a> <a href="#">Environmental Performance Data Tables</a>
305-3	Other indirect (Scope 3) GHG emissions	<a href="#">Emissions</a>  CPChem does not currently publish Scope 3 emissions data. In 2021, the company conducted a Scope 3 screening aligned with the GHG Protocol to identify Scope 3 emissions categories materially relevant to CPChem. We are actively working to develop our approach to track, report and comprehensively evaluate our Scope 3 emissions within our climate action programs, and we intend to report this data in the future.
305-4	GHG emissions intensity	<a href="#">Emissions</a> <a href="#">Environmental Performance Data Tables</a>
305-5	Reduction of GHG emissions	<a href="#">Climate Action</a> <a href="#">Emissions</a> <a href="#">Environmental Performance Data Tables</a>
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	<a href="#">Criteria Pollutant Emissions</a>



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GRI DISCLOSURE	DISCLOSURE DESCRIPTION	CPCHEM RESPONSE
<b>306 WASTE (GRI reference year 2020)</b>		
<b>306-M</b>	Management Approach	<a href="#">Waste</a>
<b>306-1</b>	Waste generation and significant waste-related impacts	<a href="#">Waste</a>
<b>306-2</b>	Management of significant waste-related impacts	<a href="#">A Second Act for Plastics</a>
<b>306-3</b>	Waste generated	<a href="#">Environmental Performance Data Tables</a> <a href="#">Waste</a>
<b>306-4</b>	Waste diverted from disposal	<a href="#">Environmental Performance Data Tables</a> <a href="#">Waste</a>
<b>306-5</b>	Waste directed to disposal	<a href="#">Environmental Performance Data Tables</a> <a href="#">Waste</a>
<b>308 SUPPLIER ENVIRONMENTAL ASSESSMENT (GRI reference year 2016)</b>		
<b>308-M</b>	Management Approach	<a href="#">Supplier Diversity and Responsible Sourcing</a>
<b>308-1</b>	New suppliers that were screened using environmental criteria	<a href="#">Social Performance Data Tables</a> <a href="#">Supplier Diversity and Responsible Sourcing</a>

## GLOBAL REPORTING INITIATIVE INDEX

Continued

### Social Disclosures

GRI DISCLOSURE	DISCLOSURE DESCRIPTION	CPCHEM RESPONSE
<b>401 EMPLOYMENT (GRI reference year 2016)</b>		
401-M	Management Approach	<a href="#">Many Perspectives. Greater Possibilities.</a>
401-1	New employee hires and employee turnover	<a href="#">Social Performance Data Tables</a> To protect employee privacy, we do not disclose gender, age and location information related to turnover or new hires. We will reevaluate this disclosure when planning future reports.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	<a href="#">Many Perspectives. Greater Possibilities.</a>
401-3	Parental leave	<a href="#">Social Performance Data Tables</a>
<b>403 OCCUPATIONAL HEALTH AND SAFETY (GRI reference year 2018)</b>		
403-M	Management Approach	<a href="#">Health &amp; Safety</a>
403-1	Occupational health and safety management system	<a href="#">Health &amp; Safety</a>
403-2	Hazard identification, risk assessment, and incident investigation	<a href="#">Health &amp; Safety</a>
403-3	Occupational health services	<a href="#">Health &amp; Safety</a>
403-4	Worker participation, consultation, and communication on occupational health and safety	<a href="#">Health &amp; Safety</a>
403-5	Worker training on occupational health and safety	<a href="#">Health &amp; Safety</a>
403-6	Promotion of worker health	<a href="#">Health &amp; Safety</a>

## GLOBAL REPORTING INITIATIVE INDEX

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GRI DISCLOSURE	DISCLOSURE DESCRIPTION	CPCHEM RESPONSE
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<a href="#">Health &amp; Safety</a>
403-8	Workers covered by an occupational health and safety management system	<a href="#">Health &amp; Safety</a>
403-9	Work-related injuries	<a href="#">Social Performance Data Tables</a>
403-10	Work-related Ill-Health	<a href="#">Social Performance Data Tables</a>
<b>404 TRAINING AND EDUCATION (GRI reference year 2016)</b>		
404-M	Management Approach	<a href="#">Many Perspectives. Greater Possibilities.</a>
404-1	Average hours of training per year per employee	<a href="#">Social Performance Data Tables</a> This disclosure does not include hours for any external trainings taken by employees and paid for by the company. Job function is the primary driver when assigning employee training material. CPChem training data is not tracked or categorized by gender or similar diversity metrics. CPChem works to maintain a well-trained workforce regardless of age, gender and race.
404-3	Percentage of employees receiving regular performance and career development reviews	All employees are required to receive regular performance reviews regardless of gender or job category.
<b>405 DIVERSITY AND EQUAL OPPORTUNITY (GRI reference year 2016)</b>		
405-M	Management Approach	<a href="#">Diversity, Equity &amp; Inclusion</a>
405-1	Diversity of governance bodies and employees	<a href="#">Social Performance Data Tables</a> CPChem is a private company and its senior leaders are the main governing body for sustainability. In the U.S., senior leader diversity data includes ethnicity and gender. Outside of the U.S., senior leader diversity data includes gender.

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GRI DISCLOSURE	DISCLOSURE DESCRIPTION	CPCHEM RESPONSE
<b>413 LOCAL COMMUNITIES (GRI reference year 2016)</b>		
<b>413-M</b>	Management Approach	<a href="#">Caring for Our Communities</a>
<b>413-1</b>	Operations with local community engagement, impact assessments, and development programs	<a href="#">Caring for Our Communities</a> CPChem engages local communities at its manufacturing sites via Community Advisory Panels, impact assessments and development programs.
<b>414 SUPPLIER SOCIAL ASSESSMENT (GRI reference year 2016)</b>		
<b>414-M</b>	Management Approach	<a href="#">Supplier Diversity</a>
<b>414-1</b>	New suppliers that were screened using social criteria	<a href="#">Supplier Diversity</a>
<b>416 CUSTOMER HEALTH AND SAFETY (GRI reference year 2016)</b>		
<b>416-M</b>	Management Approach	<a href="#">Product Stewardship</a>
<b>416-1</b>	Assessment of the health and safety impacts of product and service categories	<a href="#">Product Stewardship</a>



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