Synthomer ESG Data Pack

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Synthomer‘s ESG approach

As a speciality chemicals company, we recognise the role we must play in meeting society’s expectations for a more sustainable future, which is why in 2020 we announced our commitment to reach net zero by 2050.

We’ve since launched our Vision 2030 roadmap as our starting point for realising that commitment. This roadmap sets out a series of sustainability targets, aligned with the UN’s Sustainability Development Goals, and reflects the issues we know matter most to our stakeholders.

Many of these targets are underpinned by short-term objectives, so that we can track and report progress over the coming decade.

This data pack contains detailed information of Synthomer’s ESG continuous progress.

2. Environment [1]

Climate action

Climate Action - GHG and non GHG emissions to the air [2]	Unit	2021	2020	2019	Target
GHG emissions to the air [3,4,5,6]					
Total GHG emissions - Scope 1&2 [2,5,6]	ktes CO_2e	275	379	412	
Direct GHG emissions - Scope 1	ktes CO_2e	211	201	199	
Indirect GHG emissions - Scope 2 (Hybrid approach) [5,6]	ktes CO_2e	63.4	178	213	
Indirect GHG emissions - Scope 2 (Market based)	ktes CO_2e	69.9	183	227	
Indirect GHG emissions - Scope 2 (Location based)	ktes CO_2e	211	222	226	
GHG emissions by source					
GHG emissions from energy [3,4]	ktes CO_2e	270	374	404	
GHG emissions from refrigerant releases [7]	ktes CO_2e	5.02	4.89	8.47	
Scope 1&2 emissions intensity in relation to production	tonnes CO_2e / tonne	0.153	0.216	0.232	20% reduction by 2022 40% reduction by 2030 baseline year 2019
Non GHG emissions to the air					
Sulphur dioxide	tonnes	122	132	126	
Nitrous oxides [8]	tonnes	240	236	207	
Volatile organic compounds (VOCs) [9]	tonnes	595	505	515	

Please check our Scope 1 & 2 verification statement

Notes on methodology for Emissions and Energy metric reporting can be found on page 15

Climate action

Indirect GHG Scope 3 emissions	Unit	2021	2020	2019	Target
Total Scope 3 GHG emissions	ktes CO_2e	2,319	---	2,568 *	
Scope 3 GHG emissions from trade business	ktes CO_2e	44.96	---	327.2	
Scope 3 emissions intensity in relation to production	tonnes CO_2e / tonne	1,293	---	1,445	10% reduction by 2030 baseline year 2019

** The 2021 Scope 3 emissions assessment exercise increased the level of scrutiny of the analysis of the15 categories and increased the reporting standards, which were then applied retrospectively to 2019, resulting in a like for like figure of 2,568 tonnes of* CO2e in 2019 vs the previous reported 3,322 *tonnes of* CO2e.

For more details on the methodology, please check our Scope 3 emissions report.

Energy

Energy Consumption [1]	Unit	2021	2020	2019	Target
Total energy consumption	TJ	5,662	5,410	5,467	
Energy intensity in relation to production sales volume	GJ/tonne	3.16	3.09	3.08	5% reduction by 2022 baseline year 2019
Energy consumption by source					
Gas	TJ	2,575	2,423	2,479	
Light and Heavy oils	TJ	26.30	26.36	30.35	
Steam and hot water (metered)	TJ	892	838	934	
Electricity	TJ	1,419	1,427	1,421	
Coal	TJ	750	696	603	
Energy from renewable sources	TJ	1,261	427	145	
Total share of energy from renewables	%	22	8	3	
Total share of electricity from renewables	%	90	31	10	80% by 2030 baseline year 2019
Share of energy by region from renewables					
EMEA	%	15	12	4	
Asia	%	45	0	0	
US	%	25	2	0	
Projects related to energy efficiency	nr projects	59	55	46	Delivering, implemented or planned for year in question

Notes on methodology for Emissions and Energy metric reporting can be found on page 15

Water management

Water management	Unit	2021	2020	2019	Target
Total water withdrawal	k m³	7,862	7,241	7,178	
Water withdrawal intensity in relation to production sales volume	m³/tonne	4.39	4.13	4.04	
Water withdrawal by region					
EMEA	k m³	5,945	5,352	5,252	
Asia	k m³	1,128	1,184	1,049	
US	k m³	790	705	877	
Total water withdrawal in water-stressed areas*	k m³	1,830	1,453	1,522	Introduce water management plans in water-stressed areas and highest consumption sites by 2030
Water withdrawal by source					
Public potable supply	k m³	1,713	1,683	1,812	
Raw water from river	k m³	3,357	2,978	2,792	
Raw water from borehole	k m³	1,358	1,172	1,201	
Raw water from canal	k m³	116	107	108	
Raw water from other sources	k m³	1,318	1,301	1,266	
Total water release	k m³	4,470	4,155	4,396	
Total water consumption	k m³	2,125	1,967	1,898	Manage and minimise water consumption at all locations by 2030.
Water consumption intensity in relation to production sales volume	m³/tonne	1.19	1.12	1.07	

*areas of *high* or *extremely high*-water stress according to Aqueduct 3.0

Waste management

Waste management	Unit	2021	2020	2019	Target
Total waste generated	ktes	41.24	38.90	48.22	
Hazardous	ktes	24.11	22.12	23.91	
Non-Hazardous	ktes	17.13	16.78	24.31	
Total waste intensity in relation to production	kg / tonne	23.03	22.21	27.16	
Hazardous waste intensity in relation to production	kg / tonne	13.46	12.63	13.47	
Non-hazardous waste intensity in relation to production	kg / tonne	9.56	9.58	13.70	
Recycled - energy recovery	ktes	7.21	7.72	11.95	
Recycled - separated - reprocessed	ktes	7.90	8.80	8.23	
Incinerated - no energy recovery	ktes	2.76	1.63	1.62	
Disposed by landfill	ktes	11.25	10.45	13.45	12% reduction by 2022 baseline year 2019
Other - municipality	ktes	1.98	1.75	1.87	
Other	ktes	10.14	8.57	11.10	

Board of Directors

Board of Directors	Caroline A Johnstone	Michael Willome	Stephen G Bennett	The Hon Alexander G Catto	Brendan WD Connolly	Cynthia S Dubin	Roberto Gualdoni	Dato' Lee Hau Hian	Holly A Van Deursen
Position	Chair	CEO	CFO	Non-executive director	Senior independent director	Independent non-executive director	Independent non-executive director	Non-executive director	Independent non-executive director
Nationality	British	Swiss	British	British	British	American and British	German and Italian	Malaysian	American
Gender	female	male	male	male	male	female	male	male	female
Starting date	Mar 2015	Nov 2021	May 2015	1981	Jan 2014	Jul 2020	Jul 2021	2002	Sep 2018
Audit Committee *					X	Chair	X		X
Remuneration Committee *					Chair	X	X		X
Nomination Committee *	Chair			X	X	X	X	X	X
Disclosure Committee *	Chair	X	X		X				
Serves in other listed company Boards	1	1	0	0	3	2	0	2	2

[1] Cross X stands for member of the committee

Board diversity, tenure, ownership, pay ratio

Board diversity and tenure	
Gender diversity	
Female	1/3
Male	2/3
Ethnic diversity	
Caucasian	89%
Non-Caucasian	11%
Tenure	
0 – 5 years	44%
5 – 10 years	33%
>10 years	22%

Chief Executive Officer to all employee pay ratio	Method*	2021	2020	2019
25th percentile pay ratio	Option B	54:1	37:1	28:1
Median pay ratio	Option B	44:1	28:1	23:1
75th percentile pay ratio	Option B	31:1	22:1	16:1

**Option B as defined in regulation 17 of the Companies (Miscellaneous Reporting Regulations) 2018. The employees used for the purposes of compiling the table above were identified on a full-time equivalent basis at the pay period during which 5 April 2021 fell. Option B, which involves identifying the employees at the 25th, 50th and 75th percentile from our gender pay gap report, was chosen as the calculation methodology.*

Ownership and control – higher than 10%	Ordinary shares (number)	% of ordinary shares in issue	Nature of holding
Total Issued Share Capital (ISC)	467,336,041		
Kuala Lumpur Kepong Bhd	99,745,012	21.34	Direct interest

4. Social

People

Workforce key facts and diversity	Unit	2021	2020	2019 *	Target
Total headcount		4,632	4,608	2,899 *	
Employees with permanent contract	%	96	~ 100	~ 100 *	
Employees with temporary contract	%	4	0	0 *	
Total employee turnover per month	%	1.21	0.85	0.85 *	
Employees covered by collective bargaining	%	67	67	67 *	
Total new hires	nr	564	327	205 *	
Average training hours per FTE	nr	15	18	23 *	
Workforce gender diversity	%				
Total workforce who are female	%	21	21	21 *	
Board who are female	%	33	33	22 *	
Senior leaders who are female (ML 1)	%	20	17	9 *	25% female senior leaders by 2022 33% female senior leaders by 2025
New hires who are female	%	25	N/A	N/A	50% gender diversity in new hires in leadership, management and professional roles by 2030.
Support Communities					
Total recipients	nr	250+	250+	300+	
Total donations	k £	930	820	1,000+	Provide volunteer support and financial contributions in excess of £1 million a year to advance education, public health, diversity and environmental stewardship

* prior to Omnova acquisition

Health & Safety

Health and Safety	Unit	2021	2020	2019*	Target
Total recordable injury case rate - RCR	per 100,000 hrs**	0.31	0.36	0.20	0.30 by 2022 Top quartile performance by 2030
Total fatalities		0	0	0	
Employees' RCR	per 100,000 hrs	0.33	0.36	0.19	
Employees' fatalities		0	0	0	
Contractors' RCR	per 100,000 hrs	0.23	0.35	0.22	
Contractors' fatalities		0			
Total process safety event rate - PSER	per 100,000 hrs**	0.16	0.10	0.11	0.14 by 2022 Top quartile by 2030
Lost time injury frequency rate	Per 100,000 hrs	0.16	0.26	0.14	
Lost time injury severity rate	per 100,000 hrs	5.5	12.1	6.3	

* data prior to Omnova acquisition
** employees and contractors

Value Chain

Health and Safety	Unit	2021	2020	2019*	Target
Sustainable Procurement					
Procurement spend covered by sustainability rating	%	26	---	---	50% by 2025 80% by 2030
Innovation					
New products with sustainability benefits*	%	43	---	---	60% by 2030

*assessed by our product sustainability scorecard

Please check our Sustainable Procurement Policy and Strategy

Please check our Supplier Code of Conduct

Certifications

Standard	% of certified sites			All certificates available on Synthomer website:
	2021	2020	2019	
ISO 9001:2015	89.7%	90.2%	100.0%	Group multisite certificates: https://www.synthomer.com/aboutus/certifications William Blythe: https://www.synthomer.com/about-us/our-global-locations/accrington-uk/
ISO 14001:2015	71.8%	73.2%	100.0%	
ISO 50001:2018	17.9%	17.0%	24.0%	
ISO 45001 certification	7.7%	9.8%	16.0%	https://www.synthomer.com/locations --> search in "information" section of Filago (Italy), Sant'Albano (Italy), Sokolov (Czechia)
RCMS compliance statement	20.5%	19.5%	0.0%	https://www.synthomer.com/locations --> search in "information" section of US sites
Total number of sites*	39	41	25	

* including all manufacturing sites, pilot sites and distribution centres, excluding Innovation and technical centres

Environmental reporting methodology

1. Environmental performance data covers all manufacturing operations and major offices and technical centres. It excludes all non-trading and office/sales-related subsidiaries and joint ventures.
2. Scope 1 and 2 emissions to air have been calculated from the usage of all fuels, including transport fuel for onsite vehicles, but excluding all other transport fuel. They therefore include both direct emissions related to primary fuels used in the years reported such as coal and natural gas, and indirect emissions related to bought-in electricity, steam, compressed air, cooling water etc. Scope 3 transmission and distribution losses for electricity are not included in the headline numbers.
3. CO_2 equivalent emissions include contributions from CH_4 and N_2O associated with combustion.
4. All direct energy production from fossil fuels has been aggregated on a Group-wide basis and converted to CO_2e by using the appropriate emissions factors. No allowance has been made for possible country to country variation in calorific value or CO_2 emission factors for primary fuels. Electricity has been converted to CO_2e on a country-by-country basis. Scope 2 emissions have been calculated using three different approaches:
    a) Market Base: using market-based emissions factors for electricity from suppliers of standard grid fuel mix tariffs. In cases where suppliers' emissions factors were not available, a residual mix factor was used for the EU sites and Location Base approach for non-EU sites.
    b) Location Base: emissions factors from DEFRA (dataset published in June 2021) were used for UK grid electricity. For overseas grid electricity factors from the relevant IEA (International Energy Authority) 'World CO_2 Emissions from Fuel Combustion' database were used. In accordance with UK Government guidance, factors used for 2021 reporting are based on 2019 validated data.
    c) Hybrid Approach: using Location Base factors except for sites within the Group that purchase renewable energy attribute certificates or have certified green tariffs. Electricity for these locations has been given a CO_2e emissions factor of zero in calculating energy-related emissions totals.

5. The hybrid approach has been used by the Group in previous years to establish its baseline and targets, and is included to allow year to year historical performance comparison.
6. The total Scope 1 and 2 CO_2e figures listed are the totals of the CO_2 equivalent emissions from energy and the refrigerant contribution.
7. Refrigerant gases are aggregated to create a Group total. Each reported release is converted into a CO2e value using the relevant DEFRA GHG factor for the refrigerant in question
8. NOx emissions are predominantly those from combustion processes. The CO_2 equivalent Global Warming Potential contribution from these releases is already included in the CO_2e totals associated with energy consumption.
9. While no longer included in our GHG calculations, VOCs are monitored. They were aggregated on a Group basis and converted to a carbon dioxide equivalent (CO_2e), using a factor of 11 – a figure used by UK CIA member companies since 2005

Our Stallingborough site in the UK draws electricity from an adjacent waste incinerator. But since the waste is both renewable and non-renewable, the site has some associated emissions. In 2021, the emissions from this electricity were 0.438kg CO_2e per kWh, based on our determination of the factors used for the Climate Change Agreement submission.
Differences to the figures in this data pack for previous years compared to those reported in past Annual and Sustainability Reports is based on corrections made following data validation and review. Details are in the Sustainability section of the 2021 Annual Report.

Glossary

CH_4	Methane
CO_2	Carbon Dioxide
CO_2e	Carbon Dioxide equivalent
DEFRA	Department for Environment, Food and rural Affairs
ESG	Environmental, Social and Governance
GHGs	Greenhouse Gases
GJ	Gigajoule
KPIs	Key Performance Indicators
ktes	Kilotonne or 1,000 tonnes (metric)
N_2O	Nitrous Oxide
NED	Non-Executive Director
NOx	Nitrogen Oxides
PSE	Process Safety Events
TJ	Terajoule
VOCs	Volatile Organic Compounds

Safe Harbour Statement

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The Synthomer Group

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GROWTH IN
SPECIALITY CHEMICALS