

2022 Sustainability Report

Advancing
for All





In an effort to reduce the environmental impact, this report is available only as a digital file. Besides reducing paper use and waste, a digital report also allows for easier navigation and interactivity.

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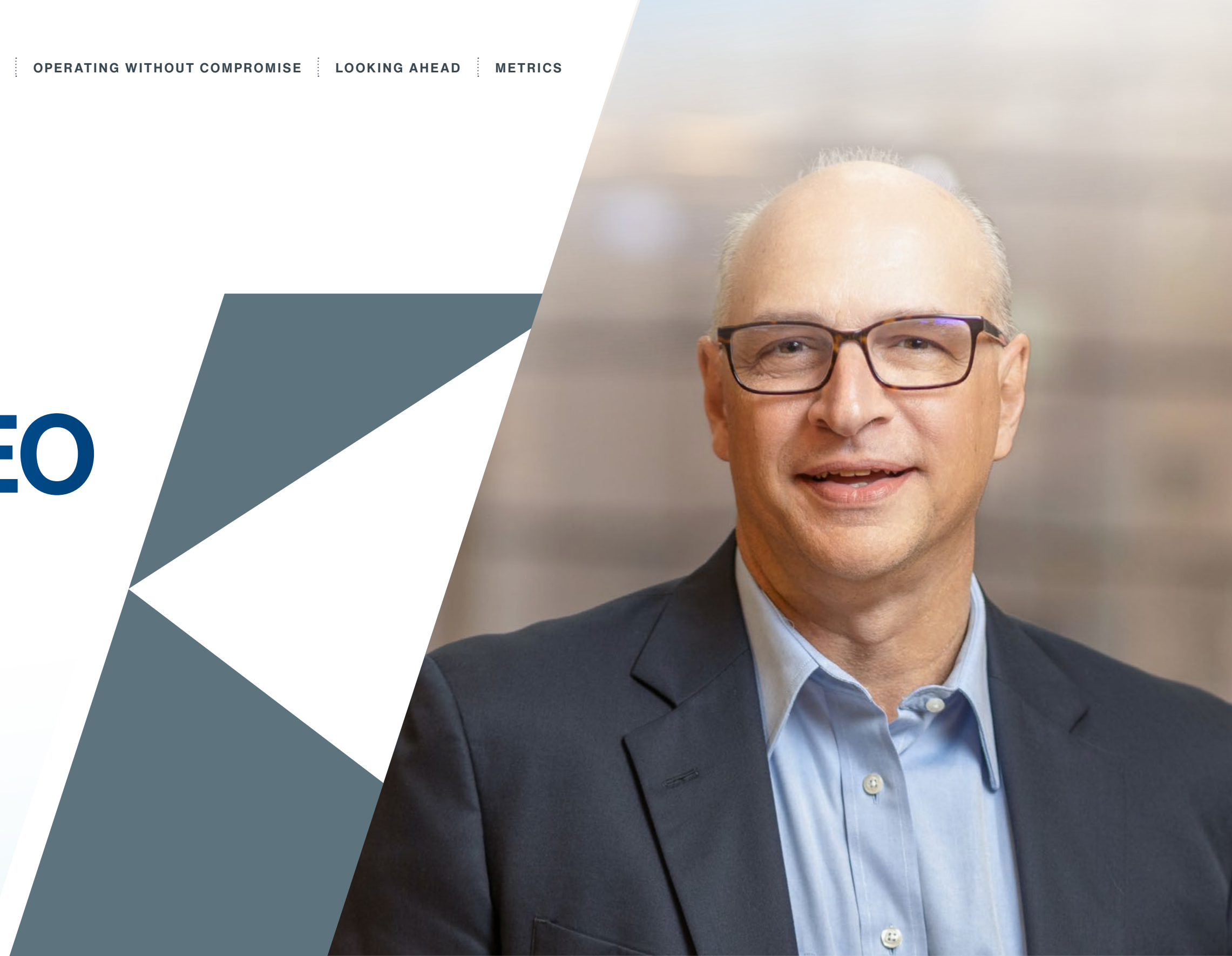


A Message from Our CEO

“For us, sustainability has become an overarching discipline that guides every aspect of our business.”

—

Phil McDivitt
President and Chief Executive Officer





A Message from Our CEO CONTINUED

At Ascend Performance Materials, we think a lot about progress. It's in our value better every day, our company's purpose statement and our embedded continuous improvement program called A2E.

What we know about progress is that there are two fundamental elements: goals and plans to achieve those goals. In terms of sustainability, our evolution on both elements has been dramatic.

While the purpose of a sustainability report is to track progress from one year to the next, I want to take a moment to reflect on the progress we've made from our first report to this report; our fifth.

In 2018, our goal was broad: to become the leader in sustainability for our industry. We had a sense of what we wanted to accomplish, but just the beginnings of a plan to accomplish it.

By our 2019 report, the plan began to take shape and we established the three pillars of our sustainability strategy based on a materiality

We have decided to increase the target from an **80% to a 90% reduction.**

assessment conducted with our stakeholders. Those three pillars, and the focus areas beneath each, gave us a sense of scope beyond environmental issues.

From the beginning, we had a sense that our initial focus should be on reducing greenhouse gas emissions and in our 2020 report we set a concrete goal of an 80% reduction by 2030. It was a lofty goal at the time, but we had a very clear plan to accomplish it. But it was not the only thing we worked on.

In our last report, we debuted nine sustainability targets that span our organization and called it our 2030 Vision. Alongside our 2030 Vision, we also unveiled our sustainability motto Advancing for All. Both the Vision and Advancing for All embed progress in and broaden the scope of our efforts.

The enduring question with progress is, "What's next?" As we approach the half-way point on our emissions goal, we have decided to increase the target from an 80% to a 90% reduction. It's a reflection of the progress we have made and a recognition that sustainability is not a goal in and of itself. For us, sustainability has become an overarching discipline that guides every aspect of our business.

In this report, we hope you will notice the sheer amount of work we have undertaken throughout our company to improve, advance and be better every day.

As always, thank you for your interest in our efforts.

Phil McDivitt

President and Chief Executive Officer

OUR SUSTAINABILITY VISION IS BUILT UPON OUR FIVE VALUES.



One Ascend

All together, with a common set of goals and an eye toward the future.



We Care

We operate safely with high integrity for our employees, our customers and our communities.



Customer-Focused

We exist for our customers; they drive our actions. Their success is our success.



Better Every Day

We invest in our people and our processes to improve every day.



Agile

We think broadly and lead proactively in a constantly evolving organization and industry.



CEO Statement

CEO STATEMENT ON SUSTAINABLE DEVELOPMENT

At Ascend Performance Materials, sustainability is integrated throughout our business to drive improvements across our three pillars: empowering people, innovating solutions and operating without compromise. In 2021, we became participants in the United Nations Global Compact in support of the Ten Principles and the Sustainable Development Goals with a focus on improving our impact on people and the environment.

As a participant in the UNGC, we affirm our zero-tolerance policy for corruption in any of our business dealings or by any of our people. We also stand by our sustainability targets as outlined in our 2030

Vision and we are committed to the UNGC's four focus areas of labor, human rights, environment and governance.

We will continue to participate in the UNGC and meet the environmental, social and governance reporting and review requirements incumbent on all participants.

Phil McDivitt

President and Chief Executive Officer

We affirm our zero-tolerance policy for corruption in any of our business dealings or by any of our people. We also stand by our sustainability targets as outlined in our 2030.

AS UNGC PARTICIPANTS WE:

- Value sustainable development
- Address our impacts on people and the environment
- Have zero tolerance for corruption
- Have organization-wide sustainability targets
- Report on our ESG performance
- Regularly review the risks in our business model



For all of us at Ascend Performance Materials, sustainability is about improving the quality of life today and inspiring a better tomorrow for our employees, their families, the communities in which we live and countless people across the globe.



HIGHLIGHTS

- Received the American Chemistry Council’s 2022 Responsible Care Initiative of the Year award for the transition to cleaner energy at our Decatur, Alabama, manufacturing facility through the implementation of three cogeneration units.
- Earned a Silver rating from EcoVadis, placing us in the 89th percentile of other companies in our industry.
- At the end of 2022, we purchased a majority stake in Circular Polymers, a recycler of post-consumer, high-performance polymers that will provide Ascend with a consistent supply of high-quality PCR materials for our sustainable polyamides portfolio.

OUR THREE SUSTAINABILITY PILLARS



EMPOWERING PEOPLE

- Our people logged 18,851 volunteer hours this year and made a difference in the lives of 40,185 individuals in our communities
- We launched Ascend University, a tool that serves to invest in the continued development of our people and equip them to reach their full potential



INNOVATING SOLUTIONS

- We launched ReDefyne, our new brand of sustainable polyamides
- At Ascend, we believe that accountability and transparency are how we all advance together. This year, we began engaging with our suppliers to learn more about their sustainable procurement practices



OPERATING WITHOUT COMPROMISE

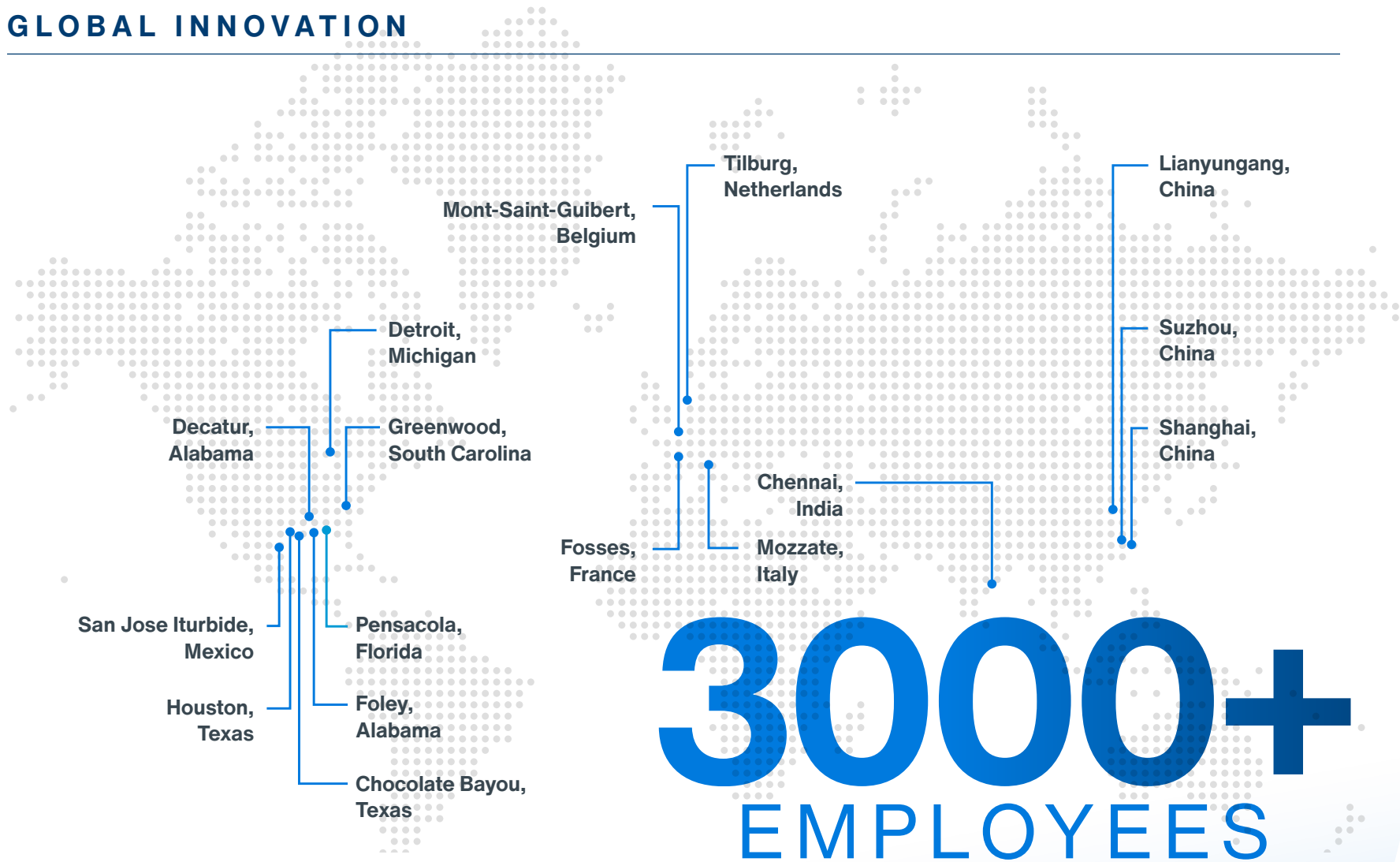
- We made the operations at all of our compounding sites carbon neutral
- We implemented energy and water teams across our sites to identify conservation opportunities to reach our 2030 Vision targets



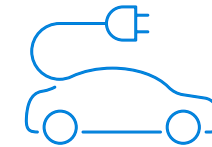
At A Glance

We make high-performance materials for everyday essentials and new technologies. Our purpose is to improve the quality of life today and inspire a better tomorrow.

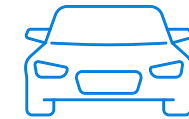
GLOBAL INNOVATION



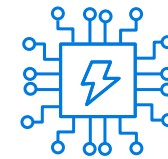
OUR MARKETS



E-MOBILITY



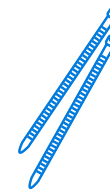
AUTOMOTIVE



ELECTRICAL & ELECTRONICS



CONSUMER & INDUSTRIAL



CABLE MANAGEMENT



HEALTHCARE



TEXTILES & SAFETY SYSTEMS



SPECIALTY CHEMICALS

PARTICIPANTS IN



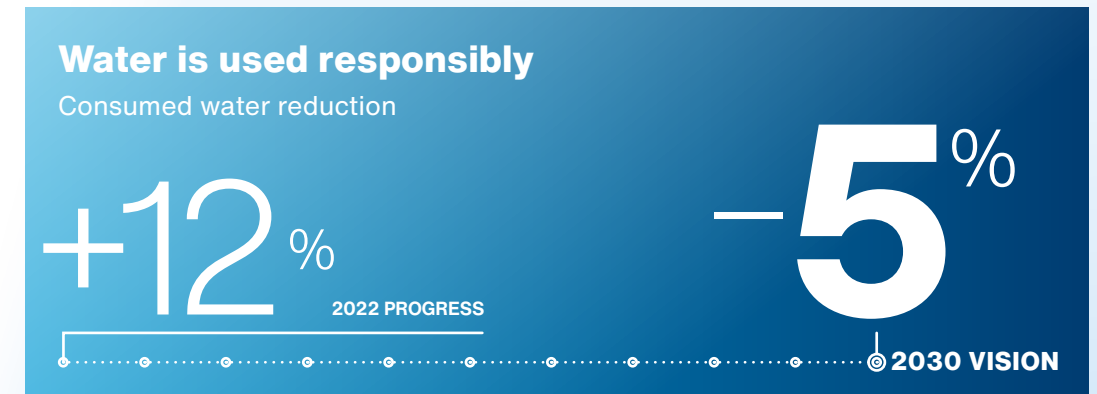
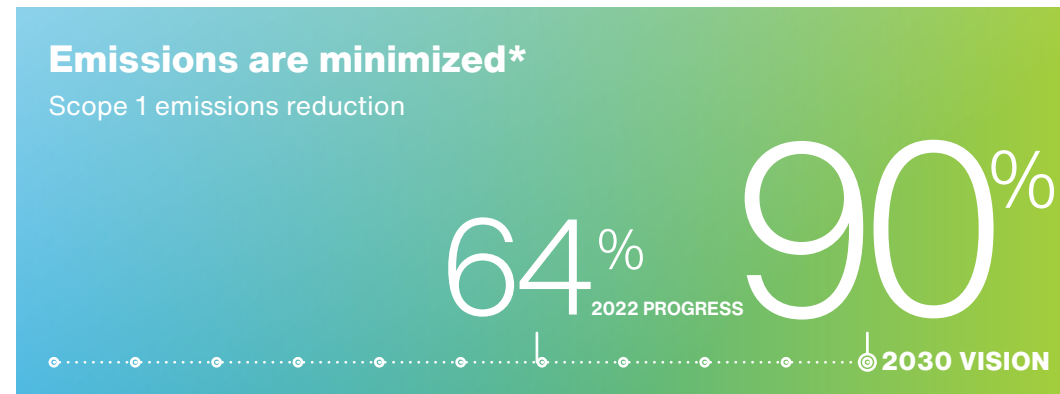
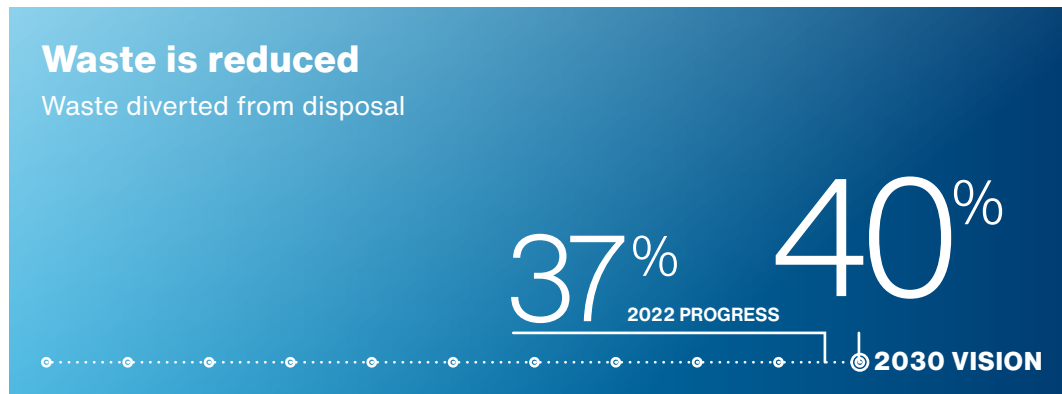
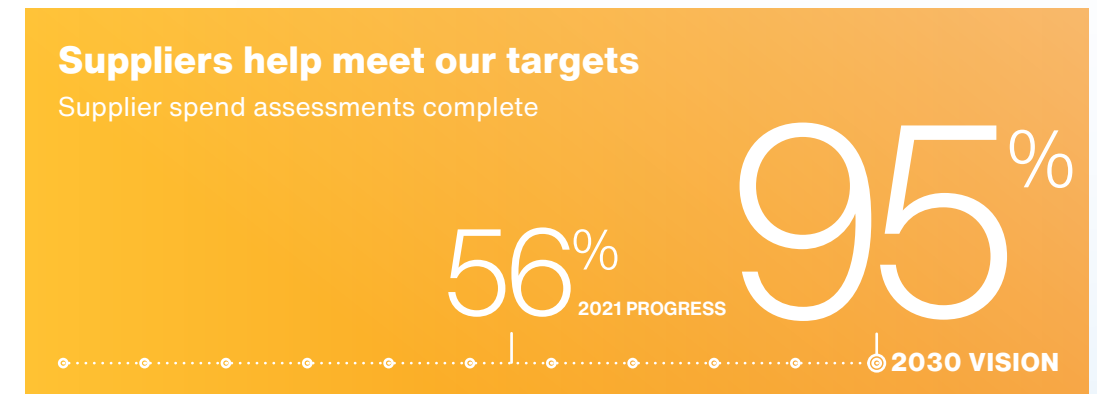
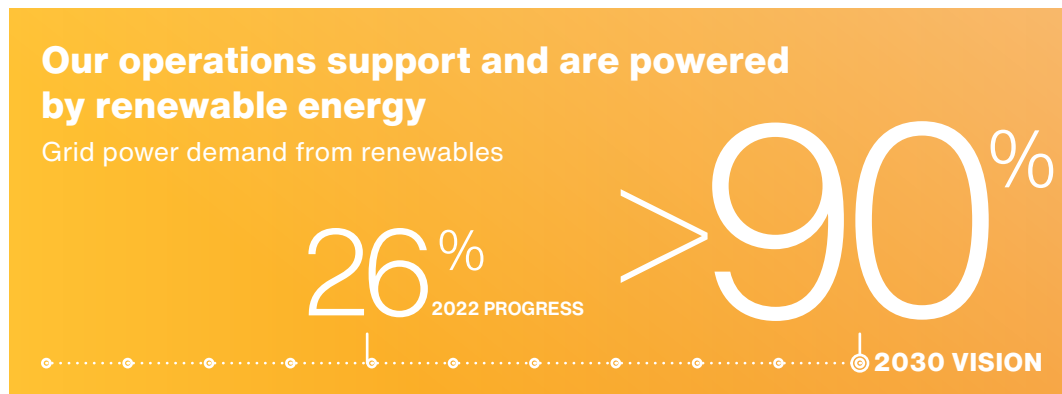


2030 Vision

We have a vision for the future that guides our sustainability efforts. Our 2030 Vision establishes what we want to be as a company across our three pillars.



WE WANT TO BE A COMPANY WHERE:



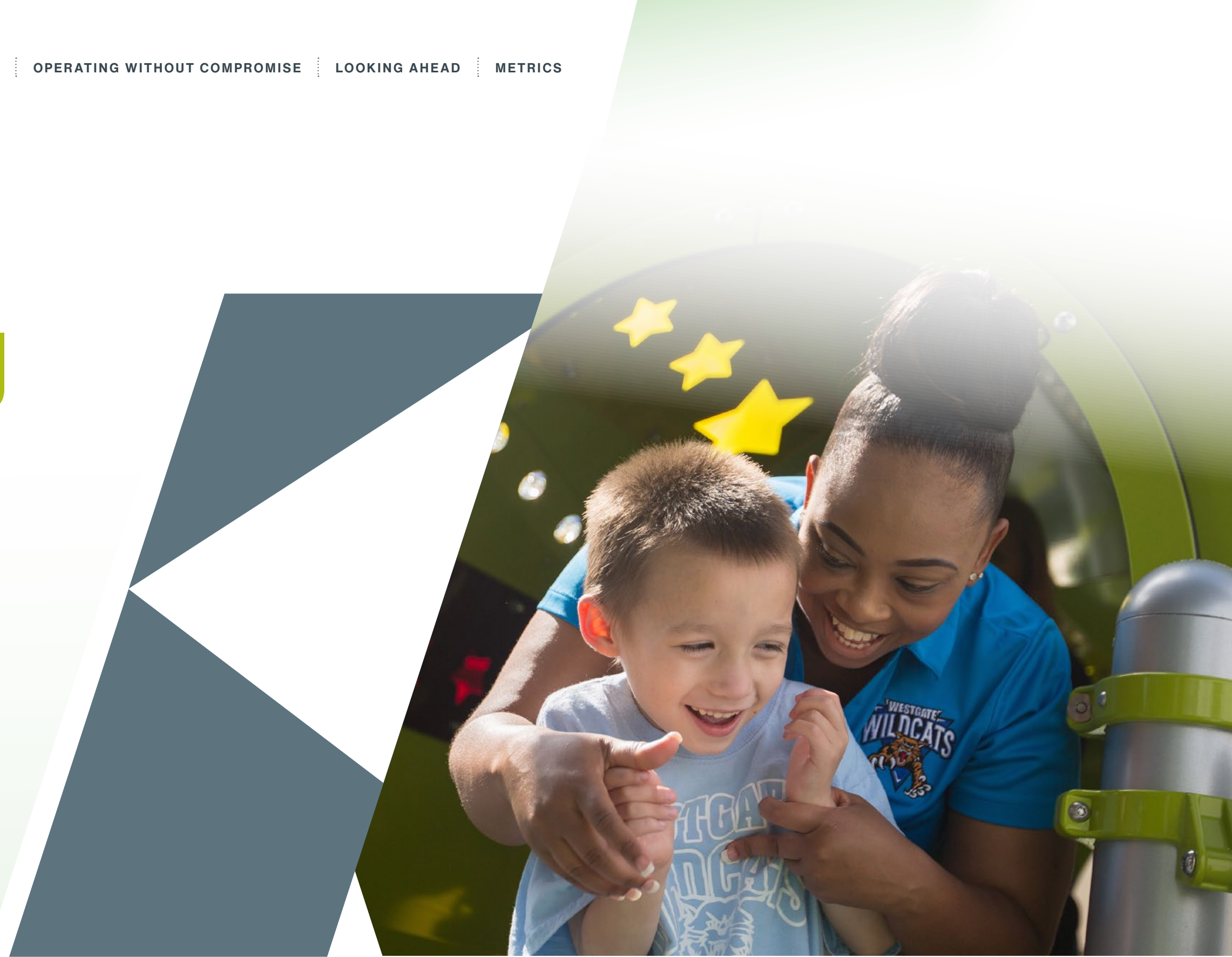
*In the interim, we intend to use the voluntary carbon market to monetize a portion of our greenhouse gas emissions reductions, allowing us to reinvest to further our sustainability goals.

All 2030 Vision targets are against a 2018 baseline.



Empowering People

- ▶ SAFETY
- ▶ CAREER DEVELOPMENT
- ▶ ASCEND CARES
- ▶ A2E
- ▶ CULTURE AND INCLUSION





Safety

COMMITMENT TO ZERO

At Ascend, we believe that it is possible to operate with zero incidents—zero injuries, zero process safety incidents and zero environmental releases. Our safety culture at Ascend operates based on our Commitment to Zero. Every day, we work together as one Ascend to accomplish our goal of zero.



COMMITMENT TO
ZERO
INCIDENTS

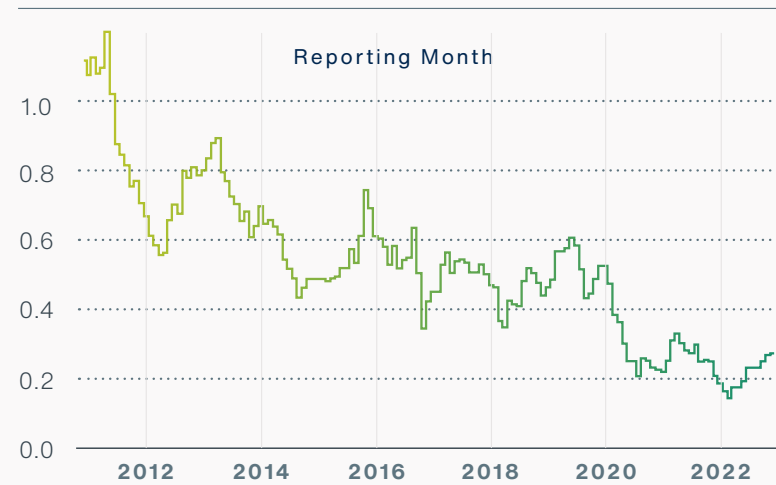
OSHA VOLUNTARY PROTECTION PROGRAM

Ascend voluntarily participates in OSHA's Voluntary Protection Program (VPP), a program which triennially inspects sites on their ability to outline and implement a comprehensive safety and health management system. Four Ascend sites—**Chocolate Bayou, Greenwood, Foley** and **Decatur**—have received OSHA VPP Star Certifications.



TRR

TOTAL TRR ROLLING: COMPANY TOTAL

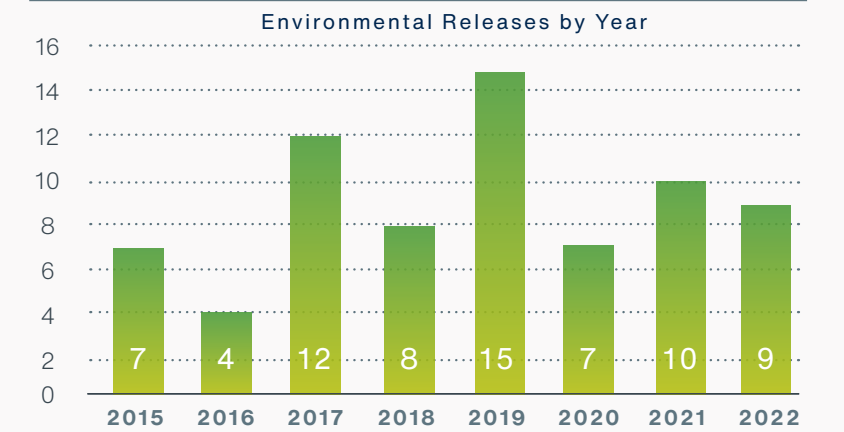


INJURY-FREE STREAK (NUMBER OF DAYS UP TO DEC. 31, 2022)

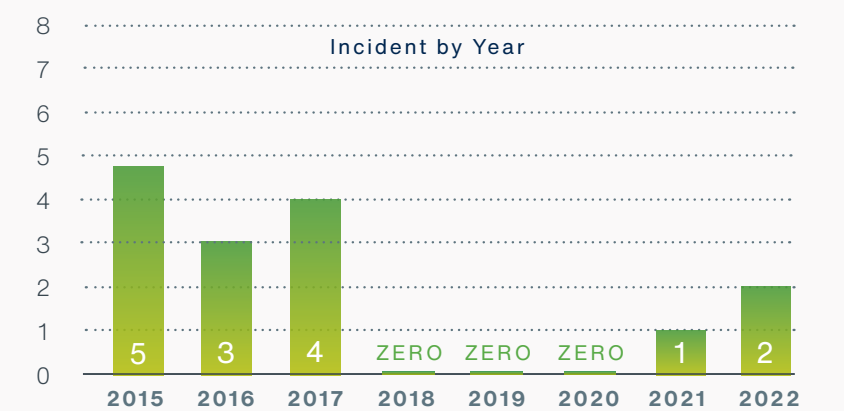
1168 TILBURG **907** SUZHOU **303** MOZZATE

ENVIRONMENTAL & PROCESS SAFETY

2022 ENVIRONMENTAL



2022 PROCESS SAFETY





Safety CONTINUED

HRP FOCUS

In 2018, as team members from across Ascend brainstormed how to reduce our injury rates, a common theme was found: many of our injuries resulted from a lack of hazard recognition. In response, Ascend implemented the Hazard Recognition Plus™ (HRP) thought process as a means of identifying hazards and empowering employees to stop unsafe work.

A large component to HRP is empowering employees to stop work if an action could potentially result in an injury. Our Pensacola site began a campaign in 2019 to enable employees with the confidence to stop the job (STJ) if they notice a potential hazard. These circumstances are logged and teams around the site are charged with permanently eliminating hazards. In 2022, the site reported around 25,000 STJ's. From fixing poor lighting to cutting down a dead tree that could be potentially dangerous, these STJ's enable our employees to take control of their work spaces and make them as safe as possible.

FOCUS ON HAND SAFETY

In 2022, the majority of our recordable injuries were hand related. These injuries were not related to a specific task or site. In response, from Pensacola to Tilburg, our sites have started hand safety campaigns as a global, one Ascend effort to educate employees on the potential hazards of working with their hands and to reduce injuries.



CHENNAI OVERHAUL

In May 2022, we purchased Formulated Polymers Limited, a family-owned compounding facility in Chennai, India. Some of our first investments in the site were to improve safety. We installed new air ventilation systems to improve air quality, standardized the protocols around safe operations and purchased new personal protective equipment, and hired a dedicated safety professional at the site. Since making our improvements, the site has not had a single recordable injury and near-misses are used to make further improvements.



CHENNAI, INDIA

2022 SAFETY AWARDS



AMERICAN CHEMISTRY COUNCIL:
Responsible Care Initiative of the Year Award



CSX:
Chemical Safety Excellence Award



TEXAS CHEMICAL COUNCIL:
Chocolate Bayou awarded the Sustained Excellence in Caring Award



FACILITY SAFETY AWARDS:
► Pensacola (Certificate of Honors)
► Greenwood (Certificate of Achievement)



TEXAS CHEMICAL COUNCIL:
Chocolate Bayou site was awarded the Occupational Safety Distinguished Service Award



TEXAS CHEMICAL COUNCIL:
Our Chocolate Bayou site director, Greg Blanchard, was awarded the Gerald R. Ehrman Award for Leadership in Safety Management



Career Development

2030 VISION:

We want our people to feel equipped with the tools they need to be leaders in our industry and empowered to change the world. Our 2030 Vision states our goal of having 100% of employees on a development plan, and 50% of our salaried employees in a mentoring program.

At Ascend, we are investing in the continued development of our most vital resource – our people. Ascend University exists to create a thriving learning culture that unlocks the potential of every employee, enables inspirational leadership and helps build lasting careers.

- **Professional** – Ascend University is an essential factor in our sustainability journey. To accomplish our goal of having every employee enrolled in a development plan, the professional branch of Ascend University offers certifications, mentorships, self-paced learnings and career development.
- **Leadership** – Developing leadership skills at Ascend is critical to helping our employees feel empowered and confident to do their job. From our sites to our corporate staff, Ascend University hosts various leadership development opportunities and programs.
- **Technical** – None of the performance materials we make would be possible without our innovative technology. Investing and developing our technical workforce is a key way we become better every day. Ascend University offers overview courses for every employee to develop their understanding and knowledge of chemical processes and procedures across our sites.

APEX PROJECT (100% CAREER DEVELOPMENT PATHS)

We know that nothing we do is possible without the ideas and efforts of our people – helping them become better every day is how we succeed together. In 2022, attendees at our annual APEX conference tackled how to create development plans for 100% of our employees to put them on the path of reaching their peak potential.



METRICS ON PEOPLE IN TRAINING PROGRAMS

53

Mentoring partnerships

198

Employees involved in training programs

PROJECT ASSIGNMENT HIGHLIGHT

Description: Project assignments allow our employees to experience various business functions around Ascend. These short-term projects offer opportunities for employees to work part-time in another department to learn new skills while helping meet goals.

“Ascend empowers each employee with the tools they need to make an impact. My project assignment with our communications team showed me the work that goes into sharing the story of Ascend and helped me build my communication skills.”



Annie McCormick,
Houston Business Product Manager



Ascend Cares

We care. It's a value that is embodied by Ascend employees and portrayed in the ways we serve our communities through our foundation, Ascend Cares. The words sound feeble by themselves, but when hundreds of employees are dedicated to upholding this value, the simple words create a profound impact.

Through Ascend Cares, we make a difference in the lives of others. In 2011, when tornadoes tore through Decatur, Alabama, some of our employees lost everything. In response, their colleagues rallied around them to pick up the pieces. These employees would become the catalyst for Ascend Cares, kicking off over a decade of service and hands on work in our local communities.



ASCEND CARES FOCUS AREAS



Children's Health and Safety



Education



Housing



Hunger



Military

HARDSHIP GRANT HIGHLIGHTS

At Ascend, we have a passion for helping others – a passion that began from helping our people during a difficult time. Our foundation began in a time of hardship, when our employees adopted a “pass the hat” philosophy to bring quick relief to their colleagues. Since then, we have expanded on the way we are able to help when employees encounter difficult times through hardship grants.

2022 hardship numbers:

22

Hardship grants

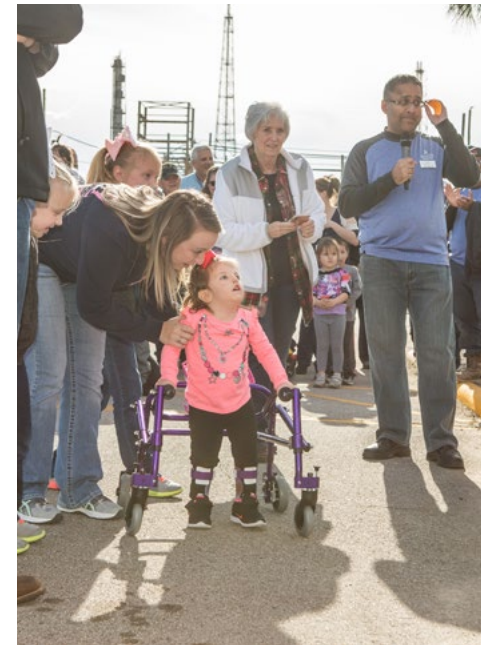
\$46,857

Funds



\$2M

INVESTED BACK INTO LOCAL COMMUNITIES





Ascend Cares CONTINUED

COMMUNITY IMPACT GRANTS HIGHLIGHTS

Ascend Cares explanation: Community Impact Grants (CIGs) are one way we empower employees to become leaders in their communities. CIGs allow our people to get involved with causes they are passionate about and truly believe in while the foundation covers the associated costs.

2022 CIG numbers:

103

CIGs awarded

\$314,436

Invested back into communities through CIGs

SCHOLARSHIP HIGHLIGHTS

The Ascend Cares Community Service Scholarship is available to the students of our employees who have a passion for community service and helping others.

2022 scholarship numbers:

103

Scholarships awarded

\$163,273

Invested into the lives of students



UKRAINE REFUGEE SUPPORT

At the beginning of 2022, the world watched as Russia invaded Ukraine, causing thousands of refugees to flee from their homes and into surrounding countries. Our Ascend Cares team in Tilburg immediately jumped in to bring some relief and joy to these families. **Ascend Cares provided sweets, coloring books, stuffed animals, hygiene items and clothes; the supplies were distributed to over 200 Ukrainian children.**





A2E

BETTER EVERY DAY WITH A2E

Ascend to entitlement, or A2E, is how we continuously improve Ascend. A collection of problem-solving tools, we apply A2E across the company to help us become better every day. Dozens of projects touching everything from HR and safety to sales and operations are seen through every year – many with sustainability improvements.



A2E CERTIFICATIONS

In 2022, we certified:

1
Design for Six Sigma black belt

8
Experts

43
Yellow belts

In total, we have:

78
Black belts

328
Experts

381
Yellow belts

WHITE BELT TRAINING

In 2022, we implemented a new level of A2E training designed to put A2E tools into more people’s hands. White belt training gives a brief overview of how to use specific problem-solving tools, so more people can use A2E to solve everyday challenges.



Some of the projects completed in 2022 were:

Supply chain life-cycle dashboard

A visual dashboard to track the carbon impact of our internal material shipments.

HRP coaching strategy for turnarounds

A plan developed to ensure our turnarounds were supported by Hazard Recognition Plus coaches and other resources to reduce the likelihood of safety incidents.

Combustible dust risk reduction

A set of new housekeeping standards, tool implementation and controls to reduce the buildup of combustible dust in our specialty polyamides production.



Culture and Inclusion

BETTER EVERY DAY WITH A2E

At Ascend, we believe that inclusion is at the heart of a culture that values people and celebrates differences. As one Ascend, we expect every employee to be accountable and willing to include all voices and perspectives.



CREATING AN INCLUSIVE CULTURE

At our Global Leadership Meeting last year, leaders from around our company met to discuss the ways that we can improve our people’s experiences because conversations are the catalyst for change. As a result of the meeting, key actions were identified in how we can improve the experience of each employee, including extending our parental leave benefits.

As we continue to grow and evolve as a company, it is important that we remain focused on creating an environment where

everyone feels welcome, listened to and empowered to share new ideas or ask important questions. At Ascend, inclusivity is not just a buzzword or surface-level initiative – it’s a core value that guides our organization.

For this reason, we recognize those who embody our values and create an inclusive culture.

RECOGNITION OF THOSE WHO EMBODY OUR VALUES

Inspiring Everyday Recipients

Our quarterly Inspiring Everyday recipients are selected based on how they embody the Ascend values. They encourage new ways of thinking, ask important questions and bring innovative ideas to the table. They inspire us, every day.

Asia Star Recognition

Our Asia region recognizes two individuals each quarter who demonstrate our values through their work and relationships with their peers. Our Asia Stars are selected based on their ability to promote inclusive practices in the workplace and create a culture where everyone feels valued.

Inclusion Champions

Inclusion Champions are chosen because they model inclusive behaviors. They understand that we all succeed when we care enough to see each other’s differences as strengths and help one another grow as one Ascend. After being chosen, our Inclusion Champions receive training and educational sessions to learn skills help accelerate inclusion and leverage our diversity in a meaningful way.

GLOBALIZING A ONE ASCEND CULTURE

Our site’s culture teams are responsible for promoting an inclusive work environment where everyone feels like they have the tools they need to succeed. In 2022, we worked to expand the reach of our culture teams across all regions, globally.

INCLUSION CHAMPION SPOTLIGHT



“At Ascend, everyone is welcome at the table.”

LaChell Unroe, HR Generalist, Culture and Inclusion Champion



Innovating Solutions

- ▶ RECYCLED PRODUCTS
- ▶ ENERGY
- ▶ CERTIFICATIONS AND LIFE-CYCLE ASSESSMENTS
- ▶ SUSTAINABLE PROCUREMENT





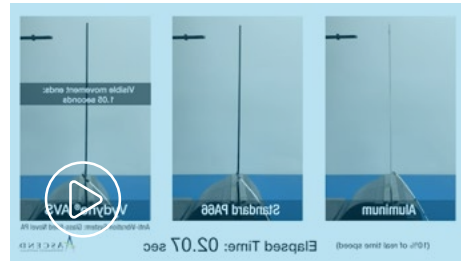
New Products

In 2022, we launched new products to help our customers reduce their carbon footprint, improve the safety and comfort of EVs, avoid food spoilage and reduce their carbon footprint.

VYDYNE^(R) AVS

Almost nothing is more annoying than the high-pitched whine of an electric motor (it sounds like a mosquito buzzing in your ear). If we're going to tackle the 37% of global emissions generated from transportation every year, then electric vehicles can't sound annoying.

Vydyne AVS damps that high-frequency whine at the source, without the complexity of active noise cancellation or the weight of additional insulation.



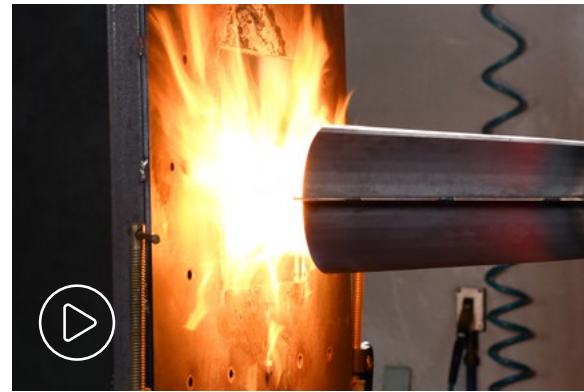
[Test video](#)

REDEFYNETM

Recycled materials that perform well enough to withstand the conditions our nylons typically perform in are challenging to make. Thanks to the expertise of our colleagues at Poliblend by Ascend and the high-quality post-consumer recycled carpet from Circular Polymers by Ascend, our new ReDefyne recycled materials stand up to harsh conditions while also having a lower carbon footprint than virgin polymer.

STARFLAM^(R) X-PROTECT

While EVs are safe, failures can happen. Given the amount of energy stored in an EV battery, that failure can be dangerous. Starflam X-Protect withstands direct exposure to flames over 1,100°C (over 2,000°F) for more than 15 minutes, allowing passengers to walk away from even a catastrophic failure of an EV battery.



[Flame test video](#)

HIDURA^(R) LUX

Food packaging plays a critical role in reducing food waste and durable films play a critical role in reducing the amount of packaging required to protect feed. Our new HiDura LUX films are used to line cardboard packaging to keep juices, soups and other liquids fresher longer. They're also recyclable, further reducing waste throughout its lifecycle.

ACTEEV^(R) AND FRESH NEW BEATS

The Reading Buccaneers Drum and Bugle Corps are hitting the competition circuit with style and a little more comfort thanks to uniforms made by G2 Performance with Acteev. The world-renowned corps' famously intricate uniforms are difficult to wash, but lining them with Acteev's no-odor technology will help keep them fresh throughout the competition circuit.





Energy

In our plants, we use two main types of energy: steam and electricity. We make all of our steam on-site but most of our electricity comes from the local electrical grids. We cannot directly change the grid to be more renewable, but in 2022 we undertook a few projects to make our energy mix less reliant on carbon-based fuels.

CHOCOLATE BAYOU SOLAR

2022 was the first full year our Chocolate Bayou acrylonitrile plant in Alvin, Texas, was 30% powered by solar through a power purchase agreement with Calpine. Our agreement helped make a solar farm in West Texas economically viable and today that electricity flows through the Texas grid.



CARBON-NEUTRAL COMPOUNDING

Since 2018, we have purchased six facilities throughout the world. Those six compounding sites joined our Foley, Alabama, to produce our high-performance compounds across the globe. In 2022, we made the operations of those seven sites carbon neutral, including the energy (scope 2) through renewable energy credits.



DECATUR COGENERATION

We've written about our Decatur, Alabama, site replacing coal-fired boilers with cogeneration units in our previous sustainability reports. In 2022, that project won a sustainability award from the American Chemistry Council!

GREENWOOD STEAM LEAKS

In our Greenwood, South Carolina, plant a project to repair steam leaks throughout the site made our steam generation more efficient and helped save over 10,000 metric tons of CO_{2e} emissions last year.





Certification and Life-cycle Assessments

We are intent on creating long-lasting, meaningful improvements. We believe we have a vested interest in sustainability and we are committed to doing the right things. Fortunately, we are not alone in this and there are third parties we can rely on to guide us on best practices and certify our efforts.



CERTIFICATION

We are very good at creating and developing performance materials. Sometimes we rely on third-parties to show us how to do other things, especially in sustainability.

Certifications offer us the peace of mind that our efforts will be appropriate and meaningful, and they give our customers the assurance that what we are saying is independently verified and accurate.

For our ReDefyne® recycled materials, SCS Global Services has certified our pre- and post-consumer recycled content, our chain-of-custody procedures and our manufacturing data to ensure that our product is what we represent it as.

Similarly, last year we achieved ISCC Plus certification for producing bio-based materials using a mass-balanced approach. This certification allows us to source bio-based raw materials and process them on our current equipment. It's a system that requires a particular process, as well as trust, and certification helps us with both.



LIFE-CYCLE ASSESSMENTS

As we make steady progress on reducing our scope 1 emissions*, we have begun to look at the carbon footprint of our products more closely. The life-cycle assessments we began in earnest in 2022 are showing us that scope 2 and 3 improvements are necessary and we have to start working on them with our energy, logistics and raw material suppliers.

Once we achieve our goal of an 90% reduction in our scope 1 greenhouse gas emissions, the lion's share of our product carbon footprint is in both energy and raw materials.

We have already begun working on lower-carbon raw materials with our suppliers, but there is clearly still work to be done. We intend to release our LCAs in 2023 to our customers as we continue to drive improvements throughout our company.

* In the interim, we intend to use the voluntary carbon market to monetize a portion of our greenhouse gas emissions reductions, allowing us to reinvest to further our sustainability goals.

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Sustainable Procurement

Our 2030 Vision focuses on the ways we are Advancing for All by creating sustainable practices that benefit everyone. The reality of creating more sustainable business practices is that we cannot do it alone. At Ascend, we believe that a large component of sustainability is accountability and progress – that’s why we are engaging our suppliers in meaningful dialogue to ensure we are all advancing, together.

2022 SUPPLIER & INNOVATION CONFERENCE

In 2022, we held our first Supplier & Innovation Conference where our procurement and technology teams met with suppliers and engaged them in meaningful discussions over our sustainable practices and expectations.



AN INCREASE IN OUR ACCOUNTABILITY

EcoVadis is how we hold our company accountable for the change we have promised to create. In 2022, our EcoVadis sustainable procurement score increased by 10 points.

STARTING THE CONVERSATION WITH SUPPLIER ASSESSMENTS

- In 2021, we implemented supplier assessments that took a closer look at the sustainable practices of our suppliers. 80% of our suppliers were asked to take the assessment. In 2022, 60% of these identified suppliers have submitted assessments, allowing us to start learning from each other and identifying areas of improvement.
- As a result of these assessments, we reached out to one of our suppliers who scored well on the assessment. Through honest and transparent conversations, Ascend is taking steps to learn best practices and how to responsibly procure our materials.

SETTING EXPECTATIONS

At Ascend, sustainability is a goal that guides our business and how we operate, which is why our policies, processes and practices are rooted in the sustainable promises we have made. Starting in 2022, all new Ascend contracts include sustainability clauses, which require our suppliers to conduct their business in a sustainable and socially responsible manner.





Operating Without Compromise

- ▶ EMISSIONS
- ▶ WATER
- ▶ WASTE





Emissions

NITRIC ACID ABATEMENT CATALYST

At Ascend, we are reducing our emissions through meaningful, long-lasting improvements in our operations and converting those emissions reductions into high-quality, permanent carbon offset credits. One of our current projects is to tackle N₂O emissions from our production by using a catalyst to convert the N₂O into nitrogen and oxygen – two harmless elements. This project will remove approximately 300,000 metric tons of CO₂ emissions annually.



ENERGY TEAMS AT THE SITES

Last year, we introduced our Energy Efficiency Excellence (EEE) program to all of our sites, a proactive initiative focused on identifying projects where we can reduce energy consumption, including steam, electricity and other areas. Teams of engineers have been assembled at each site and are actively working on projects aimed at reducing energy usage. Thanks to the efforts of our EEE teams, we have already made progress in identifying opportunities for energy conservation.

CARBON NEUTRAL OPERATIONS AT OUR COMPOUNDING SITES

Through a combination of process improvements and renewable energy and carbon offsets, we made the operations at our seven compounding sites in North America, Europe and Asia carbon neutral. Annually, this is equivalent to eliminating the emissions from 4,000 passenger vehicles.

Energy consumption and emissions reduction efforts recognized

- In 2022, Ascend was awarded the American Chemistry Council’s (ACC) Responsible Care Initiative of the Year award for the transition from coal to cleaner energy at our Decatur, Alabama manufacturing facility through the implementation of three cogeneration units
- Additionally, Ascend received an energy efficiency award from the ACC for the adoption of solar power at our Chocolate Bayou site in Alvin, Texas which provides one-third of the electricity needed to power the site’s production and is the equivalent to removing 3,250 cars from the road.



Water

CHANGES IN WATER TREATMENT AND RECOVERY

- Our Suzhou, China site incorporated a new wastewater treatment system to reduce hazardous waste generation. The site was able to decrease hazardous waste generation by more than 80% and cut costs associated with waste disposal.
- In Decatur, Alabama, our site improved our ability to remove solids from treated wastewater and made repairs to the site's aeration system which allows for removal of remaining organics in the wastewater.
- Our plant in Tilburg, The Netherlands has set up a new program which allows wastewater generated at the site to be treated by an external waste company, ensuring the water is handled appropriately while also reducing the amount of wastewater. Additionally, the site has implemented updated actions to reduce the loss of plastic by installing baskets that capture pellets and prevent them from flowing into the environment..

WATER TEAMS WORK TO SAVE EVERY DROP

One of the goals embodied in our 2030 Vision is to reduce our water consumption by 5%, a goal that guides our actions and sustainability investments. In 2022, our Pensacola site put together a team dedicated to assessing and identifying water usage improvement opportunities at the site. In 2023, similar teams at the rest of our sites will be assembled to ensure accountability in achieving our 2030 goal.

TAKING ACCOUNTABLE ACTION TO REDUCE LOSS OF PLASTIC

Each of our sites are currently in the process of taking the pledge to Operation Clean Sweep, an international campaign that aims to eliminate plastic litter from waterways and other parts of the environment. As part of our commitment, Ascend has implemented new policies, protocols and training programs with the aim of minimizing pellet loss.





Waste

In 2022, we made significant progress on several of our 2030 Vision targets. The one we are closest to reaching is on minimizing waste, which is at 37% of our 40% target.

In the past two sustainability reports, we have highlighted Tracy Baldwin's work to reuse or recycle our wooden pallets and cardboard boxes, programs that are ongoing and expanding.

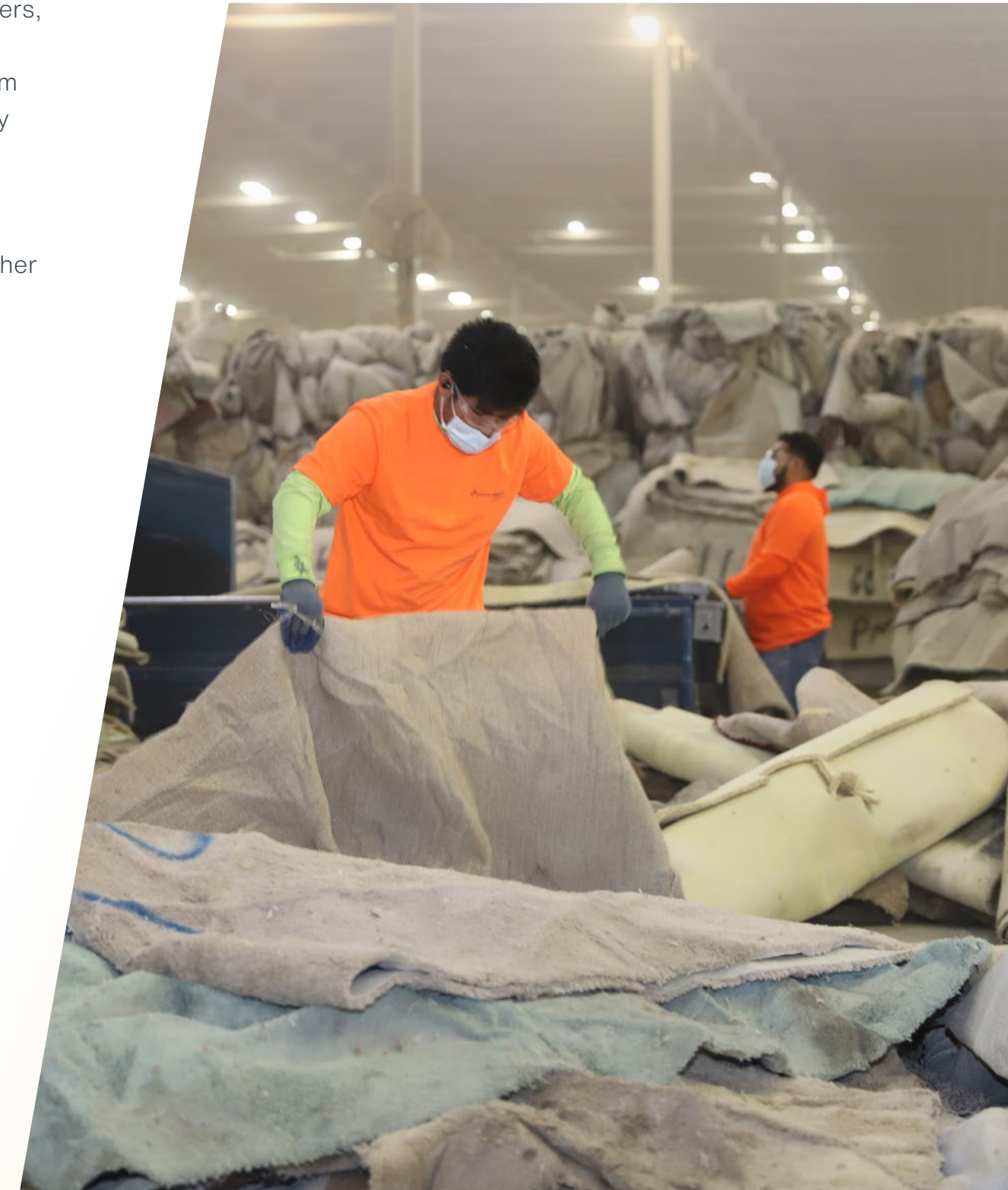
We have also previously written about our cogeneration units in Decatur, Alabama, which supply the site with both electricity and steam, and dramatically reduce our greenhouse gas emissions because they allow us to stop using coal-fired boilers. Another thing those units do is help us avoid millions of pounds of waste associated with using coal as a fuel.

The cogeneration units and other efforts at our Decatur facility resulted in over seven million pounds of waste not being generated at that site alone.

To date, Circular Polymers by Ascend has diverted over **80 million** pounds of carpet from going to the landfill and has instead turned it into usable product.

Furthermore, we acquired a majority stake in Circular Polymers, a recycler of post-consumer carpet. Circular Polymers by Ascend has diverted tens of millions of pounds of carpet from the landfill since 2018, and we hope to expand their capacity further.

After greenhouse gas emissions, waste is our highest environmental priority and we look forward to tackling it further not only in our operations, but also for our customers.





Looking Ahead

As Phil mentioned at the beginning of this report, we think a lot about progress. That progress is a direct result of our people’s hard work and determination to accomplish our strategy, or as we say at Ascend, “Strategy happens through people.”

Before we look ahead, it is important to recognize the progress our people have achieved in sustainability. From the teams who lowered our carbon emissions with our cogeneration project in Decatur and our nitrous oxide abatement in Pensacola, to the thousands of people who worked safely and lowered our total recordable injury rate over the past several years, thank you for making sustainability happen at Ascend and Advancing for All.

IMPROVING PRODUCT CARBON FOOTPRINT

In 2023, we will complete life-cycle assessments for our products. The process of compiling and understanding the carbon footprint of our products has been complex. It has also highlighted areas where we should begin shifting our focus as we complete the major improvements on our scope 1 emissions.

The LCAs have shown us that there is tremendous opportunity in reducing the scope 2 and 3 emissions, those are the emissions tied to the energy and raw materials used to make our products.

We’ve already begun to reduce our scope 2 emissions through a power purchase agreement of solar power for about 30% of [our electricity supply in Chocolate Bayou](#) and through [renewable energy credits for our compounding operations globally](#).

For scope 3 emissions, we are working with our suppliers to develop lower-carbon raw materials, we [purchased a majority stake of Circular Polymers by Ascend](#) to secure our supply of end-of -life

polymer and we [achieved ISCC+ mass-balance certification](#) for bio-based, circular and bio-circular feedstocks.

Over the next few years, we intend to continue investing in clean energy and sustainable raw materials. However, we cannot do it alone. Our suppliers and our customers play an integral role in bringing new and small-scale technologies into the mainstream.

OPERATING MORE SAFELY

We have made significant progress in reducing the number and frequency of personal injuries at our sites. Many of our sites crossed a record number of injury-free days. But our goal is zero and unfortunately, in 2022, we saw an uptick in hand injuries across our sites.

Our environment, safety, security and health team is developing a solution based on an analysis of the injuries and working on bolstering our use of Hazard Recognition Plus™ to prevent personal injuries. Like sustainability, safety is an area that requires continual improvement to both achieve and maintain our goals.

INVESTING IN OUR COMMUNITIES

Since 2011, the Ascend Cares Foundation has provided support to our people and our communities. Last year we invested nearly \$2 million into our communities and our people volunteered for over 18,000 hours helping our community partners serve people in need.

Our 2030 Vision has a target of 100% participation in Ascend Cares. As we have become a more global company, that means we need to expand Ascend Cares across our manufacturing

footprint. That includes not only introducing Ascend Cares to our new colleagues, but also showing our people the value our contributions and volunteering bring to our communities every year.

CONTINUED PROGRESS

This is by no means an exhaustive list of what’s ahead. We continue to work on improving our use of water resources, our people’s careers and countless other projects that make us a more sustainable company every day.

We look forward to sharing some of those initiatives with you in our 2023 sustainability report.

Thank you for your support of our efforts.

Chris Johnson
Sr. Sustainability Director





Thank You.



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