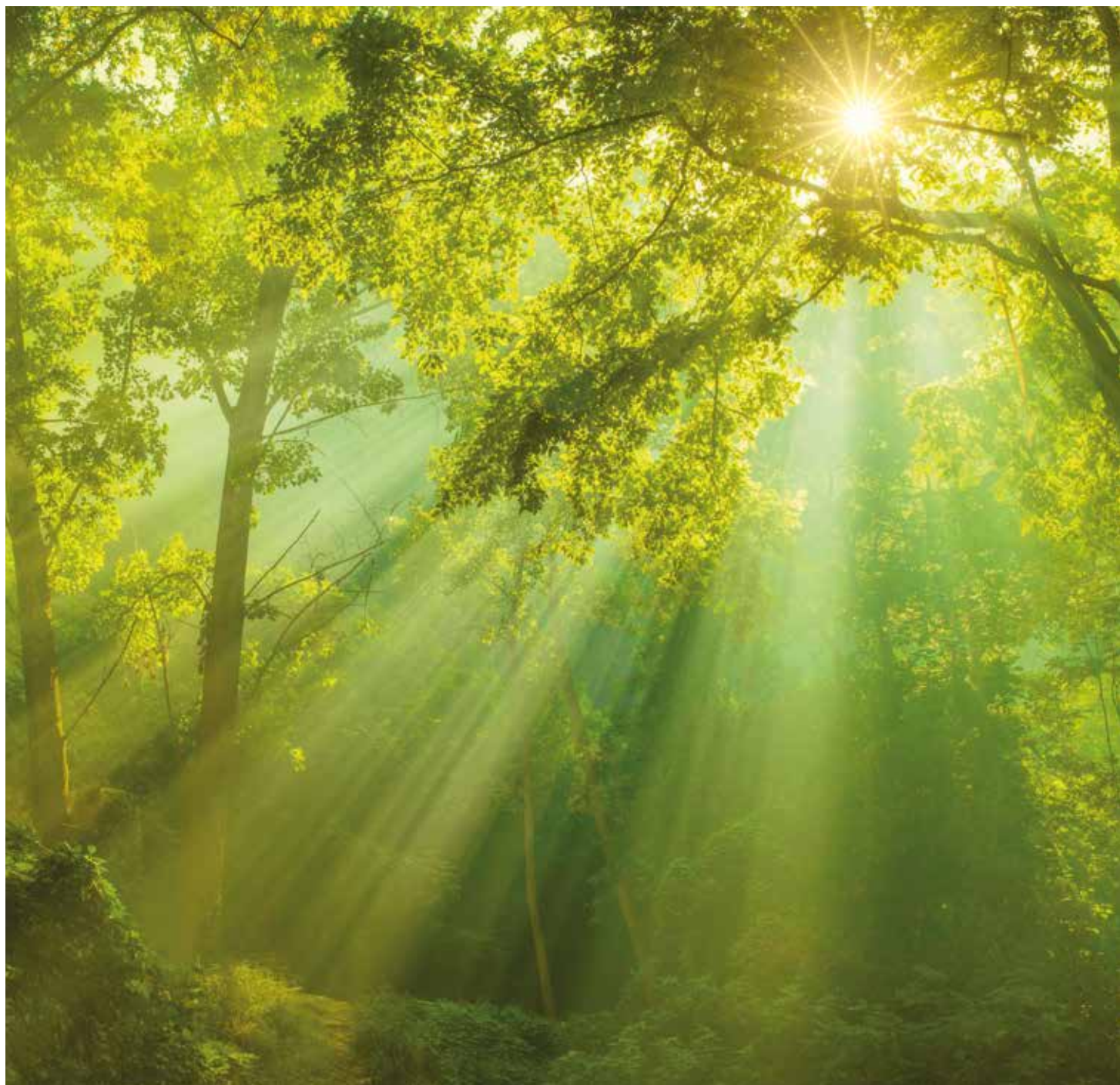


# CABB CUSTOM MANUFACTURING

## SUSTAINABILITY REPORT 2020







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# 1. INTRODUCTION

**DEAR READER,**

Businesses around the globe – and, indeed, each one of us as a human being – are faced with fundamental challenges. Climate change, scarcity of resources, and the need to feed a growing population from shrinking arable land are just a few of them.

Amid all the uncertainties involved, one thing is for sure: No-one will be able to tackle these problems all alone. Instead, collaboration between stakeholders of all kinds is the only imaginable way of addressing the issues at hand. We at CABB want to play our part, by acting sustainably and helping our customers do so, too.

In this context, our Custom Manufacturing Business Unit published its first sustainability report in January 2020, promising to develop specific objectives and KPIs for managing sustainability going forward. I am delighted to say that an international, cross-functional team has made significant progress in this area over the past few months, which means we can now present this second edition to you.

We now have a global scorecard in place, helping us to track progress and address any shortcomings. We have established sustainability as a standing agenda item at our Executive Committee meetings as well as in the discussions with our Advisory Board. We have set out strategic targets in areas such as health, safety, and



emissions; and we have added sustainability-related KPIs to our management bonus schemes.

All this, I believe, demonstrates the seriousness with which we as a company are approaching the topic of sustainability. To further underline this commitment, we became a signatory to the UN Global Compact in October 2020.

As I wrote in our previous report: sustainability is a journey. Some statistics may still need completing and some targets refining, but I am convinced that we are now heading in the right direction. We are looking forward to making this journey together with our customers and partners.

In this spirit, I cordially invite you to regard this report as a stimulus for further discussion.

Sincerely yours,

**Valerie Diele-Braun**  
CEO, CABB Group



## 2. CABB GROUP

The CABB Group is a leading custom manufacturer of starting materials, active ingredients and advanced intermediates; a major producer of high purity monochloroacetic acid; and a supplier of premium fine chemicals.

We are small enough to focus on developing attentive customer partnerships, yet big enough to master complex chemical syntheses in large volumes. Customers benefit from CABB's manufacturing excellence, product quality, security of supply and collaborative approach to sourcing solutions.

Headquartered in Sulzbach am Taunus, Germany, CABB employs around 1,100 people and generates an annual revenue of around half a billion euros.

One guiding principle is the CABB Group's set of corporate values, which specifically include 'sustainability' and 'safety'.

### CLOSE PARTNERSHIPS

Our Custom Manufacturing Business Unit works closely with customers to develop and optimize individual steps in their value chain for the synthesis of pesticides, medications and other complex and usually patented chemical products. Its production sites are at Pratteln in Switzerland, Kokkola in Finland and Jayhawk, Kansas, USA.



The Acetyls Business Unit provides companies, especially those in the personal care and food industries, with individually tailored supply chain solutions for high-purity monochloroacetic acid and its derivatives. Its production sites are at Gersthofen and Knapsack, Germany, and at Jining in China.

### INVESTING IN GROWTH

The CABB Group has a history of strategically investing in its assets, leadership, and staff to continuously meet or exceed our customers' high expectations in terms of technology, quality, and reliability. More than a quarter of a billion euros was invested during the five-year period from 2016 to 2020 alone.

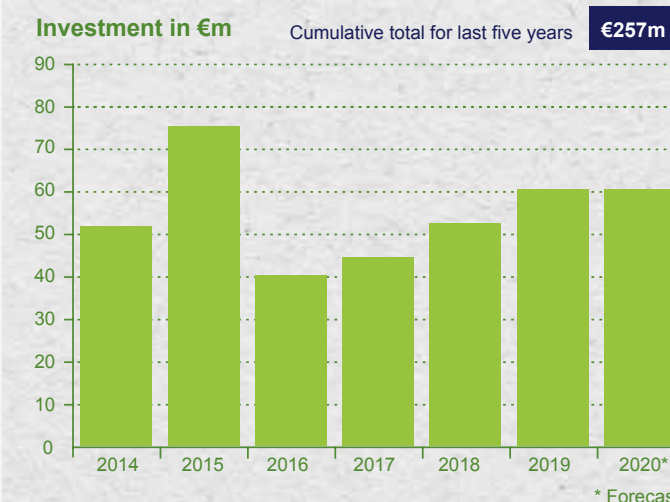
Like most companies, CABB has been challenged by COVID-19 in 2020, requiring special efforts to keep our people safe and our supply chains running.

This notwithstanding, the pandemic has underlined how resistant our business model really is.

As a key supplier that is highly integrated in the food and medical value chains, for example, we have continued to see strong demand throughout 2020.

### FOCUS ON HSEQ

Being a global leader in the fine chemical industry, CABB pays the utmost attention to all aspects related to health, safety, environment, and quality (HSEQ) – from plants and processes to people management and training.



ing. Complementing our own efforts, we are regularly audited by authorities, certification agencies and major customers.

### SUPPLYING PRECURSORS FOR HYGIENE PRODUCTS AND MEDICINES

The coronavirus pandemic has upended what used to be comfortable certainties. Yet for CABB, it has also brought the very positive realization that the company is enormously important to society. All our sites have been allowed to continue production, not least because they manufacture important precursors for hygiene products and medicines.

For instance, the Acetyls Business Unit's high-purity monochloroacetic acid is an indispensable component in the synthesis of betaines, which (among other applications) determine the cleaning properties of liquid care products

such as hand soaps and body washes. CABB is a strategic partner to key global producers of these chemical building blocks.

On account of its disinfectant properties, bleach – which CABB manufactures as a co-product of chlorine electrolysis in Gersthofen and Pratteln – is used as an active substance in many detergents and care products, such as sanitizing gel. Another co-product, caustic soda, plays a role in purifying drinking water in wastewater treatment plants and in cleaning machinery in the food industry. Precursors for antibiotics and other pharmaceutical products are another classic Custom Manufacturing area we are involved in.





### 3. CABB CUSTOM MANUFACTURING

#### A STRATEGIC PARTNER IN MAKING COMPLEX MOLECULES

CABB's Custom Manufacturing Business Unit has built a reputation as a long-term, strategic partner to leading agrochemical, electronics, healthcare and specialty chemical companies around the world. In many instances, we form an integral part of our customers' value chains.

With around 800 employees at three world-class assets in Finland, Switzerland and the USA, we specialize in the synthesis of customer-specific, complex molecules, producing active ingredients and advanced intermediates that require a mastery of demanding chemistry.

Our core expertise and unit operations also enable us to offer a select portfolio of made-to-order premium fine chemicals.

Companies engage with CABB Custom Manufacturing at, or across, various stages of their specific value chains. This includes the development of an appropriate chemical process for an innovative molecule, the scaling up of a tested synthesis from pilot scale to commercial volumes, or large-scale production campaigns that are continuously optimized over several months or even years.

Accordingly, we offer different forms of cooperation depending on the individual customer's objectives – be that a second sourcing option as a means to mitigate risk, permanent outsourcing of certain synthesis steps, or a fully integrated innovation-to-market partnership. Our transatlantic production footprint allows us to tailor a set-up for any given project that best suits the individual customer's requirements in terms of technologies, capabilities, geographies and – of course – efficiencies.

#### KEY MARKETS AND APPLICATIONS

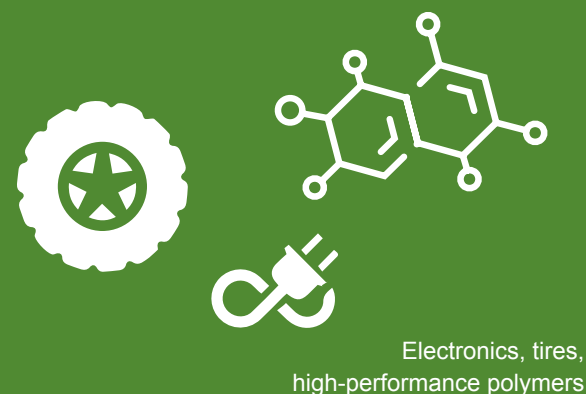
##### AGRO:



##### LIFE SCIENCES AND NUTRITION:



##### MATERIALS:



### 4. SUSTAINABILITY: WHAT IT MEANS TO US

Over recent years, taking an intentional approach to sustainability has moved from being a differentiator to being more of a 'license to operate' for all kinds of businesses. In parallel, however, the term itself has become somewhat commoditized, now being applied to a range of concepts that tend to vary quite significantly in terms of scope and focus.

This is why we consider it important to explain what 'sustainability' means to CABB Custom Manufacturing. Our guiding principles are as follows:

#### HOLISTIC APPROACH

In a nutshell, we translate sustainability into outstanding corporate performance on a long-term basis. Long-term success requires the corporation to be healthy on the inside, and to contribute to a healthy environment to operate in on the outside.

In this respect, HR strategies that provide good career prospects for talented managers and help retain workforce are just as 'sustainable' as training programs that boost occupational safety, or technical improvements that reduce energy consumption.

#### COMMITMENT FROM THE TOP

Sustainability forms an integral part of our corporate strategy as a prerequisite for long-term success. Related key performance indicators are a standing agenda item at our Executive Committee meetings as well as at our Advisory Board sessions. They are also broken down into individual bonus targets across management levels. It is our ambition to be recognized as a frontrunner in sustainability within our industry.

#### MISSION WITH A PURPOSE

Acting sustainably bears fruit by creating win-win solutions on many levels – between ourselves and our customers; between our company and the communities we are active in; and between ecological and economic factors.

Collaboration with, and transparency toward, all our stakeholders are essential in achieving this. We firmly believe that by living up to our stated ambitions, we will further strengthen our reputation, grow our base of customers and partners, and ultimately drive our bottom line.



5. ACTUAL APPROACH

TURNING STRATEGY INTO ACTION

Making a strategic commitment is one thing, turning it into tangible results is another.

We bridge this gap via a structured approach on three levels by:

- » complying with an established global framework,
- » establishing our own strategic ambitions within this framework, and
- » translating these ambitions into KPIs, action plans, and projects.

GLOBAL FRAMEWORK

Our business activities aim to contribute to achieving the United Nations’ Sustainable Development Goals (SDGs). Accordingly, we calibrate our sustainability activities in a way that maximizes their contribution to achieving these objectives.

We have identified seven of them as being particularly relevant to us:

Underlining our commitment to the UN’s development goals, CABB became a signatory to the UN Global Compact in October 2020.



STRATEGIC AMBITIONS

CABB’s corporate vision is to be ‘the partner of choice’ that ‘handles complex chemistry reliably, sustainably, efficiently and therefore better than anyone else’. Operationally, we translate this into continuous improvements in all processes, in close partnership with our customers.

This focus is one hundred percent endorsed by our investor. In fact, progress on sustainability-related KPIs is discussed as a standard topic at each Advisory Board meeting. This commitment is apparent in the volume of investments in new, innovative assets and processes.

REDUCING CO<sub>2</sub> EMISSIONS

Within our integrated understanding of sustainability, lowering greenhouse gas emissions remains a priority. We will deliver on this commitment by applying a multifaceted approach across all parts of our operations – from energy consumption and use of raw material to process management, waste treatment, and logistics.

WALKING THE TALK

In line with our holistic understanding of sustainability as outlined on » PAGE 6, CABB Custom Manufacturing uses an Integrated Management System. Our sites are certified and regularly audited for compliance with relevant industry standards including ISO 9001 (quality), 14001 (environment), ISO 45001 (workplace health and safety) and ISO 50001 (energy).

GLOBAL COORDINATION

In 2019, CABB Custom Manufacturing started to consolidate the tracking of all sustainability initiatives. This has enabled us to coordinate projects at various levels and, even more importantly, to define and measure specific KPIs globally.



CONCISE REPORTING

A management dashboard provides an overview of the organization’s performance against KPIs on a monthly basis. In addition, an integrated global project management sheet tracks all key initiatives and their performance versus their objectives.

3GOOD HEALTH AND WELL-BEING

7AFFORDABLE AND CLEAN ENERGY

8DECENT WORK AND ECONOMIC GROWTH

9INDUSTRY, INNOVATION AND INFRASTRUCTURE

12RESPONSIBLE CONSUMPTION AND PRODUCTION

13CLIMATE ACTION

17PARTNERSHIPS FOR THE GOALS

We have grouped all these activities into three clusters that will be presented in more detail on the following pages:

People	Operational Excellence	Governance & Stakeholders
The ‘People’ cluster bundles initiatives that enable our staff to contribute to the company’s performance in the long term, ranging from occupational safety to leadership development.	‘Operational Excellence’ comprises operational safety and operational efficiencies, both of which are crucial in building and maintaining a sustainable business model.	The way we interact with business partners, communities, authorities, and other external parties is covered under the ‘Governance & Stakeholders’ umbrella.
» PAGE 09	» PAGE 12	» PAGE 15



## 6. IT'S ALL ABOUT PEOPLE

People are at the heart of our organization. The combination of everyone’s individual commitment, skills and actions determines how our Business Unit acts and performs.

In this respect, acting sustainably is not simply a matter of tools, processes and assets, but a general mindset. Management must, however, provide these tools, processes, and assets as enablers.

### VALUES, LEADERSHIP & BEHAVIOR

We encourage managers at all levels to lead by example and provide the necessary support to their teams, enabling them to actively embrace our corporate values. This includes individual bonus targets linked to our strategic sustainability KPIs.

Building on this leadership, we ensure all staff are trained and equipped not only to perform properly, but also to pro-actively drive continuous improvement. In this way, we foster an overarching culture of safety and sustainability at and around everyone’s workplace.

### FEMALE LEADERSHIP

CABB encourages diversity in its management teams. This table shows the proportion of women in the workforce, and in leadership positions, per site.

Site	Proportion of women in workforce	Proportion of women in management
Pratteln	13%	15%
Kokkola	20%	15%
Jayhawk	11%	8%

### COLLABORATION

Collaboration across geographies, functions and layers is key to achieving our targets. We encourage the exchange of knowledge, opinions, and ideas as a means to optimize existing solutions and create entirely new ones. This approach is based on welcoming diversity, thereby enabling people with a variety of backgrounds and skills to work together as teams in a spirit of trust.

### OCCUPATIONAL SAFETY

When it comes to people, occupational safety is the foundation for everything else. It takes a safe work environment to be able to focus on increasing efficiencies or reducing environmental impacts. Our top priority is therefore to ensure that our colleagues stay healthy and go home from work unharmed.

Creating a safe work environment means systematically analyzing risks related to specific activities. These ‘job hazard assessments’ lead to technical or procedural modifications, as well as dedicated training programs. They are particularly important whenever changes are made to infrastructure, plants, or processes. We track the systematic performance of such assessments via our safety scorecard.

The main driver of everyday occupational safety, however, is personal behavior.

Accordingly, CABB Custom Manufacturing puts emphasis on training to avoid accidents. Such programs typically include sessions related to workplace safety, process safety, plant safety, and standard operating procedures.

Since 2019, twelve training hours per employee (classroom or online) are the minimum annual target at our European sites, which we have achieved in 2020. As of this year, these figures are being systematically tracked and reported as part of our sustainability scorecard.

### AVOIDING ACCIDENTS

Tools such as job hazard assessments, training, and operational improvements are meant to minimize the number of accidents altogether. To put our own performance into perspective, we measure the Lost-Time Accident Rate (LTAR) in relation to the acknowledged global reference for the chemical industry, provided by the US Occupational Safety and Health Administration (OSHA).

Going beyond the standard parameter of LTA, CABB also tracks and analyzes ‘level 1 accidents’ which lead to lost labor time of less than one day. We do this because we believe that addressing small issues can help avoid greater harm.

### TARGET: ZERO ACCIDENTS

We want all our employees to get back home from work in good health, every day. This translates into a target of zero lost-time accidents (LTAs). Setting an example, our Jayhawk site in the US celebrated eight consecutive, accident-free years in September 2020.

In 2019, a safety booklet was published across the CABB Group to promote ten fundamental rules for workplace safety. The booklet fits into a breast pocket in work wear so people can carry it with them. The back page resembles the well-known red card from soccer, encouraging the card holder to challenge unsafe behavior by colleagues.

### LOST-TIME ACCIDENT RATES (LTAR)

Three-year average	CABB Custom Manufacturing	Chemical industry global reference (OSHA)
2017 – 2019	0.52	0.63
2018 – 2020	0.22	0.60
(with 2020 incl. Jayhawk)		

LTA – number of accidents leading to an absence time of at least one day, normalized to 100 FTE (=200,000 working hours), in 2020

GETTING BACK HOME  
SAFE AND SOUND!



10 RULES FOR SAFE WORKING AT  
**CABB**

## 7. PUTTING SUSTAINABILITY TO WORK



### LISTENING TO OUR EMPLOYEES

Going forward, CABB plans to implement a more holistic concept of health and wellbeing in the workplace, alongside our approach to occupational safety. We have therefore developed a set of KPIs like absence time and fluctuation that will help us assess the current status and measure future developments.

To establish a baseline, the first international employee survey was conducted in September 2020. This consolidated approach will play an important role in developing and implementing sustainable processes in executive development and general process management, for instance. The results are analyzed versus a recognized industry benchmark. The analysis is used as the basis

for developing specific goals for individual company areas and supporting them with projects. Follow-up surveys every two to three years will show to what extent the desired results are being achieved and enable further continuous improvement.

**'The international employee survey is the start of a systematic optimization process, the results of which we measure and use as one of the inputs for management target agreements.'**

**SANDRO BURKHARDT,**  
HR LEAD, CUSTOM MANUFACTURING BU

Developing, scaling up, managing and continuously improving processes for complex chemical syntheses is our core expertise. This ability is applied to establishing a safe and efficient environment for our people to work in. CABB Custom Manufacturing operates a global production network that meets the highest operational safety and environmental protection standards.

**'We are making very good progress in breaking down the topic of sustainability from a strategic to an operational level at all three sites, and in measuring tangible progress.'**

**TOBIAS SCHALOW,**  
COO, CUSTOM MANUFACTURING BU

### OPERATIONAL SAFETY

Reliable, well-managed operational processes complement our occupational safety efforts.

Systematic risk assessments via hazard and operability studies (HAZOP), safety inspections, and audits lead to action plans that are continuously tracked and updated. On this basis, we continue to make significant investments in upgrading our assets while at the same time ensuring meticulous maintenance of our existing infrastructure.

In addition to pro-active safety management strategies, we maintain rapid response capabilities to any incidents that might occur at one of our sites. This includes detailed crisis response procedures that are regularly practiced in drills, often in cooperation with local emergency response organizations. Needless to say, operational safety is reflected in our leadership's KPIs, making it a managerial priority.

### BUILDING THE FUTURE

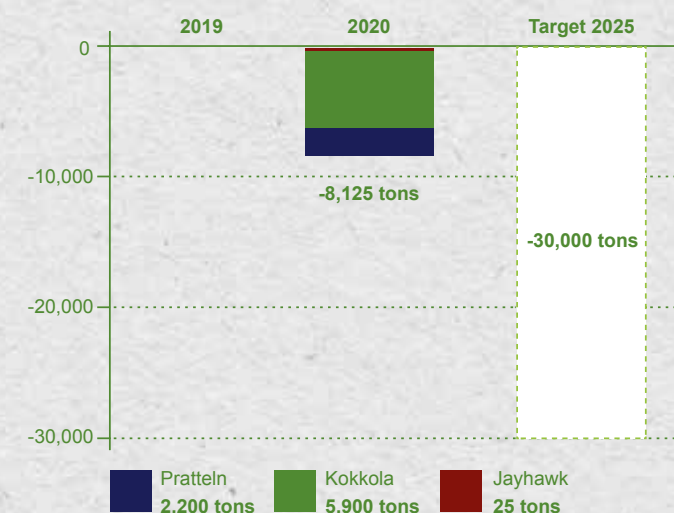
As a result of strategic personnel development and judicious recruiting, the next generation of young professionals under the age of 40 now make up about 25 percent of our workforce in Jayhawk across all operational disciplines. These young men and women represent the future of custom manufacturing leadership as we transform our operations into progressively greener technologies.

In 2020, we offered eight apprenticeships in Pratteln as chemical production technicians and laboratory technicians, thereby training the next generation in the chemical industry. CABB has also trained 17 Six Sigma Green Belts in recent years – seven in 2020 alone – in a variety of functions, resulting in an injection of expert knowledge into the organization as a means to bolster operational excellence.

### REDUCING OUR CARBON FOOTPRINT

We have committed ourselves to lowering our annual CO<sub>2</sub> emissions by 30,000 tons by the end of 2025 compared to the level of 2019.

#### CO<sub>2</sub> EMISSIONS, CUSTOM MANUFACTURING BU



### EMERGENCY MANAGEMENT IN PRATTELN

Chemical production sites are often embedded in 'chemical parks', with the resident companies sharing resources and applying joint procedures for dealing with critical situations. In contrast, our own Custom Manufacturing sites are all stand-alone operations, meaning that we maintain our own incident response systems. In order to further improve the level of preparedness and the quality of our acute incident management at our largest site in Pratteln, we joined the tried-and-tested structures of the Basel region's industrial incident management network in 2019. This move provides us with access to the network's infrastructure, procedures, toolbox, and drills under the coordination of the Basel Region's highly specialized Industrial Fire Brigade.



CABB Pratteln EM  
**CABEM**

## OPERATIONAL EFFICIENCIES

Based on robust processes, CABB Custom Manufacturing strives to steadily improve our operational efficiency. Indeed, our ability to do so has become a differentiating factor that has greatly contributed to maintaining long-lasting, strategic partnerships with major customers.

These efficiencies create benefits on three successive levels which, in combination, create a virtuous cycle by:

- » reducing the environmental impact of our operations,
- » creating cost benefits for ourselves and our customers alike, keeping us competitive and supporting customer satisfaction and retention, and
- » ultimately driving our bottom line, providing the means for further investments in innovative processes and plants.

Our operational efficiency efforts focus on energy, raw materials, and waste. In fact, all three are interconnected since re-using raw materials may reduce the energy that a process consumes or lower the amount of waste to be treated.

## › Energy

Energy and its associated cost are probably one of the most important determinants of natural resource consumption in our manufacturing. Power consumption by our electrolysis plants, for example, is a major factor. We address this challenge in three ways.

- » Firstly, we strive to replace fossil-based energy with renewable solutions where possible.
- » Secondly, we apply new technologies with lower consumption such as the latest generation of membranes in our electrolysis plants. We also constantly improve the energy profile of our production processes, e.g. by switching from batch to continuous production.
- » Thirdly, we develop solutions for re-using energy within the production cycle, for instance by utilizing excess steam resulting from one process as a heating source for another.

Related initiatives take place on various levels – from relatively simple measures like the installation of energy-efficient lighting to complex process adjustments that involve investments in technologies and assets.

## › Raw Materials

The ultimate goal in many industries is the establishment of a ‘circular economy’, where materials are re-used again and again. CABB Custom Manufacturing anticipated this concept many years ago in the form of the ‘Verbund System’ we have established in Pratteln. This closed loop production is designed to maximize the re-use of components.

Working jointly with customers for whom we make exclusive products, we are continuously looking to improve the yield and so reduce various input factors.

We also discuss all relevant technical parameters as part of our customer campaign reviews and apply the lessons learned to future campaigns. Our portfolio products also undergo constant fine-tuning. Recently, a green belt project kicked off in Pratteln where a cross-functional team is set to improve the yield of a key intermediate, while also looking at additional savings in terms of energy consumption and waste.

## › Waste

Waste management generally has two dimensions:

- » the greatest possible avoidance of waste, and
- » treatment of unavoidable waste.

We avoid waste by developing highly efficient processes with optimized yields as well as by re-using substances within production loops.

We see waste as something we do not necessarily need to ‘get rid of’, but as a precious side-stream which might create value in another process for us or one of our partners.

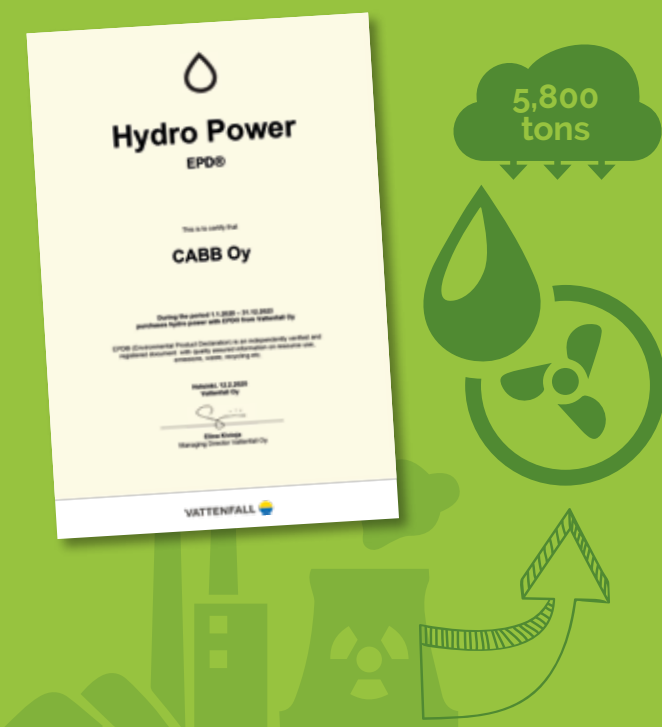
Waste that is unavoidable is treated in ways that minimize its environmental impact, often by using sophisticated technology.

## GREEN ENERGY

As of January 1st, 2020, our Kokkola site has moved to 100% renewable energy electricity. The electricity used to power the site's operations is generated by hydropower plants. This switch to green energy reduces the site's CO<sub>2</sub> emissions by approximately 5,800 metric tons per year, equivalent to the average individual CO<sub>2</sub> footprint of almost 830 EU citizens\*.

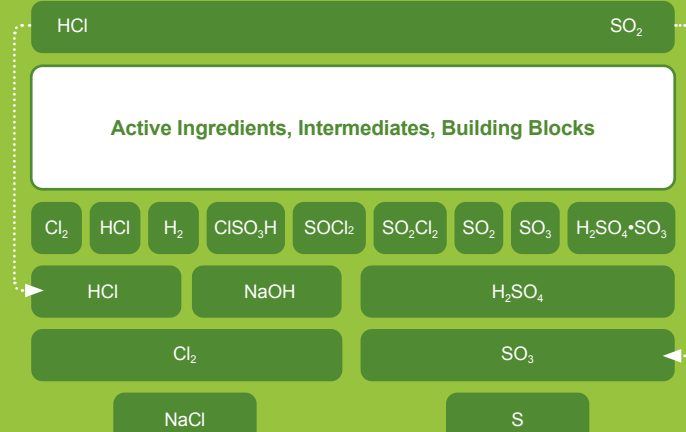
The Jayhawk site sources 50% of its electricity in the form of regionally generated wind power. Some of the technologies used in these wind farms are supported by molecules Jayhawk produces.

\*source: eurostat – EU's total carbon footprint was equal to 7.0 tonnes of CO<sub>2</sub> per person in 2018



## PRATTELN VERBUND SYSTEM

In Pratteln, our Verbund System enables highly efficient and sustainable chlorination and sulfonation reactions. Chlorine and sulfur trioxide are produced as primary raw materials, from which a variety of chlorination and sulfonation reagents are subsequently manufactured. These



are then used for the production of further downstream intermediates and non-GMP active ingredients. The HCl and SO<sub>2</sub> generated as off-gases are separated, purified and recycled or re-used.

## PRE-TREATMENT OF WASTEWATER

In 2019, CABB made a significant investment in a new plant for pre-treating wastewater at its Pratteln site. Using state-of-the-art UV Advanced Oxidation Process technology, it breaks complex pollutant molecules down into smaller molecules that are toxicologically unproblematic and highly biodegradable. The process reduces the concentration of relevant particles by over one hundred times, thus allowing the water to be discharged to a regular sewage treatment plant. Measurements show that permissible limits for pollutants are constantly met. Expansion of the plant is planned in 2021.



## 8. BUILDING AND MAINTAINING STRONG RELATIONS WITH KEY STAKEHOLDERS

The CABB Group's slogan is 'Your partner in fine chemistry'. In Custom Manufacturing, long-lasting partnerships with our customers are at the core of our business model. However, we also embrace the partnership approach to our relations with stakeholders in general, whether suppliers, neighbors, associations, or any other organization or individual we interact with.

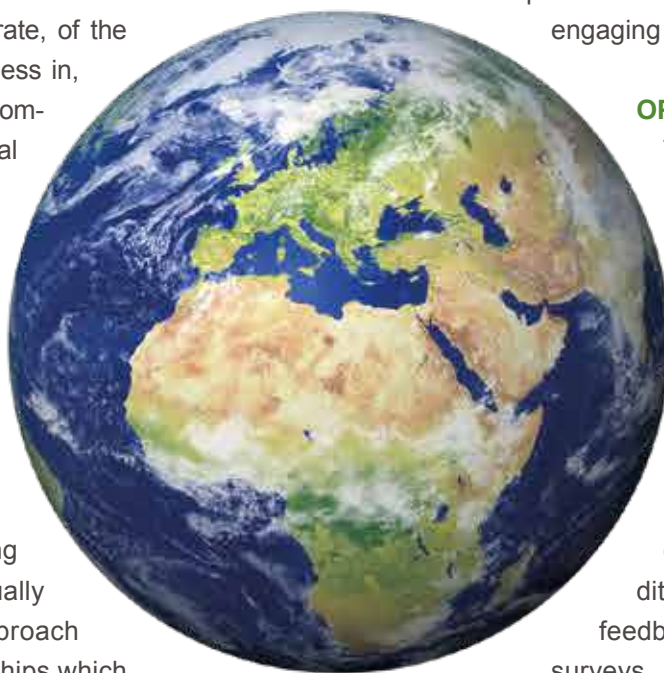
We want to be a good corporate citizen of the communities where we operate, of the many countries we do business in, and of the international community represented by global institutions. By doing so, we aim to make a positive contribution to our industry in general too.

It is our firm belief that mutually trusting interaction, an open exchange of opinions, and the sharing of ideas are the most promising approach to achieving mutually beneficial results. This approach leads to long-term relationships which in themselves contribute to sustainable development of both our company and its various environments.

### BASELINE

All parts of CABB Group conduct their global operations with the highest level of business integrity. We strictly observe all applicable laws and regulations and strive to be a trusted corporate citizen in whatever community and environment we are active in.

The behavior of our people is guided by CABB's code of conduct. In addition, dedicated corporate policies are in place to address critical topics such as antitrust, corruption, and HSEQ.



### LOCAL INTERACTION

Given the sensitive nature of their operations, chemical companies have a special obligation to engage with local communities in order to make them feel comfortable and keep them safe. As all our production sites are located in communities of a relatively modest size, CABB Custom Manufacturing puts an emphasis on maintaining personal relationships with all relevant authorities and political decision makers and, of course, on engaging with citizens.

### OPEN EYES AND EARS

Trusting relationships cannot exist without a willingness to address the weak spots as well. Within our business operations, this is a routine approach in daily project management which often proceeds in close cooperation with our customers. Such ongoing exchange is complemented by regular audits by major customers, whose feedback we also actively seek via surveys.

### TAKING RESPONSIBILITY

Creating a sustainable future will require not only careful management of resources, but also much innovation. For instance, feeding a global population that is expected to reach eight billion people by 2050, while the acreage available per capita will simultaneously decrease by one fourth, will be impossible without innovative agrochemical solutions.

We want to play our part in nurturing a public debate that allows innovation to happen, which is why our CEO Valerie Diele-Braun serves on the board of scienceindustries, the Swiss association of the chemical, pharmaceutical, and life sciences industries.

### CHALLENGING OURSELVES

Setting and achieving internal targets is important. Just as important, however, is comparing one's own performance with relevant external benchmarks. We do this by running regular customer surveys as well as by commissioning independent audits.

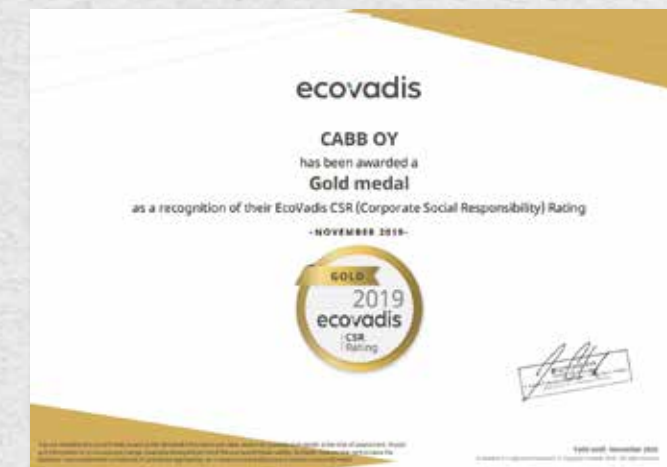


### HIGHLIGHTS FROM THE CUSTOM MANUFACTURING BU'S 2020 CUSTOMER SURVEY:

Question	Rated 'very good' and 'good'	
	2018	2020
How do you rate your contact's professional expertise?	89%	92%
Do you feel valued as a customer?	Not asked	90%
How satisfied are you with our managing of complaints?	53%	79%

Our Pratteln site was awarded a Gold Scorecard for responsible corporate conduct for the second year in a row in January 2020. This assessment was performed by Ecovadis as part of the 'Together for Sustainability' (TfS)

initiative founded by a group of leading chemical companies in 2011. Our Kokkola site also received Gold Scorecards, which is the highest attainable rating for CSR management, in 2017 and 2019.



### CABB is an active member of various industry associations including

- » American Chemistry Council
- » CEFIC/EFCG
- » Chemical Industry Federation of Finland
- » Eurochlor
- » German Chemical Industry Association (VCI)
- » IGEB (Swiss Association of Energy-Intensive Industries)
- » scienceindustries
- » Swiss Chemical Society (SCS)
- » Swiss Process and Chemical Engineers (SGVC)
- » United Nations Global Compact

Complementing our close cooperation with customers, we also evaluate potential suppliers against CSR criteria. All our existing top 15 suppliers have already either signed CABB's supplier code of conduct or committed themselves to a similar set of rules. Any new supplier must sign our code of conduct before being listed.



CABB is a signatory to the chemical industry's Responsible Care Global Charter.

Through Responsible Care, chemical manufacturers, national chemical industry associations and their partners commit to:

- » enabling a corporate leadership culture that proactively supports safe chemicals management,
- » safeguarding people and the environment by continuously improving their environmental, health and safety performance, facility security, and the safety of their products,
- » strengthening chemical management systems around the globe,

- » working with business partners to promote safe chemicals management within their own operations,
- » engaging with stakeholders, responding to their concerns and communicating openly about their performance and products,
- » contributing to sustainability through development of innovative technologies and other solutions to societal challenges.



### EUROPEAN UNION'S REACH DIRECTIVE

We embrace the EU's REACH directive (Registration, Evaluation, Authorization and Restriction of Chemicals) as a means to enhance our own sustainability footprint as well as support our customers in optimizing theirs.

CABB is an active contributor to the REACH consortiums on acetyls, chlorine, SDIO, glycolic acid, sodium hydroxide, sodium hypochlorite, and sulfonic acid.

We also have been the Lead Registrant for 40 substances in these areas due to the outstanding level of validity of our data base.

**8** » *number of REACH consortiums that CABB is active in*

**40** » *number of substances CABB Group had registered as a lead REACH registrant*

**58** » *total number of substances CABB's Custom Manufacturing BU has registered for further processing and sales under the REACH directive.*

### STEWARDSHIP IN JAYHAWK

Jayhawk has a long history of caring for the communities in which its people live and the land on which it operates. A group of employees act as stewards to the surrounding land through hunting and conservation programs and our belt land is used by local farmers to raise agricultural crops as part of an agreement to manage facility belt land. We also invest in the academic community via donations to local STEM programs.

### COVID-19 SUPPORT IN PRATTELN

At our Pratteln site, CABB produces isopropanol, which can be used as a precursor for the production of disinfectant. In April 2020, at the peak of the COVID-19 pandemic, we donated a significant amount of this substance to the region's crisis team to support their efforts in containing the spread of the virus.

### PUBLIC SUPPORT FOR NEW TECHNOLOGIES

In June, CABB joined a group of large life science companies in Switzerland in issuing an appeal for greater openness toward new technologies and innovative approaches. The full-page newspaper advertisement appeared on June 28 in German in the Sunday edition of the Neue Zürcher Zeitung and in French in Le Matin Dimanche.





**WE SUPPORT****CABB IN BRIEF:**

CABB Group is one of the world's leading fine chemical custom manufacturers of active ingredients and advanced intermediates. With approximately 1,100 employees and six production sites in Europe, Asia and the USA, we generate annual sales of about half a billion euros. The company is headquartered in Sulzbach am Taunus, Germany. We are a highly dedicated supplier and partner to leading companies, specifically in the agrochemical, electronics, healthcare and specialty chemical sectors. We are one of the world's leading providers of high-purity monochloroacetic acid. We also produce a portfolio of fine chemical intermediates for customers throughout the industry.

**For more information on the sites in our Custom Manufacturing Business Unit,  
please contact CABB as follows:**

**Pratteln, Switzerland:** [contact@cabb-chemicals.com](mailto:contact@cabb-chemicals.com)

**Kokkola, Finland:** [info@cabb-chemicals.fi](mailto:info@cabb-chemicals.fi)

**Jayhawk, USA:** [inquiry@jayhawkchem.com](mailto:inquiry@jayhawkchem.com)

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