

THE WEBINAR WILL BEGIN SHORTLY

The slides and recording of the webinar will be available afterwards.



ChemScore
Report

2023



ChemScore Report

2023

AGENDA

- **Introduction to ChemSec and ChemScore**
 - Jerker Ligthart, ChemSec
- **Key takeaways and overall progress**
 - Sonja Haider, ChemSec
- **The investor's perspective on hazardous chemicals**
 - Mariana Socorro Villanueva, Axa Investment Managers
- **SABIC's path towards sustainability**
 - Dr. Greg Porta, SABIC
- **Questions**
 - Please use the Q&A function



Jerker Ligthart

Senior Chemicals
Advisor,
ChemSec



Sonja Haider

Senior Business and
Investors Advisor,
ChemSec



**Mariana Socorro
Villanueva**

ESG Analyst,
Axa Investment
Managers



Dr. Greg Porta

Corporate Product
Stewardship
Director,
SABIC

WHAT WE DO AT CHEMSEC

- Drive the political discussion on hazardous chemicals
- Challenge companies to improve their chemicals management
- Develop online tools to help companies switch to safer chemicals
- Inform investors about risks and opportunities in the chemical industry





CHEMSCORE 2023

- Four points of view
 - 1) Hazardous product portfolio (18 points)
 - 2) Development of safer products (12)
 - 3) Management & transparency (12)
 - 4) Lack of controversies (6)
- Only use public information
- Maximum score 48 points

The aim is to fill the gap in ESG rankings

DETAILS CATEGORY 1

- Production of hazardous chemicals
 - Most hazardous substances + **PFAS**
- The aim is to highlight financial risk
 - Regulatory risk
 - Future litigations





ADDED PFAS FOCUS

COMPANY	PFAS CHEMICALS
Chemours ●	63
3M	54
Solvay	36
AGC ●	15
Honeywell ●	15
Bayer	13
Daikin ●	12
BASF	12
Arkema	10

CHEMSCORE 2023

- ▼ 3M, US
- ▲ Avery Dennison, US
- Chemours, US
- Corteva, US
- Dow, US
- DuPont, US
- ▲ Eastman Chemical, US
- ▲ Ecolab, US
- Honeywell, US
- ▲ The Mosaic Company, US
- ▲ PPG Industries, US
- ▲ Sherwin-Williams, US
- ▼ Westlake, US
- Nutrien, CA

- BASF, DE
- ▲ Bayer, DE
- Covestro, DE
- ▲ Evonik, DE
- ▲ Lanxess, DE
- ▲ AkzoNobel, NL
- ▲ LyondellBasell, NL
- ▲ Solvay, BE
- ▼ Umicore, BE
- ▼ Johnson Matthey, UK
- ▲ Arkema, FR
- ▼ Sika, CH
- ▲ Yara, NO

- AGC, JP
- ▼ Asahi Kasei, JP
- Daikin, JP
- ▲ DIC Corporation, JP
- Mitsubishi Chemical, JP
- Mitsui Chemical, JP
- ▲ Nippon Paint, JP
- Nitto Denko, JP
- ▲ Shin-Etsu, JP
- Resonac, JP
- Sumitomo Chemical, JP
- ▼ Tejin, JP
- Toray, JP
- ▼ Hanwha Solutions, KR
- LG Chemical, KR
- ▲ Lotte Chemical, KR
- ▼ Indorama Ventures, TH
- ▲ PTT Global Chemical, TH
- NanYa Plastics, TW
- ▲ Wanhua Chemical, CN
- ▲ SABIC, SA

- ▲ Increase in points
- No change
- ▼ Decrease in points
- New on ChemScore

▲ Braskem, BR

▲ Sasol, ZA



TOP SCORERS

The best ranked chemical companies in ChemScore 2023.

SABIC
Saudi Arabia

Rank 1 / 50 **B**

Indorama Ventures
Thailand

Rank 2 / 50 **B-**

Yara
Norway

Rank 3 / 50 **B-**



BOTTOM THREE

The worst ranked chemical companies in ChemScore 2023.

DuPont
USA

Rank 50 / 50 **F**

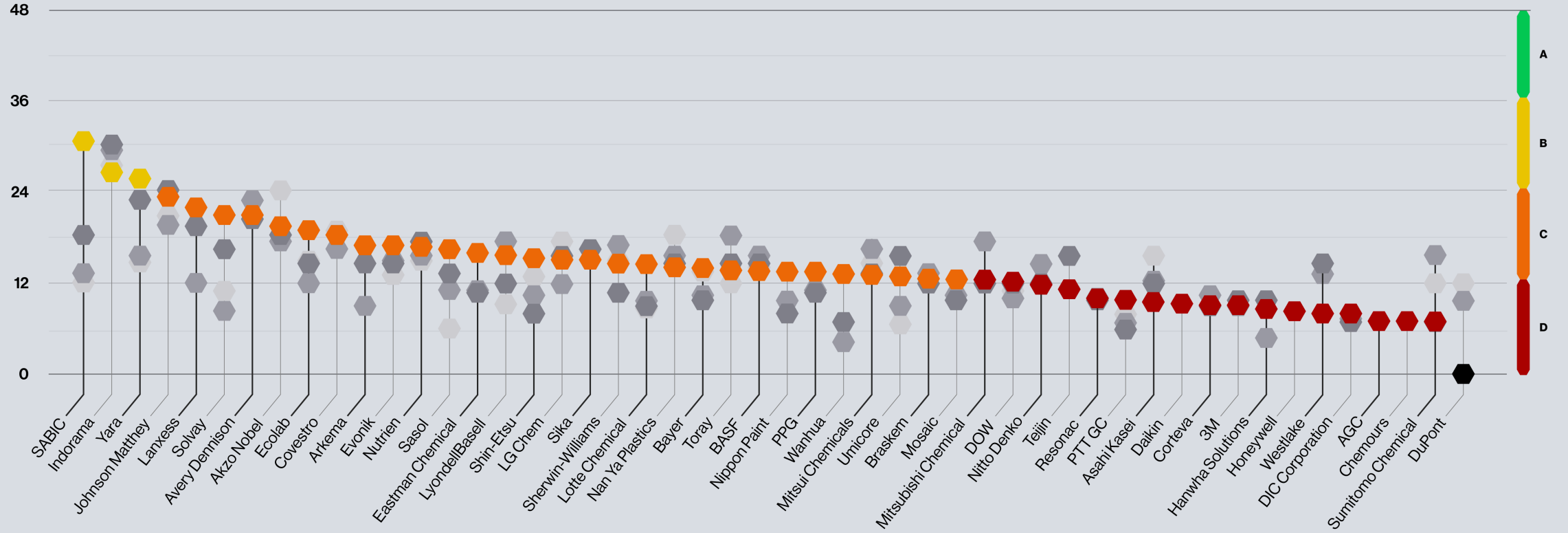
Sumitomo Chemical
Japan

Rank 49 / 50 **D**

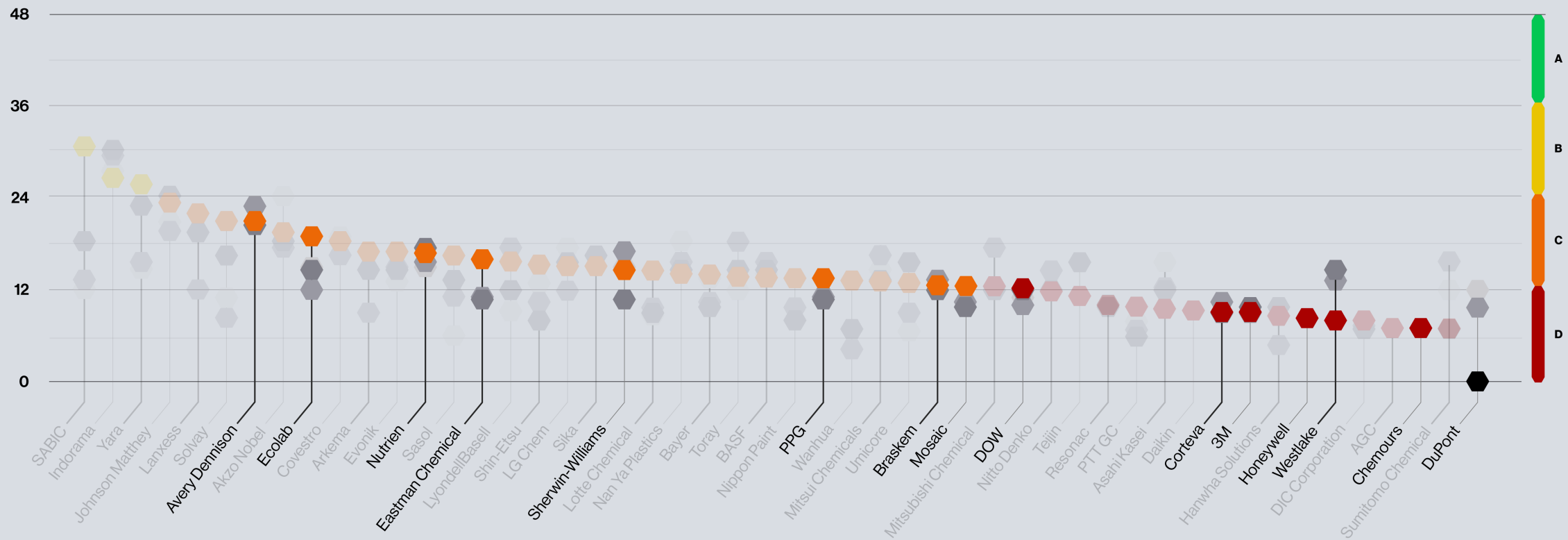
Chemours
USA

Rank 48 / 50 **D**

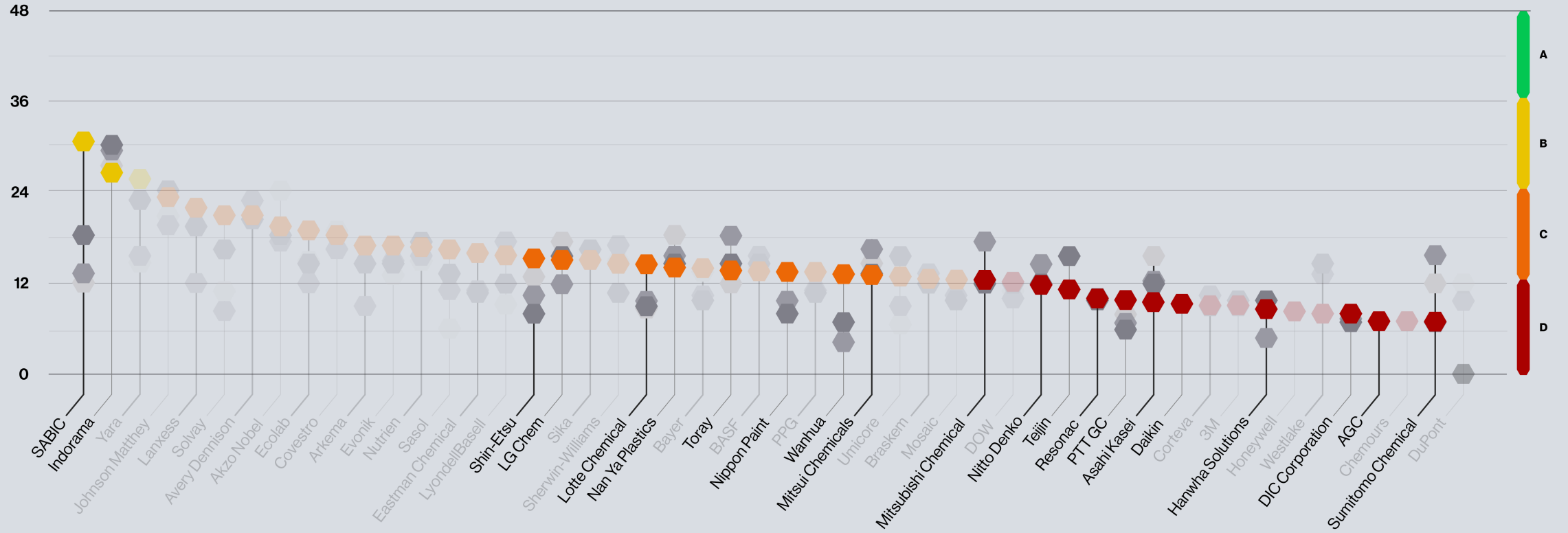
ChemScore: year to year



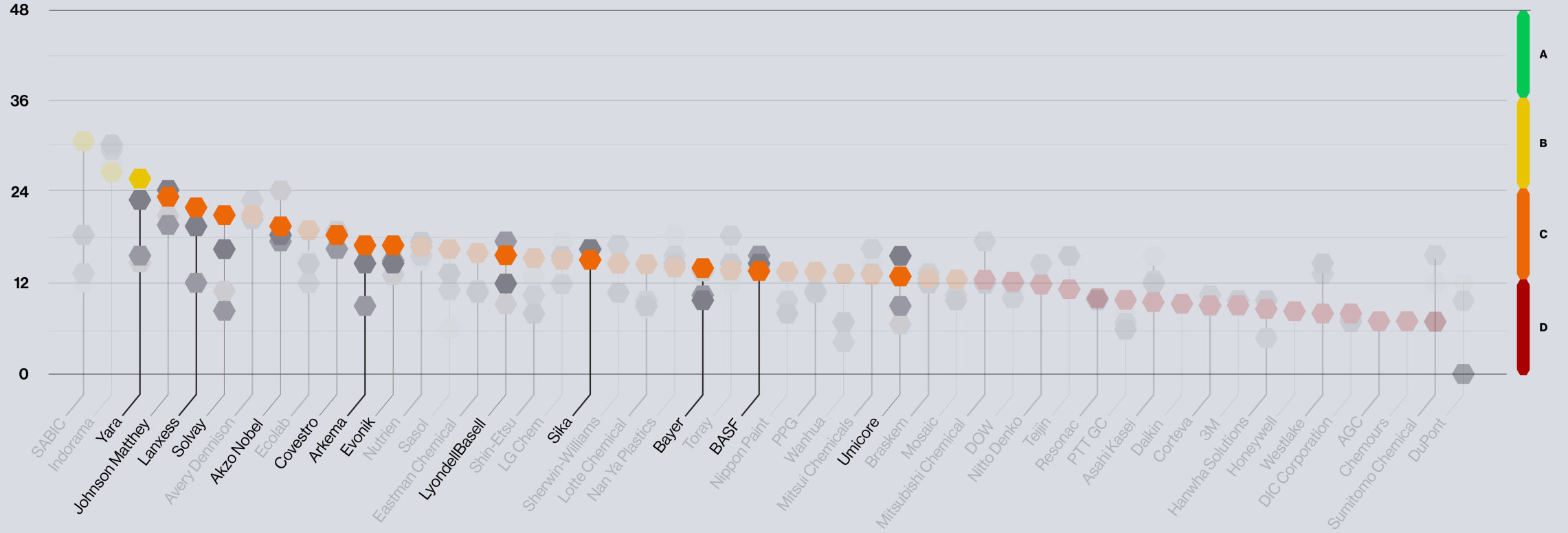
ChemScore: Americas



ChemScore: Asia



ChemScore: Europe



KEY RESULTS

Transparency

- ▲ SABIC: Chemicals – Business Overview: Public product portfolio including volumes and facilities
- ▲ Eastman/Lanxess: No additional SVHCs outside EU/US
- ▲ Braskem: Valuation Book
- ▲ Arkema: Global SVHCs in numbers
- ▼ DuPont: Claimed confidentiality for whole US portfolio (as last year)



**Companies fully disclosing
global hazard portfolio:
3/50 (2022: 2/46)**



**Companies committed to
not developing
new SVHC products:
2/50 (2022: 2/46)**

**Companies committed to
a time-bound phase-out of
persistent chemicals:
1/30 (2022: 0/25)**



**Companies disclosing
revenue from SVHCs:
7/50 (2022: N/A)**

PROGRESS

Relevance for Investors



Biodiversity & Nature

- Growing investor awareness on this theme
- Chemical industry emerging as an important partner to reverse nature loss



ESG Materiality

- Hazardous chemicals can be a potentially material ESG risk for companies
- Potential opportunities for companies able to better position themselves



Limited Disclosure

- Limitations to existing company disclosure on hazardous chemicals

Investor Initiative on Hazardous Chemicals (IIHC)

Launched in 2023, a group of over 50 institutional investors are advocating for **3 Asks** with companies in the ChemScore universe, active dialogue on-going in 2023/2024 with select companies

1 Increase Transparency

Disclose both the share of revenue and production volume of products that are, or contain, hazardous chemicals.

2 Phase-out Persistent Chemicals

Publish a time-bound phase-out plan of products that are, or contain, persistent chemicals.

3 Develop Safer Alternatives

Following a robust evaluation, substantially ramp up R&D and investment in the development of safer alternatives.

CHEMISTRY THAT MATTERS™



RESPONSIBLE CHEMICAL MANAGEMENT

A SABIC PERSPECTIVE

Greg Porta
Director – Corporate Product Stewardship
November 22, 2023



SABIC AT A GLANCE



1976

Company established



31,000

Employees around the world



50

Countries of operations



9,948

Global patents and pending applications



Top 2

Chemical Brand Value*

4.72

US\$ bn

Estimated Brand Value*

83.46

US\$ bn

Total assets

4.41

US\$ bn

Net income

52.92

US\$ bn

Annual revenue



≈ 150

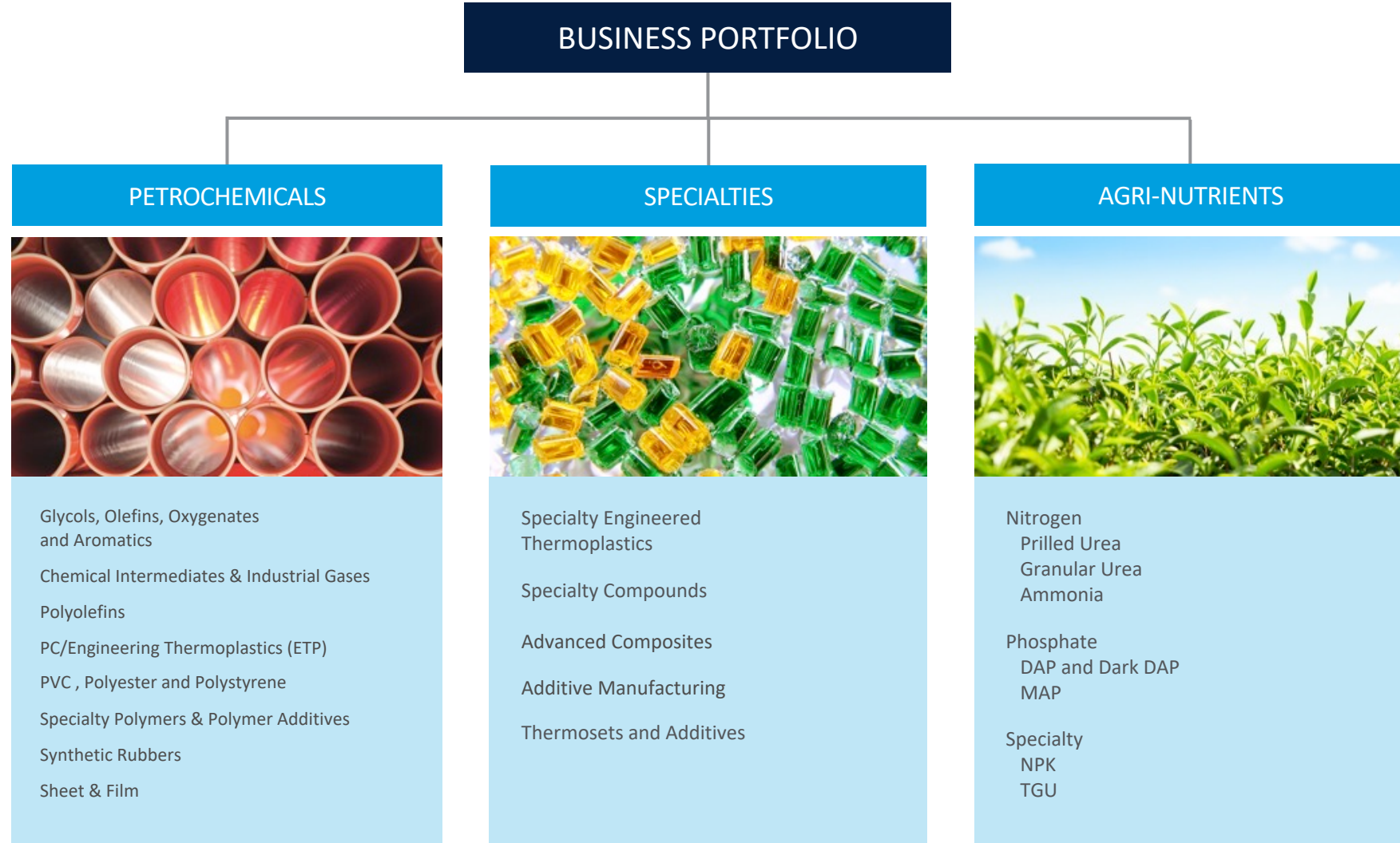
New products each year



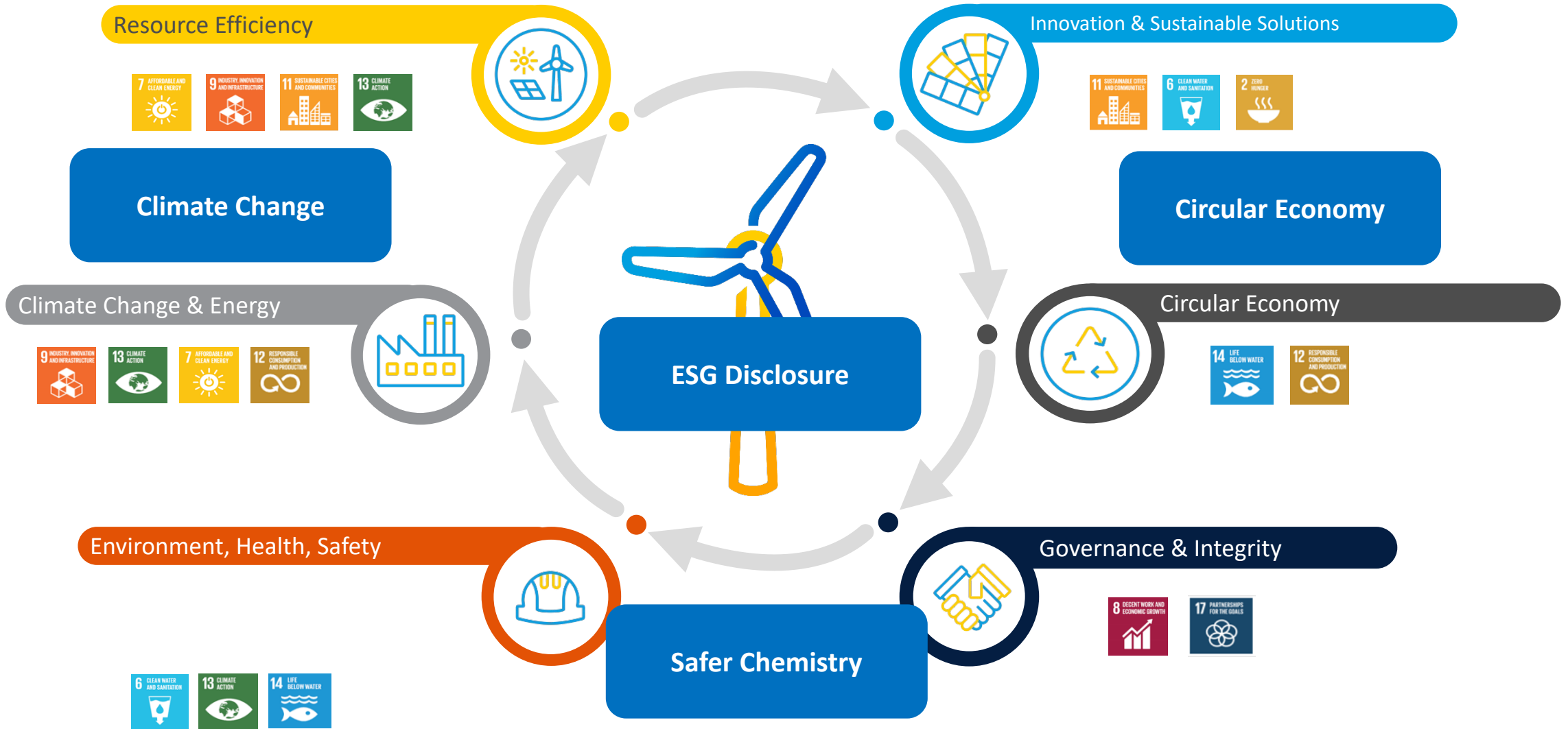
65

World-class plants worldwide

OUR BUSINESSES

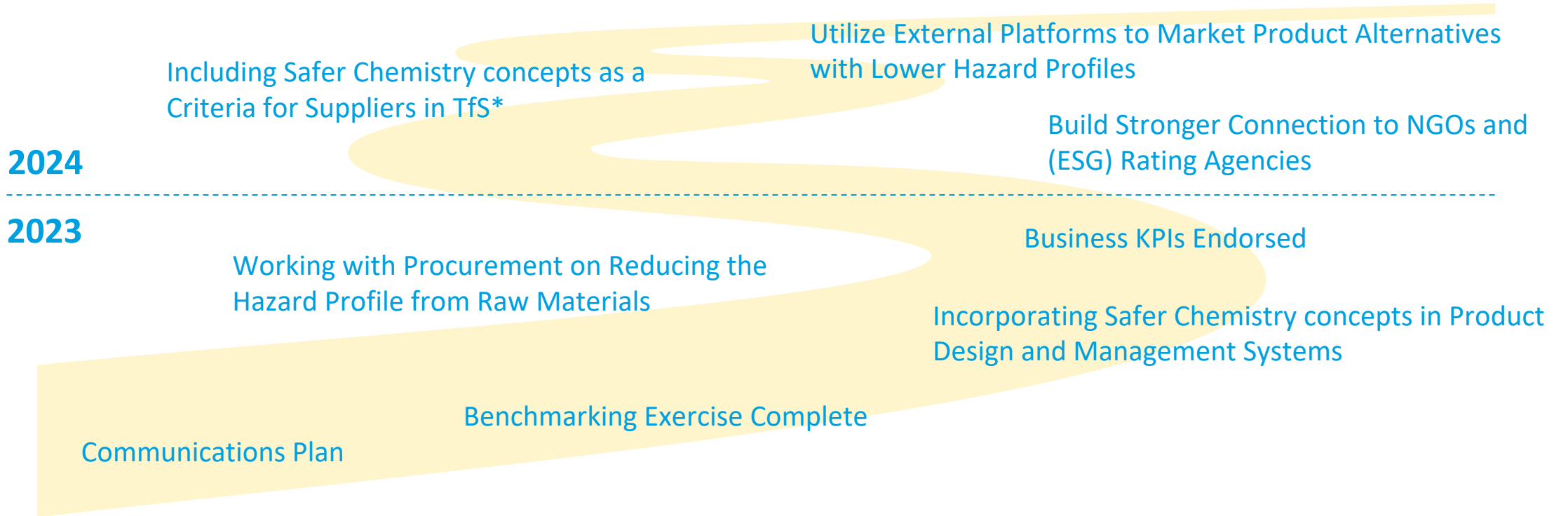


OUR SUSTAINABILITY PRIORITIES



SAFER CHEMISTRY: AN EVOLVING JOURNEY

WE ARE CREATING
CHEMISTRY THAT MATTERS™
FOR A SUSTAINABLE WORLD



*: Together for Sustainability, a member-driven initiative, raising CSR standards throughout the chemical industry.

INCREASING TRANSPARENCY

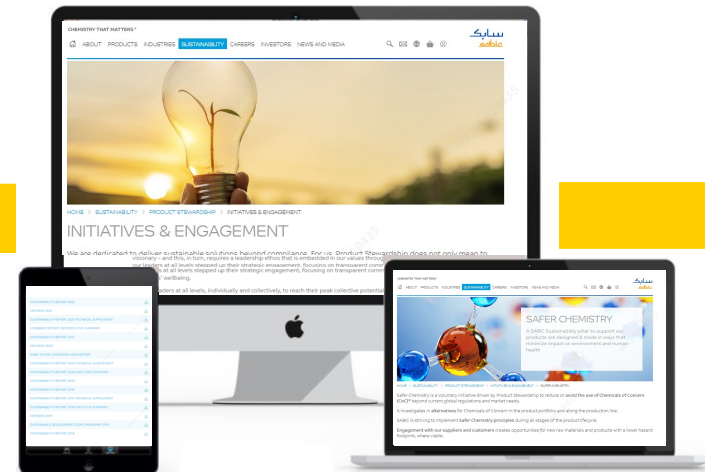
Brand owners, NGOs and the ESG ratings community are driving hazardous chemicals management and demanding increased transparency.



SABIC strives to share information about its approach and progress.



2012



2023



THANK YOU



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