



**PVS Chemicals  
Belgium  
ESG Policy  
v12/2023**

## Contents

1. About this policy .....	2
2. Purpose of this policy.....	2
3. Who is responsible for this policy?.....	2
4. Our ESG commitment.....	2
5. Our statement on climate change and the environment .....	3
6. Our statement on social responsibility .....	3
7. Our statement on ethical governance .....	4
8. Our business and ESG .....	4
9. Our duty to the wider world .....	4
10. ESG and our reputation .....	5
11. Our responsibility to our customers.....	6
12. ESG and our value chain .....	6
13. Monitoring and enforcement .....	7

## 1. About this policy

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1.1 Environmental, social and governance issues cannot be considered in isolation from each other. ESG is about bringing them together under one banner to demonstrate the positive impact our business is having on the world. ESG is much like corporate social responsibility but on a vastly larger and more measurable scale. Companies who are at the forefront of talking about their ESG scores are generating more attention from across the business spectrum, and investors are actively looking for high ESG scoring companies.

1.2 This policy will inform our ESG efforts moving forward. This includes, but is not limited to reporting, disclosures (both material and non-material), business practices, policies, procedures, and stakeholder engagement.

## 2. Purpose of this policy

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2.1 The purpose of this policy is to provide information about ESG (Environmental, Social and Governance factors) and to encourage the business to understand ESG better.

2.2. This policy has been agreed upon with PVS Chemicals Belgium management.

2.3 This policy does not form part of any contract of employment or other contract to provide services, and we may amend it at any time.

## 3. Who is responsible for this policy?

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3.1 PVS Chemicals Belgium management has overall responsibility for the effective operation of this policy. Suggestions for change should be reported to the respective department manager.

3.2 Line managers have day-to-day responsibility for this policy and employees should refer any questions about this policy to them in the first instance.

3.3 This policy is reviewed annually during the management review.

## 4. Our ESG commitment

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4.1 We strive to build sustainable, equitable, healthy, and diverse communities through a combination of innovative business practises and exemplary environmental, social and governance (ESG) performance. This commitment informs every aspect of our business, including how we design and build new projects, operate our company, collaborate with stakeholders and report progress.

## 5. Our statement on climate change and the environment

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5.1 We are committed to driving down our energy and carbon impacts, as we believe that climate change is one of the greatest risks to our world. Our sustainability program is committed to environmentally sustainable initiatives that deliver near-term efficiency, value, and health for our business, our people, and the wider community.

5.2 We strive to use our by-products, residual heat and waste materials as circularly as possible by setting up sustainable partnerships. Our aim is to reduce the use of fossil energy as much as possible, be it directly or indirectly.

5.3 We encourage our customers to reduce their impact on the environment by recommending the use of more sustainable materials. We actively promote a paper-free office. We will make all endeavours to be a digital-first business.

5.4 We seek to comply with current environmental legislation and work to minimise the impact of our activities on the environment. New projects are brought into line with the strictest environmental standards.

## 6. Our statement on social responsibility

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6.1 Our focus is to deepen relationships with our key stakeholders by investing in our employees and partnering with our customers, communities, investors, suppliers and authorities.

6.2 We are committed to engage with our employees to provide a challenging, dynamic, inclusive and diverse work environment that supports their professional development, as well as promoting a good work-life balance that prioritises their overall health and wellness.



6.3 We will support initiatives that benefit the environment, human welfare and education.

6.4 We will engage suppliers, customers and employees around safety, health, and wellness.

6.5 We will preserve and promote the protection of human rights and welfare within our own business activities, as well as those of our supply chain.

## 7. Our statement on ethical governance

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7.1 Our focus is to promote strong oversight, transparency and risk management at all levels of our organisation, ensuring the resilience and long-term preservation of value for our business.

7.2 We will maintain strong corporate governance practises through exemplary board stewardship, management accountability, and proactive risk management.

7.3 We will mitigate risk exposure and build the resilience of our business to climate change, earthquakes, drought stress, flooding and other catastrophic events through smart design and sighting.

7.4 We are committed to high ethical standards through PVS Chemicals' Nicholson Nine, and executive leadership that promotes a culture of integrity.

7.5 We cultivate strong stakeholder relationships through transparency, open communications, and responding to stakeholder input.

## 8. Our business and ESG

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8.1 ESG is about assessing that net positive impact in the world, and taking concerted, defined and measurable action to improve it. Our value rests in our employees, our communities, and the wider world. Therefore, ESG forms a fundamental part of how our business lives our values in the real world.

8.2 The ethical and practical values that make up the different parts of ESG have always been at the heart of what we as a company stand for. With the growth of ESG and the increased awareness of these factors among our key stakeholders, we have a better opportunity to tell the story of how our business makes a positive impact in the world.

8.3 The drive to assess a broader range of factors in a holistic manner, from environmental and climate change considerations to the social issues and how we invest in our people, to the structure of our business and always reaching for better governance, means we can tell our story better. We welcome opportunities to highlight the positive impact we have on the world.

## 9. Our duty to the wider world

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9.1 As a business, we also have a duty to our people, our customers, and the wider world. ESG gives us an opportunity to bring those impacts together. We value investing in our people as we value protecting our environment and being a good corporate citizen.

9.2 Fostering openness, sustainability, and respect are our key objectives. We value everyone and strive to work as one team. Our view on ESG is that it is a continuous process of aligning our operations and controls with our values as a company.

9.3 Our commitment to improve our social and environmental performance demonstrates a strong, well-informed management attitude and a values-led culture that is both alert and responsive to the challenges and opportunities of doing business responsibly and sustainably.

## 10. ESG and our reputation

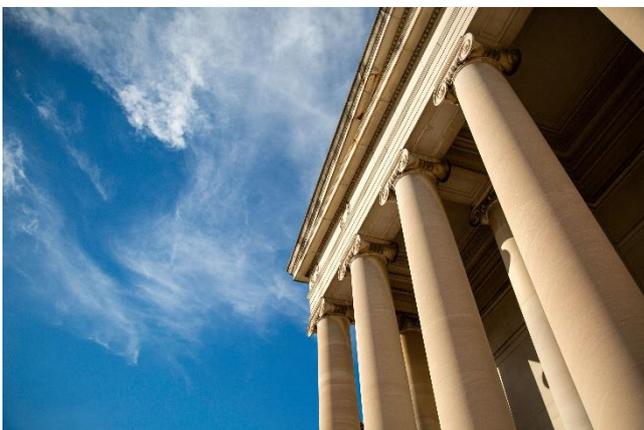
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10.1 ESG is fundamental to our reputation as a business. Reputation is built through frequent and repeated interactions with stakeholders. When those interactions are positive, our business, and our reputation, can thrive. In an uncertain economic climate, positive reputation is one of the key drivers to long term success.

10.2 We want all our stakeholders, from customers to investors to our people, to be proud to be a part of our business. Part of that pride is understanding how our business makes a positive contribution to the world.

10.3 Environmental - Environmental sustainability is an ethical and commercial imperative. Managing our carbon footprint goes hand in hand with the strategic necessity to operate efficiently. Our commitment to tackling climate change at a corporate level is fundamental to our strategic objectives.

10.4 Social - Our people make up our business. Intellectual capital is core to our clients, our business model and our long-term sustainability as a business. We aim to foster an environment that values and nurtures unique talents and contributions from every individual within a culture of inclusivity. While we have progress to make, we are committed to cultivating and empowering change by building an inclusive workplace where all talents can thrive.



10.5 Governance - Good governance is foundational to our business, and all aspects of ESG. We cannot thrive without paying attention to our compliance obligations. Our business seeks to go beyond the concept of 'box-ticking' and embed compliance into the heart of our business.

## 11. Our responsibility to our customers

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11.1 We have an obligation to our customers to offer them the best service. Customers are at the heart of our business, and without these partnerships our business wouldn't exist. Part of that commitment to customers is about responding to their needs, hearing their concerns and committing ourselves to customer satisfaction.

11.2 The best customers are those who see us as partners in their own enterprise. In turn, those customers reward us with their continued business, and building and maintaining our world-class reputation.

11.3 ESG priorities are drawn not only from investor concerns but customer needs. Customers are asking how we are improving the world around us. How are we protecting our shared natural heritage, investing in our communities and being good corporate citizens? It is imperative on us as a business that all of our interactions with customers are reflective of who they expect us to be. And that is a partner in their own enterprise. A company they are proud to work with and recommend.

11.4 That is why we want our employees to feel proud of being part of our business and the positive impact we have on the world, so that our customers will feel the same.

## 12. ESG and our value chain

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12.1 Our business does not operate in isolation; almost no company does. Value is created through collaboration and partnerships. Similarly, risks can come from not anticipating problems, gatekeeping, and hiding critical information. Traditional risks in supply chains were generally about quality, cost effectiveness and reliability. But seen through an ESG lens, the holistic nature of the third parties, from how they source raw materials to how they treat workers and comply with accepted standards are just as vital.

12.2 A workforce health and safety incident, labour dispute or allegation of corruption can have serious impacts on stakeholders up and down the value chain. The value chain matters, and it is connected. Customers are increasingly voting with their feet and putting pressure on companies to act with ethical decisions in mind.

12.3 Ethical procurement gets to the heart of the value chain. When we consider the entire value chain, from raw material supplier to end use customer, we can better understand the needs and impacts of our business's decisions within those relationships. Ethical procurement within the context of ESG means paying attention to the carbon impacts of a supplier, and the labour practises of an end-user.

12.4 Considering these impacts doesn't always mean refusing to work with someone in the value chain where there are concerns. Sometimes suppliers are limited, and customers have

every right to access our services. It's about understanding the risks within each relationship and taking concerted action to reduce those risks.

12.5 For example, if there are concerns about a supplier's labour practises, we can ensure clauses are inserted into contracts to maintain an adequate standard of employment for those working for the supplier. This can help actively change labour practises, as opposed to simply refusing to work with a supplier. Or when working with a logistics provider, we might ask for emissions reporting so we can then offset the carbon used.

## **13. Monitoring and enforcement**

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13.1 We seek to proactively prevent and mitigate instances of non-compliance with this ESG policy.

13.2 Any breaches or concerns, including ethical concerns or potential breaches in our commitment to high ethical standards should be reported as soon as possible.

13.3 Active participation and engagement at all levels of the business is of great importance to ensure ownership of ESG by all staff. At minimum, we endeavour to maintain compliance with legislative requirements.

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