

# 2021 Sustainability Report

The background of the page features three pink flowers with green stems and leaves, arranged diagonally from the top left towards the bottom right. The flowers are in various stages of bloom, with some showing prominent stamens. The petals have a soft, translucent pink color, and the stems are a vibrant green.

**Inolex**

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# Sustainability is a mindset and a compass, powerfully guiding our direction.

In this report, we put the Inolex sustainability mindset into actionable frameworks that embrace all aspects of ESG (Environmental, Social, Governance). The frameworks include: reporting standards from the Global Resource Institute (GRI), topical guidance from the United Nations Sustainable Development Goals (SDGs), and our three pillars of Innovating Sustainably, Operating Purposefully, Engaging Respectfully which are held up by our foundation of Stakeholder Accountability.

This report is for you, our stakeholders. It serves to keep us accountable, aligned, and to aid in collaborative action on sustainability.



# From Our CEO

In many respects, Inolex began its sustainability journey from a place of steady, quiet momentum. Long before sustainability became part of our business lexicon, we saw the potential of embracing greener chemistries as the pathway to design ingredients that serve the future.

Fast forward several decades, we have an established portfolio that weighs each stage of an ingredient’s impact and the technical caliber to help brands consciously create more sustainable consumer products. From the inside out, we’ve used the entrée of ingredient design to understand the broader impact of our business and to build our corporate sustainability platform.

In 2021, we conducted a comprehensive materiality assessment to identify the issues most relevant to our stakeholders. This provides us with a vital perspective, informing the next phase of our work as a responsible company positioned to address some of the world’s most pressing concerns.

In this year’s report, you’ll see that our work continues in earnest: collecting more nuanced, standardized data on our operations both upstream and downstream in the supply chain; aligning with globally recognized entities; building

partnerships that will guide us on strategic and tactical change; and implementing programs and processes from within, so that our team, first and foremost, continues to serve as an integral force advancing sustainability.

In simplest terms, our commitment remains to design and make sustainable ingredients. Our people and our products exist to serve the greater good. This is central to Inolex. I believe this is the mindset and the lens required to fully contribute to healthy global stewardship.

With our team acumen and full support at the corporate level, we continue to be thoughtful in our approach, how to allocate resources and where to make investments, for the future of sustainable ingredient design.

In turn, we boldly and authentically pursue the betterment of health, beauty, and wellness for generations to come.



David Plimpton,  
Chief Executive Officer



# Focus Areas Guiding Our Sustainability Journey

## Stakeholder Accountability

- Use reputable sustainability assessments to communicate our progress in an authentic and standardized way
- Continue to build a sustainability platform that represents our values and provides for our future

## Innovating Sustainably

- Design products and develop solutions that anticipate and meet market needs and improve upon existing ingredient options
- Assess our ingredients' life cycles and reduce the environmental impact of our products
- Utilize authentic product claims by leveraging reputable standards and certifications

## Operating Purposefully

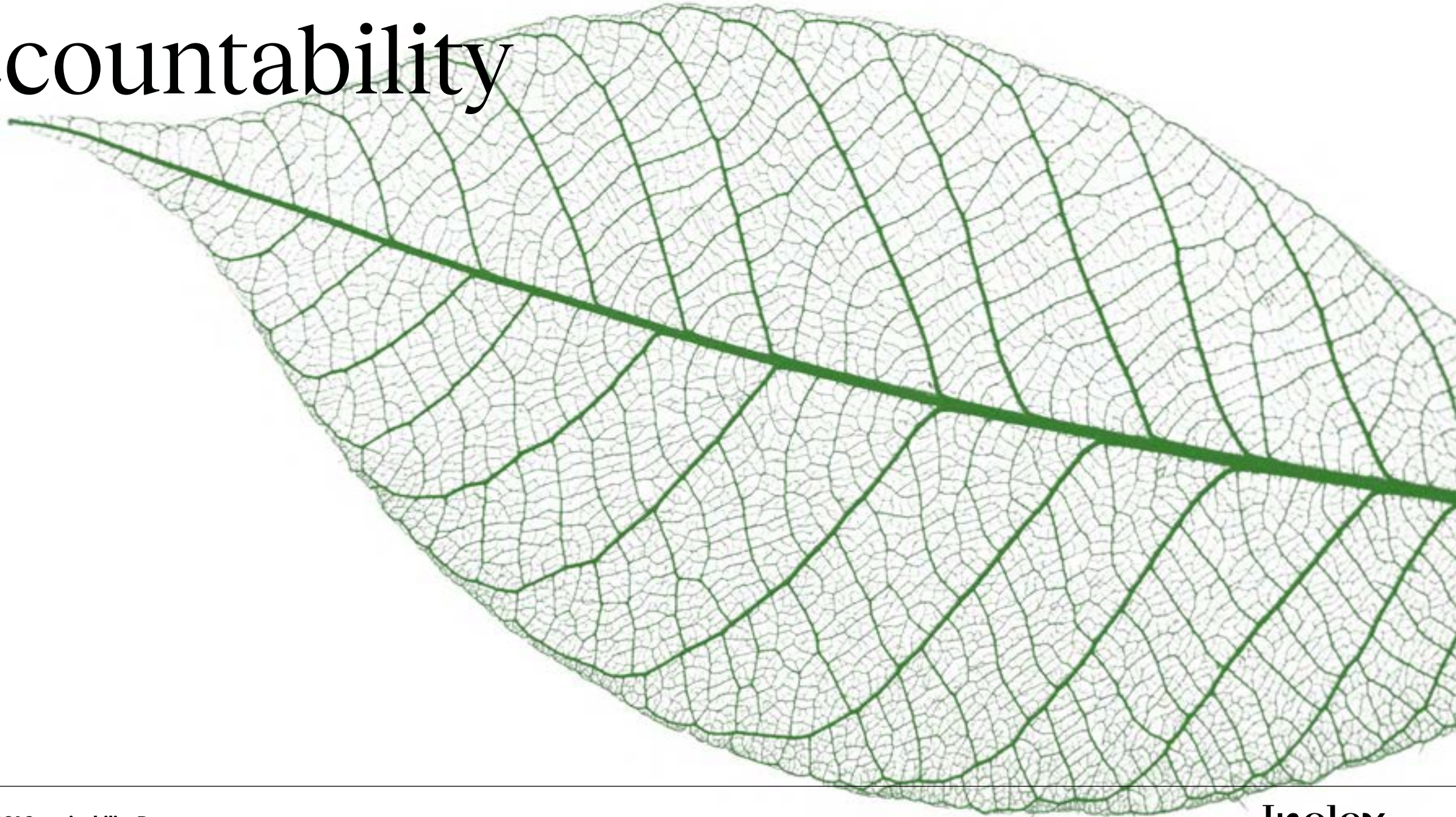
- Set science-based targets and develop a thorough execution plan for reducing Scope 1 and 2 emissions
- Track and report more elements of Scope 3 emissions with the aim to reduce
- Assess and improve the environmental and social impacts of our global supply chain
- Continuously improve the efficiency of our resource use in production

## Engaging Respectfully

- Be a fulfilling place to work that supports employee health, growth, and wellbeing
- Continuously improve our health and safety management program
- Integrate sustainability into employee culture and annual individual goals
- Serve local and industry communities as stewards of humanity and our world



# Stakeholder Accountability



# Building an ESG Platform to Sustain

Our formula combines conscientious, passionate people and environmentally conscious products. We firmly believe that what a company offers the world – in goods and/or services – must be the heart of its purpose and drive toward sustainability. Our products' success in the market has been a function of the sustainability profiles of the products we design and the communities' embrace of ESG progress.

We are incorporating formalized practices to elevate our corporate sustainability program to the same standard as our leading sustainable product portfolio. The result of our effort aims to accurately represent the length we go to do the right thing as a global business.

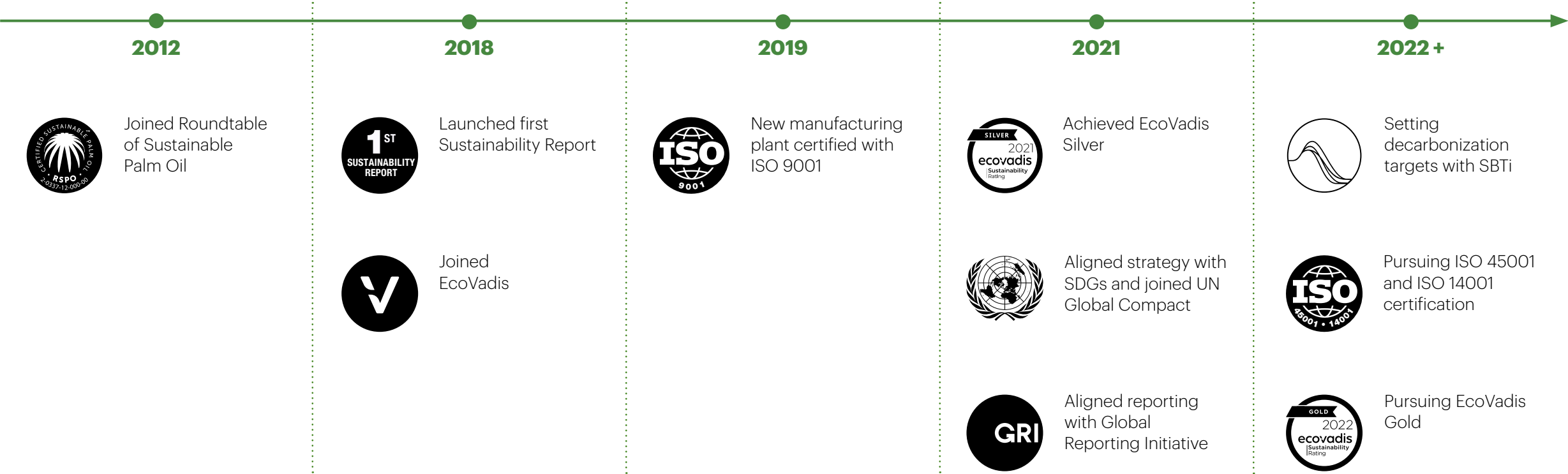
Part of our strategy consists of welcoming in global frameworks and standardization to:

- Underpin our conduct by formalizing policies
- Demonstrate performance by disclosing progress while improving tracking and reporting
- Accelerate effort through synergies with broader sustainability organizations and stakeholders

# Our Sustainability Journey with Third Party Initiatives

**We are Forging an Ambitious Path.**

Inoex is consistently planning for how we will thrive in the face of new challenges including a dynamic global supply chain, changing climate, and compounding societal concerns. We are developing concrete goals and KPIs while pursuing policy improvements, exploring new initiatives across all sustainability topics, and enhancing our tracking and reporting capabilities. In addition to working within our organization, we seek programs and institutions that champion sustainability in our industry and beyond.





# Measuring What Matters

The focus of the Inolex sustainability program is defined by the ESG topics which are material to our business. In order to define that scope, we conducted a materiality assessment with stakeholder engagement in 2021. Since our first materiality matrix was conducted in 2017, we have undergone significant organizational and operational changes.

The 2021 assessment was conducted by a third-party for objectivity and involved engaging employees, customers, and suppliers on material issues. The material topics represented in the matrix here are reported throughout this document and are categorized into the pillars of our ESG approach.

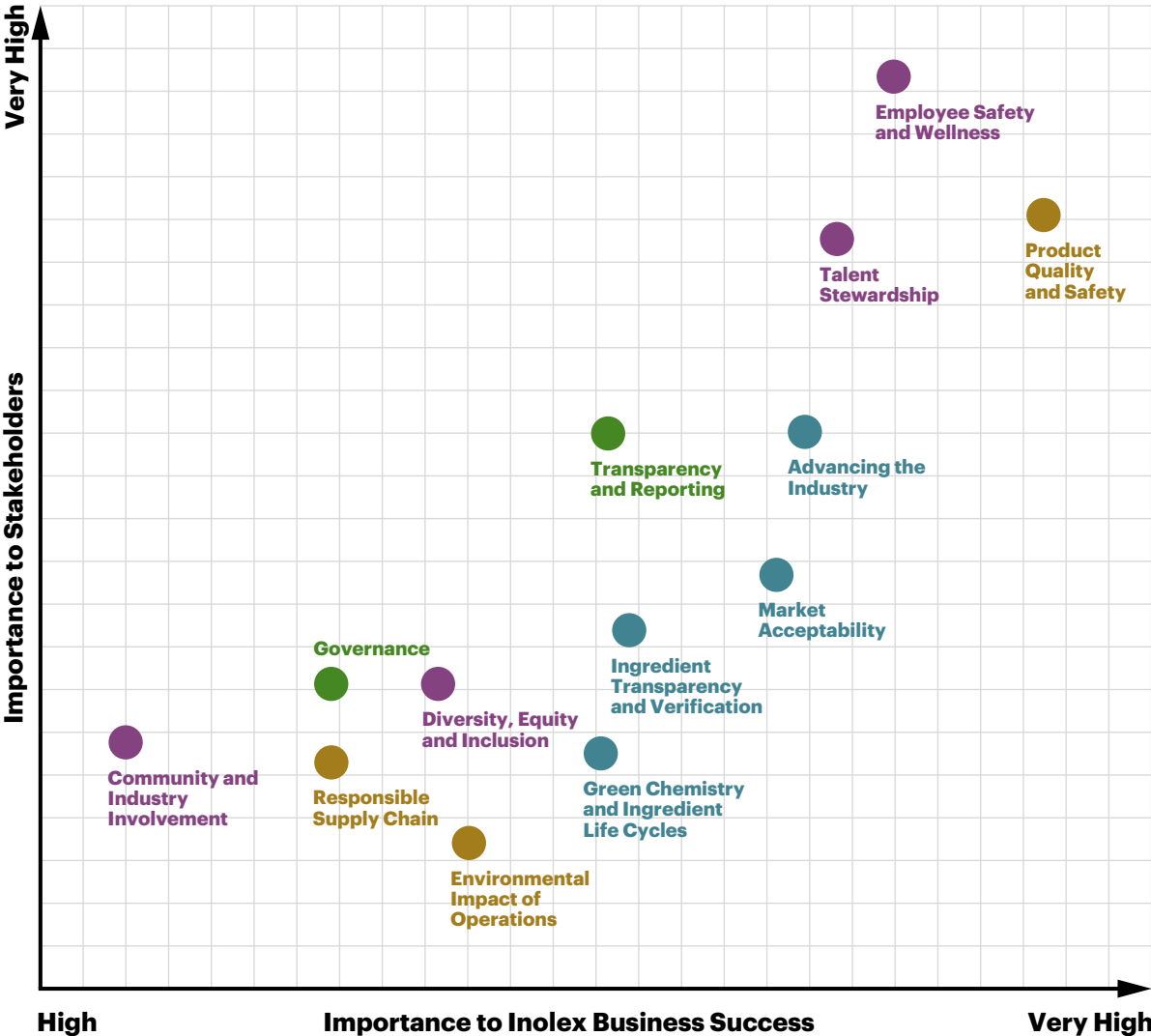
● Stakeholder Accountability

● Innovating Sustainably

● Operating Purposefully

● Engaging Respectfully

Materiality Matrix



# Alignment with the United Nations SDGs

Inolex has joined the UN Global Compact in full support of the Ten Principles. We are committed to protecting and honoring human rights, fair labor, the environment, and anti-corruption. We are aligned with the Sustainable Development Goals (SDGs) outlined by the UN.

### Innovating Sustainably

Improve ingredient science and create impactful and conscious products.

6 CLEAN WATER AND SANITATION



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



14 LIFE BELOW WATER



15 LIFE ON LAND



### Operating Purposefully

Better the environmental and social impact of our operations and supply chain.

8 DECENT WORK AND ECONOMIC GROWTH



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



15 LIFE ON LAND



### Engaging Respectfully

Create a workplace and a community that fosters healthy, safe and inclusive practices.

3 GOOD HEALTH AND WELL-BEING



5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES



17 PARTNERSHIPS FOR THE GOALS



# Innovating Sustainably



# Sustainable Ingredient Design

Sustainability, very much like innovation, is a journey. It can always be improved upon and has endless potential to evolve. Bringing sustainable materials to the health, beauty and wellness market involves continuous iteration: making ingredients that are safer, more natural, more environmentally-friendly, more effective than before – innovation after innovation.

In all our innovations, the R&D process is guided by the 12 Principles of Green Chemistry and life cycle thinking. We aim to provide ingredients that deliver objective, measurable improvements in performance, consumer preference, and sustainability. We champion the effective use of renewable plant-based feedstocks and assess an ingredient’s life cycle through 6 key stages.

## A Highly Natural Portfolio

One of the key results of our green chemistry design process is the high percentage of natural content used in our products. In 2020 and 2021, 71% of the pounds of product sold was from renewable carbon. In other words, 71% of the carbon that left our facilities to ship to our clients was made from plant-based sources and 29% was from petroleum-derived sources.

“An estimated 80% of a product’s environmental impact is determined at the design stage”

- Ecovadis

Circular Materials in Inolex Ingredients		
	2020	2021
Renewable carbon-based product sold (by weight)	71%	71%
Naturally-derived products in portfolio (ISO Natural Origin Index > 0.5)	69%	70%
Recycled material used for raw material inputs	0%	0%

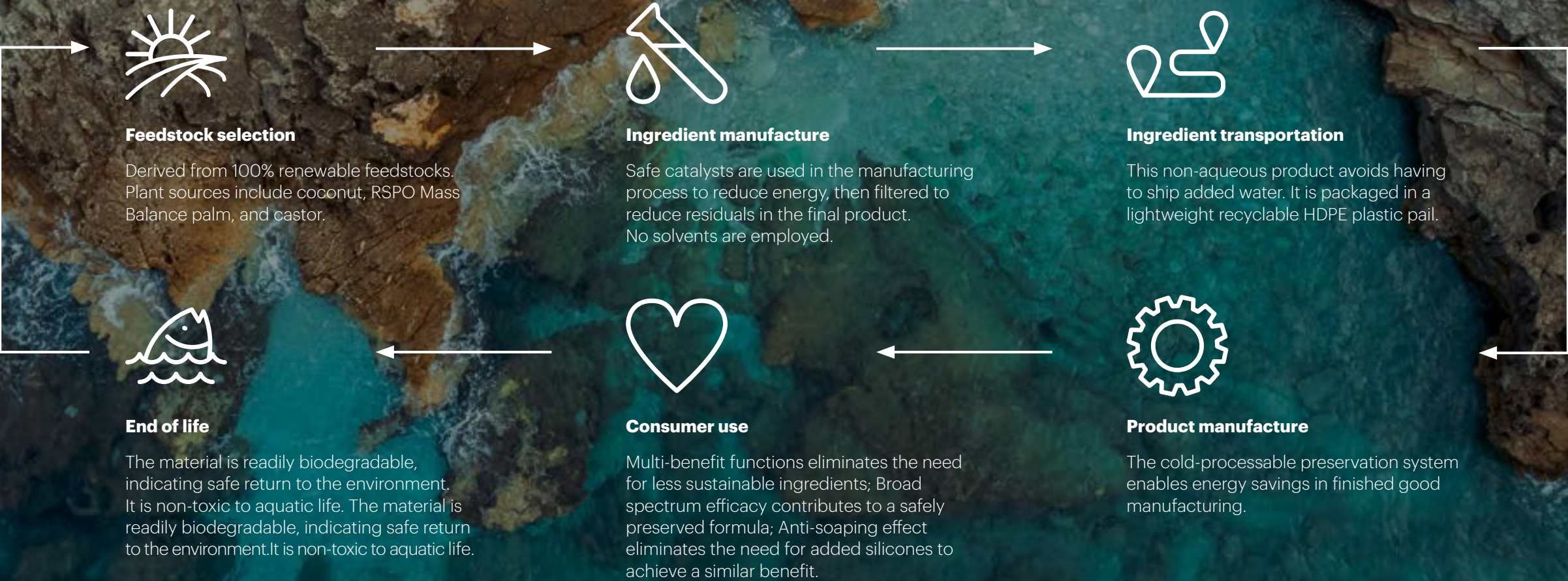


# Case Study: A Natural Preservation System

LEARN MORE

A key category of Inolex ingredient innovation is safe preservation. Well before the industry shift to paraben-free, Inolex recognized that consumer and formulator expectations for preserving cosmetic ingredients would evolve.

The most recent addition to our safe preservation portfolio is a propriety blend of multi-benefit components, Spectrastat™ MHG Natural MB. This ingredient was ideated from extensive feedback from formulators to solve their specific needs. The result is in an easy-to-use and 100% natural broad spectrum preservation system that meets consumers ingredient safety expectations. The sustainable life cycle of this ingredient demonstrates benefits at all stages.





# Third-Party Standards & Certifications

Inolex is committed to being transparent and forthcoming about ingredient claims to enable sustainable choices in ingredient selection. We aim to provide customers access to information that has meaningful impact on their ingredient sourcing strategies.

For years, we have certified our ingredients with reputable organizations to verify the sustainability claims of our

ingredients, be it a natural claim or a sustainable supply chain assurance. In addition to certifying new ingredients to our existing standards, we also pursue new verification models that are relevant to our business and our stakeholders. In 2021, we incorporated the ISO 16128 Natural Origin Index values into our standards portfolio and earned halal certification for all products.

See the entire list of standards and certifications and view more details

ONLINE

List of Verified Inolex Products	
	QTY.
COSMOS Approved	19
USDA Bio Preferred Certified	56
NSF/ANSI 305 Approved	33
ISO 16128 Natural-Derived	21
NATRUE Approved	69
RSPO Mass Balance Certified	All
Halal Certified by IFANCA	All



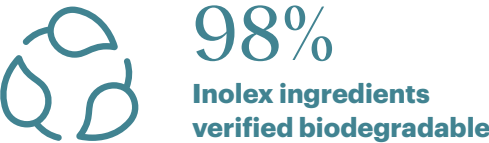
# Biodegradability

LEARN MORE

As a specialty chemical designer and manufacturer, we are responsible for the impact of our products throughout their life cycle. Biodegradability is one of the most important indicators that a substance has a benign or non-harmful impact on the environment at end of life. In 2021, we recognized that biodegradability as a concept was not well understood by our stakeholders, and that our customers were increasingly seeking to source biodegradable ingredients. We sought to tackle both problems by educating on the topic and verifying the biodegradability of our products.

### Conducting OECD Testing and Developing Verification Methodology

Biodegradation is an inherent property of an organic compound. It can be identified for a given substance using standardized methodologies such as those outlined by the Organization for Economic Cooperation and Development (OECD). Inolex has an established process for verifying biodegradability status of our products. The process involves OECD 301 and 302 testing for substances and employing sound scientific theory to assess ingredient mixtures where OECD tests are not applicable.

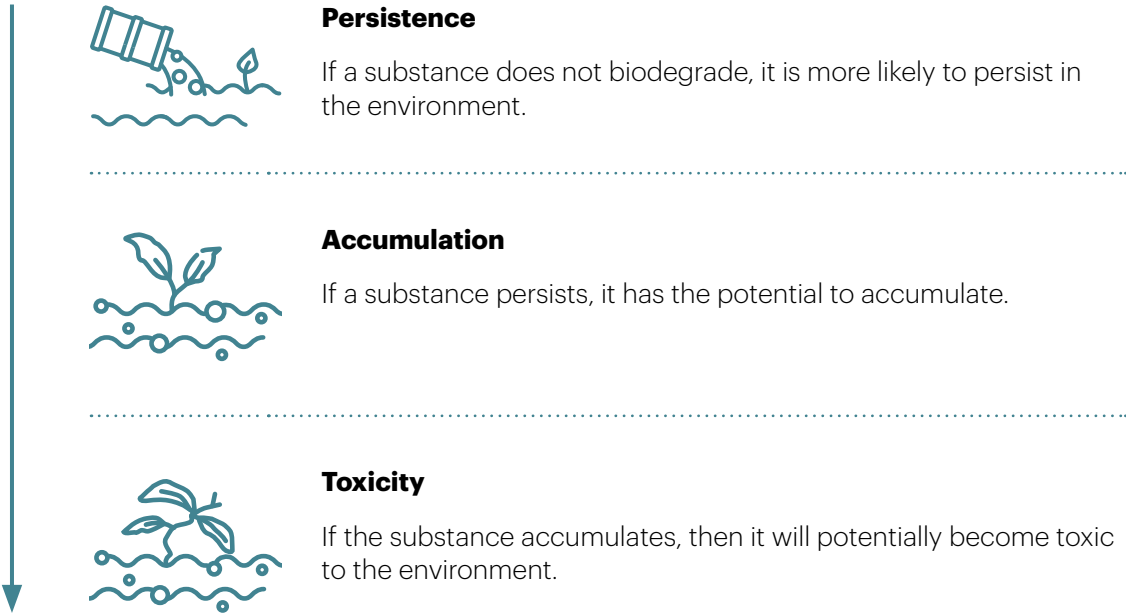


### Addressing Greenwashing through Education & Communication

The ability of a substance to biodegrade is a complex concept and the associated claims are also complex. As a business, we aim to guide the industry on how to properly apply a “biodegradable” claim and gather supporting evidence to substantiate that claim. For Inolex products, we make available the specific and substantiated status of each product. We aim to continue to inform on the topic of biodegradability and biodegradability claims through digital content and other educational opportunities.

### Go Biodegradable

Eliminate the potential for environmental toxicity



# Halal Certified

Inolex aims to provide ingredient innovation that is widely accepted across various markets and has the ability to sustain in formulations without the need for frequent reformulation. To do this, we look at various factors to determine market acceptability: regulatory compliance and tonnage bands allowed, lifestyle and religious requirements, and retailer acceptability.

## Certifying Halal with IFANCA

In 2021 we engaged in an audit and certification process with the Islamic Food and Nutrition Council of America (IFANCA) to achieve halal certification of our complete product offering. The Inolex vegan-friendly portfolio was already compliant with halal principles largely because we do not use any animal-derived materials or processing aids. The formalized certification process demonstrates our commitment to offering widely accepted ingredients for consumer products in a transparent and verified manner.

### Understanding Halal beauty

Halal is an Arabic word which means permitted or lawfully. It is a concept embracing the values of safety, purity, and integrity in the way products are made and sold. Halal ingredients must be compliant in production as well as logistics processes, and fulfill the following conditions:

1. Ingredients can only be derived from non-animal sources or otherwise from permitted animals, aquatic animals, or those slaughtered according to halal requirements.
2. Products must not contain any alcohol (specifically "ethyl alcohol").
3. The production and logistics of halal and non-halal products must be physically separated during production and distribution.



**100%**  
**Inolex ingredients  
are certified halal**



# Empowering a Transparent Marketplace

[VIEW THE TOOL](#)

The ability to source sustainable and high-performance ingredients is hugely important to our customers so that they can create inventive formulas and meet corporate sustainability goals. Inolex provides extensive access to ingredient information to support brands in making informed ingredient selection. In 2021 we launched a new Inolex.com as an interactive digital tool to facilitate sustainable ingredient choice with a modern approach.

## **True Innovation Shouldn't be Behind Lock & Key**

Our digital platform takes an open-source stance. We provide a range of information, including the plants from which ingredients are derived, the green chemistry principles behind ingredient design, the mechanisms enabling high performance, and more.

## **Custom Selection to Match a Brand's Values**

Brands have distinct sourcing goals and requirements. Whether a product developer needs 100% plant-based materials, biodegradable ingredients, or COSMOS approved options, they can create a customized Inolex ingredient portfolio using our product filter tool.

## **The Five Guiding Requirements to Sourcing Sustainable Ingredients**

In addition to being transparent about our ingredients, we also aim to share the Inolex process for sourcing and designing ingredients. In 2021, we launched an interactive online tool to share these insights and proliferate our approach.

# Protecting Proprietary Technology

Being a leader in ingredient innovations requires significant scientific and financial investment. To provide for our future and protect our research and innovation efforts, we pursue intellectual property rights whenever appropriate. Intellectual property protection enables the transparency available on Inolex.com and allows us to disclose the science and design of ingredients that are helping to advance the industry in a more sustainable direction.

**Continuous Development**

Inolex has over twenty active patent families which span protection of over fifty products. In any given year we are converting provisional patents to non-provisional, issuing new patents, and prosecuting existing filing in additional regions. The 2021 highlights are detailed to the right.

[VIEW ALL PATENTS](#)

**2021 IP Updates:**

**Series Patent Issued In United States**



WOW

**Provisional Patent Converted to Non-Provisional**



MHG Natural MB



# Operating Purposefully



# Product Quality & Safety

Quality and safety underpin our products and operations. We verify the excellent quality of our products and ensure that we supply materials that are safe for manufacturers and for consumers. Throughout everything we do, production quality, along with chemical and consumer safety are front-and-center.



# Product Quality & Safety



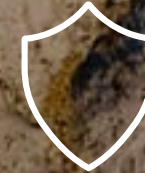
## Production Quality Excellence

Our flagship manufacturing operation and US labs are ISO 9001 certified, demonstrating our robust quality management system.



## Chemical Safety Compliance

Inolex is 100% compliant with chemical safety regulations and guidance which involves having safe use and disposal information available on Safety Data Sheets for all products.



## Consumer Safety Leadership

Inolex assesses products for skin sensitization, skin irritation, and eye irritation. Toxicology information is available on the technical & regulatory dossiers.




# Energy and Emissions

We aim to understand the environmental impact of our operations to address and reduce our contribution to negative environmental effects. Climate change is a function of greenhouse gases in part emitted by industry and other sectors. As climate change continues to threaten our world, we aim to address our impact by working to reduce our overall emission output and increasing energy efficiency.


### Efficiencies Beyond Steady State

In 2019, Inolex began to transition our USA flagship manufacturing to Charlotte, NC, from our legacy facility in Philadelphia, PA. The new site was repurposed from a previous chemical manufacturer and renovated to meet our needs. The move yielded enormous energy and emissions savings (see 2020 Sustainability Report). The focus for Inolex production since bringing operations fully online in Charlotte has been to increase product output and optimize efficiencies. The data for 2021 indicates that while we have increased overall energy use by 1% in Charlotte, we have decreased the amount of energy needed to produce one pound of product by 20%.



2%

Decrease in scope 1 & 2 GHG emissions



20%

Improvement in energy efficiency

### On The Horizon

To further reduce our environmental impact, we are embarking on a series of integrated initiatives:

- 1. Utilize Overall Equipment Effectiveness (OEE) techniques to achieve optimal efficiency of resources and capacity.
- 2. Pursue certification of ISO 14001 standard in our Charlotte operation which is indicative of a robust environmental management system.
- 3. Conduct a verified carbon footprint assessment and develop a roadmap to decarbonization.

Energy & Emissions Metrics		
	2020	2021
GHG emissions - Scope 1 (tCO2e)	1,794.1	1,733.4
GHG emissions - Scope 2 (tCO2e)	1,370.8	1,386.3
Energy use (GJ)	49,740.16	50,477.07
SO2 (MT)	0.01	0.01
NOx (MT)	1.37	1.40
VOCs (MT)	5.03	2.86
CO (MT)	1.15	1.17
Energy efficiency (energy / product produced by weight)	2.31	1.86

The data represents operations at the Inolex Charlotte, NC, USA manufacturing facility, which is our largest operation and is currently the most material to our environmental impact.

# Water

Water is a precious resource. Freshwater makes up just 3% of global water supply and it is increasingly at risk of being scarce. Although our largest operation in Charlotte, NC USA is not in a water stressed region, it is important for us to treat it as a precious resource. Effective management of water systems means that we are paying attention to our water consumption and waste and being mindful of the global trend of water scarcity in all regions due to changing climate and increased demand.

### Decreasing Water Consumption

While our focus this year was to reach steady state of Charlotte operations, we did achieve some water-saving milestones in 2021. One such initiative is reusing water from tank rinse-outs for other production processes. Our tank cleaning processes are estimated to make up the majority of our water usage. We continue to seek improved data measurement and pursue efficiencies in these processes going forward.



43%  
Improvement in water efficiency



28%  
Reduction in water withdrawal

### Improving Wastewater Purity

In 2021, we identified an opportunity to reduce oil and grease effluents present in our wastewater. Wastewater generated at our facility is sent to the Charlotte municipal wastewater treatment system. To realize improvements, Inolex engineers are implementing a new system which will also improve our ability to track precise wastewater flows.

### Next Steps

To continue to improve our efficient use of water, we will pursue the following:

- 1. Our OEE plan will increase product yields and help to improve our overall water management.
- 2. New cleanout technology will be installed to reduce the water used to cleanout any given tank or reactor.
- 3. New wastewater treatment system will improve precision of tracking and reduce oil and grease effluents.

Water Metrics		
	2020	2021
Water withdrawal (CCF)	15,499	11,138
Process wastewater (CCF)	N/A	8,628
Water efficiency (water withdrawn / product produced by weight)	2.60	50,477.07

# Material Circularity & Waste

Every man-made material has a carbon footprint associated with it and a water footprint associated with it before it enters our doors. That footprint continues as product is produced and leaves our doors, extending through further use or final disposal. We aim to use materials efficiently and embrace circular practices, to decrease the footprint of our ingredients and reduce waste.

In 2021, while we decreased our general waste and chemical waste in manufacturing, we increased our site demo waste in preparation for building new offices and labs at our Charlotte, NC location.

**The Identified Areas of Improvement are:**

- 1. Continue to improve the rework process to reduce chemical waste.
- 2. Contaminate less cardboard to enable recycling through employee education and proper treatment of recyclables.
- 3. Assess packaging options to include recycled content and evaluate if recyclable packaging is being recycled by customers.



Waste To Disposal		
	2020	2021
Non-hazardous chemical waste (MT)	475.55	467.39
Hazardous chemical waste (MT)	7.74	3.38
Site demo waste (MT)	33.25	42.46
General waste (MT)	75.15	54.77
Contaminated cardboard (not eligible for recycling; MT)	8.55	5.88
Total waste to disposal	600.24	573.88

Material Circularity		
	2020	2021
Chemical material reworked, and therefore diverted from disposal (MT)	N/A	19.88
Cardboard recycled (MT)	11.19	9.96
Recyclable materials purchased for packaging (% by weight)	85%	94%
Recycled materials purchased for packaging (% by weight)	0%	0%



# Responsible Supply Chain

Our supply chain is estimated to be 80-90% of our carbon footprint. It has huge implications for the health of our business and the value we pass on to customers. As a B2B ingredient provider, we sit at a unique place in the supply chain with the ability to contribute to value chain traceability and assurance of ethical practices.

In 2021, Inolex formalized our Supplier Code of Conduct to align with our unyielding commitment to an ethical supply chain. The Inolex Supplier Code of Conduct reflects our responsibility to address ESG issues in the supply chain and a commitment to uphold the following principles:

**Environmental Protection**

Supply partners are expected to comply with environmental laws and must have initiatives to reduce greenhouse gas emissions, generate less waste, prevent pollution and deforestation, and minimize harm to waterways.

**Human Rights & Fair Labor Practices**

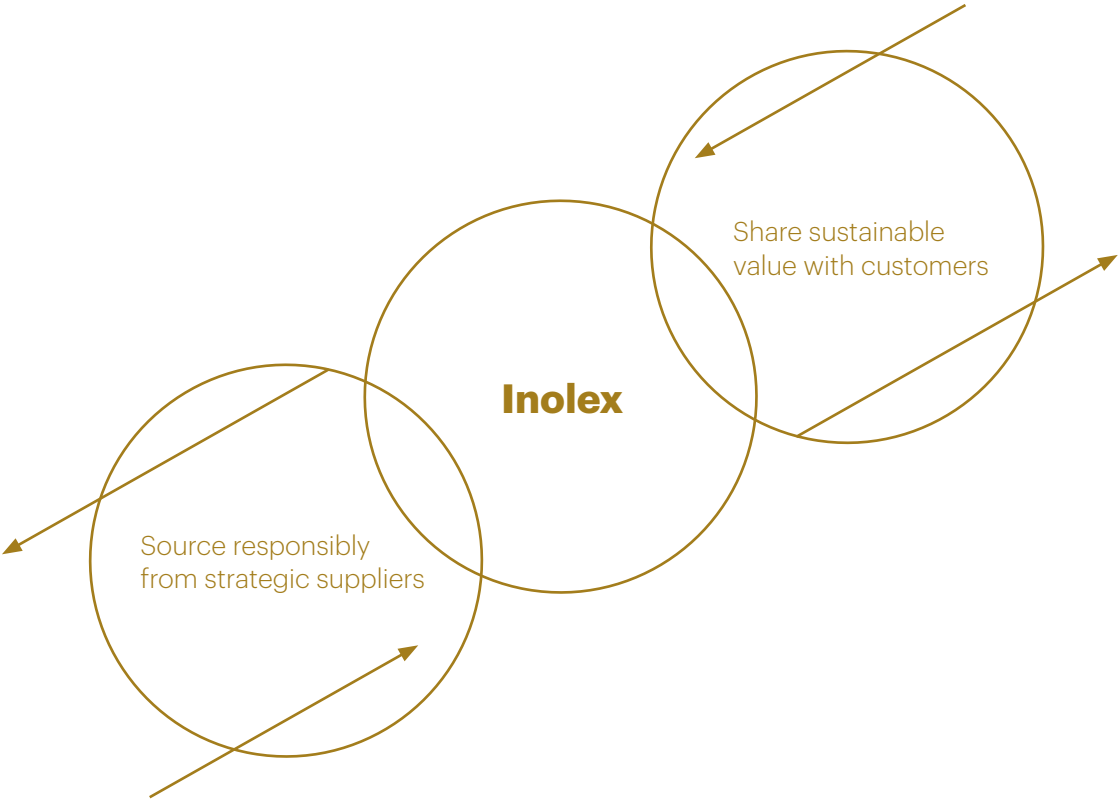
We prohibit the use of child labor, forced labor, and human trafficking. We require support of the UN Declaration of Human Rights.

**Business Ethics & Integrity**

Inolex will only work with supply partners who prohibit corruption and support fair competition in addition to complying with all international legal requirements.

As a centerpoint of the value chain we make sustainable change possible both upstream and downstream

90%  
Strategic supplier adoption rate of the Inolex Supplier Code of Conduct



# Plant Feedstocks

Designing a highly natural product portfolio like Inolex’s requires diligent sourcing of high quality, natural feedstocks. We place preference on designing technologies that utilize sustainable plant sources. Certification models for specific

crops are helpful tools for procurement teams to quickly identify suppliers and farms who utilize environmental-friendly practices, prohibit deforestation, and ensure fair labor standards.

## Palm

Palm is grown in the tropical region of Asia-Pacific and is one of the highest yielding industrial crops for vegetable oil. From every acre of land used to grow palm, a high amount of oil is recovered. Often palm is grown on large plantations and the industry has been at risk for deforestation, land overuse, and labor violations.

**For Years, We Have Addressed the Risks Head on with a Two-Prong Approach:**

- 1. Work directly with RSPO and source only Mass Balance certified palm for our products.
- 2. Diversify and explore alternatives to ensure the continuity of feedstocks and sustainable supply chains.

100%  
Palm derivatives are RSPO  
Mass Balance certified



RSPO works to mitigate the risks in the palm industry by uniting stakeholders around a set of environmental and social criteria which aims to advance the production, procurement, finance and use of sustainable palm oil products.

## Castor

Castor is a non-food crop that is primarily grown in India. High in ricinoleic acid, the castor bean offers a unique fatty acid combination that is made into a variety of chemical feedstocks for Inolex and other industries. The challenges include ensuring just labor practices and keeping workers safe from the inherent toxic components of the plant.

**Our Approach to Address the Challenges with Sourcing Castor Involves:**

- 1. Sourcing from our strategic suppliers who are making a material impact in the castor supply chain by through multi-stakeholder action.

76%  
Castor derivatives sourced  
from Sustainable Castor  
Association members

The Sustainable Castor Association is focused on supporting the castor farmer to use good agricultural practices to increase yield and farming income, to ensure healthy and safe practices along with human rights, and to improve environmental practices involving soil, water use, and waste management.

# Plant Feedstocks

## Coconut

Coconut is a fruitful plant with plentiful benefits. We use it widely across our product portfolio. Harvesting coconuts does not require cutting down the trees which makes deforestation unnecessary. It is often grown in mixed-used settings where many species can thrive, promoting biodiversity and harmonious growth.

However, even the most sustainable plants can have ESG concerns in their supply chain. Issues include the aging population of trees and income stability for farmers. Currently there is no global certification model at the scale in which we source coconut; however, we are looking to be party of a scalable model by working with our strategic suppliers and NGOs in this space.

**Other plants that we source in minimal quantities** include olive, corn, cotton, and rice. Due to the low volumes we require of these feedstocks, we do not consider the supply chains material to Inolex at this time.

## Brassica

Brassica is a supreme pick for the feedstock of new innovations because of its many sustainable features and regenerative agriculture practices. Brassica thrives in cold and temperate climates. It functions as a cover crop, regenerating the soil in between cash crop seasons, and producing a moderate to high oil yield.

Challenges to broad supply security include the smaller scale of this crop's market compared to other plant-based options.

## Sugarcane

Sugarcane is an enormous agricultural industry. It is grown in many countries and has versatile application across industries. It is an incredibly efficient photosynthesizer, generating a large amount of biomass from a small amount of solar energy.

Conversely, it is very water-intensive to grow. Social concerns in the sugarcane industry include human rights for workers and income stability throughout the production process. We purchase the vast majority of sugarcane feedstocks from Bonsucro certified sources to ensure ESG best practices.

**92%** Sugarcane derivatives purchased were Bonsucro certified



Bonsucro works to improve the environmental impact of sugarcane and strengthen human rights in sugarcane farming and milling to create value across the supply chain.

# Leveraging Regional Supply

Inolex's global footprint, which includes suppliers, customers, distributors, and supply chain partners, spans six continents and 73 countries. We sit in a central position in the consumers goods value chain to bridge channels in regional locations and reduce transportation lines upstream and downstream. Our model is built on a regional manufacturing approach that considers where raw materials originate and where customers receive finished ingredients to strategically assess and streamline transportation lines.

## Progress in This Area in 2021 Includes:

- Expanding operations in France, India, and Korea
- Optimizing manufacturing strategies regionally within the United States
- Qualifying new and multi-sourced suppliers in strategic locations globally

**36%** Of our raw materials spend was local\* to the Inolex manufacturing or warehousing location

\* Spending is considered local if the last known process in the value chain is in the same continent as the Inolex destination. Warehousing, distributing, filtering, & packaging were not considered to be a "process".



# Sample Packaging Materials

LEARN MORE

Inolex distributes tens of thousands of ingredient samples and prototype samples each year. In 2021, we saw the opportunity to reduce the environmental impact of sample packaging and shipping, thus enabling our customers and partners to continue to sample sustainable ingredients for their formulation development packaged in sustainable materials. We embarked on an assessment of our sampling packaging and made some key changes as a result of our findings.



**Reduce**  
Eliminated excess paper and printing with samples shipments by emailing documentation such as SDS and COA.



**Reuse**  
Outdated ingredient brochures are up cycled as soft void fill for packages.



**Recycle**  
Utilize recycled and recyclable content including recyclable cardboard boxes and mailers from recycled paper.



**Biodegradable**  
We use dissolvable biodegradable packing peanuts. Glass jars are protected with biobased Green Cell Foam, a fully biodegradable material made from non-GMO corn starch.

# Engaging Respectfully



# A Fulfilling Place to Work

At Inoex, a fulfilling place to work is one that supports the wellbeing, mental and physical health, safety and individuality of all employees while actively encouraging them to thrive and achieve their best. This is addressed through our standards for employee conduct, living by our Core Values, supporting employees with excellent social benefits, our robust occupational healthy & safety program, and more.



# A Fulfilling Place to Work

## Achieved by Respectful and Supportive Conduct

Employee conduct expectations are outlined in our employee handbook which each employee agrees to upon onboarding. Inolex is committed to a work environment in which all individuals are treated with respect and dignity. Everyone has the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits unlawful discriminatory practices, including harassment.

Our non-discrimination and anti-harassment policy covers a wide definition of harassment. We had zero reports of harassment or discrimination in 2021. If needed to be employed, the protocol details that confidentiality of both individuals involved in the situation is maintained. An investigation of the accusation will be conducted and penalty for the perpetrator will be executed including potential termination. Those filing grievances are protected so that we can continue to make our workplace better.

## We are Respectfully Engaged

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## We Bring our Greatest Strengths Every Day

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## We are Entrepreneurial

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## We are True to our Word

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## We are Results Oriented

# Benefits & Work-Life Blend

## Supporting our Greatest Assets

In 2021, we expanded benefits offering to include FlexWork for US office workers, additional PTO and flexible holidays for US workers, student loan aid benefits made possible by the CARES Act, and more. Under the CARES Act, we provided the maximum value to all employees who demonstrated that they had outstanding student loan debt. Employees at all locations are entitled to many or all of the below benefits. Our offerings vary with location due to government-provided benefits. We are committed to consistently review and expand our company-provided benefits to fill gaps between government-provided programs and to support health and wellness of our team members and their families.

## Health in and out of Work

We believe everyone is entitled to quality healthcare. This belief is supported by our years of action in covering healthcare premiums for all participating US employees. We also believe strongly that mental healthcare is healthcare.

Thus, Inolex offers an Employee Assistance Program (EAP) to US employees which champions self-care, assisting employees in a range of topics from stress management, anxiety and depression to support and referrals in finding treatment providers through the health insurance plan. We also offer Short Term Disability for non-occupational medical services. For our initiatives within the workplace, see our Occupational Health & Safety report on page 30.

In 2021, as the COVID-19 pandemic persisted, we continued to follow local regulations and CDC guidance to implement appropriate procedures where needed including mask mandates, temperature checks, testing, and isolation protocols. We also take a personalized approach and aim to understand individuals’ needs by addressing special considerations for workers with comorbidities or unique family situations.

## 100% Employees Covered by Social Benefits

### Additional Insurance

Life | AD&D | Disability

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### Educational Assistance

Tuition Reimbursement | Continuing Education

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### Well-Being Resources

Maternity and Paternity Leave | EAP

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### Health Insurance

Medical | Dental | Vision | HRA | FSA

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### Work-Life Blend

Vacation | Sick | FlexWork

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### Financial Resources

401K | Company Match

# Occupational Health & Safety

We work hard to keep our people safe in and out of the workplace. Our integrated management system incorporates principles of environmental safety, worker health and safety, and overall quality. Management reviews covering all three topics are conducted quarterly and annually. Employees across all organizational levels and departments as well as contractors and visitors are subject to EHS policies and procedures which outline the management system. In addition, Inolex follows all OSHA requirements for all training and health monitoring.

### Occupational Health & Safety Management Progress

Our flagship US manufacturing plant was brought fully online mid-2020. With safety monitoring protocols in place, we became aware that the site was experiencing higher levels of incidents than acceptable. We embarked on a comprehensive assessment of our safety program to bring forth a safety-first foundation and develop best practices throughout our operations. It began with an independent safety culture analysis and continued with the development of our EHS program. We made it a priority to hire safety-focused team members throughout the production organization. These direct efforts to put employee safety first have resulted in a 66% decrease in Lost Time Incident Rate from 2020 to 2021. While Total Recordable Incident Rate (TRIR) was higher in 2021 over 2020, we saw a decrease in severity of incidents, indicating progress in the right direction to keep our employees safe.

### Continuous Improvement

Under new EHS management, we are working to further improve and build on our safety culture and continuing to identify and implement initiatives to reduce the number of incidents. To guide big change, we are utilizing the ISO 45001 standard and are working to raise our safety management system to one that is ISO 45001-certifiable. This standard focuses on improving employee safety, reducing workplace risks and creating better, safer working conditions.



Measuring OH&S		
	2020	2021
OSHA recordables	2	4
Lost Time Injury Severity Rate of direct workforce (LTISR)	55.8	3.2
Lost Time Injury Frequency Rate of direct workforce (LTIFR)	24.2	8.0
Lost Time Incident Rate (LTIR)	4.8	1.6
Total Recordable Incident Rate (TRIR)	4.8	6.4
Other incidents (minor; non-recordable)	N/A	17
Employee completion rate of training on Occupational Health and Safety topics	N/A	97%

Our safety metrics include leading and lagging indicators to help us determine where we should dedicate resources, enhance process and procedure training, and provide additional leadership coaching to keep our people safe on the job.



# Diversity, Equity & Inclusion

We aim to create an inclusive workplace where all team members are encouraged to bring diverse ideas and perspectives forward. Our model supports professional and personal growth and empowers individuals to identify organizational improvements at all levels. Fostering a diverse and inclusive work environment allows our team to live our Core Values each day in the jobs that we do and in the important relationships we build throughout the industry.

### Gender Representation

Two of our largest topical areas, chemical operations and STEM, are historically male dominated. Our representation of 43% women globally demonstrates our commitment to hiring and retaining women in these fields, serving as a model for career development for women already in and newly entering the industry. We recognize that end consumers of personal care products are largely female, and we support ongoing progress of gender equity and representation in these fields.

### Compensation Parity

We are committed to ensuring that all employees are compensated equitably for similar work, responsibilities, and job functions. Inolex Human Resources is working to build an employee band structure that will make it possible to identify pay and remuneration discrepancies between persons of similar positions in the organization.

46%  
Women in Global Management

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43%  
Women in Total Global Team

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14%  
Women in Senior Management

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14%  
Racial/Ethnic\* Minority in Senior Management

\* as defined by US Census Bureau



# Development and Continuous Education

LEARN MORE

Over the past two years, Inolex has accelerated its Talent Stewardship Initiative (TSI) with the goal of building a modern program that serves to retain employees, nurture emerging talent, and foster growth and excellence within our team.

Inolex associates are encouraged and incentivized to develop organizational competencies based on the Korn Ferry Leadership Architect™ Global Competency Framework, as well as deliver on business results.

We take a personalized approach to career development through robust goal setting and one-on-one biannual reviews with every employee.

Related Metrics	
	2021
Average Hours of Training* Per Year / Per Employee	5.1 hours
	6.1 hours / male
	3.3 hours / female
Percentage of total employees who received a regular performance and career development review	100%

\* Training here only refers to occupational health and safety (OH&S) training. Hours of OH&S training is largely dictated by job position. At Inolex chemical operators are required to complete more OH&S training than other job positions in the company. The result of more training for male than female employees is representative of a greater number of male than female chemical operators.

We aim to put mechanisms in place to measure other types of training (such as job and onboarding training and continuing education) to monitor equity and effectiveness.

# Industry Community

Inolex is an active, contributing member of the health, beauty, and wellness community. Our goals to strengthen community include engaging current and aspiring scientists on topics regarding our communal sustainable future, sharing knowledge of Inolex advancements in green chemistry, and educating on the impact ingredients can have.

In 2021, we spoke at eight industry events around the globe including a workshop on Sustainable Sourcing with our friends at Beautymatter, talking about polyester technology for greener ingredients at the Environmental Polymer Society Meeting, discussing our green chemistry R&D philosophy at SCC meetings and more.

## 8

Speaking engagements that support our goals to strengthen community

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### **Inspiring Future Formulators and Chemists**

In 2021 Inolex participated in the University of Toledo's summer camp for the next generation of formulators. After educating the students on sustainability in the industry and the dangers of greenwashing, we tasked them to find brands on Instagram with green practices that don't participate in greenwashing. The students were engaged and energized on the topic of sustainability and in turn taught us about the sustainability mindset of the young consumers.



# Local Community

Working in service to others reminds us that incremental steps often add up to significant impact. The value of our contribution, however small, can have rippling effects.

In 2021, we marked Inolex’s 145th anniversary by establishing the first official team volunteer days for our US based employees. It was an opportunity for us to give back to our local communities while furthering dialogue around the importance of living and breathing our sustainability pillars as a team, in and out of the office. These projects bring our team closer together, building community and engaging our people with a sense of purpose that extends beyond our work in the office, lab, and production facility.

Detailed to the right is a selection of projects and events that we organized in alignment with the United Nations Sustainable Development Goals.



### Supporting local food drives

This was our 2nd year conducting a food donation drive in support of Charlotte organization ‘Loaves and Fishes’.



### Supporting local education

2021 was also our 2nd year donating to Philadelphia school districts and supporting their annual Dress Down for Philly Schools day.



### Volunteer Day: Fairmount Park Conservancy Project

We partnered with Philadelphia’s Fairmount Park Conservancy to support environmental stewardship in an urban area. Our team mulched trees and collected bags of invasive plants and leaves to be composted to help preserve the balance in the park’s biodiversity and support healthy waterways, wetlands, tree coverage, and urban park recreation acres in the city.

**30 + Bags**  
Invasive Species  
Removed

**30 + Trees**  
Mulched



### Volunteer Day: Catawba Riverkeeper Foundation Project

Our team spent the day removing unwanted materials in and around waterways within Iswa Nature Preserve, part of 7,600 acres of protected land managed by Mecklenburg County, North Carolina.

**100 lbs**  
Trash Removed

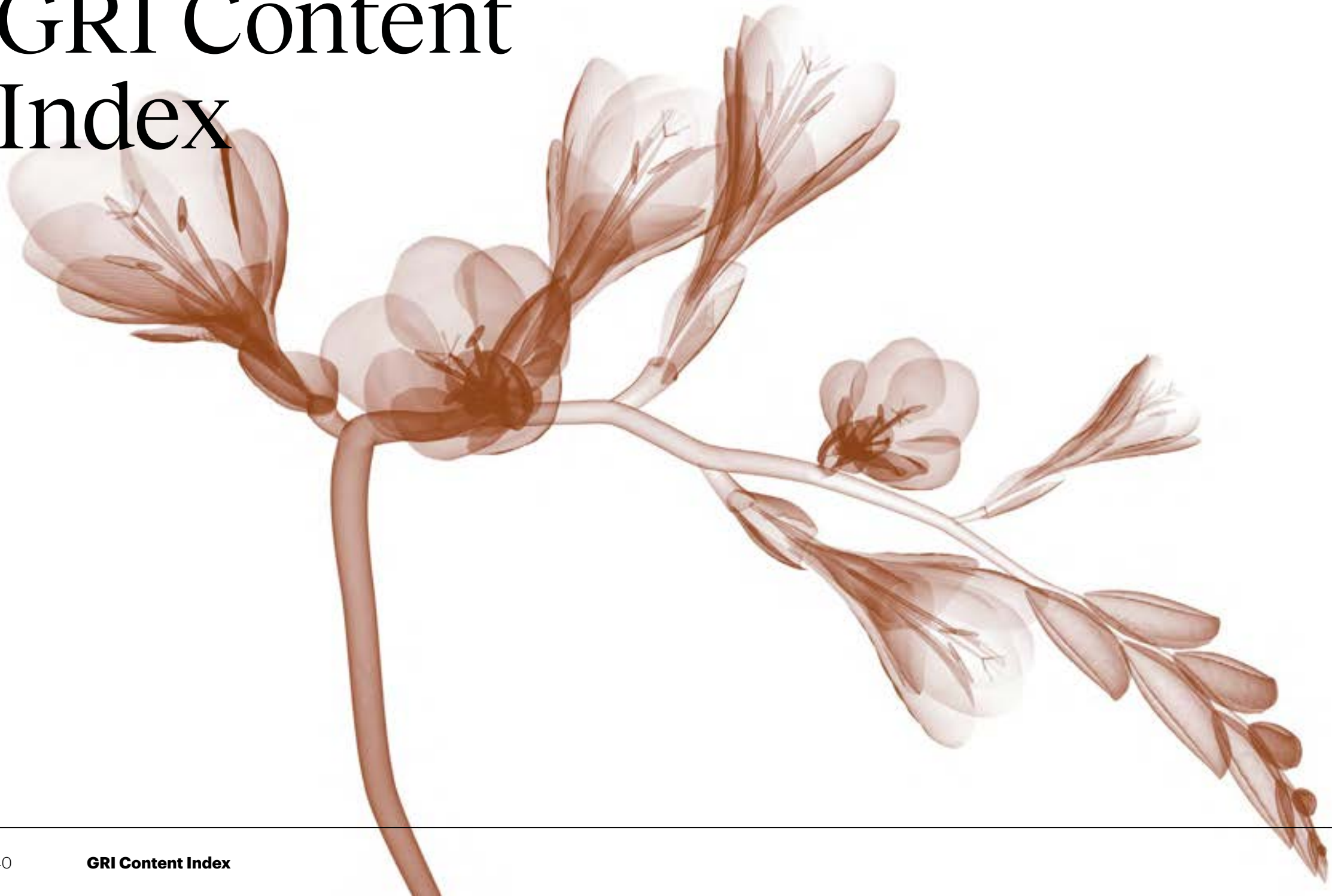
# Thank You

# Inolex

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# GRI Content Index





# GRI Content Index

## Statement Of Use

Inolex, Inc. has reported the information cited in this GRI content index for the period January 1, 2021 to December 31, 2021 with reference to the GRI Standards.

## GRI 2016

All reported GRI topics and disclosures below refer to GRI Standards 2016, with the exception of the following:

GRI 303: Water and Effluents 2018

GRI 306: Waste 2020

Inolex Material Issues	GRI Topic(s)	Reporting Boundary
Stakeholder Accountability	Anti-Corruption	Enterprise, Suppliers
Innovating Sustainably	Materials	Enterprise, Suppliers
	Marketing and Labeling	Enterprise
	Consumer Health & Safety	Enterprise
Operating Purposefully	Energy	Enterprise *
	Emissions	Enterprise *
	Water & Effluents	Enterprise *
	Waste	Enterprise *
	Environmental Compliance	Enterprise, Suppliers
	Child Labor	Enterprise *
	Forced or Compulsory Labor	Enterprise *
	Human Rights	Enterprise, Suppliers
	Supplier Social Assessment	Enterprise *
Engaging Respectfully	Employment	Enterprise
	Occupational Health & Safety	Enterprise
	Training & Education	Enterprise
	Diversity & Equal Opportunity	Enterprise
	Local communities	Enterprise
	Non-discrimination	Enterprise

\* Charlotte, NC USA manufacturing location

GRI Content Index

GRI Standard	No.	Name	Information	Reference	Page	Omission
GRI 102: General Disclosures 2016	102-1	Name of the organization	Inolex, Inc.			
	102-2	Activities, brands, products, and services	Inolex, Inc. (Inolex) is a designer and manufacturer of ingredients for the beauty, health, and wellness markets. Inolex conducts R&D to develop new innovations for these markets. Inolex also manufactures the chemistries in-house and ensures brand quality at various manufacturing partners. The major product lines offered by Inolex include preservation systems, hair care ingredients, silicone alternatives, emollients, emulsifiers, texturizers, extracts, and film formers. These chemistries range from esters to oleos and more.			
	102-3	Location of headquarters	Inolex, Inc.   2101 S Swanson St.   Philadelphia PA 19148			
	102-4	4 Location of operations	Our significant operations are in the United States with headquarters in Philadelphia, PA and a flagship manufacturing site in Charlotte, NC. We also operate small offices in Europe and Asia-Pacific. Our growing global network of manufacturers include partners in Asia, Europe, North America, and South America supported by our network of distribution teams and partners across the world.	Global Footprint		
	102-5	5 Ownership and legal form	Inolex is privately owned			
	102-6	6 Markets served	Our products are offered throughout the Americas, Europe, Asia-Pacific, Middle East and Africa serving the cosmetics, beauty, wellness, non-pharmaceutical health care, and home care sectors. Our primary customers are consumer packaged goods (CPG) manufacturers and brands, and chemical distributors.			
	102-7	7 Scale of the organization				Confidentiality constraints: Inolex treats information pertaining to net sales, capitalization, and quantity of products provided as confidential company i102-14
	102-7-a-i	Scale of the organization (total number of employees)	Total: 118   US: 95   International: 23			
	102-8	8 Information on employees and other workers	Permanent: 67 Male; 34 Female   Temporary: 3 Male Employee and employee contract information has been gathered through our HRIS system and self identification of employees.		31	
	102-9	Supply chain		Global Footprint, Responsible Procurement	22-25	
	102-10	Significant changes to the organization and its supply chain	In 2021, we implemented several changes throughout the organization and supply chain that resulted in efficiencies, including: <ul style="list-style-type: none"><li>Utilize supplier relations to keep more parts of the manufacturing and packaging process local to the raw material origin and sales end-point.</li><li>Moved significant processes from toll manufacturing in Midwest to in-house processing in Charlotte, NC.</li><li>Qualified new suppliers in strategic geographical locations; qualify second sourcing for previously single-sourced raw materials;</li><li>Utilized suppliers for additional processes in strategic geographical locations;</li><li>Shifted from a flagship manufacturing approach to a more regional manufacturing approach that considers where feedstocks are available and customers are in need significantly reducing transportation lines</li></ul>			
	102-11	Precautionary Principle or approach			11, 15	
	102-12	External initiatives	UN Global Compact   RSPO		8, 12	
	102-13	Membership of associations	Our memberships in industry and business associations further our knowledge, understanding and ability to advance the industry. To better understand our local impacts we belong to regional and local industry and business organizations as well as local chambers of commerce.			

GRI Standard	No.	Name	Information	Reference	Page	Omission
	102-14	Statement from senior decision-maker			3	
	102-16	Values, principles, standards, and norms of behavior		<a href="#">About Us</a>	28	
	102-18	Governance structure	The Chief Executive Officer and other members of Senior Management are responsible for the direction and oversight of economic, environmental, and social topics.	<a href="#">Our Team</a>		
	102-40	List of stakeholder groups	<ul style="list-style-type: none"> <li>• Customers • Suppliers • Employees • Industry groups • Shareholders • Philadelphia community • Charlotte community</li> <li>• Communities near operations and manufacturing network • Consumers • Retailers • Regulators • Beauty community and influencers</li> </ul>			
	102-41	41 Collective bargaining agreements	During calendar year 2021 0% of employees were represented by collective bargaining agreements.			
	102-42	Identifying and selecting stakeholders	Stakeholders were identified through an analysis of the likelihood and severity of risks to people and the environment as well as actual or potential impacts (both positive and negative) related to our products and operations. All stakeholders were considered. Key customers, key suppliers and all employees were selected based on their ability to influence, control, or contribute to operational and company success.			
	102-43	Approach to stakeholder engagement	Frequency of engagement varies among stakeholder groups and issues. We maintain an open dialogue with all stakeholders but will increase engagement on a needed basis depending on the timing and relevance of key issues. In 2021, we refreshed our material issues by conducting a materiality assessment, the results of which are featured in our 2021 Sustainability Report. Key customers, key suppliers and all employees were surveyed as part of the materiality assessment process.		7	
	102-44	Key topics and concerns raised			7	
	102-45	Entities included in the consolidated financial statements				Confidentiality constraints: Inolex treats this information as confidential company information.
	102-46	Defining report content and topic Boundaries			7, 36	
	102-47	List of material topics			7	
	102-48	Restatements of information	There are no restatements of data or information for reporting period January 1, 2021 to December 31, 2021.			
	102-49	Changes in reporting	In 2021 we refreshed our material topics by conducting a materiality assessment administered by a third party. We believe this process helped to better define the scope of our sustainability program and adopt a more diligent approach to environmental, social, and governance materiality.		7	
	102-50	Reporting period	January 1, 2021 to December 31, 2021			
	102-51	Date of most recent report	April 2020			
	102-52	52 Reporting cycle	Annual			
	102-53	Contact point for questions regarding the report	Audrey Wesson   awesson@inolex.com   manager, corporate sustainability			
	102-55	GRI content index	GRI Content Index (link)		36	
	102-56	External assurance	Internal controls were employed to assure reported information.			
<b>GRI 201: Economic Performance 2016</b>	201-1	Direct economic value generated and distributed				Confidentiality constraints: Inolex treats this information as confidential company information.



GRI Standard	No.	Name	Information			Reference	Page	Omission
	201-2	2 Financial implications and other risks and opportunities due to climate change					19	
	201-3	Defined benefit plan obligations and other retirement plans						Confidentiality constraints: Inolex treats this information as confidential company information.
	201-4	Financial assistance received from government						Confidentialit constraints: Inolex treats this information as confidential company information.
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1	Infrastructure investments and services supported	There were no infrastructure investments for reporting period January 1, 2021 to December 31, 2021.					
<b>GRI 204: Procurement Practices 2016</b>	204-1	Proportion of spending on local suppliers					25	
<b>GRI 205: Anti-corruption 2016</b>	205-1	Operations assessed for risks related to corruption	Anti-corruption efforts and human rights are inherently interlinked. In 2022, we will be working to formalize internal risk criteria and auditing mechanisms to conduct anti-corruption audits and determine potential exposure to corruption risk.					
	205-2	Communication and training about anti-corruption policies and procedures	In 2022, we will update our Employee Handbook with information regarding anti-corruption policies and procedures. We will also incorporate annual trainings on anticorruption and business ethics.					
<b>GRI 301: Materials 2016</b>	301-1						21	
	301-2	Recycled input materials used		Production	Packaging		11,21	
			Renewable	71%	83%			
<b>GRI 302: Energy 2016</b>	302-1	Energy consumption within the organization	Total fuel consumption within the organization from non-renewable sources		37,323.52 GJ (natural gas, propane gas)		19	
			Total fuel consumption within the organization from renewable sources		0			
			Electricity consumption		20,823.54 GJ			
			Heating consumption		36,775.95 GJ			
			Cooling consumption		0			
			Steam consumption		0			
			Electricity sold		0			
			Heating sold		0			
			Cooling sold		0			
			Steam sold		0			
			Total energy consumption within the organization		58,147.19 GJ (natural gas, electricity, propane gas)			
			Standards, methodologies, assumptions and/or calculation tools used		Utility providers' invoices			
			Source of the conversion factors used		1 therm = 0.10548 GJ			
	302-3	Energy intensity	1,858.91 kWh / MT Our energy intensity considers absolute energy (electricity, fuel, heating) inside the organization and pounds of sellable product produced.					

GRI Standard	No.	Name	Information	Reference	Page	Omission
	302-4	Reduction of energy consumption			19	
	302-5	Reductions in energy requirements of products and services	In 2021 were able to achieve a 20% reduction in energy and emissions (scope 1 & 2) used per sellable product produced		19	
<b>GRI 303: Water and Effluents 2018</b>	303-1	Interactions with water as a shared resource	Inolex strives to be compliant with all environmental permits through good engineering practices utilized in its manufacturing practices and confirmed through routine monitoring, primarily overseen by our EHS Manager. Potable water is supplied by Charlotte Water. Discharges from Inolex include both sanitary and industrial wastewater which goes to the Charlotte Water sewer system. In addition, Inolex has a General NPDES Permit issued by the NC DEQ for discharge of stormwater to an unnamed tributary which eventually reaches Steele Creek. For both industrial wastewater and stormwater, Inolex routinely performs monitoring to ensure compliance with applicable permit(s). Any permit exceedances are addressed through additional monitoring, reporting and source reduction as needed.		20	
	303-2	Management of water discharge-related impacts	Our EHS Manager oversees all issues pertaining to water and wastewater management. Inolex discharges water directly to Charlotte Water sewer system. This wastewater is then treated by the municipality prior to discharge to surface water. Effluent discharge standards are determined by Charlotte Water, which are determined through a headworks analysis and any applicable categorical standards.		20	
	303-3	Water withdrawal	11,138 CCF 100 percent of our water withdrawal is fresh water provided by Charlotte Water. Utility bills were used to calculate our water withdrawal.		20	
	303-4	Water discharge	Inolex discharges water directly to Charlotte Water sewer system. This wastewater is then treated by the municipality prior to discharge to surface water.		20	
	303-5	Water consumption			20	
<b>GRI 305: Emissions 2016</b>	305-1	Direct (Scope 1) GHG emissions			19	
	305-2	Energy indirect (Scope 2) GHG emissions			19	
	305-3	Other indirect (Scope 3) GHG emissions	In 2022, a third party will conduct our first Scope 3 GHG assessment.			
	305-4	GHG emissions intensity			19	
	305-5	Reduction of GHG emissions			19	
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions			19	
<b>GRI 306: Waste 2020</b>	306-1	Waste generation and significant waste-related impacts	We conduct a rework process led by our Quality Assurance Manager with assistance from production, engineering, and quality control. If a product is produced out of specification, we first determine if it can be processed for rework rather than disposed. We also have a process for recycling metal and paper. Our rework process is conducted in-house while metal and paper recycling is conducted by a third party.		21	
	306-2	Management of significant waste-related impacts			21	
	306-3	Waste generated			21	
	306-4	Waste diverted from disposal			21	
	306-5	Waste directed to disposal			21	
<b>GRI 307: Environmental Compliance 2016</b>	307-1	Non-compliance with environmental laws and regulations	In 2021 no issues of non-compliance with environmental laws and/or regulations occurred.			

GRI Standard	No.	Name	Information			Reference	Page	Omission
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1	New suppliers that were screened using environmental criteria				<a href="#">Supplier Code of Conduct</a>	22	
	308-2	Negative environmental impacts in the supply chain and actions taken					23, 24	
<b>GRI 401: Employment 2016</b>	401-1	New employee hires and employee turnover		New Hires	Termed			
			Total	23	23			
			Gender	14 male; 8 female	13 male; 10 female			
			Region	22 US; 1 intl.	23 US			
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	All US employees receive Company Paid Life AD&D and are offered additional Voluntary Life, Spousal Life and Dependent Life. US employees also have access to three, tiered medical plans. Company Paid Short-Term Disability and Voluntary Long-Term Disability are also offered. In addition to our Employee Assistance Program and Health Reimbursement Arrangement, Vision, Dental, Hospital Indemnity, Critical Illness, and Flex Spending plans are offered as well.			<a href="#">Careers</a>	29	
	401-3	Parental leave	In 2022, Inolex will be creating a Parental Leave policy as part of it's larger Employee Handbook revision. Currently, employees use the Company-Paid Short Term Disability plan and/or government-provided family leave for example Family Medical Leave Act (US) or paid maternity/paternity leave (non-US)					
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1	Occupational health and safety management system					30	
	403-2	Hazard identification, risk assessment, and incident investigation	<p>Departmental managers assist EHS in the identification of the EHS aspects and risks for their departments and perform a documented, systematic evaluation to determine their significance.</p> <p>All EHS aspects and risks are recorded on an action tracker which is updated in response to incidents that arise or changes to the identified aspects/risks during the course of the year. In addition, all aspects and risks are reviewed annually by management.</p> <p>Employees report work-related hazards and hazardous situations to their direct managers or the safety coordinator. Departmental managers and supervisors are responsible for ensuring that EHS regulations and procedures are followed in the areas under their control including: identifying and adequately managing all EHS aspects and risks within the areas they control and reporting and investigating all EHS incidents and concerns.</p> <p>The process involves investigating the cause of any non-conformance amongst system documents and EHS practices, initiating containment actions, following up with corrective and preventative actions to detail with identified issues at a level commensurate with the risks encountered, applying suitable controls to ensure that corrective actions are effective, implementing and recording actions, and independently verifying that actions taken have been effective in resolving the identified issue. The independent assessment is normally undertaken by the EHS manager.</p>					
	403-3	Occupational health services					30	
	403-4	Worker participation, consultation, and communication on occupational health & safety	<p>All employees are encouraged to participate in the safety program at Inolex. Workstreams are created when needed to address specific issues and concerns. Organization is open at all levels of the organization. For example, RBI manufacturing documentation reviews involve engineering, quality, product leads, production operators, safety coordinators.</p> <p>The Safety Committee is a formal charter of employees to participate in and support the OH&amp;S program at Inolex. Participation is open to all employees regardless of position or shift. The group meets 10 times per year minimum and the scope includes metric review, developing monthly safety topics, housekeeping inspections, safety observations, and incident review and resolution</p>				30, 32	
	403-5	Worker training on occupational health & safety	All workers are assigned general safety training ranging from desk ergonomics to working in extreme temperatures. Workers are assigned additional training depending on job requirements such as chemical handling and storage, forklift operating, etc. All workers having the potential to handle hazardous chemicals undergo robust hazardous chemical handling certification				30, 32	
	403-6	Promotion of worker health					29	



GRI Standard	No.	Name	Information	Reference	Page	Omission
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships			22	
	403-8	Workers covered by an occupational health and safety management system			30	
	403-9	Work-related injuries			30	
	403-10	Work-related ill health			30	
<b>GRI 404: Training and Education 2016</b>	404-1	Average hours of training per year per employee			32	
	404-2	Programs for upgrading employee skills and transition assistance programs			32	
	404-3	Percentage of employees receiving regular performance and career development reviews			32	
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1	Diversity of governance bodies and employees	Female representation in our global workforce is referenced on page XXX of our 2021 Sustainability Report. In 2021, our Senior Management was 14% female and 14% diverse. Three (43% percent) were age 30-50 and four (57% percent) were over age 50.			
	405-2	Ratio of basic salary and remuneration of women to men				Confidentiality constraints: Inolex treats this information as confidential company information.
<b>GRI 406: Non-discrimination 2016</b>	406-1	Incidents of discrimination and corrective actions taken	There were no incidents of discrimination in reporting period 2021. In 2022, Inolex will be focused on increasing Diversity, Equity, and Inclusion initiatives including the revision and creation of various policies concerning human rights, anti-harassment and bullying, and avenues for employees to voice concerns or file formal complaints.		28	
<b>GRI 408: Child Labor 2016</b>	408-1	Operations and suppliers at significant risk for incidents of child labor	We acknowledge the agricultural sector accounts for the highest share of child labor worldwide. Locations of operation throughout our supply chain also pose higher risks of child labor and hazardous work. We hold all employees and suppliers accountable to the principles regarding Human Rights, Fair Labor Practices, Business Ethics and integrity outlined in our Supplier Code of Conduct and Employee Handbook. In CY 2022, we will be implementing a formal database for monitoring and addressing supplier risks.		23, 24	
<b>GRI 409: Forced or Compulsory Labor 2016</b>	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	We acknowledge the agricultural sector accounts for the highest share of child labor worldwide. Locations of operation throughout our supply chain also pose higher risks of forced or compulsory labor. We hold all employees and suppliers accountable to the principles regarding Human Rights, Fair Labor Practices, Business Ethics and integrity outlined in our Supplier Code of Conduct and Employee Handbook. In CY 2022, we will be implementing a formal database for monitoring and addressing supplier risks.		23, 24	
<b>GRI 412: Human Rights Assessment 2016</b>	412-1	Operations that have been subject to human rights reviews or impact assessments			22, 28, 31	
	412-2	Employee training on human rights policies or procedures			22, 28	

GRI Standard	No.	Name	Information	Reference	Page	Omission
<b>GRI 413: Local Communities 2016</b>	413-1	Operations with local community engagement, impact assessments, and development programs			34	
<b>GRI 414: Supplier Social Assessment 2016</b>	414-1	New suppliers that were screened using social criteria	88% of suppliers have signed our Supplier Code of Conduct which outlines labor & human rights criteria	<a href="#">Supplier Code of Conduct</a>	22	
<b>GRI 416: Customer Health and Safety 2016</b>	416-1	Assessment of the health and safety impacts of product and service categories	All products are assessed for health and safety. During the reporting period, no products were marked for improvement. Health and safety assessments involve consideration of skin irritation, skin sensitization, and eye irritation using publicly available data and/or empirical tests when necessary to ensure safety.			
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There were no incidents of non-compliance with regulations and/or voluntary codes during the reporting period.		18	
<b>GRI 417: Marketing and Labeling 2016</b>	417-1	Requirements for product and service information and labeling		<a href="#">Our Products</a>	10-15	
	417-2	Incidents of non-compliance concerning product and service information and labeling	There were no incidents of non-compliance with regulations and/or voluntary codes during the reporting period.			
	417-3	Incidents of non-compliance concerning marketing communications	There were no incidents of non-compliance with regulations and/or voluntary codes during the reporting period.			