



As we collectively face the many challenges of COVID-19, the medical professionals and first responders whose tireless work is saving the lives of so many have our sincere and deepest gratitude. They truly are the heroes of our time. We are also so very thankful to our customers and partners for their efforts in the fight against the virus. We are privileged to help support our medical professionals and fellow citizens while working alongside so many outstanding organizations and people. I am so very proud of how our employees have responded and the positive impact they are having. Our science touches billions of people every day, and our commitment to improve lives has never been more critical.

COVID-19 has disrupted many things, but it has not changed the principles that govern who we are as a company. These are grounded in the past, guiding us in the present and positioning us for a tremendous future. We always strive to be a positive and enabling global corporate citizen – providing our employees significant personal growth opportunities, serving our customers at the highest level and supporting the communities where we live and work. We focus on doing the right thing to improve lives and have a measurable, sustainable impact on the world. I see this clearly as I reflect on the past and as I see our company in action today. It allows me to look forward with great confidence to our future.

2019 REFLECTIONS

As I look back on 2019, I also reflect on the decade that has passed. The last 10 years marked the most successful decade, by most any measure, in Lubrizol's nine-decade history. We reached new highs in both revenue and income. Our global capabilities expanded dramatically to support the growing needs of our customers, and we continued to leverage science in ways only Lubrizol can, creating value for our customers and consumers. This was also a period where we embedded sustainability more deeply into everything we do. This report, which combines our previously separate company overview and our sustainability report, is a testament to that integration.

Over the last 10 years, our **Advanced Materials** segment transformed from a high-quality specialty component supplier to a true solutions provider, combining chemistry, application expertise and end-user insights to deliver unique solutions to improve our customers' success. 2019 was the segment's most successful year to-date, and our work across our Advanced Materials portfolio is having a real, positive impact on our customers and on the world.

Our innovation in reliable, cost-effective piping systems has meant clean drinking water for millions across the globe. Our advanced polymer technology has delivered better performance and improved recyclability for footwear and fabrics. Consumers are benefiting from advanced skin care solutions, targeted drug delivery and coatings solutions across most any surface imaginable, all thanks to the Lubrizol Advanced Materials team.

We also saw great impact over the past decade from our **Additives** segment, with lubricant additive solutions that enable lower emissions, increased efficiency and longer asset life across transportation and industrial applications. Among many highlights in 2019, our Fuel Additives product line delivered strong results and increased value to customers with tailored solutions. Today, you will find Lubrizol technology in half the vehicles globally, and we are well positioned to continue to improve efficiency and reduce emissions as we move into an increasingly electrified future.

When we look back on our history, our success in 2019 will be overshadowed by a fire that spread to our manufacturing facility in Rouen, France, on September 26. Thankfully, there were no injuries, and our manufacturing assets in Rouen were not impacted by the fire. However, this was one of the most significant incidents in our history, idling the plant for nearly three months. It tested the character and resolve of our company, but I can confidently and proudly say that our character was unwavering and our employees' resolve to help each other, serve our customers and help those in the community was never stronger. Our work to support the city of Rouen and the surrounding community continues, and the restart of our Rouen facility in mid-December was a major step in our supply recovery.

We became a much more capable and confident company over the last few months of the decade, and as we navigate 2020, we are stronger than ever.

THE DECADE AHEAD

In the decade ahead, one where we'll celebrate our centennial (in 2028), we'll have an even greater impact. Lubrizol will help the world **Move Cleaner, Create Smarter** and **Live Better** than ever before. Sustainability will continue to be fundamental to what we do and how we operate. We have great opportunities to reduce vehicle emissions, enable circularity, and improve lives for billions of consumers. We have invested billions of dollars in innovation across these areas over the past decade alone, and we are planning to invest more in the decade ahead.

As we continue to invest in innovation that enables greater sustainability, we also remain focused on measuring and reducing the environmental footprint of our own operations. We are continuously improving

our plant operations by reducing waste, increasing efficiency and conserving natural resources.

We enter this new decade with great partners who share our vision for a better world and a more sustainable future. We are very fortunate to count some of the world's most respected and admired companies as our customers and partners, and we are very thankful for the relationships and for their loyalty. We also are grateful to begin another decade as a member of the Berkshire Hathaway family and to have the fantastic benefit of Berkshire's unique resources and support.

Most importantly, we enter the new decade fortunate to have an incredible group of talented and committed employees. We're committed to enabling them to be the best they can be by providing a safe, secure and inclusive workplace where they can lead decisively and take action to create meaningful impact. We will continue to foster a collaborative and accountable company culture, provide targeted training and development programs, and encourage community engagement.

I am inspired everyday by our team. Their energy, commitment and passion will continue to drive us forward and allow us to be an even greater positive force in the world. I want to thank each of them for all they do every day to make Lubrizol and our customers successful.

We are committed to using our talents and resources to help those in need during this pandemic. As the world emerges from crisis, we will fully turn our focus to the coming decade and the incredibly bright future we see ahead. I think you will see it too as you explore this report.

Thank you for your interest in The Lubrizol Corporation. Our very best wishes for your safety and health, as well as the safety and health of your families and all those close to you.

ERIC R. SCHNUR
Lubrizol Chairman,
President and CEO