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SUSTAINABILITY
REPORT

Lubrizol



Lubrizol

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Lubrizol

Our Sustainability Commitments



Lubrizol's 2022 Sustainability Report details our progress and outlines the policies, programs and goals that embed sustainability as a key element in the chemistry of our organization. As we continue on our sustainability journey, these reports serve as important guideposts. They communicate our progress in meeting and exceeding the expectations of our leadership team, employees, customers, suppliers and other stakeholders.

Please visit our [website](#), to learn more about our business and sustainability efforts. If you have any questions or comments about this report, please contact us at connect@lubrizol.com. Thank you for your interest in The Lubrizol Corporation.

Sustainability Disclosure Information

This report was issued in October 2022 and is primarily focused on activities that occurred in 2021 or ongoing activity from previous years, with updates from 2022 where indicated. We update our sustainability data online annually in our **Sustainability Scorecard**. The sustainability content in this report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option, and our GRI Index can be found at the end of this report and **online**. We have not sought external assurance for this report. We are committed to annually reporting on our sustainability programs and commitments. Our past reports are available on the **Resources page** of our sustainability website.



About Lubrizol

The Lubrizol Corporation, a Berkshire Hathaway company, is committed to a sustainable future. Our unmatched science unlocks immense possibilities at the molecular level, driving measurable environmental results. Our solutions are used by people every day, improving billions of lives around the world. Lubrizol is comprised of two primary business segments: **Lubrizol Additives** and **Lubrizol Advanced Materials**.

Our **Lubrizol Additives** segment partners with customers to improve vehicle energy efficiency, reduce emissions and enhance engine reliability and durability for electric/hybrid and internal combustion vehicles. For industrial applications, Lubrizol Additives enables efficient and reliable equipment performance. Our industrial fluids are hard at work bringing efficiency to power generation, hydraulic equipment, compressors, oil field services and metal processing in industrial applications.

Markets Served

- Heat transfer/Thermal management
- Specialty additives
- Lubricant and fuel additives
- Refrigeration/Compressor lubricants
- Metalworking fluids
- Industrial products
- Refinery and oilfield
- Performance polymers

Lubrizol Advanced Materials' innovations enable valuable performance attributes across a wide range of impactful industries, including health care and medical, beauty and home care. We create

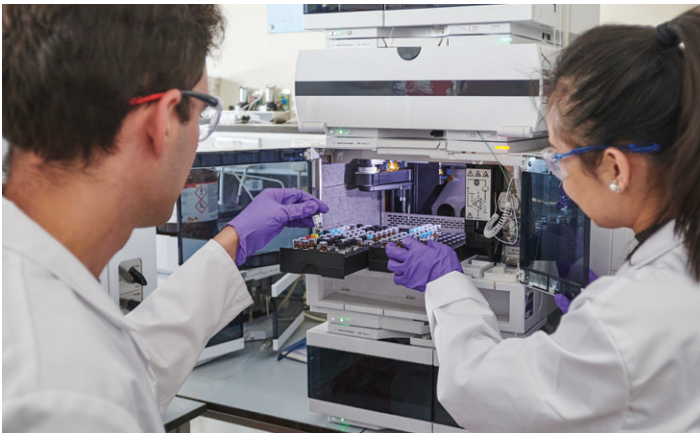
materials that are used in wellness-related applications, such as sustainable materials for activewear and athletic shoes, and we are responsible for the chemistry used in easy-to-install plumbing systems that deliver safe drinking water throughout the world. Our recyclable, durable polymers are found in electronics, including mobile phones, in auto interiors and within a variety of surface-protection applications. Our materials also are leveraged for building and construction, textiles and consumer durable goods. Finally, our ingredients are used for safer industrial and automotive coatings, as well as food and sustainable packaging, and used to improve the performance and color consistency of inks for digital printing across many industries.

Markets Served

- 3D printing
- Medical devices
- Coatings
- Personal care and beauty
- Engineered polymers
- Piping systems
- Industrial cleaning and home care
- Separations/Filtration
- Life sciences

Our Global Operations

Lubrizol serves customers in more than 100 countries. We are headquartered in Wickliffe, Ohio, and have a significant presence in several countries around the world, including the United States, Belgium, Brazil, China, France, Germany, India, Japan, Spain and the United Kingdom, among others.



Employees Globally

8,500

Labs/Technical Facilities

40

Manufacturing Sites

56

Sales Offices

45

Some locations provide more than one function and are represented in multiple categories.

Global Employees by Region

Latin America

3%

Asia Pacific

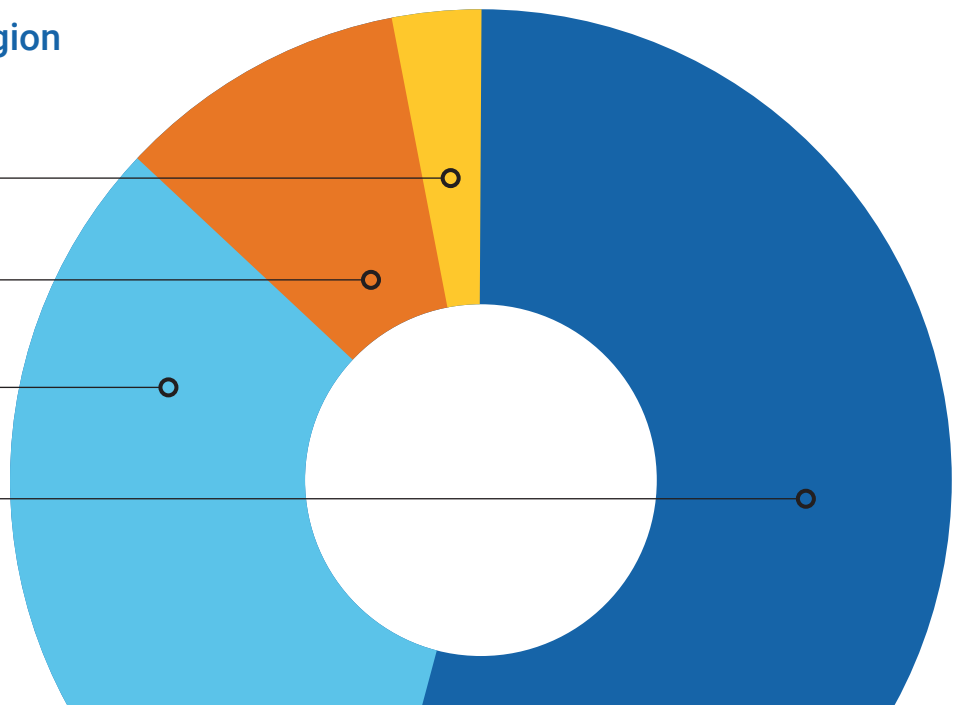
10%

Europe

35%

North America

52%





**SUSTAINABLE
DEVELOPMENT
GOALS**

The seven Sustainable Development Goals (SDGs) that Lubrizol has chosen to adopt are shown above, followed by the remaining SDGs to the left in gray.



Lubrizol's Sustainability Journey

At Lubrizol, we maximize the positive impact that our products and solutions enable (our handprint) to exceed our customers' and consumers' performance and sustainability goals. At the same time, we minimize our environmental footprint by operating our business in a safe, efficient and responsible manner that reduces our carbon emissions and preserves and protects natural resources. We commit to these priorities for the good of the planet, our people and the communities in which we work and live. Sustainability has been part of the chemistry of Lubrizol since it was founded in 1928, and it will define our future.

As the impact of climate change and the importance of environmental stewardship have become more pronounced across the globe, sustainability has increasingly become a vital driver of the long-term health and growth of our organization.

We view sustainability as a lens through which we filter our business decisions, including how we innovate, design and produce products; how we collaborate internally and with our customers, suppliers and partners; and how we support and invest in our local communities.

Alignment with the UN Sustainable Development Goals

Application of the United Nations Sustainable Development Goals (SDGs) is a key component of our corporate sustainability strategy. We have intentionally aligned our employee resource group efforts and community engagement resources with the seven SDGs that Lubrizol has chosen to adopt. The seven goals were chosen based on where we believe we can have the greatest positive impact on the UN's targets and indicators by the 2030 target date.

Stakeholder Engagement and Materiality Assessment

We engage with our stakeholders to help continuously refine the issues most important to our company and improve the value proposition we deliver to our customers.

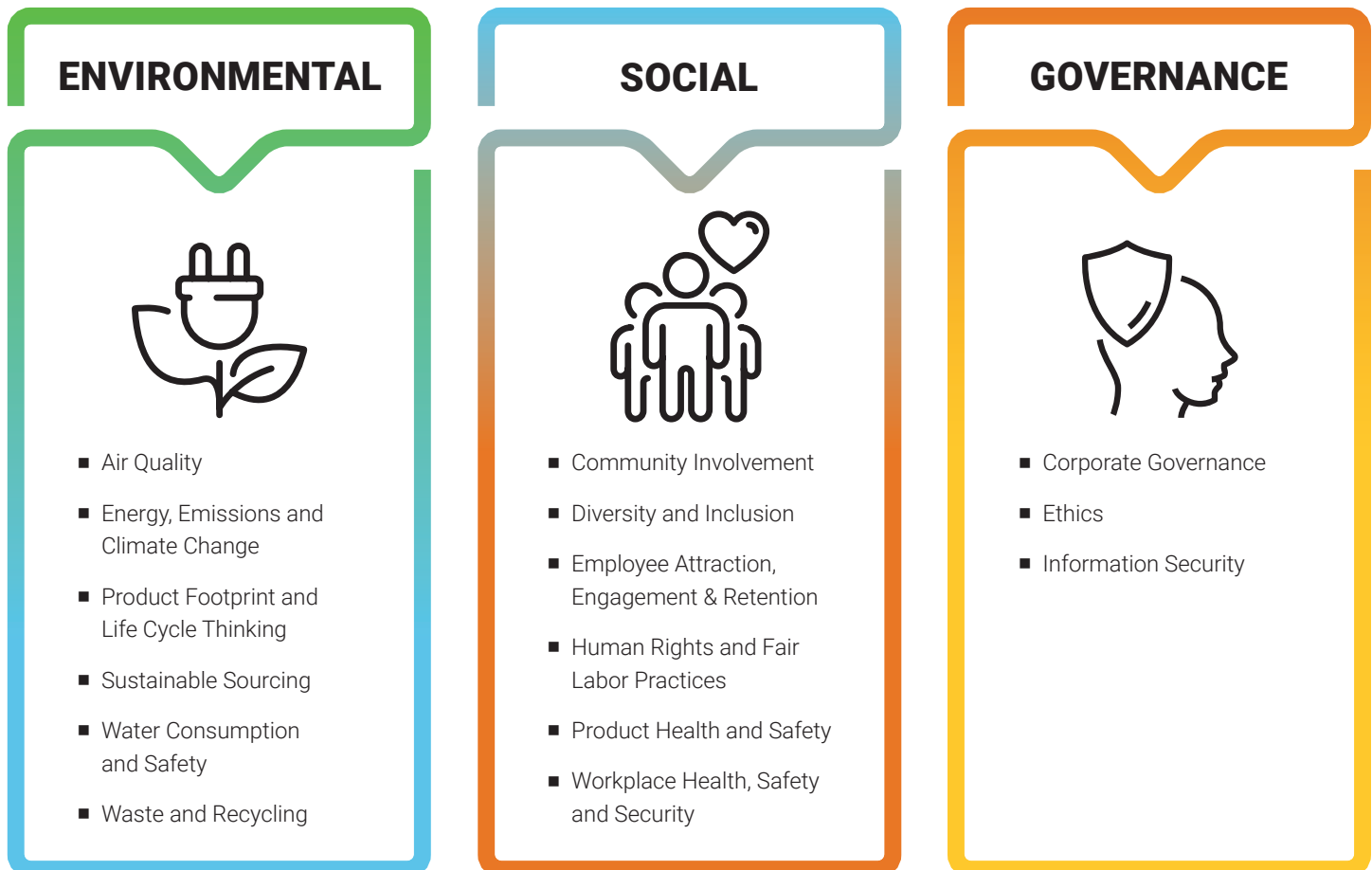
Our 2022 Sustainability Report is informed by the material topics selected by Lubrizol's internal and external stakeholders as part of our sustainability materiality assessment. Our comprehensive 2018 materiality assessment was conducted in accordance with GRI Standards. This report and the accompanying GRI Index address those topics and the progress we are making against our goals.

Lubrizol's ESG Goals

We chart the progress of our companywide sustainability commitments by setting specific and measurable goals. Diligence in tracking and updating these goals allows us to evaluate our success, identify areas to improve our operations, and maximize the long-term success of our company.

In 2021, we announced new sustainability goals to improve our environmental footprint, focus community investment activities and enhance our governance oversight. These goals clarify Lubrizol's commitment to strengthening our company and bringing more positive impacts to the environment, our communities and our customers across our global locations.

Lubrizol's Material Topics





ENVIRONMENTAL FOOTPRINT GOALS

Our environmental footprint goals are embedded throughout the organization.



Emissions

Reduce Scope 1* and Scope 2* greenhouse gas emissions by **20% by 2030** (compared to a 2018 baseline).



Waste

Decrease our waste by **10% by 2030** (compared to a 2018 baseline). This includes reducing the amount of waste generated, reducing scrap and increasing recyclability.



Water

Conduct water risk assessments at all Lubrizol manufacturing sites biennially to determine opportunities for additional improvements. We will also sponsor annual waterbody restoration or clean-up activities in the communities we call home.



SOCIAL RESPONSIBILITY GOALS

We have committed to assisting 2,028,000 individuals globally by 2028 through engagement activities in the communities where we live and work.



Community Giving

Giving at least \$20,280,000 to organizations that are aligned with our community investment priorities.



Volunteering

Giving at least 80,000 volunteer hours to activities that are aligned with our community investment priorities.



GOVERNANCE AND ETHICS GOALS

The highest standards of ethical and legal conduct are foundational to our work. In addition to ensuring all employees attend ethics training and believe they are working for a company that celebrates ethical behavior, we are committed to holding our suppliers to similar high standards.



Supplier Sustainability

Complete EcoVadis assessments on 80% of key suppliers by 2028.



Supplier Ethics

Complete an annual performance evaluation of all key suppliers and ensure all key suppliers agree to Lubrizol's Supplier Code of Conduct (or demonstrate equivalency).

*Scope 1: Lubrizol's direct GHG emissions; Scope 2: Indirect GHG emissions from Lubrizol's consumption of purchased electricity and steam.



Message from the CEO

At Lubrizol, sustainability has long been a key driver of our business and remains fundamental to our value proposition. Lubrizol started in 1928 in a small garage in Cleveland, Ohio, where our founders invented lubricants to help the Model T automobile run more efficiently. We now have employees working at over 100 Lubrizol global locations, pushing the boundaries of chemistry to deliver solutions that enable the world to move, create and live more sustainably.

As our customers are poised to meet the ever-changing expectations of the world around us, sustainability will remain fundamental to our business strategy. Our chemistry expertise equips us to do extraordinary things. We are innovating to provide carbon-smart and impact-positive solutions to address many of our customers' and their markets' most pressing sustainability challenges, including through our:

- Immersion thermal management solutions that reduce the amounts of energy and water needed to cool data centers and server farms.
- Fluids and technology to make EV batteries run cooler, longer and charge faster.
- Polymers that increase the capacity for carbon capture and storage and make this crucial activity more efficient.
- Fluids for low-global-warming technology to meet the rapidly growing global demand for refrigeration and air cooling.
- Recyclable coatings for food storage containers.
- Recyclable plumbing pipe technology to provide clean water to millions of people all over the world.

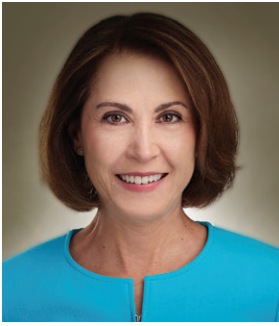
- Polymers that reduce the amount of energy, heat and water that our customers need to make consumer products that we use every day.

In addition, we are committed to meeting our customers' needs responsibly by setting goals to reduce our own global carbon footprint and implementing smarter manufacturing processes. Through robust supplier engagement, we are taking this commitment up the value chain, helping customers achieve their footprint goals faster.

Of course, none of these innovations and commitments is possible without our people. The key ingredient for any sustainable organization is a strong culture that supports and develops team members, encouraging their contributions and providing opportunity for personal and professional development. We know that our Inclusion, Diversity and Equity strategy and actions will enable us to continue to attract the best talent and expand our worldview with a team that reflects unique experiences and backgrounds.

Our potential is unlimited. Sustainability will remain a critical component of Lubrizol's strategy as our chemistry continues to provide solutions for the rapidly advancing technology of tomorrow. We are committed to empowering our customers to do more, and we will be there to deliver the passion of our people and the power of our chemistry – today and long into the future.

Mary K. Rhinehart
Interim President and Chief Executive Officer



Message from the CSO

If we have learned anything over the last two years, it is that the sustainability of any organization requires relentless commitment to its mission. Our 2022 Sustainability Report demonstrates the unshakable resilience of the entire Lubrizol team in advancing the sustainability of our organization, even in the face of unprecedented obstacles.

As our CEO Mary Rhinehart notes, today, Lubrizol's products provide carbon-smart, impact-positive chemistry that our customers require to meet their sustainability goals. But we know that how we make our products is as important to the sustainability of Lubrizol as the products themselves. That's why we have committed to specific, significant sustainability performance goals:

- Reduce by 20% our combined Scope 1 and Scope 2 emissions by 2030 by improving our manufacturing efficiencies, reducing our energy consumption and accessing more renewable energy where available.
- Reduce the impact of our waste by 10% by 2030 by investing in more efficient technology that reduces scrap and increases the recyclability of what we make.
- Conduct water risk assessments biennially at all manufacturing sites.
- Require 80% of key suppliers by 2028 to complete a rigorous EcoVadis assessment and ensure all key suppliers demonstrate compliance with Lubrizol's Code of Conduct (or an equivalent program).

As we do this important work, our global team of 8,500 employees is committed to keeping each other safe in the

workplace and to maintaining a respectful culture. Our Inclusion, Diversity and Equity (IDE) strategy is grounded in the belief that we all benefit from the inclusion of new voices and unique perspectives. Investing in employee development and providing opportunities for employees to grow are crucial to Lubrizol's growth as well.

Our community investment program, Global Goals/Local Actions, aligns our volunteering, philanthropy and giving priorities with the UN Sustainable Development Goals and reflects our strong commitment to giving back with unity of purpose while respecting the diversity of the communities that we call home. By 2028, we hope to provide at least 80,000 employee volunteer hours all over the world and donate more than \$20 million to deserving organizations.

We hope you find this report helpful in understanding why at Lubrizol, sustainability is more than about what we do, it's about who we are.

Elizabeth Grove
Chief Sustainability Officer and
President of The Lubrizol Foundation



Lubrizol

Environment

Lubrizol's approach to environmental sustainability targets two important objectives:



- Maximizing our handprint by providing products and solutions that meet or exceed our customers' performance and sustainability goals to enable more sustainable solutions; and



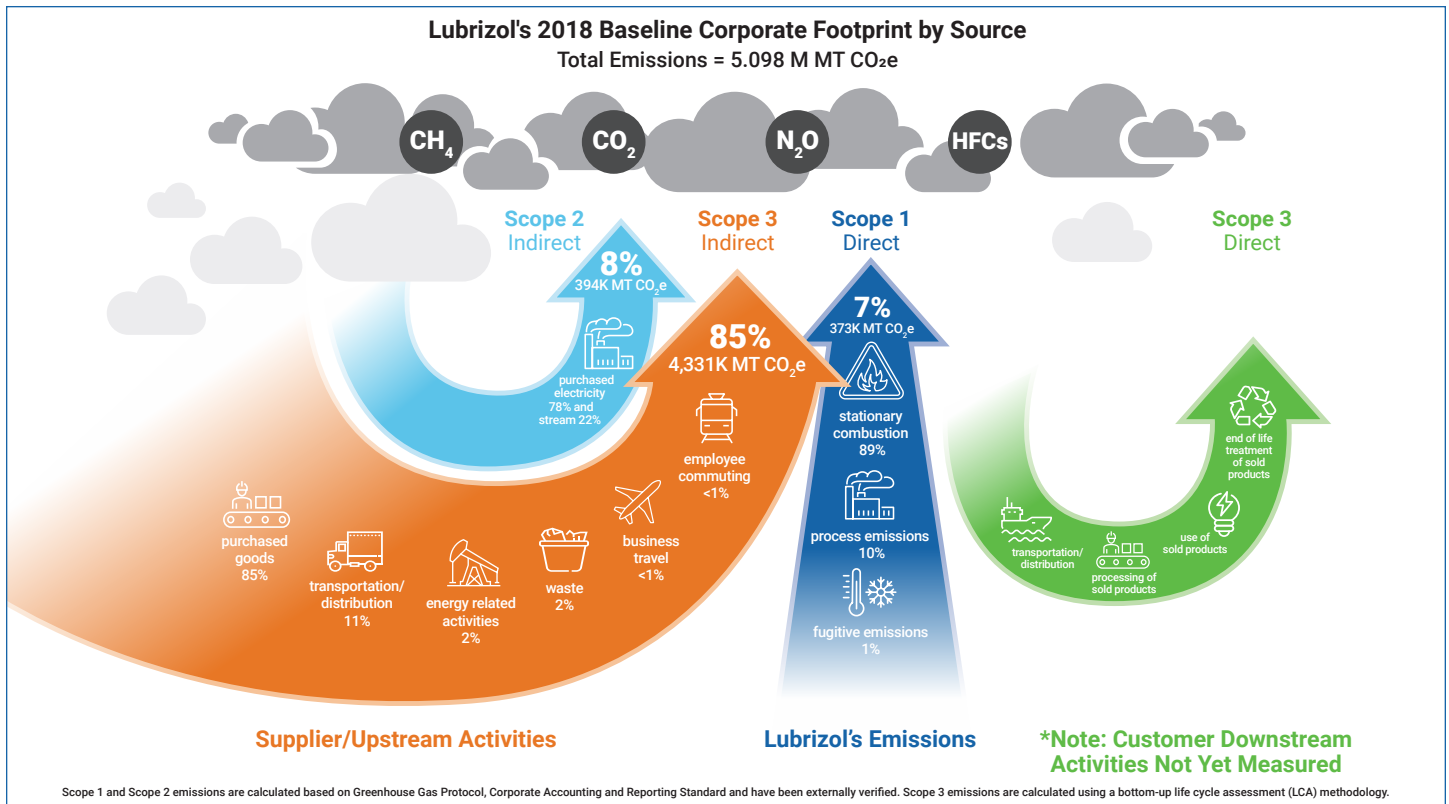
- Minimizing our footprint by operating our business in a safe, efficient and responsible manner to reduce our corporate carbon footprint, our products' carbon footprint and that of our value chain while preserving and protecting natural resources.

In addition to our own policies and programs, we rely on the guiding principles of the American Chemistry Council's Responsible Care® program to chart a path for Lubrizol to continuously improve our environmental, health, safety and security performance. As signatories to the International Council of Chemical Associations' Global Charter, we apply these principles across all our global facilities.

Our Environmental Goals

Lubrizol's ongoing footprint reduction activities are guided by three environmental goals that we announced in 2021:

- Reduce Scope 1 and Scope 2 greenhouse gas (GHG) emissions by **20% by 2030** (compared to a 2018 baseline).
- Decrease the impact of our waste by **10% by 2030** (compared to a 2018 baseline). This includes reducing the amount of waste generated, decreasing scrap and increasing recyclability.
- Conduct water risk assessments **at all Lubrizol manufacturing sites** and repeat this process biennially to determine opportunities for additional improvements. We met the first part of this goal as planned in 2021 and are committed to ongoing assessments. We are also continuing to participate in waterbody cleanup activities in our local communities.



Addressing Climate Change

Climate change poses a critical challenge to our sustainable future, which is why Lubrizol takes action to reduce GHG emissions across our global footprint.

In 2021, Lubrizol committed to a 20% reduction in our Scope 1 and 2 GHG emissions compared with our 2018 baseline. We are also focused on measuring and validating our Scope 3 emissions, as our supplier and upstream activities account for approximately 85% of our currently calculated footprint.

New programs and initiatives announced in 2021 and 2022 frame our GHG mitigation priorities, including our mission to pursue renewable energy solutions where possible. Currently, all Lubrizol facilities in France and Brazil, and key locations in Belgium, Germany, Spain and the U.K., use 100% renewable electricity. We have a plan to identify opportunities to expand use of renewable energy across our global footprint. Improvements in measurement and tracking provide more granular energy data at a site-specific or process unit level. These improvements enable clearer insights into our operations and identification of areas for improvement.

Beyond our renewable energy plan, we are recapturing energy that can be used for heat and upgrading the efficiency of our lighting, production and office equipment to lessen our carbon impacts across our global footprint.

We have also generated additional footprint reductions through actions at select facilities, such as:

- Upgrading the fluid technology in some of our hydraulic plastic injection molding machines to reduce energy use by more than 8% and decrease emissions by more than 17 metric tons of CO₂ per year per machine.
- Replacing traditional propane-powered forklifts with electric versions at our large warehouse in Painesville, Ohio.
- Installing solar panels at several facilities to power our operations with less reliance on the energy grid.
- Installing EV charging ports at our Barnsley and Hazelwood facilities in the United Kingdom. The ports allow both employees and visitors to charge their vehicles and encourage people in the community to reduce their reliance on fossil fuels.
- Mapping the locations of all light switches at our site in Lewisville, Texas, to determine where new motion-activated and timer switches could be installed to save energy. This process also assessed where additional safety lighting could be installed to better protect employees.
- Introducing a sticker system in lab areas at our facility in Blackley, England, to identify which equipment can be powered off when not in use and which equipment needs to run continuously. This program provides energy and cost savings and creates greater accountability for employees and contractors.



Lubrizol Supports Climate Action

On Earth Day in 2021, Lubrizol announced a three-year grant commitment through The Lubrizol Foundation to fund the Cleveland Metroparks' forest climate resilience study. The study will track the impact of climate change on the carbon capture and storage capability of the Metroparks' 16,000 forested acres and generate guidelines, best practices and education programs to teach others about how to build and maintain forest resilience.

Supporting forward-looking projects like the Metroparks' forest climate resilience study is part of Lubrizol's companywide emphasis on mitigating climate change, identifying areas for increased GHG reductions, and creating greener global communities.



Lubrizol Advocates for Climate Action

As climate policy becomes increasingly intertwined with legislative proposals, such as those related to the European Green Deal and U.S. infrastructure investments, good science provides the best insight to guide policy toward positive impacts. Lubrizol's Government Affairs team regularly engages with policy-makers to ensure that environmental policy – and the legislation and regulation that follows – is grounded in sound science.

In 2021 and 2022, Lubrizol's Government Affairs team successfully met with key U.S. senators to advocate for ratification of the Kigali Amendment. The 2022 ratification of the Kigali Amendment commits the U.S. to reduce hydrofluorocarbon (HFC) gases – a particular type of GHG commonly used in formulating solvents, propellants and refrigerants. In addition to the U.S., more than 120 countries have ratified the amendment.

Lubrizol has used its refrigeration lubricant expertise to develop lubricants which will work with HFC gas replacements. By enabling refrigeration gases with lower global warming potential than HFCs, and by advocating for government action, Lubrizol promotes more sustainable product alternatives for our customers and the world.

Exploring Our Product Footprint

Innovative chemistry is the foundation of Lubrizol's business as we engineer products that improve efficiencies and advance our ESG commitments and those of our customers.

Product stewardship efforts and life cycle thinking are critical to minimizing our global footprint and enhancing the positive impact of our products. In developing our products, we consider impacts both upstream to suppliers and downstream to customers and end-use consumers. At the same time, we pursue environmental life cycle assessments (LCAs) to drive product design innovations, create naturally derived products where feasible and encourage environmental transparency and traceability from our suppliers.

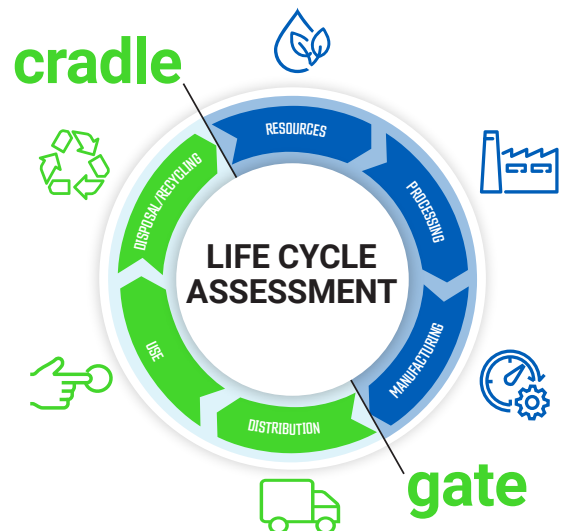
Providing Clearer Insights with Life Cycle Assessments

The procurement of raw materials constitutes approximately 72% of Lubrizol's overall carbon footprint. As a result, we have prioritized raw material choice and supplier engagement as critical means for addressing climate impact.

Lubrizol conducts LCAs of our products to better understand the environmental impact of our raw materials and manufacturing processes. We have invested in specialized software and training for our internal team to expand and enhance our LCA program. Today, 97% of the volume of materials used in our portfolio has been mapped in the LCA software. Also, in 2021, we formed a cross-functional LCA Governance Council to enhance the oversight and standardization of our LCA program.

Beyond utilizing LCAs to address customer expectations, we use these assessments internally to consider raw material substitutions that can reduce the carbon footprint of our products while maintaining high performance levels. With side-by-side comparisons of raw material options, we can use these new insights to inform our product formulations and decision-making pertaining to raw material sourcing.

Our Life Cycle Assessment Approach





Practicing Responsible Water Stewardship

Water is one of the world's most critical resources, which is why we have programs in place to assess the impact of water used in our facilities and improve the quality of water in our communities.

Water Assessments and Restoration

In 2021, Lubrizol conducted risk assessments on the water basins corresponding with all 56 of our global manufacturing sites – fulfilling a key organizational goal. To achieve this objective, we leveraged the local knowledge and capabilities of our regional Sustainability Business Resource Group (SBRG) members to conduct these assessments after receiving training on our risk assessment methodology.

Regularly reviewing our water risk assessments will expand our understanding of local water challenges as well as Lubrizol's role in ensuring water availability and quality around our sites. These assessments also will identify opportunities to improve water efficiency and conservation practices and allow us to document best practices that can be shared with all facilities.

Water protection responsibilities are managed locally through participation in cleanup and restoration projects. Our regional SBRGs oversee and select projects in which we participate, with the goal for each Lubrizol SBRG to participate in at least one water-related project annually.

In March 2021, several Lubrizol facilities celebrated World Water Day, which advocates “valuing water” for its economic, agricultural, health, education and recreational benefits. In addition to World Water Day, Lubrizol facilities participated in many signature projects throughout the year, including:

- Northeast Ohio employees worked with CanalWay Partners as part of its RiverSweep initiative, which aims to clean up trails and parks in the Greater Cleveland area to stop waste and pollution from entering the region's bodies of water.
- Northeast Ohio employees partnered with the Mentor Marsh Nature Preserve to protect and clean up Blackbrook Creek located within the preserve. Employees landscaped the area, rebuilt a porch and deck near the creek and replaced outside lighting with LED lights for improved energy efficiency.
- Our employees in Zhuhai, China, removed 150 pounds of litter from nearby waterways.
- Lubrizol employees in Kinuura, Japan, participated in a beach cleanup activity at Kinuura Bay, where more than 900 pounds of waste was collected.
- Several of our locations in Europe implemented new practices and policies to reduce plastic waste and prevent it from impacting local wildlife and waterways. These included switching to a closed-filling process for the sites' powder packaging units to prevent spills, tracking inventory of PVC and CPVC dust emissions and prioritizing waste diversion through the recycling of PVC and CPVC byproducts.
- Our site in Catalonia, Spain, provided funding to an organization that maps stagnant water points in the region. This data will be used to support creation of an active conservation strategy that promotes aquatic biodiversity for these habitats that are most affected by development.
- Our location in Hazelwood, U.K., became a corporate member of the Derbyshire Wildlife Trust (DWT), which is a conservation charity aimed at protecting wildlife and natural habitats throughout the Derbyshire area.



Louisville Values Water

In 2019, Lubrizol's operations team in our Louisville, Kentucky, resin plant visited two of our European facilities to exchange best practices on energy and water efficiency.

Over the course of a week, the team conducted multiple site tours and held in-depth discussions about water conservation best practices and process improvements. In particular, the Louisville team observed how our resin plant in Delfzijl, Netherlands, recycles the water in its neutralized waste stream, which reduces the amount of freshwater withdrawn and used.

After returning home, the Louisville team initiated a project for recycling its own neutralized waste stream. This change alone will help the plant reduce its water use by almost **10%**.

Other water stewardship projects the Louisville site pursued following the visit included:

- Identifying opportunities for freshwater use reductions in the manufacturing process
- Piloting changes in the water treatment process
- Assessing the manufacturing lines where recycled water could be introduced
- Determining where to introduce recycled process water instead of freshwater

Together, these projects resulted in a **16.7%** reduction in the volume of freshwater withdrawn at the Louisville facility year over year.

On Earth Day in 2021, the operations team shared the Louisville plant's achievements with the company on a virtual webinar. Inspired by the plant's successes, other facility teams scheduled site visits to the Louisville plant to learn how they could similarly reduce the volume of freshwater withdrawn and used at their facilities.

Reducing Our Waste Impacts

Responsible resource management is core to Lubrizol's environmental strategy. We prioritize waste reduction and improved recycling practices to encourage beneficial reuse and divert the volume of material that Lubrizol sends to landfill. To meet our goal of decreasing the impact of our waste footprint by 10% by 2030, we are:

- Refining our production processes to minimize the amount of waste we generate
- Bolstering the amount and type of material that we can recycle at our facilities
- Investigating opportunities to divert our waste from landfill to instead be used in the creation of renewable biofuels, heat and electricity
- Improving our internal waste tracking metrics
- Discovering useful outlets for material byproducts
- Reducing our paper and plastic usage
- Switching from disposable to reusable materials where possible



Reducing Waste at the Facility Level

Our facility in **Wickliffe, Ohio**, pursued a waste-to-energy partnership to minimize the volume of waste sent to landfill by converting its nonhazardous industrial waste into sustainable electrical power. In 2021, 185,000 pounds of waste was diverted from landfill and used as fuel to provide electricity for the local energy grid.

Wickliffe also recovered, treated and recycled 225,000 pounds of used oil into industrial lubricant; recycled or reused 12,000 pounds of batteries, electronics and lightbulbs; and recycled 202,000 pounds of ferrous metal, 18,000 pounds of paper, 39,000 pounds of cardboard and 250 pounds of plastic bottles to keep these materials out of landfill.

Several of our sites changed software systems to reduce printed output. All **U.K. sites'** Accounts Payable departments shifted to a paperless system, our **Lewisville, Texas**, site turned off automatic printing of its invoices and our **Brecksville, Ohio**, site converted to a completely paperless sample process.

In **Lewisville, Texas**, a collection box for electronic waste in the facility's breakroom encourages employees to bring in broken or obsolete items to be recycled.



SBRG Chapters Fuel Employee Engagement

Lubrizol's Sustainability Business Resource Group (SBRG) is a grassroots, employee-led organization, with members who are passionate about environmental and societal sustainability. Currently, there are 11 SBRG chapters serving 33 locations in North America, Europe, Asia Pacific and Latin America.

The mission of the SBRG is to raise awareness and empower employees around the globe to help Lubrizol achieve our sustainability goals. The group engages with and informs colleagues to promote our Environmental and Social Responsibility priorities. The SBRG's mantra aligns with our Community Investment strategy to Think Global/ Act Local in contributing to Lubrizol's strategic corporate plans while fulfilling needs at the community level.

SBRG activities include establishing on-site recycling and composting programs, sponsoring environmental cleanup and educational programs to mark Earth Day, and cleaning up and restoring local beaches, parks and rivers. Other projects include planting trees, mentoring students in local schools and organizing blood drives, food drives and charity walks.



Educating Our Employees on Sustainability

At Lubrizol, we know that educating our employees about sustainability is one of the best ways to drive engagement, generate new ideas and improve our performance. We provide training, education and experiences to equip employees to become even better environmental stewards at work, at home and in their communities.

Some of our environmental education opportunities include:

- In 2021, our Lewisville, Texas, site began the two-year process to become a TRUE-certified Zero Waste facility. Through this process, employees are reducing waste, increasing recyclables, purchasing products that are more sustainable, and establishing sustainable innovation practices. In early 2022, our Brecksville, Ohio, site similarly registered to become a TRUE Zero Waste facility and will have access to similar training.
- The Lewisville site celebrated the United Nation's World Water Day by introducing Lubrizol's water conservation initiative and providing employees with water-saving tips to use at home.
- With more employees embracing remote and hybrid work schedules at select facilities, our Brecksville, Ohio, site hosted a virtual event with a local solid waste education specialist to share best practices for waste reduction at home.
- A representative from our performance coatings for packaging business held a webinar open to all employees to discuss ways Lubrizol is improving sustainability in packaging through collaborations with material suppliers, converters, brand owners and recyclers. This webinar included tips for how other business units may be able to address packaging sustainability within their respective supply chains.



Sustainable Sourcing

Beyond our own operations, Lubrizol partners with suppliers that share our corporate philosophy and commitment to ethical business practices and sustainability. Available in seven languages, Lubrizol's Supplier Code of Conduct defines the expectations for members of our supply chain in a variety of areas, including compliance with applicable environmental laws and regulations, efficient use of natural resources, quality and safety of products and other aspects of environmental performance.

As we pursue sustainable sourcing opportunities, we have identified tools and metrics to support our business strategies and meet our customers' expectations. Aligned with these priorities, we have established sustainable sourcing goals for our key suppliers, who make up the top 80% of Lubrizol's global procurement spend. The following outlines these goals as well as our progress in reaching our objectives:

Supplier Code of Conduct

- **Goal:** 100% of key suppliers will agree to Lubrizol's Code of Conduct or provide their own equivalent Code of Conduct by 2028.
- **Performance to Date:** 58% of key suppliers, including 70% of our top 10 suppliers, have met this criteria.

EcoVadis CSR Assessments

- **Goal:** 80% of key suppliers will be assessed via EcoVadis by 2028.
- **Performance to Date:** 12% of key suppliers, including 90% of our top 10 suppliers, have met this criteria.

Supplier Evaluations

- **Goal:** 100% of key suppliers will have annual Supplier Performance assessments completed by 2028.
- **Performance to Date:** 71% of key suppliers, including 90% of our top 10 suppliers, have met this criteria.

In addition to our sustainable sourcing efforts, we promote equality through our diverse vendor program and work with Minority Business Enterprises (MBEs), Women Business Enterprises (WBEs) and local suppliers whenever possible.



Lubrizol

Social

Lubrizol's approach to social responsibility is based on our commitments to protect and engage our employees and support the communities where we work and live. Both in our global facilities and the communities we call home, our ideals of safety, inclusion and personal development are embedded in everything we do.

Workplace Health, Safety and Security

For Lubrizol, there is no greater responsibility than promoting safe, reliable operations to protect the health, well-being and security of our employees, customers and communities. Every day, we strengthen our culture of safety and accountability, where every employee is empowered to be a safety leader. We are committed to reducing our worldwide injury and process safety incident rates, and our goal is always zero accidents, zero injuries and zero harm.

The **Lubrizol Health, Safety, Environmental & Security (HSES) Policy** guides our efforts. We also participate in the American Chemistry Council's Responsible Care® program and apply its Guiding Principles across our global locations. Lubrizol's health and safety programs address both process safety and operational safety, and we made significant progress in both areas in 2021.

In addition, in 2021, Lubrizol implemented a comprehensive Human Performance Improvement (HPI) program to address interrelated factors in a systematic way to drive continuous improvement and companywide excellence in health and safety.

Process Safety

Lubrizol's process safety program is data- and procedures-driven and is aimed at continually assessing and reducing risk. In 2021, Lubrizol enhanced process safety by adding the identification and reporting of near misses and potential concerns while creating internal systems and support to make operational changes if needed. We have also enhanced our progress tracking by implementing a 30-day cycle for following up on process improvements and longer-term engineering solutions.

With support from our corporate safety teams, we have enabled more of our facilities and regions to share best practices about similar challenges. This has resulted in an enhanced asset integrity and maintenance program, as well as the expanded adoption of lean manufacturing principles to improve workflow, prioritize repeatable processes and simplify tasks to reduce the potential for errors.

In 2021, Lubrizol had
37 facilities,
including several
of our largest
production facilities,
achieve zero
recordable injuries.





Operational Safety

At Lubrizol, we expect every employee to be a safety leader. Operational safety is essential for enabling innovation and the manufacturing of high-quality products for our customers.

Throughout 2021 and into 2022, we have prioritized identifying leading safety indicators, such as employee concerns, potential hazards and near misses. By tracking and reporting our data monthly, our leadership team, plant managers, frontline supervisors and all employees see where and how to drive improvement. In 2021, we drove employee engagement by:

- Addressing the leading causes of injuries, which led us to put a special emphasis on reducing slips, trips and falls in our plants.
- Reinforcing our Cardinal Rules of Safety, which include our lifesaving rules for lockout/tagout, hot work, working from heights and confined spaces. We also set a new minimum global standard for lockout/tagout and rolled out additional training to support that rule.
- Implementing daily safety conversations known as “Toolbox Talks,” which are facilitated by a lead operator at the beginning of each shift. The corporate team provides discussion guides for each meeting, covering topics such as the Cardinal Rules, other operational safety issues, process safety and the HPI program.
- Hosting biweekly global plant manager meetings to coordinate safety and other operational matters. The meetings are facilitated by the Senior Vice President of Operations and include other leaders from operations and safety roles to create deeper partnerships and accountability between the corporate team and our plants.

For our latest safety and security performance data, refer to the **Sustainability Scorecard** on our website.



Security Program Aligns with Best Practices and Leading Standards

Lubrizol takes a comprehensive, proactive approach to security that includes regular assessments, incorporation of new technology, training and close working relationships with law enforcement agencies in our communities. We maintain affiliations with ASIS International, the world’s largest membership organization for security management professionals. In the U.S., we comply with legal and regulatory requirements and the Department of Homeland Security’s Chemical Facility Anti-Terrorism Standards (CFATS).

Human Performance Improvement

Promoting a culture in which everyone owns safety strengthens our resilience as an organization. During 2021, we introduced our Human Performance Improvement (HPI) program, which represents another frontier for driving safety excellence. HPI makes safety personal, with a focus on individual mindset, behaviors and accountabilities.

A steering committee of approximately a dozen senior leaders manages the program, and we have identified and trained more than 300 regional and site HPI champions, who collectively serve as a change agent network for engagement and driving the program at the local level.

Lubrizol is building a toolbox that will include essential tools for HPI application across the organization. The HPI manual describes the basis for each of these tools, when each is to be used, the expected behaviors, as well as behaviors to be avoided. This toolbox includes guidance on pre-job briefings, adherence to procedures, independent verification of behaviors, overcoming and correcting barriers to optimal performance, and post-job reviews of high-risk jobs to see how well the tools worked and what could be further improved.

Product Health and Safety

Product Health and Safety Framework

At Lubrizol, ensuring the safety of our products is a central focus shared by all employees. Our product health and safety programs and initiatives are led by our Product Safety and Compliance department, which is part of Lubrizol's Legal and Corporate Responsibility division. This group includes subject matter experts based in our Centers of Excellence in the U.S., Asia Pacific, Europe and India. These teams are committed to advancing Lubrizol's product regulatory compliance, toxicology and hazard communication strategy with the support of business-specific product stewards working throughout our geographic footprint.

Our product health and safety policies and programs are designed to align with leading regulatory guidance and industry expectations in the locations where Lubrizol operates. This includes U.S. environmental and product safety regulations such as the Toxic Substance Control Act (TSCA) and the Federal Hazardous Substances Act (FHSA), as well as international policy initiatives such as the European Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) and REACH-like regulatory programs in other global jurisdictions, such as the U.K., Turkey, and South Korea. We also apply the principles of the American Chemistry Council's Responsible Care® program and its Product Safety Code globally.



Product Safety Policy

Under our Product Safety Policy, Lubrizol pledges to:

- Employ a management system to evaluate and communicate product safety throughout all stages of product development, marketing and use.
- Comply with all regulatory requirements for product safety testing and labeling.
- Proactively communicate product hazards and material handling recommendations to all stakeholders.
- Continually assess raw materials, products and labeling to minimize product risk.
- Apply consistent product safety standards across all geographic regions.
- Maintain open and constructive dialogue with internal and external stakeholders regarding safe product use.



Lubrizol China Recognized with Chemical Safety Award

In 2021, the Association of International Chemical Manufacturers (AICM) recognized Lubrizol China with the prestigious Chairman's Award at its Responsible Care® awards ceremony. This biennial event acknowledges the outstanding contributions of AICM members in promoting and practicing the responsible manufacturing and handling of chemical products.

Lubrizol China was recognized for its work in collaborating with fellow member companies to encourage safety throughout the industry; advancing meaningful chemical, hazardous waste and solid waste management legislation; and leading research and scientific developments to accelerate accountable and sustainable chemical manufacturing practices.

Responsible Product Development

Safety is a key component of Lubrizol's new product development process from the very beginning. A toxicology assessment is conducted at the start of every product development process to identify potential hazards early in the life cycle. We also conduct hazard identification, risk assessment and risk management processes of our raw materials, chemical intermediaries and products processed and manufactured throughout the remainder of the development period to uphold our rigorous standards.

Lubrizol observes established frameworks in evaluating our raw materials' properties and risks. Our goals are twofold:

1. Identify formulating components that have been shown to meet regulatory approvals and that are, within their intended use, protective of public health and the environment.
2. Identify components that may meet the near-term needs of a specific product line, but contain functional chemical groups that may not be good long-term solutions, and, therefore, component substitution should be considered.

Enhancing Our Company Culture Through Inclusion, Diversity and Equity

A high-performing, collaborative and inclusive culture that attracts and retains top talent and empowers our employees to thrive is key for Lubrizol's success. Aligned with our philosophy, purpose and cultural beliefs, several 2021 initiatives ensured that Lubrizol continues to be an outstanding place to work.

In 2021, we enhanced our company culture by:

- Emphasizing the importance of Inclusion, Diversity and Equity (IDE)
- Investing in our capabilities to hire and retain top talent
- Expanding our benefits and policies to meet the needs of our employees
- Creating meaningful engagement opportunities



Prioritizing Inclusion, Diversity and Equity

At Lubrizol, we treat every employee with dignity and respect, and we embrace IDE to help establish a culture to pave a path to our long-term success. Our goal is to ensure a truly inclusive environment where talented people can be their absolute best and different experiences, perspectives and ideas are not only welcomed, but celebrated.

In 2021, Lubrizol reinforced its commitments to IDE with several important developments. Chiefly, we established the IDEA (Inclusion, Diversity and Equity in Action) program as an organizational pillar to guide our efforts pertaining to this important work. To ensure its advancement within Lubrizol, the IDEA program is:



1. Owned by the organization
2. Measured to track success
3. Embedded into systems and processes

Being "owned by the organization" means that accountability for creating a culture of inclusion, diversity and equity extends throughout Lubrizol to include the many teams who contribute to our growth and success. These members include:

- **The IDEA Council:** Senior leaders who are responsible for driving progress toward a more diverse and inclusive workplace.
- **Inclusion Advocates:** IDEA champions who have been chosen to become advocates and allies to enable critical discussions and coach others on IDE issues at a local level.
- **Employee Resource Groups:** Employee-driven organizations that raise awareness, increase connectedness, provide diverse insights and encourage all employees to get involved in the IDEA program.

Embedding IDE into our systems and processes is a fundamental organizational priority, and we track our progress over time to measure our improvements. Each employee plays an important role in ensuring an inclusive and engaging culture, and we regularly communicate with our workforce regarding initiatives and opportunities to get involved.

In 2021, Lubrizol enhanced our Inclusion Index tool, which measures our employees' sense of belonging within the company. Assessing data from the tool, we track employee perceptions of Lubrizol being an inclusive place to work. Based on 2021 results, at least 80% of employees feel:

- Welcome to express their true opinions and ideas at work.
- Employees respect and value each other's opinions.
- Team members give fair consideration to ideas and suggestions given by other team members.
- Managers' actions demonstrate their commitment to building a diverse and inclusive workplace.
- Lubrizol invests time and energy into building a diverse and inclusive organization.

Lubrizol is committed to state-of-the-art co-op, internship and apprenticeship programs to support the next generation of chemistry and business leaders within our company and build a pipeline of talented employees. We continued our involvement with programs from multiple schools to support our efforts to increase

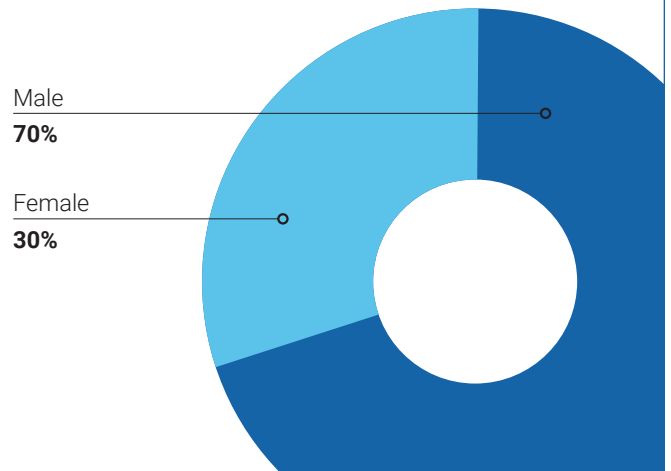
diverse representation. In 2021, our U.S. University Relations function demonstrated our commitment to IDE by increasing diverse representation of students in our programs and directly supporting Historically Black Colleges and Universities (HBCUs). Partnerships with student groups on campus such as the Society of Women in Engineering (SWE) and the National Society of Black Engineers (NSBE) allowed us to improve engagement and build relationships with these underrepresented groups. Our focus on diverse representation resulted in Lubrizol having four times as many Black interns and co-op students participating in our programs in 2021 compared to 2020.



Lubrizol Celebrates World Day for Cultural Diversity for Dialogue and Development

Each year, the United Nations Educational, Scientific and Cultural Organization (UNESCO) leads a global day of recognition and discussion known as World Day for Cultural Diversity for Dialogue and Development. In 2021, Lubrizol employees all over the world came together to celebrate the richness of their cultures and to engage in important dialogue to advance cultural diversity in our communities.

2021 Global Employee Population by Gender



Employee Resource Groups Drive Continued Engagement

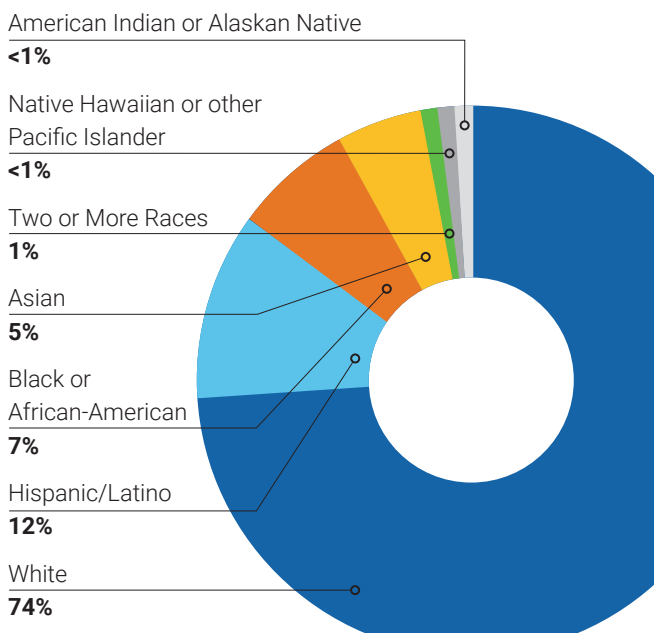
Lubrizol’s Employee Resource Groups (ERGs) are employee-driven organizations that raise awareness and connectedness within the company. These groups are a crucial part of our inclusion strategy because they provide diverse insights and encourage all employees to speak up for IDE issues that are not necessarily their own. Our ERGs create a powerful voice by uniting those from different backgrounds and experiences to facilitate greater employee engagement and understanding of unique perspectives.

In 2021, we expanded the reach of our ERGs to better reflect our diverse workforce. For example, the name of the ERG representing Black employees was changed from African American Resource Group (AARG) to Lubrizol Persons of African Diaspora (LPAD) to be more representative and inclusive of our global population, and we hosted more virtual and in-person events with global ERG groups to share ideas and experiences.

Lubrizol has seven global ERGs and one Sustainability Business Resource Group (SBRG). For more information on the SBRG, see the Environment section of this report. The seven ERGs are as follows:

- Asia Pacific Resource Group (APRG)
- Lubrizol Persons of African Diaspora (LPAD)
- Group of Aspiring Lubrizol Leaders (GOALL)
- Latin American Network (LANet)
- Lubrizol Lesbian Gay Bisexual Transgender+ (L2GBT+)
- Military Veterans Network (MILVETS)
- Women in Lubrizol Leadership (WILL)

2021 US Global Employee Population by Ethnicity





Attracting and Retaining Top Talent

In 2021, we made several talent management enhancements that further embed IDE in our recruitment and retention practices, including:

- Launching a standardized applicant assessment tool and interviewing guide for our hiring teams.
- Introducing a formal training program to help our hiring managers evaluate candidates in an equitable, consistent, objective and transparent manner.
- Expanding our parental leave benefits to better support our employees and their growing families.
- Providing role-based flexible work arrangements to give employees optionality in when and where they choose to work.

Community Investment: Making a Difference Through Global Goals/Local Actions

At Lubrizol, we believe in giving back to the communities we call home. Through our Global Goals/Local Actions community investment strategy, we prioritize activity that aligns with several of the United Nations Sustainable Development Goals (SDGs): good health and well-being (SDG #3), quality education (SDG #4) and environmental stewardship (SDGs #13, #14 and #15).



Our Community Investment Goals

Lubrizol has committed to assisting 2,028,000 individuals globally through engagement activities in the communities where we live and work by 2028 – the year Lubrizol celebrates our 100th anniversary. To meet this ambitious target, we have pledged to donate at least \$20,280,000 to organizations in our communities and volunteer at least 80,000 employee hours globally.



A Companywide Focus on Community Investment

Improving lives in communities where we operate has been a core value of Lubrizol since our founding more than 90 years ago. Our Global Goals/Local Actions strategy allows us to realize global engagement objectives through actions that are uniquely relevant within our geographic footprint.



Pillars of Our Community Investment Strategy

- **Employee Volunteering:**
Through our Lubrizol Cares program, employees participate in volunteering efforts across our global footprint. Our team members contribute their time and talent to diverse causes and organizations that are important to them and their local communities.
- **Corporate Giving:**
Lubrizol supports nonprofits and causes that are aligned with our community investment priorities. Each year, our facilities contribute millions of dollars in donations to support organizations and activities that have a positive impact on, and meet the needs of, the communities where we operate.
- **Philanthropic Support Through The Lubrizol Foundation:**
For 70 years, The Lubrizol Foundation has advanced the values and vision of our organization with support for educational institutions and charitable organizations in the U.S. communities where Lubrizol operates.



Supporting FOSSI Creates STEM Opportunities for Underrepresented Students

In 2021, we continued our partnership with the Future of STEM Scholars Initiative (FOSSI), expanding our efforts to provide resources that enable the advancement of underrepresented students and professionals in Science, Technology, Engineering and Math (STEM) fields.

FOSSI is an industrywide national chemical scholarship program that provides select students with \$40,000 in college scholarships to pursue preferred STEM degrees at Historically Black Colleges and Universities (HBCUs). The program also connects them to leadership development, mentoring and internship opportunities at sponsoring companies.

FOSSI's founding partners include the American Chemistry Council (ACC) and the American Institute of Chemical Engineers (AIChE). In 2021, FOSSI's inaugural class included 151 FOSSI Scholars from more than 110 high schools located in 28 states.



Stepping Up to Serve

Our team is passionate about contributing to the well-being of our communities. Every year, Lubrizol employees donate their time, money and effort to hundreds of organizations across the globe. Despite continued COVID-19 concerns and restrictions that have limited some in-person interactions, our global teams have shown great resilience by continuing to deliver meaningful impact.

Recent community support highlights include:

- In **Mexico City, Mexico**, the team donated toys to local boys and girls in need for Three Kings Day, which marks the end of the 12 Days of Christmas. Employees also donated school supplies, tools to be used at an on-site garden, and paint to help refresh the look of waste containers at a nearby school to empower students and encourage the school's sustainability efforts.
- Employees in **Singapore** packed and delivered groceries to needy families in the region. They prepared and provided meals at Willing Hearts Kitchen, a volunteer-run charity that feeds the elderly, the disabled, and low-income families in need.
- Our team in **Shanghai, China**, sponsored a "Handwashing for Children" project along with the Shanghai United Foundation. As part of the initiative aimed at promoting proper hygiene and health, employees raised funds to provide clean water and soap to children in rural China.
- Teams in **Brazil** donated meals and coats to those in the community, served as mentors for area students and gave Christmas gifts and food to four local orphanages.
- Employees in **Calvert City, Kentucky**, conducted a food drive for a local community kitchen as part of their Thanksgiving grocery giveaway for area families.
- Teams in **Wilmington, Massachusetts**, organized a coat drive for local children and adults in need. Employees in Wilmington also participated in a Toys for Tots drive and held a food drive for a local food pantry.
- Employees at our **Deer Park, Texas**, plant donated time to tutor and host facility field trips for local students, helped build homes for local families in need by working with Habitat for Humanity, and donated to United Way to promote health, education and financial stability within the community. They also established an Outdoor Learning and Science Center with the Deer Park Independent School District.
- Our **U.K.** teams competed in a "Lubrizol Olympics" challenge by completing various running, walking, cycling, rowing and swimming challenges during the year to raise money for Mind, which provides a variety of services to help people suffering from mental health issues.
- A Lubrizol **France** team participated in the L'Amazone race to fight breast cancer and raised money for eight charities and organizations dedicated to the cause.
- In **Hazelwood, England**, employees sponsored the Derbyshire Institute of Sport to provide various nutrition, psychology, mentoring, physiotherapy and other sports science services to aspiring young athletes and teams across the country. Employees also wrote letters to local isolated individuals to combat loneliness and boost their spirit during Christmas as part of "The Give a Few Words" campaign.



Tracking Our Efforts with Lubrizol Cares

In 2021, we introduced our Lubrizol Cares digital platform to accurately record employee volunteer hours and provide better insight into our companywide impact. Through Lubrizol Cares, employees can easily track their volunteer time, which enables our ability to measure their collective contributions. In 2021, Lubrizol Cares recorded over 8,000 employee volunteer hours globally.



Building Global Bonds Through Lubrizol's Day of Service

On September 9, 2021, Lubrizol employees in eight countries participated in our annual global day of service known as Building Global Bonds. In collaboration with the Red Cross Missing Maps program, employees donated time and brainpower to digitally map buildings and structures in remote communities to enable faster and more accurate emergency response. Where COVID restrictions permitted, other employees participated in the "Linus Blankets" project to make security blankets for hospitalized children and volunteered time for outdoor projects to rebuild community green spaces.

Celebrating The Lubrizol Foundation's 70 Years of Community Giving

In 1952, The Lubrizol Foundation was established to support nonprofit organizations and charities in our U.S.-based local communities. Since its founding, The Lubrizol Foundation has donated more than \$95 million, including nearly \$9 million in employee matching funds, to organizations dedicated to enhancing the educational opportunities, health and welfare of our U.S. neighbors. In 2021, the Foundation donated nearly \$2.6 million to charitable and educational organizations.

The Lubrizol Foundation's major grants in 2021 were aligned with our community investment priorities and included:

- Endowing the Director of Special Education at Cleveland's University Hospitals Rainbow Babies & Children's Hospital, which will provide educational support to patients and their families and ensure that young patients can continue their education during their on-site treatment.
- Establishing the Lubrizol Recycling Center at The Greater Cleveland Food Bank's new Community Food Distributions Center, which will serve over 1,000 partner foodbanks. Items that are past usability will be sent to the Recycling Center to be processed in a commercial grinder. This waste will then be sent to a nearby bioenergy facility to generate renewable electricity.
- Founding sponsorship of Cleveland State University's Diversity Leadership and Change Management (DLCM) program, which will create and support a master's-level program in change and diversity leadership at the university.
- Fully funding a three-year forestry resilience study with the Cleveland Metroparks Natural Resources team, which will measure the effects of climate change on the carbon capture and storage capacity of the trees in Northeast Ohio and generate data and recommendations for other forestry preservation programs.

For more information about The Lubrizol Foundation, see our Foundation [webpage](#) as well as the [Lubrizol Foundation Annual Report](#).



Lubrizol

Governance

An unwavering commitment to do business in a responsible and ethical manner has been at the core of Lubrizol's culture since our founding. Our commitment to strong corporate governance and ethical conduct goes beyond compliance, as we work every day to hold ourselves accountable to high standards as an industry leader. At Lubrizol, we believe doing business the right way is the only way to do business.

As a global company, Lubrizol navigates a complex marketplace that mandates compliance with a broad range of constantly changing commercial trade, anti-corruption and product

regulatory laws; health, safety, environmental and security (HSES) requirements; labor laws; and data and privacy legislation. We rely on our well-established practices and enforcement systems, including employee training programs and internal audits, to ensure compliance and demonstrate that our conduct reflects our core values and internal and external expectations. Through regular training, auditing and risk management procedures, Lubrizol maintains the requirements and checks and balances to achieve sustained success.



Information Security and Data Privacy

Lubrizol prioritizes information technology security throughout our enterprise and invests in tools and personnel to counteract global cybersecurity and data privacy threats. We continue to invest in advanced security capabilities and user awareness programs to prepare for any suspicious behavior or suspect email correspondence on our networks. **Our Third-Party Personal Data Protection Notice** and **Lubrizol's Key Privacy Rules** help guide our information security practices, and we regularly review and update these documents to ensure they remain current and allow us to meet evolving global regulations, including the European Union's General Data Protection Regulation (GDPR) and China's Cyber Security Law (CSL).

Ongoing investments in information security education and testing help us ensure that our data, and that of third parties, is properly stored, accessed and shared. Employee engagement and training guards against outside threats, while monitoring and tracking relevant metrics informs our progress and further refines our data protection strategies. Routine monitoring activity across our networks and taking appropriate actions when warranted ensure continued security of our systems.

Embracing a Culture of Ethics

Since the earliest days of Lubrizol, we have held our leadership, employees and business partners to high ethical standards. All Lubrizol employees are required to act with honesty and integrity, uphold our principles of fair business conduct and respect and demonstrate continued compliance with the laws and regulations governing our operations.

Our Code of Ethics defines our expectations of employees, additional expectations of leaders and the expectations we have of our business partners. Available on our **website** in approximately a dozen languages, the Code is reviewed regularly to ensure it reflects the current business environment and the challenges our employees face. Whenever the Code is updated, we also assess the accompanying training to make sure it is also up to date. We use a combination of in-person training sessions and periodic online refresher courses to promote employee education.

We have a robust structure in place to drive, monitor and enforce our ethics and compliance policies. Our Senior Vice President & Chief Legal Officer leads our ethics program with support from our Director of Ethics and Compliance, our Corporate Ethics Manager and our team of more than 45 local ethics leaders located in our operations around the world.

Our local ethics leaders come from across the organization and receive regular training on Lubrizol's ethics and compliance policies and procedures. They are responsible for ensuring day-to-day awareness and consistent application of Lubrizol's Code of Ethics at the local level and for coordinating programs and best practices with the corporate ethics team. This team meets virtually throughout the year to discuss company policy, best practices and opportunities for improvement across the organization.

Lubrizol's Commitment to Sustainability Governance

The Corporate Sustainability Council is a cross-functional team that provides leadership and guidance to address strategic direction and decision-making, prioritization of activities and communication across the organization to assure alignment and consistent messaging.

We take an integrated approach to sustainability, in which all areas play a key role.

Lubrizol's Sustainability Governance Structure





Ethical Sourcing

Beyond our own operations, we look to partner with suppliers that share our corporate philosophy and commitment to ethical business practices. Available in seven languages, Lubrizol's Supplier Code of Conduct defines the expectations for members of our supply chain in a variety of areas including conflicts of interest, anti-corruption, financial transactions, employment practices, health and safety, conflict minerals, and compliance with competition laws. Our suppliers must be committed to a workplace that is free from all forms of human trafficking, forced labor and unlawful child labor in their operations. Failure by a supplier to conduct its activities in a manner consistent with expectations included in Lubrizol's Supplier Code of Conduct will jeopardize the supplier's opportunity to do business with us. Additionally, we adopted a new Third-Party Risk Management program in 2021 to provide more clarity on our supplier partnerships. This program, which includes a systematic approach to vetting our supplier partners, is overseen by a multidepartment council that scores and tracks supplier risk and conduct.

For more information on our ethics programs and policies, including Lubrizol's Code of Ethics and Lubrizol's Supplier Code of Conduct, visit the [Ethics page](#) of our company website.

Ethics Program Oversight

Lubrizol continuously evaluates our ethics and compliance programs and solicits employee feedback to track our progress and guide our future initiatives.

In addition to our internal ethics and compliance personnel, we use a leading third-party hotline system. Through this third-party intermediary, employees can anonymously report any ethics-related concerns or potential infractions without fear of retribution. Lubrizol invites all employees and stakeholders to utilize this resource and has formalized procedures for addressing complaints and incorporating feedback into our decision-making processes to improve our company culture and compliance oversight.

We benchmark our ethics and compliance reporting data and annually analyze the types of ethics concerns reported, number of reported issues and where those concerns are coming from, among other criteria. This information helps us pinpoint areas of strength and opportunities for improvement.

Global Reporting Initiative Index

General Disclosures		
GRI Standard	Description	Location/Disclosure
102-1	Name of the organization	About Lubrizol, page 2
102-2	Activities, brands, products, and services	About Lubrizol, page 2
102-3	Location of headquarters	About Lubrizol, page 2
102-4	Location of operations	About Lubrizol, pages 2-3
102-5	Ownership and legal form	About Lubrizol, page 2
102-6	Markets served	About Lubrizol, page 2
102-7	Scale of the organization	About Lubrizol, pages 2-3 and Sustainability Scorecard
102-8	Information on employees and other workers	<p>Of our 8,499 total employees:</p> <ul style="list-style-type: none"> • 98% of our male employees and 97% of our female employees are permanent. • 4% of the Europe employees, 2% of Asia Pacific employees and 1% of North America employees are temporary. Latin America does not have temporary employees. • 99% of our male employees and 96% of our female employees are full time. <p>Also in the report:</p> <ul style="list-style-type: none"> • About Lubrizol, page 3 • Social, page 21
102-9	Supply chain	<p>Our global supply chain serves all Lubrizol business units. We work with our suppliers to create a supply chain that is built on shared responsibility and trust. We partner with our suppliers, especially our more than 100 Tier I suppliers, on a variety of activities including transportation and logistics, sustainable sourcing, business continuity and risk management. Supplier selection and engagement are highly dependent on legal and ethical conduct, reliability, and continuous improvement.</p> <p>Also in the report:</p> <ul style="list-style-type: none"> • Environment, page 15 • Governance, page 29
102-10	Significant changes to the organization and its supply chain	<p>During 2021 and 2022, several changes were made to our Senior Leadership team, including the departure of our former CEO and the appointment of Mary Rhinehart as interim President and CEO, effective March 11, 2022. In September 2022, we announced the appointment of Rebecca Liebert as Lubrizol's incoming President and CEO, effective October 3, 2022. Ms. Rhinehart remains Lubrizol's Advisory Board Chair.</p> <p>Lubrizol currently consists of two segments: Lubrizol Additives (LZA) and Lubrizol Advanced Materials (LZAM). During 2021, we dissolved our Corporate Ventures segment, and reassigned its innovation initiatives to the relevant business units.</p> <p>Like many global companies that support a variety of industries, Lubrizol continues to be impacted by global supply chain constraints, which are due in part to the ongoing and lingering effects of COVID-19.</p> <p>Also in the report</p> <ul style="list-style-type: none"> • Company Overview, page 2
102-11	Precautionary Principle or approach	<p>The Lubrizol Corporation is not currently a signatory to the UN Global Compact and we do not specifically apply the Precautionary Principle or approach as defined by the United Nations. However, we have a strong culture of reporting and transparency, and utilize a conservative, risk-based approach to any decision-making that relates to health, safety and environmental factors. We also aim to comply with all applicable standards and our company has signed on to the American Chemistry Council's Responsible Care® Global Charter, which affirms our commitment to apply Responsible Care principles and expectations globally. All of these efforts give us a high degree of confidence that we are taking the appropriate precautions in protecting health, safety and the environment.</p>

General Disclosures		
GRI Standard	Description	Location/Disclosure
102-12	External initiatives	<p>Since 1953, Lubrizol has been a member of the leading U.S. chemical manufacturer trade association, currently known as the American Chemistry Council (and formerly known as the Manufacturing Chemist Association until 1978 and the Chemical Manufacturers Association until 2000). In 1988, Lubrizol was one of the cofounders of the association's Responsible Care® program, which is the industry's commitment to the health and safety of employees, the communities in which we operate and the environment as a whole. Lubrizol remains an active member of ACC and participant in the Responsible Care® program.</p> <p>Also in the report:</p> <ul style="list-style-type: none"> • Social, page 16
102-13	Membership of associations	<p>Representative list of associations in which Lubrizol is a member:</p> <ul style="list-style-type: none"> • American Chamber of Commerce to the EU • American Chemistry Council • Association of International Chemical Manufacturers • Chemical Industries Association • China Petroleum and Chemical Industry Federation • Chlorine Institute, North American Manufacturer's Association • Confederation of British Industries • European Center for Ecotoxicology and Toxicology of Chemicals • European Federation for Cosmetic Ingredients • European Petrochemical Association • European Technology Platform for Sustainable Chemistry • Global Automotive Stakeholder Group • Independent Commodity Intelligence Services • International Association for Soaps, Detergents and Maintenance Products • Japan Chemical Industry Association • Korea Automobile Manufacturers Association • National Fire Protection Association • Plastic Pipefitters Association • Singapore Chemical Industry Council Limited • The Additive Technical Committee • The European Chemical Industry Council • Union of the European Lubricants Industry • Vinyl Institute • VinylPlus
102-14	Statement from senior decision-maker	Message From the CEO; Message From the CSO, pages 7-8
102-16	Values, principles, standards, and norms of behavior	<p>Lubrizol's Sustainability Journey, pages 4-5</p> <p>Message From the CEO; Message From the CSO, pages 7-8</p> <p>Environment, pages 9-15</p> <p>Social, pages 16-25</p> <p>Governance, pages 26-29</p>
102-17	Mechanism for advice and concerns about ethics	<p>Questions or concerns may be directed to the corporate ethics office at +1 440-347-5000. Questions or concerns can also be submitted through the Navex Global hotline. Navex Global is an independent firm that provides reporting services to Lubrizol.</p> <ul style="list-style-type: none"> • Web-based reporting: https://www.brk-hotline.com • Phone-based reporting from any country: Dial your country's AT&T Direct® Code and when prompted enter 800-781-6271. • Please visit http://www.business.att.com/bt/access.jsp to find the correct AT&T Direct® Code for your location.
102-18	Governance structure	<p>Lubrizol's Executive Council serves as the highest decision-making body and is comprised of the company's senior leaders.</p> <p>During 2021 and 2022, several changes were made to our Senior Leadership team, including the departure of our former CEO and the appointment of Mary Rhinehart as interim President and CEO, effective March 11, 2022. In September 2022, we announced the appointment of Rebecca Liebert as Lubrizol's incoming President and CEO, effective October 3, 2022. Ms. Rhinehart remains Lubrizol's Advisory Board Chair.</p> <p>Lubrizol's President and CEO reports to the company's parent company, Berkshire Hathaway.</p> <p>Also in the report:</p> <ul style="list-style-type: none"> • Governance, pages 26-29
102-20	Executive-level responsibility for economic, environmental, and social topics	<p>Elizabeth Grove, Chief Sustainability Officer and President of the Lubrizol Foundation</p> <p>Also in the report:</p> <ul style="list-style-type: none"> • Governance, pages 26-29
102-23	Chair of the highest governance body	<p>Lubrizol's President and CEO chairs the Lubrizol Executive Council.</p> <p>Also in the report:</p> <ul style="list-style-type: none"> • Governance, page 28
102-31	Review of economic, environmental, and social topics	Ongoing

General Disclosures		
GRI Standard	Description	Location/Disclosure
102-32	Highest governance body's role in sustainability reporting	Lubrizol's Chief Sustainability Officer is responsible for oversight of the sustainability program and reporting. This role reports to the Senior Vice President Corporate Responsibility and Chief Legal Officer, who serves on the Executive Council. Also in the report: • Governance, page 28
102-40	List of stakeholder groups	Employees, potential employees, customers, suppliers, partners, communities where we operate, nongovernmental organizations, parent company, regulators, policy makers, peers and industry associations. Also in the report: • Our Sustainability Commitments, page 1
102-41	Collective bargaining agreements	As of December 31, 2021, approximately 30% of our global workforce was covered by a collective bargaining agreement.
102-42	Identifying and selecting stakeholders	Our sustainability materiality assessment, which included more than 30 internal and external stakeholder interviews, was conducted by a third party in 2018. Our assessment and review process included the following steps: 1. Identification of stakeholders – to ensure we engaged with key stakeholders, identified as our functional leaders, employees, customers, peers, suppliers and industry associations; 2. Prioritization of topics – based on stakeholder input and analysis of the information collected; and 3. Validation – of the results with key leaders in the organization. In 2019, 2020 and 2021, we continued to engage with stakeholders on sustainability-related topics, and further evaluate the significance and impact of our material topics. Also in the report: • Lubrizol's Sustainability Journey, pages 4-5
102-43	Approach to stakeholder engagement	Our approach to sustainability includes driving engagement with our stakeholders. This includes helping our customers meet their sustainability goals by continuing to provide innovative solutions that enhance performance and minimize environmental impact. In many of our locations, community outreach efforts revolve around first responders, in line with our commitment to ensure the safety of our facilities and our communities. Our facilities hold regular trainings, drills and plant tours with local fire departments and emergency responders. Additionally, a number of our facilities have established Community Advisory Panels (CAPs) to ensure a pipeline of feedback and opportunities for mutually beneficial engagement. For information on how we engage with our Employees, see pages 20-22 in the report. For information on how we engage with our Communities, including our Global Goals/Local Actions community investment strategy, our Building Global Bonds day of service and the efforts of The Lubrizol Foundation, see pages 22-25 in the report. Also in the report: • Lubrizol's Sustainability Journey, pages 4-5; Environment, page 9
102-44	Key topics and concerns raised	In 2021, our business and our people continued to face challenges related to COVID-19. We have remained focused on keeping our people and our communities safe. In 2022, we began bringing more employees safely back into the workplace while continuing to manage hybrid work arrangements. In addition, like many global companies that support a variety of industries, Lubrizol continues to be impacted by global supply chain constraints, which are due in part to the ongoing and lingering effects of COVID-19. During 2021 and continuing into 2022, we have made concerted efforts to drive continuous improvement in operational efficiency, cybersecurity and health and safety. Unfortunately, our facility in Rockton, Illinois, experienced a fire in June 2021. There were no injuries as a result, and the facility has been closed since the incident. Also in the report: • Lubrizol's Sustainability Journey, pages 4-5
102-45	Entities included in the consolidated financial statements	Not applicable
102-46	Defining report content and topic Boundaries	Sustainability Disclosure Information, page 1 Lubrizol's Sustainability Journey, pages 4-5
102-47	List of material topics	Lubrizol's Sustainability Journey, page 5
102-48	Restatements of information	Not applicable
102-49	Changes in reporting	Given the changes in our Executive Leadership Team and a variety of challenges during the reporting period, we elected to produce this standalone sustainability report in 2022 - instead of a combined Company Report that we published for the previous two years.
102-50	Reporting period	This report was issued in October 2022 and is primarily focused on activities that occurred in 2021 or ongoing activity from previous years, with updates from 2022 where indicated. Also in the report: • Sustainability Disclosure Information, page 1

General Disclosures		
GRI Standard	Description	Location/Disclosure
102-51	Date of most recent report	Our previous report, a Company Report that includes a complete sustainability section, was published in April 2021. In addition, we update our sustainability data online annually in our Sustainability Scorecard . Also in the report: • Sustainability Disclosure Information, page 1
102-52	Reporting cycle	Annual Also in the report: • Sustainability Disclosure Information, page 1
102-53	Contact point for questions regarding the report	Connect@lubrizol.com Also in the report: • Our Sustainability Commitments, page 1
102-54	Claims of reporting in accordance with the GRI Standards	The sustainability content in this report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. We have not sought external assurance for this report. Also in the report: • Sustainability Disclosure Information, page 1
102-55	GRI content index	GRI Index Also in the report: • GRI Index, pages 30-34
102-56	External assurance	We have not sought external assurance for this report. Also in the report: • Sustainability Disclosure Information, page 1
103-1	Explanation of the material topic and its Boundary	Sustainability Journey, pages 4-5 Environmental, pages 9-15 Social, pages 16-25 Governance, pages 26-29
103-2	The management approach and its components	Sustainability Journey, pages 4-5 Environmental, pages 9-15 Social, pages 16-25 Governance, pages 26-29
103-3	Evaluation of the management approach	Sustainability Journey, pages 4-5 Environmental, pages 9-15 Social, pages 16-25 Governance, pages 26-29
201-1	Direct economic value generated and distributed	Social, pages 22-25 and Sustainability Scorecard
205-2	Communication and training about anti-corruption policies and procedures	Governance, pages 26-27, 29
302-1	Energy consumption within the organization	Sustainability Scorecard
305-1	Direct (Scope 1) GHG emissions	Sustainability Scorecard
305-2	Energy indirect (Scope2) GHG emissions	Sustainability Scorecard
306-2	Waste by type and disposal method	Sustainability Scorecard
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	benefits.lubrizol.com/
401-3	Parental leave	https://benefits.lubrizol.com/Leave-Management/Parent-and-Family-Resources
403-1	Occupational health and safety management system	Social, pages 16-19
403-2	Hazard identification, risk assessment, and incident investigation	Process Safety, page 16 Operational Safety, pages 16-19 Product Health and Safety, page 19 Information Security and Data Privacy, page 27
403-5	Worker training on occupational health and safety	Operational Safety, pages 16-19
403-9	Work-related injuries	Sustainability Scorecard
404-1	Average hours of training per year per employee	Lubrizol tracks employee training hours using digital tools. In 2021, all employees globally received an average of about 17 hours of training. Employees in our chemical operations averaged approximately 23 hours of training. Of those 23 hours, approximately 15 hours were related to health, safety, environment and security.

General Disclosures		
GRI Standard	Description	Location/Disclosure
401-2	Programs for upgrading employee skills and transition assistance programs	Social, pages 20-22
404-3	Percentage of employees receiving regular performance and career development reviews	100% of employees receive regular performance and career development reviews
405-1	Diversity of governance bodies and employees	As of the publication of this report, our Executive Leadership Team, including our CEO, is in transition. Currently, the Executive Leadership Team is comprised of 6 men and 2 women. 25% of the Executive Leadership Team is between the ages of 30 and 50, with the remaining members over age 50. Our employee base is made up of 70% men and 30% women. 11% of employees are under the age of 30, 54% are between the ages of 30 and 50, and 35% are older than 50.
410-1	Security personnel trained in human rights policies or procedures	65% of security personnel have been trained in human rights policies or procedures.
412-2	Employee training on human rights policies or procedures	96% of employees have received training on human rights policies or procedures.
413-1	Operations with local community engagement, impact assessments, and development programs	100% of our manufacturing facilities have implemented local community engagement programs.

**"Our potential is unlimited.
Sustainability will remain a
critical component of Lubrizol's
strategy as our chemistry continues
to provide solutions for the rapidly
advancing technology of tomorrow.
We are committed to empowering
our customers to do more, and we
will be there to deliver the passion
of our people and the power of
our chemistry – today and
long into the future."**

Mary K. Rhinehart

Interim President and Chief Executive Officer



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