



2019 ESG Summary

In 2019, Mexichem S.A.B. de C.V., with a legacy of more than 50 years of business success and growth, proudly became Orbia Advance Corporation S.A.B. de C.V. This transition represents a new strategy, operational reorganization and capabilities aligned to address some of the world's most pressing challenges.

The main visual cornerstone of our new brand is a first-of-its-kind "living" logomark: the ImpactMark. Reflective of three years of progress, it transparently represents Orbia's movement on six key performance indicators related to planet, people and profit and our **new purpose: to advance life around the world**. The 2019 update of the ImpactMark demonstrates our ongoing journey toward achieving a perfect circle.

This summary highlights milestones and performance on our most material ESG matters. More detailed disclosures, including additional GRI & SASB indicators, can be found in our full [2019 Sustainability Report](#).

Our new values:



Be Brave



Embrace Diversity



Take Responsibility



2019 Highlights

Member of

- Dow Jones Sustainability Index (DJSI MILA Pacific Alliance Index)
- FTSE4Good Emerging Index since 2015
- S&P/BMV IPC Sustainability Index (Mexico Stock Exchange) since 2012

Adopted a global Life Cycle Analysis approach

with 4 new analyses across our businesses, in addition to a cradle-to-grave LCA on Koura's Zephex® 152a, demonstrating an equivalent carbon footprint compared to the best propellant-free technologies

Board-level oversight of Sustainability

by the Corporate Practices Committee

Increased women in management to 19%

Completed our first TCFD-aligned climate risk assessment

confirming that climate change is not a high-risk material threat for Orbia, although there are medium and low physical and transition risks to address

Renewable electricity increased by almost 50%

Strengthened Sustainability & HSE Governance

with experts across our business groups

Reduced greenhouse gas emissions by 9%

Signed

- Business Ambition for 1.5°C
- UN CEO Water Mandate

Created a Critical Risk Committee

to assist the Board of Directors assessing enterprise risks

Launched \$130M Orbia Ventures Fund and invested \$55.7M in R&D

Improved safety rate by 31%

employee and contractor TRIR

Orbia's Material Impacts & Goals



by 2025

- 9 TRIR < 0.2 (employees and contractors)
- 9 Process Safety Event Rate < 0.5
- 4 100% of plants will send zero waste to landfill
- 1 Reduce SOx emissions by 60%
- 1 100% of sites certified with an environmental management system
- 2
- 4

by 2050

- 1 Achieve net zero carbon emissions

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| 1. Emissions* | 7. Investments in local communities* | 14. Circular economy* |
| 2. Water use and discharge* | 8. Innovation* | 15. Women empowerment in agriculture |
| 3. Solutions for resilience* | 9. Health and safety* | 16. Farmer capacity building |
| 4. Waste management | 10. Cyber security | 17. Innovative finance |
| 5. Diversity and inclusion | 11. Quality and safety of products* | 18. Economic performance |
| 6. Employee development, engagement and retention* | 12. Governance | 19. Human Rights |
| | 13. Sustainable sourcing* | |

*Top ten material topics

Coming in 2020-2021

Corporate Governance:

New Board guidelines introducing retirement age, new independent Board members, executive compensation linked to sustainability measures

Safety:

Enhanced contractor management process, Guest in the House program & Life-saving rules roll-out, focus on SIF (Serious Injuries and Fatalities)

Science Based Targets:

We are setting our targets with support from the World Resources Institute (WRI), using the criteria established by the Science Based Targets initiative (SBTi)

Supply chain:

We will start evaluating our suppliers across a wide range of topics including environment, labor, human rights, ethics and sustainable sourcing practices through the EcoVadis platform

Waste reduction action plan:

In line with our Zero Waste to Landfill goal

Thriving Communities:

Strategy, programs and goals

2017-2019 ESG Performance

(GRI, SASB & SDG aligned)

Environment	Units	2017	2018	2019	YoY ⁴	GRI	SASB ⁵	SDG ⁶
Energy (fuel and gas)	MWh	2,852,698	2,882,746*	2,931,020	1.7%*	302-1	RT-CH-130a.1	
Energy (purchased electricity)	MWh	2,457,173	2,723,899	2,662,448	-2%	302-1	RT-CH-130a.1	
Total energy consumption	MWh	5,309,871	5,606,645*	5,593,468	-0.2%*	302-1	RT-CH-130a.1	
Energy intensity¹	MWh/ton	1.19	1.19*	0.68		302-3	RT-CH-130a.1	
Renewable electricity (purchased)	MWh		55,737	81,890	47%	302-1	RT-CH-130a.1	 
GHG emissions Scope 1	Tons CO ₂ e	587,487	589,078*	588,002	-0.2%*	305-1	RT-CH-110a.2	
GHG emissions Scope 2	Tons CO ₂ e	1,173,202	1,215,035	1,046,742	-14%	305-2	RT-CH-110a.2	
Total Scope 1 and Scope 2 GHG emissions	Tons CO ₂ e	1,760,689	1,804,113*	1,634,744	-9%	305-1	RT-CH-110a.2	
GHG emissions intensity Scope 1	Tons CO ₂ e/ton	0.13	0.13*	0.07		305-4	RT-CH-110a.2	
GHG emissions intensity Scope 2	Tons CO ₂ e/ton	0.26	0.26	0.13		305-4	RT-CH-110a.2	
GHG emissions intensity Scope 1+2¹	Tons CO ₂ e/ton	0.39	0.38	0.20		305-4	RT-CH-110a.2	
NOx	Tons	779	689	753	9%	305-7	RT-CH-120a.1	
SOx	Tons	1,257	1,355	1,181	-13%	305-7	RT-CH-120a.1	
VOC	Tons	83	108	92	-15%	305-7	RT-CH-120a.1	
Total other air emissions	Tons	2,119	2,152	2,027	-6%	305-7	RT-CH-120a.1	
Total water withdrawal	1,000 m ³	16,328	15,753	15,946	1%	303-3	RT-CH-140a.1	
Total water discharge	1,000 m ³		10,540	11,902	13%	303-4	RT-CH-140a.1	
Percentage of sites in water-stressed areas	%		43%	37%		302-02	RT-CH-140a.1	 
Water withdrawal intensity¹	m ³ /ton	3.66	3.35	1.93		302-02	RT-CH-140a.1	
Total non-hazardous waste	Tons	63,985	54,407	56,104	3%	306-2		
Total hazardous waste	Tons	8,725	12,426	13,251	7%	306-2	RT-CH-150a.1	
Total waste	Tons	72,710	66,833	69,355	4%	306-2		
Percentage of total waste recycled/reused/recovered	%		51%	50%		306-2	RT-CH-150a.1	
Percentage of total waste to landfill	%		42%	37%		306-2		
Waste intensity¹	Tons/ton		0.014	0.008		306-2		
Social	Units	2017	2018	2019	YoY	GRI	SASB	SDG
Employees								
Total employees	No.	17,671	21,900	22,123	1%	102-8		
Contractors	No.		2,124	2,649	25%	102-8		
Women in management roles	%	16%	17%	19%		405-1		
Employee training	hours	364,573	473,759	522,242	10%	404-1		
Average training hours	hours/year/employee	20.63	21.63	23.61	9%	404-1		
Safety (employees and contractors total)³								
Injury rate	TRIR	1.74	1.03	0.71	-31%	403-2	RT-CH-320a.1	
Lost Day Rate (severity)	LDR	21.71	14.82	6.62	-55%	403-2	RT-CH-320a.1	
Lost Time Injury Rate	LTIR	0.5	0.36	0.33	-9%	403-2	RT-CH-320a.1	
Community investment								
Total giving ²	\$	1,690,618	3,711,183	2,888,737	-22%	413		  
Total giving (cash)	%	91%	96%	54%		413		
Total giving (in-kind)	%	9%	4%	46%		413		
Governance	Units	2017	2018	2019	YoY	GRI	SASB	SDG
Female Board directors	Number (%)	1(9%)	2(17%)	3(23%)	33%	405-1		
Independent Board members	%	45%	50%	54%		102-22		

Notes:

¹ Environmental intensity calculations in 2019 reflect methodology change from tons sold (prior years) to tons manufactured (2019 and going forward). Tons manufactured are generally higher than tons sold, as calculations include internal company transfers of intermediate products. A YoY comparison is therefore not applicable.

² Community investment for 2018 investment includes a one-time donation of \$1.2 million to the Kaluz Foundation following the Mexican earthquake in 2018.

³ Safety data for 2017 is employees only, and 2018 excludes Netafim.

⁴ YoY: Year on year variation (2019 vs. 2018).

⁵ SASB codes refer to the Chemicals Sustainability Accounting Standard.

⁶ For a description of SDG alignment of our products and solutions, refer to our full Sustainability Report.

* Figure corrected in October 2020