

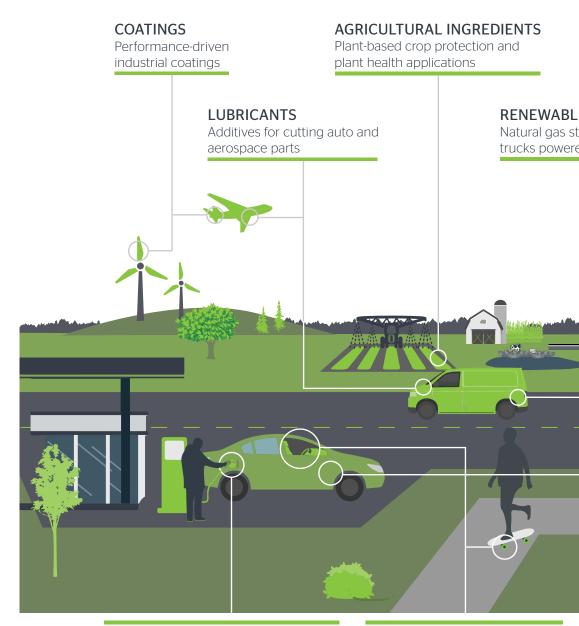
### WHO WE ARE

At Ingevity, sustainability is at the center of all we do. It's born of our renewable raw material heritage, embodied in the IngeviWay spirit of our people and exemplified in our environmental stewardship. Likewise, our products are at the center of everyday life, helping make the air we breathe cleaner, the roads we drive on safer and smoother, everyday plastics biodegrade faster, and crops grow healthier and fuller. In short, Ingevity's products help safeguard our world's resources. And we've been doing that for 100 years.

While our chemistries – products made from renewable materials and derivatized technologies that impart environmental benefits in their use – are our legacy, our vision for sustainability is the pathway to our future growth. To us, sustainability is demonstrated in our product innovation, strong financial performance, efficiency in manufacturing and rigorous focus on continuous improvement. It's embedded in our culture of diversity, equity and inclusion, and adherence to strong safety and governance principles. And it echoes in the philanthropic initiatives in the communities where we live, work and play.

We all play a part in ensuring a more sustainable future. This report highlights Ingevity's work to purify, protect and enhance the world around us in 2021.

74.5% of Ingevity's products came from renewably sourced raw materials in 2021



### **AUTOMOTIVE EMISSION CAPTURE**

Internal combustion engine gasoline vapor emission control

### **POLYURETHANE MATERIALS**

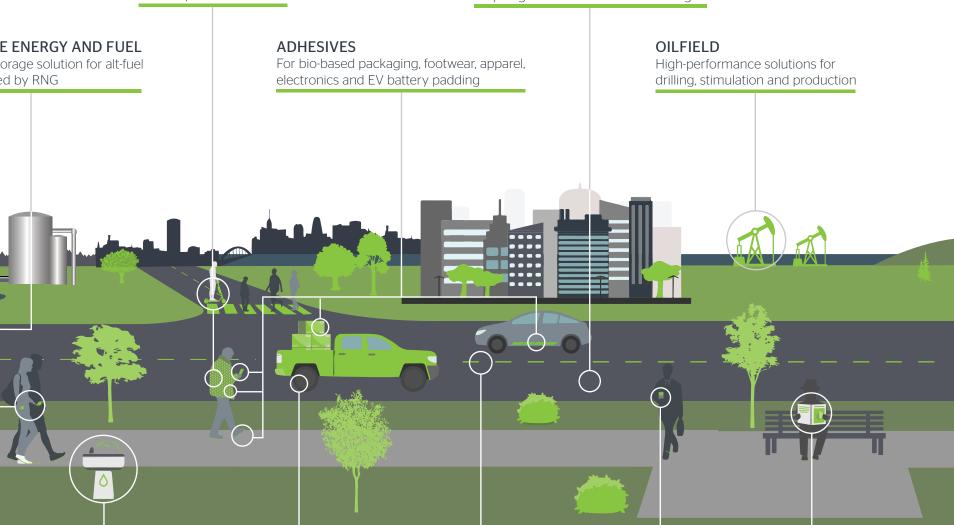
Durable auto protection, wearable apparel and wheel technology

### **DISPERSANTS**

Materials for batteries and textile dyes

### **ASPHALT PAVING**

Emissions-reducing asphalt paving, recycling and rehabilitation technologies



### PROCESS PURIFICATION

Wood-based food, chemical and water purification solutions

### **RUBBER**

Renewably sourced synthetic rubber materials

### **SAFETY ROAD STRIPING**

Resins enabling safer road markings

### **BIOPLASTICS**

High-performance, fully biodegradable plastics

### INKS

Bio-based resins for printing inks

## A MESSAGE FROM THE CEO



Our passion for sustainability has always been at the heart of who we are. It's rooted in our legacy of products sourced from renewable raw materials and in our people who take pride in working together to purify, protect and enhance the world around us. Our products dot the landscape of everyday life, bringing with them the renewable raw material and biodegradable benefits that help customers and end users lessen their ecological footprint. In 2021, expanding our sustainability profile in lockstep with delivering solid financial performance, operational excellence and product innovations furthered our purpose and advanced our reputation as the sustainable specialty chemicals solutions company.

Throughout 2021, we focused on leveraging our sustainability advantage in legacy markets with renewable feedstocks, while simultaneously transforming into an innovation-driven solutions provider. Diversifying our raw material feedstocks, as demonstrated with the commercial success of our new soy-based product, and expanding the value-added applications of our chemistries into markets such as electric vehicles, strategically positions us for long-term viability and profitability and amplifies our innate ability to positively impact our environment.

Our progress in 2021 is a result of capturing the passion for sustainability woven throughout Ingevity and applying methodology to measure success. We launched a refresh of our materiality assessment to define what sustainability means to us - manufacturing responsibly, prioritizing our people, pursuing excellence in our business practices and embracing innovation. Moreover, we are constructing new environmental, social and governance (ESG) goals that will guide our efforts and advance our sustainable value proposition.

I'm proud of the way our people worked as one team to advance our purpose. We developed an energy policy to guide our actions for managing energy use and safeguarding our environment. We enriched our IngeviWay culture by embedding practices that promote diversity, equity and inclusion for our employees, suppliers and the communities where we operate. And we improved our S&P Global scores to achieve an industry top-quartile rating.

Ingevity has been living and breathing sustainability for 100 years, and we are confident that the growth strategies we are executing will keep us well-positioned as a specialty chemicals and technology solutions provider of choice. By building on our environmental stewardship legacy and innovating for the future we are enabling cleaner solutions for our customers, driving increased value for our stakeholders and leaving our planet a better place.

Thank you for your ongoing interest in Ingevity.

John Fortson

Chief Executive Officer



### AT A GLANCE

### **OUR EFFORTS IN 2021**

### **OUR COMPANY**

**EMPLOYEES GLOBALLY** 

~1,850

MANUFACTURING SITES

9

25

TECHNICAL CENTERS

WE DO BUSINESS IN

COUNTRIES

OUR **PEOPLE** 

TIER 1 & TIER 2
PROCESS SAFETY

50% DECREASE VS 2020

TRAINING COMPLETED BY EMPLOYEES IN OUR LEARNING MANAGEMENT SYSTEM

HOURS PER EMPLOYEE

23%
OF WOMEN EMPLOYED IN

**OUR BUSINESS** 

**NET REVENUE** 

\$1.392

ADJ. EBITDA MARGIN <sup>1</sup>

30.3%

\$5.23 DILUTED ADJUSTED PERFORMANCE MATERIALS REVENUE

\$517

PERFORMANCE CHEMICALS REVENUE

STEM ROLES

\$875

**OUR ESG JOURNEY** 

ECOVADIS SILVER RATING 91st

RENEWABLE ENERGY WAS

8.5% OF TOTAL ENERGY USAGE

77.6%

OF OUR REVENUE CAME FROM SUSTAINABLE PRODUCTS

\$1,7 MILLION CONTRIBUTED TO OUR COMMUNITIES VIA INGEVICARES

1: See page 105 of our 2021 Annual Report and Form 10-K for definitions and reconciliations of these non-GAAP financial measures.

At Ingevity, we integrate responsible economic, environmental and social principles into our global business strategy and decision making. Our objective is to create value by purifying, protecting and enhancing the world today and into the future. We measure and report our sustainability goals with global standards prescribed in the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB), in participation with the United Nations Global Compact and in alignment with the United Nations' Sustainable Development Goals (UNSDGs). Working within these frameworks aids in reporting transparency and accuracy in understanding comparative data.

### WE SUPPORT INGEVITY'S PARTICIPATION IN UNITED NATIONS (UN) **GLOBAL COMPACT**



universal principles in the areas of human rights, labor, environment and anti-corruption, and to take action in support of UN goals. With more than 15.000 companies and 3.800 non-business signatories based in over 160 countries, and 69 Local Networks, it is the largest corporate sustainability initiative in the world.

Ingevity's participation in the UN Global Compact reaffirms our global commitment to embedding the environmental, social and governance tenants found in the Ten Principles of the UN Global Compact into our strategy and operations, and engaging in projects that advance the UN's broader development goals, particularly the Sustainable Development Goals (UNSDG).

We believe deeply in safeguarding the health of our planet for future generations by creating sustainable solutions that purify, protect and enhance the lives of our employees, customers and communities, and will work alongside our partners in the UN Global Compact to advance important social and environmental goals to improve our world.

### GRI

GRI standards represent global best practice for reporting publicly on a range of economic, environmental and social impacts and provide information about an organization's contributions to sustainable development. Our report was prepared according to GRI standards.

#### SASB

The SASB reporting index can be found at the back of this report. SASB is an ESG guidance framework that sets standards for the disclosure of financially material sustainability information by companies to their investors. In total, SASB standards track ESG issues and performance across 77 industries.

#### UNSDG

Ingevity supports the United Nations' Agenda for Sustainable Development and we are actively working to support the UNSDGs to ensure a better and more sustainable future for us all

The complete index of all GRI and SASB standards and UNSDGs can be found at the back of this report.

### UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS







































### OUR APPROACH

In 2021, Ingevity strengthened its sustainability position, as evidenced by increases in our ESG ratings and advancements toward our 2020 sustainability goals. Not only did we successfully expand our sustainability practices, we initiated a disciplined approach to managing what we measure. Our method empowers our employees to define Ingevity's full scope of sustainability practices companywide, strengthens our systems for collecting and measuring data and executes improvements that align our efforts with established ESG standards. This approach bolsters our capabilities to measure, analyze and improve, and accelerates our progress toward best-in-class ratings.

### New initiatives in 2021 included

- Reported discrete energy and environmental data from each of our locations and business segments separately to analyze energy use and output
- Expanded the categories of air, waste and water environmental data collected
- Welcomed our first chief diversity, equity and inclusion officer and mobilized employee resource groups
- Broadened the scope of our product environmental benefits studies
- Conducted our first supply chain sustainability survey
- Engaged sustainability ambassadors responsible for guiding and reporting on the sustainability efforts within their teams



### MATERIALITY REFRESH

Our previous materiality assessment was completed in 2017 and helped us define areas of focus for informed decision-making. While we have made steady progress on advancing the 2020 goals born of that assessment, our passion for sustainability drives us to go further. In 2021 we took a moment to pause and adjust our course to better leverage our competitive advantage and create a long-term vision for sustainability at Ingevity.

Our 2021 materiality refresh considered the broader sustainability trends impacting our company and our industry, the shifts in ESG disclosure reporting and the increased global focus on safeguarding our world that has occurred over the last five years. The assessment curated a global perspective of internal and external stakeholders to identify critical priorities, risks and opportunities in our company and our industry over the coming years, and will inform the creation of new ESG goals that will guide our efforts and advance our sustainable value proposition.

Our top ESG drivers - manufacture responsibly, prioritize people, pursue excellence and embrace innovation - advance the environmental, social, and governance issues that have the greatest impact on our performance and that are of utmost importance to our stakeholders.

### SPECIALTY CHEMICALS SOLUTIONS ENABLING A BETTER FUTURE

We're focused on four drivers to propel long-term, top-quartile performance, deliver increased value for stakeholders and leave the planet a better place along the way.

### MANUFACTURE RESPONSIBLY

Our aim is to be the most environmentally responsible provider of specialty chemistries and renewable gas solutions.

We're focused on reducing our GHG intensity, growing our participation in the renewable energy landscape, and further lessening the ecological impacts of our products and operations.

### PRIORITIZE PEOPLE

With safety as a guiding principle in all we do, Ingevity's commitment to recruit and retain diverse views and foster equity and inclusivity is the chemistry that propels our people to do their best work.

We take pride in being a positive influence in the communities where we operate, creating a better future for all.



### PURSUE EXCELLENCE

From the manufacturing floor, to our customer interactions, to the boardroom – we hold ourselves to the highest standards and seek to do things the right way.

Our reputation as an ethical business partner is a competitive advantage and ensures an environment of respect and trust for our employees across the world.

### EMBRACE INNOVATION

The bio-based nature of our raw materials and environmental benefits of our products in use allow us to be a participant in the circular economy.

Our customer-focused innovation efforts aim to solve tough customer challenges with solutions that meet their sustainability goals and safeguard the planet's health.

### TRACKING OUR PROGRESS

While we continue to hone in on the sustainability goals that will serve as our path forward, we remain focused on advancing the four sustainability goals established in 2020 to fulfill our purpose to purify, protect and enhance the world by making positive contributions as a global citizen and creating value for our company, stakeholders and employees through responsible business practices.

These goals, developed from our Pillars of Sustainability - the previous sustainability model created from our 2017 materiality assessment, focus on our holistic approach to sustainability that includes creating value for our customers and society, protecting people and the environment, engaging our people and driving business excellence in an ethical manner with all stakeholders and in every area of our business.

Our progress in 2021 reflects our increased efforts to improve our data collection and reporting, reduce our greenhouse gas (GHG) intensity, grow our participation in the renewable energy landscape, empower an inclusive and equitable culture and way of work and further reduce the ecological impacts of our products and operations.



### ESG PERFORMANCE RATINGS

Ingevity's commitment to integrating economic, environmental and social principles into our global business strategy includes prioritizing third-party ESG ratings to evaluate our progress and benchmark best practices for sustainable business and procurement practices.



### S&P Corporate Sustainability Assessment (CSA)

2021 RANKING 78TH PERCENTILE
2020 RANKING 70TH PERCENTILE

Achieved an overall industry-wide topquartile 2021 S&P Global Corporate Sustainability Assessment ranking bolstered by a 17% increase in our environmental score that included a 23% increase in operational eco-efficiency due to increases in reporting in categories including GHG emissions, energy and water consumption, nitrogen oxide (NOx) and sulfur oxide (SOx) emissions, and waste disposal

### **EcoVadis**

2021 RANKING 91st PERCENTILE 2020 RANKING 83rd PERCENTILE

Ingevity was rated at the silver level for sustainability by EcoVadis in 2021 and increased in ranking from the 83rd to the 91st percentile. Significant increases in scores for ethics, labor and human rights and sustainable procurement were bolstered by expanded reporting on safety and diversity metrics and the company's comprehensive Supplier Principles of Conduct requirement and inclusion of a supplier sustainability survey.

### Morgan Stanley Capital International (MSCI)

2021 RANKING 47th PERCENTILE 2020 RANKING 32nd PERCENTILE

Ingevity's improvement in MSCI ranking upgraded the company from a BB to a BBB rating and was driven by improved carbon mitigation practices, expanded water stress assessments that include data on regional groundwater availability and strong corporate governance practices relative to global peers.

### WE ARE HONORED TO BE RECOGNIZED





















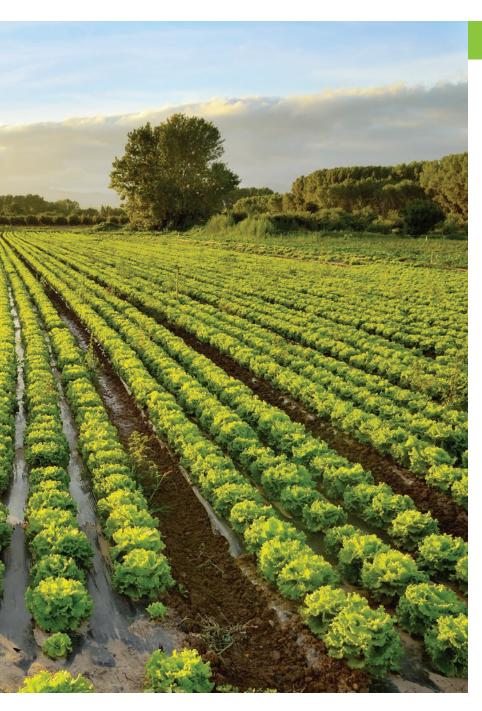






Member of
Dow Jones
Sustainability Indices
Powered by the S&P Global CSA





### STATEMENT ON CLIMATE CHANGE

Ingevity recognizes that climate change caused by increasing levels of greenhouse gases poses serious consequences for our planet. As a company dedicated to purifying, protecting and enhancing the world, we're innovating economical and effective solutions to protect the environment. Building on our strong history of imagining new possibilities, collaborating with customers to create high-performing, sustainable products, and innovating cleaner-energy alternatives, we are actively working to address climate change.

# MANUFACTURE RESPONSIBLY

Our aim is to be the most environmentally responsible provider of specialty chemistries and renewable gas solutions. We're focused on reducing our greenhouse gas intensity, growing our participation in the renewable energy landscape and further lessening the ecological impacts of our products and operations. In 2021, we bolstered our commitment to sustainability by developing our first Energy Policy, reducing our overall energy use and adding renewable energy capacity in capital projects such as our Zhuhai Solar Field.



### 2021 FNFRGY POLICY

Our 2021 Energy Policy guides our actions for managing energy use and maximizing energy efficiency. The policy presents the Ingevity vision for efficient use of energy by purchasing and using energy in the most efficient, cost-effective and environmentally responsible manner possible and establishing guidelines and minimum expectations on energy use and efficiency for all Ingevity facilities, employees and our supply chain.

We strive to employ proactive, technical and economically feasible operational, transportation and supply chain management strategies and techniques for improving energy efficiency, prioritize the use of renewable and clean energy sources and minimize overall energy use to the greatest extent possible. We train and empower employees to make sound energy management and conservation decisions when creating and modifying products and processes, establish and monitor specific energy related performance targets on a regular basis and conduct energy consumption reviews to ensure efficient energy use. Performance reporting, auditing. benchmarking and self-assessments are used to monitor our progress and effectiveness in these efforts and to drive continuous improvement.

### **Total Energy Report**

Reducing total energy consumption is fundamental to Ingevity's commitment to sustainable operations and prioritized in our 2020 sustainability goal to reduce our GHG emissions intensity 5% by 2025. Energy consumption in our manufacturing operations generates Scope 1 and Scope 2 GHG emissions, with Scope 1 emissions produced primarily from combustion of natural gas for certain production processes, Scope 2 emissions generated by electricity and steam use and Scope 3 emissions generated when the product is put into use after production.

A 21% increase in manufacturing in 2021 increased our overall GHG emissions by nearly 11% versus 2020, but changes in our energy use and the continued practice of setting aside capital dollars for sustainability projects that have longer term environmental impacts produced an 8.7% reduction in our overall GHG emissions intensity in 2021. Bolstered by this reduction, we recognized an overall 3.7% decline in GHG emissions intensity since 2020 and advanced our goal to reduce GHG emissions intensity by 5% by 2025.

All U.S. locations saw a reduction in Scope 2 emissions despite the fact that our overall energy use increased by 7.13% due to a 21% increase in manufacturing in 2021. We are driving future energy reductions by investing capital in steam and electrical energy efficiency projects at our Waynesboro, Georgia; Crossett, Arkansas; and Zhuhai, China; locations, with additional projects in Covington, Virginia, and Charleston, South Carolina, in process and expected to be complete in 2022.

More detailed information on our Scope 1 and Scope 2 GHG emissions can be found in the data appendix.



#### Zhuhai Solar Field

Ingevity's strategy for reducing GHG emissions includes increasing renewable energy use for plant operations. Installation of approximately 2,250 solar panels covering roughly 4,500 square meters began in October, and the Zhuhai solar field came online December 16, 2021. The Zhuhai solar system is expected to generate 1,118 megawatt hours (MWH) of electric power in the first year which is equivalent to 8% of the total power consumption for Zhuhai production in 2021. Converting a portion of electric consumption to solar power is expected to save 900 metric tons of CO2 and has the potential to reduce total GHG emissions at Zhuhai by 4.4% in 2022.



### **Air Emissions**

The majority of our air emissions are generated as a result of fuel combustion and usage of cleaner fuels, such as natural gas.

Total air emissions increased 13.5% with the increase in production in 2021; however, air emissions intensity decreased 6% due to the increased production. Hazardous air pollutants continue to be a small (<9%) portion of our total air emissions, as defined by the Environmental Protection Agency (EPA).

More detailed information on air emissions can be found in the data appendix.

### **Water Management**

Water is critical to our operations and we have been taking steps to reduce our consumption and water intensity. Ingevity does not operate in water-stressed or water-impaired locations. Our freshwater consumption and effluent volumes remain relatively low compared to industry benchmarks.

In 2021, Ingevity decreased water use by 3.8% and water intensity by 20.53% due to the increase in manufacturing operations,

operational efficiency projects and adding processes to reuse water. Our North Charleston, South Carolina location replaced water cooled seals with mechanical seals saving approximately 2 million gallons per year, and our Wickliffe, Kentucky, location implemented a project to reuse water in their acid recovery process and decreased their water use by nearly 10%.

The company's DeRidder, Louisiana; Wickliffe, Kentucky; and Zhuhai, China, facilities own and operate their own wastewater treatment facilities, and our Changshu, China, facility recycles industrial wastewater, making it a zero-discharge facility. Other manufacturing locations discharge effluent water to the wastewater treatment facilities at neighboring paper mills.

All wastewater is treated in accordance with applicable regulations prior to discharge into the environment, and compliance risks associated with our water use are evaluated each year during our environmental management system (EMS) review cycle.

More detailed information on our water use can be found in the data appendix.

### **Solid Waste Disposal**

Ingevity has steadily reduced hazardous waste generation and disposal, which makes up less than 2% of our solid waste (hazardous and non-hazardous) disposal. Our total hazardous waste disposal lowered by 9% due to spill prevention and recycling efforts and our intensity lowered by 25% due to increased production in 2021. Our total solid waste disposal increased by 15% with increased production in 2021, but intensity lowered by 5% due to the increased production.

Episodic wastewater treatment plant pond dredging at our DeRidder, Louisiana, and Wickliffe, Kentucky facilities, resulted in removal of additional non-hazardous waste.

Consistent with efforts to generate more comprehensive data on our energy use, planned updates to our data systems in 2022 will provide additional landfill and recycling data, allowing us to better measure and track progress.

Additional information on our non-hazardous waste and hazardous waste generation and disposal is available in the data appendix.

# 2

## PRIORITIZE PEOPLE

We realize that Ingevity's purpose and long-term success is accelerated by the people that bring diverse ideas and fresh perspectives on how to innovate for our customers and positively impact global issues. We make protecting their safety and improving their quality of life at work and in our communities a top priority.

The Ingevity team includes over 1,800 globally diverse employees operating in 25 locations around the world, all working toward the shared goal of creating a better world through customer-first product innovation, sustainable business practices and focused efforts to make a positive impact in the communities where we operate. With safety as a guiding principle in all we do, Ingevity's commitment to recruiting, developing and retaining diverse talent and fostering a culture of diversity, equity and inclusion is the chemistry that propels our people to do their best work.



### THE EMPLOYEE EXPERIENCE

We're committed to continually measuring the quality of our employees' work experience and identifying opportunities to enhance their lives. A healthy experience at work can mean different things to each person, depending on what truly matters. Ensuring daily employee touchpoints such as working with trusted leaders and teammates; receiving meaningful, unbiased feedback on progress; and engaging in opportunities to grow, personally and professionally, are evaluated regularly by our employees. Consistent conversations help us live our IngeviWay values and empowers our employees to work to their best potential.

### **Valuing Safety**

Ingevity has a strong safety culture and a world-class safety program that aims for excellence among our peers and industry. We work hard to protect employees, contractors and the communities where we operate from injuries, illnesses and significant incidents through the design of safe operations, continuous improvement of personal and process safety performance, thorough management systems and programs, a strong focus on compliance and a commitment to zero harm to people and the environment.

### **Safety Performance**

We strengthened our occupational safety performance in 2021 by further expanding the use of leading indicators to drive proactive implementation of safety initiatives.

Our focus on driving increased reporting and response to near miss incidents reinforces the guiding principles in our safety culture. Near Miss reporting is a safe work procedure that aims to eliminate potential incidents by ensuring close calls are reported and proactive action is taken to avoid future similar occurrences and prevent injuries or other impacts before they can occur. Efforts to increase the number of near misses reported and to encourage more employees to participate in reporting resulted in a 122.7% growth in Total Near Miss entries, allowing us to implement many improvements before more serious incidents occurred.

Safety training was focused on ensuring all employees thoroughly understand the importance of the Nine Life Saving Rules, put forth by the International Association of Oil and Gas Producers critical safety rules to prevent fatalities and serious injuries, through leadership videos, monthly interactive training packages, and upgraded procedures, checklists, work permits and audits.

We continued on-going efforts to improve mechanical integrity and quality assurance programs at manufacturing sites and made progress on implementation of our upgraded process safety management standard.



### PERSONAL, PROCESS AND PUBLIC SAFFTY

### **Personal Safety - Total Case Incident Rate**

Ingevity uses the U.S. Occupational Safety and Health Administration (OSHA) total case incident rate (TCIR) as a standard measure of occupational safety. TCIR multiplies the number of recordable cases by 200,000, then divides that number by the total labor hours worked by Ingevity employees.

In 2021, our employee TCIR decreased 22% to 0.46 (9 recordable injuries) compared to 0.59 (11 recordable injuries) in 2020. The severity of recordable injuries was significantly lower compared to the previous year with the lost time incident rate decreasing 77% to 0.10 (2 injuries) in 2021 compared to 0.43 (8 injuries) in 2020.

The following Ingevity manufacturing locations completed 2021 with zero employee injuries: Changshu, China; DeRidder, Louisiana; Warrington, U.K.; Wickliffe, Kentucky; and Zhuhai, China. All global technical centers and offices completed 2021 with zero employee injuries, and all locations, with one exception, finished with zero contractor injuries for the second year in a row.



### **Tier 1 and 2 Process Safety Incident Rate**

Our Tier 1 process safety incident rate was 0.0 (no Tier 1 process safety events), and our Tier 2 process safety incident rate was 0.09 (2 Tier 2 process safety events). All manufacturing locations finished 2021 with zero Tier 1 process safety incidents, the more significant type of process safety events (PSEs). The following manufacturing locations completed the entire year with zero Tier 1 and 2 process safety incidents; Changshu, China; Covington, Virginia; North Charleston, South Carolina; Warrington, U.K.; Waynesboro, Georgia; and Zhuhai, China.



### **COVID-19 Safety**

Focus on protecting the health and safety of our employees and essential contractors and visitors coming onto our sites in 2021 continued through focus on numerous measures in place to prevent the spread of COVID-19 and to assist employees through increased availability of mental health first aid and wellness programs. Ingevity maintained COVID-19 policies and procedures in compliance with country, federal, state and local regulatory requirements.

### CULTURE OF INCLUSION

### Our IngeviWay Vision

Ingevity is guided by our IngeviWay vision for how we work together to engage the diversity, knowledge, energy, talents and expertise of all employees. This vision reflects our commitment to actively supporting an environment of inclusion where all employees are heard, respected and empowered to grow to their fullest potential.

To further that vision, Ingevity established a formal Diversity, Equity and Inclusion (DEI) function in 2021. We welcomed our first Chief DEI Officer and released our DEI strategic plan that aims to create sustainable progress by building a more diverse workforce, elevating equity by ensuring fairness, creating an inclusive culture and supporting communities in ways that enable the vitality of the diverse locations where we work and serve.

### **Our DEI Mission**

We have a shared understanding that our individual differences help us make a greater collective impact. With continuous improvement at the heart of our efforts, we aim to strengthen capacity for empathy and inclusive leadership, foster a sense of community and belonging, and structure our systems, policies and processes to enable employee success.



"We are a company made up of extraordinary people of diverse races, ethnicities, religions, abilities, sexual orientation and backgrounds, all worthy of the same dignity and respect. We are committed to building a culture where diversity is valued, equity is guaranteed, and every person feels a deep and abiding sense of belonging and value, today and into the future."

- Johnetta Greene, Chief Diversity, Equity and Inclusion Office

### **DEI STRATEGIC PRIORITIES**

#### **Best Team**

We commit to recruiting, empowering and accelerating diverse talent and to building upon the contributions of each unique voice to accelerate innovation and achieve strategic goals.

### Inclusive Culture

We commit to building a culture where all employees feel welcomed and heard and are encouraged to speak up and contribute to their full potential, and to developing leaders who value diversity and ensure equity and inclusion.

#### ...

**Elevating Equity** 

We commit to ensuring every employee has the chance to thrive and contribute by elevating equity and embedding fairness for employees at each stage of employment, and also to full transparency in reporting metrics and progress toward our DEI goals.

### **Community Impact**

We commit to supporting our communities by volunteering our resources and forming partnerships and business alliances that enable the growth and vitality of the diverse locations in which we live, work and serve.

### **Key Elements**

- Diversity recruiting strategy
- Diversity in leadership and talent pipelines
- Employer of choice

### **Key Elements**

- Inclusive leadership
- DEI learning and development
- DEI councils,
   Employee Resource
   Groups (ERG) and
   Allyship programs

### **Key Elements**

- Inclusive talent management strategies
- Bias mitigation strategies
- Transparent measuring and reporting processes

### **Key Elements**

- Community outreach and philanthropy
- Supplier diversity
- Strategic partnerships



### Ingevity's Employee Resource Groups (ERGs)

Focusing on historically underrepresented or marginalized groups of people, ERGs aim to foster an inclusive workplace by promoting a positive and inclusive employee experience for all. In 2021, we launched three ERGs, including two new ERGs and the revival of the Ingevity Women's Network. Sponsored by senior leaders and with global and local chapter participation, our ERGs are instrumental in building community, supporting personal and professional development and strengthening our business impact internally and externally.







### VISIONS OF INGEVITY'S BLACK EXCELLENCE (VIBE) ERG

VIBE fosters networking, professional development, mentoring and leadership opportunities for Black employees. Focused on recruitment, retention, learning and advancement of members, the group serves as a resource for furthering DEI initiatives at Ingevity, and provides a safe space for open, shared and uplifting experiences.

### HISPANIC ORIGIN AND LATINO AMERICAN (HOLA!) ERG

With a goal of developing initiatives geared toward increasing Hispanic and Latino cultural awareness and creating new connections and opportunities for professional growth, HOLA! advocates for the Hispanic and Latino community and leverages its unique culture as a valuable resource to Ingevity.

### **INGEVITY WOMEN'S NETWORK (IWN) ERG**

iWn provides resources that help Ingevity employees take steps to identify and reach their potential as well as find their version of success. A community of women and men who support each other through similar work-life stages, iWn is building a stronger Ingevity that benefits from the authenticity and voice of all people.

### TALENT ATTRACTION

### **Attracting Top Talent**

Driving meaningful and sustainable growth as a company includes attracting and retaining top talent with a broad range of skills, experience and ideas. Ingevity is focused on increasing recruitment of diverse talent. Our DEI recruiting strategy aims to diversify our talent pipeline by expanding DEI programs, enhancing strategic partnerships and ensuring equitable experiences for all candidates through diverse candidate slates and interview teams, and gender-neutral job descriptions.



33%

GROWTH IN THE ETHNIC DIVERSITY OF NEW HIRES AT INGEVITY IN 2021

### **Excellence in Recruiting**

Ingevity received the Talent Board's 2021 North American Candidate Experience Award (CandE) in recognition of high positive candidate ratings of the company's talent recruitment practices. Cited for the fourth consecutive year, Ingevity was rated by candidates who received offers and those who did not, and was selected from 132 North American companies evaluated through the thoughts and experiences of 135,000 job candidates.

Strengthening affinity partnerships expands opportunities to broaden Ingevity's talent pipelines in order to build strong interview slates of candidates with diverse backgrounds.



















### **Society of Women Engineers**

Ingevity's message at the 2021 Society of Women Engineers conference in Indianapolis highlighted the company's commitment to sustainability, diversity and innovation. Our president and CEO, chief diversity, equity and inclusion officer and director of sustainability joined Ingevity engineers and talent team members to meet with prospective employees to share about Ingevity's mission of sustainability and the qualities that make our company a top tier place to work and grow their careers.





26%

OF EMPLOYEES
AT INGEVITY ARE
WOMEN

women in management **27%** 

27%
WOMEN IN
TOP MANAGEMENT

women in commercial management 20%

23% WOMEN IN STEM

### **Diversity Champion Award**

Ingevity was named the 2021 Diversity Champion by the Charleston Metro Chamber of Commerce as part of the Honors Awards program that celebrates the achievements of local organizations and leaders with an exemplary commitment to the region's economic development and quality of life. The Diversity Champion award honors a business that is committed to creating a more diverse, equitable and inclusive workplace and community. Ingevity was recognized for advancing company- and community-wide DEI initiatives, including welcoming the company's first chief diversity, equity and inclusion officer in July 2021.



#### EMPLOYEE DEVELOPMENT

### **Learning and Development**

At Ingevity, we are focused on listening to our employees and investing in career development in many forms. Providing our employees with a variety of learning and development opportunities is integral to our culture, as we believe our company's growth will happen as a direct result of growing our people. We have offered pilot and mentorship programs to help both managers and individual contributors grow as leaders, and we provide tools to empower self-directed learning on topics such as reducing bias and having more effective conversations.

### **Understanding Employee Experience**

In 2020, in the midst of the COVID-19 pandemic that kept us largely separated, we moved forward with plans to measure employee experience by conducting a full Gallup employee engagement survey to gather anonymous feedback on how our people view our company and our culture. The information gathered identifies opportunities for continuous improvement and localized initiatives to improve employee experience. This survey provides a baseline to compare trends year over year and tell a story that informs our value as an employer.

In 2021, we conducted a follow-up pulse survey to measure progress towards specific goals identified from the original survey results. The pulse contained five questions and results showed meaningful positive change for each question. In 2022, the focus of the survey changed from engagement to more broadly address employee experience. A full experience survey was conducted in April 2022 to gauge progress toward our goals, and a full report on progress will be issued by the end of 2022.

### **Learning Environment**

In 2021, employees completed nearly 25,000 hours of training in our learning management system, averaging 13 hours of training per employee. Additionally, specific safety and on-the-job training hours were tracked by plants and business areas. All facilities implemented local community engagement, impact assessments and development programs. Our One Team companywide virtual meetings also provide learning opportunities to improve communications and performance.



24,988

2021 TRAINING HOURS

13 AVERAGE HOURS
PER EMPLOYEEE



### **Conversations for Learning**

We worked to strengthen a culture of inclusivity through employee engagement opportunities that offer resources for learning and encourage open conversations.

### FEBRUARY 2021

Ingevity sponsored "Twelve Leaders to Watch in South Carolina," a series of videos and podcasts from Charleston-based Post and Courier newspaper. The digital series, in recognition of Black History Month, celebrated 12 Black leaders in South Carolina.

### **APRIL 2021**

Ingevity hosted "Our Voices on Immigration," a series of conversations featuring five Ingevity colleagues sharing their experiences. This series highlighted ways that each person adds to the tapestry that is Ingevity.

"Well done. You realize we are a truly global company, not because of where our offices and assets sit, but because of where our people come from."

### **JULY 2021**

Ingevity introduced, "The Only," a small group discussion series offering an opportunity for employees to experience a change of perspective in how we all see one another and understand our differing stories.

"It was an honest discussion about our differences, and I learned something from my coworkers that will help me to be a better me."

### **MARCH 2021**

144 employees participated in a conversation about diversity, civility and getting comfortable with discomfort.
Participants learned ways to have courageous conversations, empathize with others who hold differing views and reflect on their own beliefs.

"What I liked most was hearing from everyone else. Knowing that there are others that want to learn how to be better and improve themselves. We are in this together."

### **JUNE 2021**

June was a month of firsts as Ingevity officially recognized PRIDE month and Juneteenth, including posts on social media, flying the flag of PRIDE support at our Warrington, U.K. location and making a donation to a North Charleston-based LGBTQ nonprofit organization.



### **NOVEMBER 2021**

On Veteran's Day, Ingevity paid tribute to those who've served in the armed forces publishing internal articles to celebrate their service. Activities included a video from President and CEO John Fortson, who is also a veteran, and photos of Ingevity employees who have served.







### **Empowered to Succeed**

Performance is a large part of the entire employee life cycle. Monthly check-ins between managers and salaried employees provide an atmosphere of ongoing performance feedback and career development discussions, and performance is measured against goals, direct contributions and level of impact on the business.

We evaluated our processes and re-engaged a formal performance review process to more specifically track development goals. This also allows for a direct and systematic connection to rewards and recognition and influences retention, engagement and talent management.

### **Development Opportunities in 2021**

- Pilot programs that focus on leadership development, management skills and business acumen. Programs included Lead 4 Success and One Team Better Everyday, both hosted by the Center for Creative Leadership, and included topics such as self-awareness, influence, effective listening and communication, coaching and accountability
- Group coaching program for people managers to increase manager capability through a six-month series covering six leadership topics
- Zodiak for business and financial acumen training to help employees understand how a business makes money
- Clifton Strengths for leader development and team effectiveness
- Tools to support better conversations, reduce bias and increase performance of employees
- Global sales training program in support of pipeline management educating over 100 participants in the US, EMEA, APAC and APOC
- Global career mentoring program, measured by mentor and mentee surveys with over 150 participants in APAC/APOC, EMEA, North America and South America
- Influencer, hosted by Crucial Learning, focuses on building effective change strategies by understanding why people do what they do in order to help overcome reluctance and resistance to change

In 2022, new company-wide programs within our human resources business partners model will review performance management, leadership development, learning and succession planning and Ingevity's Learner Experience online training platform, Grow, will further connect the employee performance process with development, succession and learning. Manager development training will expand to include new programs for building employee and manger capabilities and providing leadership development.

### HEALTH AND WELLNESS

Ingevity expanded the investment in employee health and wellness in 2021. We offered care coaching for U.S. employees seeking support for the caregiving of loved ones, launched a voluntary Mental Health First Aider's program in the U.S. and U.K., launched our first Employee Assistance Program with Health Assured in EMEA, increased employees' adoption of telehealth resources, began building a Mental Health intranet site to showcase mental health resources by country and location and expanded our benefits education.

### **Caregiver Support**

Ingevity's partnership with Cariloop provides assistance to employees and their families wherever they are in the caregiving spectrum. Cariloop provides concierge level services including infertility, family planning, pediatrics and elder care, among others. This service is free to all U.S. Ingevity employees and their families or anyone they consider family.

### Mental Health

In the U.S. and the U.K., we launched a voluntary Mental Health First Aider program made up of managers and human resources leaders, and those with a passion for mental

health. In the U.S., 45 volunteers from all locations completed a six-hour training course to receive their Mental Health First Aid Trainer (MHFAT) designation by learning how to identify those who may be in crisis and how to connect them with resources to get help.

#### **Financial Wellness**

We conducted our first Retirement Readiness educational webinar, targeting employees over 55. Content included information on retirement savings, Social Security and Medicare and steps to prepare for retirement



### SUPPORTING OUR COMMUNITIES

Ingevity is committed to empowering communities and forming partnerships to ensure the growth and vitality of the diverse communities in which we live, work and serve. In 2021, the work of our IngeviCares philanthropy program aligned with our mission to purify, protect and enhance the world and focused our giving and volunteerism on education - particularly in science, technology, engineering and math - human health and wellbeing and environmental sustainability.

We established a goal to invest \$6 million into the communities where we operate between 2020 and 2025. In 2021, Ingevity and its employees donated \$1.7 million to nonprofits, bringing our two-year total IngeviCares giving to \$3.2 million.

### **INGEVICARES IN 2021**

GIVING: \$1.7 million

TOTAL EMPLOYEE VOLUNTEERING: 1,451 hours

WORKDAY VOLUNTEERING: 575 hours

AFTERHOURS VOLUNTEERING\*: 876 hours

\*tracked through our grants for volunteers' program

Our framework designates 0.1 percent of revenues toward our philanthropic work and charitable giving, focuses on supporting keystone initiatives with nonprofit organizations and charities at a level that will make a significant impact in each community, encourages and supports employee giving through our matching gifts program and United Way campaigns and provides stronger resources for our manufacturing locations so they can tailor plant-level funding to support the unique needs of the communities in which we operate.

### KEYSTONE INITIATIVES WHERE WE OPERATE



### **ASIA PACIFIC**

Shanghai Roots and Shoots Million Tree Project



### COVINGTON, VIRGINIA

Boys Home and SafeHome Systems



### CROSSETT. ARKANSAS

Boys and Girls Club of Ashley County



### DERIDDER, LOUISIANA

June Jenkins Women's Shelter



### NORTH CHARLESTON, SOUTH CAROLINA

Metanoia, Lowcountry Food Bank & South Carolina Aquarium



### WARRINGTON, UNITED KINGDOM

St. Rocco's Hospice



### WAYNESBORO, GEORGIA

YMCA & Wimberly House Ministries



### WICKLIFFE, KENTUCKY

Family Focus



### **HUMAN HEALTH AND WELL-BEING**

### St. Rocco's Hospice

In 2021, our facility in Warrington, U.K., donated USD \$30,000 to St. Rocco's Hospice to provide food, counseling and therapy for people with life-limiting illnesses. The nonprofit focuses on the positives - supporting patients physically, psychologically and emotionally to enable them to improve their quality of life for them and for their loved ones. Ingevity's donation provides 1,835 meals, 611 counseling services and 152 therapy sessions a year.



### HUMAN HEALTH AND WELL-BEING

**Lowcountry Food Bank** 

In 2021, Ingevity's financial contribution to the Lowcountry Food Bank assisted the need for food assistance due to the COVID-19 pandemic, providing 110,736 pounds of food to 2,880 families in the Charleston, South Carolina, area.



### **HUMAN HEALTH AND WELL-BEING**

**North Charleston Dental Clinic** 

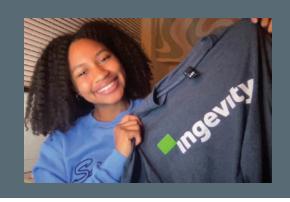
In 2021, Ingevity donated to the North Charleston Dental Clinic to build a fully functioning clinic and provide free routine, comprehensive, preventive services and basic dental care to underprivileged residents of North Charleston, South Carolina. Funding will also allow the clinic to modernize, expand operations and hours and provide mentoring opportunities for dental residents and students at the Medical University of South Carolina and Trident Technical College dental hygiene students.

### **EDUCATION**

#### **FOSSI**

In 2021, Ingevity formed a partnership with The Future of STEM Scholars Initiative (FOSSI), national chemical industry-wide program which provides scholarships to students pursuing degrees in science, technology, engineering and mathematics (STEM) at Historically Black Colleges and Universities (HBCUs)

and connects these students to leadership development, mentoring and internship opportunities. With an investment of \$192,000, Ingevity will sponsor four scholars over the next four years.





### **ENVIRONMENTAL SUSTAINABILITY**

### Earth Day

Our teammates in Covington, Virginia; DeRidder, Louisiana; Warrington, U.K.; and Wickliffe, Kentucky, volunteered to help protect the planet by leading litter sweeps on Earth Day. In Covington, Virginia, 37 employees removed litter along the Jackson River and U.S. Highway 220, collecting 72 bags of litter and 18 vehicle tires to clean the streams. They even found and returned a lost dog to its owner.



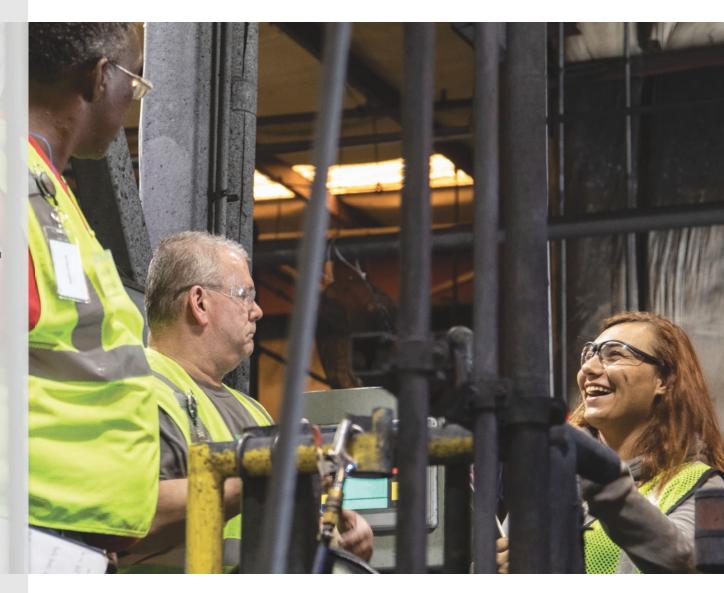
### **Ingevity's Connection to Covington**

Ingevity's carbon products & applications are showcased at the Covington Discovery Center in a "Past, Present and Future" exhibition on the history of carbon manufacturing in the Allegany Highlands in Virginia. Ingevity employees in Covington helped develop the exhibit videos on Ingevity's rich history in their community and will continue their IngeviCares partnership by providing ongoing financial and volunteer support.

# 3

# PURSUE EXCELLENCE

From the manufacturing floor, to our customer interactions, to the boardroom, we hold ourselves to high standards and seek to do things the right way. Our reputation as an ethical business partner is a competitive advantage and ensures an environment of respect and trust for our employees across the world.



### COMMITMENT TO INTEGRITY AND FTHICAL BEHAVIOR

As Ingevity pursues additional growth opportunities and compliance requirements change and expand, our Global Ethics and Compliance (E&C) program and Global Compliance Council have expanded in turn to enhance our strong corporate compliance culture and commitment to integrity and ethical behavior.

Our Global E&C program endeavors to ensure we are conducting business within the boundaries of law and ethics to protect our stakeholders, and our Global Compliance Council serves as a business partner that helps maintain and improve our compliance policies and standards and identify and mitigate risks.

Throughout 2021, we increased collaboration across functions, businesses, regions and our sites to coordinate a more proactive approach to driving continuous Global E&C program improvement. We conducted an E&C benchmark survey, developed an action plan to further strengthen our Global E&C program and executed on a robust self-audit plan, in collaboration with compliance area owners, which focuses on checking that Ingevity's Code of Conduct, policies and standards are understood and being followed as intended.

We're continuously striving to improve our E&C culture through efforts such as:

- Conducting regular analysis and reporting on key E&C performance indicators and developing proactive corrective and preventative actions to reduce risk associated with any trends
- Improving our policies and providing interactive training on reporting and investigation of E&C allegations to drive increased reporting and consistency in the investigation process
- Developing a more robust, targeted E&C training plan and expanding access to a broader range of educational tools to increase effectiveness of our training program
- Increasing coordinated employee engagement in E&C activities including our first-ever global celebration of E&C Week
- Designing a fresh internal website to facilitate easy access to a wide variety of E&C information and tools



### Responsible Care®

As a member of the American Chemistry Council (ACC), we subscribe to the Guiding Principles of the ACC's Responsible Care program, an initiative for the chemical industry. Our manufacturing locations and headquarters hold Responsible Care Management System certifications which cover personal, process and product safety, health, environment, security as well as the sustainability of our company. We work to continuously improve our performance in these areas, while communicating to stakeholders about our products and processes. Supporting Responsible Care helps our industry operate safely and profitably for future generations. Read Ingevity's Responsible Care policy available in the sustainability section of ingevity.com.

#### **Product Stewardship**

The key elements of Ingevity's approach to product stewardship come from the ACC's Responsible Care Product Safety Code, which is integrated into all facets of our strategy and throughout our businesses and is a key consideration in actions taken across the organization.

In 2021, Ingevity recorded zero incidents involving product regulatory issues, health and safety impacts of our products, or product information and labeling.

Ingevity identifies product stewardship as:

- Complying with requirements of product-related global and region-specific laws and standards
- Managing impacts of changing regulations well
- Striving to ensure the safety of those who manufacture, use, or who may potentially be exposed to our products, from cradle to grave
- Continuing to expand upon our beneficial, biobased, safer and sustainable product offerings that bring benefits to our stakeholders and meet or exceed their and society's changing expectations and shift toward circular economies.

In the interest of compliance and continuous improvement, Ingevity's Product Stewardship and Regulatory (PS&R) team focused on the following:

- Managing requirements and monitoring developments to respond appropriately to U.K.
   REACH regulations associated with BREXIT and expanding global REACH regulations in jurisdictions including, but not limited to, Korea, Turkey and Eurasia
- Obtaining new product registrations and new product development pre-manufacturing notifications for products based on responsible chemistry
- Making our strong policies, procedures and processes even better, including a more streamlined system for expeditiously managing product regulatory requests to better respond to our customers and internal clients, and for management of product related changes
- Continuing to refine and upgrade our product prioritization/risk analysis matrix to assess product risks associated with new product hazard risk assessments, exposure scenario reviews and product reformulations to reduce or eliminate risks

- Continuing to provide training on a variety of PS&R topics to our business, technical and manufacturing teams
- Driving successful implementation of an improved data management system to further strengthen global processes around creation of safety data sheets, substance volume tracking, chemical data reporting, product labeling and raw material management.



### SUPPLIER PRINCIPLES OF CONDUCT, DIVERSITY AND SUSTAINABILITY

In 2021, we continued to focus on our sustainability efforts as it relates to Global Supply Chain and conducted the company's first sustainability survey which included its key suppliers and covered over 80% of total spend. This survey validated key supplier compliance with our Supplier Principles of Conduct and confirmed 99% of the nearly one third of our supply base surveyed in 2021 are in compliance.

The Supplier Principles of Conduct requires our suppliers to conduct business ethically, with integrity in accordance with the law; comply with all applicable health, safety and environmental regulations in the countries they operate; and treat employees and business partners with respect and dignity. Our suppliers are encouraged to have active supplier diversity programs and support their local communities, and Ingevity does not tolerate the use of conflict minerals, child forced or involuntary labor or discrimination.

Sourcing products and services from a diverse base of suppliers helps to sustain our competitive advantage and aligns with supporting our local communities and businesses. In 2021, Ingevity increased its supplier diversity spend by approximately six million dollars in the U.S., accounting for 6% of Ingevity's overall spend.

### **Continuous Improvement**

We remain committed to excellence in all areas of our company and began a transition from our traditional Operational Excellence (OpEx) approach to an enhanced method of leading improvement in 2021. Our new Continuous Improvement (CI) mindset is designed to build on the OpEx methodologies of our past and go deeper into the organization, involving all employees in the daily process of improving for our future. Our new CI method was launched first within our Performance Chemicals business with training and identification of improvement opportunities to further drive safety, quality, productivity and sustainability, and will be rolled out to every manufacturing location and in many other areas of the company creating local CI leaders and experts to cascade knowledge and training. Improvements will continue to focus on the diverse experience, expertise and ideas of our employees.

### **Project Mosaic**

During 2021, Ingevity continued Project Mosaic, our company-wide implementation to upgrade our enterprise resource planning ("ERP") system. This 2+ year endeavor includes an enterprise-wide digital transformation of our business systems to equip our people with optimal processes and technology, and more efficiently and effectively connect our supply chain, manufacturing, and businesses. Mosaic is designed to support Ingevity's sustainability goals and focuses efforts on transitioning to a new system analysis program, with digital capabilities to support our diverse and growing business needs now and well into the future.

Our new ERP will automate capabilities, enhance information visibility, modernize internal controls, and infuse agility in business models and integrating acquisitions. This investment is critical to enable Ingevity to maintain our competitive position as a top-quartile chemical company and an automotive technology partner of choice. We anticipate streamlined costs and processes in the areas of sourcing and procurement, logistics and transportation, maintenance, supply chain and order management.

Mosaic aligns with our continuous improvement commitment to advancing performance excellence at all levels of operations.



### **CYBERSECURITY**

Ingevity continued to improve cybersecurity capabilities across the evolving technology perimeter due to the proliferation of Software as a Service (SaaS) and cloud-based technologies. The acceleration of cyber-attacks on the manufacturing industry and its dependent supply chain also heightened another dimension for protecting corporate assets.

As a key enterprise focus for the company, Ingevity continued to mature the cybersecurity program against the ISO 27001 framework. We remained diligent in conducting vulnerability assessments, tracking cyber-related performance metrics and training our employees on protective measures such as encrypting sensitive data and recognizing phishing attempts. With full support from executive leadership and our Board of Directors, we implemented sweeping restrictions of USB drive usage, conducted corporate-wide ransomware preparedness exercises and further strengthened our corporate crisis incident response program. These efforts contribute to reducing potential financial losses by improving our cyber readiness and incident recovery time.

Our information security team continues to collaborate with local, state and federal agencies and peers in the chemical manufacturing industry to identify the latest threats and implement effective defenses to protect our employees and customers. To maintain timely awareness, we deliver our monthly updates on cybersecurity risks to senior leadership and periodic updates to our board of directors.

### INTELLECTUAL PROPERTY

Intellectual property (IP) is a key outcome of one of Ingevity's strongest assets, the innovations of our people. Our IP rights include patents, trade secrets, trademarks, logos, technical papers, contracts, strategic partnerships and proprietary know-how. Protecting these assets is key to maintaining our technology leadership and competitive edge.

We actively create, protect, license, sub-license and enforce intellectual property rights. Our Performance Materials segment has over 40 years of experience with automotive gasoline vapor emissions control and we use that knowledge to deliver our customers' current and future requirements. We have been granted patents for method, system and process developments that are both novel and consistent with trends in the technological development of internal combustion engines and trends in the automakers' needs to meet their current and future emission requirements.

In Performance Chemicals, Ingevity has a diverse patent portfolio within its businesses. Our Evotherm® line of warm mix asphalt products that enable paving to occur despite a variety of challenging conditions is supported by numerous global patents. Our caprolactone business and related technologies are also supported by several global patents and trademarks as well as proprietary and technical know-how.

### FINANCIAL PERFORMANCE

Our financial strategy looks to capture value for shareholders by creating value for our customers, expanding our geographic reach, accelerating innovation, pursuing strategic and value-creating acquisitions, driving continuous improvement and maintaining a returns-oriented financial focus

Our financial performance is measured in many ways, including:

- Revenue as the measure of total value provided to our customers
- Adjusted earnings before interest, taxes, depreciation and amortization (EBITDA)\*, as a measure of current earnings capability
- Net debt ratio\* as the measure of leverage

Performance Chemicals saw a strong recovery from the pandemic-impacted 2020. Despite persistent raw materials and energy inflation, we drove year over year sales growth, particularly in Engineered Polymers and Industrial Specialties, increasing 45.5% and 26.0% respectively. Our Pavement Technologies products benefited from a North America paving season that extended into the fourth quarter, with sales up 4.6%. Overall, revenues for Performance Chemicals were up 23.9% and segment EBITDA rose 16.2% versus the prior year.

Our Performance Materials segment managed global planning, production and inventory with great discipline to navigate unpredictable demand in the microchip-constrained automotive market and performed well in 2021. Full year segment sales were up slightly year over year to \$516.8 million primarily due to price increases, which were partially offset by lower volume for automotive products due to the microchip shortages. Despite the supply chain challenges, Performance Materials delivered an impressive 48.3% segment EBITDA margin in 2021.

Overall, robust volumes in Performance Chemicals more than offset the volume decline in Performance Materials' automotive emission products. Full year net sales of \$1,391.5 million were up 14.4% year over year and we delivered record adjusted EBITDA\* of \$422.2 million, up 6.1% in 2021. Full year net income of \$118.1 million decreased 34.9% compared to 2020, and adjusted earnings\* of \$209.5 million were up 3.4% year over year.

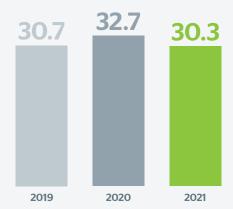
Our capital allocation continues to balance growth with returning capital to shareholders. In 2021, over 40% of our capital expenditures were on growth projects, with a similar spend on our strategic investments. We repurchased over 1.4 million shares for about \$109 million, and since our 2020 Board authorization, we have repurchased a total of approximately 3 million shares for just under \$200 million. Our strong cash flow allowed us to fund our growth initiatives and share repurchases while also reducing leverage to 2.2x net debt\* to adjusted EBITDA\* from 2.5x at year-end 2020.



\* See page 105 of our 2021 Annual Report and Form 10-K for definitions and reconciliations of these non-GAAP financial measures

# FINANCIAL HIGHLIGHTS

### ADJUSTED EBITDA MARGIN<sup>1</sup>



NET DEBT RATIO<sup>1</sup>

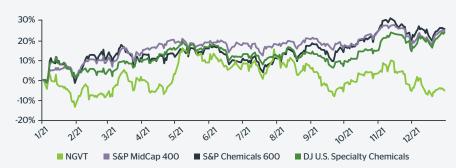
2.2x

DILUTED ADJUSTED EPS1

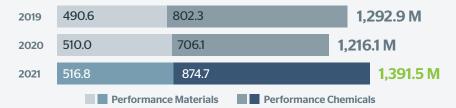
\$5.23

See page 105 of our 2021 Annual Report and Form 10-K for definitions and reconciliations of these non-GAAP financial measures.

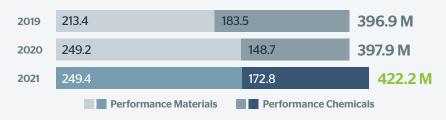
# TOTAL STOCKHOLDER RETURN (JANUARY 1, 2021 TO DECEMBER 31, 2021)



# TOTAL REVENUE IN MILLIONS (U.S. \$)



# TOTAL ADJUSTED EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION (EBITDA) IN MILLIONS (U.S. \$)1



### GOVERNANCE

As a publicly traded company, Ingevity is governed by a one-tiered system of eight board members, seven of whom are independent. We recognize that strong corporate governance contributes to long-term shareholder value and are committed to sound governance practices. The board actively oversees the development and execution of our strategies, including those related to business, operations and finance, as well as strategies focused on legal and regulatory matters, corporate responsibility and sustainability, shareholder engagement, innovation and protection of intellectual property, cybersecurity, talent development and executive succession.

The board, acting as a full board and through its committees, oversees risk management on behalf of the company. Our board believes it has in place effective processes to identify and oversee the material risks facing the company. The company's risk management processes are regularly refreshed, including priorities and planned remediations, and management reports regularly to the board on these processes.

Ingevity's Corporate Governance Guidelines and other governance documents are available online and outline the company's governance structure.



# OUR BOARD AT A GLANCE

A more diverse leadership continues to positively impact our growth and success. Today, our board of directors is 38% women and 13% racially and ethnically diverse, and our executive team is 29% women led and 14% racially and ethnically diverse.

# **BOARD OF DIRECTORS**



Jean Blackwell
Chairman of the Board at
Ingevity and Former Exec.
Vice President and CFO,
Cummins Inc.



Luis Fernandez-Moreno
Sole Manager and Member
at Strat and Praxis LLC



Mike Fitzpatrick
Exec. Advisor Partner at
Wind Point Partners. Inc.



John Fortson President and Chief Executive Officer at Ingevity



Diane Gulyas
Former President, DuPont
Performance Polymers at
E.l. du Pont de Nemours and
Company



Fred Lynch
Operating Partner, AEA
Investors, LP, and Former CEO
and President at Masonite
International Corporation



 Karen Narwold
 Exec. Vice President, Chief Administrative Officer, General Counsel and Secretary at Albemarle Corporation



Dan Sansone Former Exec. Vice President, Strategy and CFO at Vulcan Materials Company

COMMITTE

Audit Committee

Leadership Development and Compensation Committee

Executive CommitteeNominating Governance

■ Nominating, Governance and Sustainability Committee







# 4

# EMBRACE INNOVATION

The bio-based nature of our raw materials and environmental benefits of our products in use are the foundation of our role as a long-time participant in the circular economy. Our innovation efforts leverage our reputation for customerfocused product development to solve tough customer challenges and safeguard the planet's health. As customers increasingly focus on renewable resources to reduce their carbon footprints, we are uniquely positioned to leverage the sustainable nature and attributes of our products to provide value.

77.6% of Ingevity's revenue came from sustainable products in 2021





Evaluating the societal benefits of our significant product lines is paramount to our sustainability goals and we partnered with Environmental Resources Management (ERM), London, U.K., to conduct the analyses and ensure outcomes were unbiased. Studies completed in 2021 included our WestRez® tackifier adhesive and Polyfon® dispersant, both reporting properties of the bio-based products fully offset GHGs released during manufacture and do not contribute to climate change. Previous studies of Evotherm® warm mix asphalt technology and Nuchar® activated carbon also indicate the GHG reduction benefits of both products greatly exceed the Scope 1, 2 and 3 GHG emissions generated from their manufacture and use. ERM's complete lifecycle assessment summaries are available at ingevity.com/sustainability/product-benefits.

### WestRez 5101

The 2021 study determined the carbon negative properties of the pine-based raw materials in our WestRez 5101 tackifier adhesive completely offset the volume of GHG emissions released during manufacture and generate a carbon footprint 12% lower than petroleum-based alternatives. The study also estimates WestRez technology is even more beneficial when considering the end life of a construction adhesive, generating a 62% lower carbon footprint than alternatives, even if an end-use product is landfilled.

Used in packaging, tapes, labels and road striping adhesives applications, WestRez 5101 is part of Ingevity's Performance Chemicals portfolio of bio-based chemistries created from crude tall oil and tall oil rosin, renewable co-products of the paper-making industry. According to the ERM study, the 2.75 metric tons (MT) of carbon pulled from the atmosphere and stored in the pine tree during tree growth outbalance the 2.23 MT of carbon released with the energy use, packaging and other outputs associated with WestRez manufacture, leaving a negative carbon footprint that poses zero climate change impact.

# Polyfon H lignin-based dispersants for crop protection

The study showed the bio-based attributes of Polyfon H agricultural crop protection dispersant completely offset the volume of GHG emissions associated with manufacture and generate a carbon footprint 122% lower than fossil carbon-based alternatives. Used mainly as a dispersant in the agriculture industry for a diverse set of crop protection formulations including biological products, Polyfon is created from lignin, a renewable by-product of the kraft paper-making industry. The study estimates the 1.46 metric tons (MT) of carbon released with energy use, materials, packaging and wastes associated with the Polyfon manufacturing process are more than offset by the 2.2 MT of biogenic carbon dioxide - carbon pulled from the air and stored in biological hosts such as pine trees, and then released during the product's life cycle - and result in a negative carbon footprint, or a positive benefit to climate change.

Additionally, the study noted the stability of the lignin in Polyfon buried in the soil stores the innate biogenic carbon in the soil for at least a 100-year timeframe.

# CERTIFIED TO PURIFY, PROTECT AND FNHANCE

Ingevity added 11 new U.S. Department of Agriculture USDA Certified Biobased products to our portfolio, bringing our total number of USDA BioPreferred® Program certifications to 34.

### USDA BIOPREFERRED PROGRAM

The USDA BioPreferred program is for products that have been awarded the rights to use the USDA certified biobased label on a product and have submitted test evidence of the biobased content for that product to the USDA.





Our growing list of certifications from global governing bodies recognize the strong sustainability profile of our Capa portfolio. Due to the growing demand for sustainable products, Ingevity's certified biodegradable plastics are becoming a material of choice for a growing number of brands and customers around the world.



### **GREENPLA**

GreenPla is a certification from the Japan BioPlastic Association (JBPA) that authenticates biodegradability by the relevant ISO methods and set criteria.



### TÜV AUSTRIA - SEEDLING

A Seedling logo identifies our packaging materials as meeting biodegradability and compostability criteria set out in EN13432, and verified by authorized by 3rd party laboratories.



### OK COMPOST INDUSTRIAL

OK Compost INDUSTRIAL certification guarantees our engineered polymers meet standards to fully biodegrade in an industrial composting plant.



### OK COMPOST HOME

OK Compost HOME certification guarantees our Capa materials have complete biodegradability in a home compost heap, where much lower temperatures compared to an industrial compost process make it a slower and more difficult process to attain.



# OK BIODEGRADABLE MARINE

OK Biodegradable MARINE certifies of the biodegradability of products in seawater, and acknowledges products contributing to reduction of waste plastics in marine environments.

# What makes a product certified biodegradable?

Biodegradation is a chemical process during which microorganisms that are available in the environment convert materials into natural substances such as water, carbon dioxide and compost. The process of biodegradation depends on the surrounding environmental conditions, the material and the application. The property of biodegradation does not depend on the resource basis of a material but is rather linked to its chemical structure.



# PERFORMANCE CHEMICALS

# Commitment to explore alternative feedstocks with AltaVeg™ FA 120 technology

In staying consistent with diversification of our portfolio offerings, Ingevity recently expanded its product portfolio to include a vegetable oil-based alternative. AltaVeg FA 120 is a low-color, highly unsaturated source of fatty acid that will allow Ingevity to explore new specialty markets and applications including surfactants, coatings, plastic additives, oilfield additives, corrosion inhibitors and metalworking fluids. The new AltaVeg product line allows Ingevity to broaden its customer base and improve capacity utilization in its plants.

# EnvaDry™ P-FL dual-functional additive for invert emulsion drilling fluids

In 2021, Ingevity introduced EnvaDry P-FL, a dual-functional, dry-powder-form, invert emulsion drilling fluid additive. As a 100% active spray-dried product, EnvaDry P-FL provides significant performance advantages, easier handling and sustainability benefits. In one efficient additive, EnvaDry P-FL consolidates primary emulsification benefits and fluid loss control. Less total additive is required, allowing customers to reduce their overall drilling fluid system cost and simplify supply chain and inventory management. Derived from tall oil and with no hydrocarbon diluents, EnvaDry P-FL offers an enhanced sustainability solution to customers, while addressing stringent performance requirements and ease of use even in harsh environments like sub-freezing temperatures. Given its increased performance efficiency, product function consolidation and reduced package weight, EnvaDry P-FL optimizes customers' drilling fluid additives while contributing toward their sustainability goals.

Our engineered polymers team advanced their work in biodegradable plastics, broadening the role our technologies play in addressing the world's plastic pollution challenges. Our products are increasingly being credited as a critical component in various biodegradable processes as recognized by our marine, industrial and home compostable certifications.

# Marine biodegradability certification

Ingevity's portfolio of Capa thermoplastics is one of few bioplastics certified as OK Biodegradable MARINE by TÜV Austria, a distinction requiring materials to achieve complete biodegradation in seawater environments, where much lower temperatures make biodegradability more challenging than land composting conditions. By fully biodegrading within four weeks, Capa's certified products enable customers to address marine biodegradability requirements while reducing impact on the marine ecosystem. The addition of OK MARINE certification further extends the benefits of the portfolio of Capa solutions that help plastics biodegrade quickly and completely, whether they be composted, landfilled or, unfortunately, make their way into our oceans.

# Capa for water-borne polyurethane dispersions (PUD) in demanding coating applications

Polyurethane dispersions are making huge strides into replacing typical solvent-based coating systems across many industries including wood, plastic and textile protective coatings. These water-borne, low volatile organic compound (VOC) coating systems are adopted to provide an environmentally friendly but hard-wearing coating. Capa polyols used in the application enhance the environmental and durability profile further, providing exceptional performance in flexibility, abrasion and chemical resistance. All these features lead to a higher quality and longer lasting final product ensuring brand recognition and loyalty while helping companies reach their sustainability targets without sacrificing performance.

## Expanding Capa polyol production to the U.S.

In 2021, Ingevity announced the addition of caprolactone polyol production capabilities at our facility in DeRidder, Louisiana, to be operational in 2022. Global demand for our Capa suite of caprolactone technologies is increasing, and the DeRidder upgrades will increase our global polyol production capacity by 40%, enabling us to better meet demand and more effectively serve our customers. Plant upgrades in DeRidder better position us to not only meet increased global demand for our Capa technologies, but will improve the supply chain, decrease lead times and enhance overall service for customers across the globe.

# **OK BIODEGRADABLE MARINE** Capa thermoplastics are certified to fully biodegrade in a marine environment within four weeks, enabling a safer marine ecosystem.

### PAVEMENT TECHNOLOGIES

# **Evotherm Warm Mix Asphalt Solution**

Our Evotherm warm mix asphalt technology is used across the world to lower paving temperatures which results in decreasing emissions, eliminating odors and improving working conditions for crew members. Evotherm is favored by municipal transportation departments, asphalt producers and contractors to help achieve their sustainability goals and increase the longevity of their roads. In November 2021, the Infrastructure Investment and Jobs Act (IIJA) was signed into law with \$548 billion earmarked for new infrastructure spending. This legislation would invest record amounts of funding in our nation's highway programs to improve and repair our roads and bridges. Additionally, Highways England, which operates and maintains major roadways in the United Kingdom, accelerated the use of warm mix asphalt by asking all designers and contractors to use warm mix asphalt to help it achieve net zero goals across the Strategic Road Network. These global initiatives highlight the push to improve roadways and incorporate warm mix asphalt solutions into road design.

The National Asphalt Pavement Association (NAPA) continues to push its members to use warm mix asphalt solutions like Evotherm on its job sites as a way to achieve net zero emissions. In December 2021, NAPA's leadership visited the Ingevity Technical Center to learn more about Evotherm so that they can continue to engage and support the industry on achieving its sustainability goals through the use of warm mix asphalt technology.



### PERFORMANCE MATERIALS

In 2021, Performance Materials saw further fleet adoption of our natural gas storage technology that enables vehicle fueling with Renewable Natural Gas (RNG), and we continued projects with GreenGasUSA, our strategic partner promoting greater access to methane capture for RNG use. Our activated carbon technology is an enabler for us as we grow in these markets.

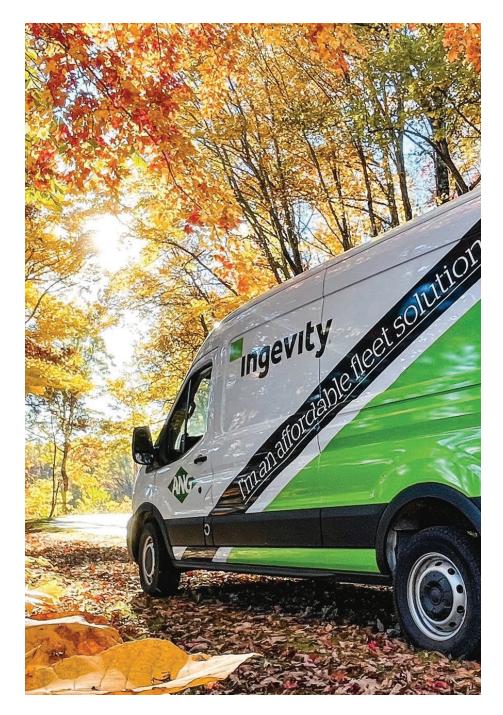
### Adsorbed Natural Gas (ANG) Technology

The ANG vehicle technology continues to develop its platform as an economic and sustainable solution for fleets in the vehicle segment that is the most challenging to electrify – light-duty trucks.

Ingevity continued to advance the sustainability impact of the ANG technology by integrating RNG within the ANG platform. This development provides fleets with a turnkey and fully integrated solution for the use of RNG, including the source of the fuel, the administration and the fueling appliance. The program enables fleets to reduce vehicle greenhouse gas emissions by 85% to 125% depending on the source of the RNG.

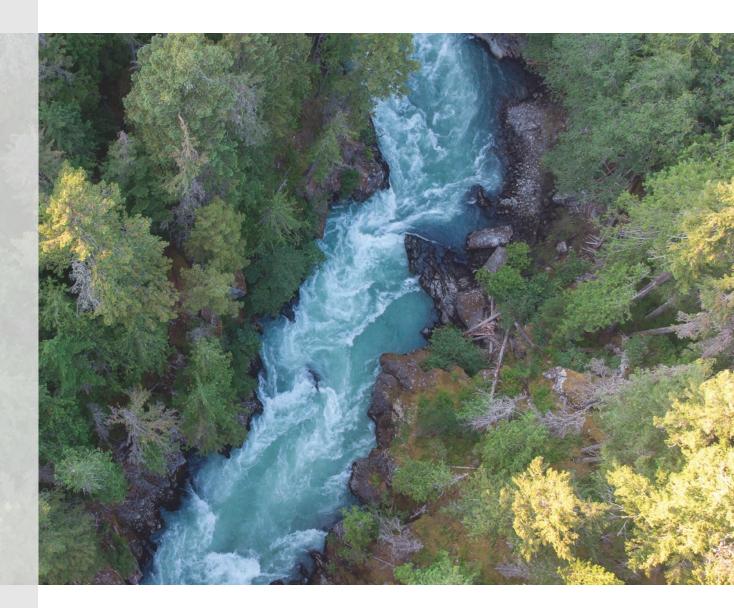
In 2021, Ingevity was awarded approximately \$256,000 in funding from the Pennsylvania Department of Environmental Protection as part of the Alternative Fuels Incentive Grant (AFIG) Program. The program demonstrates the economic and environmental benefits of RNG with fleets operating in Pennsylvania, including a majority of the state's natural gas utilities.

Ingevity advanced the sustainability impact of the ANG technology by integrating RNG within the ANG platform. Additionally, Ingevity was recognized as a 2021 InnoVision Sustainability Award finalist for its Adsorbed Natural Gas – Renewable Natural Gas program. The awards honor South Carolina individuals and organizations for impactful innovations under development in South Carolina within the last 18 months.



# DATA APPENDIX

The data scope of information for the Environmental issues charts is limited to Ingevity manufacturing locations.



# ENERGY CONSUMPTION (MMbtu)



# PERFORMANCE CHEMICALS ENERGY CONSUMPTION (MMbtu)



# PERFORMANCE MATERIALS ENERGY CONSUMPTION (MMbtu)



# GREENHOUSE GAS (metric tons of CO<sub>2</sub>e)



# GREENHOUSE GAS INTENSITY (metric tons of CO₂e)



# SCOPE 1 GREENHOUSE GAS (metric tons of CO<sub>2</sub>e)



# SCOPE 2 GREENHOUSE GAS (metric tons of CO<sub>2</sub>e)



# SULFUR DIOXIDE (SO<sub>2</sub>) (pounds)



800,000

700,000

600,000

500,000

400,000

300,000

200,000

100,000

Pounds per Year

# (pounds)

	0					
		2017	2018	2019	2020	2021
C	hangshu	525.3	699.1	105.8	108.0	112.4
С	Covington	218,565.0	167,305.0	167,548.0	135,281.8	167,147.0
C	rossett	122,600.0	118,920.0	117,800.0	102,600.0	116,540.0
D	eRidder	112,792.6	110,931.7	102,021.7	89,361.0	105,062.0
N	lorth Charleston	45,096.0	45,016.8	47,687.5	35,832.9	41,145.8
W	Varrington	0.0	0.0	0.0	0.0	0.0
V	Vaynesboro	158.0	0.2	0.2	0.2	0.0
W	Vickliffe	220,599.7	224,924.0	243,376.0	226,800.0	250,970.0
Z	huhai	3,287.1	3,489.7	8,384.9	19,439.3	3,592.5

NITROGEN OXIDE (NOx)

# PARTICULATE MATTER (PM) (pounds)



# HAZARDOUS AIR POLLUTANTS (HAPs) (pounds)



# VOLATILE ORGANIC COMPOUNDS (VOCs) (pounds)



# EFFLUENT FLOW (gallons)





# NON-HAZARDOUS WASTE (pounds)



# HAZARDOUS WASTE (pounds)



# **GRI INDEX**

Ingevity's 2021 Sustainability Report is defined by its material issues, stakeholder interests, business priorities and the requirements of the Global Reporting Initiative's GRI Standards, core option. Ingevity selfcertifies that the information contained in this report, index and data appendix is as accurate and inclusive as possible as reflected by the management systems that were in place prior to January 1, 2022. This Index also is aligned with the SASB standard for chemicals. This index indicates where to find the relevant information within this report, and references three other sources of company information: 2020 Sustainability Report released in October 2021: which is referenced as 2020 CSR. 2021 Ingevity Annual Report and Form 10-K, which is referenced as Annual Report; and 2022 Ingevity Proxy Statement - Notice of Annual Meeting of Shareholders, which is referenced as Proxy.

General Disclosures							
GRI Number	Disclosure — Report Section/Link — Page Number						
Organization	Organizational Profile						
102-1	Name of the organization — Please refer to About Ingevity inside cover and page 4 of Annual Report.						
102-2	<b>Activities, brands, products, services</b> — Please refer to About Ingevity inside cover and page 4 of Annual Report.						
102-3	Location of headquarters — North Charleston, South Carolina, United States						
102-4	<b>Location of operations</b> — Please refer to About Ingevity inside cover and Page 23 of Annual Report. We operate manufacturing facilities in China, the United Kingdom and the United States.						
102-5	Ownership and legal form — Please refer to About Ingevity inside cover and forward of Annual Report. The company is traded on the New York Stock Exchange (NYSE: NGVT). For more information, visit www.ingevity.com.						
102-6	Markets served — Please refer to About Ingevity inside cover and Pages 4-12 of Annual Report.						
102-7	Scale of the organization — Please refer to About Ingevity inside cover and Pages 4-12 of Annual Report.						
102-8	Information on employees and other workers total employment by region and gender — Information in the table below was compiled from Ingevity HRIS as of December 31, 2021						

### BY REGION & GENDER Asia Pacific Female Male Not Disclosed Regular 64 205 Brazil Female Male Not Disclosed Regular 3 8 0 Female Male Not Disclosed EMEA 27 115 21 Regular Intern/Co-op 0 2 7 0 International assignee Part Time North America Female Male Not Disclosed 389 1.031 Regular Fixed Term Temp 3 0 Intern Co-op 0 International assignee 1

TOTAL EMPLOYMENT



102-9	Supply chain — Please refer to pages 8-18 of Annual Report.
102-10	Significant changes to the organization and its supply chain — Began construction on additional manufacturing capacity at our plant in DeRidder, Louisiana (expected to be operational in 2022).
102-11	Precautionary principle or approach — Ingevity has not formally adopted this terminology; our company mission is to Purify, Protect and Enhance the world through our operations and products. When it comes to the company's operations, Ingevity is not satisfied merely meeting local regulations. The company also takes great effort to invest in the safety of our employees and communities. The company is striving to reduce its environmental impact and reduce hazards at our manufacturing facilities. Through our membership in the American Chemistry Council (ACC) Responsible Care® initiative and our embrace of the Responsible Care Guiding Principles, we pledge to promote a safety culture and to continually identify, reduce and manage process safety and product risks. In addition, the company identifies risks within our 2021 Annual Report on pages 13-22.
102-12	External initiatives — Product stewardship/Environmental Protection  The key elements of Ingevity's approach to product stewardship comes from the American Chemistry Council's Responsible Care® Product Safety Code, which is integrated into all facets of our strategy. Ingevity's senior leadership, businesses, technical, operations, risk management, supply chain, communications and other functional teams play roles in striving to ensuring product stewardship is shared by all employees, and a key consideration in actions across the organization. In addition, Ingevity joined with industry peers in the DOE Better Plants/Better Facilities Program to reduce our GHG footprint from our operations. Ingevity also began using the U.N. Sustainability Development Goals (UNSDGs) as a basis for goal setting. More information on our alignment with the UNSDGs can be found in this report and at ingevity.com
102-13	<b>Membership of associations</b> — American Chemistry Council, Abiquim, Pine Chemicals Association, Adhesive and Sealant Council, Manufacturer of Emission Controls Association, National Asphalt Pavement Association.

US TRADE ASSOCIATIONS							
Pine Chemical Association	Adhesive and Sealant Council (ASC)	American Chemistry Council (ACC)	American Institute of Chemical Engineers (AIChE)				
Bioenergy Deployment Consortium	Manufacturers of Emission Controls Association	Natural Gas Vehicles of America	Advanced Engine Systems Institute				
National Asphalt Pavement Association	Biopesticide Industry	Alliance for Vehicle Efficiency	Renewable Natural Gas Coalition				

INTERNATIONAL TRADE ASSOCIATIONS								
AICM (China)	ABIQUIM (Brazil)	CEFIC	HARRPA					
CTO Task Force	AFEEVAS	Committee of Vehicle Emission Control in China (CVEC)	AEMA - Asphalt Emulsion Manufacturers Association					
AMAP - Association of Modified Asphalt Producers	ARRA - Asphalt Recycling and Reclaiming Association Asphalt Institute - Environmental membership		Asphalt Institute - Affiliate membership					
IMA Asia	American Chamber of Commerce - Shanghai, Suzhou, and Guangzhou locations	AENDA - Brazilian Generic Agrochemicals Association	ISAA - International Symposium on Adjuvants for Agrochemicals					
CPDA - Council of Producers and Distributors of Agrotechnology	ASTM E35 Symposium	BPIA - Biological Products Industry Alliance	AAPT - Association of Asphalt Paving Technologists					
AEA - Automotive Engineering Association (Brazil)	Biobased and Biodegradable Industry Association							

### Strategy

### 102-14

Statement from senior decision-maker — CEO Letter see 2021 Sustainability Report Page 4

### **Ethics and Integrity**

Values, principles, standards and norms of behavior — Our conduct is governed by our commitment to the IngeviWay, our Code of Conduct and our Supplier Principles of Conduct. In 2021, 100% of Ingevity employees from around the world participated in the company's annual Code of Conduct training program.

### 102-16

 $The IngeviWay: please \ refer \ to \ our \ public \ website: https://www.ingevity.com/the-ingeviway/$ 

Our Code of Conduct: please refer to our public website: https://ir.ingevity.com/corporate-governance/codes-of-conduct/default.aspx
Our Supplier Principles of Conduct: please refer to our public website: https://www.ingevity.com/principles-of-conduct/

### 102-17

**Mechanisms for advice and concerns about ethics** — Our Code of Conduct has a mechanism to advise on and to report ethics issues. Our Code of Conduct: please refer to our public website: https://ir.ingevity.com/corporate-governance/codes-of-conduct/default.aspx

### Governance

# 102-18

Governance structure — The Board of Directors oversees the company. The duties of the Chair and standing board committees (Executive Committee, Audit Committee, Leadership Development and Compensation Committee, Nominating, Governance and Sustainability Committee) are laid out in the documents in the Governance section on ingevity.com (https://ir.ingevity.com/corporate-governance/corporate-governance-documents/default.aspx) and in the Proxy pages 20-30. The Board of Directors and its committees are involved on an ongoing basis with the oversight of the company's material enterprise related risks (pages 13-22 of the Annual Report). The board committees receive periodic updates from senior leaders who have functional responsibility for managing those risks.

### Stakeholder Engagement

# 102-40, 102-42, 102-43, 102-44

**Stakeholder engagement** – Ingevity works with customers, shareholders, employees (including those represented by organized labor unions) and contract workers, suppliers of all sorts, state and national regulators, environmental and other interest groups, local and national charities, local communities and civil society as a whole. Stakeholders are identified in several ways, via the company's leadership on their everyday duties and through the company's updated vision, mission and values.

# Approach to Stakeholder Engagement –

RT-CH-210a.1

Most engagement is through everyday contact with the groups, companies, suppliers, employees and others who Ingevity works with in its pursuit of fulfilling the company's vision, mission and values. Frequency of these engagements are as needed to support the vision, mission and values of Ingevity. In preparation for this report, Ingevity personnel engaged with an external supplier, Ingevity employees and Ingevity leadership.

### 102-43

Ingevity engages with customers through surveys and discrete meetings regarding product performance and environmental benefits of our products. In 2021 we completed product studies that described the environmental benefits of WestRez® and Polyfon H. In 2020 we measured employee engagement by conducting a full engagement survey (results indicated below). In 2021, we conducted a pulse survey to measure progress towards specific engagement goals. The pulse contained five questions and results showed meaningful positive change for each question. An additional full engagement survey was conducted in April 2022 to gather progress toward our Engagement mean and other topics relevant to the business. We received direct investor feedback regarding our sustainability progress from BMO Market Capital. We also received feedback from S&P CSA and EcoVadis regarding our sustainability performance. We also received feedback from S&P CSA and EcoVadis regarding our sustainability performance.

STAKEHOLE	DER	METHOD OF ENGAGEMENT	KEY TOPICS RAISED			
Customers / shareholders		Face-to-face meetings, individual engagements, quarterly conference calls	Product reliability and performance individual engagements, conference calls, topics that impact earnings			
Employees / contract workers		Surveys, town halls, online poll questions, face-to-face	Safety, talent management, diversity and inclusion, health an well-being			
Suppliers		Conferences, face-to-face meetings, individual engagements	Product reliability and performance, price, availability, cost, working conditions			
State / nation	nal regulators	Conferences, face-to-face meetings, individual engagements	Pace and implementation of regulations			
Environment	al / interest groups	Conferences, face-to-face meetings, individual engagements	Climate change, resiliency, circular economy			
Locoal / natio	onal charities	Conferences, face-to-face meetings, individual engagements	Environment, education, equality of opportunity			
Local commu	unities	Community meetings, face-to-face meetings, individual engagements, focus groups	Environment, education, equality of opportunity			
102-44	Key topics and cond	erns raised — Please refer to key topics raised in GRI 102-43				
approximately 76 p various collective b		employees covered by collective bargaining agreements — We currentle recent are employed in the U.S. Approximately 28 percent of our employed in gaining agreements (CBA). We engage in negotiations with labor unions tatutory requirements. We consider our relationships with all salaried, un	es are represented by domestic (i.e. U.S.) labor unions under for new CBAs from time to time based upon expiration dates			
Reporting Pr	ractice					
	Reporting practices — All entities included in the financial report are reflected in the 2021 sustainability report and Annual Report Page 1 of Forward Ingevity Corporation_10K_2022_V1 (q4cdn.com)					
102-45			tainability report and Annual Report Page 1 of Forward			
102-45	Ingevity Corporation  Defining report con Our 2021 materiality the increased global external stakeholder		and began development of a refreshed list of material issues. In yand our industry, the shifts in ESG disclosure reporting and Test of the assessment curated a global perspective of internal and dour industry over the coming years, and inform the creation			
	Defining report con Our 2021 materiality the increased global external stakeholder of new ESG goals that results.	n_10K_2022_V1 (q4cdn.com)  tent and topic boundaries — In 2021, we updated our materiality analysis refresh considers the broader sustainability trends impacting our compartocus on safeguarding our world that has occurred over the last five years to identify critical priorities, risks and opportunities in our company and	and began development of a refreshed list of material issues.  In y and our industry, the shifts in ESG disclosure reporting and  Its. The assessment curated a global perspective of internal and  It our industry over the coming years, and inform the creation  It next Sustainability Report will report on the process and its			
	Defining report con Our 2021 materiality the increased global external stakeholder of new ESG goals that results.  2020 CSR Page 7 ht	n_10K_2022_V1 (q4cdn.com)  tent and topic boundaries — In 2021, we updated our materiality analysis refresh considers the broader sustainability trends impacting our compart focus on safeguarding our world that has occurred over the last five years to identify critical priorities, risks and opportunities in our company and at will guide our efforts and advance our sustainable value proposition. O	and began development of a refreshed list of material issues.  In y and our industry, the shifts in ESG disclosure reporting and its. The assessment curated a global perspective of internal and dour industry over the coming years, and inform the creation is ur next Sustainability Report will report on the process and its inal-1.pdf			

102-48	Restatements of information — We have no restatements of information to include in this report.
102-49	Changes in reporting — There have been no significant changes regarding Ingevity's material topics and topic boundaries in 2021. A materiality assessment was conducted in 2021. More information will be released in future reports.
102-50	Reporting period — Calendar year 2021
102-51	Date of the most recent report — October 2021

General Discl	General Disclosures					
<b>GRI Number</b>	Disclosure — Report Section/Link — Page Number					
Stakeholder I	Stakeholder Engagement					
102-52	Reporting frequency — Ingevity reports on our sustainability topics and progress annually.					
102-53	Contact point for questions regarding the report — sustainability@ingevity.com					
102-54	Claims of reporting in accordance with the GRI Standards — This report has been prepared in accordance with the GRI Standards: Core option.					
102-55	GRI content index — The GRI content is located within this GRI Index.					
102-56	External assurance — We have not sought formal external assurance for this report.					

Disclosures o	Disclosures on Management Approach					
GRI Number	Disclosure — Report Section/Link — Page Number					
	Explanation of each material topic and its boundary — See 2020 CSR page 7					
103-1	https://www.ingevity.com/uploads/page-pdfs/Sustainability-Report-2020_Final-1.pdf					
	The information within our report is bound by the operational scope of our manufacturing locations and their management.					
	Evaluation of the management approach — We track our progress in managing our material topics by establishing metrics and monitoring our performance against internal and publicly stated goals. We benchmark our progress and performance with peer companies across the industry, and seek input regarding					
103-3	ESG management approach through engagement with key stakeholder groups (e.g., selected investors, customers, suppliers, employees). Reference					
	Sustainability goals page 10, ESG Score page 11 and Compliance section page 31.					



# Management approach — Personal, Process and Public Safety

Ingevity has identified safety as a material topic and as such we developed a world-class safety program and a strong safety culture. Personal, process and public safety is a core value at Ingevity and we work hard to protect employees, contractors and the communities where we operate from injuries, illnesses and significant incidents through the design of safe operations; continuous improvement of personal and process safety performance, thorough management systems and programs; a strong culture of compliance; and a commitment to zero harm to people and the environment.

We support public safety through community emergency preparedness efforts, in alignment with element 3.7 of the Responsible Care ® Management System and the Responsible Care ® Process Safety Code. [SASB RT-CH-210a.1]

Ingevity utilizes the U.S. Occupational Safety and Health Administration (OSHA) total case incident rate (TCIR) as a standard measure of occupational safety. TCIR is calculated by multiplying the number of recordable cases by 200,000, then dividing that number by the number of labor hours worked by Ingevity employees.

We continue to aim for safety excellence that leads not only our peers but also the industry. Our occupational safety performance in 2021 was markedly improved from 2020 results. In 2021, we drove increased reporting of and response to near miss incidents to prevent more serious injuries before they can occur. This included efforts to increase the number of near misses reported as well as an increase in reporting by a broader number of employees. Total Near Miss entries in 2021 increased by 122.7% over 2020. We continued to further expand the use of leading indicators to ensure effective initiatives are proactively implemented, to improve incident investigation quality to ensure key and other contributing factors are appropriately identified and addressed, and to broadly leverage learnings from injuries and significant near misses to prevent similar events from occurring. In 2021 we focused on ensuring all employees thoroughly understand and respect the importance of the 9 Life Saving Rules, those critical safety rules that are in place to prevent fatalities and serious injuries, through leadership videos, monthly interactive training packages, and upgraded procedures, checklists, work permits, audits, etc. We continued on-going efforts to improve mechanical integrity and quality assurance programs at our manufacturing sites and make progress on implementation of our upgraded process safety management standard.

103-2

In 2021, our employee total case incident rate decreased 22% to 0.46 (9 recordable injuries) compared to 0.59 (11 recordable injuries) in 2020. The severity of recordable injuries was significantly lower in 2021 compared to the previous year with the lost time incident rate decreasing 77% to 0.10 (2 injuries) in 2021 compared to 0.43 (8 injuries) in 2020. The following manufacturing locations completed the entire year in 2021 with zero employee injuries: Warrington, U.K.; Wickliffe, Kentucky; Zhuhai, China; Changshu, China; and DeRidder, Louisiana. All global technical centers and offices also completed 2021 with zero employee injuries. All of our locations, with one exception, completed 2021 with zero contractor injuries, which is equal to contractor safety performance when compared to 2020.

Our Tier 1 process safety incident rate was 0.0 (no Tier 1 process safety events), and our Tier 2 process safety incident rate was 0.09 (2 Tier 2 process safety events). All of our manufacturing locations completed the entire year in 2021 with zero Tier 1 process safety incidents. The following manufacturing locations completed the entire year in 2021 with zero Tier 2 process safety incidents; Changshu, China; North Charleston, South Carolina; Covington, Virginia; Warrington, U.K.; Waynesboro, Georgia; and Zhuhai, China.

We continued to protect the health and safety of our employees and essential contractors and visitors coming onto our sites in 2021 through continued focus on numerous measures in place to prevent the spread of COVID-19, and to assist employees through increased availability of mental health first aid and wellness programs. Ingevity maintained COVID-19 policies and procedures in compliance with country, federal, state and local regulatory requirements.

In both 2020 and 2021, the American Chemistry Council (ACC) recognized Ingevity Corporation among chemical industry leaders for their exceptional environmental, health, safety and security (EHS&S) performance and commitment to sustainability and sound chemicals management. The South Carolina Manufacturers Alliance (SCMA) recognized industrial facilities throughout the state for outstanding workplace safety accomplishment during 2020, and, in 2021, honored Ingevity's Charleston, South Carolina, plant with the SCMA Safety Award.

https://mvscma.com/93-south-carolina-industrial-facilities-honored-for-safety-accomplishments/

https://www.americanchemistry.com/chemistry-in-america/news-trends/press-release/2021/acc-honors-chemical-industry-leaders-for-exemplary-environmental-health-safety-initiatives



# Management approach — Environmental Protection



We consider company environmental impacts to be material topics. These include energy, greenhouse gases (GHGs), air emissions, water and waste management. As part of our company commitment to be good stewards of the environment, Ingevity has committed to reduce GHG intensity by 5% by 2025. Ingevity has taken additional efforts to reduce the environmental impact of its operations and products. Ingevity measures and has internal goals to reduce criteria air pollutants, energy use, water use, wastewater discharges and solid waste disposal. We have information on the progress of our efforts in the data appendix of this report.

103-2

EMS and ISO:14001: To guide our efforts and management approach to reduce our impact on the environment, Ingevity has invested in environmental management systems (EMS). All manufacturing facilities have implemented a comprehensive EMS. The following plants are ISO:14001, or RC14001 or RCMS certified: North Charleston, DeRidder, Covington, Wickliffe, Waynesboro, Warrington, Changshu, and Zhuhai. Crossett will become certified in the 2022 certification cycle. In addition, we have voluntarily joined with the Department of Energy (DOE) in the Better Buildings/Better Plants Program. Within this DOE program Ingevity measures and discloses the energy consumed to make our products in the U.S.

As stated in the Ingevity Environmental and Energy Policy, "Ingevity employees strive to employ proactive strategies and techniques to the greatest extent possible for protecting people and the environment while utilizing resources in a responsible and sustainable manner. Ingevity works to reduce environmental impacts from existing operations and future acquisitions and projects, including, but not limited to, air emissions, GHG emissions, energy use, water management, solid waste generation, and increasing beneficial reuse wherever possible."



# Management approach: Product Stewardship

RT-CH-410b.1 RT-CH-410b.2 RT-GH-210a.1

globally.

The key elements of Ingevity's approach to product stewardship come from the American Chemistry Council's Responsible Care® Product Safety Code, which is integrated into all facets of our strategy. Ingevity's senior leadership, businesses, technical, operations, risk management, supply chain, communications and other functional teams play roles in ensuring product stewardship is shared by all employees, and a key consideration in action across the organization.

Ingevity identifies product stewardship as

- Compliance with global and region-specific laws and standards for product stewardship
- Management of impacts of changing regulations
- Striving to ensure the safety of those who may use or be exposed to our products, from cradle to grave
- Continuing to expand upon our beneficial, bio-based, safer and sustainable product offerings that bring benefits to our stakeholders and meet or exceed their
  and society's changing expectations and shift toward circular economies

103-2

In 2021, 29% of our products contained Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, all of which underwent a hazard assessment. Ingevity provides product specific statements to affirm the absence of Substances of Very High Concern (SVHC) where appropriate, and, for applicable product lines, we provide statements notifying customers that SVHCs are not intentionally included in our products sold in the EU. We have transitioned EU customers to products grades with no SVHCs and also are actively moving to phase out the use of SVHCs

Ingevity recorded zero incidents involving product regulatory issues, health and safety impacts of our products, and product information and labeling in 2021. We review our product families to continuously improve our product risk assessment process, as required by the Responsible Care Product Safety Code. Our product stewardship and regulatory management systems feature SharePoint sites with improved accessibility to Product Safety Code activities by Ingevity employees and is available on our publicly available website, https://www.ingevity.com/product-stewardship/ features new product safety summaries.



### **Management approach:** Customer Partnerships

Ingevity strives to be our customers' technology partner of choice. We engage regularly with existing and prospective customers to ensure their expectations are met—or exceeded—through quality products and services, addressing concerns promptly and efficiently, and anticipating-and acting upon-future needs to improve or create new products. Ingevity is both ISO 9001 and International Automotive Task Force (IATF) certified and adheres to strict quality management standards at each manufacturing facility. In addition, the company focuses on four specific metrics to evaluate the customer satisfaction aspect of its partnerships. In 2021 Ingevity On-Time Shipments (OTS) metric was 93%, our percentage of Shipments in Full (SIF) was 92.9%, and our Incident management rate (IMR) decreased to 0.82% - down from 1.14% in 2020.

103-2

METRIC	2016	2017	2018	2019	2020	2021
Execute Customer Survey	-	Executed Survey	-	-	Executed Survey	-
% OTS - On Time Shipments	52%	76%	75%	83%	93%	93%
% SIF - Shipments in Full	87.6%	91.7%	88.0%	91.0%	93.7%	92.9%
Customer Complaint - IMR	1.01%	0.76%	0.94%	1.34%	1.14%	0.82%

# Management approach: Product Benefits RT-CH-410a.1



A significant percentage of the raw materials used in the manufacturing of our products is renewable. These raw materials do not compete with the food chain or contribute to deforestation. In 2021, the overall percentage of renewable raw materials used to manufacture our products was 74.5%, up from 73.9% in 2020. In 2021 77.6% of our sales revenue (\$1,082,867,419.26) and 57.8% of our manufacturing volume came from sustainable products.

103-2

We are on track with our goal to evaluate the societal value of our major product lines by the end of 2022. This goal is an integral part of our sustainability initiative because it will provide us the opportunity to tell our story in a quantifiable way. In 2021 we completed the product studies for WestRez 5101, WestRez 5120, and Polyfon H. The results of these studies are detailed in this report. We also finalized the Product Evaluation strategy to achieve our CSR goal. This evaluation strategy was developed in collaboration with product management, sales, and R&D experts. This included preliminary discussions on the benefits of our products and followed with the prioritization of products for evaluation based on their benefits to the environment and our customer. The results of future studies will be published on our website and in future sustainability reports.



# Management approach: Innovative Solutions

Ingevity creates value for our customers by innovating, producing and delivering innovative new products. This increases shareholder value that, in turn, allows us to reinvest and grow our business. Innovation is deeply embedded within Ingevity's culture and 100-year history.

Our vitality index is calculated by the percentage of annual revenue derived from the sale of new products, defined as products that have been sold for the first time within the last five years. Between 2020 and 2021, our vitality index decreased by 4.8% to 7.9%, as several products sold into mature markets continue to be commercially successful past the five-year mark. Our activated carbon products sold into automotive applications for environmental control and energy typically have long phases of maturity due to the automotive design cycle and regulatory guidance. Overall, total revenue growth in 2021 vs 2020 was significant. In regards to innovation sales, there were increases in Engineered Polymers (\$785K to \$6.3M), increases in Pavement Technologies (\$44.1M to \$47.3M), offset by reductions in PM for Honeycombs new product revenue/Auto new product revenue, reductions in Oilfield Technologies of about \$2.2M, and reductions in Industrial Specialties of about \$785K.

103-2

Ingevity also measures innovation through the percentage of annual revenue spent on technology and innovation (T&I), an important part of Ingevity's ability to continue meeting demands of our customers to improve product performance. In 2021 this percentage decreased by 0.15% to 175%

METRIC	2016	2017	2018	2019	2020	2021
Vitality index	13.6%	19.4%	14.4%	13.7%	12.7%	7.9%
\$ Investment in technology and innovation (T&I) as % sales revenue	1.9%	2.0%	2.9%	2.8%	1.9%	1.75%



#### Management approach: Employee Development

Our success requires a team-oriented culture that engages all individuals. A highly engaged workforce is vital to business outcomes such as productivity and profitability. Helping our team members realize their full potential plays a role in our company's long-term success—and it is one of the many ways we strive to keep our employees engaged. One of the ways we foster this is by gaining a better understanding of our employees.

We conducted employee surveys in 2016 and 2018, which helped to form The IngeviWay, our cultural credo that outlines our vision, purpose and values, and important companywide initiatives, such as the creation of a more robust learning and capability development program. In 2020, we partnered with a leading global analytics group, Gallup, to conduct a comprehensive employee engagement survey. This provided essential information to guide our actions. In 2021, we conducted a pulse survey to measure progress towards specific engagement goals. The pulse contained five questions and results showed meaningful positive change for each question. An additional full engagement survey was conducted in April 2022 to gather progress toward our Engagement mean and other topics relevant to the business. We will report on the impacts of these actions, as well as the metrics and the data used to assess our performance by the end of 2022.

103-2

At Ingevity, we recognize that a crucial link exists between talent, engagement and business outcomes, such as productivity and profitability. We continue to apply the Center for Creative Leadership's "70-20-10" model to developmental initiatives. This program consists of: 70% on-job application of new skills; 20% assessment and peer coaching; and 10% classroom training. Members of the organizational development, learning and talent acquisition teams continue to work toward ensuring our company has a stellar workforce by providing our employees with opportunities for learning and capability development. Our employees completed an average of 13.0 hours of training content in our Learning Management System (LMS) in 2021. A high number of additional training hours were completed outside of the LMS at our manufacturing sites; however, these hours are not quantifiable at this time. All employees also have access to over 15k LinkedIn® Learning courses via GROW that focus on personal and career development topics. Additional training on crucial conversations is available for conflict management and communication effectiveness

Perform is our approach to develop employees through frequent check-ins focused on coaching, feedback, and goal attainment. We believe in providing ongoing performance feedback and career development discussions through monthly check-ins between managers and salaried employees. In lieu of formal performance ratings, managers review each employee's progress against goals, direct contributions and the level of impact they had on the business to evaluate performance. 100% of eligible Ingevity salaried employees received performance evaluations as a part of the merit process for the 2021 year. We provide resources and content to build manager skills around having higher quality, more effective conversations with their employees. Gallup access also provides resources such as webinars, articles and videos that are available to all managers as a resource for increasing engagement and involvement within their team. The Differentiate program provided to managers focused on reducing bias during the employee evaluation process. The provided diversity, equity and inclusion cultural awareness training also covers principles and strategies to facilitate more productive, meaningful conversations on topics related to diversity. Employees undergo an Insights Discovery evaluation to improve the effectiveness of their communication.



#### **Management approach: Inclusion and Diversity**

#### **Building a Culture of Inclusion**

Ingevity is guided by our IngeviWay vision for how we work together to engage the diversity, knowledge, energy, talents and expertise of all employees. This vision reflects our commitment to actively supporting an environment of inclusion where all employees are heard, respected and empowered to grow to their fullest potential.

To further that vision, Ingevity established a formal Diversity, Equity and Inclusion (DEI) function in 2021. We welcomed our first Chief DEI Officer and released our DEI strategic plan that aims to create sustainable progress by building a more diverse workforce, elevating equity by ensuring fairness, creating an inclusive culture and supporting communities in ways that enable the vitality of the diverse locations where we work and serve.

#### Our DEI Mission

We have a shared understanding that our individual differences help us make a greater collective impact. With continuous improvement at the heart of our efforts, we aim to strengthen capacity for empathy and inclusive leadership, foster a sense of community and belonging, and structure our systems, policies and processes to enable employee success.

#### **DEI Strategic Priorities**

#### **BEST TEAM**

- We commit to recruiting, empowering and accelerating diverse talent and to building upon the contributions of each unique voice to accelerate innovation and achieve strategic goals.
- Key elements
  - Diversity recruiting strategy
  - Diversity in leadership and talent pipelines
  - Employer of choice

#### INCLUSIVE CULTURE

- We commit to building a culture where all employees feel welcomed and heard and are encouraged to speak up and contribute to their full potential, and to
  developing leaders who value diversity and ensure equity and inclusion.
- Key elements
- Inclusive leadership
- DEI learning and development
- DEI councils, Employee Resource Groups (ERGs) and Allyship programs

#### **ELEVATING EQUITY**

- We commit to ensuring every employee has the chance to thrive and contribute by elevating equity and embedding fairness for employees at each stage of employment, and also to full transparency in reporting metrics and progress toward our DEI goals.
- Key elements
- Inclusive talent management strategies
- Bias mitigation strategies
- Transparent measuring and reporting processes



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#### Management approach: Our Communities

Enhancing the communities in which we live and work is deeply rooted in our company's history and culture. Our IngeviCares philanthropy program allows us to give a portion of our revenue and time to these communities as we pursue our IngeviWay vision to be a positive influence in our communities. We firmly believe in these efforts, which are essential to both our company culture and our business operations. Launched in 2017, our IngeviCares program focuses charitable giving and community involvement in three areas that support our mission to purify, protect and enhance by reducing risks and building opportunity for sustainability, education and well-being.

The IngeviCares strategic framework for our philanthropy

- Targets 0.1% of revenues towards our philanthropic work and charitable giving
- Focuses on supporting "keystone initiatives" with nonprofit organizations and charities at a level that will make a significant impact in each community
- Encourages and supports employee giving through our matching gifts program and United Way campaigns.
- Provides stronger resources for our manufacturing locations so that they can tailor plant-level funding to support the unique needs of the communities where
  we operate

We engage our employees on a regular basis and in 2021, as a follow up to our 2020 Gallup survey, we conducted a pulse survey to measure progress towards specific engagement goals. The pulse contained five questions and results showed meaningful positive change for each question. An additional full engagement survey was conducted in April 2022 to gather progress toward our Engagement mean and other topics relevant to the business.

In our data appendix you can see our IngeviCares program impact in areas of Health, Education and Environment. In 2021, Ingevity and its employees donated \$1.7 million to nonprofits that make an impact on our philanthropic priorities. Through charitable donations, matching gift programs, employee volunteer programs and scholarship programs, Ingevity seeks to be a positive influence in the communities where we operate and in which our employees and their families live and work. We aim to invest \$6 million in our communities in the six-year period from 2020 through 2025.

#### Management approach: Financial Performance

The Board of Directors and Ingevity Executive Team actively engages in the process of strategic development and oversight of ongoing execution of company's strategic plans. For additional information please refer to 2022 Ingevity Proxy Statement, page 7. At Ingevity our corporate financial strategy looks to capture value for shareholders by creating value for our customers, expand our geographic reach, accelerate innovation, pursue strategic and value-creating acquisitions, drive continuous improvement in execution and maintain a returns-oriented financial focus.

103-2

Our financial performance is measured in many ways; however, there are four metrics of focus

- Revenue as the measure of total value provided to our customers
- Adjusted earnings before interest, taxes, depreciation and amortization (EBITDA), as a measure of current earnings capability
- Net debt ratio as the measure of leverage

For more information please refer to our Annual Report's About Ingevity and A Message from the CEO sections.

 $Ingevity\ Corporation\ 10K\ for\ 2021-https://s23.q4cdn.com/855317798/files/doc\_financials/2021/ar/INGEVITY-CORPORATION\_10K\_2022.pdf$ 

#### Management approach: Strategic Execution

As part of Ingevity's core values, we remain committed to excellence in all areas of our company. In 2021, we began a transition from our traditional Operational Excellence (OpEx) approach to an enhanced method of leading improvement. Our new Continuous Improvement (CI) mindset is designed to build on the OpEx methodologies of our past and go deeper into the organization, involving all employees in the daily process of improving for our future. The new CI mentality focuses on driving the passion and pursuit to improve everyday with every employee.

The CI journey began with a pilot site launch within our Performance Chemicals business with CI training and identification of improvement opportunities to further drive safety, quality, productivity and sustainability. The proven launch model will be rolled out to every manufacturing location and in many other areas of the company, creating local CI leaders and experts to share the knowledge and application of CI. While spreading CI to every employee, our improvements will continue to focus on the diverse experience, expertise and ideas of our employees and daily process management KPIs as the focal point.

Project Mosaic is Ingevity's 2+ year investment to upgrade to SAP S/4 Hana from our current, outdated ECC System. The current system is highly customized, making it nearly impossible to upgrade, and will not be supported by SAP in the coming years. The new S/4 Hana system will utilize standard SAP functionality which will allow Ingevity to grow and transform as a company in the years to come. Project Mosaic will equip our employees with optimal processes and technology – more effectively connecting our supply chain, manufacturing, and businesses.

Over the past year, our team of approximately 30 dedicated Ingevity employees, along with expert consultants, have completed the buildout of the new system, executed multiple testing cycles, and spent many hours training employees from around the globe, as we prepare to go-live in three separate deployments in 2022.

Some of the key benefits of Project Mosaic include

- All businesses will standardize detailed scheduling and planning activities across the organization, giving powerful tools to teams currently without a scheduling or planning solution in the system, and allowing tight integration with SAP for users currently using offline or asynchronous planning tools
- S/4 will automate our outbound shipping processes at our warehouse managed facilities by adding "scan to dock" loading of packaging goods
- Dock appointment scheduling will make it easy for plants to control loading availability and capacity for straightforward carrier appointment scheduling by TM/ export teams.
- We will improve and simplify the user experience by using SAP's Fiori interface system.
- We will be standardizing our maintenance work order and capital work order processes across the organization, and adding new functionality to allow better
  cost tracking
- Standardization of the Quality Management system makes future upgrades easier, and provides greater visibility to follow-up tasks in response to customer complaints



103-2

#### Management approach: Intellectual Property and Cybersecurity

#### **Intellectual Property**

Intellectual property (IP) is a key outcome of one of Ingevity's strongest assets—the innovations of our people. Our IP includes patents, technical papers, contracts, strategic partnerships, experience, knowhow and more. Protecting these assets is key to our sustainability. Innovation, as represented by IP, is a key advantage for Ingevity.

#### Cybersecurity

Ingevity continued to improve cybersecurity capabilities across the evolving technology perimeter due to the proliferation of Software as a Service (SaaS) and cloud-based technologies. The acceleration of cyber-attacks on the manufacturing industry and its dependent supply chain also heightened another dimension for protecting corporate assets.

As a key enterprise focus for the company, Ingevity continued to mature the cybersecurity program against the ISO 27001 framework. We remained diligent in conducting vulnerability assessments, tracking cyber-related performance metrics and training our employees on protective measures such as encrypting sensitive data and recognizing phishing attempts. With full support from executive leadership and our Board of Directors, we implemented sweeping restrictions of USB drive usage, conducted corporate-wide ransomware preparedness exercises, and further strengthened our corporate crisis incident response program. These efforts contribute to reducing potential financial losses by improving our cyber readiness and incident recovery time.

Our information security team continues to collaborate with local, state and federal agencies and peers in the chemical manufacturing industry to identify the latest threats and implement effective defenses to protect our employees and customers. To maintain timely awareness, we deliver our monthly updates on cybersecurity risks to senior leadership and periodic updates to our board of directors.

#### **Specific Disclosures**

#### **GRI Number** Disclosure – Report Section/Link – Page Number

#### **Economic Performance**

Our specific disclosure 201 Economic Performance aligns with the management approach of our material topics Financial Performance and Strategic Execution.

#### Direct economic value generated and distributed

Revenues for 2021 were \$1.392 billion. For a full discussion on the company's finances, please see the company's Annual Report, About Ingevity section and pages 42-95.

Ingevity Corporation 10K 2022 V1 (q4cdn.com)

201-1

In total Ingevity manufactured ~853,611 metric tons in 2021.

In total Ingevity manufactured ~941,105 US tons in 2021.

In 2021 Ingevity manufactured 58,760 metric tons of product for Performance Materials.

In 2021 Ingevity manufactured 794,851 metric tons of product for Performance Chemicals.

Our IngeviCares program helps support keystone initiates within our communities. For more information see our communities management approach section.

#### **Materials**

Our specific disclosure 301 Materials aligns with the management approach of our material topic Product Benefits

Most linear economy businesses take a natural resource and turn it into a product which is ultimately destined to become waste because of the way it has been designed and made. This process is often summarized by "take, make, waste." By contrast, a circular economy employs reuse, sharing, repair, refurbishment, remanufacturing and recycling to create a closed-loop system, minimizing the use of resource inputs and the creation of waste, pollution and carbon emissions. The circular economy aims to keep products, materials, equipment and infrastructure in use for longer, thus improving the productivity of these resources.

Ingevity is part of the circular economy by taking post-industrial material and converting it into premium value-added products. In addition, our Capa caprolactone-based products contribute to the efficacy and composability of many types of plastic products. With products that are manufactured from the co-products of other manufacturing processes—many of which are renewable wood-based raw materials—Ingevity and its employees make products that purify, protect and enhance the world. Our innovations enable oil to flow better, they help crops grow fuller, they make roads last longer, and they ensure that the air we breathe is cleaner.

#### 301-1

We are on track with our goal to evaluate the societal value of our major product lines by the end of 2022. In 2021, we completed the product studies for WestRez 5101, WestRez 5120, and Polyfon H. The results of these studies are detailed in this report. We also finalized the Product Evaluation strategy to achieve our CSR goal. This evaluation strategy was developed in collaboration with product management, sales and R&D experts. This included preliminary discussions on the benefits of our products and followed with the prioritization of products for evaluation based on their benefits to the environment and our customers.

A significant percentage of the raw materials used in the manufacturing of our products are renewable. These raw materials do not compete with the food chain or contribute to deforestation. In 2021, the overall percentage of renewable raw materials used to manufacture our products was 74.5%, up from 73.9% in 2020. In 2021, 77.6% of our sales revenue (\$1,082,867,419.26) and 57.8% of our manufacturing volume came from sustainable products as defined by ACC.

#### **Energy**

Our specific disclosure 302 Energy aligns with the management approach of our material topic Environmental Protection.

#### **Energy Consumption Within the Organization**

Our Energy portfolio includes renewables and non-renewable sources. In 2021 ~8.5% of the energy consumed by Ingevity was from renewable sources. This includes steam we purchase, which is produced from burning biomass, renewable energy from the grid and renewable energy generated at our locations. The summaries below are specific to the requirements of GRI and SASB. More details on our energy use can be found in the data appendix of this report.

	2021 MMBtu	2021 GJ
Total fuel consumption from non-renewable sources	4,657,523	4,936,974
Total electricity consumption	786,734	833,938
Total purchased steam consumption	1,936,821	2,053,030
Total energy consumption	7,381,078	7,823,943

#### RT-CH-130a.1

302-1

Total energy consumed (MMBtu)	7,381,078
Percentage grid electricity	10.66%
Percentage renewable	8.5%
Total self-generated energy (MMBtu)	136 (at Zhuhai)

#### **Energy**

#### Energy Intensity & Conservation:

Energy consumption in our operations generates Scope 1 and Scope 2 greenhouse gas emissions. Scope 1 emissions are primarily from the combustion of natural gas for building heat and certain production processes. Scope 2 emissions stem from electricity use and 3rd party steam generation. We manufactured ~21% more product in 2021 vs 2020, which increased energy usage by 7.13%, but decreased intensity by 10%. We implemented several projects that made our operations more efficient and several projects for future growth that increased energy usage. As example of our efforts to improve our operations, we upgraded Waynesboro's air compressors and we expect to reduce energy use by ~620 MMBTU. At our Crossett plant, we installed a CTO unloading station and new air compressors (previously provided by Georgia Pacific) for future growth opportunities that added 6,000 MMBTU. We recognize that climate change is a material issue to our business. In addition to actions taken to reduce energy consumption and reduce GHG emissions we are disclosing more information on our operations.

business. In addition to actions taken to reduce energy consumption and reduce GHG emissions we are o

Most intensity reductions were associated with increased production. The Zhuhai solar field came online in December and is expected to reduce 1,024 MW (3,500 MMBtu) of electricity usage. U.S. electricity grid saw improvements in our Scope 2 emissions at every site. The Covington fan project is delayed because the motor control center (MCC) was not large enough to hold the motor starters. A new MCC is under construction and expect tie ins in October 2022. The North Charleston interchanger project was delayed due to supply chain material delays and will not be operational until late 2022.

Energy Intensity: 2020: 8.8 MMBTU/Ton of Product, 2021: 7.7 MMBTU/Ton of Product

#### Water

302-3

(2016 GRI Standard) - Our specific disclosure 303 Water and Effluents aligns with the management approach of our material topic Environmental Protection.

#### Water Withdrawal

RT-CH-140a.1 RT-CH-140a.2 RT-CH-140a.3

We recognize that reducing our company impact on the environment is material to our business and benefits society.

Water Management: Water is critical to our operations, and we have been taking steps to reduce our consumption and water intensity. Ingevity does not operate in water-stressed or impaired locations, and our freshwater consumption and effluent volumes remain relatively low compared to industry benchmarks.

Water use decreased 3.8% and intensity decreased 20.5% as we saw less water-based products sold out of Charleston in 2021 and a less severe hurricane season (i.e. less rainfall) for water effluent.

Water use by location (thousand cubic meters)							
LOCATION	2017	2018	2019	2020	2021		
North Charleston	4,431	3,921	3,916	3,891	3,099		
DeRidder	651	723	821	693	772		
Crossett	455	519	484	477	466		
Warrington*	185	165	176	176	182		
Covington	1,337	1,333	1,367	1,120	1,300		
Wickliffe	1,353	1,426	1,239	1,113	1,174		
Waynesboro	6	8	7	8	12		
Changshu	5	12	14	12	13		
Zhuhai	112	196	186	149	161		

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Water use by location (gallons)							
LOCATION	2017	2018	2019	2020	2021		
North Charleston	1,170,521,069	1,035,885,399	1,034,455,493	1,027,763,232	818,800,000		
DeRidder	172,000,000	191,000,000	217,000,000	183,000,000	204,000,000		
Crossett	120,316,899	137,200,000	127,750,000	126,000,000	122,972,256		
Warrington*	48,871,027	43,672,651	46,541,823	46,600,000	48,153,801		
Covington	353,180,000	352,160,000	361,220,000	295,946,400	343,388,563		
Wickliffe	357,500,000	376,600,000	327,200,000	294,000,000	310,100,000		
Waynesboro	1,700,000	2,100,000	1,750,000	2,140,000	3,151,000		
Changshu	1,440,519	3,244,272	3,703,135	3,201,740	3,314,277		
Zhuhai	29,587,040	51,695,956	49,135,620	39,304,798	42,646,284		

<sup>\*</sup>In addition to this freshwater use, the Warrington facility uses groundwater for once-through cooling and discharges it. In 2021, this groundwater withdrawal totaled 792.74 million gallons or 3,001,000 cubic meters.

#### **Water Discharge**

Our operations discharge wastewater per permits and local regulations. We have not had any significant adverse impacts on water bodies. Ingevity has not received any notices of non-compliances relating to wastewater discharges.

Some of Ingevity's manufacturing locations discharge effluent water to the wastewater treatment facilities at neighboring paper mills. The company's DeRidder, Louisiana; Wickliffe, Kentucky; and Zhuhai, China, facilities own and operate their own wastewater treatment facilities. Our Changshu, China, facility recycles all their industrial wastewater, making them a zero-discharge facility. All wastewater is treated in accordance with applicable regulations prior to discharge into the environment. In 2021, Ingevity did not have any violations of its water permits and the compliance risks associated with our water use is evaluated each year during our EMS review cycle. Our EMS has stakeholder mechanisms for interested parties to engage regarding environmental issues including water use. More details on our water use can be found in the data appendix of this report.

In 2021, Ingevity had a 5% increase in effluent flow from our 21% increase in operations, but intensity dropped by 13%. The reductions can be attributed to project work which made our operations more efficient and reusing water in our processes. Our Wickliffe, Kentucky, location implemented a project to reuse water in their acid recovery process and saved 22 MM gallons per year, or ~10% decrease in water usage. Our Charleston, South Carolina, location replaced water cooled seals with mechanical seals, saving ~2 MM gallons per year.

	Water effluent by location thousand cubic meters						
LOCATION	2017	2018	2019	2020	2021		
Changshu	5	12	0	0	0		
Covington	1,685	1,658	1,658	1,663	1,658		
Crossett	454	518	378	433	360		
DeRidder	678	750	862	704	722		
North Charleston	2,590	2,385	2,389	1,957	2,324		
Warrington	147	134	151	129	165		
Waynesboro	6	7	6	8	12		
Wickliffe	906	1,046	967	918	919		
Zhuhai	75	196	141	150	119		

	Water effluent by location gallons / yr.						
LOCATION	2017	2018	2019	2020	2021		
Changshu	1,440,519	3,244,272	0	0	0		
Covington	445,200,000	438,000,000	438,000,000	439,200,000	438,000,000		
Crossett	119,856,123	136,739,224	99,773,018	114,440,000	95,077,168		
DeRidder	179,000,000	198,260,000	227,800,000	186,000,000	190,820,000		
North Charleston	684,250,690	629,926,735	631,000,000	517,000,000	613,979,251		
Warrington	38,880,307	35,510,000	39,956,279	34,189,404	43,500,000		
Waynesboro	1,590,000	1,960,000	1,640,000	2,000,000	3,151,000		
Wickliffe	239,340,000	276,400,000	255,400,000	242,600,000	242,700,000		
Zhuhai	19,908,000	51,909,798	37,268,593	39,625,800	31,330,799		

#### **Emissions**

303-4

Our specific disclosure  $305\,Emissions$  aligns with the management approach of our material topic Environmental Protection.

#### Direct (Scope1) GHG Emissions and Indirect (Scope 2) GHG Emissions

305-1, 305-2

Ingevity has reported Scope 1 and Scope 2 emissions for all manufacturing operations in our data appendix. Ingevity established a baseline year (2019) for our GHG reduction goal. Ingevity measures GHG as CO2e and uses U.S. Environmental Protection Agency (EPA) or local agency GHG emissions factors that prevail in the area operations.

#### GHG emissions RT-CH-110a.1 RT-CH-110a.2

	GHG emissions in metric tons							
LOCATION	2017	2017 2018 2019 2020 2021						
Scope 1	251,973	265,514	253,243	217,763	252,925			
Scope 2	145,220	143,210	152,502	150,205	146,851			
Scope 1 and 2	397,193	408,723	405,745	367,968	399,776			

305-4

We recognize that climate change is a material issue to our business. In addition to actions taken to reduce energy consumption and reduce GHG emissions we are disclosing more information on our plants and businesses.

When compared to 2020, our overall 2021 GHG emissions increased by -11% while our GHG intensity (MT of CO2e/ Ton of Product) went down by -9%, which matched our energy usage changes in 2021. In 2021, we noted that our Scope 1 GHG emission increased by -16% and our Scope 2 Emissions increased by -2%. In 2021, we continued the practice of setting aside capital dollars for sustainability projects that have longer term environmental impacts. We will be continuing this investment into our more sustainable future. We have information on the progress of our efforts in the data appendix of this report.

### Other air emissions

RT-CH-120a.1

In 2021, total air emissions increased 13.5% with production, however, intensity decreased 6%. Hazardous air pollutants continue to be a small (9%) portion of our total air emissions. Ingevity uses emission factors from the U.S. EPA and the local regulatory agencies that prevail in each area of our operations. You can find more information on our specific emissions results in the table below and in our data appendix.

Criteria Pollutants	2017	2018	2019	2020	2021
SO2 (MT / yr.)	21.07	25.41	26.38	23.38	27.40
NOx (MT / yr.)	360.01	335.03	337.04	299.75	310.52
PM (MT / yr.)	77.65	78.55	88.57	79.84	89.61
VOC (MT / yr.)	308.89	242.19	240.03	194.95	233.40

#### **Effluents and Waste**

Our specific disclosure 306 Effluent and Waste aligns with the management approach of our material topic Environmental Protection.

#### Waste Generation, Waste.

#### RT-CH-150a.1

Ingevity is a leading refiner of crude tall oil (CTO), a renewable co-product of the pulp and papermaking process. We refine CTO into its intermediates, or fractions: tall oil fatty acid, distilled tall oil, tall oil rosin and biofractions. Through various processes, we then further derivatize these products, along with lignin (another co-product of the pulping process) into higher value-added specialty products that bring unique performance and enhanced functionality characteristics to our customers' applications.

#### 306-1, 306-2

See 2019 CSR page 15 Sustainability Report 2020 Final.indd (ingevity.com)

We recognize that reducing our company impact on the environment is material to our business and benefits society. Ingevity measures and has internal goals to reduce criteria air pollutants, energy use, water use, wastewater discharges and solid waste disposal. We have information on the progress of our efforts in the data appendix of this report

Ingevity has reduced both Hazardous Waste and Non-hazardous Waste over past several years. Ingevity defines Hazardous Waste as meeting the U.S. EPA definition or the definition of prevailing local country codes. Ingevity operates based on the most stringent codes present in the region.

Ingevity had no reportable spill in 2021.

306-3

Waste Generated by Type	2017	2018	2019	2020	2021
Non-Hazardous Waste (MT / yr.)	8,276.00	6,822.70	6,229.95	6,059.38	7109.32
Hazardous Waste (MT / yr.)	353.29	232.19	136.24	133.20	123.51
% Hazardous Waste Recycled	91.4%	93.7%	95.8%	95.6%	97.2%

#### **Employment**

Our specific disclosure 401 Employment aligns with the management approach of our material topic Employee Development.

#### Benefits provided to full-time employees that are not provided to temporary or part-time employees

#### 401-2

We are proud to offer our full-time employees a comprehensive benefits package. These benefits include: life insurance, health care, disability and invalidity coverage, parental leave, retirement provision and stock ownership. For more information on our benefits and careers at Ingevity, please visit our public website. https://www.ingevity.com/careers/

The definition used for Ingevity significant locations of operation: https://www.ingevity.com/about/locations/

#### **Occupational Health and Safety**

(2016 GRI Standard)<sup>1</sup> - Our specific disclosure 403 Operational Health and Safety aligns with the management approach of our material topic Personal, Process and Public Safety.

#### Occupational health and safety management system

RT-CH-320a.1

RT-CH-320a.2

RT-CH-540a.1

RT-CH-540a.2

Ingevity is committed to protecting people and the environment while utilizing resources in a sustainable manner and encouraging responsible use and application of our products. We maintain certification for the Responsible Care Management System®, RC14001® or ISO 14001 at all our locations, and apply a strong focus on protecting our employees, contractors, the environment and the communities in which we operate. We also recognize the risk management standards of Process Safety Management and incorporate this into our safety management system.

Ingevity has a world-class safety program and a strong safety culture. In fact, 100% of our employees are covered by our safety management system and received safety training and other forms of safety messaging across the company in 2021. Personal, process and public safety is a core value at Ingevity and we work hard to protect employees, contractors and the communities in which we operate from injuries, illnesses and significant incidents through the design of safe operations; continuous improvement of personal and process safety performance; thorough management systems and programs; a strong culture of compliance; and a commitment to zero harm to people and the environment.

Additionally, we have improved our transportation safety by moving toward using only Responsible Care-certified carriers, wherever possible. In 2021, we reported zero significant transportation-related incidents across the company, per the U.S. Department of Transportation's reporting criteria.

#### Hazard identification, risk assessment, and incident investigation

Ingevity utilizes the U.S. Occupational Safety and Health Administration's total case incident rate (TCIR) as a standard measure of occupational safety. TCIR is calculated by multiplying the number of recordable cases by 200,000, then dividing that number by the number of labor hours worked by Ingevity employees. We encourage our employees to report near misses and hazards within the workplace, and our Code of Conduct assures this can be done without fear of reprisals.

Ingevity uses a wide variety of safety tools to identify hazards, assess risks and investigate incidents. Ingevity uses Process Safety Management, safety audits and industrial hygiene program to identify hazards. Ingevity encourages employees to report near misses and any unsafe conditions. Ingevity has adopted the International Association of Oil and Gas Producers (IOGP) Life Saving Rules. Ingevity has added a "My Central Role" to our safety program:

#### MY CENTRAL ROLE

I have a central role in safety. I report to work fit for duty. I have time to work safely.

403-2 I have time to work safel

I have authority to stop any unsafe work.

Lensure work is safe before Lor others start.

I do not commit/condone willful acts.

I report all incidents, near misses, unsafe acts and conditions.

#### Occupational health services

#### 403-3

Ingevity employs a comprehensive industrial hygiene program to assess our operations for hazards. We share this information with affected employees. Ingevity uses continual improvement mindset to mitigate and reduce hazards from our processes.

#### Worker participation, consultation, and communication on occupational health and safety

#### 403-4

At Ingevity 100% of our sites have formal joint management-worker health and safety committees. The frequency and agendas of these meetings is set locally. These committees use collaborative efforts to reduce safety issues at our locations. For Ingevity locations covered by a CBA, there are sections that speak to safety of the workplace.

#### Worker training on occupational health and safety

#### 403-5

We continued our journey to improve safety training by issuing a training standard to drive consistent training expectations across the organization to further expand the use of leading indicators to ensure effective initiatives are proactively implemented, to improve incident investigation quality to ensure key and other contributing factors are appropriately identified and addressed, and to broadly leverage learnings from injuries and significant near misses to prevent similar events from occurring. We are currently focusing on ensuring all employees thoroughly understand and respect the importance of the Life Saving Rules – rules in place to prevent fatalities and serious injuries, through leadership videos, monthly interactive training packages, and upgraded procedures, checklists, work permits, audits, etc.

#### Promotion of worker health

#### 403-6

Ingevity offers medical insurance coverage to full-time employees in compliance with requirements of local law. Ingevity offers other non-occupational health benefits as well: smoking cessation, health coaching for chronic conditions, employee assistance plan and access to mental health professionals.

#### Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

#### 403-7

The distribution of our products may have safety impacts beyond our operations. At Ingevity we have improved our transportation safety by moving toward using only Responsible Care-certified carriers, wherever possible. In 2021, we reported zero significant transportation-related incidents, per the U.S. Department of Transportation's reporting criteria, across the company.

#### **Work Related Injuries**

Year	2017	2018	2019	2020	2021
Total Case Incident Rate (TCIR)	0	0.65	0.41	0.59	0.46

#### TCIR was 0.46 in 2021

Ingevity utilizes the U.S. Occupational Safety and Health Administration's total case incident rate (TCIR) as a standard measure of occupational safety. TCIR is calculated by multiplying the number of recordable cases by 200,000, then dividing that number by the number of labor hours worked by Ingevity employees.

403-9

We continue to aim for safety excellence that leads not only our peers but also the industry. Our occupational safety performance in 2021 was markedly improved from 2020 results. In 2021, we drove increased reporting of and response to near miss incidents to prevent more serious injuries before they can occur. This included efforts to increase the number of near misses reported as well as an increase in reporting by a broader number of employees. Total Near Miss entries in 2021 increased by 122.7% over 2020. We continued to further expand the use of leading indicators to ensure effective initiatives are proactively implemented, to improve incident investigation quality to ensure key and other contributing factors are appropriately identified and addressed, and to broadly leverage learnings from injuries and significant near misses to prevent similar events from occurring. In 2021, we focused on ensuring all employees thoroughly understand and respect the importance of the 9 Life Saving Rules – critical safety rules that are in place to prevent fatalities and serious injuries, through leadership videos, monthly interactive training packages, and upgraded procedures, checklists, work permits and audits. We continued on-going efforts to improve mechanical integrity and quality assurance programs at our manufacturing sites and make progress on implementation of our upgraded process safety management standard.

In 2021, our employee total case incident rate decreased 22% to 0.46 (9 recordable injuries) compared to 0.59 (11 recordable injuries) in 2020. The severity of recordable injuries was significantly lower in 2021 compared to the previous year, with the lost time incident rate decreasing 77% to 0.10 (2 injuries) in 2021 compared to 0.43 (8 injuries) in 2020. The following manufacturing locations completed the entire year in 2021 with zero employee injuries: Warrington, U.K.; Wickliffe, Kentucky; Zhuhai, China; Changshu, China; and DeRidder, Louisiana. All global technical centers and offices also completed 2021 with zero employee injuries. All of our locations, with one exception, completed 2021 with zero contractor injuries, which is equal to contractor safety performance when compared to 2020.

Year	2017	2018	2019	2020	2021
Tier 1 Process Safety Incident Rate	0	0.05	0	0.09	0
Tier 2 Process Safety Incident Rate	0.15	0.1	0.24	0.09	0.09

COMBINED PSI WAS 0.09 in 2021

Ingevity defines Tier 1 and Tier 2 process safety incidents (PSIs) in accordance with the American Petroleum Institute Recommended Practice 754 (API RP 754), which is consistent with other companies in the American Chemistry Council. PSI ratings are determined by site management and then verified by corporate safety and health management.

Our Tier 1 process safety incident rate was 0.0 (no Tier 1 process safety events), and our Tier 2 process safety incident rate was 0.09 (2 Tier 2 process safety events). All of our manufacturing locations completed the entire year in 2021 with zero Tier 1 process safety incidents. The following manufacturing locations completed the entire year in 2021 with zero Tier 2 process safety incidents; Changshu, China; North Charleston, South Carolina; Covington, Virginia; Warrington, U.K.; Waynesboro, Georgia; and Zhuhai, China.

Ingevity had zero employee fatalities in 2021.

403-9

We continued to protect the health and safety of our employees and essential contractors and visitors coming onto our sites in 2021 through continued focus on numerous measures to prevent the spread of COVID-19, and to assist employees through increased availability of mental health first aid and wellness programs. Ingevity continued to enact a policy, testing processes and masking guidelines in compliance with the U. S. Occupational Safety and Health Administration's Emergency Temporary Standards applying to U.S. companies with more than 100 employees. Ingevity maintained COVID-19 policies and procedures in compliance with country, federal, state and local regulatory requirements.

The key elements of Ingevity's approach to product stewardship come from the American Chemistry Council's Responsible Care® Product Safety Code, which is integrated into all facets of our strategy. Ingevity's senior leadership, businesses, technical, operations, risk management, supply chain, communications and other functional teams play roles in ensuring product stewardship is shared by all employees, and a key consideration in every action taken across the organization.

Ingevity identifies product stewardship as

- Compliance with global and region-specific laws and standards for product stewardship
- Management of impacts of changing regulations
- Striving to ensure the safety of those who may use or be exposed to our products, from cradle to grave
- Continuing to expand upon our beneficial, bio-based, safer and sustainable product offerings that bring benefits to our stakeholders and meet or exceed their and society's changing expectations and shift toward circular economies.

**Ingevity Safety, Health, Environmental, Security and Responsible Care Policy:** https://www.ingevity.com/uploads/page-pdfs/Responsible\_Care\_Policy\_Rev\_19\_Sept.-28\_2020.pdf

**Responsible Care Product Safety Code** https://www.americanchemistry.com/chemistry-in-america/responsible-care-driving-safety-industry-performance/resources/responsible-care-product-safety-code

#### **Specific Disclosures**

#### GRI Number Disclosure – Report Section/Link – Page Number

#### **Training and Education**

Our specific disclosure 404 Training and Education aligns with the management approach of our material topic Employee Development.

#### Average hours of training per year per employee

#### **In-House Learning Opportunities**

#### 404-1

Ingevity hosts a robust in-house learning development platform called Grow, which includes on-demand, online content and classroom-style learning options that are available to all employees—in local languages, where possible. Our employees completed an average of 13.0 hours of training content in our Learning Management System (LMS) in 2021. A high number of additional training hours were completed outside of the LMS at our manufacturing sites; however, these hours are not quantifiable at this time.

#### Programs for upgrading employee skills and transition assistance programs

At Ingevity, we recognize that a crucial link exists between talent, engagement and business outcomes, such as productivity and profitability. Members of the organizational development, learning and talent acquisition teams continue to work toward ensuring our company has a stellar workforce by providing our employees with opportunities for learning and capability development.

#### Increase Manager Capability Globally

- Designed and delivered pilot programs that focus on leadership development, management skills and business acumen.
- Managed and enhanced external group coaching program and evaluated effectiveness for future group sessions.

#### 404-2

- Measure engagement through quantitative survey data of participants and qualitative data from participants managers.
  - 30 managers participated in this cohort. Mid-point survey included 96% positive satisfaction rate among 22 respondents. Recommendations from survey:
     57% no changes, 17% longer breakout sessions, 9% shorter session 60 min vs. 90, kickoff from leadership (will implement in next program);
  - Most liked about program: group discussions, interactive coaching style, size of group, topics covered, overall program design, participants in group
  - Engaged managers of participants up front, and at the half-way mark to make them aware of the skills their employees were learning in the manager group coaching cohorts and gave them actions to implement in their Perform conversations to support their employees growth and improved performance.

Leader Development and team effectiveness

Introduced CliftonStrengths for manager assimilation

#### **Diversity and Equal Opportunity**

Our specific disclosure 405 Diversity and Equal Opportunity aligns with the management approach of our material topic Inclusion and Diversity.

#### Performance, Development, Inclusion, Sustainment

Designed tools to support better conversations, reduce bias, and increase performance of employees and skills for managers to coach and develop.

Planned for more formal performance documentation in 2022.

Business/Operations Enablement/Program Management

- Successfully launched global sales training program in support of pipeline management. Over 100 participants in US, EMEA, APAC/APOC. Blue sheets (strategic selling) & gold sheets (LAMP program) bring a consistent method across the organization and support pipeline management in SalesForce.
- Patterned with APAC/APOC to launch Crucial Conversations, Situational Leadership, Clifton Strengths, Influencer and Insights Discovery in addition to the sales courses above.
- Designed 2022 plans for Front Line Supervisor Training. Plans include manager and compliance skills delivered by Human Resources Business Partners, Talent
  and Organizational Effectiveness and functional and business experts.

Mentoring: Designed and launched global career mentoring program, measured by mentor/mentee surveys on pairing effectiveness and skill development.

- Quantitative: 105 mentees, 57 mentors, 27 mentors & mentees, 71% NA, 19% Asia, 8% EMEA, 2% SA. 89% positive satisfaction rate in first time
  matches. 91% of respondents indicate tasks & resources are useful, 93% indicate software is easy to use.
- Qualitative: "I feel like I am growing and making connections. This has been very beneficial to me!" "Very useful and enjoyable. My mentor has already identified and communicated areas in which I can improve myself, in a considerate manner."
- "The program is great for learning and value sharing with a key person in the business."
- "The Career Mentoring concept is a great "Knowledge Transfer" vehicle. Mentees are certain to further their business knowledge of Ingevity's markets, products and services."

#### Percentage of employees receiving regular performance and career development reviews

#### [Perform]ance Management

In 2019, we launched a more modern approach to performance management called Perform. This approach encourages collaborative partnerships and ongoing conversations between managers and employees to improve performance, meet goals, drive business results and increase employee engagement. Performance conversations occur monthly at a minimum, and quality is monitored through frequent surveys.

We believe in providing ongoing performance feedback and career development discussions through monthly check-ins between managers and salaried employees. In lieu of formal performance ratings, managers review each employee's progress against goals, direct contributions and the level of impact they had on the business to evaluate performance. 100% of eligible Ingevity salaried employees received performance evaluations as a part of the merit process for the 2021 year. Our hourly workforce does not take part in this process.

404-2

#### Diversity of governance bodies and employees

As a publicly traded company, Ingevity is governed by a one-tiered system of eight board members, seven of whom are independent. John C. Fortson was named as the company's president and CEO effective September 1, 2020. The company's Corporate Governance Guidelines, which are published and available online, outline the structure of governance at the company. https://ir.ingevity.com/corporate-governance/corporate-governance-documents/default.aspx

Currently the gender diversity of the board is at 38%. In 2020, Ingevity's board of directors assigned the Nominating, Governance and Sustainability Committee with oversight of the company's sustainability program and initiatives. As of December 2021, the committee consists of Jean Blackwell, Luis Fernandez-Moreno, Mike Fitzpatrick, Diane Gulyas, and Karen Narwold.

#### **Board Composition and Diversity**

Our board is committed to ensuring that it has the right mix of skills, background, tenure, experience and diversity. The current composition of our board is as follows:



405-1

Ingevity's total workforce was comprised of 1,880 employees as of December 31, 2021. Women in leadership roles increased to 33.75% in 2021, up from 30%. Again, this is noteworthy considering the overall composition of the specialty chemicals manufacturing industry's workforce, which is primarily male.

Race, Ethnicity, and Nationality (US Only)	Asian	35	2.46%
	Black or African American	249	17.50%
	Hispanic or Latino	33	2.32%
	White	1,045	73.44%
	Indigenous or Native	5	0.35%
	Other	56	3.94%
Race, Ethnicity, and Nationality in MGMT (US Only)	Asian	4	1.61%
	Black or African American	13	5.24%
	Hispanic or Latino	7	2.82%
	White	212	85.48%
	Indigenous or Native	0	0.00%
	Other	11	4.44%

Age Gender	<30 years old	267	14.20%
	30-50 years old	1,074	57.13%
	>50 years old	539	28.67%
	Female	486	25.85%
	Male	1,364	72.55%
	Choose not to disclose	30	1.60%

Total Employees	1,880	
Total Management	320	17.02%
Total Top Management	26	1.38%
Total Jr. Management (Supervisors and Managers)	208	23.56%
Total Revenue Generating MGMT	50	2.66%
Total STEM	561	29.84%
Total Professional	966	51.38%
Women	486	25.85%
Women in MGMT	87	27.19% (of management)
Women in Jr. MGMT (Supervisors and Managers)	62	26.92% (of Jr. Mangement)
Women in Top MGMT	7	26.96% (of Top Management)
Women in Revenue Generating MGMT	10	20.00% (of revenue Generating management)
Women in STEM	130	23.17% (of STEM Employees)

#### **Local Communities**

Our specific disclosure 413 Local Communities aligns with the management approach of our material topic Our Communities.

## Percentage of operations with implemented local community engagement, impact assessments, and development programs RT-CH-210a.1

413-1

405-1

In 2021, 100 percent of Ingevity's operating facilities actively participated in community engagement and programs. We encourage our employees to get involved in community engagement programs, offering a robust employee volunteerism program. This is designed to strengthen relationships with organizations that support our values as a business. Please reference the Our Communities and Stakeholder Engagement sections in this index for additional information.

#### **Customer Health and Safety**

Our specific disclosure 416 aligns with the management approach of our material topic: Personal, Process and Public Safety.

#### **Marketing and Labeling**

Our specific disclosure 417 aligns with the management approach of our material topic: Personal, Process and Public Safety.

## Incidents of non-compliance concerning the health and safety impacts of products and services and incidents of non-compliance concerning product and service information and labeling

In 2021, Ingevity recorded zero incidents involving product regulatory issues, health and safety impacts of our products and product information and labeling. In the interest of continuous improvement, we made several updates to our product stewardship and regulatory management systems:

#### 416-2, 417-2

Ingevity Safety, Health, Environmental, Security and Responsible Care Policy: https://www.ingevity.com/uploads/page-pdfs/Responsible\_Care\_Policy\_Rev\_19\_Sept.-28\_2020.pdf

Responsible Care Product Safety Code: https://www.americanchemistry.com/chemistry-in-america/responsible-care-driving-safety-industry-performance/resources/responsible-care-product-safety-code

# SASB INDEX

Topic	Accounting Metric	Category	Code	Response (or location for more information)
Greenhouse Gas Emissions	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulation	Quantitative	RT-CH-110a.1	252,925 metric tons CO2e In 2021, 0% of our scope 1 emissions were covered under emissions-limiting regulations.
	Discussion of long-term and short-term strategy or plan to manage Scope 1 and Scope 2 emissions, emissions reduction targets and an analysis of performance against those topics	Discussion and Analysis	RT-CH-110a.2	See Sustainability Report - GHG Emissions - Environmental Protection
Air Quality	Air emissions of the following pollutants: (1) NOX (excluding N2O), (2) SOX, (3) volatile organic compounds (VOCs) and (4) hazardous air pollutants (HAPs)	Quantitative	RT-CH-120a.1	310.5 metric tons NO <sub>X</sub> 27.4 metric tons SO <sub>X</sub> 233.4 metric tons VOCs 32.0 metric tons HAPs
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	Quantitative	RT-CH-130a.1	<ol> <li>Total energy consumed         = 7,381,078 MMBtu</li> <li>Percentage grid electricity         = 10.66%</li> <li>Percentage renewable         = 0.8%</li> <li>Total self-generated energy         = 136 MMBtu</li> </ol>
Water Management	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with high or extremely high baseline water stress	Quantitative	RT-CH-140a.1	10,180 thousand cubic meters withdrawn 753.8 thousand cubic meters consumed Ingevity does not operate in any water-stressed regions.
	Number of incidents of non- compliance associated with water quality permits, standards and regulations	Quantitative	RT-CH-140a.2	No incidents of non-compliance associated with water quality permits, standards and regulations

Topic	Accounting Metric	Category	Code	Location
Water Management	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	RT-CH-140a.3	See Sustainability Report - Water Environmental Protection
Hazardous Waste Management	Amount of hazardous waste generated; percentage recycled	Quantitative	RT-CH-150a.1	123.51 MT of Hazardous Waste was generated in 2021 97.2% of Hazardous Waste was recycled in 2021
Community Relations	Discussion of engagement processes to manage risks and opportunities associated with community interests	Discussion and Analysis	RT-CH-210a.1	Sustainability Report - Community IngeviCares Engagement Strategy Personal Process and Public Safety
Workforce Health & Safety	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Quantitative	RT-CH-320a.1	TRIR was 0.46 in 2021.  Ingevity had zero fatalities (either employee or contractor).
	Description of efforts to assess, monitor and reduce exposure of employees and contract workers to long-term (chronic) health risks	Discussion and Analysis	RT-CH-32Oa.2	See Sustainability Report - Personal, Process and Public Safety
Product Design for Use- phase Efficiency	Revenue from products designed for use-phase resource efficiency	Quantitative	RT-CH-410a.1	See Sustainability Report - Materials
Safety & Environmental Stewardship of Chemicals	(1) Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products that have undergone a hazard assessment	Quantitative	RT-CH-410b.1	29% of our products contained Category 1 and 2 Health and Environmental Hazardous Substances 100% of these products underwent a hazard assessment.
	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact	Discussion and Analysis	RT-CH-410b.2	See Sustainability Report - Product Stewardship

Торіс	Accounting Metric	Category	Code	Location
Genetically Modified Organisms	Percentage of products by revenue that contain genetically modified organisms (GMOs)	Quantitative	RT-CH-410c.1	0%
Management of the Legal & Regulatory Environment	Discussion of corporate positions related to government regulations and/ or policy proposals that address environmental and social factors affecting the industry	Discussion and Analysis	RT-CH-530a.1	As a global manufacturer of specialty chemicals, we operate in a business environment that includes risks. To identify these risks, we annually employ an enterprise risk assessment framework that involves Ingevity executives and board members to prioritize the risks based on magnitude and likelihood of occurrence. Management is responsible for the development and execution of mitigation plans for key risks on a continuous basis.  Information about these and other risks can be found in the Annual Report, Item 1A (pages 12-26). In addition, our 2021 Proxy Statement outlines the Board of Directors' role in risk management.  Information also can be found in the Product Stewardship section of our GRI Index. Information on our engagement with government agencies can be found in the Stakeholder Engagement section of the GRI Index.

Topic	A	ccounting Metric	Cate	gory	Code		Location
Operational Safety, Emergency Preparedness & Response	cy Preparedness & count (PSIC), process safety		Quantitative		RT-CH-54Oa.1		PSIC = 0  PSTIR = 0  (No Tier 1 process safety incidents)
	Numbe	of transport incidents	Quantitative		RT-CH-540a.2		In 2021, we reported zero significant transportation-related incidents, per the U.S. Department of Transportation's reporting criteria, across the company.
Activity Metric		Categor	у		Code		Value
Production by reportable segn metric tons	nent, in	Quantitative		RT-CH-000-A		metric	mance Chemicals: 794,850.8

#### Forward-Looking Statements and Other Disclaimers

This Sustainability Report contains "forward-looking statements" within the meaning of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. Such statements generally include the words "will," "plans," "intends," "targets," "expects," "outlook," "believes," "anticipates" or similar expressions. Forward-looking statements may include, without limitation, statements which relate to the purpose, ambitions, aims, commitments, targets, plans and objectives of Ingevity's sustainability goals. Actual results could differ materially from the views expressed. Factors that could cause actual results to materially differ from those contained in the forward-looking statements, or that could cause other forward-looking statements to prove incorrect, include, without limitation, such factors detailed from time to time in the reports we file with the SEC, including those described under "Risk Factors" in our 2021 Annual Report on Form 10-K and other periodic filings. These forward-looking statements speak only to management's beliefs as of the date of this press release. Ingevity assumes no obligation to provide any revisions to, or update, any projections and forward-looking statements contained in this Sustainability Report.

This Sustainability Report also contains data from third party sources, which are not controlled by Ingevity and cannot be fully verified by Ingevity.

The term "material" used in this report is used to refer to relevant sustainability topics which potentially merit inclusion in this report and that can reasonably be considered important for reflecting our environmental, social and governance goals and performance. "Material" for the purposes of this report should not, therefore, be read as equating to any use of the word in filings that Ingevity has made or will make with the SEC.

No part of this Sustainability Report constitutes, or shall be taken to constitute, an invitation or inducement to invest in Ingevity or any other entity and must not be relied upon in any way in connection with any investment decisions. With respect to information regarding Ingevity's financial condition and results of operations, along with disclosure regarding the most significant risk factors affecting our company, please refer to our filings with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2021 and our subsequently filed reports.

