

Binani

3B the fibreglass company

B R A J B I N A N I G R O U P




This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.



Sustainability Report 2019

www.3B-fibreglass.com



Sustainability is a pre-condition to be successful on the long term while being an ecologically and socially responsible leader in the glass fibre market.

Statement from CEO

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“We have thus been doing the preparation work to take the next step in our sustainable development strategy, the one that will allow us to significantly reduce our environmental footprint”

Commitment to sustainability is an integral part of our corporate culture. Throughout the organisation, our people are developing solutions to address sustainability challenges - both for the company and for society at large - and working to grow our business in a responsible way.

In 2019, global sustainability challenges moved to the centre of public attention, confirming the need for a strong commitment and motivating all of us to further accelerate our efforts. We reaffirmed our support to the UN Global Compact, as our action plans are mapped against the UN sustainability agenda. The Sustainable Development Goals (SDGs) are key guides for us. While we are focusing on the most relevant, actionable and meaningful SDGs, we are able to put our efforts where we can have the biggest impact and contribute to a sustainable future in a concrete and practical way, both gradually minimising our negative impact and maximising our positive impact.

This report provides a detailed overview of how we have actually been doing it in 2019. As a matter of fact, we have been further developing our initiatives. This year, we have also been putting a lot of energy to open up the circle to our suppliers, through more in-depth audits and assessment of their CSR maturity, systematic integration of CSR criteria in evaluation and closer follow-up. We know that these programmes need time to stabilise.

We have continued our action plan with conviction. We have taken care to clarify for each person working at 3B how they can make a difference, at their level, whether through their work, their attitude and their habits at work, but also in their private life and with their family. In doing so, we have considered the pitfalls that we encountered on the way as means to do better and to go further in the future.

Looking ahead, we remain as committed as ever to developing a sustainable business.

We have thus been doing the preparation work to take the next step in our sustainable development strategy, the one that will allow us to significantly reduce our environmental footprint, particularly in terms of CO₂ emissions. Our customers, internal experts and staff members will be major players in this new endeavour, stepping up our climate change mitigation efforts and embracing the ambitious aim of the Paris Agreement.




I am looking forward to reporting again next year, as I am confident that we will have made good progress on this inspiring and rewarding path.

Sincerely yours,

Marc Hubert,
CEO



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Innovation and entrepreneurial spirit in essence

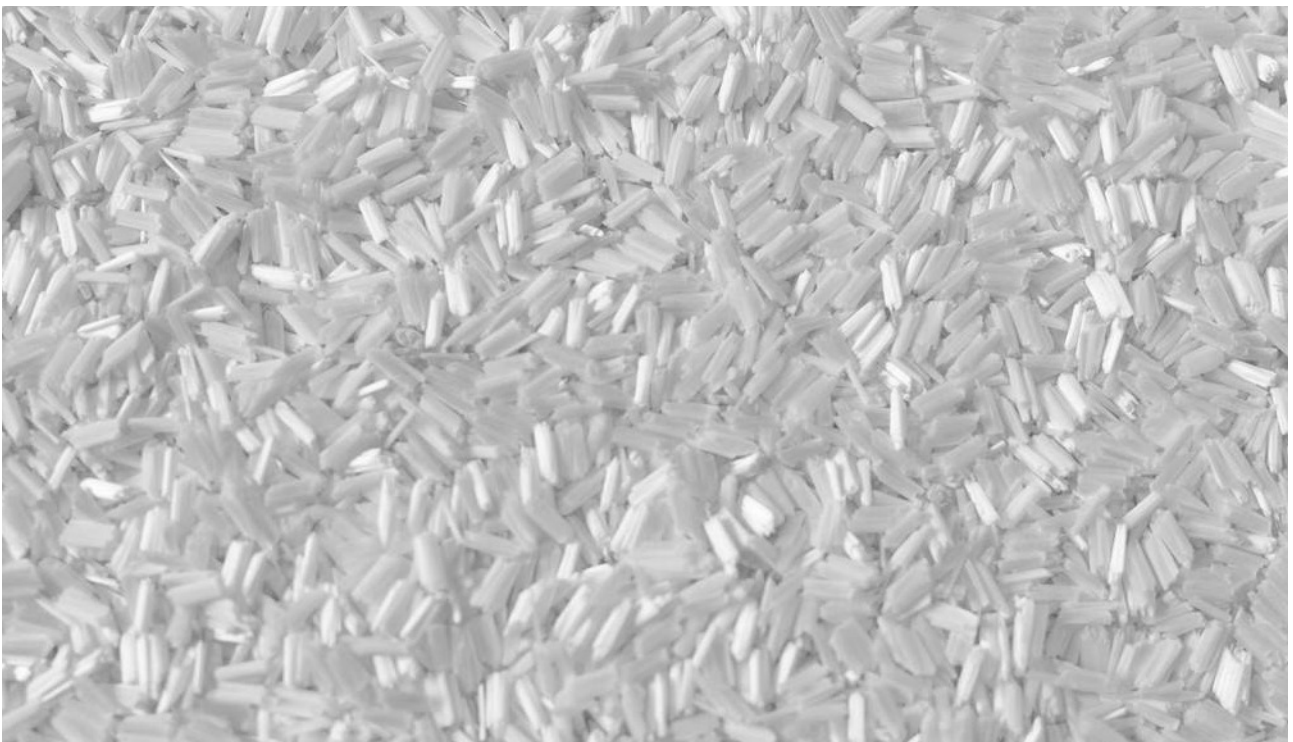
3B-the fibreglass company is a leading developer and supplier of glass fibre products and technologies for the reinforcement of composite materials. Our products are designed and optimized to serve the automotive industry, the wind industry and to be incorporated in performance composites. We operate 3 state-of-the-art manufacturing facilities located in Birkeland (Norway), Battice (Belgium), and Goa (India). Our dedicated R&D Centre, Customer Service Centre and Corporate headquarters are located in Belgium.

Unique knowhow and assets to support our customers

1,000 people work at 3B. Every day we deliver innovative, value creating solutions to our customers around the world. 3B is a human-scale company: through genuine proximity we develop strong partnerships with our customers and offer our people the opportunity to learn and grow within the company. Thanks to a rich heritage in fibreglass development and production that goes back more than 50 years, we can boast of an excellent knowhow and innovation capacity, that we place at the service of our customers' growth and development.

Sustainability, a pre-condition of success

3B operates in an industry that is at the forefront of the sustainability challenges. Among our key customers are some of the world leaders that set the pace for CO2 emission reduction and green energy. By supporting them and by developing a responsible company strategy, we take an active part in the global sustainability endeavour. 3B is a member of the United Nations Global Compact (UNGC) since 2015.





"We are a transparent and accountable company, integrating ethics and social responsibility in the company and reporting to the UN Global Compact."

3.1 Stakeholder engagement & materiality analysis

Context, Policy and Goals

The importance of a proper materiality analysis and stakeholder engagement can't be sufficiently emphasised. It ensures that the right focus is given to strategic topics. In a survey realised by AccountAbility¹, 61% of companies surveyed stated that stakeholder engagement and materiality are "very important" to risk management and reputation management.

According to the GRI Foundation principles (GRI-101 and GRI-102) a materiality analysis is performed based on stakeholder inclusiveness and the sustainability context.

The relevant sustainability context for 3B comprises the following elements:

- United Nations (UN) Sustainable Development Goals (SDG)
- UN Global Compact initiative and its 10 principles²
- Life Cycle Assessment (LCA) of Continuous Filamentous Glass Fibre (CFGF) realised by Glass Fibre Europe³

SUSTAINABLE DEVELOPMENT GOALS



¹ AccountAbility, BT Group Plc and LRQA, 2006.

² UNGC principles: see page 8. Source: <https://www.unglobalcompact.org/what-is-gc/mission/principles>

³ Glass Fibre Europe: LCA analysis (<https://www.glassfibreeurope.eu/sustainability/life-cycle-inventory-impact-assessment/>)

The Ten Principles of the United Nations Global Compact

HUMAN RIGHTS

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

LABOUR

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

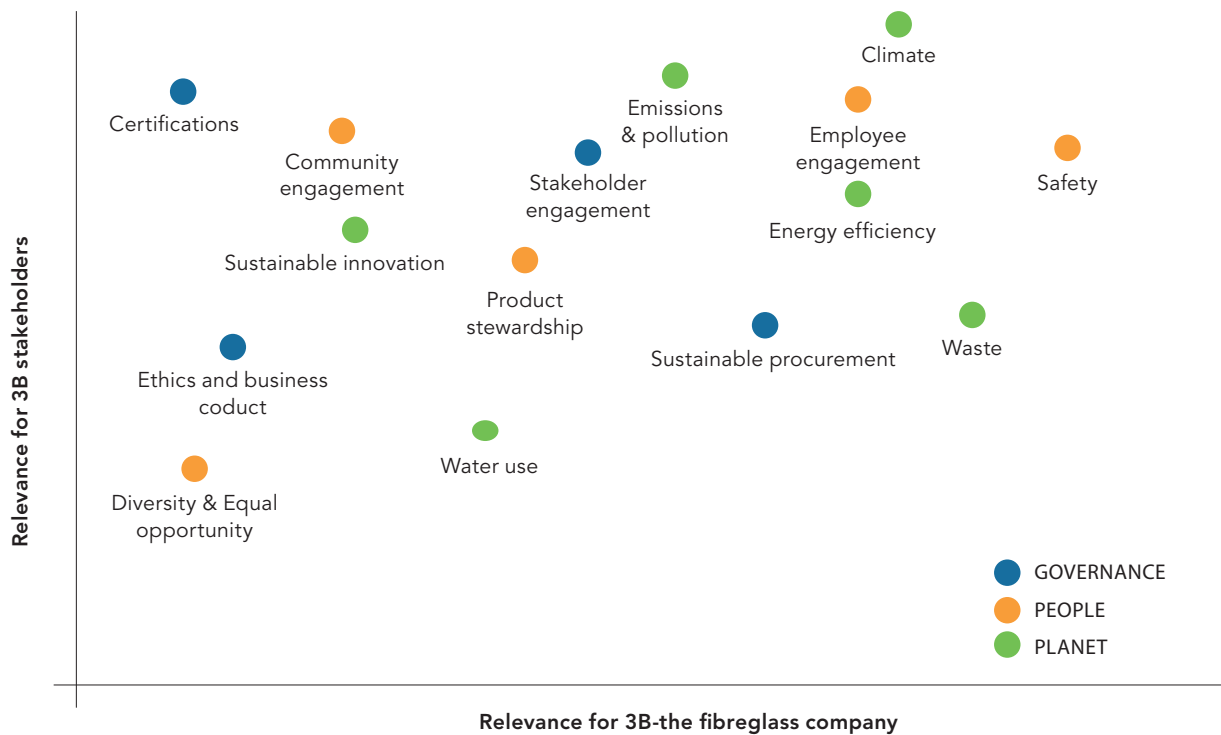
Implementation

Markets evolve and value drivers shift. Things that definitely did not count yesterday may make or break an organisation today; while what might be important today may turn out to be irrelevant tomorrow. Therefore 3B aims to review its materiality analysis regularly to ensure that the sustainability strategy is in line with stakeholder expectations.

3B's materiality analysis is thus updated every year based on several stakeholder discussion platforms:

- Employee engagement survey and performance reviews
- Materiality analysis workshops
- Customer requests and customer sustainability priorities
- Trade associations
- UNGC and UN SDGs
- Exchanges with local communities
- Supplier discussions, negotiations and evaluations

The updated materiality matrix for 3B is given below.



Note that all items mentioned in the Materiality analysis are important for 3B. Items appearing lower in the diagram are equally important, but are considered less strategic as the identified gaps and criticality in the specific context are lower.

Performance measurements - Objectives

Our objectives related to stakeholder engagement are:

- promote internal understanding of the link between sustainable development issues and business strategy;
- improve the materiality analysis by increasing stakeholder involvement and ensuring that stakeholder feedback is properly integrated;
- drive the sustainability challenge up in the mind of all in the organisation through regular discussions, publication of articles, information sharing...

3.2 Ethics and business conduct

Context, Policy and Goals

At 3B, we consider our people to be the source of our success. We promote a safe workplace, where passion, entrepreneurial and team spirit, trust, respect and integrity are shared amongst all.



Our corporate values are a critical part of who we are as a Company. They are our fundamental beliefs. They guide our actions. They influence the way we work and the way we engage with our customers.

Strength

As the strength of our products reinforces composites applications, the strength of our people makes 3B-the fibreglass company a solid partner thanks to both competence and integrity. We offer dynamic strength to identify potential, leverage opportunities and act with flexibility in a solution-oriented manner.

Reliability

We are fully committed and dedicated to our customers. They can count on us and on our products. With efficiency and discipline, we give our best to deliver consistent top-quality products and services, and meet customer demands. We do what we say. We fulfil expectations and keep promises.

Proximity

With the objective to best meet and exceed our customers' needs, we maintain close relationships with them and build real long-term partnerships. We listen carefully to our partners and endeavour to understand their needs. This human proximity is completed with a geographical proximity with our European customers. And, as our customers expand globally, 3B has developed its international presence to support them with the same service level around the globe. Such a comprehensive proximity allows us to develop value added solutions beyond the product itself and to react quickly to changing needs and challenges.

3B is committed to conducting its business in accordance with applicable laws, rules and regulations and the highest standards of business ethics and ethical conduct, in full respect of people's right to privacy.

Integrity comes from action, not words. Unyielding personal integrity is the foundation of corporate integrity. 3B aims to create an environment that allows individuals to excel, be creative, take initiatives, seek new ways to solve problems, generate opportunities, be accountable for their actions and be recognised for their contribution and teamwork.

3B's commitment to ethical and lawful business conduct is a fundamental shared value of the Board of Directors, management and employees. It is critical to the success of the company. These standards for business conduct provide that senior management and employees will uphold ethical and legal standards vigorously as the company pursues its financial goals, and that honesty and integrity will not be compromised anywhere at any time. Consistent with these principles, the company's board adopts this code of conduct as a guide to the high ethical and legal standards expected of the senior management. These standards are not voluntary but mandatory.

To support this commitment, 3B has a Business Code of Conduct in place.

This Code of Conduct reflects the business practices and principles of behaviour expected from each 3B staff member. The Board of Directors is responsible for setting the standards of conduct contained in the Code and for updating these standards as appropriate to reflect legal, regulatory and societal developments. The Code is intended to provide guidance and help in recognising and dealing with ethical issues and to foster a culture of honesty and accountability. Every employee must read and understand this Code as well as its application to the performance of his or her duties, functions and responsibilities.

Implementation

At 3B a demanding Code of Conduct is the common foundation of people's practices. This reference document has evolved over time to always reflect current practices and issues. An explicit reference to the Code of Conduct is included in each new employee's employment contract. When joining the company, employees thus commit to the Code.

For those already employed, the Code is circulated and discussed when significant amendments are made. We have also put a routine in place, so that all our staff is invited to review the document every 3 years. This process ensures that all have an up-to-date and in-depth knowledge of its principles.

In 2018, the principles of the General Data Protection Regulation (GDPR) were integrated in our Code of Conduct, applying to all 3B staff members in all 3B locations.

This dimension was also integrated in the 3B Supplier Code of Conduct, so that we can support a wide compliance with the principles of the GDPR as well. We consider this to be part of our role as a socially responsible corporate organisation.

3B's Business code of conduct is thus a living document that develops over time and takes new practices and tools into account and addresses the sensitivities of all stakeholders. As a matter of fact, the 2019 version of the Code clarifies the accepted use of digital communication tools within the company, as well as the expectations of the company vis-à-vis its staff members when it comes to access to data.

Performance measurements - Objectives

3B will continue improving awareness of the Code of Conduct and its principles through regular communications.

Adherence rate

2018	2019
76%	86%



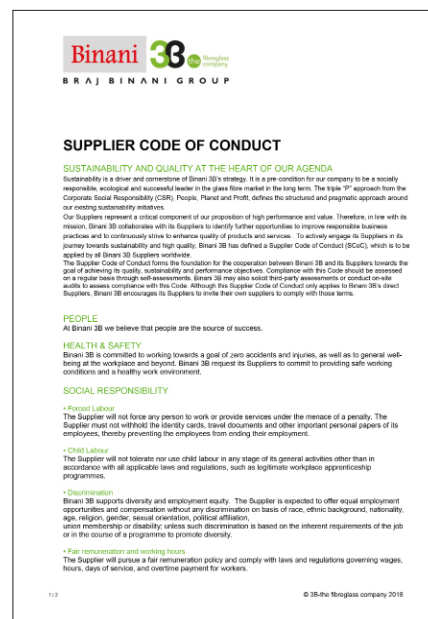
3.3 Sustainable procurement

Context, Policy and Goals

Our suppliers represent a critical component of our proposition of high performance and value. Therefore, in line with its mission, 3B collaborates with its suppliers to identify further opportunities to improve responsible business practices. To actively engage its suppliers in the journey towards sustainability, 3B has developed a Supplier Code of Conduct, which is to be applied by all 3B suppliers worldwide. The Supplier Code of Conduct forms the foundation for the cooperation between 3B and its suppliers in order to achieve its quality, sustainability and performance objectives.

Our Supplier Code of Conduct is available from our website⁴.

We have also developed a structured monitoring of our suppliers' activities.



Implementation

A detailed supplier Corporate Social Responsibility (CSR) survey was conducted in 2019. The survey covered topics ranging from labour and human rights, to environment, sustainable procurement, or business ethics. The results of the survey provided us a good picture of the CSR maturity of our different suppliers.

Suppliers' performance on the supplier CSR survey is also reflected in their overall yearly supplier evaluation communicated by 3B. This allows us to track suppliers that need support and close follow-up to improve their CSR performance.

Sustainability and social responsibility are important elements in our supplier selection process as formally reflected in the supplier pre-qualification and evaluation forms and supplier audit questionnaire.

Performance measurements - Objectives

Results of the survey are given below. Suppliers with poor CSR performance are contacted for improvement request. Suppliers that did not respond to the survey will see an impact in their supplier evaluation from 3B. Our team will ensure a closer monitoring for them.

Among 3B's motivations in conducting such an in-depth survey and related actions is our aim to improve visibility of the carbon footprint of our suppliers and encourage them to reduce it.

⁴ https://www.3b-fiberglass.com/sites/default/files/documents-files/180910_3b_supplier_code_of_conduct_website.pdf

Sustainable procurement	2016	2019
Signature of Code of Conduct or compliance with its principles	31%	78%
CSR survey response rate	-	
- Battice		38%
- Birkeland		39%
- Goa		17%
OHSAS 18001 - ISO 45001 certification of suppliers	-	17.5%
ISO 14001 certification of suppliers	-	32%
Suppliers having specific programmes to reduce energy consumption and GHG emissions	-	31.5%
% of suppliers providing carbon footprint	-	24%

3.4 Certifications

Context, Policy and Goals

Through external certifications we want to assure our customers that our products, systems and organisation are safe, reliable and respect the environment.

Implementation

All our plants are certified ISO 9001, ISO 14001 and OHSAS 18001. They are undergoing improvement of their occupational health and safety management system to ensure compliance with ISO 45001. Our objective is to have all 3B plants certified ISO 45001 in 2021.

The CSR performance of our plants is evaluated regularly through the EcoVadis platform. The EcoVadis methodology covers 21 criteria across four themes: environment, fair labour practices, ethics/fair business practices and supply chain. The methodology is built on international CSR standards including the Global Reporting Initiative, the United Nations Global Compact and the ISO 26000. Our plant in Battice (Belgium) has been assessed regularly and has recently obtained a score of 70 (Gold category) - see table below.

In addition, our plant in Goa (India) was awarded its 5S certification by JUSE (Japanese Union of Scientists and Engineers) and QCFI (Quality Circle Forum of India) after completing a very positive 5S journey started back in 2015.



3B team at 33rd National Convention on Quality Concepts on 30 December 2019 at IIT (BHU) in Varanasi (Uttar Pradesh, India)

Performance measurements - Objectives

CSR Performance - EcoVadis assessment

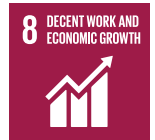
Plant	2013	2016	2018	2019	2020
Battice plant	52	67	68	70	
Goa			57		
Birkeland	-	-	-	-	Assessment planned





People

4



4.1 Health and Safety

Context, Policy and Goals

Our objective regarding health and safety is very clear:

OBJECTIVE =  ZERO ACCIDENT

Health and Safety principles are promoted, recognizing that all accidents are preventable, that safety is the responsibility of everyone and that working safely is a condition for employment at 3B.



At 3B we make sure the health and safety of our people is at the very heart of our priorities. This principle is mainly translated in actions every day, at all sites, emphasising our commitment to safety.

In 2019, we reshaped the Occupational Health and Safety Policy of the company. This policy is aimed at being top of mind with all our people. It is a short and straightforward document, in which each 3B staff member is to find a reference framework. It is complemented by local charters. A broad communication campaign will be organised within the company in 2020.



The image shows the cover of the Occupational Health & Safety Policy document. At the top, there is a photograph of a person holding a green apple. Below the photo, the title "Occupational Health & Safety Policy" is written in white on a green background. The document is set against a light green background. The text on the document is as follows:

3B's Occupational Health & Safety (OH&S) vision is to strive for **Zero Accident** by implementing **safety excellence** and **involving every stakeholder**: our employees, suppliers, visitors, ...

We will achieve this thanks to the **individual commitment of each 3B employee** to:

- always think safety first, focus on the activity and related risks (STOP-THINK-ACT). **All accidents are preventable**;
- address safety issues with colleagues immediately, apply shared vigilance principles and report potential risks. **Safety is the responsibility of everyone**;
- abide by health and safety rules, ensure they are followed at 3B and at customer premises. **Safety is a condition for employment**.

3B is committed to:

- provide **safe and healthy working conditions** for the prevention of work-related injury and ill health;
- **ensure** that each person is **competent** to perform his/her work safely, supported by appropriate training and regular monitoring;
- **perform** regular **risk analyses**, adequately followed by preventive and protective measures with consultation and active participation of workers in order to eliminate hazards and reduce OH&S risks;
- **select suppliers** based on their safety performance and strict compliance to safety rules, working safely being a pre-condition for partnership;
- **continuously improve** the OH&S Management Systems;
- **comply** with all applicable legal and other requirements.

Binani 3B fibreglass company
BRAJ BINANI GROUP

For more information: www.3b-fibreglass.com

Implementation

Every year safety programmes are organised in all 3B plants to increase safety awareness and reinforce safety engagement throughout the company, based on shared objectives and principles. In 2019 a very strong focus was laid on safety programmes as our safety results tend to stagnate. Each site developed site-specific actions in order to enhance the company's safety culture and to boost safe work practices, based on in-depth analysis of incidents, their frequency and their impact on people's health. Among the actions, we can list: 5S, safety awareness through safety talks, e-learning, targeted (re)training in the context of co-activity, intensification of risk assessment, safety clothing, fire awareness, chemical hazard, etc.

Safety initiatives at our plant in Goa (India)

The 2019 Safety Week celebrations in our plant in Goa took place from 4 to 8 March in the context of the Indian National Safety Week. That week was fully devoted to safety-related topics, with workshops, practical training sessions, awareness-raising presentations, advanced upgrade programmes on a variety of relevant topics (manual material handling, fire safety and emergency evacuation, scaffolding...). In addition to the various quizzes and competitions organised during the week, a special class was proposed to our female colleagues focusing on self-defence techniques. An eye check-up camp was also organised and 120 employees benefited from it.

As usual, a part of the programme was designed for the local community. In 2019, our staff shared their expertise on Do's and Don'ts in LPG handling or in case of leakage. A session about snake awareness from the Green Cross organisation was also hosted. Both programmes were attended by villagers, school teachers and students from the local community of Covale.

Later in the year, a road safety campaign was organised for the staff.

Additionally, the safety team in Goa actively participated in the Indian Fire Service Week (FSW), which is observed nationwide under the guidance of the Fire Adviser, Ministry of Home Affairs, Govt. of India (April 2019).



On top of the collective approach to safety, our Goa plant also launched an initiative as pilot site for 3B, allowing each individual within the company to propose a personal safety project based on his/her specific motivation or skills. 10 projects were selected in Goa, tackling a variety of topics, from the guidance in the replacement of cleaning products for healthier ones, organisation of yoga classes focusing on body mechanics at work, or a specific approach to local suppliers to help them understand and apply our safety requirements by adapting them in format and language (local dialects), for example.

The many Health and Safety initiatives carried out by the team in Goa and their constant focus on these issues since many years are bearing fruit. As proof of this, the various awards that have received in 2019: "Gold award" in "Apex India Occupational Health and Safety Awards 2019", "Gold Award" in "Apex India Safe Workplace Award 2019" for the chemical sector, "QCFI Par Excellence Award" in the 5S Kaizen Competition at the National conclave on 5S, "5S Coordinator Award by QCFI" and "QCFI Par Excellence Award" - In 5S Case study Competition at National conclave on Quality Concepts.

Safety Days at our plant in Battice (Belgium)

A prominent theme of the training and awareness plan at the Battice plant in 2019 was the prevention of the risk associated with the workstation. Sessions were therefore devoted to reviewing the risks associated with each type of workstation, followed by a detailed and participative review of preventive measures and good work practices. Other health and safety topics will continue to be tackled using the participative safety discussion model in the future.

Safety Days at our S&T (Belgium)

Our Science & Technology site is the company's research centre and the building is also home to corporate departments. People working in labs and people in administrative functions are thus working in the same environment, which has an impact on the way we approach health and safety topics. The yearly safety week of the S&T focused on safety prevention through dialogue: how can we have a greater impact on safety by discussing safety issues with our colleagues. Workshops were devoted to first aid, reporting of dangerous situations, back pain prevention, etc. We also used the occasion to assess health and safety related knowledge among staff in order to plan further awareness actions during the year, such as fire awareness information and exercises (closed door campaign, evacuation drill, fire management drill...).



Safety initiatives at our plant in Birkeland (Norway)

In order to create a real step change and significantly improve safety results, the Birkeland team has reviewed local fundamentals and reformulated all rules, good practices and everyone's responsibilities via a comprehensive safety handbook. For the most frequent types of accident within the plant, more intensive work was carried out, with significant changes in terms of response (speed and quality), specific on-the-job training and communication. Among the collective measures, a new safety uniform was introduced for all staff members (flameproof, visible, antistatic and standard for all staff members). During the Safety Days in particular, we put these learnings into practice and worked on different types of emergency situations (fire, serious injury and first aid on site, discharge of process water containing chemicals, etc.).



Performance measurements - Objectives

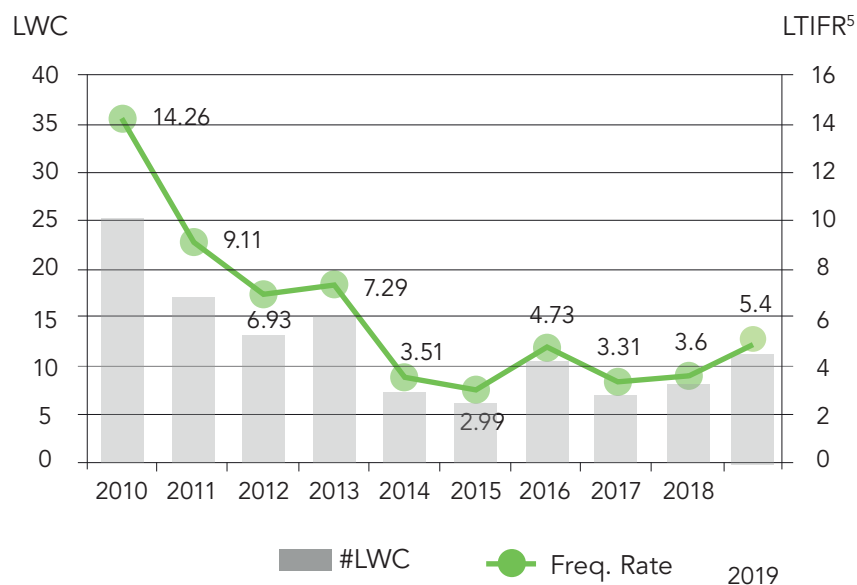
We strongly believe in a safe work environment and we need to relentlessly focus with 100% concentration on the task.

However, as safety results have been plateauing and even slightly deteriorating the last years, there was a very high focus on safety at all 3B sites in 2019. Our 2019 global safety improvement programme was very intensive and included the review of the Health and Safety policy, creation of 3B safe work practices, competence gap assessments and trainings, new standard PPE, extended risk assessment, 5S, e-learning for internal and external workers, ...

A specific leadership development programme was also carried out, targeting all managers in the company, also supporting safety culture step change.

Although the results for the full year did not explicitly show a significant improvement, the developments in the second part of the year were encouraging.

Evolution LWC and LTFR



⁵ LTIFR = Lost Time Injury Frequency Rate

Since 2017 we are using a compounded indicator (accident index) to improve visibility on all accidents involving injuries with medical treatment.

3B Safety indicators	2015	2016	2017	2018	2019
Accident index ⁶	9.2	10.7	8.8	11.7	11.8
Engagement survey - % of our people that believe all necessary measures are undertaken to ensure their safety	82%	82%	87%	82%	94%
Lost Workday Cases (LWC)	6	11	7	9	14
Lost Time Injury Frequency (LTIFR) ⁶	-	4.73	3.31	3.6	5.4
Total Recordable Injury Frequency Rate (TRIFR) ⁶	-	1.9	2.3	4.8	4.0



Every year, the company conducts an engagement survey: people are asked if they believe that all necessary measures are undertaken to ensure their safety. Actions are organised considering the comments from those who answered “No” to this question. These actions come in addition to the ongoing initiatives to reinforce our safety culture everywhere within the company.

This result represents a marked improvement over the previous year (+12%), indicating that our people clearly perceive a positive change.

⁶ Accident index = 60%*Lost Workday Case (LWC) + 30% + Restricted Work case (RWC) 10% REcordable injury (REC).

LTIFR = #LWC*1000000/Manhours worked. TRIFR = (REC + RWC + LWC) * 200000/Manhours worked.

4.2 Community engagement

Context, Policy and Goals

Our plants are important economic players in the regions where they operate. Strong links exist with the local population and authorities. In Battice (Belgium) the plant began operations in 1966, more than 50 years ago. The Birkeland plant started in 1974 and that of Goa in 1996. Throughout these years, the plants have developed and hundreds of people have been working there. 3B therefore believes that the company has a strong responsibility towards local communities. The company's approach focuses on safety and health issues as these are areas where we believe our experience and contribution are most relevant and legitimate.

Implementation

In Battice (Belgium), 3B has built close relationships with the nearby communities and local authorities through the organisation of regular discussion forums around environmental concerns. 3B also regularly interacts with the local fire services in order to facilitate their intervention in the event of an incident. In addition, 3B opens its doors to emergency services for the implementation of scenario-based exercises and simulations that may occur in different companies of similar or smaller size. This year, a specific exercise was organised at 3B, taking advantage of our high water tower (48 m) to train for operations at height. We also supported sports activities from local schools, by granting access to fields adjacent to our sites for trails.

In Birkeland (Norway), community related activities focus on health. The company promotes the practice of various sports among its employees (see 4.1 Health and Safety). By opening some activities to families and close community (soccer, fishing), 3B contributes to promoting a healthier way of life among inhabitants of neighbouring cities and villages.

In Goa, 3B organises various community activities in order to improve health and safety. As referred to earlier, during the yearly safety week, 3B sets up an information, awareness and screening programme for the inhabitants of the village of Colvale, where it operates. In 2019, the community health and safety activities touched upon best practices to handle LPG, directly sharing our professional expertise and applying it to everyday life situations. A snake awareness sessions was also organised for villagers, teachers and students.

We can also mention that plant staff continued the initiative launched the previous year with their "Beat plastic pollution" rally on World Environment Day. In 2019, the "Beat Plastic Pollution" rally in the Colvale industrial estate included numerous interactions with the community. Plant staff gave out 2,000 dust bins as well as 500 cotton bags and conducted awareness sessions on cleanliness. Some 5S actions were carried out at nominated homes in Covale, at Government school of Revora village and at temples and other worship places.



Performance measurements - Objectives

3B will continue its involvement and engagement towards the communities around the plants.

4.3 Product stewardship

Context, Policy and Goals

For 3B stewardship means:

- having the responsibility to make health, safety and environmental protection an integral part of all daily work;
- ensuring that adequate EH&S information is available to assess the health and safety hazards of each product for its intended uses;
- having a product stewardship policy based on risk prioritisation;
- ensuring that product stewardship is engaged in product/process design and improvement processes;
- ensuring that customers receive appropriate product stewardship information.

Implementation

The following product stewardship strategy is in place:

- appointment of a dedicated regulatory and product steward;
- development of a regulatory policy defining the rules that we want to follow when we develop a new product and/or when there are regulation changes that modify the safety aspect of our current product portfolio;
- continuous and proactive monitoring of the regulatory status of all our sizing ingredients and launch substitution projects when appropriate;
- clear and complete regulatory support provided to our customers as well as Sales and Marketing team concerning chemical risks related to our products;
- implementation of a regulatory management system (Safety Datasheet management, regulatory watch and reviews, ...);
- in-depth chemical risk and industrial hygiene review for all sizings (for lab development and industrial purposes);
- active partnership with Business, Sales & Marketing, Supply Chain and R&D teams to ensure global regulatory compliance for all products (REACH, food contact, water contact);
- advice to R&D and Business teams on regulatory requirements and regulatory impact during New Product Development Processes;
- monitoring, interpretation and communication of regulatory issues that will impact products and business strategies;
- development and maintenance of effective relationships with various regulatory authorities and certification institutes (CARSO, K&H, ...);
- management of ongoing regulatory compliance (REACH, FDA, etc.);
- active participation in trade association and industry specific meetings and programmes;
- monitoring and management of emerging issues in the areas of product stewardship, quality, and chemical regulation.

Performance measurements - Objectives

Our product stewardship objectives are:

- ensuring that all harmful chemicals are identified and phasing out action plans are defined;
- ensuring proper follow-up of potentially harmful chemicals;
- phasing out of harmful substances in all our production sites;
- following up on suppliers' contractual obligation to communicate any change and modification in hazards mentioned in safety datasheets;
- ensuring that no safety datasheet is older than 3 years.

We aim to further improve communication about chemical risks and product stewardship in 2019 as well as review of the Safety Data Sheet management processes.



4.4 Employee engagement

“Our people are the source of
our success”

Context, Policy and Goals

As part of our company strategy, one key axis consists in engaging, energising and developing our employees in order to help them reach their full potential, considering safety at all times.

Regular assessments demonstrate that our people are satisfied to work at 3B and that they have a good level of engagement. Supported by various initiatives, our employees understand our Strategy and are committed to give their best to execute it and drive results.

- People know what is expected from them at work and are being provided regular feedback on their performance and contribution.
- People are being developed and trained to perform at their best level.
- 3B’s culture is being strengthened through a specific behavioural programme.



Implementation

In order to support a strong and sustainable company culture, 3B launched a behavioural programme in 2015. Our Successful Behaviours programme aims at promoting 9 critical behaviours and to make them part of our DNA so that we can build a better and sustainable future for our company. The focus has been put on 4 key topics: Build trust, Deliver results, Stimulate innovation and Give recognition.

The Successful Behaviours programme is applied at corporate level, and all employees are involved. The 9 behaviours are now part of our performance management system, as they are useful guides in daily work life as well as in performance reviews. Newcomers are exposed to Successful Behaviours during their induction programme and concrete examples are provided in order help them relate the successful behaviours to daily activities at work.

Every year in October, we run a survey to assess the level of engagement of our teams as well as their perception on various topics such as:

- the general feeling of employees vis-à-vis the company,
- the effectiveness of the communication within the company,
- the level of understanding of the vision, strategy and main objectives of the company,
- the commitment to our values.

Based on the outcome of the yearly survey, plans are established to continuously improve.

Performance measurements - Objectives

The results of our engagement survey are given below, for a selection of questions:

Engagement survey	2016	2017	2018	2019
The understanding of the vision, the strategy and the main objectives	4.01/5	3.91/5	3.94/5	4.08/5
The way our values are experienced within the company	3.80/5	3.72/5	3.79/5	3.92/5
The effectiveness of our communication	3.49/5	3.42/5	3.42/5	3.55/5
The overall satisfaction level vis-à-vis 3B as an employer	7.4/10	7.2/10	7.13/10	7.49/10

The results for 2019 show that the company is progressing in most areas that contribute to people's engagement. And we are committed to doing better every year to deliver on our HR ambitions and our company strategy.

To do so, this engagement survey is followed up at department or team level, where specific action plans are developed based on the particular needs of each group.

Engagement and well-being are also extensively discussed with all staff members during the mid-year and end-of-year reviews, and are then related to personal development.

As part of the 2019 action plan for our corporate staff, we conducted an in-depth study related to stress and motivation at work. The study was well received and the results were very representative as participation rate was 85%. Following the study, a specific action plan has been put in place to address the improvement areas identified during the study.



4.5 Diversity and equal opportunity



Context, Policy and Goals

As an international company, we see every day that the teams that bring together people of different profiles, origins or ages are dynamic and innovative. Indeed, each individual brings his/her own experience, his/her own perception and enriches the work of all. Between the different locations of the company, temporary exchanges are frequent and particularly appreciated, both professionally and humanely. Several employees also have the opportunity to go and work in another entity in the longer term, with active support from the company.

3B sees diversity as an advantage and a benefit.

Implementation

At 3B we aim to have a corporate culture where gender and diversity are compatible with the prevailing model.

We are committed to diversity and equal opportunities and believe that improvement starts with monitoring this diversity and addressing eventual gaps in corporate culture and mind-set.

In 2019 our training programme for young executives started last year has been continued. Its aim is to make sure that tomorrow's team leaders have a perfect understanding of all cultures represented in the company and are used to working in different environments, with people from varied origins. This is also part of how we ensure that 3B is an agile company in the long run.

Performance measurements - Objectives

Diversity facts and figures at 3B are given in the table below.

3B diversity indicators	2016	2017	2018	2019
Number of nationalities	25	25	25	25
Engagement survey: "I recognize that the company respects diversity".	3.93/5	3.84/5	3.92/5	4.11/5
% of women	14.8%	14.8%	10%	18%
% of women in management teams	10%	10%	12%	12%



A young girl with curly hair, wearing a green shirt, is holding a small green seedling in her hands. The seedling has three leaves and is growing out of a mound of dark soil. She is standing in a grassy field. The image is split into two horizontal sections. The top section shows the girl's face and upper body, with a green semi-transparent banner overlaid containing white text. The bottom section shows her hands holding the seedling, with the grass in the foreground and background.

**“ 3B is the eco-responsible
glass producer ”**



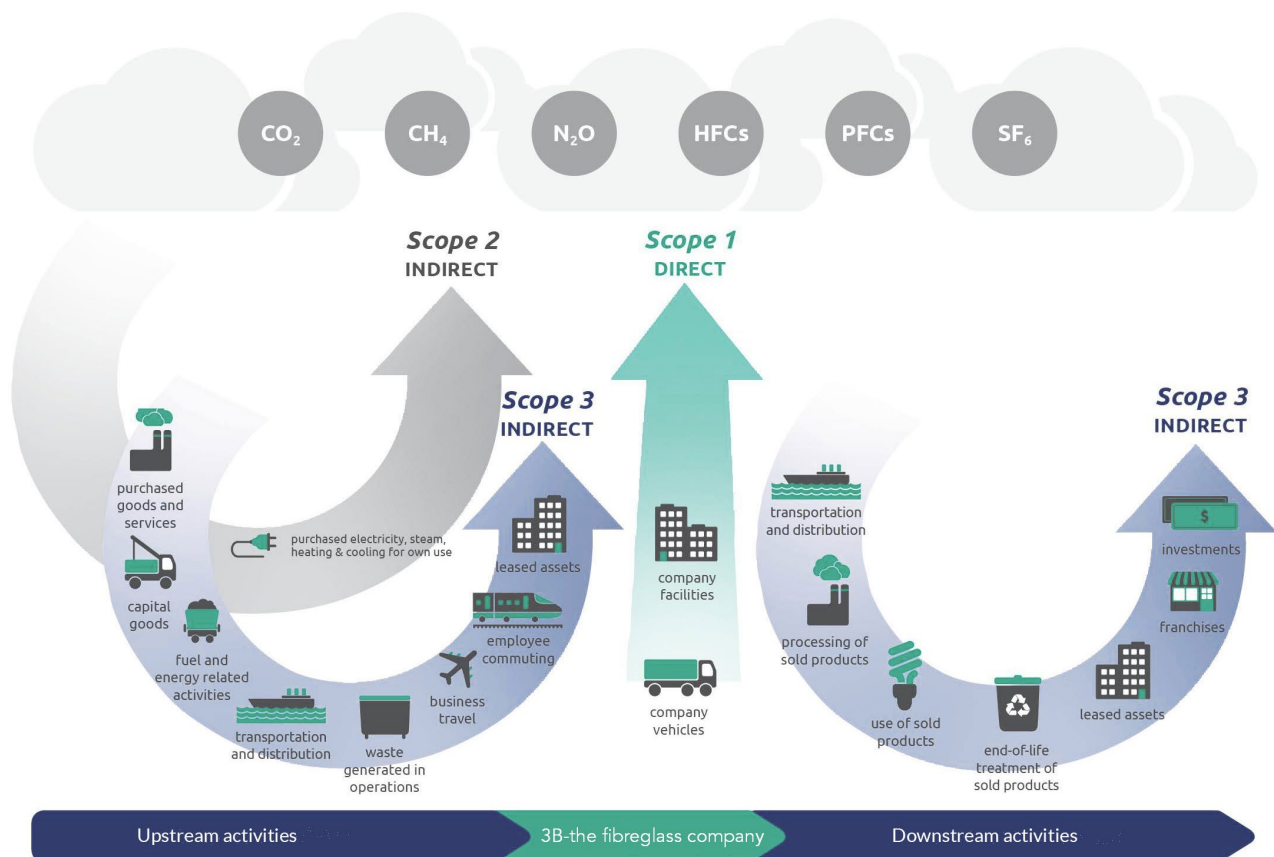
5.1 Climate

Context, Policy and Goals

CO₂ emissions are the major environmental impact of glass fibre manufacturing due to the glass melting process which requires a lot of energy.

As per the Green House Gas (GHG) protocol⁷ GHG emissions can be divided in 3 scopes:

- Scope 1: Direct emissions corresponding to emissions related to fossil fuel consumption and decarbonation of raw material
- Scope 2: Indirect emissions related to purchased electricity
- Scope 3: Indirect emissions related to purchased goods, transport, services



⁷<http://ghgprotocol.org>

The major hot spots related to GHG emissions for Continuous Filament Glass Fibre (CFGF) are:

- fossil fuel combustion and production,
- mineral raw materials de-carbonation (on-site during melting and upstream in the value chain),
- use of electricity.

These hot spots constitute almost 80% of the carbon footprint⁸

Other elements of our carbon footprint are:

- transport of raw materials,
- downstream transport,
- mobility.

Implementation, Performance measurements and Objectives

Over the last years 3B has been working intensively to build a strong internal knowledge basis related to GHG reporting and CO₂ emissions reduction technologies.

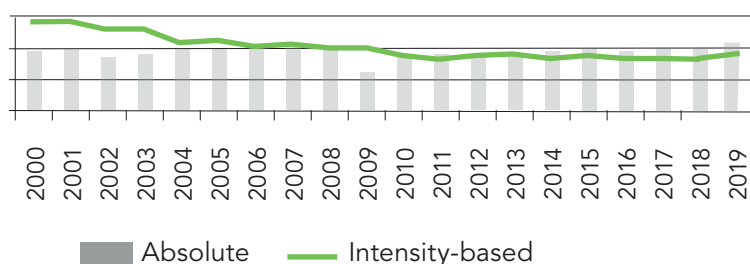
In 2019 3B has applied a structured approach for defining its strategy towards carbon neutrality by 2050. In 2020 we will launch a company-wide initiative to deliver on our ambition to significantly reduce its carbon footprint in the future.

This strategy will include 3 main axes: optimised combustion and defossilisation, our path to the use of 100% renewable electricity and carbon capture. We plan to work on all 3 axes from the GHG protocol. We plan to define the detailed roadmap and calendar in 2020 to start implementation.

Direct CO₂ emissions – Greenhouse Gas (GHG) Protocol Scope 1

Major efforts have been made over the last decades to implement state-of-the-art melting technologies which have resulted in a decrease of direct CO₂ emissions of 42% in 2019 vs 2000.

Corporate GHG emissions index (Scope 1)



Minor improvement projects are permanently running to continue the reduction of CO₂ emissions.

To achieve the long-term objective of carbon neutrality by 2050, breakthrough technologies will be required to further drive CO₂ emissions down.

⁸ Glass Fibre Europe: LCA analysis (<https://www.glassfibreeurope.eu/sustainability/life-cycle-inventory-impact-assessment/>)

⁹ www.iea.org

Indirect CO₂ emissions (electricity) – GHG protocol Scope 2

Thanks to the implementation of state-of-the art melting technologies of the last decades, specific electricity consumption reduction has been achieved over the last decade (see energy efficiency). .

The differences in electricity mixes used in the 3 plants results in very different CO₂ emissions factors ranging from very low in Norway due to 96.4% hydro-energy and very high in India (~75% coal) .

Indirect CO₂ emissions – GHG protocol Scope 3

Scope 3 emissions account for approximately 47 % of the carbon footprint of our products¹⁰.

Important contributors are:

- production of raw materials (batch raw materials, chemicals, fuels, ...)
- transport of raw materials
- downstream transport.

3B aims to intensify collaboration with suppliers and logistics partners to improve the visibility and accuracy of the carbon footprint of the purchased products and further decrease its CO₂ footprint.

3B also strives to reduce the logistics footprint by:

- permanent watch over technology and solutions for new sustainable logistics alternatives around our plants
- optimise the footprint of road logistics (screening of suppliers based on sustainability criteria, green vehicles, ...)
- optimise packaging solutions (bulk, higher loading, ...)
- optimise logistics options (rail, water, heavy liner).

As part of our company policy, we have included sustainability indicators related to our **mobility** (travel and company car fleet). These are given below. In 2019, we reduced our total travel volume significantly.

3B mobility indicators	2016	2017	2018	2019
Travel carbon footprint (ton CO ₂)	331	206	260	113
Car fleet average CO ₂ emissions	119	120	120	114

¹⁰ CO₂ mapping Battice plant



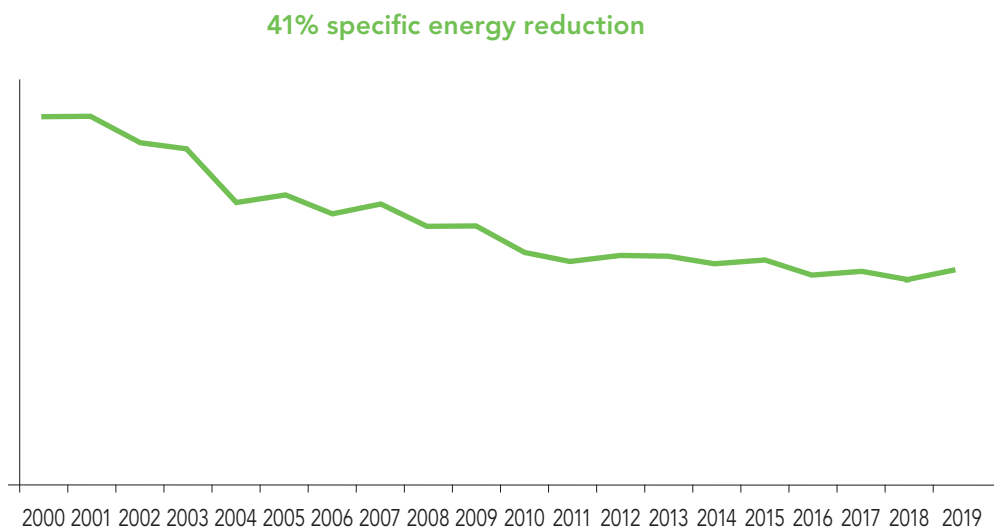
5.2 Energy efficiency

Context, Policy and Goals

Energy efficiency is critical for environmental as well as financial sustainability of glass fibre producers.

Implementation, Performance measurements and Objectives

All plants have been implementing energy management system principles and Goa plant is certified ISO 50001. Great energy intensity reductions have been achieved over the last decade. 41% reduction in 2019 compared to 2000.



These improvements were achieved thanks to various ongoing projects:

- improvement of the visualisation of energy losses and mapping of energy flows
- introduction of new measurement equipment and tools supporting a fact-based analysis related to energy usage
- creation of an energy team in our plant in Birkeland, responsible for the systematic follow-up of the energy usage and the identification of the most efficient energy reduction projects
- reduction of power consumption in oxygen plant (plant in Goa)
- introduction of innovative melting technologies (Best Available Techniques)
- reduction of consumption in lighting
- reduction in cooling towers, HVAC, compressors, ...

We aim to further reduce our energy consumption by:

- further engaging productivity initiatives
- making a step change with furnace rebuilds
- improving monitoring of energy losses and implementing energy consumption reduction programmes
- implementing energy management systems.

5.3 Waste

Context, Policy and Goals

Our company mainly generates two types of waste:

- common industrial waste
- glass fibre by-products.

Glass fibre by-products used to be landfilled in the past and constituted a major environmental impact for our plants.

In order to find a sustainable alternative to landfill, 3B launched a "Zero Glass to Landfill" project in order to upcycle its by-products. Value creation through recycling and upcycling of waste is the main objective of the "Zero Glass to Landfill" project.

Implementation, Performance measurements - Objectives

Great efforts have been made over the last years in Battice (Belgium) to reduce the amount of glass waste going to landfill. In 2018 these efforts resulted in a reduction of 80% (vs 2016). In 2019 a slight increase can be observed due to some challenges to maintain robust upcycling channels.

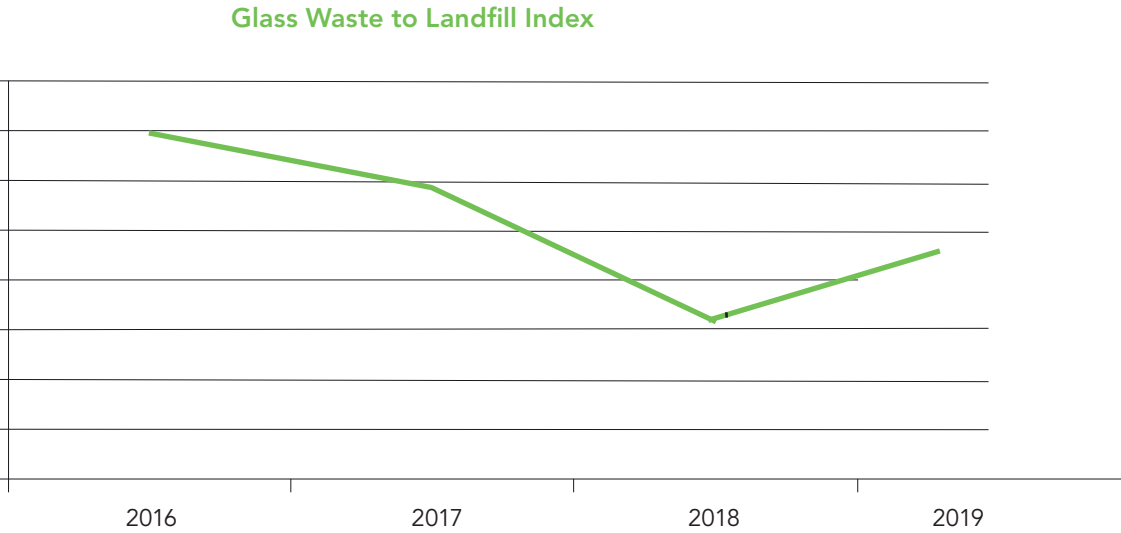
Globally all plants are striving to zero glass to landfill and this results in 2019 in a reduction of 27% (vs 2016) for the whole company.

We continue our efforts and ensure stable upcycling channels for the future.

Furthermore waste reduction awareness sessions have been organised in Battice for our staff, and in Goa, together with the surrounding communities.



In the future we also aim to further enforce the waste hierarchy principles (reduce, reuse, recycle, recover, dispose) in the culture of 3B.



ULTIMATE OBJECTIVE =  ZERO GLASS TO LANDFILL

5.4 Water use

Context, Policy and Goals

Due to climate change, water scarcity becomes more and more important (material) for our sites.

Water scarcity occurs where there are insufficient water resources to satisfy long-term average requirements. It refers to long-term water imbalances, combining low water availability with a level of water demand exceeding the supply capacity of the natural system. In the future it is likely that predicted climate change will exacerbate this situation. A combination of less precipitation and higher temperatures will further reduce the amount of water available and economic impacts highly affect several sectors. Low water availability and droughts have severe consequences on most sectors, particularly agriculture, forestry, energy, and drinking water providers¹¹.

Belgium is the third most water-stressed country among the nine European countries that can be considered water-stressed¹².

India is also considered to be a country with very high water stress, mainly due to the lack of access to safe water.

Despite the fact that water in Norway is abundant, water scarcity can occur in the summer during extreme drought periods.



¹¹ <https://www.eea.europa.eu/themes/water/featured-articles/water-scarcity>

¹² <https://www.eea.europa.eu/themes/water/featured-articles/water-scarcity>

Implementation and Performance measurements

For the year 2019 40% of the water was recycled in Battice (Belgium) and Goa (India) (cfr. GRI 303-3). Both plants are permanently striving to optimise their waste water treatment plant in order to improve the recycling rate and decrease the municipal water use.

3B water use indicators	2019
Volume of water withdrawn - Municipality (m ³) - GRI 303-1	607,843
Volume of water withdrawn - Groundwater (m ³) - GRI 303-1	173,025
Volume of water recycled (m ³) - GRI 303-3	40%
Specific water use (m ³ /ton product)	4.36

Objectives

Our objectives relating to water use¹³ for the coming years are:

- Improvement of the performance of our waste water treatment plants (WWTP) and increase of the recycling rate in all plants
- Improvement of people awareness on water scarcity and water use reduction through information and communication.

¹³ Water use = total water withdrawn from its source to be used; Water consumption = portion of water use that is not returned to the original water source after being withdrawn

¹⁴ Global Reporting Initiative - www.globalreporting.org

5.5 Sustainable innovation

Context, Policy and Goals

The vision of 3B is to be the preferred supplier of value creating, innovative glass fibre solutions for automotive and wind applications. This vision is grounded in strategic motivations of sustainability and technological innovation in order to support our main customers globally in an efficient way.

3B works towards improving the performance of its products by creating sustainable added value and by supporting its customers in their growth strategies.

Most of the projects that 3B is conducting fit in one of the following 3 categories: Productivity, New Product for Automotive and Wind, and Product Stewardship.

Productivity:

Projects that improve productivity have an important impact on the sustainability performance of our products by using less resources (raw materials, energy, water) and reducing the amount of air-water emissions and waste to produce the same quantity of finished goods.

New Product for Automotive and Wind

Glass fibre products are key contributors for the components in the automotive and wind markets. The environment sustainability is calling for lighter vehicle, electrical vehicle, more efficient wind blades, recycling... This means that the all supply chain needs continuously to be at the top of innovation.

Product stewardship

Driven by our product stewardship policy and international regulatory standards (REACH, ...), we proactively seek to replace substances that could potentially be harmful for customer health, employee health and safety and/or environment.



Implementation

Sustainability is integrated in the new solution development programme of 3B.

Sustainability performances of new solutions are evaluated against three dimensions:

People

In this dimension, we evaluate the impact of the project on the health and safety of the people. The impacts could be internal when we consider our workers, or external if we consider our customers' workers, and it could also integrate the impact on final consumers.

Planet

We consider the impact of the project on the environment in a broad sense, focusing on both resource consumption and emission, internally or externally from our customers down to the end users. "Emission" includes air-water emissions and waste; "Consumption" refers to resource efficiency for water, energy and all raw materials.

Profit

In order to be sustainable, we need to develop innovative solutions that bring value not only for our company but also for our customers.

Those three dimensions are rated according objective criteria. A sustainability matrix can then be drawn as shown below. Each project is illustrated by a bubble and position into the Matrix. The size of each bubble is related to the financial impact it should have on 3B.

A project is considered to contribute positively to our sustainability objectives when it is positioned in the top right triangle of the Matrix.

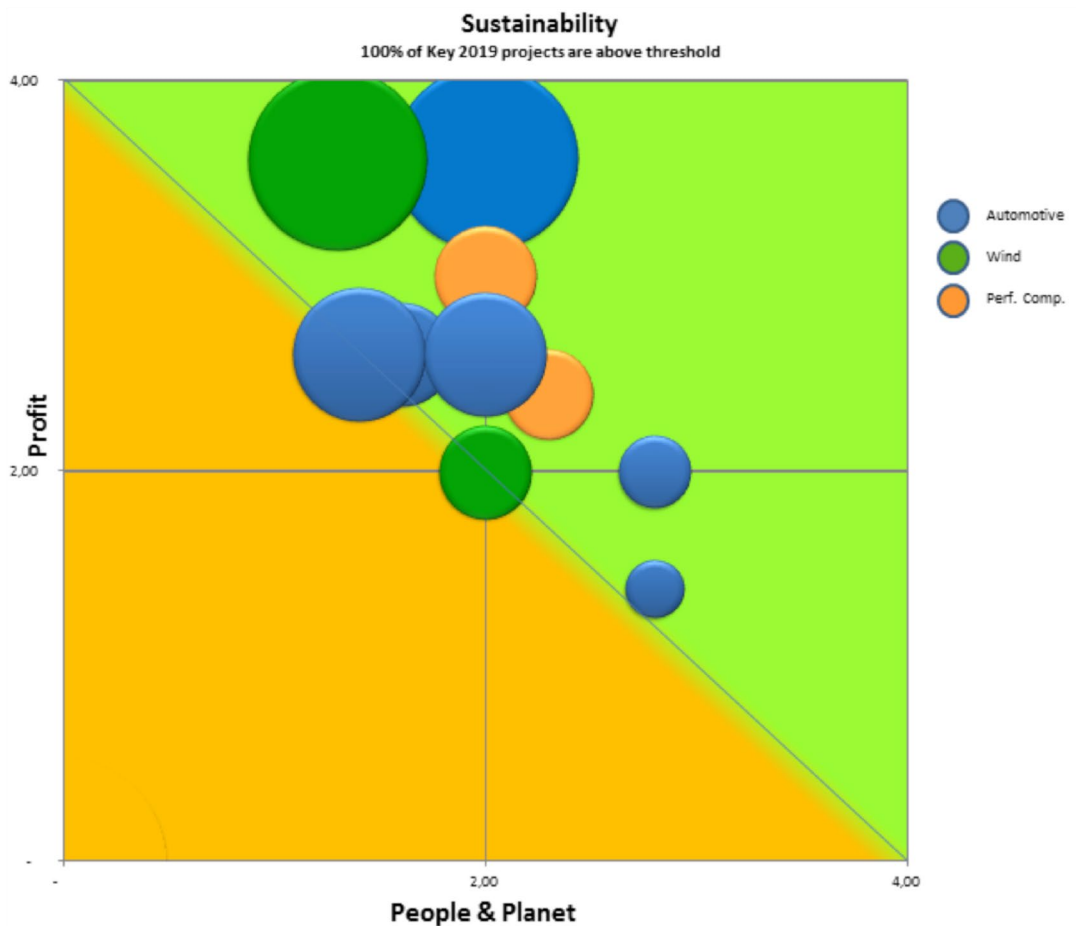
Performance measurements - Objectives

The Sustainability Matrix is an element of the Business Cases that are built, discussed, approved and followed at the 3B Value Added Committee. A threshold has been defined that distinguishes projects having positive impact on the sustainability criteria (People and Planet).

Looking at our top key projects for 2019, 93% of the projects were above the threshold.

Sustainable Innovation metric	2016	2017	2018	2019
% of projects above threshold	71%	75%	100%	93%

3B strives to always have 100% projects above threshold (having positive impact on the People and Planet sustainability criteria).





5.6 Emissions and pollution

Context, Policy and Goals

3B commits to apply the precautionary principle¹⁵ and systematically perform environmental impact assessments. Where there are threats of serious or irreversible damage, lack of full scientific certainty will not be used as a reason for postponing cost-effective measures to prevent environmental degradation.

3B is supporting scientific research, including independent and public research, on related issues, and works with the national and international institutions concerned.

3B is joining industry-wide collaborative efforts (Glass Fibre Europe, Glass Alliance Europe, ...) to share knowledge and deal with the issue of precaution, in particular in regard to production processes and products around which high levels of uncertainty, potential harm and sensitivity exist.

Implementation, Performance measurements and Objectives

3B is applying the Best Available Technologies (BAT) as per the Industrial Emission Directive¹⁶ and always strives to minimise its emissions.

In line with the GRI standards and with the transparency reporting principles, air emissions of the major pollutants are given below.

Air emissions (GRI 305-7)	2015	2016	2017	2018	2019
NOx emissions (kg) ¹⁷	146,451	198,676	182,001	220,127	224,789
Particulate Matter emissions (kg)	13,295	11,503	13,434	15,342	13,803

Water discharge quality (GRI 306-1)	2018	2019
Chemical Oxygen Demand (kg)	65,367	48,168

All plants are ISO14001 certified and in line with these requirements.

- Risks and opportunities are determined related to stakeholders' expectations.
- Action plans are established to achieve pre-determined environmental goals.
- Environmental impact assessments are regularly reviewed.
- Monitoring of potential environmental non-conformities and implementation of corrective and preventive actions.
- Continuous improvement of the environmental management systems is carried out.

We further aim at:

- improving the data collection and consolidation of air and water emissions;
- improving (internal) communication on environmental requirements and performance;
- ensuring environmental emissions and pollution are always considered priorities during decision-making processes and change management.

¹⁵ The precautionary approach, principle 7 of the United Nations Global Compact initiative, is based on Principle 15 of the 1992 Rio Declaration

¹⁶ <http://ec.europa.eu/environment/industry/stationary/ied/legislation>

¹⁷ Goa plant not included (not measured)

Closing – Acknowledgements

6

As we conclude this report on 2019 activities, we find ourselves at the heart of the COVID-19 crisis. Thanks to measures taken quickly and applied with all the rigour and seriousness necessary in such circumstances, our staff and partners have remained safe so far.

More than ever, Sustainable Development Goals are key guides for our action. They structure our strategic approach and day-to-day actions and help us and add to the sense of purpose with a collective approach that makes sense for our value chain and for society as a whole.. The pursuit of these objectives is only possible thanks to the active participation of every 3B staff member. This report is theirs. We thank them for their daily work and commitment.

To our partners, customers and suppliers, we would also like to express our sincere thanks for their collaboration and support in the face of the COVID-19 crisis.

We are looking forward to our continued collaboration for a sustainable world.

Thank you!

Marc HUBERT,

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