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PRFFACE

Tessenderlo Group is driven by a bold and inspiring vision: We want to ensure that life on our planet will thrive by helping to create a world that makes the most of its resources. This vision entails growing more food than ever before, using water as intelligently as possible and creating value from bio-residuals.

We aim to fully understand what is happening in the world to determine how we can build the business of tomorrow by successfully addressing those issues. To achieve this objective, we realize that we need to do things differently. Behind everything we do lies a simple philosophy: Every Molecule Counts. This short but striking slogan defines our unique attitude towards sustainability and innovation. It encompasses the power of an idea or action, however small, to change the world.

Tessenderlo Group continually strives to find more sustainable solutions. We aim to minimize our ecological footprint and to maximize the contribution of our products in the transition to a green economy. We offer various products and environmentally friendly solutions, in which we typically reclaim and transform by-products from other industries.

2019 marked 100 years since Tessenderlo Group was founded. Our founders formed our DNA, which is still the basis for all the group's activities today. They taught us to offer our employees a future, to dare to start small and to persevere, to do business using products that make a difference in terms of earning a place in the world, to research, to innovate and to add value to by-products by continuing to think creatively about the value chain.

Our history started with the use of simple raw materials such as sulfur, sodium and potassium salts, with key by-products such as hydrochloric acid and chlorine constantly forcing us to seek new applications for these by-products in the value chain, which also brought us to several new products and markets. Sulfur-based fertilizers combined with calcium, potassium or ammonium were developed and are still being continuously improved today to feed the world's growing population in the most efficient way. We occupy a leading position in the world within these specialties. In particular, the chemical processes for the production of potassium sulfate have an important flow of by-products, such as hydrochloric acid, that we give added-value to in various ways.

This allows us to offer fertilizers and crop protection products for precision agriculture for future developments. From hydrochloric acid and chlorine to PVC production and transformation to plastic piping systems; this has allowed us to achieve a breakthrough in the construction of houses and halls as well as in infrastructure with new materials. We offer, for instance, a full range of products for water and air control. In short, we contribute more than ever before to the improvement of environmentally friendly living conditions and housing comfort.

We have also started the production of gelatin from hydrochloric acid and sulfuric acid, which is used in food, pharmaceuticals and photographic applications. And we are working on collagen peptides for health, nutritional and technical applications. With Claro™, we have developed a gelatin for 3D applications. Furthermore, in terms of gelatin, we occupy a leading position in the world.

From salts and electrolysis combined with hydrochloric acid to products for water treatment, we offer solutions for the production of drinking water and for the purification of wastewater. Treating water with respect as a scarce product is central to all of our developments. We have also developed sulfur-based products for the mining and food industries. We have even developed an environmentally friendly product for the extraction of gold.

The processing of and adding value to by-products from the meat chain is also an important part of our activities. Nowadays, proteins are transformed into ingredients for aquaculture and pet food, while fats are used for biodiesel and lipochemistry, among other things.

Electricity is also the basis for many of our processes. That is why we have been an electricity producer since the beginning of the 20th century. Today, we even have a modern CCGT plant in our group. In addition, we continuously optimize our logistics and production processes in order to reduce our ecological footprint, make the best possible use of raw materials and develop the best products.

Sustainability and a long-term focus have been a recurring theme in our story for 100 years. Whether it is in the products and solutions we supply or the way in which we produce them, the care we show towards our planet and its resources is at the very heart of all of our businesses. We are aiming at developing successful businesses in attractive global markets, with growth potential and where we can help in developing solutions to mega-challenges.

We are therefore building our group with a clear focus on agriculture, food, water management, the revaluation of by-products, and a carefully selected choice of specialty industrial applications where our expertise enables us to make an improved use of resources. We are optimistic about our value creation options in this new era for food, energy and recycling.

This is because we believe that Every Molecule Counts.

It is our ambition to continue our efforts in the future towards remaining a responsible and sustainable company that further strengthens our relationship with our stakeholders. Our key stakeholders are our employees, customers, shareholders, governments and regulators, trade unions and suppliers. With the publication of this sustainability report we want to make our sustainability efforts for 2019 more transparent for our environment







Stefaan Haspeslagh Chairman

ABOUT TESSENDERLO GROUP

Tessenderlo Group has evolved over recent years from a chemical company into a diversified industrial group that focuses on agriculture, valorizing bio-residuals and providing industrial solutions.

With 4,742 people working at over one hundred locations across the globe, Tessenderlo Group is a leader in most of its markets. We serve customers in agriculture, food, industry, construction and health and consumer goods end markets.

Tessenderlo Group realized a consolidated turnover of 1.7 billion EUR in 2019. The company is listed on Euronext Brussels and is part of the Next 150 and BEL Mid indices. Financial news sources: Bloomberg: TESB BB — Reuters: TesB.BR — Datastream: B:Tes.

Tessenderlo Group celebrated its 100th anniversary in 2019. To mark this milestone, we launched a website (www.100jaartessenderlo.com) in early 2019 where we looked back on 100 interesting facts from our rich history. Entrepreneurship, diversification, global presence, people and joint success, as well as sustainability, are a common thread in the group's history. In addition, we published a book with more information about the rich company history and the way chemistry has facilitated new ideas and solutions.



A DIVERSIFIED INDUSTRIAL GROUP

Tessenderlo Group's activities are subdivided into four operating segments:



The **Agro** segment combines our activities in the production, trading and marketing of crop nutrition (liquid crop fertilizers and potassium sulfate fertilizers) as well as crop protection products. The Agro segment includes the Crop Vitality™, Tessenderlo Kerley International and NovaSource® business units.

Our activities in animal by-product processing are combined in the **Bio-valorization** segment. This consists of PB Leiner (the production, trading and sales of gelatins and collagen peptides) and Akiolis (the rendering, production and sales of proteins and fats).



The **Industrial Solutions** segment includes products, systems and solutions for the processing and treatment of water, including flocculation and precipitation. The Industrial Solutions segment includes DYKA Group (with DYKA, JDP and BT Nyloplast), Performance Chemicals, Mining & Industrial and MPR Services.

The **T-Power** segment includes the activities of Tessenderlo Group regarding the generation of electricity, in particular, the 425 MW CCGT power plant (Combined Cycle Gas Turbine) of T-Power.

GLOBAL PRESENCE

Our global footprint is formed within an international culture, with branches all over the world.

Tessenderlo Group is marketing its products and services worldwide. With employees from nations and locations around the world, we achieve a strong presence in mature and emerging markets.

The Tessenderlo Group head office is located in Troonstraat 130, Brussels (Belgium).

Agro segment

15 production plants: US (12 production plants and more than 100 terminals), Belgium (1), France (1) and Turkey (1), and 20 terminals in Europe and Mexico.

Bio-valorization segment

PB Leiner: 3 production plants in Europe (Belgium, Germany, UK), 1 in China and 3 in the Americas (US, Argentina, Brazil). Akiolis (France): 3 production plants, 28 collection centers (Atemax); 8 production plants, 20 collection centers (Soleval); 1 production plant (Violleau).

Industrial Solutions

DYKA Group: 8 production plants (2 in the Netherlands, 1 in Belgium, 2 in France, 1 in Germany, 1 in Poland and 1 in Hungary) and more than 70 branches in Europe. Performance Chemicals: 4 production plants (2 in Belgium, 1 in France and 1 in Switzerland). Mining & Industrial, MPR Services & ECS: 3 production plants (US).

T-Power segment

1 production plant (Belgium).

GRI



SUSTAINABILITY & CORPORATE SOCIAL RESPONSIBILITY AT TESSENDERLO GROUP

Sustainability and corporate social responsibility are inextricably part of the strategy and daily activities of Tessenderlo Group. This includes continuously deciding, acting and investing with the future in mind. We are convinced that sustainability efforts help us to establish strong relationships with our employees, customers, suppliers and other stakeholders. They enable us to attract and retain new talent, while at the same time also providing a strong impetus for innovation. Within Tessenderlo Group, we want to act according to the expectations of our current and future stakeholders, and create value for our company in the long-term.

Tessenderlo Group resolutely chooses a sustainable production process that shows maximum respect for people, the planet and the community. This is why Tessenderlo Group is focusing on the following three important pillars in this report:

OUR EMPLOYEES

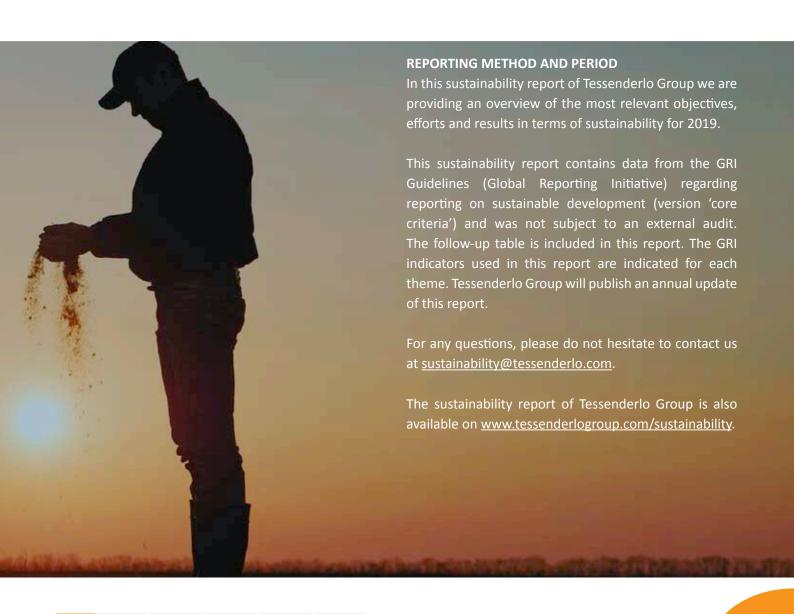
At Tessenderlo Group we continuously invest in our employees.

OUR PLANET

Tessenderlo Group makes every effort to limit the impact of our activities on our planet by thinking, deciding and acting in a sustainable way.

OUR COMMUNITY

From Tessenderlo Group, we work actively together with the environment in which we live and strive to meet the expectations of our stakeholders in the communities and environments where we work and live.



OUR GUIDING PRINCIPLES & ATTITUDES

Over the years, Tessenderlo Group has become a diversified industrial group with operations and a commercial presence in more than 100 locations across 21 countries around the globe. Whilst we have grown and expanded into new businesses and regions, we have maintained an unwavering commitment to perform with integrity, which has and will remain at the center of our activities

Our attitudes and guidelines are key in creating a strong company culture that focuses on excellence, innovation and sustainable growth. The following principles guide our relationships with our shareholders, customers, employees and communities.

OUR GUIDING PRINCIPLES

- 1. Our **activities are central** and we do everything we can to become even better at what we do.
- 2. The **Safety and Health of everyone** in our business is more important than any other subject.
- 3. Our **employees** are of the utmost importance: all leaders need to enthuse, to challenge, to develop and to recognize them.
- 4. **Customer intimacy** is of major significance to us and we aim to valorize our products to the maximum.
- 5. **Operational excellence** is a top priority.
- 6. **Overhead costs** must be kept to a minimum in order to improve competitiveness.
- 7. We are a **dynamic** company and have an **entrepreneurial spirit** in the group: challenges and decisiveness are key concepts.
- 8. We **fight and win** the battle in the market by assuming our responsibilities and taking the right actions at all levels.
- 9. We want to **fully exploit the knowledge within the group** and have Group experts & services to assist the businesses on the projects.
- 10. We carry out the positive, courageous, curious and connected attitudes, and we demonstrate decisive & focused behavior, ensuring the highest standards of ethical behavior within our Code of Conduct at all times.

OUR ATTITUDES CONTRACTOR OF THE CONTRACTOR OF TH

1. POSITIVE

Build, develop and challenge our strengths.

2. CURIOUS

Open-minded on how to become better, leaner and more flexible.

3. CONNECTED

Connect employees and ideas.

4. COURAGEOUS

Entrepreneurial spirit is everyday hard work.

5. DECISIVE

Take and execute decisions.

Take action and do what has to be done.

Making sure it happens.

6. FOCUSED

Focus on our activities, on results and being the 'best in class'.



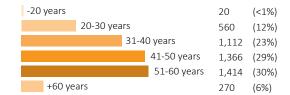
As at December 31, 2019, the total number of employees (FTE) working for the group amounted to 4,742. Out of this total, 881 employees were active in the Agro segment, 2,072 employees were active in the Biovalorization segment and 1,752 employees were active in the Industrial Solutions segment and 37 were active at T-Power.

3,535 of the group's total personnel are employed in Europe, 965 are employed in the Americas and 242 are employed in Asia, Africa and Australia.

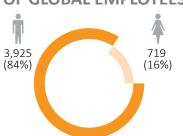
TOTAL NUMBER OF EMPLOYEES



GLOBAL EMPLOYEES PER AGE GROUP



GENDER DISTRIBUTION OF GLOBAL EMPLOYEES



SPLIT PER REGION Total FTES



DEVELOPING HUMAN RESOURCES FOR SUSTAINABLE GROWTH

Tessenderlo Group relies on a team of experienced professionals and this contributes towards our realization of the business and strategic objectives across all areas.

We are convinced that our employees are the most important factor in our success. In a global business where knowledge and expertise are essential, we build on our experienced and motivated employees, who have an in-depth knowledge and understanding of both the group and our products. HR managers, who make up part of each of the different management teams, are focused on rolling out the updated business strategies, shaping the organization, defining clear roles and responsibilities, as well as attracting, retaining and developing the right people and building motivated teams that will realize the objectives of the group. They also guide each company through the cultural changes necessary for the successful implementation of the transformation plans.

Within our annual performance cycle, clear objectives that are in line with our strategy execution are defined internally in each of the different business units. Each business unit has a communication plan to cascade these objectives of management down to the shop floor and to communicate them into the minds, hearts and hands of our team members.

Talent management is a key process within our organization. As our business is constantly growing, we offer challenging jobs for enthusiastic people with backgrounds in Engineering, Sales and Business Development, as well as Operations Management and General Management. We offer many opportunities in terms of personal development. We strive to have a personal development plan for each individual employee. On-the-job training and a permanent feedback culture are essential, but we also organize learning and training programs for all levels of employees. We build on the strengths of one another and we deploy our people in a complementary manner.

For our top executives, we focused on Strategy and Leadership in 2019. We also launched a central Commercial Excellence training program for our global sales team. Within our Talent Review Process we prepare career paths and carefully develop our talent for the future. In addition, we have invested in platforms to facilitate these processes. HR is also responsible for solid remuneration systems and benchmarked and competitive salary packages. The goal behind our remuneration strategy is payment according to performance, in which we strive to stimulate the entrepreneurial spirit of our employees.

We must ensure that our employees, as individuals, are fully prepared at all times in order to respond to both the short-term and long-term challenges we face, as well as to work productively in result-driven teams. It is for this reason that we have defined the following seven HR pillars for sustainable growth:

1st **pillar:** Shaping the right and lean organizations that will be able to provide the most effectively support the different business models.

2nd **pillar:** Attracting the right employees for the right jobs.

3rd **pillar:** Explaining to our people and engaging them as regards the ways in which they can make even better contributions to the execution of our strategy. This can be realized by developing annual performance cycles, continuous feedback, the development of recognition plans and clear communication.

4th **pillar:** Seeking to further empower our employees and create motivated teams through a smart combination of dedicated coaching and team-building. This will ensure that we have flexible and agile employees.

5th **pillar:** Training and developing all of the talent in our group. The concept of talent management is considered to be a key process within our organization, and it is therefore the responsibility of every leader and manager in the organization to commit to this objective. In this respect, on-the-job training and a permanent feedback culture are fundamental elements.

6th **pillar:** Offering a solid reward system with benchmarked and competitive salary packages and benefits. Benchmarking is undertaken via professional salary surveys and we also provide medical insurance for our employees and pension schemes in every country in which we operate.

7th **pillar:** Following the Group Compliance policy and Ethical Code at all times.

Tessenderlo Group's strategy could be undermined by the company's inability to attract or retain employees in key positions, or by the unexpected loss of experienced employees. Tessenderlo Group will continue its efforts to recruit, retain and develop a competent workforce and manage key talent throughout its global organization.

Business ethics

All employees and subsidiaries of Tessenderlo Group worldwide aim to comply with the applicable laws and regulations of the countries in which they operate, with the Tessenderlo Group Code of Conduct and are expected and required to comply with the contents of the Code of Conduct.

Tessenderlo Group requires honesty and integrity from all employees in the application of the Code of Conduct and in all aspects of its business and expects the same of all its partners. Tessenderlo Group complies with generally accepted international standards for business practices, which form the basis for its activities and relations worldwide. For those also in a position of leadership and management at Tessenderlo Group, this means, among other things, that they show 'zero tolerance' towards violations of local/international laws and all infringements of The Code of Conduct, other company rules and regulations. The protection and care of people and the environment represents a significant part of Tessenderlo Group company policy.

Bribery and corruption

Tessenderlo Group complies with the Foreign Corrupt Practices Act, with other country specific and appropriate anti-bribery laws and with the basic principles of the International Chamber of Commerce (ICC) Rules of Conduct to Combat Extortion and Bribery and the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions Convention of 1997. All employees of Tessenderlo Group may never offer, provide or receive any financial or other inducements in order to obtain, retain or alter business contracts or for the purpose of influencing decisions.

Breach of laws and regulations, or of Tessenderlo Group's policies – such as the Code of Conduct – regarding fraud, anti-trust, corruption, conflict of interests and other similar areas could have serious repercussions for the group. Potential impacts include prosecution, fines, penalties, and contractual, financial and reputational damage.

Risks could arise from possible non-compliance with Tessenderlo Group's Code of Conduct and the associated internal procedures, as well as from the amendment or application of laws and regulations in the various jurisdictions in which Tessenderlo Group NV operates. In order to manage the risk, training courses on the application of the Code of Conduct and anti-trust code are organized worldwide, including the possibility of reporting violations of rules to the hierarchical superior and, if necessary, the Compliance Officer. There is also a Compliance Committee active within the company that is dedicated to the coordination of the compliance activities within the group, including the definition of the various training programs that are organized for the group.

Gender diversity at board level

On December 31, 2019, the Board of Directors was in full compliance with the Law of July 28, 2011, requiring that as of January 1, 2017, one-third of the members of the Board of Directors should be of the opposite gender. In its section procedure for the appointment of new directors, the Board of Directors has integrated criteria with regard to diversity of competences, age and gender diversity. Tessenderlo Group considers all qualified applicants for employment regardless of race, religion, color, age, gender, national origin, sexual orientation, gender identity, disability status or protected veteran status. In this connection in 2020, the group will be implementing a diversity and inclusion policy.

Employees and employment

Tessenderlo Group ensures respect for all basic human rights throughout the world. Tessenderlo Group does not tolerate any discrimination or harassment on the grounds of race, color, gender, religion, origin, civil status, family circumstances, feelings or sexual orientation, disability or age. Tessenderlo Group expressly does not permit the use of child labor through the company and its suppliers.

CODE OF CONDUCT

In 2017, a Code of Conduct was drafted and incorporated into our organizational DNA. Our Code of Conduct builds upon the 10 Guiding Principles of Tessenderlo Group, together with our 6 Attitudes. Fundamentally, the Code of Conduct sets out how we intend to continue to fully comply with the laws and regulations in all regions where our organization is operating.

Due diligence procedures have been built into various business processes to ensure compliance with Tessenderlo Group's Code of Conduct across all of our segments. Verification of the operation of these procedures is included in the audit program of the company's Internal Audit Department. The Code of Conduct describes the procedure to be followed for reporting and investigating violations of the Code.

TRAINING & TALENT MANAGEMENT

We cherish talent and actively help our employees to grow and flourish. Through dedicated training programs and coaching, we seek to empower our employees, ensuring that they are flexible and agile, while simultaneously encouraging them to think about how they want to contribute to Tessenderlo Group - both today and tomorrow.

We train and develop our employees because we know that they are critical to the success of our business and our ability to execute our business strategy better than all of our competitors. We foster a culture of having high expectations for the personal growth of our employees. We support and encourage the continuous learning of our employees by offering job-specific, in-person and online training.

Talent management is a key process within our organization. As our business is constantly growing, we offer challenging jobs for enthusiastic employees with backgrounds in Engineering, Sales and Business Development, as well as Operations and General Management. We offer many opportunities in terms of personal development.

On-the-job training and a permanent feedback culture are key factors, but we also organize learning and training programs for all levels of employees. We build on the strengths of one another and we deploy our employees in a complementary manner. Within our Talent Review Process we carefully prepare career paths and develop our talent for the future.

EXAMPLES

The various different business units organize annual information sessions, during which the Executive Committee of Tessenderlo Group provides an explanation on the strategy of the group. At the annual Management Council meeting, the senior Group managers will

continue to work on the group's strategy. We also organize quarterly conference calls to provide more information on the results and activities of the various business units.





In 2019, **Tessenderlo Group** launched a central Commercial Excellence training program for our global sales team. Employees from various business units around the world took part in this program, focusing, among other things on Coaching, Consultative Negotiation and Solution Selling.



Tessenderlo Kerley, Inc. completed its second annual Employee Excellence Program, where employees can be nominated for outstanding performances in their work. The program is in line with our strategic initiatives; it encourages individuals to make meaningful contributions that help Tessenderlo Kerley Inc. to achieve its goals. We invest in our people through the Leadership Choice Program, enabling them to connect internally and create positive interactions. Events such as the monthly Brown Bag Lunch & Learn sessions or the annual National Business Meeting have provided information on a wide range of topics.



Agronet's fifth annual meeting took place in October 2019 in Jacksonville, Florida (US). The goal was to give our agronomists from **Crop Vitality** and **Tessenderlo Kerley International** the opportunity to get to know each other, share ideas and learn about some of the latest innovation projects.



In 2019, **Tessenderlo Kerley International** organized various internal training courses on Portfolio Knowledge, in which the Knowledge Portfolio Director and Senior Technical Manager explained the full product range of solid and liquid crop fertilizers. The sessions covered product characteristics, production processes and markets. They also focused on the benefits these products bring to growers and how they contribute to the global challenges in agriculture.



PB Leiner organized digital literacy classes for its employees in 2019. The focus was on accessibility for everyone. To lower the threshold and increase participation, the classes were held in a classroom situated within the production area. The participants can apply the lessons learned both at the workplace and in their daily lives.



At **Akiolis**, a number of training programs were organized in 2019 to develop technical skills for production, collection and administrative teams. A grand total of 13,500 training hours were realized in 2019. The training of soft skills was also a goal for the managers of the Collection Center. Twenty-two managers followed a training cycle of 18 months, 'PROLOG' (Pro for 'Professionalization' and 'Log' for 'Logistics'), i.e. a training cycle based on 7 two-day sessions in which they improved not only their skills in the fields of social law or the management of IT tools, but also in the areas of conflict management, interpersonal communication and customer orientation.



In 2019, we celebrated the graduation of more than 70 people from the DYKA Sales Academy, which is a collaboration between **DYKA France**, **DYKA Netherlands**, **DYKA Belgium**, **DYKA Poland**, **DYKA Czech Republic and BT Nyloplast Netherlands**. After an intensive two-year training program featuring several workshops and a final presentation, the participants received a certificate together with a sustainable plastic water bottle.

SAFETY AND HEALTH

Tessenderlo Group is committed to protecting and improving the safety, health and general well-being of its employees, customers, suppliers and neighbors by preventing or limiting its activities and products from affecting people and the environment. Tessenderlo Group's Safety and Health Policy is integrated into company processes, operations and systems. The protection of employees, customers, suppliers, visitors and neighbors against unacceptable risks overrides economic considerations and must not be compromised. In the event of any doubts, the overriding principle of precaution must apply.

We have specific metrics programs and processes that are specially designed to maintain our superior safety ratings throughout all of our businesses. Our employee safety programs are aimed at providing the necessary training, procedures, equipment and follow-up to guarantee a culture of safety.

It is our responsibility to ensure that our employees can work in a safe work environment and we are responsible for clearly communicating expectations regarding how to work safely via awareness programs, audits and improvement measures. Tessenderlo Group works to achieve a 'zero fatality rate' globally.

SAFETY AND HEALTH POLICY OF TESSENDERLO GROUP

Tessenderlo Group and all of its subsidiaries embrace and comply with its legal, ethical and moral responsibilities, in terms of protecting the safety and health of employees, contractors, customers and the communities in which we operate. We will always conduct our business to the highest practicable standards. Tessenderlo Group's leadership, management and all employees will act at all times to safeguard the safety and health of all.

No business goal, target or job is more important than ensuring the safety and health of everyone. To fulfill those responsibilities, Tessenderlo Group ensures that the appropriate level of resources is made available, together with the commitment to continuously improve

safety and health performance. It is the role of Senior Leadership to determine, deploy and manage the required resources to meet Tessenderlo Group's responsibilities. All employees and others engaged by Tessenderlo Group are expected at all times to fully comply with applicable regulations and local processes that are determined necessary to protect safety and health. Every incident and life threatening accident is thoroughly investigated to determine and implement the improvement actions required to prevent any repeat event. All employees are expected to report all such events to local management so that the appropriate procedures can be followed. Safety and health will always be a fundamental value of Tessenderlo Group.

SAFETY, HEALTH, ENVIRONMENT AND QUALITY (SHEQ)

The continuous improvement of safety, health, environment and quality (SHEQ) remains the top priority for Tessenderlo Group and its subsidiaries. In 2019, we implemented several initiatives and programs to further improve our performance. Our goal is to ensure that our employees understand, participate and feel involved in our commitment to the safety and health of everyone, and that we maintain and protect the resources we use for our business activities. Our fundamental conviction remains that 'Every Molecule Counts'.

GROUP SAFETY PERFORMANCE

During 2019, we continued to focus on the improvement of safety and health within each business unit. Management has made this the number one priority and is regularly present in the workplace to conduct audits and inspections to ensure compliance and drive improvements. Safety and health performance is reviewed each month with the senior management of each business unit and challenging targets are set each year in terms of realizing a continued reduction in accidents and incidents. In 2019, the introduction of Tessenderlo Group's crisis management and communication process was completed. This means that we are now even better prepared to deal effectively with unforeseen events.

A number of our business units regularly achieve SHE performance levels that are significantly better than industry benchmarks, while in other business units good progress is being made to reach those levels. Despite the fact that the historically low Lost Time Accident Frequency Rate (number of lost time accidents per million hours worked) within Tessenderlo Group of 2018 was unfortunately not repeated in 2019, the difference was marginal. We continue to implement further improvements based on our commitment to the principle that 'the health and safety of everyone in our company is more important than anything else'.

TESSENDERLO GROUP LOST TIME ACCIDENT FREQUENCY RATE (number of lost time accidents per million hours worked)



SHEQ-RESULTS

Agro

Tessenderlo Kerley, Inc. has ten branches where no lost time accidents have occurred for more than 10 years. At six of these branches, no lost time accidents have occurred in over 20 years. The Ponca City (Jupiter) branch in the US received the TKI award for 'Employee Excellence in Safety and Health' for never having had a lost time accident in its 20 years of existence. TKI has now introduced behavior-based safety awards in all of its operational facilities, in which more than 70% of all employees actively participate.

Tessenderlo Kerley International continues to focus on SHEQ and complementary 5-year action plans for improvements in occupational and process safety were launched at the site in Ham, Belgium. To date, the new site in Rouen, France, has yet to record a single accident.

Bio-valorization

PB Leiner continued to make long-term improvements at most of its sites around the world. By the end of 2019, a historically low Lost Time Incident Frequency Rate (the number of lost time accidents per million hours worked) was achieved at several facilities, which is directly related to management's efforts to rigorously implement new initiatives, new procedures and behavioral safety practices. Four of the seven PB Leiner sites have not had to report lost time accidents for more than one year now. The focus on the reporting of 'near accidents' also helped to further reduce unsafe conditions and decrease the number of injuries requiring first aid by 15%. Moreover, this core process has been extended to include environmental issues to ensure they get the increased attention they deserve. In line with the group's strategy, the PB Leiner business unit continued its investments in energy savings, the reduction of water consumption and improvements in wastewater treatment. They also made efforts to improve the quality of the exhaust gases and reduce CO2 and waste streams.

At Akiolis, France, safety at work remained a key area for management in 2019. For Akiolis employees, working conditions are often challenging and the number of lost time accidents increased slightly in 2019 compared to 2018. Despite this, six sites have not had to report an incident for more than 1,000 days, and for eighteen sites this has been the case for more than one year. Akiolis continues to deploy additional resources to achieve further improvements. In addition, all employees underwent training programs in safe working practices during the course of 2019. Since Akiolis valorizes waste products from other industries, sustainable working practices are a core element of its activities. Therefore, our water and energy consumption remains an issue of continuous attention and in this context methods and technology are implemented to reduce this consumption.

Industrial Solutions

Within DYKA Group, a Safety Excellence Program is implemented on a continuous basis by each business unit. This resulted in further progress in 2019 towards realizing the completion of all of the modules. A new initiative to identify and eliminate unsafe conditions led to improvements in the work environment. Revised requirements for the use of personal protective equipment were introduced for higher risk tasks.

The result has been very encouraging: a number of sites were able to record an operational year without lost time accidents. DYKA Group is currently transferring those best practices and management standards to the sites where further improvements are still needed. The transition to more sustainable practices, including the increased use of recycled materials in products, the use of electrically powered forklift trucks and the introduction of LED lighting, together with improved transport planning, contributes to the reduction of our fuel consumption and CO2 footprint.

The Performance Chemicals site at Loos, France, reached a historically low level of Lost Time Incidents in 2019.

EXAMPLES



Tessenderlo Kerley, Inc. had another strong year in terms of safety in 2019. Numerous safety-oriented activities were key to this success. Last year, for instance, the plant in Coffeyville (Kansas,

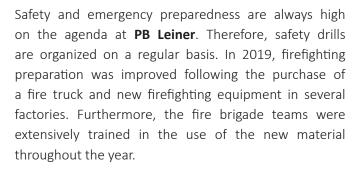
USA) developed a large-scale emergency response plan in cooperation with the local fire brigade and EMT personnel.

In 2019, Tessenderlo Kerley, Inc. again published safety calendars, encouraging the children of employees to submit their work. During the relocation of the Phoenix office, safety was central to our planning in order to properly train employees and minimize risks.



At **Tessenderlo Kerley International**, a bicycle lease plan was introduced in 2019. This is an initiative whereby employees can enter into an attractive and advantageous lease plan for the purchase of a bicycle. In Ham (Belgium) several information sessions were organized to explain the plan to everyone and to guide them through the procedure.







As is the case every year, safety days were organized in June at **Akiolis** in each plant and at each collection center. This year, these days were dedicated to postures and gestures at work, emphasizing the importance of regular exercise to stay in good shape. After the workshops, balls and chairs were handed out in the offices.









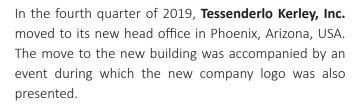
Tessenderlo Group firmly believes in the importance of the recognition of teams based on positive reinforcement. This can be linked not only to achieving certain results to help growth, but also to life events. Our employees spend a lot of their time at work and often 'go the extra mile' for the company. Therefore, we believe they should be celebrated and respected for these efforts. We use various occasions like company anniversaries to organize get-togethers for our teams as well as family and friends. Our aim is to ensure our employees can share the pride they have in their work and what we do as a company with those from their personal lives. Social activities are important in contributing to the wellness of each of our employees and building a positive company environment and culture.

2019 marked 100 years since **Tessenderlo Group** was founded. To celebrate this impressive milestone, Tessenderlo Group organized a family day in September 2019 for more than 2,400 employees and family members in Bobbejaanland in Lichtaart (Belgium).

EXAMPLES









Every year we try to inform our employees on a regular basis about our new plans, projects and investments. These information sessions are followed by a great networking opportunity featuring food and drinks. As part of this initiative **Tessenderlo Kerley International** organized a springtime drink in 2019.



The employees of **PB Leiner** in Nehe (China) organized a team-building activity in 2019, during which they removed waste from the public highway and played various skill-based games together.



One of the principles of **DYKA** is 'We grow together' and in this context, company successes are regularly celebrated on the company's premises.



In the spring of 2019, colleagues from **Performance Chemicals** celebrated the first anniversary of the new electrolysis plant in Loos (France).

The challenges that the world faces - from climate change and population growth to food shortages and economic crises - are the basis for our search for products and processes that create value for all of our stakeholders.

There is no need to debate the fact that our planet is warming up. Overwhelming scientific consensus argues that humans are causing this warming through the emission of greenhouse gasses, mostly from the burning of fossil fuels. A warmer planet creates the effect of changing weather patterns. These changes have an impact on fresh water availability. Climate change also affects our ability to produce sufficient food in a reliable manner. It influences our ecosystems and biodiversity, as well as the spread of diseases. Overall, severely changing weather patterns are increasingly having a profound effect on our lives, our economies and our societies. Climate change is the single most important factor that will define our future market environment.



GROWING POPULATION

We live on an increasingly crowded planet. According to a United Nations report published in 2019, the current world population of 7.7 billion is expected to reach 9.7 billion by 2050. With approximately 83 million people being added to the world's population every year, the upward trend in population size is expected to continue. Such an increase will inevitably have an impact on climate change and our natural resources, ecosystems, raw materials and land availability.

IMPROVING STANDARDS OF LIVING

The global population is not only growing in terms of numbers. Global affluence is also increasing on average. Whilst not every region or country of the world is benefiting from this development, China, Brazil and India are making big strides forward. Notwithstanding the fact that wider affluence has many positive aspects, it will create a market environment with more people consuming more goods. And this means it will be more difficult for supply to keep up with demand. Improved standards of living are also linked to increasing urbanization; more people are now living in cities than ever before.



OUR PLANET EVERY MOLECULE COUNTS

Every human being has the right to food and we believe that it is our responsibility to help make this possible through more efficient and sustainable agriculture.

As demand outstrips nature's capacity to provide fresh water, and due to a lack of infrastructure, one billion people in the world lack access to sufficient clean water. We offer solutions that promise a reduction of water use in agriculture and improve water management and quality – these represent important steps towards conservation and wider access. The earth's natural resources are being squandered by some who think that supplies are endless. Indeed, many such resources are either burned or dumped as waste after use. The reality is that these resources can never be replenished. Therefore, in order to avoid depleting resources that should be available to future generations as well as our own, we provide solutions to further reuse and recycle materials, hence adding value to them.

Our challenge is to contribute to making a significant improvement in the efficient use of raw materials, especially residuals or by-products from natural origin. This will mean we are making the most of the resources.

For this reason, we are 100% committed to finding new and more sustainable ways in order to successfully address the following mega-challenges:

- Maximizing food production
- Optimizing the use of water
- Using our resources more responsibly
- Making better use of bio-residuals

Environment Tessenderlo Group is aware of the impact its production operations have on the planet. Tessenderlo Group wants to take its responsibility and minimize the imcould bring substantial costs and could also lead to discould be described by the could be described by th

Tessenderlo Group is aware of the impact its production operations have on the planet. Tessenderlo Group wants to take its responsibility and minimize the impact of its operations on the planet. It will continue to explore ways to reduce its environmental footprint in every aspect of its activities. Tessenderlo Group has the intention in future reports to publish KPIs as well as the actions taken to reduce its footprint.

Tessenderlo Group's activities are also subject to environmental regulations, the non-compliance with which could bring substantial costs and could also lead to disputes in environmental matters. Tessenderlo Group's activities are subject to the environmental regulations of national and local authorities, which in some cases may even impose no-fault liability. Consequent liability on the part of Tessenderlo Group could negatively impact its activities. The environmental regulations in the markets where Tessenderlo Group operates are becoming ever stricter, with a growing emphasis on compliance.



OUR PLANET EFFICIENT AGRICULTURE

In agriculture, our food and crop protection companies support growers in meeting the global demand for food production.

Producing sufficient food for a growing population is the driving force behind the progress of agricultural production and sustainability initiatives. A global population of nearly 10 billion by 2050 means advances in food production technologies will be needed. Our Crop Vitality activities support our vision of building a safe, smart and sustainable world. By upcycling by-products from refineries into fertilizers that become a valuable resource for growers, we contribute to creating sustainable agriculture. We help growers around the world meet the challenges of global food production by providing them with the tools and resources to improve their soil and plant health. Crop Vitality focuses on research to educate growers and equip them with the best tools and resources. By working continuously with authorities, crop advisors and growers, we believe that the goal of feeding 10 billion people is achievable.



SMART TRANSFORMATION MAKING HIGH QUALITY INGREDIENTS

- We extract collagen from discarded materials in the food chain to produce high value products.
- We collect organic by-products from upstream customers and transform them to bring new value to downstream markets.

PB Leiner valorizes side streams of the meat industry to functional and health ingredients for the health & beauty, food and pharma industry. In most countries, pig skins, beef hide and bones are products that are used for human consumption either in limited quantities or not at all. By splitting those streams in high value proteins for human consumption and fats for bio fuel, pet food and feed, we contribute to a more sustainable world. We also produce dicalcium phosphate (DCP) from animal origin, which is suitable for animal feed. This phosphor source replaces phosphor from mining in the feed sector, thus leading to a reduced depletion of our natural resources. Furthermore, DCP from animal origin is better absorbed by chickens, which leads to less phosphor pollution of open waters.

Whilst meat consumption in the Western world is slightly declining, the worldwide consumption of meat is still increasing due to the growth of global GDP. By continuously looking at how we can optimize our processes, we not only increase the yield but we are also able to upgrade the characteristics of our finished products. This results in a higher value creation of the consumed raw materials.



SUSTAINABLE PRODUCTS & APPLICATIONS

At Akiolis, we help to create a more sustainable world through our operations. This means adding value to animal materials generated in the production of, but not included in, food for human consumption. In doing so, we are a link in an intelligent chain based on the recovery of co-products and by-products. Bonemeal, proteins and animal fats generated from these materials allow us to conserve fossil fuels and food sources. As a core element of the circular economy, the recovery of animal materials enables us to directly address the question of sustainable development.

Our business model is naturally aligned with the circular economy. As part of our service, we collect animal coproducts and by-products in the meat industry (e.g. slaughterhouses, butchers and cutting plants) and in distribution (e.g. large retailers). Through appropriate treatment, we are able to harness the nutritional or technological potential of these animal proteins and fats, which we then provide to manufacturers in various sectors that require renewable materials for their own processes.

Some examples:

- Our bonemeal and fats are a substitute for fossil fuels in generating green electricity or steam used in industrial furnaces, or indeed as a building heating source.
- Our proteins can be used to feed farmed fish. They are also a substitute for fishmeal, which helps to protect and conserve maritime wildlife.
- Our animal proteins can also be used to fertilize soil or be applied as a fertilizer to vines, fruit trees, vegetable crops and green spaces, and they conform to organic agricultural standards.
- Our animal fats are an ingredient in soaps and detergents, as a substitute for palm oil.
- Our fats and proteins are also an ingredient in food for dogs and cats.
- By collecting bones from slaughterhouses, we are also able to extract bone minerals used in gelatin production.



SUSTAINABLE WATER MANAGEMENT AND BUILDING COMPONENTS

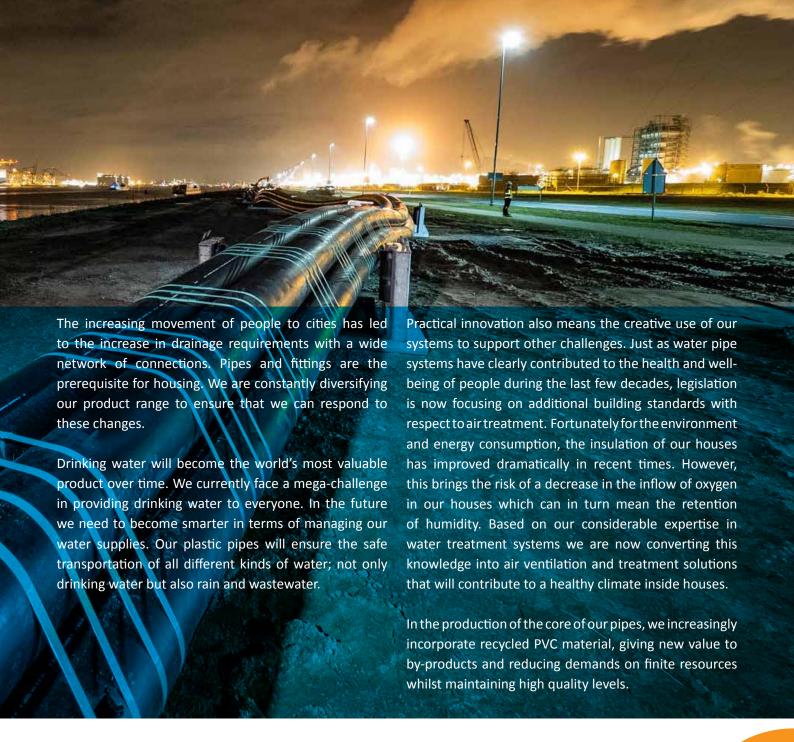
- DYKA Group's long life plastic pipe systems reduce water leakages in the supply network.
- Incorporating recycled materials into our building products reduces the need for finite resources and landfill.

Catastrophes relating to climate change have increased significantly in recent years and will accelerate further. Unpredictable levels of rainfall frequently overwhelm retention capacities, create flood damage and overrun water treatment facilities. We realize that no system is equipped to completely manage all flooding but our solutions for drainage and infiltration, as well as our storm water management systems, work effectively against the negative impacts of increasingly frequent rainstorms. These solutions reduce flooding and collect, store and manage sudden rainfall, which prevent it from immediately spilling into rivers and retaining its capacity for reuse.



It is clear that too much clean water goes to waste. And this doesn't just apply to the developing world. Poor quality pipework and leakages in distribution infrastructure result in the loss of one-third of all drinking water. Our solution to this major problem is to supply high performance, long life plastic pipe systems that will reduce water loss in the pressure supply network. Our objective is to significantly reduce this staggering level of waste.

The trend of urbanization represents a massive challenge regarding water supply and treatment. Key environmental issues, such as sustainable urban drainage, green infrastructure and the increasing use of brownfield sites are causing the house building market to change. The growing population also means that the market for construction materials is experiencing high levels of demand.



WATER TREATMENT, CLEANER WATER AND MUCH MORE

We treat and recycle dirty water with quick, cost-effective and sustainable processes.

In the water treatment market, we are the number three supplier in Europe of inorganic chemicals that act as coagulants for customers in municipal or industrial waste and drinking water plants. We serve some of the major cities in Europe, including Paris and Brussels. Too frequently, contaminated wastewater from industrial processes is simply thrown away and many decontamination methods employ finite raw materials, which create additional waste and environmental problems. We take dirty water and deliver clean water through the use of recycled chemicals that coagulate phosphates and other contaminants both quickly and cheaply. We use sustainable raw materials for the process and, wherever possible, we use by-products recuperated from the steel industry.

The Performance Chemicals business unit offers alternative reuse opportunities for the by-product HCl from SOP and waste pickle liquor from the steel industry by converting them into coagulants used for the treatment of municipal and industrial wastewater, as well as for the production of drinking water. Sulfur derivatives are being used to recover metal impurities from waste.

The business model for water treatment products allows for the use of a by-product from our sulfate of potash fertilizer production as raw material for the steel industry. Once used by the latter in their pickling operations, Performance Chemicals recuperates the pickling liquor, which is in turn used to produce coagulants for water treatment. These coagulants then enable phosphorous to be extracted from wastewater and in doing so prevent the eutrophication of surface waters.



SUSTAINABILITY IN INDUSTRIAL BUSINESSES, MINING & INDUSTRIAL AND MPR SERVICES

 Through the creation of environmentally aware chemistries for mining and industrial applications, the Mining & Industrial business unit (M&I) is creating a safer workspace for customers and plant production processes.

Our innovative and alternative chemistries such as Thio-Gold®, which can replace cyanide (CN) lixiviants, are allowing for extended mine life and gold recoveries with less impact on the individual and collective working environments.

Our cyanide detoxification chemistry and applications help to ensure the minimum discharge of noxious chemicals to mine tailings. This is coupled with our technical solution approach that further optimizes the use of our products and increases the efficiencies of customer applications.

The historical business model of MPR Services has focused on providing specific refinery services. Our solutions allow our customers to recycle, refurbish and reuse their amine rather than throw it away, which is both a costly and environmentally-unsustainable practice. Through reclamation, less amine needs to be purchased and transported to the facilities, and this contributes to a lower CO2 footprint. The model also results in improved safety factors and the extension of equipment life by assisting in the elimination of cyanide-related issues. MPR Services accomplishes this through its CYNTROL® program, which has proven to be one of the most effective cyanide corrosion prevention programs available in the refining process.



GAS POWER PLANTS IN THE ENERGY MIX OF THE FUTURE

Since June 2011, T-Power has been operating a CCGT plant (Combined Cycle Gas Turbine, steam and gas power plant) on the Tessenderlo Group sites in the Belgian municipality of Tessenderlo. This gas plant combines a gas turbine with a steam turbine to produce electricity. The natural gas is first burned in the gas turbine, thus driving it, and the combustion gases then enter the recovery boiler, which produces steam. The steam is then fed into the steam turbine. As a result, approximately two-thirds of the combustion heat is recovered. The plant provides 425 megawatts of electricity and it meets the latest environmental standards.

This modern power plant enables Tessenderlo Group to respond to developments on the Belgian energy market. A gas power plant has lower emissions than lignite and coal-fired power plants and it also has a different risk profile than nuclear power stations. In addition, the plant is highly flexible, and it is exactly this flexibility that is becoming increasingly important due to the rising share of fluctuating energy sources in the grid, such as wind power and solar energy.

This will allow Tessenderlo Group and its gas power plant to respond to the demand for secure electricity supply in a market with more flexible energy sources by reacting to peak demand on the one hand and to the variability of renewable energy sources on the other hand.



OUR COMMUNITY

Sustainability and corporate social responsibility also mean that we as a group must be aware of what is going on outside of our company walls. Tessenderlo Group plays an important role in society. We want to make a positive contribution to society and help to create a society that is characterized by more prosperity and a higher level of well-being for all of our stakeholders. In our daily activities and objectives, we continuously consider our stakeholders, who include our employees, customers, suppliers, partners, shareholders, media and local residents in the areas in which we operate.

We also care about the community around us and we therefore participate and actively promote the participation of our teams in social and charity events. Some of our companies also have active partnerships with learning institutions and are a recognized partner for development purposes. This is an investment in the future of education, as well as in future generations.

We organize and participate in various initiatives. For instance, we organize on-site plant tours, invite guest speakers at courses, and participate in job fairs; this often results in internships, which in turn can lead to fixed employment over time.

Failure to successfully manage relationships with local communities could adversely affect the group's reputation. Tessenderlo Group will continue its efforts to make a positive contribution to the local communities it is part of.

EXAMPLES

In late 2019, the Belgian branches of **Tessenderlo Group** (headquarters, innovation center, PB Leiner Vilvoorde, Tessenderlo Kerley International in Ham, DYKA Pelt and branches), organized various events in the context of The Warmest Week of Music For Life together for the third time. All of these warm campaigns were aimed at raising money for Heder vzw. This charity offers simple and specialized solutions and services for people with impaired motor skills and/or an intellectual disability. Since its inception in 1954, Heder has grown from a single classroom to a facility with various campuses in Antwerp and Kalmthout that offers care and support to more than 1,000 people. We are therefore very proud that together our employees managed to raise no less than 4,435 euros. Given the success of these actions, Tessenderlo Group decided to increase this amount to 9,000 euros.







In 2019, several employees of **Tessenderlo Kerley, Inc.** volunteered at Feed My Starving Children, where they pack meals for hungry children in the Philippines. Fortytwo employees donated more than \$2,300 and packed approximately 12,743 meals, feeding 35 children for a year. In addition, Tessenderlo Kerley, Inc. supported the activities of the Future Farmers of America (FFA) program, sponsored the Little League teams and participated in various food and clothing collections for the homeless.

In December 2019, a third information evening for the local residents of Ham and Tessenderlo was organized at **Tessenderlo Kerley International** in Ham (Belgium). This enabled our neighbors to become better acquainted with our activities and our safety policy.



PB Leiner Santa Fe has a tradition of involving the workers' families, for example, by inviting them along during the safety weeks. In September 2019, the Santa Fe plant also organized a family day to celebrate some production milestones.



A good relationship with the local residents is essential to the branches of **Akiolis**, which sponsors various sporting and cultural projects. For two years now, Akiolis has been one of the main sponsors of the Cité du Cirque in Le Mans (France), which is one of France's most important circus schools, offering a unique location for practicing amateur circus for children or adults and a reception area for professional artists creating their new shows. As part of this sponsorship arrangement, employees and their families are invited several times a year to exchange experiences with artists.



In 2019, **BT Nyloplast** contributed to a sustainable solution for draining the fields of the local soccer club V.V. 's-Gravendeel (the Netherlands).



In 2019, **JDP** once again participated in the 'Wear It Pink Day.' To raise money for 'Breast Cancer Now', the entire company was decorated in pink, and many of the employees also wore pink. JDP also donated 28 PC monitors to the James Rennie School in Carlisle. This school supports students aged 3 to 19 who have serious learning needs.



In November 2019, **Performance Chemicals** participated in an information evening organized by the municipality of Loos (France), during which the activities of the factory in Loos were presented.

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This sustainability report has been prepared in line with the GRI guidelines, 'core criteria' version, but does not fully correspond to this reference model.

