

29 January 2021

H.E. António Guterres Secretary-General United Nations New York, NY 10017 USA

Dear Mr. Secretary-General,

I am happy to reaffirm Huntsman's continuing support for the Ten Principles of the Global Compact with respect to human rights, labor, environment and anti-corruption and to redouble our support for the United Nations 17 Sustainable Development Goals.

Although the global community continues to face significant challenges around COVID-19, Huntsman has made continual improvements. Details of our progress are available to all stakeholders on <a href="https://www.Huntsman.com/sustainability">www.Huntsman.com/sustainability</a>. Specifically, in 2020, we built on previous years' successes in many ways, including:

- Scaling low-carbon solutions. We created Huntsman Building Solutions (HBS), the largest global franchise in spray polyurethane foam (SPF) insulation, and in doing so, we are scaling production for the world's foremost energy-saving insulation that enables GHG savings by dramatically improving energy efficiency in buildings.
- Accelerating circularity through the value chain. We continue to transform PET scrap (e.g., including recycled plastic bottles) into TEROL® polyester polyols and are developing new plants to expand our capacity. In October, we started a new 22,000-ton TEROL® plant at our systems house in Kuan Yin, Taiwan the first expansion of TEROL® polyols manufacturing outside the United States which provides us the ability to meet increasing market demand for recycled content and further grow the value-stream for upcycling waste PET.
- Delivering customer value and societal benefits together, through product innovations. In 2019, our AVITERA® SE dyes helped save roughly 1.5 billion liters of water for customers.
- Improving resilience for water stress. In 2020, we continued to evaluate plans for our Horizon 2025 corporate targets. Earlier this year, we completed an updated global water stress study. Utilizing two leading water risk models, we evaluated a wide range of water risks, including scarcity, flooding, drought, quality and others. The study informs which sites are included in our corporate goal to reduce net water usage and helps us make reductions where they matter most.

Elevating reporting. We continue to improve our reporting to better meet the growing
needs of our stakeholders and interest in environmental, social and governance (ESG)
issues from the investor community. In 2019, we completed our first materiality
assessment. In our 2019 sustainability report, we reported in accordance with the latest
Global Reporting Initiative (GRI) standards, accelerated the timing of our annual
sustainability report publication by four months from Q4 to Q2 as planned, and took a
first step toward reporting to SASB standards.

We continue to incorporate the Ten Principles as appropriate into our corporate policies and standards, which we see as complementary to our own business values and goals. With this communication, we express our continued commitment to advance those principles within our sphere of influence.

Sincerely yours,

Peter R. Huntsman

Chairman, President and CEO



## **UNGC COMMUNICATION ON PROGRESS**

Huntsman works to ensure our corporate policies, procedures and guidance documents align with the United Nations Global Compact Ten Principles. The table below identifies relevant Huntsman policies, procedures, systems and actions that illustrate our progress.



Principles	Huntsman Policies and Procedures	Systems and Actions
Human Rights Principle 1 Support for human rights  Human Rights Principle 2 Elimination of human rights violations	Since 2012, our Business Conduct Guide- lines (BCG) make specific reference to the UNGC and our commitment to operating under its standards in all communities where we do business. In addition, Huntsman's Vendor Code of Conduct applies to all vendors and their employees, agents and subcontractors. See also: Huntsman Human Rights Policy	<ul> <li>Corporate Ethics and Compliance (E&amp;C) department reports human rights performance quarterly to the Audit Committee, which includes members of the Board of Directors</li> <li>"Speak Up" confidential reporting service for reporting concerns</li> <li>International Trade Compliance risk assessments for at-risk countries</li> <li>Pre-qualification due diligence of vendors with high-risk profiles</li> <li>Periodic re-qualification due diligence review of high-risk vendors and all distributors</li> <li>Global EHS Standards and Procedures</li> </ul>
Labour Principle 3 Ensuring freedom of association	We are required by U.S. law to ensure this right, and to post this right in view of associates.	37% percent of Huntsman employees are covered under collective bargaining agreements, including both union and works councils
Labour Principle 4 Abolition of all forms of forced labour  Labour Principle 5 Abolition of child labour	In every region of the world, our Human Resources department is charged with ensuring that direct-hire Huntsman associates have necessary and legally required documentation to establish identity, legal age, and work status.  See also: Huntsman Human Rights Policy	<ul> <li>Standard contract documents require each vendor to agree to child and indentured labor clauses</li> <li>Periodic E&amp;C combined policy audits conducted for selected sites that include audits on human rights, child labor and forced labor</li> </ul>
Labour Principle 6 Elimination of discrimination	Huntsman upholds a Policy Against Discrimination, Including Harassment and Retaliation	<ul> <li>E&amp;C training</li> <li>Instructor-led training on Huntsman values conducted in identified focus areas</li> <li>Harassment in the Workplace online training</li> <li>U.S. Purchasing groups offer technical assistance for small or disadvantaged businesses in preparing and submitting bids to Huntsman</li> </ul>
Environment Principle 7 Precautionary environmental protection	Huntsman's EHS Management System includes 7 Global EHS Standards and 68 Global EHS Procedures to ensure safe operation at all facilities.  Huntsman's Product Stewardship Standard EHS-700 outlines global requirements to ensure responsible management of EHS issues relating to Huntsman products throughout their life cycle.  Huntsman's Environmental Standard EHS-600 outlines global requirements to identify and minimize the environmental impact of our operations and strive for continuous improvement.  We committed to publish 30+ product safety summaries as part of our Horizon 2025 targets to enhance transparency and provide stakeholders with helpful information.  Huntsman's Process Safety Standard EHS-400 outlines global requirements to identify and manage risk associated with process safety incidents and their impacts on the Environment.	<ul> <li>Product EHS Group actively manages product and raw material risk including hazard communication (e.g. Safety Data Sheets), compliance, customer risk evaluation, and distribution risk management.</li> <li>All Huntsman facilities are required to identify, quantify, and minimize energy use and air, water, and waste releases from routine operations</li> <li>Management of Change (MOC) procedures at all facilities require consideration of environmental impacts for new projects and changes in processes.</li> <li>Process Hazard Analysis (PHA) procedures identify process safety hazards and the appropriate safeguards to prevent or mitigate impact to the environment from loss of containment events.</li> <li>In 2020, we updated 90 REACH dossiers for substances – including 67 voluntary submissions beyond those required by the European Chemicals Agency (ECHA).</li> <li>We published 7 product safety summaries available on our website, toward our goal of 30 or more by 2025.</li> </ul>

Principles	Huntsman Policies and Procedures	Systems and Actions
Environment Principle 8 Initiatives to promote greater environmental responsibility	Huntsman has published our EHS Policy and Commitment on our website, which includes a commitment to Responsible Care® and placing care for human health, safety, and the environment at the forefront of everything we do.  Huntsman has developed and published our Horizon 2025 global strategic targets in areas of personal and process safety and environmental performance, including production intensity targets in greenhouse gas emissions (GHGs), energy consumption, hazardous waste disposal, and net water usage.  We completed a comprehensive water stress study in 2020, covering all of our manufacturing sites. This study not only informs which sites will be in scope for our Horizon reduction target, but also help us understand how we can better address water risks in our portfolio.	<ul> <li>In 2020, we published our annual sustainability report in accordance the latest GRI Standards, and provided a SASB index for the first time, to meet growing stakeholder interests and support our ongoing commitment to transparency.</li> <li>Developed a predictive chemical risk tool to identify and evaluate substances of concern</li> <li>Founding Bluesign® system partner to promote responsibility throughout the textiles value chain</li> <li>Contributor to ZDHC since September 2019, a foundation that works on several programs aimed at improving sustainability across the textile value chain</li> <li>24 manufacturing sites (43%) ISO 14001 certified</li> <li>In 2020, we completed: <ul> <li>11 Corporate EHS audits</li> <li>10 Corporate PSM audits.</li> </ul> </li> <li>Community Advisory Panels (CAP) at major facilities</li> <li>Roughly every two years, we launch a CEO Award for Innovation in Sustainability and encourage a wide field of entries, from our associates globally. The next award will take place in 2021.</li> </ul>
Environment Principle 9 Development and diffusion of environmentally friendly technologies	In our EHS Policy and Commitment, our policy is to place care for human health, safety and the environment at the forefront of everything we do, and our mission is to provide products and solutions through the application of science that enrich lives and help create a sustainable future, while doing no harm to people or the environment.  As a member of the American Chemistry Council (ACC), we support ACC's sustainability principles that commit to achieving measurable reductions in emissions and creating innovative products for a sustainable future and societal benefits.	<ul> <li>Many of our products contribute to the UN Sustainable Development Goals (SDGs)</li> <li>We use waste PET in our polyols as raw material to produce polyurethane insulation. In 2020, we expanded our TEROL® polyols manufacturing to Taiwan – enabling us meet increasing market demand for recycled content</li> <li>We upcycle the equivalent of 1 billion PET bottles annually with the equivalent of over 10,000 recycled bottles used in each home using our spray foam from the newly created Huntsman Building Solutions (HBS) business.</li> <li>Active R&amp;D efforts to reduce VOCs, lightweight materials for automotive and aerospace sectors, increase bio-based content, and improve energy-saving insulation for buildings and refrigerated transport that reduces food waste through the cold chain.</li> <li>AVITERA® SE dyes reduce water consumption in textile manufacturing by up to 50 percent – in 2019, our dyes helped save roughly 1.5 billion liters of water for customers</li> </ul>
Anti-Corruption Principle 10 Measures against corruption	Corporate E&C department oversees and supports our compliance with relevant laws, regulations and related Huntsman policies worldwide. See also: Huntsman Business Conduct Guidelines, Vendor Code of Conduct, Gifts & Entertainment Policy	<ul> <li>Array of tools for reporting (third party-run hotline and website for confidential 'whistleblower' reporting, dedicated mailbox, monthly communications to all employees, quarterly poster campaigns), investigating, tracking and correcting compliance and corruption allegations</li> <li>We report statistics to the Officers and Senior leaders monthly and present detailed overviews to the Board quarterly</li> <li>Third-party due diligence when adding new vendors to confirm that vendors and representatives comply with all applicable laws, regulations and our policies. This due diligence is re-done periodically – typically every third year – based on a risk matrix evaluation</li> <li>Regular periodic audits of Huntsman sites</li> </ul>