



Operating Responsibly, Driving Sustainable Innovation, and Supporting our Associates and Communities.

2020

Sustainability Report





A Message from our Chairman, President and CEO

Dear Stakeholders:

With customers in approximately 85 countries, Hexion’s products continue to make a difference around the globe. The solutions required by our valued customers—and the challenges from the world—increasingly call for new products that have more sustainable attributes. In response, our associates are continually focused on creating enabling technologies that make everyday life possible. For Hexion, sustainability represents our commitment to being good stewards for our people and the planet through our innovative products. In short, sustainability is a mindset that guides our actions as a Company and is the cornerstone of our commitment to Responsible Chemistry.

While 2020 was a challenging year for all of us due to the global pandemic, our associates stayed focused on serving our customers and operating our manufacturing sites safely, while supporting the communities in which they work and live. In fact, 2020 was the strongest Environmental Health and Safety (EHS) performance in our Company’s history. This is a result of our multi-year initiative to reduce exposures, enhance our safety culture and leadership, align our manufacturing and EHS teams, and build on our associates’ commitment to each other to remain vigilant as part of our “Get Zero. Get Home” safety initiative.

Hexion has been making significant strides in its sustainability efforts for many years, but in 2020 we re-evaluated our efforts and conducted an updated materiality assessment which helped us better understand key drivers for our various stakeholders. From that assessment, Hexion determined its key focus areas for its sustainability efforts going forward. While not limiting its sustainability efforts to these areas alone, these topics drove bold goal discussions and led to the formation of new goals for Hexion. They included:

- Minimizing climate change impact: Hexion will strive to protect against climate change throughout its business lifecycle by efficiently using natural resources, optimizing existing processes and enhancing products and technologies through continuous innovation.

- Developing innovative sustainable products, such as enabling lightweight composites and engineered wood products: By 2030, all new products will incorporate sustainable attributes.
- Enhancing worker safety/wellbeing: In 2021, Hexion will offer a voluntary wellbeing program that addresses associate physical, mental, relational and financial wellbeing with the goal of 50 percent associate participation in the program by 2025. Hexion also re-affirmed its commitment to continue to drive toward zero recordable injuries.
- Reducing spills and releases: Hexion has committed to reduce spill mass and releases by 80 percent by 2025.
- Maintaining product stewardship: Hexion remains committed to implementing the Responsible Care® Product Safety Code and will continue to be transparent and communicate to key stakeholders regarding its stewardship programs such as risk reviews and reduction of substances of concern.

Meaningful impact is driven by action more than intent. By concentrating our efforts on these goals, Hexion is focused on driving positive societal changes. From our customers demand for more energy efficient products, to creating bio-based and circular products, chemistry can play an important role in addressing climate change as we positively address our carbon footprint.

This report also highlights the global efforts of our teams to introduce a variety of new products—from those that are designed to protect our vital utility infrastructure from wildfires to others such as slow-release fertilizers that address greenhouse gas emissions and help improve crop yield.

Within our organization, Hexion also made significant strides on our evolving diversity, equity and inclusion efforts, while continuing to focus on associate engagement and improving our own efficiency in operations and reducing waste. All of this was accomplished against the backdrop of a worldwide pandemic during which Hexion’s global associates stepped up to support each other and their local communities.



I continue to be humbled at the power of our collective efforts and the significant progress we made in 2020. We know we need to do more. We continue to build an innovative, diverse and focused organization with a renewed focus and energy for 2021 and beyond. Continually challenging ourselves and driving continuous improvement in all areas of our sustainability and safety efforts represent the essence of Responsible Chemistry. We believe delivering on these goals will drive stakeholder value while making this world better, safer and cleaner. Thank you for your continued support of Hexion and we invite you to be part of our ongoing sustainability journey.

Sincerely,

Craig Rogerson
Chairman, President and CEO

Our Associates

Hexion valued associates are its most important asset and all our Environmental, Health and Safety (EHS) initiatives are designed with this principle in mind. We remain committed to continually developing comprehensive global EHS standards and initiatives that are designed to maintain our safe operations and protect our environment.

In nearly every aspect of safety, 2020 was a record year. Since Hexion began tracking Severe Incident Factors (SIFs) in 2013, the Company has decreased SIF injuries by 95 percent. In fact, we were fortunate to experience only one SIF incident last year, which is one more than desired, but shows the dramatic decrease. We are pleased that in 2020 our associates and contractors experienced significantly fewer incidents that carried the potential to cause serious or permanent harm. However, we are not resting on our past performance. Hexion is extremely proud of our associates' commitment to a safety mindset at work and at home. Our associates are the driving force behind this strong trend of continuous improvement. Our goal for 2021 is to have zero SIF incidents—and, of course, zero safety incidents in general.

Making every possible effort to ensure the health and safety of our associates, customer, communities and stakeholders is a minimum expectation from our value chain and considered our "social license" to operate. We are pleased to report that our Occupational Injury and Illness Rate (OIIR) dropped to 0.45 in 2020 compared to 0.51 in 2019 and 0.88 in 2018. This was our lowest rate recorded in our Company's history. This is another indicator of our continued focus and success in addressing safety as part of our commitment to Responsible Chemistry.

Policies, standards and guidelines are just words—words that instruct our associates on what to do and what not to do. However, a safety mindset is what turns safety policies into a reality. This means living this mindset and attitude, every minute of each day. We strive to have the most well-designed safety policies, procedures and equipment. For us to operate in a manner that is geared toward every associate and contractor returning to home in the same shape they arrived to work, everyone must adopt and commit to living a mindset where safety is practiced on a 24 hour, seven days-a-week basis. We believe the improved EHS metrics demonstrate that our associates continually embrace a safety mindset.





Our Plants: Global Manufacturing Sites Demonstrate Safety Excellence

We would like to recognize the following sites and offices for either maintaining or reaching these safety milestones in 2020.

1,000,000-hour injury-free milestone

- Columbus, OH
- Duisburg, Germany
- Seattleweg, Netherlands

600,000-hour injury-free milestone

- Diboll, TX

400,000-hour injury-free milestone

- Alexandria, LA
- Barry, UK
- Edmonton, Canada
- Esslingen, Germany
- Frielendorf, Germany
- Hope, AR

200,000-hour injury-free milestone

- Acme, NC
- Argo, IL
- Baytown, TX
- Brisbane, Australia
- Cowie, United Kingdom
- Geismar, LA
- Iserlohn, Germany
- Kitee, FI
- Montenegro, Brazil
- Moreau, NY
- Onsan, South Korea
- Portland, OR
- Pernis, Netherlands
- Stafford, TX

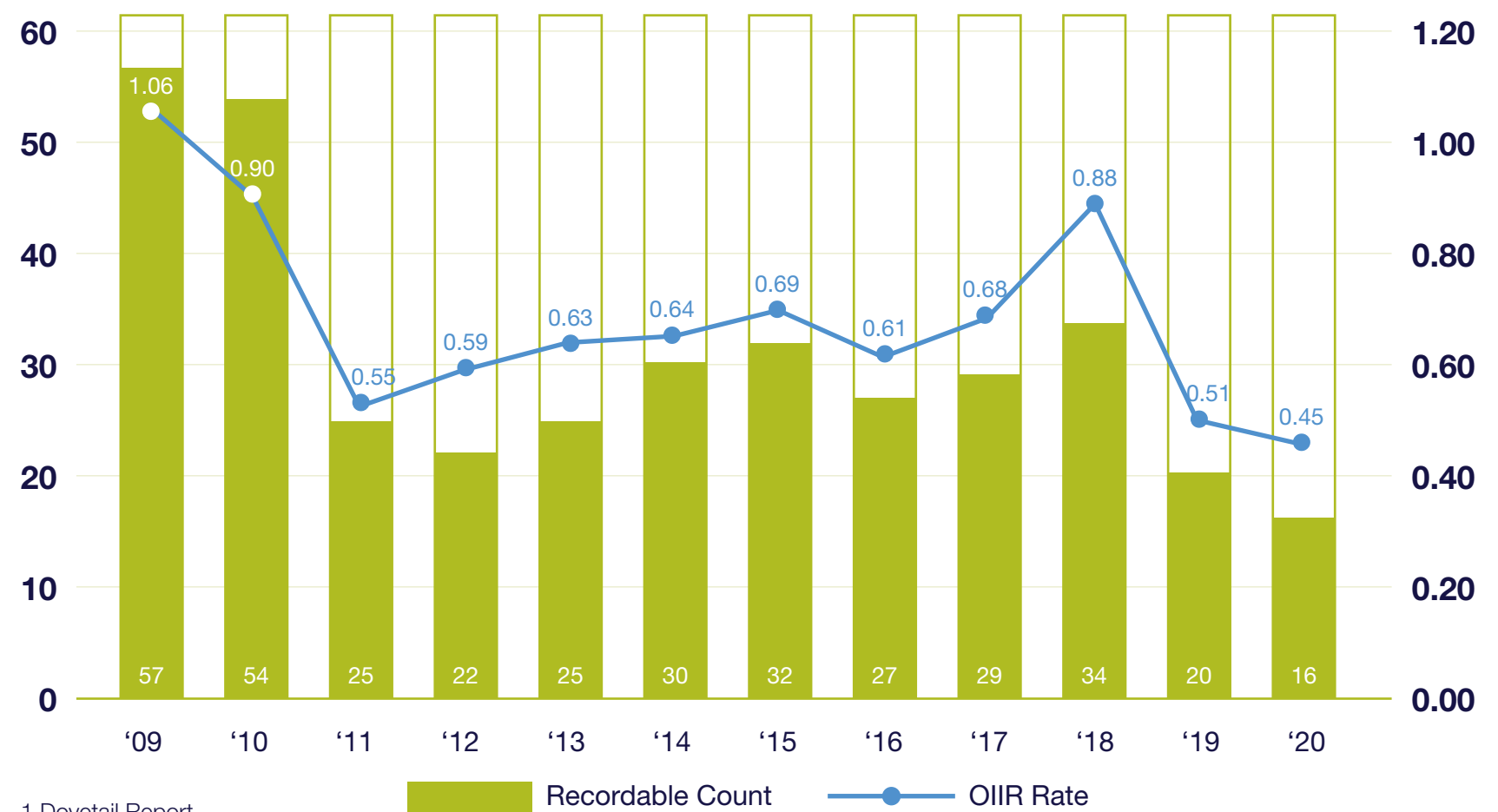
5-year injury-free milestone

- Acme, NC
- Botlek, The Netherlands
- Diboll, TX
- Frielendorf, Germany
- Luling, LA
- Montenegro, Brazil
- Onsan, South Korea
- Seattleweg, The Netherlands

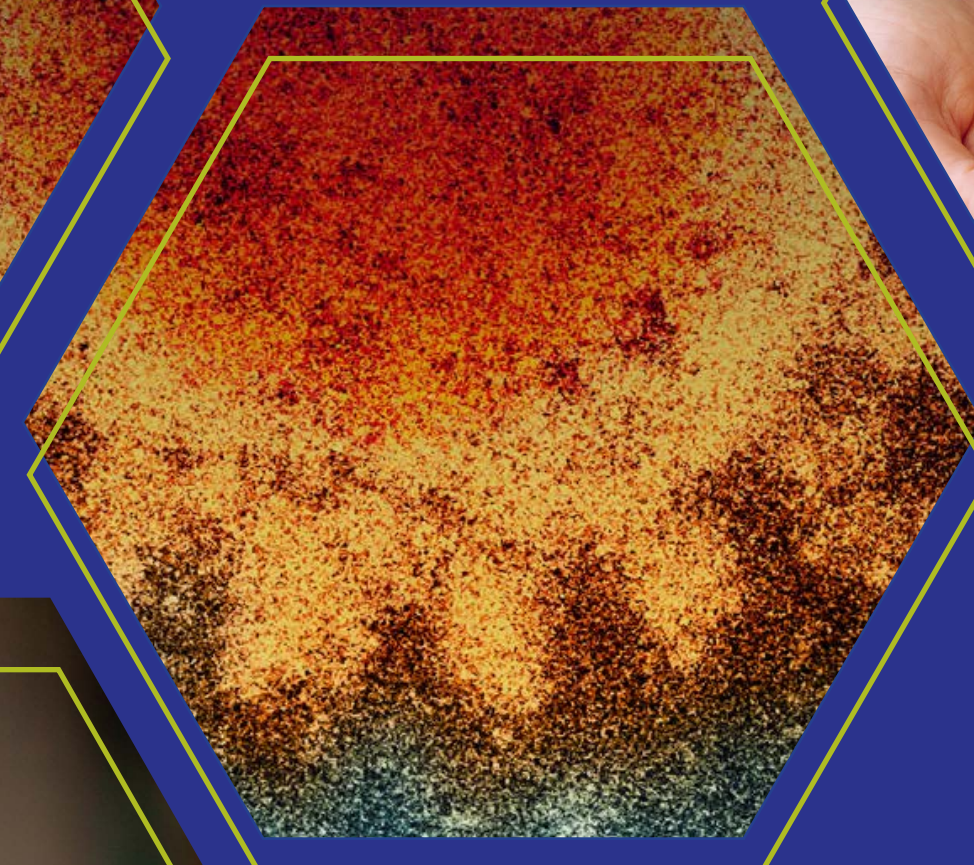
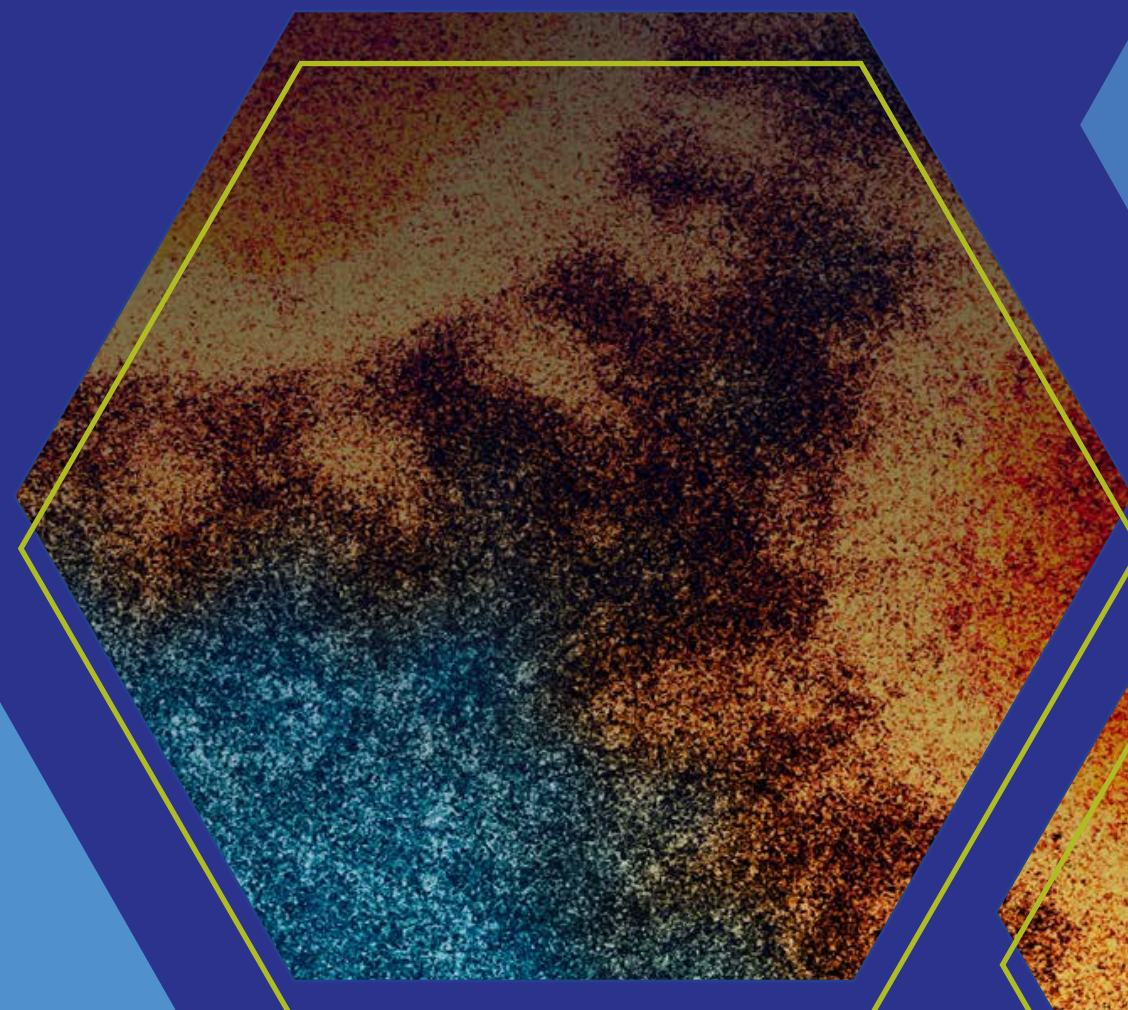
10-year injury-free milestone

- Alexandria, LA
- Baytown, TX
- Columbus, GA
- Hope, AR
- La Grande, OR
- Moreau, NY
- Portland, OR

OIIR Over Year



1 Dovetail Report



Our People: Rising to Meet the Challenges of COVID-19

Not only did our associates endure a challenging year personally, they went above and beyond to address COVID-19 relief and show Hexion's resilience as a Company. Early in the pandemic, Hexion responded by leveraging its global manufacturing footprint and the collective resources of its associates to help combat the challenges associated with the coronavirus (COVID-19).

Two manufacturing sites—one wholly owned and a joint venture—produced large quantities of hand sanitizer by repurposing mixing machines typically used to produce other products. Hexion's Letmathe, Germany facility and our joint venture in Bunbury Western Australia were able to produce hand sanitizer. These two sites alone produced approximately 25 metric tons. In addition, four other sites in our network—Brisbane, Australia; Deer Park, Texas; Solbiate, Italy; and Mountview, New Zealand—produced smaller "laboratory-scale" batches for use by Hexion associates.

Throughout the year, Hexion has contributed its chemical products or donated personal protective equipment (PPE) wherever possible for COVID-19 relief, including:

- Hexion's Application Development Center in Shanghai donated masks to a local hospital;
- Our manufacturing sites in Springfield, Oregon, and Pernis, The Netherlands, donated PPE to medical centers in their respective cities;
- Hexion's Lakeland, Florida, site contributed several drums of isopropyl alcohol, which can be used as a surface disinfectant, to local law enforcement;
- Hexion's Iserlohn, Germany, facility provided fresh food to the trucking companies delivering to the site; and
- The Morganton, North Carolina, site donated glycerin, a key raw material in the production of hand sanitizer, to a local distillery.

While we were saddened by the devastating impact of the coronavirus, our dedicated associates demonstrated the resiliency of our company as we worked to support the relief efforts wherever we could throughout the year in countless ways throughout our manufacturing network.



Hexion's Sustainability Efforts Aligned with UN Sustainable Development Goals

Hexion's sustainability goals are strategically aligned with the United Nation Sustainable Development Goals

Our sustainability efforts, however, begin through our commitment to operating our plants safely. Our results in 2020 underscore the ongoing improvement in a number of metrics.



Visit www.un.org/sustainabledevelopment for more information.

Operational Excellence – Our Climate

At Hexion, efficiently managing energy resources is essential to operational excellence and the sustainability of our business.

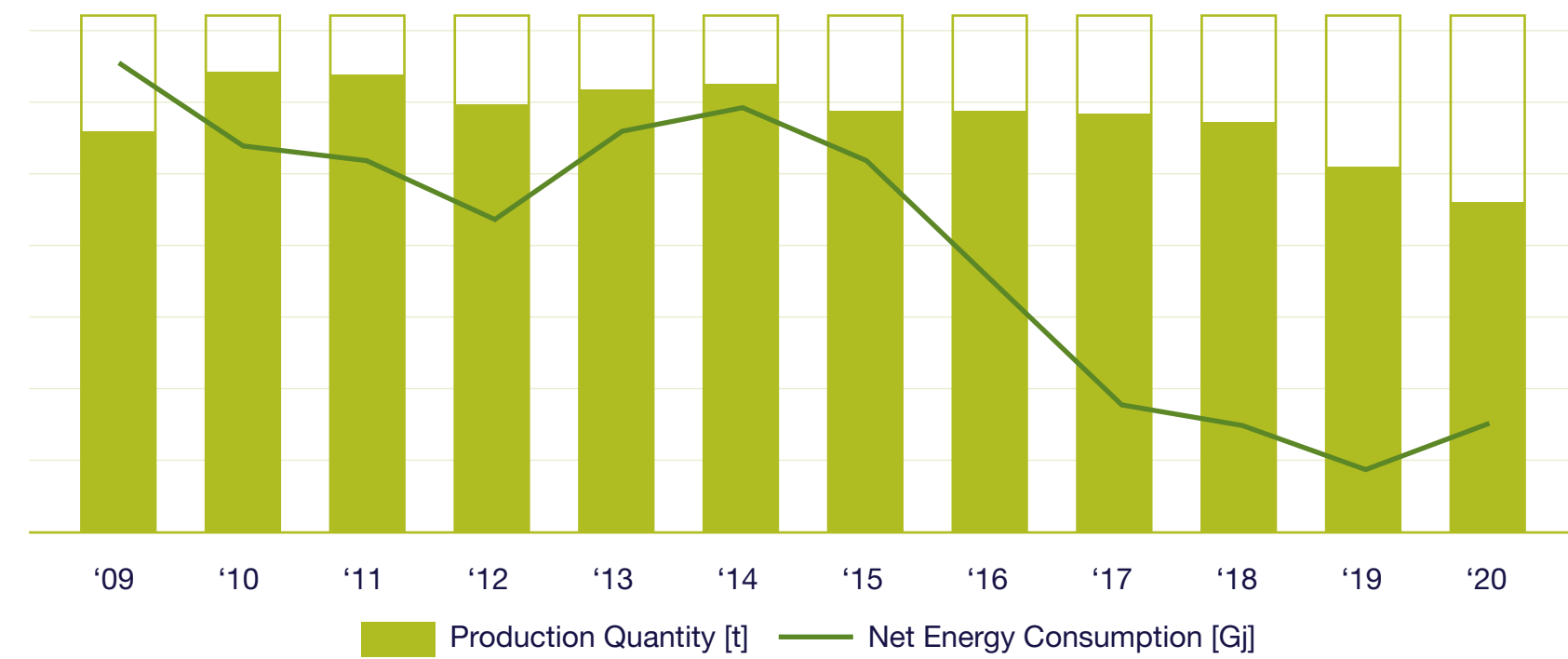


Hexion's Global Operations Productivity team was organized to provide strategic direction and resources to our facility improvement teams in support of our commitment to operational excellence. We have implemented an energy transition team at our largest carbon dioxide (CO₂) emitting facility with the goal of significantly reducing the CO₂ emissions impact at that facility. We have, similarly, formed a team to identify similar opportunities at our other key operations. We have also strategically organized to drive reductions in energy and water consumption at our facilities. As a Partner in the US EPA's ENERGY STAR® for Industry program, Hexion is committed to driving improvements in our energy and water intensity. We use this partnership not only to improve our own energy and water improvement program but to also share successes and learnings with other partners. We have also formed a team to identify and evaluate long-term improvements to our operations with a goal of making step-wise reductions in our greenhouse gas emissions.

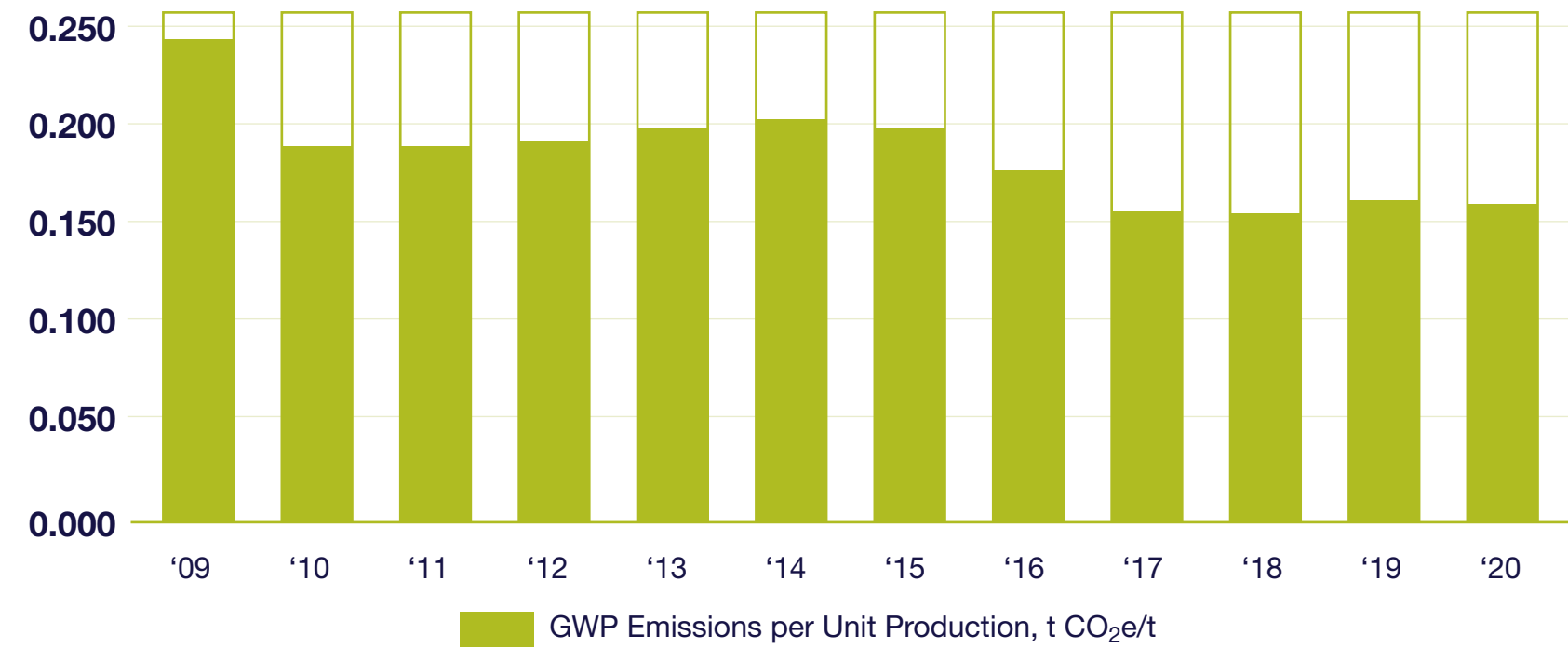
Climate Change Policy

Hexion strives to protect against climate change throughout our business lifecycle by efficiently using natural resources, optimizing existing processes and enhancing products and technologies through continuous innovation. This focus increases stakeholder value by improving the use of resources, reducing greenhouse gas emissions, engaging our associates, decreasing operating costs and supporting our customers' sustainability goals.

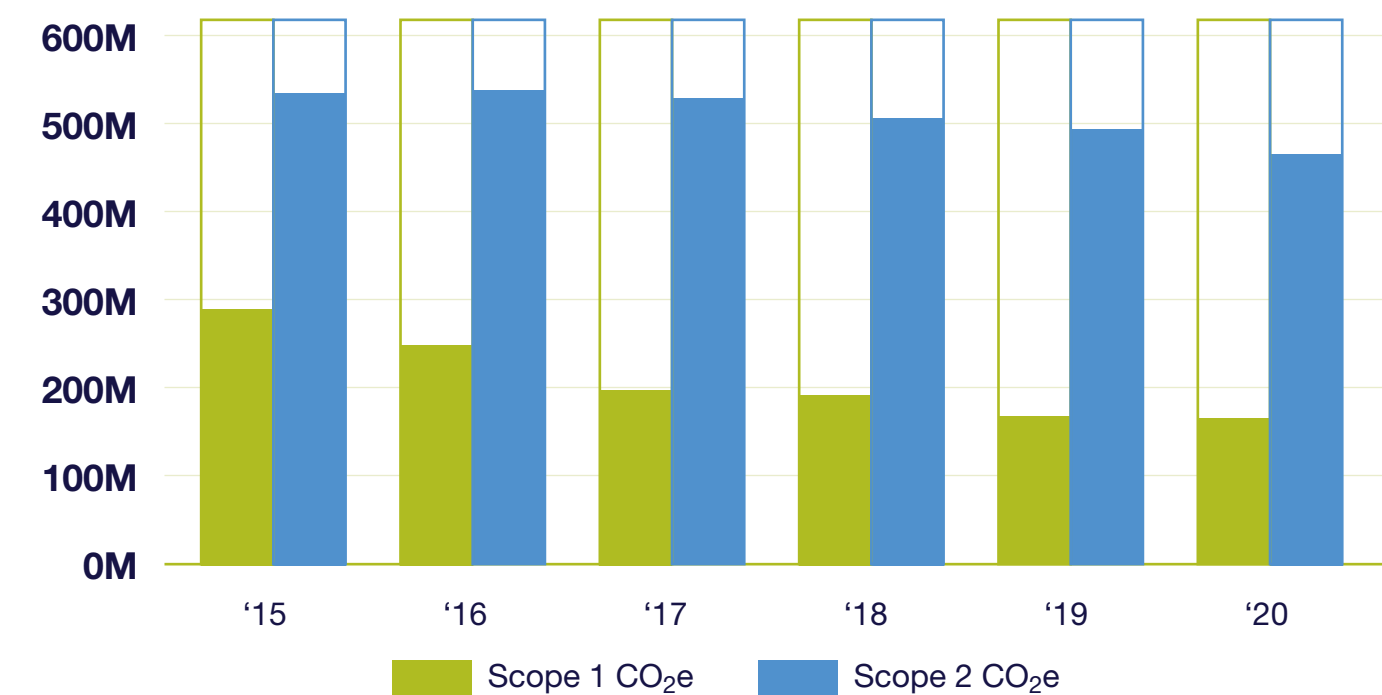
Net Energy Consumption and Production



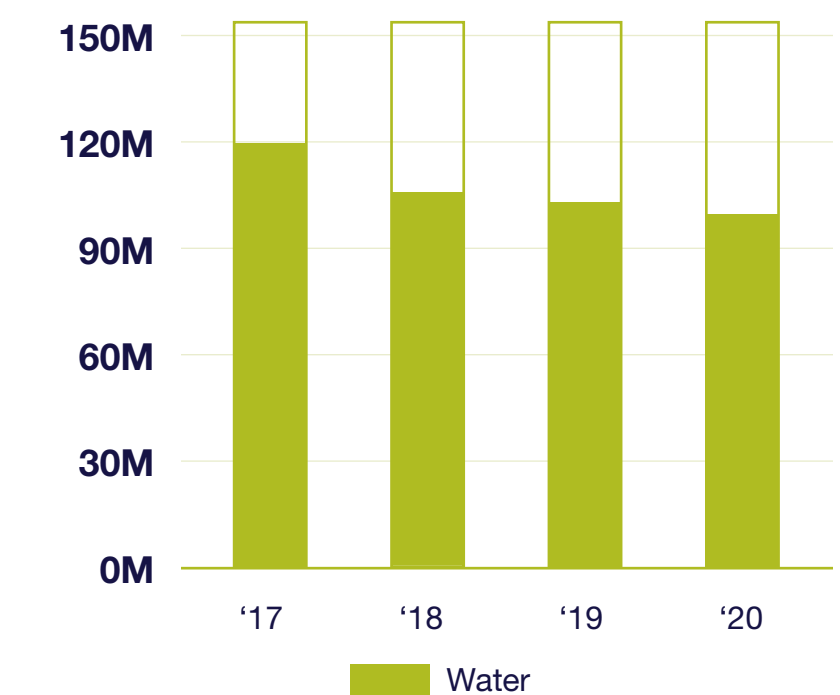
GHG Intensity



Net Scope 1 and Scope 2 CO₂e



Water



Key Success

Hexion has a strong history of driving improvements in our energy, water and waste intensities, and recently upgraded our energy, water and waste management program to reach all sites.

In 2020 we completed 52 improvement projects across the globe to reduce our footprint in these critical areas. We also held sessions at 23 sites identifying about 125 actionable projects that could further improve our energy and water intensity and reduce waste generation. As our success is driven by our associates, we have included associates at all levels in these ideation sessions, expanded our employee engagement through improved communication of our climate change efforts, provided materials and training around our sustainability efforts and upgraded our key metrics platform so our associates are better equipped to identify and drive improvements.

Water is a critical natural resource as well as essential to our industrial plants which use water as an ingredient in products, for process cooling and for the production of steam. Our productivity and operation teams continually evaluate projects to efficiently use natural resources and optimize our existing processes such as reducing overall water usage or allowing for recycling of wastewater in lieu of fresh water. Hexion has also committed to performing a water risk assessment for our sites located in water distressed areas during 2021.

One example of a project that allowed us to reduce water treatment chemicals and improve efficiency was at our plant in Curitiba, Brazil. That plant uses more than 35 million gallons of water annually for steam production. They had experienced production rate decreases and energy efficiency losses related to hard water contamination of the feedwater to the steam generators.

A team in Curitiba identified the source of the intermittent cross-contamination and installed an automated system to monitor the water quality and divert any contaminated water to the cooling towers where it can be reused effectively. This is also a cost-effective solution compared to alternatives to eliminate the cross-contamination.

With the new system in place, the site has realized a 70 percent reduction in water treatment chemical usage, reduced scaling in the steam generators and improved energy efficiency in the plant. This productivity project is also generating significant plant cost savings.



ACC Responsible Care® Awards

In 2020, two Hexion programs and 13 Hexion facilities were named Responsible Care® award winners and honored for excellence in waste minimization and energy efficiency by the American Chemistry Council (ACC). These awards recognize Hexion's longstanding commitment to continually improving our operations and enhancing our safety and sustainability efforts according to Stephanie Couhig, Senior Vice President, Environmental, Health and Safety, Hexion.

The ACC announced the following Hexion awards at its virtual 2020 Responsible Care & Sustainability Conference & Expo:



Waste Minimization Category

Our Springfield, Oregon facility was recognized by the ACC for a project that reduced a waste water stream by 95 percent and resulted in taking approximately 60 waste water truck shipments off the road. The site was able to accomplish this through process and design improvements that reduced waste water generation and increased the site's ability to recycle the water for beneficial use.

Energy Efficiency Award

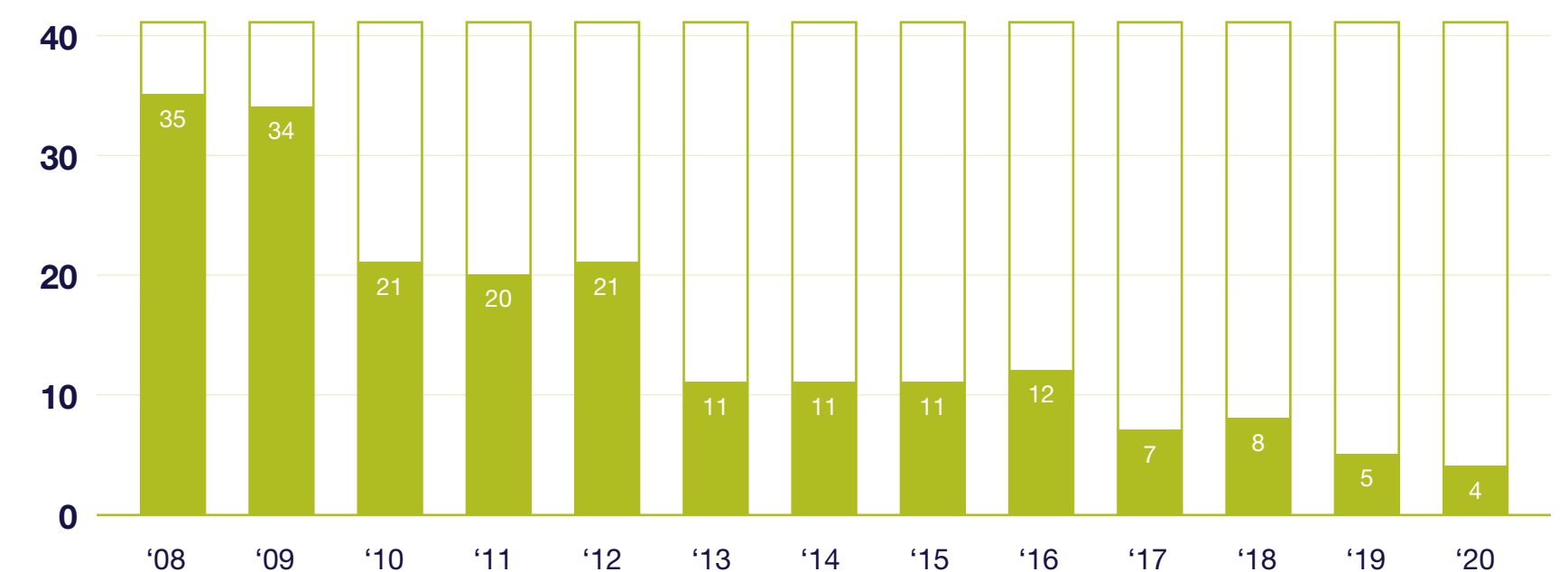
Hexion's Morganton, N.C. facility was recognized for its project to upgrade its emission control device for air pollution control. Once installed the team focused on optimizing the energy intensity of the device in order to meet permit requirements as efficiently as possible. As a result, the team was able to improve natural gas efficiency by approximately 14% compared to the baseline year.

Facility Safety Award

ACC presents these awards to member companies with significant achievements in employee health and safety performance. In total, 13 of the Company's sites received the 'Excellent' distinction, including: Acme, NC; Alexandria, LA; Argo IL; Deer Park, TX; Diboll, TX; Fayetteville, NC; Geismar, TX; Hope, AR; La Grande, OR; Louisville, KY; Missoula, MO; Moreau, NY; and Springfield, OR.

Responsible Care helps ACC member and partner companies significantly enhance and improve the health and safety performance of their employees and the communities in which they operate. Facilities within Hexion's global manufacturing network have achieved additional certifications, including ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), and OHSAS 18001 (Health and Safety Management System).

Environmental Events



Market Innovation: Our Products

With our commitment to Responsible Chemistry and enabling technologies, we continue to develop more sustainable solutions designed to make this world better, safer and cleaner. We have committed that all new products, by 2030, will have sustainable attributes furthering the pledge to our sustainability vision. Following are some examples of our more sustainable products and ability to drive growth.

Our Sustainability Vision

At Hexion, we leverage the power of chemistry and our enabling technologies to deliver more sustainable solutions that make this world better, safer and cleaner. We are committed to improving the quality of life of our associates, customers, stakeholders and the communities in which we live and work. Together, these actions are how we define “Responsible Chemistry.”

ArmorBuilt™ Fire Resistant Wrap

Wooden utility poles have been used for decades to deliver electricity and communications to millions. Yet millions of acres around the world are susceptible to damage due to utility pole fires. Thanks to Hexion, there's a new defense to protect our utilities against wildfires.

By combining a proprietary fire-resistant resin system with a fiberglass webbing—a good electrical insulator—Hexion launched its ArmorBuilt wrap in 2020. Hexion is leveraging its decades-long expertise in delivering high-performance solutions for the forest products industry to bring an innovative product to market for the utilities industry.

Specifically, ArmorBuilt is an intumescent, fiberglass-backed utility pole wrap that helps to provide protection from charring in wildfire situations. Recent wildfire simulation tests revealed no char or strength loss in burn tests with swirling open flame, 12 feet up the pole at 2100° Fahrenheit for a duration of three minutes. Hexion is working closely with one of the largest wood pole producers in North America to make ArmorBuilt wrap the specified solution for Pacific Gas & Electric Company to protect their utility pole infrastructure in wildfire prone areas.

Protecting valuable infrastructure means more reliable telecommunications and a potentially safer environment for first responders who don't have to contend with downed utility lines, as well as aiding people fleeing wildfires. An additional benefit is extending the life of a more sustainable power pole option: wood.

Slow-Release Fertilizer

Hexion has commercialized liquid slow release nitrogen (SRN) fertilizer technology in Brazil with improved nitrogen use efficiency. The technology improves crop yield and harvest quality and reduces contamination due to nitrogen leaching and volatilization compared with conventional fertilizers.

This SRN fertilizer contributes to Hexion's Product Sustainability and Innovation goal by reducing nitrogen dosage and the environmental loss, reducing phytotoxicity and weather stress effects. The technology positively interacts with other agricultural inputs having the potential to further increase yield.

Coatings and Composites Goes CLEAN

In support of Hexion's goal to incorporate sustainable attributes in all new products by 2030, the Coatings and Composites business is leveraging its “CLEAN” strategy to provide innovative and more sustainable solutions to its customers. The business plans on supporting this vision by leveraging a “CLEAN” strategy:

- **C – Clean Coatings:** Our new coating products help to reduce volatile organic compound emissions;
- **L – Lightweight Composites:** Our composites for vehicles and airplanes reduce carbon dioxide emissions;
- **E – Clean Energy:** Wind energy, as a key end market and renewable energy source, reduces carbon dioxide emissions;
- **A – Clean Air:** Blue Terra project in Pernis, The Netherlands, reduces use of energy and carbon dioxide emissions; and,
- **N – No Waste:** Conversion of waste and carbon dioxide into valuable and sustainable building blocks.

Hexion is committed to challenging the status quo in products, services and technologies to drive growth and in support of a more sustainable world.

Global Adhesives Growth & Innovation Team

Hexion recognizes the importance of growing outside its core technology and markets to bolster its efforts in delivering strong financial performance in the Adhesives segment. As a result, we announced the formation of the Global Adhesives Growth and Innovation team. This global, multi-disciplinary team is focused on identifying and delivering on innovative, market-driven opportunities across all global regions to fuel growth outside our core businesses.

Industry Recognition

- Hexion Recognized on Forbes.com for Sales & Operations Execution (S&OE)
- Sunrui Supplier of the year award
- ICIS names Craig Rogerson, Hexion CEO in its annual listing of “Top 40 Power Players” Hexion was recognized for its strategic planning, portfolio optimization efforts and sustainability initiatives in 2020 by ICIS magazine. The publication stated: “It has been a challenging year to say the least, and the ICIS Top 40 Power Players, the senior executives making the most positive impact on their companies and the industry, have had their hands full in dealing with the pandemic while implementing long-term strategies that keep their companies on the right track. Our editorial team presents a global, diverse set of leaders and some of their key accomplishments. Clearly there is a greater focus on ESG (environmental, social and governance) in the industry which is impacting strategy and decision-making. The article went on to state: “Rogerson has been leading Hexion through the sales of three businesses... (T)he company is restricting its portfolio and shifting away from the cyclical nature of the business as it looks for opportunities to expand the business. Hexion also announced new sustainability goals this year, including a commitment to produce products with sustainable attributes by 2030 and a plan to reduce spill mass and releases by 80% by 2025.”



Social Responsibility

Hexion remains committed to demonstrating how its values guide its actions in various communities around the globe.

Accelerating Hexion's Strategic Diversity, Equity and Inclusion Goals

Hexion's Core Values were instrumental to the organization in navigating the unique societal challenges of COVID-19 and social change protests. We were pleased to announce that Karen M. Fowler joined Hexion as its first Director of Diversity, Equity and Inclusion (DEI) in November. Fowler is responsible for accelerating the organization's diversity, equity and inclusion worldwide—including developing and implementing a strategy to attract, retain and develop diverse talent and promote an inclusive environment where associates at all levels can perform their best.

With more than 25 years of experience in driving change within an organization, Fowler shared her insights regarding why DEI initiatives are a critical component of sustainability. Her comments follow:

"As the world changes, best-in-class organizations can quickly adapt and excel. This happens due to the accessibility of diverse perspectives, innovative strategies and collaborative problem solving. DEI companies deliver better service and are more efficient.

Companies continually plan for future business growth and development. As a result, today's leading organizations are focused on fostering a culture that can attract and retain a diverse workforce to anticipate future business needs. For example,

proactively tailoring policies and procedures for a growing LGBTQ+ workforce and same gender marriage, such as providing benefits around gender reassignment. Companies that will win in the future are also focused on attracting and retaining Millennials, Gen Y and Gen Z employees through a variety of flexible workforce strategies, which includes programs to give back to the greater community through corporate social responsibility initiatives.

Best in Class DEI companies thrive on open transparency, which is born out of trust and open communication. New perspectives drive innovation, better decision making, and improved financial performance.

Through innovative DEI practices, Hexion strives to strengthen its reputation as a leading employer by attracting the best and brightest associates globally. Businesses want to do business with organizations that think and act like they think and act. Who buys our products? What do they ask of us beyond what we sell? More and more companies are asking their suppliers about their diversity profile beyond the affirmative action requirements in determining if they will do business with the organization.

We will continue to be a truly global company where all want to come to work and grow by accelerating our efforts to attract broad aspects of diversity and great diversity of thought, which impacts our innovation and growth."

Our Core Values

- **We Do the Right Thing:** We act with ethics and integrity.
- **We Do Everything Safely:** Our work is never more important than performing it safely.
- **We Focus on Our Customers:** Our customers' success is core to our existence.
- **We Are Committed to Our People and to Each Other:** We are engaged, developed and empowered. We create our future.
- **We Have Our Eyes on the Future:** Limitless imagination and commitment to innovation are our competitive advantage.

Social Responsibility

Hexion took a number of actions aligned with its Core Values and commitment to DEI in 2020, including:

- Publicly stated its support for Columbus City Council’s declaration of racism as a public health crisis.
- Engaged associates to begin critical conversations on race. Many of our associates provided recommendations for creating a more ethnically diverse and inclusive workforce.
- Engaged the Kirwan Institute for the Study of Race, The Ohio State University. A pilot training program was completed with three sessions on Unconscious Bias Training to begin to address racism.
- Joined other companies operating in Louisville, Kentucky, where our site is located in a predominately African American community, to participate in a community dialog regarding DEI initiatives.
- Aligned with other company CEOs, Hexion has signed the largest CEO-driven business commitment to advance diversity and inclusion within the workplace—“CEO Action for Diversity and Inclusion pledge.” It centers around four main pledge commitments:
 - Cultivate trusting workplaces that can have complex, and sometimes difficult, conversations;
 - Implement and/or expand unconscious bias education;
 - Share best—and unsuccessful—practices; and,
 - Create and share strategic inclusion and diversity plans with the board of directors (or equivalent governing bodies).
- Signed on to the Columbus Commitment pledge, which is a voluntary and employer-led commitment regarding gender equality in the workplace. The intent is to share best practices and experiences with other signatories in order to improve our community’s overall gender and race-based wage gap and achieve pay equity.
- Aligned with the broader chemical industry to help spearhead the development of the next generation of diverse leaders. The American Chemistry Council (ACC), The Chemours Company, the American Institute of Chemical Engineers (AIChE) and the HBCU Week Foundation recently launched the Future of STEM Scholars Initiative (FOSSI)—the chemical industry’s first collaborative equity, diversity and inclusion program. Hexion is proud to be an early supporter of this new initiative. FOSSI enables a diverse set of students to pursue STEM majors at Historically Black Colleges and Universities (HBCUs), developing a pipeline of candidates to fill the increasing number of highly-skilled jobs needed in the chemical industry and beyond.



Social Responsibility: Our Associates

Voice of the Associate Survey

At Hexion, our most important assets are our people. It is our associates that allow Hexion to meet the needs of our customers in the most efficient and safest manner.

Research indicates that the more engaged associates are, the stronger the business results and the lower the number of safety incidents. Both are critical metrics to our business.

As an organization, it is important that we understand our strengths, so we can continue to leverage them, and it is even more critical to understand our opportunities for improvement.

In early 2020 we partnered with Gallup, a global analytics and advice company that helps leaders and organizations solve their most pressing problems, to help our associates voice where we are doing well and where we have opportunities to grow. Senior leaders and managers alike used organizational and team data to develop action plans that further reinforced strengths, while also addressing opportunities for improvement.

The following key focus areas emerged from our 2020 global engagement survey.

A key strength of Hexion is a commitment to care for our associates and this was widely reflected in our survey scores. To further this culture, Hexion has established a formal Wellbeing Initiative intended to increase awareness of Hexion's culture of care and the resources that are available to assist our associates in their total wellbeing.

A clear understanding of our company mission, vision and direction emerged as an opportunity for further learning and engagement. The organization is focused on educating our associates on the products we make and the impact those products have on the world around us. Our goal is to increase understanding of how Hexion products improve everyday life, and to help our associates connect their roles and daily activities to Hexion's impact on the people, products and planet around us.

Health & Wellbeing

In 2020, Hexion began developing the strategy for a formal Health and Well-being initiative. Coined "Hexion Cares," the aim is to provide associates the necessary resources to help them manage their mental, physical, financial and relational well-being. Our strategy is as diverse as our population and meant to meet associates wherever they are on their well-being journey, while providing them an inclusive and open environment to learn and grow.

Global Meeting

While leaders could not gather physically together to reflect on our 2020 achievements and future goals, Hexion proudly brought about 300 leaders from around the globe together for the 2020 Virtual Global Meeting over several days in early December.

This meeting, like much of 2020, looked different than a face-to-face meeting, but covered many of the same topics. Through robust presentations and panel discussions from several Hexion leaders, as well as thought-provoking discussions with outside experts, we connected leaders throughout the globe. While we minimized risk of exposure to COVID-19, we leveraged technology to bridge the physical gap between each of us.

Career, Education, Promotion, Development

Our continued success is based on our ability to recruit, develop and maintain an exceptional and diverse workforce. By having world-class internship programs, it is our desire to support the education of the next generation of best and brightest employees. It is our goal to benefit students by teaching Hexion's values of teamwork, external focus, creative solutions, talent development, process excellence, execution, and integrity, while we benefit from the new ideas and energy that these exceptional students bring to the workplace.

In addition, our Early Career Development Program is an opportunity for recent graduates to apply their limitless imagination and drive to build innovative solutions within a comprehensive two-year rotational program. The program introduces them to multiple functions of our dynamic chemical manufacturing business, while providing continuous development through technical and non-technical training, intending to propel each unique career path within Hexion.

Hexion is also committed to developing associates and giving them access to new opportunities whenever possible. To further this goal, Hexion has an internal job posting program for its global operations to give all associates an opportunity to apply for positions for which they are qualified.

Our primary goal is to fill vacancies with the most qualified applicants available, giving our associates the opportunity to express interest. This process is designed to make associates aware of open positions within Hexion.



Data Privacy

The privacy of all our associates, customers, contractors and third parties is very important to Hexion and is becoming increasingly relevant in today's digital age. In order to provide an adequate and reliable standard of protection, we announced in 2017 the introduction of our new Privacy Policy.

The Policy addresses important aspects of how we collect, use, disclose, transfer and store Personal Data. "Personal Data" means information and data that identifies or can be used to identify an individual. This can include: names, addresses, telephone numbers, e-mail addresses, identification numbers, payroll and performance data, healthcare information and other unique personal information.

As a global company, Hexion is committed to complying with data privacy requirements that apply in every country where we operate, e.g. if Personal Data will be stored by third party providers, transferred or accessed from one region to another region.

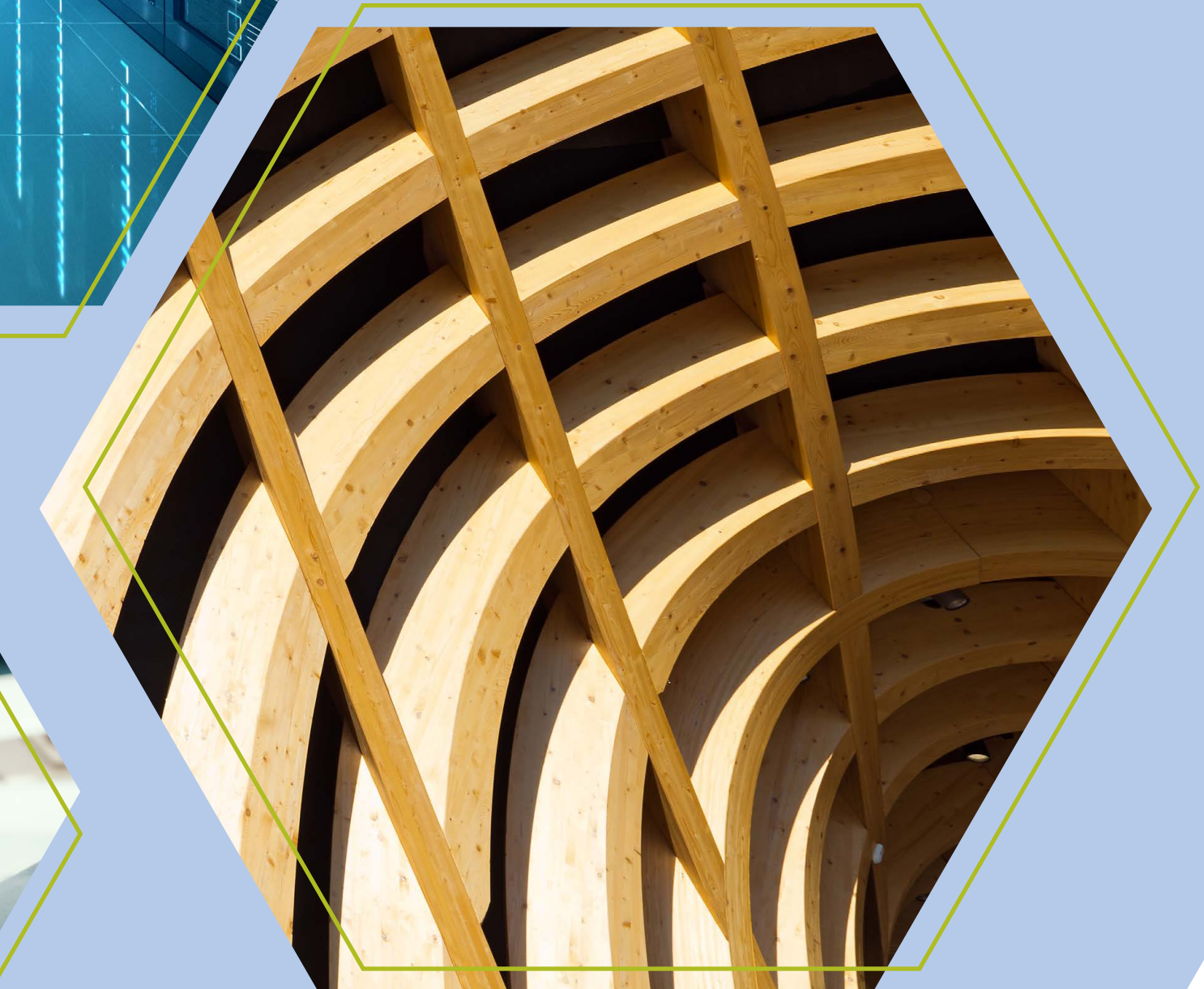
You may have heard about a regulatory change in Europe with the adoption of a newer data privacy regulation, known as the "GDPR" (General Data Protection Regulation). Similar changes are also occurring in many other countries around the globe. These changes in data protection laws are one of the key reasons why our new Privacy Policy is an important component of Hexion's compliance program—and a helpful instrument that protects our associates' Personal Data in an enhanced way.

There have also been many recent communications around breaches of IT and data security, such as phishing and ransomware. Data Privacy is closely related to our IT and Data Security, as it also concerns the protection and security of Personal Data. To make sure our associates' Personal Data is secure, Hexion has implemented specific safeguards, e.g. for cloud-based IT solutions.

The Hexion Privacy Policy covers the following topics:

- Principles for processing data
- Data privacy impact assessments
- Legitimate reasons or purposes for processing personal data
- Access rights
- Data security
- Data retention
- Secure deletion
- Data transfers to Hexion group members or third parties
- Rights of access, rectification, erasure and blocking of Personal Information
- Consequences for breaches and security incidents

In order to monitor compliance with the Policy, a Privacy Team was formed dedicated to supporting compliance with the Policy. The Privacy Team is also an information resource that is available to support all associates for any questions or concerns relating to Data Privacy.



Responsible Chemistry Comes to Life Around the Globe

At Hexion, we are more than just a specialty chemical company whose products are used to enable everyday life. We are creating positive impacts on the communities in which we work.

Based in Columbus since 1972, we are a company committed to **building** a stronger **community**, resilient **families**, thriving **children**, and a promising and healthy **future**. With a distinguished past, our predecessor companies can be traced to 1899.

While 2020 and the COVID-19 pandemic did not allow us to serve our communities in-person, teams around the globe developed creative ways to support those in need in their areas—especially those most impacted by the pandemic. From donating PPE and chemicals to help produce sanitizer to supporting organizations through virtual events to looking for creative ways to continue to provide basic needs items—our teams stepped up.

In fact, despite the pandemic, nearly 90 percent of Hexion sites participated in at least one community impact event in 2020.

Hexion has a long and distinguished history of leveraging its global manufacturing footprint and the collective resources of its associates to support its communities. In 2020, Hexion provided additional support to organizations that were assisting those most impacted by the pandemic through additional donations and volunteer support wherever possible. Recipient organizations included: The Mid-Ohio Food Bank, Children’s Hunger Alliance, the Legal Aid Society of Columbus, and the Homeless Families Foundation.

As the Company’s global headquarters, Hexion’s associates were pleased to support the Columbus community through a number of key initiatives, including:



United Way of Central Ohio

Since 1996, Hexion has donated more than \$6 million from its associates and matching corporate contributions. In 2020, our participation rate soared to the highest level in recent years;



American Heart Association

Since 2009, Hexion has joined with the AHA in fighting heart disease and stroke by raising raised nearly \$225,000 in support of the mission. In 2020, Hexion served as the Start Line sponsor of 2020 American Heart Association Central Ohio Virtual Heart Walk. The AHA is also focused on addressing heart disease and stroke among diverse populations;



Columbus Early Learning Centers

Hexion has supported this organization focused on providing family services and childcare services for more than six years through various activities; and,



Pelotonia

Since 2012, with nearly 200 associates volunteering or riding, Hexion has raised more than \$500,000 for cancer research.