



**BE THE  
CHANGE**

2019  
CHEMOURS  
CORPORATE  
RESPONSIBILITY  
COMMITMENT  
INDEX REPORT

Single  
Focus,  
Shared  
Future

## About This Corporate Responsibility Commitment (CRC) Index Report

In 2018, we released our first CRC report, unveiling 10 bold goals to achieve by 2030. This is our third report and reflects our performance and progress against each goal for the calendar year ending December 31, 2019.

This report includes three distinct sections:

|   |                |
|---|----------------|
| <b>1. Executive Summary</b> .....   | <b>1-9</b>     |
| Providing an overview of our company, values, principles, goals, and a snapshot of our 2019 actions.  |                |
| <b>2. Global Reporting Initiative (GRI) Content Index</b> .....   | <b>10-102</b>  |
| Detailing our general disclosures and specific standard disclosures for the corporate responsibility topics most important to our company.                                |                |
| <b>3. Other Reporting</b> .....   | <b>103-119</b> |
| a. Sustainability Accounting Standards Board (SASB) Index .....   | 104-107        |
| Reporting key accounting and activity sustainability metrics per the chemical sector standard.  |                |
| b. UN Global Compact (UNGC) Communication on Progress .....   | 108-109        |
| Communicating our progress toward implementing the UN Global Compact's 10 principles covering human rights, child and forced labor, the environment, and anti-corruption. |                |
| c. Chemours 2019 Performance Scorecard .....  | 110-113        |
| Summarizing our financial and environmental, social, and governance (ESG) data, including progress toward our 2030 CRC goals.   |                |
| d. Report Resources .....   | 114-119        |
| Defining technical terms, acronyms, and more.   |                |

## Our Commitment to Transparency

We have pledged to hold ourselves accountable by annually reporting on our progress against our 10 CRC goals that span our products, operations, people, and partnerships. The report was prepared in accordance with the GRI Standard Core reporting option and contributes directly to UN SDG target 12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.

We deeply appreciate your interest in our report, and we welcome your questions, comments, and feedback so that together we can contribute to a more inclusive society and a more sustainable planet. If you care to reach out to us, do so at: [CorporateResponsibility@chemours.com](mailto:CorporateResponsibility@chemours.com)

Additional reporting that may be of interest can be found at <https://chemours.com>:

- The Chemours Company's archive of earlier CRC reports, including the most recent previous report, covering the year ended December 31, 2018
- The Chemours Company [2019 Annual Report on Form 10-K](#)
- The Chemours Company [2020 Annual Proxy Statement](#)

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### EXTERNAL RECOGNITION



2019 EcoVadis Silver Rating



2019 Newsweek Most Responsible Companies

# A Message from Our CEO

## Chemours friends, stakeholders, and associates,



It is with much pleasure and pride that I share with you our third *Corporate Responsibility Commitment (CRC) report*. On each information-rich page, you will see examples of our continued progress in 2019 against our 10 ambitious CRC goals. We have compiled this report in the throes of a year fraught with events that are

changing the way we live, work, and think—the global COVID-19 pandemic and what can only be described as a far-reaching social uprising against racism in all its ugly forms. This backdrop has made the need even more compelling for corporations, industries, institutions, and individuals to embrace and advance social responsibility in its broadest sense.

At Chemours, we believe that great change is possible only through the passion, energy, and efforts of many. That belief is rooted in our values—specifically in one we call *Collective Entrepreneurship*. By empowering our employees to act like company owners and not only speak up, but act when they see an opportunity to improve, we're able to pivot quickly, be proactive, and experience firsthand the power of individual action creating collective progress. It is this mindset that is enabling our company to combat the novel coronavirus and social injustice, and is the same way of thinking that took our corporate responsibility efforts to a new level in 2019. That fact is all the more noteworthy when you consider the significant business challenges Chemours faced, including TiO<sub>2</sub> channel destocking and the continued impact of illegal imports of hydrofluorocarbons refrigerants into Europe.

Framed across three pillars—Inspired People, Shared Planet, and Evolved Portfolio—our goals align to the needs of our partners, customers, employees, investors, communities, and the United Nations Sustainable Development Goals (UN SDGs). Last year, we joined the collective efforts of business leaders across the globe by renewing our commitment to the 10 principles of the United Nations Global Compact—yet another example of individual actions that can ultimately mean consequential change.

For me, a 2019 highlight was watching the deep integration of our Corporate Responsibility Commitments into every aspect of how our nearly 7,000 employees at Chemours approach their work. Every day, the unique contributions of people across the company are making a difference advancing these goals, seamlessly integrating them into our growth strategies, business plans, community partnerships, volunteerism efforts, and day-to-day activities. I can say with confidence that these commitments are a part of how Chemours operates today and plans for tomorrow's future.

Companies like ours are proving that big challenges can be solved by motivated individuals operating in an organizational structure that magnifies and multiplies their power. It's still early in our journey, but we're off to a solid start. We invite you to see for yourself, to join us on this journey, to participate in the change.

Kind regards,

A handwritten signature in black ink, appearing to read 'Mark Vergnano'. The signature is fluid and cursive, with a long horizontal stroke at the end.

**Mark Vergnano**  
President and CEO

# The Chemours Company



**Committed to making chemistry as responsible as it is essential.**

At Chemours, our purpose is to help create a more colorful, capable, and cleaner world through the power of chemistry. Our products enable virtually everything people touch, in industries ranging from automotive to paints, plastics to electronics, construction, energy, telecommunications, and medical. Increasingly, our world needs more than effective and advanced chemistries. It also requires that we contribute to these essential technologies with an unwavering commitment to safety and end-to-end product stewardship, all at a lower cost to our shared planet. That's a charge that takes on new meaning as the world evolves and as the demands of its burgeoning population intensify. With the help of our customers, we will meet those demands—through the power of responsible chemistry.

We are a new kind of chemistry company built upon a 200-year-old legacy and a world-class product portfolio. Founded in Wilmington, Delaware, in 2015, The Chemours Company employs approximately 7,000 employees working in manufacturing facilities, laboratories, and offices throughout the world, serving customers in more than 120 countries. Through our business segments, we bring science-based solutions that are better, safer, more reliable, and more sustainable.

## OUR VISION

**“We aspire to be nothing less than the best in the world at harnessing the power of chemistry to improve the lives of people everywhere.”**

## Our Business Segments

Through our Titanium Technologies, Fluoroproducts, and Chemical Solutions businesses, The Chemours Company uses the power of chemistry to create a more colorful, capable, and cleaner world.



### FLUOROPRODUCTS

Fluoroproducts are essential ingredients in many of the world's modern conveniences, from refrigeration to computing to energy generation to self-driving cars.

- Freon™
- Krytox™
- Nafion™
- Opteon™
- Teflon™
- Viton™



### TITANIUM TECHNOLOGIES

Our titanium dioxide enhances brilliant paints, pristine plastics, gleaming laminates, and durable automotive and aerospace coatings.

- Ti-Pure™



### CHEMICAL SOLUTIONS

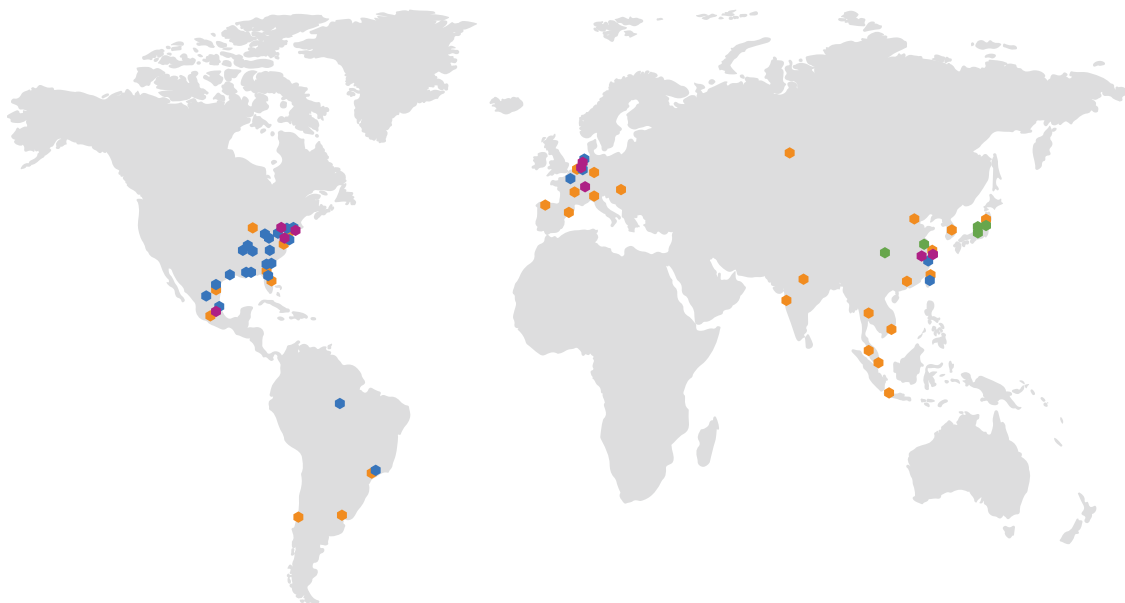
Our chemical solutions products leverage chemistry to deliver smarter and safer solutions that enable our customers to meet the growing demand for precious metals used in electronics and transportation, enhanced-performance personal care products, clean-and-disinfect consumer products, and other innovative applications.

- Glyclean™
- Glypure™
- Vazo™

## Our Global Reach

As you can see, our global reach is broad. In offices, plant sites, technical centers, and joint ventures, we are working in partnership with our customers, suppliers, and stakeholders throughout our value chains to meet the world's demand for sustainable and innovative offerings.

- Office
- Manufacturing Plant
- Technical Center
- Joint Venture Locations



## Our Values

Our ambition to be a new kind of chemistry company, one dedicated to the principle of responsible chemistry, is embedded in our shared values. These [five values](#) are the ethical foundation for all that we do, as employees and as a company; and they are reflected in our Corporate Responsibility Commitments.

### Refreshing Simplicity

Cut complexity, invest in what matters, and get to results faster.

### Collective Entrepreneurship

Act like each of us owns the business, while embracing the power of inclusion and teamwork.

### Safety Obsession

Live our steadfast belief that a safe workplace is a profitable workplace.

### Unshakable Integrity

Do what is right for customers, colleagues, and communities—always.

### Customer Centered

Drive customer growth, and our own, by understanding customers' needs and building long-lasting relationships.

## Our Principles

Born of our values, our guiding principles helped shape our commitment to drive responsible chemistry. They provided the foundation for developing our CRC goals and will inform our ongoing, focused efforts to responsibly grow our company.

### We recognize that it starts with us.

Our values guide us as we work together to take action and deliver on our Corporate Responsibility Commitments. We invest in our people, our facilities, and our processes to protect the safety and well-being of our employees, our business partners, and the communities in which we operate.

### We inspire the brightest minds.

We strive to think differently and to disrupt the status quo by challenging the best and brightest at Chemours to offer original ideas and fresh perspectives in a diverse, inclusive, and rewarding workplace that encourages the development of our employees.

### We steward our value chain.

We are setting the standard for how a chemistry company can operate, and we will work with our suppliers, vendors, and customers to have them join us as we advance our responsibility commitment along our value chain.

### We encourage our partners to change along with us.

We will make a positive contribution to sustainability through partnering with our communities, industry leaders in our sector, and those our products serve to advance sustainable development at scale.

### We hold ourselves to high standards.

We are committed to doing what is right, not just what is required. We strive for continuous improvement and will openly share with our stakeholders how we are doing.

### We put responsibility at the center of our businesses.

Environmental, social, and economic considerations sit at the heart of our decision-making and efforts to deliver responsible growth.

## Our 2030 Corporate Responsibility Commitment Goals

Our aim is to improve the lives of people everywhere through the power of chemistry. As a new kind of chemistry company, for a world that demands more, we are committed to delivering modern essentials—responsibly. It is the marriage of those demands and our resolve that gave rise to our corporate responsibility goals and all that surrounds and accompanies achieving them. In 2018, we announced 10 bold goals to bring responsible chemistry to life by 2030. These Corporate Responsibility Commitment (CRC) goals serve to unite and inspire our workforce to meet the world's growing demand for safer, more sustainable products. They fall into three pillars—Inspired People, Shared Planet, and Evolved Portfolio—that are further broken down into eight areas, focusing on our employees, communities, safety, the environment, and our value chain.

**OUR PILLARS**                      **OUR 2030 GOALS**                      **OUR CONTRIBUTION TO THE UN SDGS**



### Inspired People

#### Empowered Employees

- Fill 50% of all positions globally with women
- Fill 20% of all US positions with ethnically diverse employees



#### Safety Excellence

- Improve employee, contractor, process, and distribution safety performance by at least 75%



#### Vibrant Communities

- Invest \$50M in our communities to improve lives by increasing access to science, technology, engineering, and math (STEM) skills, safety initiatives, and sustainable environment programs



### Shared Planet

#### Climate

- Reduce greenhouse gas emissions intensity by 60%
- Advance our plan to become carbon positive by 2050



#### Water

- Reduce air and water process emissions of fluorinated organic chemicals by 99% or more



#### Waste

- Reduce our landfill volume intensity by 70%



### Evolved Portfolio

#### Sustainable Offerings

- Ensure that 50% of our revenue comes from offerings that make a specific contribution to the UN SDGs



#### Sustainable Supply Chain

- Establish a baseline for the sustainability performance of 80% of suppliers by spend and demonstrate 15% improvement



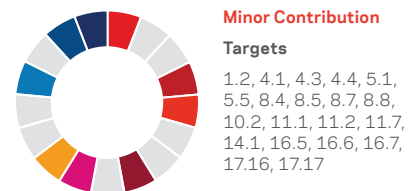
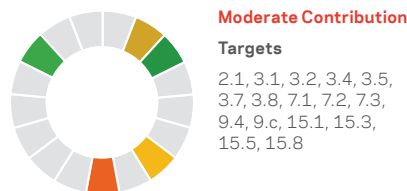
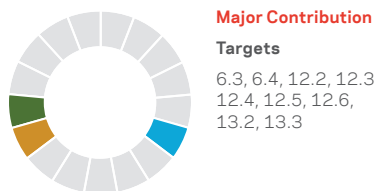
## Linking to the United Nations Sustainable Development Goals

In keeping with our commitment to the United Nations Global Compact and our belief that companies have a role to play in achieving the United Nations Sustainable Development Goals (UN SDGs or SDGs), we mapped our CRC actions and goals to the SDGs and their targets to better understand where we can have an impact and add value. All 17 UN SDGs are important; however, our level of engagement or impact with each of them varies. Our responsible growth strategy and CRC goals align most closely with three of the SDGs—clean water and sanitation, responsible consumption and production, and climate action. We also contribute to the other 14 SDGs, to a lesser extent, and have identified the targets within each goal most closely connected to our activities.



### We contribute to the UN SDGs through:

- Refrigerant products that deliver increased efficiency to customers while significantly lowering the global warming potential (GWP) of refrigeration and cooling.
- Capital investments to reduce greenhouse gas, air, and water process emissions and waste at our facilities.
- High-performance materials that improve energy efficiency and lower emissions from the automotive and building sectors.
- Offerings that help power the renewable energy grid and enable emissions reductions, faster demand response, and advanced integration of distributed energy resources.



## Individual Actions, Collective Progress

Last year, we defined how our corporate responsibility commitments would become fully integrated in our business operations and our overarching responsible-growth strategy, laying the groundwork for achieving our goals. In 2019, we focused on individual, human-scale actions that exemplified the power one person has to make a difference; we did this by empowering our employee base to live our Collective Entrepreneurship value, asking them to speak up when they see how to do something better and to see themselves as catalysts for change, essentially becoming the change. The progress highlighted in the following pages would not have been possible without the actions of each and every Chemours employee. From our global CRC champions [spearheading initiatives](#) at their sites, to the more than 500 employees who participated in our [inaugural Global CRC Day](#), the small acts of employees across our company enabled collective progress against our goals in 2019.



# Inspired People



## OUR 2019 ACTIONS

100%

of our employees were trained on our employee Code of Conduct



Hire Vets Gold Medal Recipient, a US Department of Labor initiative to promote military hiring

5,417

paid employee volunteer service hours

12

sites American Chemistry Council environmental, health, and safety award recipients

39

second-party safety audits conducted at our global manufacturing sites



Great Places to Work certified for the second year in a row in the US; A top 50 Great Place to Work in Mexico for the second year in a row

## OUR COMMITMENTS

| Our 2030 CRC Goals   | Our 2019 Performance  | 2030 Goal Progress         |
|--|---|----------------------------|
| 50% of all global positions filled with women  | 22% of all positions filled with women                            | At or worse than base year |
| 20% of all US positions filled with ethnically diverse employees   | 19% of all US positions filled with ethnically diverse employees  | At or worse than base year |
| 75% improvement in employee, contractor, process, and distribution safety performance  | 0.26: Total employee recordable incident rate                     | Behind schedule            |
|  | 0.31: Total contractor recordable incident rate                   | At or worse than base year |
|  | 0.01: Tier 1 process safety event rate                            | Behind schedule            |
| \$50M investment in our communities to improve lives by increasing access to Science, Technology, Engineering, and Math skills, safety initiatives, and sustainable-environment programs | 7: Distribution incidents   | At or worse than base year |
|  | \$2.5 million committed to the communities where we live and work | Behind schedule            |

At or worse than base year



Behind schedule



On track



## CASE STUDY

### Global Corporate Responsibility Commitment Day

In 2019, we hosted our first Global Corporate Responsibility Commitment Day on December 5—International Volunteer Day. We asked employees around the globe to take one step or action to advance one of our 2030 CRC goals. Many employees opted to participate in community service projects, while others hosted educational webinars or vendor meetings. In total, more than 500 employees participated in more than 60 events across 29 locations in 13 countries around the world, totaling over 1,000 hours of service.

# Shared Planet

## OUR 2019 ACTIONS

48%

products sold in recyclable packaging



Five sites certified by Wildlife Habitat Council

4

zero landfill sites

3

production facilities upgraded equipment to reduce FOC<sup>1</sup> process emissions

2

sites implemented projects to reduce annual GHG<sup>2</sup> emissions by 545,000 metric tons CO<sub>2</sub>e<sup>3</sup>

27

million metric tons of CO<sub>2</sub>e emissions avoided thanks to our Opteon™ products

## OUR COMMITMENTS

| Our 2030 CRC Goals  | Our 2019 Performance   | 2030 Goal Progress         |
|---|--|----------------------------|
| 60% reduction in greenhouse gas emissions intensity   | 5.27: Metric tons (MT) CO <sub>2</sub> e per metric ton of sales product               | On track                   |
| 2050 is the year by which we strive to become carbon neutral  | -137: Carbon positive indicator (million MT CO <sub>2</sub> e)                         | Behind schedule            |
| 99%+ reduction of air process emissions and water process emissions of fluorinated organic chemicals (FOCs) | 548: MT of water process emissions of FOCs<br>972: MT of air process emissions of FOCs | Behind schedule            |
| 70% reduction in our landfill volume intensity  | 0.37: Landfill volume intensity  | At or worse than base year |

At or worse than base year



Behind schedule



On track



## CASE STUDY

### Reducing Fluorinated Organic Compound (FOC) Process Emissions at Fayetteville Works

In December 2019, we successfully completed construction and startup of a thermal oxidizer designed to remove greater than 99% of the FOC air process emissions routed to it at our Fayetteville, North Carolina, facility. This work was completed in a fraction of the time normally required for a system of its complexity and met our commitments in the consent order, dated February 25, 2019, with North Carolina Department of Environmental Quality and Cape Fear River Watch. In 2020, we expect to see first full-year benefits from this and other implemented projects.

<sup>1</sup>Fluorinated organic compounds

<sup>2</sup>Greenhouse gas

<sup>3</sup>Carbon dioxide equivalent

# Evolved Portfolio



## OUR 2019 ACTIONS



American Chemistry Council Sustainability Leadership award for Opteon™—Societal Contributions Award

# 100%

Product Safety Code Practices were completed and Responsible Care RC 14001 certification achieved



Chemours' John Sworen awarded the Moore Medal for Teflon EcoElite™ by the Society of Chemical Industry (SCI), America Group



Developed and received third-party verification on EVOLVE 2030 portfolio sustainability evaluation methodology

# ~9X

increase in participation in our supplier corporate responsibility assessment



Refreshed Supplier Code of Conduct to facilitate CRC dialogue across our value chain

## OUR COMMITMENTS

| Our 2030 CRC Goals   | Our 2019 Performance  | 2030 Goal Progress |
|--|---|--------------------|
| 50% more of our revenue will be from offerings that make a specific contribution to the UN SDGs                      | 10.4%: Chemours revenue that came from products that made a specific contribution to the UN SDGs  |                    |
| 80% of suppliers by spend will have a baseline for sustainability performance and will demonstrate a 15% improvement | 38.6%: Suppliers by spend that completed supplier corporate responsibility assessment evaluations |                    |
|  | 0%: Improvement supplier sustainability performance   |                    |

At or worse than base year Behind schedule On track



## CASE STUDY

### Asia-Pacific Economic Cooperation Chemical Dialogue's Risk Challenge Workshop in Chile

In August 2019 the Asia-Pacific Economic Cooperation (APEC) Chemical Dialogue hosted an interactive Risk Challenge workshop in Chile, demonstrating the principles and practices of human and ecological risk assessment. These assessments enable science-based chemical risk management decisions. The workshop materials, developed by Chemours, helped illustrate approaches to efficient decision-making, which can facilitate inter-governmental cooperation. Chemours believes this cooperation maximizes societal benefits, while lowering barriers for the introduction of innovations across borders, supporting the UN SDGs. Workshop participants included APEC members and non-members from 11 countries.

# GRI Content Index



# General Standard Disclosures



## Organizational Profile

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### 102-1 NAME OF THE ORGANIZATION

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The Chemours Company

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### 102-2 ACTIVITIES, BRANDS, PRODUCTS, AND SERVICES

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The Chemours Company is a leading global provider of performance chemicals that are key inputs in end products and processes in a variety of industries. We deliver customized solutions with a wide range of industrial and specialty chemical products for markets, including plastics and coatings, refrigeration and air conditioning, general industrial, electronics, mining, and oil refining.

We manage and report our operating results through three reportable segments: Fluoroproducts, Chemical Solutions, and Titanium Technologies. The Fluoroproducts segment is a leading, global provider of fluoroproducts, including refrigerants and industrial fluoropolymer resins. Segment brands include Krytox™, Nafion™, Opteon™, Freon™, Teflon™, and Viton™.

The Chemical Solutions segment is a leading North American provider of industrial chemicals used in gold production, industrial, and consumer applications. Segment brands include Vazo™, Glypure™, and Glyclean™.

The Titanium Technologies segment is a leading global provider of Ti-Pure™ titanium dioxide (TiO<sub>2</sub>) pigment, a premium white pigment used to deliver whiteness, brightness, opacity, and protection in a variety of applications.

Read more about our business segments, brands, products, and services on pages 4 to 9 of our [2019 Annual Report on Form 10-K](#).

Chemours is not aware of any brands, products, or services banned in any markets in which it operates. Management and information technology systems are in place to monitor and ensure compliance with global trade and regulatory requirements.

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### 102-3 LOCATION OF HEADQUARTERS

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1007 Market Street  
Wilmington, Delaware, US 19801

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### 102-4 LOCATION OF OPERATIONS

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Chemours maintains a global network of 26 production facilities, nine technical centers, and 28 offices located in cost-effective and strategic locations. We also work with joint venture partners (four production facilities; one technical center) and use contract manufacturing to provide regional access or to lower manufacturing costs, as appropriate.

Read more about our global locations on page 27 of our [2019 Annual Report on Form 10-K](#) and on our web site.

## 102-5 OWNERSHIP AND LEGAL FORM

Chemours is incorporated in the state of Delaware and is publicly traded on the New York Stock Exchange under the symbol CC.

## 102-6 MARKETS SERVED

Chemours serves approximately 3,700 customers in over 120 countries across a variety of markets within the performance chemicals sector, including plastics and coatings, refrigeration and air conditioning, general industrial, electronics, mining, and oil refining.

Read more about our markets and segments on pages 4 to 9 of our [2019 Annual Report on Form 10-K](#).

## 102-7 SCALE OF ORGANIZATION

As of December 31, 2019, Chemours employs 6,953 people around the world and maintains a global network of 30 production facilities (including joint venture operations) located in nine countries: United States (US), Mexico, Brazil, Belgium, France, the Netherlands, China, Taiwan, and Japan.

We have 10 standalone technical centers and research and development (R&D) facilities (including joint venture facilities) located in six countries (US, Mexico, Belgium, Switzerland, China, and Japan) to serve our customers and provide technical support. In 2019, we opened The Chemours Discovery Hub, a 312,000 square foot, state-of-the-art, sustainably designed research facility located on the University of Delaware's Science, Technology, and Advanced Research (STAR) Campus. The center showcases Chemours products in action and received a rating of three out of four globes by [Green Globes](#), an online sustainable building rating system, emphasizing our commitment to responsible chemistry.

Our net revenue in 2019 was \$5,526 million with total assets at \$7,258 million. Please see our [2019 Annual Report on Form 10-K](#) Note 5, page F-21 for our revenue breakdowns.

Read more about where we operate on page 27 of our [2019 Annual Report on Form 10-K](#).

## 102-8 INFORMATION ON EMPLOYEES AND OTHER WORKERS

### Total number of employees by region as of December 31, 2019

|                        | Asia Pacific | EMEA <sup>1</sup> | Latin America <sup>2</sup> | North America            | Total        |
|------------------------|--------------|-------------------|----------------------------|--------------------------|--------------|
| <b>Total employees</b> | <b>780</b>   | <b>901</b>        | <b>639</b>                 | <b>4,633<sup>3</sup></b> | <b>6,953</b> |
| <b>Employee status</b> |              |                   |                            |                          |              |
| Full time              | 780          | 844               | 639                        | 4,624                    | 6,887        |
| Part time              | 0            | 57                | 0                          | 9                        | 66           |
| <b>Employee gender</b> |              |                   |                            |                          |              |
| Men                    | 525          | 700               | 438                        | 3,670                    | 5,333        |
| Women                  | 224          | 201               | 136                        | 963                      | 1,524        |
| Undeclared             | 31           | 0                 | 65                         | 0                        | 96           |

<sup>1</sup>Europe, Middle East, and Africa.

<sup>2</sup>Includes Mexico.

<sup>3</sup>Total US employee headcount was 4,605 employees.

Employee workforce data are gathered through a centralized database containing all employee information. Employee data are updated by the employee, the direct manager and/or human resources when employee information changes occur. The data represent the global employee population as of December 31, 2019, and include all permanent, full-time, and part-time employees. Temporary employees, interns, co-ops, and contractors are excluded unless otherwise stated.

Contract workers represent approximately 40% of the total workforce required to support our manufacturing sites. This on-site, resident contract workforce provides services for facility maintenance, engineering services and construction support, operations, research and logistics support, equipment service and maintenance, custodial services, and site security services. As of December 31, 2019, 4,436 contractors supported our sites; however, this number can be variable throughout the year due to business needs and seasonal plant activities.

Chemours may also use temporary workers, including student interns and co-ops, to support specific work needs and, in the case of student workers, to develop talent for the future. The total number of temporary/contingent workers is highly variable throughout the year due to business needs and school schedules.

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## 102-9 SUPPLY CHAIN

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We serve a wide range of industrial and end-user applications through our business segments. We maintain relationships with more than 12,000 suppliers across over 70 countries. Primary raw materials used in our products include:

- Fluoroproducts—Fluorspar, ethylene, chlorinated organics, chlorine, hydrogen fluoride, sulfur, and vinylidene fluoride
- Chemical Solutions—Ammonia, methanol, natural gas, hydrogen, and caustic soda
- Titanium Technologies—Titanium-bearing ores, chlorine, calcined petroleum coke, and energy

Read more about the supply chain for each of our business segments on pages 4 to 9 of our [2019 Annual Report on Form 10-K](#).

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## 102-10 SIGNIFICANT CHANGES TO THE ORGANIZATION AND ITS SUPPLY CHAIN

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In the third quarter of 2019, Chemours acquired Southern Ionics Minerals, LLC. This acquisition included two facilities in Georgia, a titanium mine in Folkston, and a mineral sands separation facility in Offerman. This expands Chemours' access to low-cost sources of domestic, high-quality ilmenite ore feedstock for our Titanium Technologies product line.

In December 2019, the company entered into an asset purchase agreement with Belle Chemical Company (BCC), a subsidiary of Cornerstone Chemical Company, whereby BCC agreed to acquire the methylamines and methylamides business of the Chemours Chemical Solutions segment.

In December 2019, the company approved the discontinuation of the titanium tetrachloride production line at the New Johnsonville, Tennessee, site.

During 2019, we increased production of Opteon™ refrigerants at our facility in Corpus Christi, Texas. This facility will enable us to capture additional opportunities as a leader in the transition to sustainable refrigerants.

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## 102-11 PRECAUTIONARY PRINCIPLE OR APPROACH

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Our [Environmental Health, Safety, and Corporate Responsibility Policy](#) describes the elements of our approach to protect the environment and human health through our commitment to apply the Responsible Care® Guiding Principles globally. We seek to apply processes or practices with less environmental impact, and through our product sustainability practices, manage potential risks or impacts from our products throughout their entire life cycle, from the design stage to product end-of-life.

As a part of the company's efforts to remain a sustainable and ethically operating company, we support the [Responsible Care®](#) Global Charter and Guiding Principles, the [United Nations Guiding Principles on Business and Human Rights](#), the [Organization for Economic Co-operation and Development \(OECD\) Guidelines for Multinational Enterprises](#), and the [International Labour Organization \(ILO\) Declaration on Fundamental Principles and International Labour Standards](#).

On October 8, 2018, Chemours became a participant in the [United Nations Global Compact \(UNGC\)](#). We are committed to making the UNGC and its principles part of the strategy, culture, and day-to-day operations of Chemours, and to engaging in collaborative projects that advance the UN SDGs. The 17 SDGs are part of the [UN 2030 Agenda for Sustainable Development](#), and are an urgent call to action for all countries—developed and developing—in a global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth—all while tackling climate change and working to preserve our oceans and forests. Companies have a key role to play in achieving the SDGs, and in response, we have mapped SDG-related opportunities and responsibilities to our responsible growth strategy. Based on this mapping, we believe that we contribute, either directly or indirectly, to most of the SDGs. Read more about our connection to all UN SDGs on [page 6](#) of this report and in our [2018 GRI Content Index disclosure 102-12](#).

As a global industry leader committed to advancing science and responsible operations, we openly collaborate with customers, academia, suppliers, communities, and governments.

We actively work with the following industry associations and nongovernmental organizations (NGOs) by maintaining board and other leadership positions:

- Air-Conditioning, Heating, and Refrigeration Institute
- Alliance for Responsible Atmospheric Policy
- American Chemistry Council
- American Institute of Chemical Engineers
- American Coatings Association
- American Society of Heating, Refrigerating and Air-Conditioning Engineers
- Association of the Dutch Chemical Industry
- Association of Plastics Manufacturers (Plastics Europe)
- Brazilian Chemical Industry Association (ABIQUIM)
- Campbell Institute
- Center for Climate and Energy Solutions
- China Petroleum and Chemical Industry Federation
- Chlorine Institute
- European Chemical Industry Council (Cefic)
- Green Chemistry and Commerce Council
- International Code Council
- International Cyanide Management Institute
- International Standards Organization
- Japan Chemical Industry Association
- Japan Hygienic Olefin and Styrene Plastics Association
- Mexican Chemical Producers Association
- National Fire Protection Association
- National Industrial Transportation League
- National Safety Council
- Plastics Industry Association
- Taiwan Responsible Care Association
- The Conference Board
- Titanium Dioxide Manufacturers Association
- United States Council of International Business
- Wildlife Habitat Council
- World Environment Center
- World Resources Institute

In addition to the above organizations, we are also active members in the local Chambers of Commerce organizations in the communities in which we operate.



# Strategy

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102-14

STATEMENT FROM THE SENIOR DECISION-MAKER

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Please read a statement from our president and CEO on [page 1](#) of this report.

# Ethics and Integrity

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102-16

VALUES, PRINCIPLES, STANDARDS, AND NORMS OF BEHAVIOR

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At Chemours, our purpose is to create a colorful, capable, and cleaner world through the power of chemistry. Our culture is powered by a steadfast commitment to upholding our five core values:

- Customer Centered—Driving customer growth, and our own, by understanding our customers' needs and building long-lasting relationships
- Refreshing Simplicity—Cutting complexity by investing in what matters and getting results faster
- Collective Entrepreneurship—Empowering our employees to act like they own our business while embracing the power of inclusion and teamwork
- Safety Obsession—Living our steadfast belief that a safe workplace is a profitable workplace
- Unshakable Integrity—Doing what's right for our customers, colleagues, and communities—always

These values create the chemistry of Chemours and are outlined in the [Chemours Code of Conduct](#). The Code applies to our employees, officers, and directors—and forms the foundation for the ethical behaviors that guide everything we do. We are all expected to understand and comply with all company policies and applicable laws, and to adhere to the guiding principles outlined in the Code. It also serves as a resource to our customers, suppliers, and other external stakeholders in understanding the company's values and ethical standards. In addition, suppliers are provided, and expected to adhere to, the [Chemours Supplier Code of Conduct](#), which reflects and explains our company values.

The Code of Conduct is available in 11 different languages to enable our employees, agents, and third-party representatives around the world to fully understand our guiding principles. Our chief compliance officer and the Chemours compliance committee are responsible for the Code of Conduct and ensuring that appropriate guidance is included to maintain our high ethical standards. The Code was last revised in September 2019 and is regularly reviewed by the Board of Directors (the "board") and the Chemours Executive Team (CET). Our top leaders, including our board, are committed to helping every Chemours employee live our unshakeable integrity value.

Our Code prescribes expected behavior covering areas such as receiving and giving gifts; preventing conflicts of interest; maintaining a respectful workplace; protecting company assets and data; and complying with anti-trust and competition laws, anti-bribery laws, anti-corruption laws, trade compliance laws and regulations, and insider trading laws. In addition to the Code of Conduct, we have specific internal policies, procedures, and controls to guard against corruption, including a risk-based, third-party, due diligence process and contractual obligations requiring our relevant business partners to comply with anti-bribery laws.

The Code and our anti-corruption policy reflect the principles set out in the UN Convention against Corruption and the UN Global Compact. Our commitment to unshakable integrity means we all play a part in the effort to eliminate bribery and corruption worldwide. We follow anti-bribery and anti-corruption laws and expect our business partners to do the same. Our anti-corruption policy provides definitions on what constitutes a bribe, discusses the ways employees may encounter demands for bribes and/or extortion, makes clear to employees that we do not engage in bribery under any circumstances, and assures employees that they will not suffer negative consequences for refusing to pay a bribe.

In addition to the Code of Conduct, the following policy statements help us maintain ethical business practices. Please visit the [Report Resources](#) section for links to public policies (note: not all policies listed below are public for confidentiality reasons).

- Anti-corruption and Anti-bribery Policy
- Antitrust Policy
- Chemours Statement on Human Rights
- Chemours Statement of Principles on Child Labor, Forced Labor, and Modern Slavery
- Conflict Minerals Statement
- Conflicts of Interest Policy
- Cyber and Information Security Policy
- Environment, Health, Safety, and Corporate Responsibility Policy
- Financial Reporting Policies and Procedures
- Gift and Entertainment Policy
- Global Procurement Policy
- Global Trade Compliance Policy
- Guidance on Interactions with Government
- Inclusive Environment and Non-Discrimination Policy
- Insider Trading Policy
- Non-Retaliation Policy
- Payments for Materials and Services Policy
- Supplier Code of Conduct
- Trade Sanctions Policy
- Trade Secret Policy and Protection Protocol
- Travel and Reimbursement Policy
- US Government Business Gifts and Gratuities Policy

Each global policy is owned by a named subject matter expert, who is responsible for reviewing and updating their assigned policy to ensure it remains relevant and current. Policies are approved by the CET, and where appropriate, by the board.

Each year we train 100% of our employees on the Code of Conduct, and all new employees receive relevant ethics training upon joining the company, including anti-bribery training. Similarly, new board members receive training on the Code of Conduct as part of the onboarding process. Select employees receive electronic and targeted, live training on specific company policies, such as anti-corruption or anti-trust, based on their areas of responsibility. All Chemours directors, executives, and select employees based on their roles are required to complete an annual ethics and compliance certification, which includes questions concerning potential conflicts of interest. The Ethics and Compliance Team reviews responses and takes action to appropriately mitigate risk where an actual or apparent conflict exists. Company leadership reviews summaries of disclosures on a year-end basis.

Chemours maintains a risk-based, comprehensive anti-corruption compliance program as an important component of our ethics and compliance program. After identifying specific compliance risks, we implemented policies, procedures, and controls; and employed a risk-based, third-party, due diligence process when onboarding new business partners. We engage in regular risk assessments to continuously improve and evolve our compliance initiatives to effectively address those risks. Moreover, we identify high-risk operations and ensure procedures and controls are in place to mitigate risk, particularly bribery and corruption. High-risk third parties are apprised of, and acknowledge Chemours' expectation of ethical business conduct and provide targeted online training on bribery and corruption risk.

Read more about our risk governance processes in [102-30](#) and on pages 13 and 14 in our [2020 Proxy Statement](#).

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## 102-17 MECHANISMS FOR ADVICE AND CONCERNS ABOUT ETHICS

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At Chemours, we strongly encourage employees to live our unshakeable integrity value by listening, observing, and speaking up whenever they have an ethics question and need advice or want to raise a concern. Our comprehensive ethics and compliance engagement program shares speak-up messaging through multiple platforms, including frequent online videos and written messages, as well as in-person presentations by business leaders, ethics champions, and other key professionals from throughout the company.

Senior leadership and the ethics and compliance organization nominates and confirms our ethics champions, who are located across our global operations and help drive Chemours' commitment to unshakable integrity and ethical business conduct at a global and local level. During their three-year term, ethics champions serve as role models and as the primary ethics contacts and resources for employees. By partnering with leadership and the Ethics and Compliance Team, ethics champions promote, enhance, and help execute the Chemours ethics and compliance program.

The [Chemours Code of Conduct](#) strictly prohibits any form of retaliation for reporting a workplace or ethical concern, which we frequently communicate as part of the speak-up messaging. Employees may ask a question or raise a concern by reaching out to business leadership, a compliance officer, or an ethics champion, or by contacting the ethics hotline. The multi-lingual [Chemours ethics hotline](#) is available by phone or online 24 hours a day, seven days a week, and we provide business partners a link to the ethics hotline in our contracting process. An independent company operates the hotline and provides a secure and confidential mechanism for employees, contractors, agents, distributors, business partners, and community members to raise concerns. No call tracing, IP address tracking, or recording devices are ever used; in some countries, as allowed by local law, callers may remain anonymous.

Chemours' trained, full-time ethics and compliance personnel review all allegations and conduct investigations and/or direct them to the appropriate department for follow-up. Confidentiality is essential to maintain the integrity of the investigation, and those who participate in good faith are protected from retaliation. We conduct root-cause analyses of all confirmed instances of ethical misconduct to understand underlying causes and prevent reoccurrence. Substantiated violations of the Code are reviewed by a committee comprising appropriate business leaders, human resources, and experienced ethics and compliance professionals to ensure a fair and consistent disciplinary response to confirmed violations of the Code. Violations are reported to leadership, including the Board of Directors, and communicated to employees, as appropriate, to ensure transparency and provide teaching opportunities to drive learning and improvement.

Our Chief Compliance Officer (CCO) is responsible for ensuring an effective and appropriate ethics and compliance investigation process. The CCO leads quarterly meetings with the Chemours compliance committee—composed of the two business presidents, the CCO, and executives in human resources, legal, and finance—to evaluate risks, monitor trends, and assess the effectiveness of our ethics and compliance programming. The CCO meets with and reports to the board's audit committee quarterly on the company's ethics and compliance initiatives and related metrics. Types of issues reported in 2019 included conflicts of interest; environmental, health and safety; human resources; misuse of assets; records falsification; and others.

## Governance

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### 102-18

### GOVERNANCE STRUCTURE

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The Chemours Company Board of Directors has active responsibility for and oversees broad corporate policy and overall company performance. The board has three committees:

- Audit committee
- Compensation committee
- Nominating and Corporate Governance committee

Because environmental, social, and governance (ESG) matters are integral to the growth and success of the company, we believe that oversight of ESG matters currently belongs at the full board level. The board is responsible for overseeing our corporate responsibility strategy, standards, goals, and performance. We believe this level of oversight provides the best avenue to integrate ESG risks and opportunities into our overall business growth strategy, and it helps us meet the changing demands of all our stakeholders—customers, partners, investors, employees, and communities.

The Board of Directors receives regular updates from senior management on environmental, social, and economic risks and opportunities, including climate; water; environmental, health, and safety (EHS); social issues; regulatory actions; and product stewardship. The board reviews proposed corporate transactions and overall corporate strategy with input from management on ESG risks and opportunities. Under board oversight, senior management continues to execute on our CRCs, which focus on three key pillars—Inspired People, a Shared Planet, and an Evolved Portfolio. With the board's guidance, we developed and are advancing progress on goals for climate change, water stewardship, waste management, diversity and inclusion, safety, product sustainability, and sustainable sourcing.

We embed corporate responsibility in our business processes, guiding how we manage and operate our manufacturing sites, and inspiring the new products and offerings we bring to market. Our growth strategy is directly linked to corporate responsibility so that we aim not only to grow, but to grow responsibly.

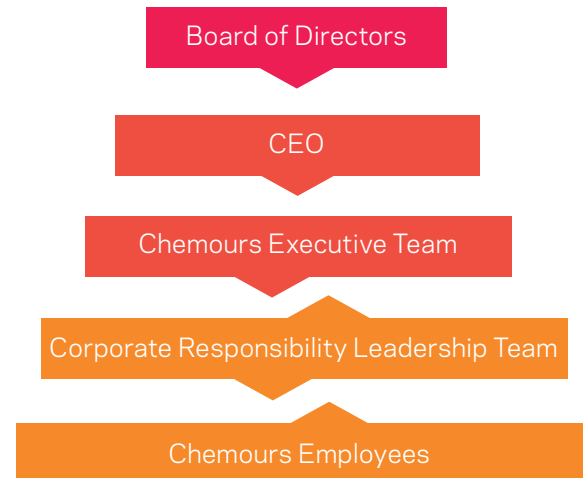
Please read more about our governance structure on our [investor relations web site](#) and on pages 10 to 13 in our [2020 Proxy Statement](#).

The board delegates authority for day-to-day management of economic, environmental, and social risks and opportunities to the president/CEO and members of the Chemours Executive Team (CET). Together the president/CEO and CET are responsible for embedding ESG opportunities into our business strategy, plans, and budgets; our mergers and acquisitions decisions; and achieving our CRC goals.

The CET operationalizes governance of ESG matters through the Corporate Responsibility Leadership Team (CRLT)—a cross-functional team comprising senior leaders from our three business segments and major corporate functions. Our president/CEO serves as executive sponsor of corporate responsibility and the CRLT. Together the president/CEO and CET are dedicated to accelerating our corporate responsibility journey—growing our company by driving a sustainable portfolio, effectively managing all our resources, and enhancing social and environmental value.

Led by the vice president of environmental, health, safety, and corporate responsibility, the CRLT meets monthly with the president/CEO to:

- Develop our CRC purpose, strategy, standards, and goals
- Stay current on emerging economic, social, and environmental trends
- Identify and assess economic, social, and environmental risks and opportunities, including human rights, anti-corruption, climate change, and resource management
- Drive the implementation of our CRC program and make recommendations for short-, mid-, and long-term action
- Ensure continued progress is made toward achieving the 2030 CRC goals
- Track and report our progress to the board, Chemours employees, and external stakeholders



For each of our 2030 CRC goals, we set a leadership structure that includes a CRLT sponsor who is accountable for goal strategy, execution, and resource allocation; a goal leader responsible for achieving the goal; and a team of cross-functional subject matter experts. The goal leaders with their teams are responsible for developing the enterprise-wide plans to achieve their goal, establishing performance metrics, tracking and reporting progress to the CRLT, and working with our business segments to identify and pursue short-term and mid-term opportunities to achieve our 2030 CRC goals. Additionally, each goal leader supports business team leaders in establishing business-specific plans and/or teams for meeting business-level, annual CRC performance targets. Ultimately, business and function line leadership, with assistance from the goal leaders, is accountable for successful goal program execution.

Please see 102-19.

Shareholders and others interested in communicating directly with the board, Board Chairman, or other outside director may do so by writing in care of the corporate secretary at:

The Chemours Company  
 1007 Market Street  
 Wilmington, DE 19801  
 Attention: Corporate Secretary

The board's independent directors have approved procedures for handling such correspondence received by the company and addressed to the board.

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## 102-22 COMPOSITION OF THE HIGHEST GOVERNANCE BODY AND ITS COMMITTEES

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We publish the governance structure for Chemours, including board membership, the committees of our board, committee charters, and committee membership, on our [investor relations web site](#) and on pages 3 to 9 and 16 to 18 of our [2020 Proxy Statement](#).

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## 102-23 CHAIR OF THE HIGHEST GOVERNANCE BODY

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The Chemours Board of Directors is led by its independent Chairman, Mr. Richard H. Brown. In addition, all other members of our Board of Directors (except our president/CEO) are independent and have no material relationships with the company other than as a Chemours director.

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## 102-24 NOMINATING AND SELECTING THE HIGHEST GOVERNANCE BODY

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The nominating and corporate governance committee of the board nominates directors based on their independence, as well as their experience and expertise in a variety of areas, including environmental, health, safety, and other sustainability (ESG) topics. In evaluating each candidate, the committee considers factors such as integrity and character; sound, independent judgment; breadth of experience, insight, and knowledge; business acumen; significant professional accomplishment; and individual qualities and attributes, including diversity in experience, gender, and ethnicity.

Director nominations are presented to our shareholders as part of our annual shareholder meeting process.

Additional information may be found in our [2020 Proxy Statement](#) on pages 1 to 9 and on our [investor relations web site](#).

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## 102-25 CONFLICTS OF INTEREST

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The Chemours board adopted a Code of Business Conduct and Ethics for the Board of Directors, a Code of Ethics for the CEO, Chief Financial Officer, and Controller; and the [Chemours Code of Conduct](#) applicable to all Chemours directors and employees. These documents describe the processes and policies for avoiding or managing conflicts of interest. Additional information may be found in our 2020 Proxy Statement on pages 14 and 15 and on our [investor relations web site](#).

Other public company board memberships, supplier/purchaser relationships, and related party disclosures are disclosed in the relevant Security and Exchange (SEC) filings for Chemours, including the [2020 Proxy Statement](#), and [Forms 10-K](#) and [10-Q](#), as appropriate.

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## 102-26 ROLE OF HIGHEST GOVERNANCE BODY IN SETTING PURPOSE, VALUES, AND STRATEGY

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Please see sections [102-18](#) and [102-19](#).

Our Board of Directors continually develops and enhances its knowledge of economic, environmental, and social impacts through activities such as:

- Reviewing economic, environmental, and social impacts at board meetings and board committee meetings as part of integrated discussions on company and business segment strategy, priorities, opportunities, and performance
- Receiving reports from our president/CEO and other CET members regarding CRC strategies, priorities, goals, performance, and impacts
- Overseeing efforts by Chemours management to develop, approve, and update our vision, strategies, policies, and goals related to economic, environmental, and social impacts
- Reviewing the contents of the Chemours CRC report each year and any internal assessments of CRC program maturity
- Overseeing enterprise risk management efforts at Chemours, including ensuring that risks and opportunities associated with economic, environmental, and social impacts are assessed and managed

The board's nominating and corporate governance committee oversees the annual self-evaluation process of the entire Board of Directors and its other committees, establishes the evaluation criteria, implements the evaluation process, and reports its findings on the process to the Board of Directors.

The board and each committee review the results from the evaluations and take appropriate actions to address any areas of concern, including addressing opportunities to improve the integration of economic, environmental, and social topics into Chemours' governance and business processes.

While this is an internal self-assessment, members of each committee are independent directors.

We identify potential impacts from economic, environmental, and social topics using input from internal business and function leaders, from internal and external stakeholder input collected through the corporate responsibility issue prioritization process delineated in [102-46](#), and through our shareholder engagement process as described on page 15 in our [2020 Proxy Statement](#). Collected information is used to update our CRC and is provided to our Enterprise Risk Team for consideration in the Chemours enterprise risk management (ERM) process. Risk management is a strategic activity within Chemours, and our ability to identify and manage risk creates opportunity as well.

The CET reviews major risks identified through the ERM process to ensure alignment and communicates those risks to the board. Responsibility for managing risk rests with the president/CEO and the CET, while the committees of the board and the full board oversee the process. Specifically, the board oversees the strategic planning process and reviews and monitors management's execution of the corporate and business plan. Each board standing committee oversees specific risk areas relevant to their respective charters. This process includes an ongoing review of Chemours' comprehensive cybersecurity and information security programs.

The board leadership structure supports effective risk management oversight. In fulfilling its oversight responsibility, the board receives various management and board committee reports and engages in periodic discussions with the company's officers, as it may deem appropriate. This enables the board and its committees to coordinate risk oversight and the relationships among the various risks faced by Chemours. The board audit committee ensures the quality and implementation of the ERM process during their annual review. For more information about our risk management process, see pages 13 and 14 in our [2020 Proxy Statement](#) and our [2020 CDP Climate Change response](#).

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**102-30**                      **EFFECTIVENESS OF RISK MANAGEMENT PROCESS**

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Please see [102-29](#).

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**102-31**                      **REVIEW OF ECONOMIC, ENVIRONMENTAL, AND SOCIAL TOPICS**

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Our Board of Directors receives regular updates on our economic, environmental, and social topics. Read more in [102-27](#).

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**102-32**                      **HIGHEST GOVERNANCE BODY'S ROLE IN SUSTAINABILITY REPORTING**

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The Chemours annual CRC report is reviewed and approved by the president/CEO and the CET and is provided to the Board of Directors for review.

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**102-33**                      **COMMUNICATING CRITICAL CONCERNS**

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Should a critical concern arise regarding corporate responsibility, the Board of Directors would receive a report via the CET, which communicates with all major corporate functions and is responsible for addressing and resolving such concerns.

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**102-35**                      **REMUNERATION POLICIES**

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The board nominating and corporate governance committee, which consists solely of independent directors, reviews and considers any revisions to directors' compensation. The board compensation and leadership development committee reviews and approves compensation for the company's executive officers, establishing the performance goals on which the compensation plans and programs are based, and setting the overall compensation principles that guide the committee's decision-making. The company's executive pay philosophy and practices are described in our [2020 Annual Proxy Statement](#) on pages 19 to 40.

The compensation and leadership development committee annually engages an independent compensation consultant to make recommendations concerning executive compensation, including input on trends that may be important to investors. The consultants have multiple safeguards and procedures in place to maintain the independence of the consultants in their executive compensation consulting practice. These safeguards include a rigidly enforced code; a policy against investing in client organizations; and separation between their executive compensation consulting and their other administrative and consulting business units from a leadership, performance measurement, and compensation perspective.

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**102-36**                      **PROCESS FOR DETERMINING REMUNERATION**

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Chemours provides a total compensation package that is targeted to be competitive with the markets in which we compete for talent, while allowing individual employee pay to vary based on performance, skills, and experience. Our compensation programs are globally aligned, and where possible, our total rewards plans include base salary, incentives (short and long), financial, physical, and mental well-being programs, and monetary and social recognition. We routinely review total rewards practices in the markets in which we compete to ensure the plans allow us to recruit and retain the talent we need to be successful.

Employee compensation includes two critical components: base salary and annual incentive pay. The base salary of each employee is reviewed annually through the compensation planning cycle (CPC). During the CPC, the Global Total Rewards Team provides base salary increase guidelines based on country and/or local market pay ranges by function and level. This ensures pay is both competitive externally and fair and consistent internally. Leaders make compensation decisions for their employees using the guidelines and assess the employee's overall contribution and goal completion, including performance on corporate responsibility goals. All compensation decisions are reviewed by second level leaders and ultimately functional leadership for equity and consistency.

The annual incentive plan reinforces our pay for performance philosophy for all employees and our belief that individual performance has a collective impact on our success as a company. We define metrics each year ensuring focus on the critical metrics that reward our colleagues for achieving the company's objectives. Colleagues who make greater contributions to our collective success have more opportunity for rewards. Additionally, we reward some colleagues with equity plans to create a greater link to longer-term objectives of the organization. Performance stock units (PSUs), restricted stock units (RSUs), and stock options are used as vehicles for these awards.

Chemours is firmly committed to paying employees in a fair and equitable manner. Chemours has implemented global total rewards tools to promote equitable remuneration with regard to race and gender. These tools include global job family frameworks, universal bonus targets by job level and salary structures aligned to country and local markets. We routinely review the position of employee rewards versus our standards to ensure individual employee compensation is aligned with these standards, and we are committed to promptly fixing any issues that we discover to assure salary and benefits equity among all employees. Periodically, Chemours contracts with a third party to conduct a global pay equity analysis that allows us to identify and correct for any potential unequal treatment. Chemours is committed to providing a fair or living wage for all employees. Our remuneration practices comply with all applicable laws and regulations.

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## 102-37 STAKEHOLDERS' INVOLVEMENT IN REMUNERATION

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Chemours maintains a very active and broad-based investor relations outreach program to solicit input and to communicate with shareholders on a variety of topics related to current business conditions and our business strategy. We also speak to shareholders about governance matters, including our corporate governance profile and our CRCs. Throughout the year, our Investor Relations Team and some of our executive officers and other key employees speak with shareholders at investor conferences, at in-person meetings, and in phone conversations. The board and management teams carefully consider the feedback from these meetings, as well as stockholder support, when reviewing the business, corporate governance, and executive compensation profiles.

Our most recent "Say on Pay" vote took place in April 2020, and shareholders approved our proposal with more than 94% percent of the votes cast in support of the executive compensation program. "Say on Pay" allows shareowners to vote, on an advisory basis, on whether they approve the compensation of our executive officers as disclosed in our proxy statement. The compensation and leadership development committee is committed to regularly reviewing the program in the context of Chemours' compensation philosophy and will continue to consider shareholder input in evaluating executive compensation program design and decisions. Read more on page 26 in our [2020 Proxy Statement](#).

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## 102-38 ANNUAL TOTAL COMPENSATION RATIO

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In 2019, the ratio of CEO pay to the median worker pay was 81:1. For more information on how the CEO total compensation ratio was determined, see page 41 of our [2020 Annual Proxy Statement](#).

|                              | 2017  | 2018 | 2019 |
|------------------------------|-------|------|------|
| CEO total compensation ratio | 101:1 | 76:1 | 81:1 |



Annual total compensation is evaluated on a role-specific basis. Pay is aligned to the market and reflects performance and progression over time. In the interest of confidentiality and competitiveness, Chemours does not report ratios based on individual compensation, or make pay decisions based on these ratios. See [102-36](#) for a description of the process for determining remuneration.

## Stakeholder Engagement

We regularly engage with a variety of stakeholders to shape our corporate responsibility program. Our key stakeholders include:

- Communities in which we operate
- Current employees
- Customers
- Investment professionals
- Government
- NGOs, academia, and think tanks
- Suppliers
- Shareholders

In 2019, approximately 14% of Chemours global employees were represented by unions or works councils. Management believes that its relations with employees and labor organizations are good. Since it became an independent company in 2015, Chemours has experienced one brief work stoppage over a dispute regarding wage increases, in which the Dutch works council desired a higher wage increase than the company proposed. That single work stoppage occurred during the third quarter of 2019 and was resolved expeditiously. Works council relations at that site and others have continued to be positive.

Chemours recognizes and respects applicable labor and employment laws—including those addressing freedom of association, privacy, and equal employment opportunity—wherever we operate. We believe that working positively and directly with employees best serves their interests. In addition, we strive to work cooperatively with duly chosen employee representatives in the common pursuit of the interests of the employees and the company's vision.

We consider stakeholder engagement an essential aspect of corporate governance. Each of our businesses, functions, and locations is expected to effectively engage its stakeholders, whom we identify as those entities that can affect or be affected by our actions, objectives, and policies. Regular dialogue with our stakeholders is essential to conducting our business, as well as developing and implementing our corporate responsibility strategies.

We actively engage with stakeholders—including those who may be critical of us—through formal and informal channels to better understand outside perspectives and priorities about our company, the industries and communities in which we operate, and emerging sustainability issues. We conduct our engagement efforts on an ongoing basis for sharing information, participating in active dialogue, and collaborating on issues of mutual interest. Through open and direct communication, we work to develop trusted relationships with our stakeholders, and these conversations shape how we define and execute our corporate responsibility strategy, including issue prioritization, risk management, and new business opportunities.

Please see section [102-46](#) for more information.

The following table provides an overview of how we establish and maintain productive relationships with our key stakeholder groups. Additional information on specific stakeholder engagement activities can be found throughout this report.

| Stakeholder groups              | Typical engagement activities   | Key topics of interest   |
|---------------------------------|---|--|
| Communities                     | Meetings, media, social media, events, plant tours, community support and volunteerism, state and local civic associations  | Site financials and employment trends, shipments and traffic, environmental impacts, community health impacts and needs, 2030 CRC goals progress                               |
| Customers                       | Events, meetings, emails, calls, surveys, trainings, technical support, media, social media   | Market trends, new product development, technology needs, product composition and quality, packaging waste, opportunities, 2030 CRC goals progress                             |
| Employees                       | Town hall meetings, emails, global employee engagement surveys, employee resource groups, recognitions, CRC champions, daily intranet and Chemours News Network, social media | Company strategy, competitive pay and benefits, career and growth opportunities, work environment, 2030 CRC goals progress   |
| Government                      | Meetings, emails, calls, plant tours and site visits, reporting activities to select state and federal agencies, industry and trade association involvement                   | Key industry issues and opportunities, company environmental and social impacts  |
| Investment professionals        | Calls, emails, meetings, events, media, Security and Exchange Commission (SEC) filings, surveys, Chemours investor center   | Market trends, company financial performance, risk management, continued investment in growth opportunities, transparent reporting with credible data, 2030 CRC goals progress |
| NGOs, academia, and think tanks | Visits, events, meetings, research projects, internships, emails, calls, social media   | Industry issues, opportunities, collaboration and partnership opportunities, research  |
| Shareholders                    | Meetings, mail, media, social media   | Company financial performance, risk management, company corporate responsibility performance   |
| Suppliers                       | Events, meetings, calls, emails, surveys, supplier relationship management  | Value chain insights, expectations, limitations, opportunities, payment, 2030 CRC goals progress   |

# Reporting Practices

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## 102-45

### ENTITIES INCLUDED IN CONSOLIDATED FINANCIAL STATEMENTS

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See our [2019 Annual Report on Form 10-K](#) Notes 1 (p. F-11), 3 (p. F-11), and 16 (p. F-36) for descriptions of entities included in the consolidated financial statements.

Our business segments and corporate functions provided content and data for our CRC report. The data used in this report were collected through several information management processes, including instrumentation, monitoring, sample collection and analysis, engineering estimates, material balances, and other methods. We attempted to be as accurate and inclusive as possible with the information and data covering global operations within Chemours' operational control at year-end December 31, 2019, excluding facilities acquired in 2019. We have not included information and data for contract manufacturers or joint ventures not operated by Chemours, nor for providing services to site tenants at some of our larger manufacturing facilities. Office locations, technical centers, research facilities, and warehouses are also not included in environmental metrics, as these locations are either de minimis or not under Chemours' operational control. Data from remediation sites managed under regulatory compliance programs are also not included in our operations footprint. We are committed to including information on newly acquired sites within three years of acquisition.

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## 102-46

### DEFINING REPORT CONTENT AND TOPIC BOUNDARIES

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Our corporate responsibility issue assessment (also known as a sustainability materiality assessment) helps Chemours recognize and assess the ESG topics that influence the judgment and decisions of—or have an impact on—our internal and external stakeholders (described in sections [102-40](#) and [102-44](#)). We use the results of the issue assessment as critical input for our responsible growth strategy to identify and manage the ESG opportunities and risks aligned with what is most important to our stakeholders and to our company's success. We have worked with third-party experts to conduct formal issue assessments every two to three years starting in late 2016. Our most recent assessment was completed in early 2019 using the following three-step process.

**Step 1: Identify Issues**—We review the priority issues publicly reported by our peers and customers, review issues included in major sustainability reporting and rating frameworks, audit issues trending with our external stakeholders, and obtain insight from our business leaders. We compare these issues with our corporate risk assessment to ensure all relevant topics have been captured from a materiality and/or risk and opportunity perspective. Through our 2019 issue assessment, we identified around 100 potentially relevant topics and selected and clustered them into 21 unique issue groups for Chemours to monitor and manage.

**Step 2: Prioritize Issues**—We use a multi-pronged approach to prioritize identified issues, considering both the potential impact on stakeholder decisions and the impact on our businesses. We first send surveys to global employees from our business segments and functions and to external stakeholders to curate relative importance for each topic. To further vet the prioritized issues identified by the survey results, we conduct detailed interviews internally with global employees and externally with a broad cross-section of stakeholders who have a holistic ESG understanding and knowledge of Chemours. The results of the external and internal assessments are then combined to build the prioritization matrix.

**Step 3: Validate and Act**—Our CRLT and leaders from our three business segments provide feedback on the prioritized issues and validate the results of the research, survey, and interview processes. The CET reviews and approves the final issue assessment results. This information informs our strategies, goals, and ongoing engagement and disclosure practices.

We defined three levels of action and disclosure based on the importance of the issues to our stakeholders, both internal and external. Through our 2019 issue assessment, we identified nine ESG issues prioritized for action (read more in section [102-47](#)).

## Issue Prioritization Matrix 2019



We periodically track the relevance of our defined issues to external stakeholders using a big data business intelligence tool that harvests information from millions of data points from various public information sources, including annual financial reports, sustainability reports, SEC filings, regulatory initiatives, accredited media, and social media. This approach helps us monitor any changes in perceived external stakeholder issue importance and adjust our corporate responsibility strategy and reporting if necessary.

This index report content is defined by the issue assessment, aligned with stakeholder expectations, business priorities, and the requirements of the GRI Standards. In addition to reporting on our action issues, we also provide content on several of our assessed issues, including responsible business practices, stakeholder engagement, and land use and biodiversity. Sustainable innovation acts as an enabler for many of our action issues, allowing Chemours to advance our overall CRC goals. This action issue is embedded throughout our report.

We identified the following issues for action:

| Action issue                             | Definition   | UN SDG <sup>1</sup> alignment  | UNGC principle <sup>2</sup> alignment | Corresponding GRI Standards topic  |
|--|--|--|---------------------------------------|--|
| Air Quality                              | Maintaining safe air quality around our facilities and operations, and reducing the release of process emissions or other substances contributing to local air pollution   |    | 7, 8, 9                               | Emissions  |
| Climate Change Mitigation and Adaptation | Preparing for the impacts of climate change on our business, reducing GHG <sup>3</sup> and ozone-depleting substance emissions throughout our operations and product life cycles, and providing solutions to help society transition to a low carbon economy                     |     | 7, 8, 9                               | Emissions, Energy  |
| Corporate Culture                        | Fostering a rewarding and productive workplace experience for employees by prioritizing inclusion and diversity, practicing effective communication and delegation of responsibility, displaying strong company values, and investing in employee well-being                     |    | 1, 6                                  | Employment, Training and Education, Diversity and Equal Opportunity                  |
| Product Sustainability                   | Minimizing the environmental and/or social impact of products throughout their life cycle, including product design and applications, product chemistry, product packaging, labeling, and regulatory compliance, and ensuring products are handled in a safe and responsible way |   | 1, 7, 8                               | Customer Health and Safety, Marketing and Labeling                                   |
| Safety                                   | Creating safe and healthy working conditions for employees and contractors; protecting communities through safe process operations, material transportation, and emergency preparedness; safe materials management; and facility physical safety                                 |   | 1                                     | Occupational Health and Safety, Environmental Compliance                             |
| Sustainable Sourcing                     | Monitoring the environmental and social performance of suppliers and integrating sustainability priorities into sourcing standards and selection criteria to reduce risk and minimize impacts across our supply chain  |  | 1, 2, 4, 5, 6, 7, 8, 9, 10            | Procurement Practices, Supplier Environmental Assessment, Social Supplier Assessment |
| Waste Management                         | Reducing hazardous and non-hazardous waste stemming from our operations, ensuring the responsible disposal or recycling of our waste, and designing products and systems that advance a more circular economy  |  | 7, 8, 9                               | Effluents and Waste  |
| Water Stewardship                        | Preparing for a water-constrained future by sustainably stewarding water supply sources, reducing water use, and responsibly managing effluent discharge in our operations   |   | 7, 8, 9                               | Water and Effluents  |

<sup>1</sup>Please visit [sustainabledevelopment.un.org/sdgs](https://sustainabledevelopment.un.org/sdgs) to identify corresponding goals and targets.

<sup>2</sup>Please visit [unglobalcompact.org/what-is-gc/mission/principles](https://unglobalcompact.org/what-is-gc/mission/principles) to identify corresponding principles.

<sup>3</sup>Greenhouse gas

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**102-48**                      **RESTATEMENTS OF INFORMATION**

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We made minor updates to total employee headcount and several environmental metrics reported for 2018, which can be seen by comparing the 2018 CRC scorecard with the 2019 CRC scorecard. The restatements are a result of correcting data reporting errors discovered after publication of the 2018 CRC report and improved metric accounting practices. We also made two adjustments to our 2018 baselines for the landfill volume intensity and carbon positive goals due to error corrections. The corrections exceeded our defined restatement threshold, therefore triggering a restatement of our 2018 CRC goal baselines, which are reported in sections [305](#) and [306](#).

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**102-49**                      **CHANGES IN REPORTING**

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We annually review our issue prioritization assessment to reflect any changes in the relative priority of topics that are of interest to society and/or may impact our businesses and to identify new emerging issues. No significant changes were identified to our topics prioritized for action. However, we provide clarity on two topics prioritized for action—air quality and sustainable innovation. In 2018, we discussed air quality and our goal to reduce fluorinated organic process emissions to air as part of our water stewardship strategy. This year, we are integrating this topic with our climate change discussion and approach to responsibly steward emissions to air to provide greater clarity on how we manage air emissions. We also provide clarity in section [102-46](#) on how we integrate and manage sustainable innovation with other issues prioritized for action.

In addition, we included content for land management and biodiversity in our 2019 report in response to the expansion of our North America mining operations and the relative importance of this issue to some of our external stakeholders. We also expanded our safety action issue discussion to include information on crisis management and emergency response (see section [403](#)), and reported on general disclosure indicators [102-35 through 39](#).

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**102-50**                      **REPORTING PERIOD**

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This 2019 CRC report presents data and information for the 2019 calendar year (January 1 to December 31, 2019). Significant policy or program activities occurring before or after calendar year 2019 may also be included.

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**102-51, 52**                      **DATE OF MOST RECENT REPORT AND REPORTING CYCLE**

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We issue our CRC report on an annual basis. Our previous report was the [2018 CRC report](#) and presented data for the 2018 calendar year.

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**102-53**                      **CONTACT POINT FOR QUESTIONS REGARDING THE REPORT**

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Feedback on this report or its contents and our corporate responsibility performance can be provided via email at: [CorporateResponsibility@chemours.com](mailto:CorporateResponsibility@chemours.com).

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**102-54**                      CLAIMS OF REPORTING IN ACCORDANCE WITH THE GRI STANDARDS  
(CORE OR COMPREHENSIVE CLAIM)

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We prepared this 2019 report in accordance with GRI Standards: Core option. Please see the <https://www.globalreporting.org/standards> to learn more about the GRI framework.

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**102-55**                      GRI CONTENT INDEX

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This document, the 2019 Chemours CRC Index Report, serves as our GRI content index.

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**102-56**                      POLICY/PRACTICE FOR EXTERNAL ASSURANCE

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We currently do not seek external assurance or third-party verification for our report, as the scale of our operations and the resources required are prohibitive. We will continue to explore assurance options as they evolve, but we are confident our internal disclosure approval processes provide sufficient oversight regarding the accuracy of the information we report.



# Inspired People



# Empowered Employees

SDG 3

SDG 4

SDG 5

SDG 8

SDG 10

SDG 16

## GRI 401 Employment

### 103-1 EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

Meeting our commitment to responsible chemistry depends on our ability to create a vibrant workplace culture that attracts and retains the best and brightest in their fields to come work in our high-performance company. Our success also depends on creating an empowered workforce—one that holds a multiplicity of viewpoints, stems from a variety of backgrounds, and brings an abundance of different life experiences to work. We need our global workforce to reflect the viewpoints and diversity of the communities in which we operate. That combination of excellence and diversity is essential to continuing our strong track record of uncovering and delivering the innovative solutions society needs.

We align our approach to workplace culture with the UN SDGs, in particular SDG 5—Gender Equity (targets 5.1 and 5.5), SDG 8—Decent Work and Economic Growth (targets 8.5 and 8.8), and SDG 10—Reduced Inequalities (targets 10.2 and 10.3); and to a lesser extent with SDG 3—Good Health and Well-Being (targets 3.4, 3.5, 3.7, and 3.8), SDG 4—Quality Education (target 4.4), and SDG 16—Peace, Justice, and Strong Institutions (target 16.7).

### 103-2 THE MANAGEMENT APPROACH AND ITS COMPONENTS

At Chemours, we foster a rewarding and productive workplace culture by investing in employee development and well-being, prioritizing inclusion and diversity, displaying strong company values, and recognizing accomplishments. Our culture is underpinned by a long-term strategy to support employees at every stage of their careers—from recruitment and onboarding, to career development and training, to performance management, and finally to succession planning. We are building and nurturing a culture where our differences are a source of strength and cause for celebration. We believe an inclusive and diverse workforce makes Chemours a great place to work, enhances our innovation and customer experience, and strengthens our understanding of the communities we serve.

We emphasize a culture of success that reflects our strong commitment to provide meaningful opportunities for talented people of all backgrounds to grow professionally and personally. This includes promoting interns, co-ops, and other part-time workers into full-time positions, transferring employees into equivalent positions in other departments, and training employees for new assignments with greater responsibility. Our continued growth and ability to compete depend on our investment in our people. We are committed to providing opportunities to help our people thrive, investing in development, and helping employees lay the groundwork for sustainable career growth.

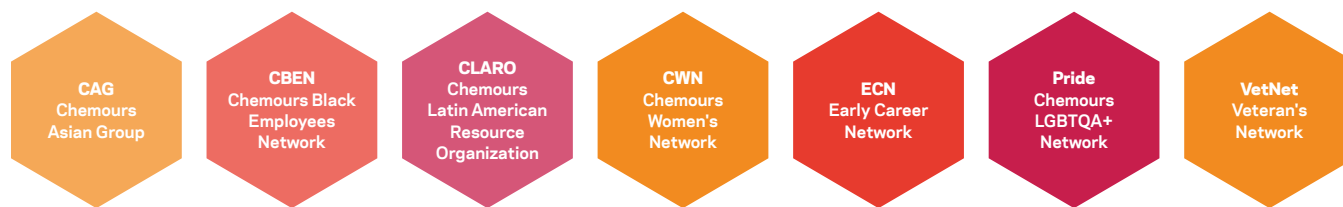
#### Commitment to an Inclusive and Diverse Workforce

Inclusion does not mean homogenization. We will only accomplish our aggressive business goals by tapping into a vibrant and empowered workforce that leverages our differences to solve the world's challenges. Our future and the future of chemistry and science depend on a multiplicity of viewpoints, ideas, actions, and experiences—something that can only be created by a diverse workforce representative of the world in which we live.

Inclusion starts with our leaders. Mark Vergnano, our CEO, has signed the CEO Action Pledge affirming his leadership and dedication to inclusion and diversity within Chemours. The CEO Action for Diversity and Inclusion™ aims to rally the business community to advance inclusion and diversity within the workplace by working collectively across organizations and sectors.

We foster inclusion through Chemours' seven employee resource group (ERGs), covering a range of shared qualities. The ERG program promotes inclusion, diversity, and understanding among employees through employee-led affinity groups. Each group sponsors various events and initiatives to increase diverse representation within the company, build awareness of our unique talents and cultural backgrounds, support community engagement, and celebrate our diversity.

## Employee Resource Groups



Our commitment is expressed in our 2030 CRC goals, which included bold goals to accelerate creating an inclusive and diverse workplace:

- 50% of all global positions filled with women
- 20% of all US positions filled with ethnically diverse employees

Our gender and diversity goals cover all employee groups, including our Global Senior Leadership Team. Employee demographics at year-end 2018 provide the baselines for our 2030 goals, with 22% women in our Chemours global population and 19% ethnically diverse employees in our US workforce. Our aspiration to achieve a diverse and gender-balanced workforce is supported by our approach for attracting talent, by the resources and engagement opportunities we provide our employees, and by the trainings we offer to foster an inclusive workplace. Ultimately, we want our workplace community to reflect the diversity of the local communities in which we live and operate.

### Governance

Our senior vice president of human resources (SVP HR) works directly with our CET and our CRLT in setting the strategy and guiding our approach for creating a workplace culture that empowers and celebrates our employees. The Global Human Resources (HR) Team maintains the governance and data management systems to measure our progress, and designs and deploys an integrated suite of programs and processes to ensure we achieve our goal of an inclusive, diverse, and thriving workplace culture.

Our governance system is underpinned by our [Code of Conduct](#) and strong corporate policies that embrace the principles of the external global frameworks described in section [102-12](#) and comply with the local laws and regulations in the regions in which we operate. Through our policies, we set behavioral expectations for our global workforce. Our policies are complemented by our Orange Book, which defines our cultural mores, our values, and articulates the competencies expected of our employees and leaders. Learn more about our values, corporate policies, and employee speak-up process for communicating concerns in sections [102-16](#), [17](#), and about our CRLT governance process in sections [102-18](#), [19](#).

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## 103-3 EVALUATION OF THE MANAGEMENT APPROACH

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We conduct internal and external assessments of our performance through our workplace culture survey and third-party certification groups. We also evaluate our performance progressing our 2030 CRC empowered employee goals as a measure toward achieving our aspiration for a diverse workplace.

We self-assess our progress by listening to our employees through a yearly workplace culture survey. Results are then compared to a database of more than 1,700 organizations, providing an accurate predictor of performance potential as well as details on critical areas of development for specific groups. In 2019, survey participation and engagement rates increased by 9%, and we are very proud of our extraordinary high level of employee participation.

|                    | 2017         | 2018         | 2019         |
|--------------------|--------------|--------------|--------------|
| Ranking            | 2nd quartile | 2nd quartile | 2nd quartile |
| Participation rate | 72%          | 80%          | 89%          |

We use the collected survey data to identify opportunities to improve our workplace culture, and in response, we launched the orange awards recognition platform and Chemours News Network in 2019. The orange awards are Chemours' first ever global reward and social recognition program accessible to all global employees. The awards publicly recognize and celebrate Chemours employees who, every day, are living examples of our five corporate values. The Chemours News Network supplements our weekly company e-newsletter through biweekly newscasts featuring the company's most important developments and local announcements tailored to each site. These initiatives help build a culture in which everyone feels connected and valued.

For the past two years, we have been piloting the Great Place to Work assessment process in Chemours US and Chemours Mexico. Great Place to Work is a global assessment company that certifies and recognizes companies who have built high-trust, high-performance company cultures. In 2019, Chemours US and Chemours Mexico were both certified for the second consecutive year by Great Place to Work, with Chemours Mexico ranking in the top 50 of surveyed companies in Mexico. The Great Place to Work assessment is proving to be an even better barometer of engagement, versus our current survey process, and specifically measures belonging and inclusion. In 2020, we will be transitioning our global workplace culture assessment to the Great Place to Work assessment process.



In addition to increased participation in our workplace culture survey, we also saw an increase in employee engagement through our ERGs. Approximately 18% of Chemours colleagues were members of our ERGs in 2019, up from 10% in 2018, and 320 employees participated in the Chemours Women's Network-sponsored mentoring program. Our ERGs also actively engaged with our Chemours community throughout 2019. The Chemours Women's Network sponsored a Wilmington area science, technology, engineering, and math (STEM) event, where 60 girls aged 7 to 13 performed science experiments. The Chemours Black Employee Network (CBEN) hosted a "Coffee and Conversation" with US Congresswoman Lisa Blunt Rochester for CBEN members and Wilmington area employees—to discuss why mentoring matters, techniques for pushing past perceived limits, the role of mentoring, and how she is now paying it forward. The Chemours Latin American Resource Organization (CLARO) donated excess computer equipment to the William C. Lewis Dual Language School and volunteered reading to the children in Spanish and English.

### Progress Advancing Our 2030 Empowered Employees Goals

During 2019, Chemours focused on strengthening and creating programs that will enable us to reach our 2030 diversity goals. Achieving our goals is supported by our approach for attracting talent, by the resources and engagement opportunities we provide our employees, and by the trainings we offer to foster an inclusive workplace. Some highlights are:

- We completed a review of job descriptions and position requirements to remove capabilities not required and neutralize language to broaden the diversity of candidates who apply.
- We leveraged a new technology platform to increase sourcing of diverse candidates, and we required our talent acquisition specialists to source and provide diverse slates of candidates for every job requisition.
- We embedded unconscious bias training into all our people processes from compensation planning, to performance review, to talent and succession planning.
- We developed and rolled out a 2020 training program to teach our people leaders about unconscious bias through the Neuroleadership DECIDE program—a virtual self-paced training focused on leadership development by improving decision-making and inclusive leadership capability in managers, creating awareness, and mitigating unconscious bias. The virtual training was supplemented by small group discussion sessions led by more senior leaders. The intent was to ensure "stickiness" of the learning and to help leaders at all levels translate the increased awareness into unbiased behavior.
- The US Department of Labor awarded its HIRE Vets gold medallion to Chemours for our programs to recruit, employ, and retain US veterans—a highly capable, disciplined, and diverse source of talent.
- We expanded our Future of Chemistry scholarship program, targeted at providing scholarships to students attending Historically Black Colleges and Universities (HBCUs).
- Our leaders, along with the Talent Acquisition Team, attended student events and job fairs at various universities, including events at HBCUs, to recruit top talent from these institutions.
- Our manufacturing sites partner with local trade schools and community colleges to develop degree programs that teach students the unique skills needed for a career in operations and create apprenticeship opportunities at our manufacturing sites.

We expect to benefit from these programs starting in 2020 and accelerate progress toward achieving our 2030 goals.

|                         | 2018 baseline | 2019 | Progress toward 2030 goal   |
|-------------------------|---------------|------|---|
| 50% women globally      | 22%           | 22%  |  |
| 20% US ethnic diversity | 19%           | 19%  |  |

At or worse than base year  Behind schedule  On track 

“Chemours US and Chemours Mexico were both certified for the second consecutive year by Great Place to Work, with Chemours Mexico ranking in the top 50 of surveyed companies in Mexico.”

#### 401-1 NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER

##### Global new employee hires during 2019—Total: 707; Rate 10.2%

| New hires by age                             | Number of employees | Percent of total new hires |
|--|---------------------|----------------------------|
| Under 30                                     | 249                 | 35%                        |
| 30-50  | 326                 | 46%                        |
| Over 50                                      | 82                  | 12%                        |
| Undisclosed                                  | 50                  | 7%                         |
| <b>New hires by gender</b>                   |                     |                            |
| Female                                       | 151                 | 21%                        |
| Male   | 497                 | 70%                        |
| Undisclosed                                  | 59                  | 9%                         |
| <b>New hires by region</b>                   |                     |                            |
| Asia Pacific                                 | 50                  | 7%                         |
| Europe, Middle East, and Asia                | 85                  | 12%                        |
| Latin America <sup>1</sup>                   | 69                  | 10%                        |
| North America                                | 503                 | 71%                        |
| <b>US new hires by ethnicity<sup>2</sup></b> |                     |                            |
| Ethnically diverse                           | 112                 | 22%                        |
| Non-ethnically diverse                       | 372                 | 74%                        |
| Undisclosed                                  | 19                  | 4%                         |

<sup>1</sup>Includes Mexico.

<sup>2</sup>US employee new hires during 2019—Total: 503; Rate: 10.9%.

**Global employee attrition during 2019—Total 727; Rate 10.5%**

| <b>Attrition by age</b>                      | <b>Number of employees</b> | <b>Annualized attrition<sup>1</sup></b> |
|--|----------------------------|---|
| Under 30                                     | 108                        | 12%                                     |
| 30-50  | 334                        | 10%                                     |
| Over 50                                      | 274                        | 11%                                     |
| Undisclosed                                  | 11                         | 16%                                     |
| <b>Attrition by gender</b>                   |                            |   |
| Female                                       | 187                        | 12%                                     |
| Male   | 529                        | 10%                                     |
| Undisclosed                                  | 11                         | 11%                                     |
| <b>Attrition by region</b>                   |                            |   |
| Asia Pacific                                 | 91                         | 12%                                     |
| Europe, Middle East, and Asia                | 69                         | 8%                                      |
| Latin America <sup>2</sup>                   | 76                         | 12%                                     |
| North America                                | 491                        | 11%                                     |
| <b>US Attrition by ethnicity<sup>3</sup></b> |                            |   |
| Ethnically diverse                           | 92                         | 11%                                     |
| Non-ethnically diverse                       | 370                        | 10%                                     |
| Undisclosed                                  | 10                         | 7%                                      |

<sup>1</sup>Annualized attrition defined as number of employees leaving the company divided by the total number of employees in the demographic group.

<sup>2</sup>Includes Mexico.

<sup>3</sup>US employee attrition during 2019—Total: 472; Rate 10.2%.

During 2019, Chemours had an overall attrition percentage of 10.5% that was in part influenced by restructuring activities during the second half of the year. Additional employee data can be found in section [102-8](#).

**401-2 BENEFITS PROVIDED TO FULL-TIME EMPLOYEES THAT ARE NOT PROVIDED TO TEMPORARY OR PART-TIME EMPLOYEES**

Chemours offers paid vacation, holidays, and days of service; leave programs; healthcare plans; financial, physical, and mental well-being programs; life insurance; short- and long-disability coverage; business travel accident coverage; parental leave for birthing parents, non-birthing parents, and adoptive parents; retirement savings and some pension plans; tuition reimbursement; and stock ownership benefits to all full-time and part-time employees (20 or more hours a week). Benefits are aligned with local laws and requirements. We do not offer benefits to temporary employees, interns, or co-ops.

## GRI 404 Training and Education

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### 404-1 AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE

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Chemours provides core competency training throughout all the levels of our organization, focusing on safety, ethics and integrity, cybersecurity, technical training, and other subjects. Many of our current training programs are offered by individual functions, which makes it difficult to aggregate total employee training hours. See section [403](#) for additional information on safety training.

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### 404-2 PROGRAMS FOR UPGRADING EMPLOYEE SKILLS AND TRANSITION ASSISTANCE PROGRAMS

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Chemours practices a self-directed development model in which employees and their managers collaborate and plan a range of experiential assignments, peer and leader mentoring, and training programs to support employee career goals. Our development philosophy follows the 70:20:10 development model, where 70% of employee development comes from on-the-job experiences, 20% through exposure opportunities, and 10% through formal training.

We encourage our employees to own their careers by taking the lead in their professional development; we provide multiple learning tools and on-demand trainings to help them in their journey. Starting with new employee orientation training, through career tools such as individual development plans and 360 Feedback tools, employees have many self-development opportunities. The following highlights some of our standard formal training opportunities.

- New Employee Orientation training introduces new hires to Chemours' values, beliefs, and businesses through guest speakers drawn from our executive and senior management teams and HR leaders.
- Ability to Execute (A2E) is a training program comprised of 17 distinct lessons designed specifically around Chemours values and desired competencies and behaviors.
- Amplify is an experiential, cohort-based program for our front-line leaders that includes a three-day session of intense, focused leadership training.
- The Executive Development Program is a cohort-based program, managed through the University of Pennsylvania's Wharton School of Business, and is designed for executives who have both the ability and the desire to take on more responsibility and to advance to higher levels within Chemours.
- Udemy™ is our online learning platform available to all employees. More than 80,000 courses connected to our values and competencies are available, with specific programs deployed ad hoc to drive knowledge and develop employees in everything from unconscious bias to executive presentations.
- Chemours' mentoring program, sponsored by our Chemours Women's Network, is run annually and is open to all employees.

Given our focus on experiential learning, Chemours leverages special projects, short-term assignments, and cross-functional job rotations to further develop talent and support employees in meeting their personal aspirations. Semi-annual performance reviews combined with annual career development planning and ongoing feedback provide support in performance and development, and help our people know where they excel and how they can improve.

In addition to career development training, Chemours offers programs to assist employees throughout various life events. We provide financial planning services to support employees with savings and retirement planning. For our summer interns and co-op students, we provide basic money management and financial planning resources to help them start their post-school life on the right foot. We also provide career transition assistance services, which may include outplacement counseling services, severance pay, and benefits continuation for those times when employees are separated from the company due to asset sales, asset closures, or strategic reductions in workforce.

## 404-3

### PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

Our performance management process (PMP) cycle provides a structure to facilitate the alignment of expectations and goals, the integration of ongoing coaching and feedback, and the summary of contributions—including both “what” (core job, goals, impact) and “how” (behaviors/competencies). Both leaders and employees together play a key role in ensuring the effectiveness of the PMP by establishing SMART (specific, measurable, actionable, realistic, and time-bound) goals and reviewing progress throughout the year. Today, only our exempt employees receive a formal performance review. Our non-exempt population receives regular informal feedback to ensure effective job performance and long-term success with the company.

In 2019, 100% of exempt employees completed the annual PMP with their managers. These discussions align on employee strengths and encourage individuals to focus on career goals and competency growth. Performance ratings are analyzed across several demographics including gender and ethnicity to ensure the process is equitable.

## GRI 405 Diversity and Equal Opportunity

### 405-1

#### DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES

As we mentioned, inclusion and diversity starts with our leaders. The Chemours Board of Directors is composed of nine individuals with diverse experience and credentials, selected for their acumen and ability to challenge and add value to management. Board members bring a depth of experience across a wide variety of industries. Each director has held significant leadership positions, providing the company with unique insights and fresh perspectives. To learn more about our board, see section [102-22](#) and our [2020 Proxy Statement](#).

#### Gender and age composition and ethnic diversity of Board of Directors as of December 31, 2019

|                         |     |
|-------------------------|-----|
| <b>Gender</b>           |     |
| Female                  | 33% |
| Male                    | 67% |
| <b>Age</b>              |     |
| Under 30                | 0%  |
| 30-50                   | 22% |
| Over 50                 | 78% |
| <b>Ethnic diversity</b> |     |
| Ethnic diversity        | 11% |

Our commitment to create an inclusive and diverse workforce makes Chemours a great place to work, enhances our innovation and customer experience, and strengthens our understanding of the communities we serve. At the end of 2019, women made up 22% of our total global workforce and ethnically diverse employees made up 19% of our US workforce. We show an upward trend in representation as women rise in our organization with our Global Leadership Team comprised of 33% women. Additionally, our CET has increased ethnic diversity to 25% this year, as well as the US Leadership Team surpassing our ethnic diversity goal with 21% representation.

Read more about our actions to advance our goals in section [103-3](#).

## Gender and age composition of global workforce as of December 31, 2019

|               | Individual contributors | Managers | Global Leadership Team | Chemours Executive Team | Total global employees |
|---------------|-------------------------|----------|------------------------|-------------------------|------------------------|
| <b>Age</b>    |                         |          |                        |                         |                        |
| Under 30      | 14%                     | 5%       | 0%                     | 0%                      | 13%                    |
| 30-50         | 49%                     | 56%      | 40%                    | 25%                     | 49%                    |
| Over 50       | 36%                     | 39%      | 60%                    | 75%                     | 37%                    |
| Undisclosed   | 1%                      | 0%       | 0%                     | 0%                      | 1%                     |
| <b>Gender</b> |                         |          |                        |                         |                        |
| Male          | 77%                     | 75%      | 67%                    | 87%                     | 77%                    |
| Female        | 21%                     | 25%      | 33%                    | 13%                     | 22%                    |
| Undisclosed   | 2%                      | 0%       | 0%                     | 0%                      | 1%                     |

## US employee ethnic diversity as of December 31, 2019

|                                  | Individual contributors | Managers | US Leadership Team | Chemours Executive Team | Total US employees |
|----------------------------------|-------------------------|----------|--------------------|-------------------------|--------------------|
| <b>US ethnic diversity</b>       |                         |          |                    |                         |                    |
| Ethnically diverse employees     | 19%                     | 16%      | 21%                | 25%                     | 19%                |
| Non-ethnically diverse employees | 78%                     | 82%      | 76%                | 75%                     | 78%                |
| Undisclosed                      | 3%                      | 2%       | 3%                 | 0%                      | 3%                 |



# Safety Excellence



SDG 8

## GRI 403 Occupational Health and Safety

### 103-1 EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

Responsible chemistry begins with our focus on the safety and health of our people, and people all along our value chain. For us, a Safety Obsession is deeply rooted in our responsible chemistry ethos and is a core value of our company culture. Our safety commitment extends beyond ourselves and our manufacturing sites to include the communities in which we live, work, and play, and to the environment.

Developing and producing innovative, essential chemistry solutions involves complex and challenging processes. We have a responsibility to ensure that each step in our operations and value chain is as safe as possible. From people to process to product safety, and everywhere in between, our obsession with safety is paramount to our success. Our safety commitment also extends to the communities in the 120 countries through which we transport our products, the safety of our 3,700 customers, and our products themselves.

Protecting the safety and health of people around the world is embedded in the [United Nations Sustainable Development Goals \(UN SDGs\)](#), in particular UN SDG 8—Decent Work and Economic Growth (target 8.8) and to a lesser extent UN SDG 3—Good Health and Well-Being.

### 103-2 THE MANAGEMENT APPROACH AND ITS COMPONENTS

Safety responsibility is deeply embedded in all aspects of our business. We expect all employees—from executive leadership to front-line employees—to be accountable for their personal safety and to care for the safety and well-being of their co-workers, our communities, and the environment. We rely on our front-line leaders to drive our safety performance and culture. Environmental, health, and safety (EHS) professionals are embedded throughout our businesses and manufacturing sites to support our front-line leaders; our centers of excellence for workplace safety, process safety, and health services provide the tools, systems, and training to enable strong performance.

The Chemours EHS management system guides all our actions, underpinning our Safety Obsession value and culture. The management system is aligned with the principles of [Responsible Care®](#), a voluntary initiative of the global chemical industry to safely manage chemical products throughout each stage of their life cycle, and is designed to meet the Responsible Care® requirements (see the [RC 14001 technical specification](#)). Our EHS management system is a single, comprehensive process that defines leadership practices and performance excellence for environmental, health, safety, and security management. Learn more about the Chemours EHS management system in section [403-1](#).

Our EHS governance process ensures alignment on our EHS strategic direction throughout the organization, consistent execution of our EHS management system, and effective auditing and monitoring of performance metrics, and it provides a structured decision-making process for adjustments. The EHS governance process and EHS council are led by our vice president of environmental, health, safety, and corporate responsibility (VPEHS&CR), who is also the safety sponsor on the CRLT. Read more about CRLT governance in section [102-18](#).

The EHS governance process is designed to engage all levels of our organization. Our EHS and corporate responsibility policy is approved by our CET. Our EHS standards that define consistent approaches and expectations for our people and processes are established by our EHS council. Whether policy or standard, we actively seek out feedback from our employees and other stakeholders in the spirit of learning and continuous improvement and integrate that feedback into our policy and standards. Our simple, yet rigorous policy, standards, and management processes ensure protection of people and the environment and differentiate us from our peers.

The CEO, along with the CET, provides oversight of our EHS management system through monthly EHS reviews with the VPEHS&CR and our senior manufacturing leaders. The CET annually approves our EHS&CR policy and includes their personal signature to demonstrate their personal commitments. Corporate and site senior leadership assume accountability for the effectiveness of the EHS management system and ensure the EHS&CR policy is consistent with the long-term strategic direction and context of the company. We expect every employee to comply with the policy and expect the same from our contractors and our suppliers.

Our EHS council—a cross-functional team comprising senior leaders from manufacturing, supply chain, logistics, health services, and EHS—ensures alignment of our EHS management system across our value chain. The VPEHS&CR and EHS council are responsible for proposing changes to our EHS&CR policy to the CET; setting EHS strategy; approving corporate EHS standards; ongoing monitoring, evaluation, and communication of our EHS performance; defining and resourcing actions to respond to trends; continually improving performance; and ensuring that our EHS business model and associated resourcing are appropriate to achieve our goal of top quartile EHS performance.

In 2019, Chemours designed and implemented our global EHS center of excellence (COE) organization. This enterprise organization includes six distinct COE teams, each representing a different EHS competency area:

- Corporate remediation
- Environment
- Health services
- Integrated emergency and crisis management
- Process safety management and risk management
- Workplace/occupational health and safety

The COE teams are staffed with business and enterprise resources working together to drive EHS top quartile performance and continuous improvement on our journey to zero incidents and injuries. They sponsor and provide direction to our cross-functional EHS enterprise networks—teams comprising global EHS, legal, logistics, regulatory experts, and other resources—to ensure consistency in how we implement our EHS management system across our operations. These networks share information on incidents—whether E, H, or S—across the enterprise in the spirit of learning and continuously improving our performance.

### Commitments

In 2015, Chemours signed the International Council of Chemical Associations (ICCA) [Responsible Care®](#) Global Charter and the American Chemistry Council (ACC) [Responsible Care® Guiding Principles](#), affirming our commitment to the safe management of chemicals throughout their life cycle. In keeping with our Responsible Care® commitment, we are always working toward continuous improvement of our EHS program.

Our CRC goals include a safety excellence goal to improve employee, contractor, process, and distribution safety performance by at least 75% by 2030, versus a 2018 baseline on our journey to zero incidents and injuries. This goal measures employee total recordable incident rate (TRIR), contractor TRIR, process safety tier 1 incident rate, and distribution incidents.

### Contractor Safety Management Process

Chemours has a corporate standard that establishes the minimum requirements for contractors working on Chemours property as well as requirements for Chemours personnel responsible for managing contractors. The standard is used to control and/or minimize the risks associated with contracted activity, including operations, construction, and maintenance support, or other facility/site support services. Our management process applies to all resident and nonresident contractors working for Chemours.



Chemours believes that managing contractor safety begins with contractor selection and we only solicit bids from contractors with a demonstrated commitment to EHS. Specifically, where a contractor's personnel will be working on our property, Chemours uses a prequalification step that requires the contractor to have an experience modification rating (EMR) of less than 0.99 and a TRIR of less than 5.0. We further communicate our safety expectations to our contractors through our supplier code of conduct and by including language in our contractual agreements requiring compliance with local laws, including EHS requirements.

We employ contract administrators and field contract administrators to facilitate site orientations and safety trainings, hazard communication, and work coordination and permitting. For the duration when contractors are on-site, contract administrators and field contract administrators conduct safety audits to both engage the contractors on safety and identify improvement opportunities to reduce the potential for injuries.

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### 103-3 EVALUATION OF THE MANAGEMENT APPROACH

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To reinforce our principles and strengthen our EHS management system, we regularly assess our processes through management reviews, data analysis and trending, rigorous auditing, operational learning, and benchmarking EHS performance. We capture all identified improvement opportunities digitally and track them through completion to ensure we are living up to our expectations and commitments. We analyze the findings for trends and monitor progress to make sure that we catch emergent issues and complete any recommended actions.

#### Management Reviews

Chemours corporate and manufacturing site leaders review the EHS management system performance annually to ensure suitability, adequacy, and effectiveness. The management review includes follow-up of previous review action items and assessment of any changes in issues, risks, and opportunities. In addition, the review determines to what extent our objectives have been achieved. We assess trends and take an in-depth look at our performance. Lastly, we ensure we have adequate resources and identify any opportunities for improvement.

#### Internal Auditing Programs

Chemours has a robust audit program that consists of first-, second-, and third-party audits. First-party audits are completed periodically by site resources to ensure adherence to local, regulatory, and corporate requirements. First-party audits also serve as a platform to drive active participation from front-line employees and supervisors for development and coaching opportunities.

Chemours has an effective framework for second-party audits in which we evaluate and rank our sites by risk to ensure they are audited by knowledgeable and experienced auditors at the correct frequencies. The audit teams include internal subject matter experts from different sites within the organization. Second-party audits are periodically supplemented by external third-party consultants with specific knowledge of industry best practices to identify continuous improvement opportunities and enhance Chemours programs. The frequency of second-party audits is based on a risk assessment, by the audit competency that considers type of facility, inherent risk of facility, effectiveness of EHS systems, past EHS performance metrics at the site, and other external factors. The maximum period between second-party audits does not exceed five years for each EHS competency. They also follow specific protocols to meet the requirements of our EHS management systems and achieve long-term continuous improvement.

In 2019, we conducted 39 second-party audits at our global manufacturing sites. These audits evaluated process safety, chemical-specific hazards, workplace safety, occupational health and industrial hygiene, distribution safety, electrical safety, compliance with Responsible Care® RC 14001 requirements, and environmental performance.

Chemours also monitors internal leading indicators to track near misses, EHS management system deviations, and challenges to protection layers. Chemours maintains corporate guidelines that describe the criteria for site-level, business, and corporate reporting of EHS management system metrics (corrective actions, recommendations, risk assessments, inspections, etc.) and ACC tier 3 process safety events.

#### External Auditing Programs

Chemours believes third-party verification and transparent public reporting are essential elements of world-class EHS performance and for building public trust. We currently audit our EHS management system effectiveness using the RC 14001 environmental, health, safety, and security technical specification and International Standards Organization (ISO) 14001 environmental standard. In 2019, Lloyd's Register Quality Assurance Ltd (LRQA) performed third-party RC 14001 and ISO 14001 audits at seven of our locations, including our headquarters in Wilmington, Delaware. We achieved RC 14001 certification at all 12 US chemical manufacturing sites and our Wilmington, Delaware, headquarters, which is a requirement for ACC membership. Our Starke, Florida, mining site and six sites in Europe, Latin America, and Asia-Pacific maintained their third-party verification for compliance with ISO 14001, and we are making progress preparing our mining site and our international sites for RC 14001 certification audits in 2021.

Overall, 20 Chemours facilities (including our company headquarters in Wilmington, Delaware) are certified to either RC 14001 or ISO 14001. The remaining facilities not currently certified have either been recently acquired or started-up, and work is ongoing to certify these sites by the end of 2021.

A number of individual sites have achieved additional external certifications. In the United States, the Corpus Christi, Texas, and New Johnsonville, Tennessee, sites have achieved and maintained Occupational Safety and Health Administration’s (OSHA’s) Volunteer Protection Program (VPP) “Star” certification. “Star” is OSHA’s highest level of recognition for employers and employees who demonstrate exemplary achievement in the prevention and control of occupational safety and health incidents. The Kuan Yin, Taiwan, site has achieved and maintained OHSAS 18001 safety management system certification. Chemours facilities in the sodium cyanide value chain (Memphis, Tennessee, manufacturing; Memphis, Tennessee, packaging; Carlin, Nevada, terminal; Hermosillo, Mexico, terminal; and San Luis Potosi, Mexico, terminal) have achieved and maintained the International Cyanide Management Code (ICMC) certification.

### Safety Benchmarking

We benchmark our safety performance using chemical industry safety metrics reported by the US Bureau of Labor Statistics (BLS) and by the ACC Responsible Care® program. ACC Responsible Care® companies have an employee safety record that is almost three times better than the chemicals industry sector and nearly five times better than the average of the US manufacturing sector. Chemours sites with safety performance equivalent to top quartile ACC large member company process, employee, and contractor safety performance are awarded our EHS excellence award. We also offer a partners in safety award to our joint venture partners who achieve top quartile safety performance. In 2019, seven of our manufacturing sites achieved zero injuries to employees and contractors. We awarded 10 manufacturing sites with the EHS excellence award and four joint ventures with the partners in safety awards.

Similarly, the ACC provides facility safety awards to individual member company facilities with outstanding safety performance. In 2019, 10 Chemours facilities were awarded the certificate of excellence (the highest level award) and two were awarded the certificate of achievement. Read more about our safety performance in section [403-9](#).

Also in 2019, Chemours maintained its member status with the Campbell Institute of the National Safety Council. The Campbell Institute is a collection of top EHS performers across multiple industries and regions of the world. Chemours continues to collaborate with the Institute for benchmarking and development of innovative new EHS approaches.

### Progress Advancing Our 2030 Safety Goal

In 2019, we made modest progress toward our safety goals with a slight improvement in employee safety injuries and significant improvements in the reduction of process safety tier 1 incidents. For contractor safety and distribution safety, we saw a slight increase in safety incidents in 2019, and tragically, experienced a contractor fatality at one of our facilities (read more in section [403-9](#)). We continue to observe that hand injuries account for the majority of our contractor and employee incidents, and we will continue to use our learnings to help prevent these incidents in the future. Overall, we are implementing neuroscience programs to help understand behavior and are working with external partners to reinforce our commitment to improve our performance in 2020 and beyond.

| Safety 2030 CRC goals                   |               |      |                           |
|---|---------------|------|---------------------------|
| Improve safety performance by 75%       | 2018 baseline | 2019 | Progress toward 2030 goal |
| Employee TRIR <sup>1</sup>              | 0.28          | 0.27 |                           |
| Contractor TRIR <sup>1</sup>            | 0.23          | 0.32 |                           |
| Process safety tier 1 rate <sup>1</sup> | 0.04          | 0.02 |                           |
| Distribution incidents                  | 3             | 6    |                           |

<sup>1</sup>Rate is defined as number of events per 100 workers per year.

At or worse than base year Behind schedule On track

We launched several EHS improvement initiatives in 2019, including our first global Chemours safety culture survey. We improved our incident investigation process to better diagnose root causes for operational learning, and we strengthened our EHS management system. Chemours also began a partnership with an outside consultant that is recognized globally for its work with human performance reliability improvement. This program applies neuroscience research to drive human performance and improve behaviors. Out of this work, we created the Chemours operational risk and behavioral standards following a risk alignment process. These standards provide the basis for how we prioritize operational risks and behaviors and hold ourselves accountable to ensure we protect our people, our communities, and our environment. We plan to implement the standards in 2020.

These programs, combined with our core value of Safety Obsession, will help us in our journey to improve our performance in protecting people and the environment, and achieve our 2030 safety goal.

**“10 Chemours facilities were awarded the [American Chemistry Council’s] certificate of excellence and two were awarded the certificate of achievement for safety performance.”**

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## 403-1

## OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

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The Chemours EHS management system is designed to provide an organized approach for EHS management with processes to measure performance, as well as identify risks and opportunities, to ensure continual improvement of the system. Our EHS management system was designed to meet the requirements of the Responsible Care® [RC 14001 technical specification for managing environmental, health, safety, and security performance](#). The plan-do-check-act tenets of the Responsible Care® RC 14001 management approach provide foundational elements driving continuous improvement of our EHS management system.

Responsible Care® is an ICCA initiative governing the safe handling of chemical products throughout their life cycles—from inception in the research laboratory; through manufacture and distribution; to ultimate use, reuse, recycle, and disposal—and includes public involvement in decision-making processes. The Responsible Care® RC 14001 technical specification combines the ISO 14001 environmental management system with the Responsible Care management system into a single process that defines leadership practices and performance excellence for environmental, health, safety, and security management systems. The [RC 14001 technical specification](#) also covers most of the ISO 45001 Occupational Health and Safety standard (which has replaced OHSAS 18001) requirements for safety and health processes and many of the ISO/IEC 27001 Information Security Management standard security requirements. Chemours’ adherence to the Responsible Care® RC 14001 and its security code provides nearly equivalent coverage to these ISO standards.

Our corporate EHS standards establish the foundation to mitigate hazards and establish safe work practices and were developed in accordance with Responsible Care® RC 14001 and industry best practices. Our EHS policies, standards, and guidelines apply to all Chemours employees and contractors at our global manufacturing and non-manufacturing facilities to ensure standardization across our locations. Each manufacturing site is responsible for establishing site-specific standards to successfully implement our EHS management system and ensure adherence to any local compliance requirements. Employees are also actively encouraged and rewarded for their participation in and development of EHS programs. Read more about our Chemours EHS management system in sections [103-1](#), [103-2](#), and [103-3](#) above and in section [307](#).

At Chemours, we are focused on the prevention and mitigation of risks that have the potential to impact people, the environment, and our business. Corporate standards for process safety management and workplace safety provide the requirements for managing risks associated with routine and non-routine activities.

Process hazard analyses (PHAs) are an effective tool to identify, evaluate, and develop methods to control significant hazards associated with high hazard processes. During a PHA, we consider the risk of hazardous events and develop recommendations for additional safeguards to reduce the risk to the appropriate levels. PHAs use an organized, methodical study approach; seek to achieve a multi-disciplined consensus on hazard identification and control; and document results for future use in follow-up, emergency planning, and training of personnel involved in operating and maintaining the process. PHAs are completed throughout the life cycle of a process including, but not limited to, new facilities, existing facilities through cyclical reviews, management of change for small changes and projects, and other decommissioning-related activities.

We constantly seek ways to provide our people with better tools and training to reduce risk. In 2019, Chemours took steps to enhance our internal process to investigate incidents, determine root causes, and implement corrective actions that prevent reoccurrence of future events. This new operational learning process applies a systems-based approach with principles to effectively diagnose equipment and front-line personnel performance deviations. Introducing human performance principles created a new mindset for how we manage and respond to human error. We created advanced data analytics and visualization dashboards to identify continuous improvement opportunities with enterprise-wide engineering and management systems. Significant improvements to the training and tools have led to higher quality analyses, recommendations, and improvements to systems.

Our employees and contractors are empowered to stop work when conditions change and reassess job safety by using our PAUSE/STOP process. This process—designed for the purpose of reevaluating a task or a step within a task to prevent an undesired outcome—can take place at the individual or crew level (PAUSE) or by a larger group to resolve a bigger issue (STOP). Line managers are responsible for creating a culture that empowers employees to pause or stop work and ensures follow-up when stop-work is activated. We communicate the PAUSE/STOP work process frequently—for example, during new hire training, pre-job meetings, contractor engagements, and while performing task/job lineups—to ensure our employees know when and how to use the process. In 2019, we incorporated discussions about the PAUSE/STOP process into our monthly shop floor and partner safety team meetings to demonstrate our continued support for using the process.

Chemours is also focused on the potential risk that transportation of our products presents. To mitigate the risk, we review product transportation hazards and conduct transportation risk assessments for identified high-risk products. During the transportation risk assessment, we review and identify the hazards presented by the product, the impact the product could present during an incident, and safeguards to prevent and mitigate potential risk; we then make improvements to our process as needed to reduce the potential risk. The risk assessments are reviewed with leadership for concurrence and assignment of any identified improvement actions.

Chemours provides occupational medicine and industrial hygiene services at each of our manufacturing sites and many of our other locations, such as corporate offices and R&D facilities.

Occupational medicine includes emergency care, fitness for duty and disability management, targeted medical surveillance based on specific risk criteria, as well as travel health and immunization programs. Depending on the region, occupational medicine services are provided in-house or by contract providers, while always maintaining the confidentiality of personal health information. Chemours is currently benchmarking our occupational health service model with other companies to identify opportunities to improve our health services.

Industrial hygiene services are also provided globally via a mix of in-house and contracted providers. For new processes and facilities, the need for industrial hygiene services is determined by the same management of change process described in section [103-3](#). Existing processes are audited using industrial hygiene programs to ensure work conditions remain safe and have not changed. Example auditing programs may include periodic air sampling, noise sampling, and ventilation surveys. We also provide training so that employees and managers can identify potentially unhealthy conditions that may require industrial hygiene assessment, such as air quality and ergonomic issues.

To achieve our 2030 safety excellence goals, we need to engage employees at all levels in the organization on how to improve our EHS management system and safety performance. In addition to our front-line engagement efforts, many Chemours sites have regular safety leadership and activities teams—composed of members from all job functions and levels. These teams review metrics and audit results; evaluate other performance data to detect trends and identify countermeasures; provide feedback and direction on site standards and practices; and develop and plan safety and health activities. The safety leadership and activities teams typically meet monthly, but meeting frequency can vary by site and business.

In 2019, Chemours launched its first safety culture survey in conjunction with the National Safety Council. We asked all our employees across the globe to provide feedback on how we currently manage safety and, more importantly, how we can do better. The survey focused on six key elements of safety culture:

- Management participation
- Supervisor participation
- Employee participation
- Safety support activities
- Safety support climate
- Organizational climate

During our inaugural survey, we received responses from over 76% of our global workforce. We analyzed the data and shared the results during action planning workshops that we held throughout our business segments and global manufacturing locations. We used outputs from these workshops to develop opportunities to improve our EHS systems and employee safety culture. We are currently implementing and tracking these actions, and we will reissue the survey in 2022 to evaluate our effectiveness.

Chemours also supports two safety engagement initiatives focused on identifying low-risk, high-frequency safety hazards and ways to correct or protect people from these hazards. Both teams use a “safety share” process to identify a site best practice/policy/tool/material to share with the larger group for potential adoption at other sites.

**Shop Floor Safety Team (SFST)**—This team, first organized as the hand safety team in 2016, engages employees at the shop floor level during monthly calls to raise safety issues and discuss strategies to reduce associated risks. In spring 2019, 50% of our recordable injuries were attributed to slip/trip/fall incidents. In response, the SFST created and distributed audit checklists and training presentations to raise awareness of the issue. Additionally, as hand injuries began to mount among our contractors, the team focused on changing the minimum hand personal protective equipment (PPE) used to avoid these injuries in the future. As a result, most sites require a minimum of ANSI A3 cut-resistant gloves.

**Contract Partner Team**—This team is composed of representatives from each of the resident contractors working at US Chemours sites and meets monthly. The team was formed to keep contractors informed of changes to Chemours policies, standards, and guidelines and provide a forum for contractor feedback.

Over the years, these teams have grown to include representatives from nearly all Chemours sites around the world. This “safety share” process has grown in popularity, with the presentations and follow-up discussions now accounting for nearly 50% of many monthly meetings.

Our Safety Obsession culture requires and encourages employees to seek out training opportunities to increase safety literacy and capability at our sites. We offer different types of training depending on learning styles, abilities, and needs, including:

- Computer-based learning
- Classroom-style training
- “Hands-on” training and demonstration for proficiency
- Mentoring and apprenticeship training for skill development

Training programs are tailored to individual employee roles to provide the knowledge and skills needed to support safe work. Our computer-based training consists of 40 EHS training courses offered through our online learning portal. Course content ranges from general safety awareness trainings to specialized trainings covering topics like ergonomics, hazardous materials, electrical safety, and more. In 2019, our global employees and contractors completed approximately 20,000 hours of classroom training and an additional 20,000 hours of computer-based training.

Chemours has a training and development network that meets monthly with a goal to provide leveraged support in training and compliance for sites, as well as share best practices through inclusion and teamwork. In 2019, we refreshed offerings to build trainer skills in our developing effective training course and in our train the trainer courses. The advancement makes sites capable of providing additional training in-house with more proficient trainers and facilitators, ensuring accurate knowledge transfer.

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## 403-6 PROMOTION OF WORKER HEALTH

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Chemours strives to keep all employees safe and healthy—whether in our facilities or at home with their families. We offer each employee a broad range of benefits, which include group medical, dental, vision, and employee assistance plans from local providers in the countries in which we operate, as well as access to insurance coverage. Our employees can choose whether or not to subscribe to a plan that also includes their family members. Chemours offers comprehensive medical and dental insurance and well-being programs, as we believe access to these services are critical to the health and safety of our employees. In many countries, we offer financial incentives for completing our free tobacco cessation counseling sessions and for annual health screenings, which identify opportunities to improve an employee's health. In the US, our insurance provider, Aetna, offers case management services through the Aetna One Advocate (A1A) program to help employees manage their healthcare needs.

We also promote employee wellness through a variety of programs including providing treadmill workstations and wellness rooms at our headquarters office, discounted memberships at local participating fitness centers, and our new corporate Fitbit partnership, through which we subsidized the purchase of 2,100 Fitbit wearables. On an ongoing basis, through the FitBit platform, global and local teams host virtual fitness and health “challenges” to increase employee activity and overall fitness. Though our corporate benefits provide many avenues to voluntarily participate in health promotion activities, we find these programs work best when administered at a local level. Many of our sites promote worker well-being and encourage a healthy lifestyle in their own unique style. For example, our Corpus Christi facility hosted a wellness weight loss challenge in 2019 with 169 site participants collectively losing 629 pounds. Several of our sites have funded local walking and nature trails, which support both our Inspired People and Shared Planet corporate responsibility pillars.

Every year, our employees are reminded through training of the importance of—and expectation to—report to supervision and Chemours Health Services any signs or symptoms of illness that could be work-related, that could be aggravated by work, or that could impact others at work. If someone is ill, we want them to make contact before they come to the workplace. If someone played too much softball over the weekend and is stiff and sore, we want them to tell their supervisor as soon as they report to work so we can make appropriate accommodation. If someone feels musculoskeletal pain while performing a task at work, we expect our employees to report that pain when it occurs—so that the task can be evaluated by our safety and health professionals and be modified as necessary. Besides establishing the requirements for employee training and response to musculoskeletal illness, our company ergonomics program also requires each of our sites to perform proactive assessments to identify and control the risk of musculoskeletal injury or illness to our workers, in a program that is reviewed and refreshed by management each year.

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## 403-7 PREVENTION AND MITIGATION OF OCCUPATIONAL HEALTH AND SAFETY IMPACTS DIRECTLY LINKED BY BUSINESS RELATIONSHIPS

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Our corporate EHS policy holds that we strategically engage with our value chain to play a role in achieving our commitments, including promotion of sound EHS practices. Our EHS protocol requires that we make a diligent effort to influence affiliated companies and joint ventures in which we have minority interest, to adopt measures that provide EHS protection comparable to our own. We evaluate EHS policies and performance of potential joint-venture partners, and our joint-venture formation agreements contain provisions for establishment of EHS policies, standards, and guidelines considering the member companies' own practices. Joint-venture management reviews EHS performance at their board meetings and Chemours provides EHS-related information including relevant key learnings from our operations. We provide chemical-specific information for materials used in Chemours designed processes. Chemours policies, standards, and guidelines apply to any Chemours employee seconded to a joint venture and we may also provide dedicated EHS resources to support the joint venture in the development and implementation of EHS standards.



We have established a Distribution Safety Strategy Team, which brings together the different business leaders, along with corporate functions, to review common safety issues associated with third-party transportation of hazardous chemicals and develop strategies to improve our processes and mitigate potential material transportation risks. Read more about our transportation management approach in sections [403-2](#) and our [distribution safety indicator](#).

We also take actions to ensure our customers safely handle, use, and dispose of our products by providing product safety information and, when applicable, technical support and training. Read more about product safety in the [sustainable offerings section](#).

## 403-9 WORK-RELATED INJURIES

Chemours considers both employees and contractors in its review of occupational safety. Each month, Chemours corporate EHS releases a report that includes a number of metrics benchmarked against the ACC's large member companies' top quartile (e.g., top 25%) performance, including the total incident rate. The total incident rate is a calculation that finds the number of work injuries and incidents per 100 full-time employees over the 2,000 hours they each work per year. In the US, the BLS provides additional metrics for comparison.

In 2019, Chemours employees worked almost 15 million hours, with 20 recordable injuries. Our contractors worked more than 11 million hours, with 13 recordable injuries. Our 2019 employee TRIR was 0.27, a slight decrease from 2018. The 2018 ACC large member company top quartile TRIR average—the most recent year for which there is data—was 0.23, and the 2018 chemical manufacturing average (per the BLS North American Industry Classification System [NAICS]) for total recordable cases was 1.9. The most common injuries included strains and sprains, cuts, and chemical exposures. Unfortunately, for the first time in four years, hand injuries increased in 2019 by four injuries, despite our annual month-long hand safety campaign.

| Work-related injuries                              |      |      |      |
|--|------|------|------|
|  | 2017 | 2018 | 2019 |
| <b>Employee safety</b>                             |      |      |      |
| Total recordable cases                             | 19   | 21   | 20   |
| Total recordable incident rate <sup>1</sup> (TRIR) | 0.26 | 0.28 | 0.27 |
| Lost workday cases                                 | 2    | 4    | 3    |
| Lost workday cases rate <sup>1</sup> (LWCR)        | 0.03 | 0.05 | 0.04 |
| Fatalities   | 0    | 0    | 0    |
| Fatality rate <sup>1</sup>                         | 0    | 0    | 0    |
| <b>Contractor safety</b>                           |      |      |      |
| Total recordable cases                             | 14   | 13   | 13   |
| Total recordable incident rate <sup>1</sup> (TRIR) | 0.31 | 0.23 | 0.32 |
| Lost workday cases                                 | 4    | 0    | 1    |
| Lost workday cases rate <sup>1</sup> (LWCR)        | 0.09 | 0.0  | 0.02 |
| Fatalities   | 0    | 0    | 1    |
| Fatality rate <sup>1</sup>                         | 0    | 0    | 0.02 |

<sup>1</sup>Rates are defined as the number of events per 100 workers per year.

For contractors, we saw an increase in total recordable cases and a slight increase in lost workday cases when comparing 2019 to the previous year. The Chemours 2019 contractor TRIR was 0.32. The 2018 ACC large member company top quartile contractor recordable injury rate average was 0.19, and the most recent 2018 BLS NAICS code for construction was 3.0.

Tragically, Chemours experienced a work-related contractor fatality in 2019. The incident occurred at our Altamira, Mexico, manufacturing facility when a contractor fell through a floor opening at an elevated location. We are using lessons learned from this incident to develop improved safety systems and engineering controls to prevent future accidents. As with all our safety parameters, we are evaluating results and always strive for improved safety practices and performance. Read more about the risk and hazard management and continuous improvement actions we are undertaking to reduce workplace hazards in sections [403-1](#) through [403-7](#).

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## 403-INDICATOR      PROCESS SAFETY

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At Chemours, we are committed to safely managing high hazard chemical processes and achieving world-class process safety performance. We strive to eliminate and reduce risk to people, the environment, and the business through resilient systems and a continuous improvement mindset, never satisfied on our journey to achieve zero harm. Our core values drive a relentless pursuit of process safety excellence to exceed the expectations of employees, communities, and the customers we serve.

In 2019, our process safety COE developed a three-year strategic improvement plan to enhance process risk management programs, develop organizational resilience, and drive a culture that promotes year-over-year process safety improvement. A fundamental component of the plan was the adoption of a human performance mindset and enhanced operational learning practices to diagnose and learn from safety incidents. The process safety COE has launched a multi-year redesign of our process safety management framework, which will integrate various industry best practices and continuous improvement philosophies. Additionally, our mechanical integrity and quality assurance service center furthered our product safety efforts through launching an enterprise-wide initiative in 2018 to prompt a step-change in equipment performance reliability. This global effort will span all manufacturing facilities and deliver enhanced systems to manage the process technology design basis for all equipment and quality assurance processes, to ensure equipment is maintained throughout its life cycle. These efforts apply to maintenance procedures, training, quality control, testing, inspections, repairs, changes, reliability engineering, and other ancillary support processes.

| Total process safety events |      |      |      |
|-----------------------------|------|------|------|
|                             | 2017 | 2018 | 2019 |
| Tier 1 events               | 1    | 5    | 2    |
| Tier 1 rate <sup>1</sup>    | 0.01 | 0.04 | 0.02 |
| ACC top quartile benchmark  | 0.02 | 0.02 | 0.02 |
| Tier 2 events               | 12   | 14   | 16   |
| Tier 2 rate <sup>1,2</sup>  | 0.10 | 0.11 | 0.14 |

<sup>1</sup>Rate is defined as number of events per 100 workers per year.

<sup>2</sup>ACC benchmark not available.

Fewer tier 1 events were observed in 2019 and a slight increase occurred with tier 2 events. For tier 1 and tier 2 process safety events, root cause or management system performance gaps were identified to inform developing corrective actions. We routinely report process safety incident trends to identify common issues that can be leveraged across the enterprise. In 2019, some of the trends involved in higher severity events included equipment reliability, equipment inspection, operating procedures, safe operating limits, risk assessment, training, and pre-startup safety reviews. Chemours maintains robust programs in these areas, but also recognizes the importance of continuous improvement. We believe that strategic initiatives identified for 2020 will address many of the performance gaps recognized in the past year.

Chemours takes a science-based and statistical approach to validating process safety performance, recognizing that strategy should be informed by both leading and lagging performance measures. Given the performance trend and expectation of year-over-year improvement, we identified, planned, and initiated enhancements to the EHS management system with the objective of shifting performance in future years.

In 2019, we developed more advanced data analytics and visualization capabilities to identify trends and monitor leading indicators, including ACC tier 3 process safety events and other process safety performance indicators. We have committed to a redesigned process safety operating model that will integrate industry best practices as well as enhance foundational elements of our program, including inherently safer process design, human performance and error management, and a competency development framework.

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## 403-INDICATOR      CRISIS MANAGEMENT

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While our company cannot predict when a crisis event may occur, our organization has prepared to have the strategic, operational, and financial resiliency to recover from emerging global risks, and we are positioned to respond and minimize potential impacts to our personnel and operations. In 2019, we took action to improve our management process to provide stronger alignment and more rigorous oversight of key emerging risks. Previously, each business managed independent crisis management systems; however, this resulted in siloed activity. In 2019, we decided to simplify crisis management under a single enterprise management approach, led by our Chief Operating Officer, to improve enterprise accountability, governance over business plans, and sharing key learnings across the organization.

We created a crisis management leader role and developed the Chemours crisis management plan to define a framework and process to support planning for, responding to, and managing any type of crisis—whether a significant business interruption, emerging issue, pandemic, or physical or nonphysical event. The framework supports an effective and efficient response to crisis events anywhere we operate around the world. We use a tiered crisis response structure to emphasize activation of personnel and teams based on the situation and potential impacts. It is designed to link all aspects of response and recovery from immediate, tactical emergency response to executive-level, strategic decision-making on business-critical and policy issues. This tiered structure provides flexibility and scalability, division of labor, and coordination, and ensures the support of each business or organization as needs are identified in times of crisis-level events.

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#### 403-INDICATOR      EMERGENCY RESPONSE

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We plan for the possibility that an incident may occur and make sure our sites are ready to respond to emergency situations. Emergency preparedness and response (EP&R) is led by the global emergency response competency leader and supported by the EP&R process safety management element leader. Our corporate standards provide direction and guidance for site-led programs, and first- and second-party program audits help ensure compliance with leading safety standards. Ultimately, site leadership is accountable for the success of each site's emergency response program.

Chemours uses a multi-tiered approach to manage both on- and off-site incidents where our chemistries may be involved. Our sites are required to have emergency response management plans and must either have internal emergency response teams (ERTs), off-site coverage by competent responders, or a combination of the two. All manufacturing sites that have an ERT follow training guidelines set forth in National Fire Protection Association 600 for Industrial Fire Brigades and OSHA for Hazardous Materials Responders, and we conduct audits to verify compliance.

As a Responsible Care® company, we have made a commitment to aid and assist the communities in which we work and live. We conduct community outreach to keep in close touch with the local off-site responders. These relationships are crucial, and the knowledge-sharing that results helps our company and our surrounding communities to be better prepared for any situation that may arise. To deepen our partnership with external first responders, we created our community awareness emergency response (CAER) outreach program. In 2019, Chemours reached 1,822 external responders across North America, Latin America, EMEA, and Asia-Pacific (APAC). These community members included firefighters, hazardous materials responders, community leaders, emergency management leaders, scout troops interested in pursuing emergency response professions, and law enforcement officers. Chemours sponsored national TRANSCAER® events and partnered with other organizations such as the Chlorine Institute to provide training opportunities to hundreds of responders at one of many events. We have a great deal to gain by providing training and educational opportunities to local responders and we are building strong relationships within our communities.

For off-site distribution incidents and natural disaster response at potentially affected sites, Chemours relies upon regional response teams in North America and Latin America. These teams are supported by third-party response contractors that specialize in dangerous goods response and disaster recovery. In the EMEA and APAC regions, we have trained emergency response personnel who provide technical guidance and support to third-party contractors in their regions. In 2019, our integrated ERT activated for three events: Hurricane Dorian and two off-site, carrier-related distribution incidents. Our ERT provided incident management oversight to ensure business continuity at our sites impacted by the hurricane and ensure proper control, cleanup, and community safety with our carrier partners. Our Safety Obsession core value not only covers the sites we manage and the products we produce, it also covers the entire value chain and the communities in which we operate.

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#### 403-INDICATOR      DISTRIBUTION SAFETY

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Chemours has manufacturing operations in seven countries and transports products to more than 3,700 customers in 120 countries. As our transportation and distribution activities span many miles, we find it imperative to responsibly manage, monitor, and improve safety in the transportation of raw materials to our production facilities and the shipment of our products to customers.

Three goals drive our management of distribution safety. Our first goal is to simplify the way we work by making our transportation model efficient and effective. This includes completing transportation and distribution assessments to minimize hazards for routes used to transport high-risk or hazardous materials. Our second goal is to improve efficiency with our value chain partners, which leads to simpler, more streamlined methods of distribution. Our final goal is to build on our success. To strive for this goal, we chartered a Distribution Safety and Strategy Team (DSSST) to challenge ourselves to make distribution safety improvements.

We track total annual distribution safety incidents to evaluate our performance and develop and implement key initiatives aimed at improving and maintaining distribution safety.

| Distribution safety    |      |      |      |
|------------------------|------|------|------|
|                        | 2017 | 2018 | 2019 |
| Distribution incidents | 7    | 3    | 6    |
| Severity index         | 0.02 | 0.07 | 0.09 |

In 2019, Chemours developed additional metrics to review performance and track leading indicators. In our DSST meetings, we now review carrier performance and the number of dangerous goods incidents versus the number of dangerous goods shipped, and review the distribution severity index to evaluate incident severity. We use the ACC distribution severity index, which considers not only the number of incidents, but also the severity of the incident versus the number of dangerous goods shipments. We use the index to reduce not only the total number of distribution incidents, but also the severity of any incident. Our incident severity rating is included in the chart above. In 2019, the total number of incidents increased; however, these incidents were low on the severity scale. Across all modes of transportation, we had no significant incidents that required immediate notification to a government entity in 2019. The Association of American Railroads (AAR) awarded Chemours with the 2019 AAR Non-Accident Release Grand Slam Award, a recognition given to leaders in hazardous material safety.

## GRI 307 Environmental Compliance

### 103-1, 2, 3 MANAGEMENT APPROACH

We are committed to operating with unshakeable integrity and complying with all environmental laws and regulations in the global regions in which we operate. While we are unflagging in our efforts to uphold our own environmental standards, we are equally committed to improving them. Our robust EHS management system ensures that we meet these standards. We conduct first-, second-, and third-party audits at our facilities to maintain compliance with complex global regulatory requirements. We review and update our EHS&CR policy every year and make the improvements that our auditing processes identify.

We demonstrate the performance of our EHS management system through our Responsible Care® RC 14001 and ISO 14001 certifications. Chemours believes third-party verification and transparent public reporting are essential elements of world-class EHS performance and for building public trust. Our chemical manufacturing sites in the US received verification for compliance with RC 14001 in 2019 (which includes the ISO 14001 requirements), while our Starke, Florida, mine and our sites in Europe, Latin America, and Asia-Pacific maintained their third-party verification for compliance with ISO 14001. We are preparing these sites to transition to RC 14001 certification through third-party certification audits.

Our EHS management system includes standards that require each of our facilities that manage hazardous materials in bulk to install, operate, and maintain equipment to prevent spills to soil, surface water, or groundwater. In addition, each applicable facility develops a spill and leak prevention equipment inventory and implements measures to prevent spills and leaks. These measures include spill/leak prevention provisions in the siting, construction, operations, maintenance, and repair of equipment.

We track compliance with environmental laws, regulations, and permits applicable to our facilities, and analyze these data for trends and insights to improve performance. Our standards require that environmental incidents are reported and investigated, and improvement initiatives are implemented as applicable. We summarize our environmental performance for review at the facility, business, and corporate level.

Read more about our EHS management system and our approach to environmental compliance in section [403](#).

Chemours is committed to preventing unpermitted releases to the environment at our manufacturing sites to keep our people and communities safe and to be good stewards of the environment. Our EHS policies reflect this commitment. There are times when fines and non-monetary sanctions may arise from environmental liabilities that include claims for matters that are liabilities of DuPont and its subsidiaries, which we may be required to indemnify pursuant to the separation-related agreements executed prior to the 2015 separation. Regardless of how these matters arrive to us, we wish to further define Chemours as a company that seeks to address environmental issues proactively.

Information regarding environmental matters is included in several areas of our [2019 Annual Report on Form 10-K](#), including:

- Item 1A—Risk Factors, beginning on page 12
- Item 3—Legal Proceedings, under the heading “Environmental Proceedings,” beginning on page 28
- Item 7—Management’s Discussion and Analysis of Financial Condition and Results of Operations, beginning on page 34
- “Note 3—Summary of Significant Accounting Policies,” beginning on page F-11
- “Note 22—Commitments and Contingent Liabilities” to the Consolidated Financial Statements, beginning on page F-43

### Environmental Deviations

We track total annual environmental deviations from our permits and applicable regulations to evaluate our performance. We analyze these data and develop and implement key initiatives aimed at improving and maintaining environmental performance. In 2018, we upgraded our EHS data management system to enable tracking environmental incidents and improvement initiatives. 2019 represents the first full year in which metrics are available by media.

| Environmental deviations       |      |      |
|--------------------------------|------|------|
|                                | 2018 | 2019 |
| Total environmental deviations | 135  | 142  |
| Water-related <sup>1</sup>     | -    | 75   |

<sup>1</sup>Water-related deviations reporting began partially through 2018. Full-year results are not available.

Total environmental deviations did not vary significantly year-over-year between 2018 and 2019. Full-year, water-related metrics were not available until 2019. Further analysis of 2019 data revealed that two-thirds of all deviations occurred in the first six months of the year with significant reduction in deviation rate during the latter half of the year. These improvements resulted from initiatives focusing on root causes or improvement programs at specific locations experiencing the deviations. Year-over-year evaluation of our compliance performance by media will be conducted beginning in 2020.

# Vibrant Communities

SDG 4

SDG 6

SDG 8

SDG 11

SDG 15

## GRI 413 Local Communities

### 103-1 EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

Our approach to stakeholder engagement is rooted in our communities, not only because the communities hosting our global operations and offices are vital to the success of our company, but also because we know supporting our neighbors is simply the right thing to do. Our hometowns provide necessary services for our sites and the families of our employees in addition to a strong pipeline of talented, future workers. We commit to being good citizens, upstanding stewards of our local environmental resources, and good neighbors with Unshakable Integrity. We believe listening to, and investing in, our communities improves the health of our world, our business, and our employees.

That bedrock belief is what shaped our vibrant communities goal, to invest \$50 million in our communities to improve lives through increased access to STEM skills, safety initiatives, and sustainable environment programs.

This commitment aligns with the [2030 Agenda for Sustainable Development](#), adopted by all United Nations Member States in 2015. At its heart are the 17 UN SDGs, which are an urgent call for action by all countries—developed and developing—in a global partnership. Our community engagement approach supports several SDG targets, including: SDG 4—Quality Education (targets 4.1, 4.3, and 4.4), SDG 6—Clean Water and Sanitation (target 6.6), SDG 8—Decent Work and Economic Growth (target 8.8), SDG 11— Sustainable Cities and Communities (target 11.7), and SDG 15—Life on Land (targets 15.1, 15.5, and 15.8).

### 103-2 THE MANAGEMENT APPROACH AND ITS COMPONENTS

We operate in a world that demands more from us as a company, and that includes our stakeholders in and around the communities in which we live and work. Whether we're considering philanthropic investments or site operations, community needs and feedback are a critical component of our decision-making process.

In 2018, we announced our vibrant communities goal—to invest \$50 million in our communities to improve lives through increased access to STEM skills, safety initiatives, and sustainable environment programs—with the hope of deepening our community relationships and advancing the needs of our communities. We knew we could not do this in a vacuum and needed to tap into the existing community relations infrastructure that exists across our locations around the globe.

All Chemours manufacturing locations have active community feedback mechanisms or Community Advisory Boards (CABs), which consist of a diverse group of individuals who live around a Chemours site and represent the voice of the community. Our sites work with existing CAB members, elected officials, and other civic leaders to identify potential CAB members that provide us professional, cultural, and geographically diverse representation so that we gather feedback that accurately reflects the thoughts and perceptions of the community related to our site operations. Identified representatives are then contacted and, following discussions with site and CAB leadership, determine if they will accept an appointment to our CAB for a defined period of time. Representation is often derived from academia, local government officials, nearby neighborhood groups and civic organizations, local businesses, economic development experts, real estate or land development experts, and religious organizations.

These panels provide for open and transparent discussion between community representatives and site management, which guides our community presence. The CABs liaise with other community members to share information about plant sites, and serve as the pulse of the community by collecting feedback to help guide our understanding of, and engagement with, their local communities. For example, if a Chemours site proposes to undertake a project of potential impact to the community, the site leadership would present the details of the project to CAB members for discussion and feedback before activity is finalized, permit applications filed, or engagement is undertaken with the broader community. Additionally, CABs are frequently presented with site emissions data to discuss progress toward our emissions reduction goals and gather input to incorporate into future planning. They also advise site leadership teams of the educational and social needs of the site's near-neighbor communities that can aid in awarding vibrant communities grants.

Our cross-functional Global Vibrant Communities and Philanthropy Leadership Team—led by our senior director of corporate communications, brand marketing, and philanthropy—reviews and approves our community grants. This team leverages an internal management system to capture and manage grant requests, with an emphasis on volunteerism, employee engagement, and multi-year timelines. In addition, in 2019 we implemented an online grant request portal to enable more efficient receipt, evaluation, distribution, and tracking of our grants. The new grant request system is designed to provide a positive end-user experience for all our internal and external grant requestors and more accuracy in our reporting process. Automated alerts and workflows enable us to track progress by grant, collect photos, news clips, volunteer progress, and tax acknowledgment letters seamlessly. Upon submission, the system prompts users to complete a brief survey to gauge ease-of-use and identify any potential areas for improvement.

Our senior director of corporate communications, brand marketing, and philanthropy works with our vibrant communities goal leader and our CRLT in setting the strategy and guiding our approach for our community engagement program. The [Chemours Code of Conduct](#) and our corporate values and vision guide our community impact decision-making. To further drive our vibrant communities goal, in 2019, we developed standard operating procedures and amended our corporate philanthropy policy to clearly align with our vibrant communities goal. We continue to refine both documents as new scenarios and processes are defined.

While responsibility for local community engagement rests with the plant manager for each site, the vice president (VP) operations (or equivalent) for each business unit has oversight and accountability to ensure community engagement activity is underway in accordance with the company standard and [EHS&CR policy](#). The VP operations is encouraged to participate in a sampling of CAB meetings each year within her or his business area to assess their effectiveness.

Learn more about our values and corporate policies in section [102-16](#) and about our CRLT governance process in sections [102-18, 19](#).

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### 103-3 EVALUATION OF THE MANAGEMENT APPROACH


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Chemours assurance services and/or independent, third parties regularly audit our donation process to ensure compliance and make recommendations for improvement. In addition, we may audit organizations receiving funding at any time for any reason. Our donation policies are also reviewed regularly to ensure best practices. Given the recent launch of our revised vibrant communities programming, an audit has not yet been completed.

Any community issues or concerns can be shared with local site leadership or escalated to the [Chemours ethics hotline](#), a multi-lingual service available 24 hours a day, seven days a week. The hotline is accessible by both employees and the public, including our local communities. In 2019, no complaints were submitted to the hotline.

#### Progress Advancing Our 2030 Vibrant Communities Goal

In 2019, Chemours committed \$2.5 million to the communities in which we live and work, approving 56 grants across 19 locations and all regions, benefiting more than 1.2 million community members. Additionally, we developed our 2030 investment roadmap and set interim targets to help track our progress to our \$50 million 2030 goal—and are pleased to have met our 2019 target.

|   | 2018 baseline | 2019    | Progress toward 2030 goal   |
|---|---------------|---------|---|
| Annual vibrant communities investment     | \$2.2 M       | \$2.5 M | -   |
| Cumulative vibrant communities investment | -             | \$2.5 M |  |

At or worse than base year  Behind schedule  On track 

Our 2019 vibrant communities and philanthropy grants supported scholarships for high school students pursuing STEM careers and funding of work-based learning programs to prepare men and women for technical careers, establishing nature preserves near our sites, and leading safety workshops for safety educators and first responders, to name a few. One of our largest collective employee efforts came from our annual paid day of service, through which employees give back and make a positive difference in the communities in which they live and work. In our corporate hometown of Wilmington, Delaware, our paid day of service is led by CBEN and celebrated in conjunction with Martin Luther King Jr. Day. On January 21, more than 115 employees and their families rolled up their sleeves to beautify neighborhoods, coordinate youth activities, visit veterans, and prepare meals for those in need. Globally, over 750 employees used their paid day of service, totaling more than 5,400 hours.

We also hosted our first Global Corporate Responsibility Commitment Day on December 5—International Volunteers Day. We asked employees around the globe to take one step or action to advance one of our 2030 CRC goals. Many employees opted to participate in community service projects, while others hosted educational webinars or vendor meetings. In total, more than 500 employees participated in more than 60 events across 29 locations in 13 countries around the world, totaling over 1,000 hours of service.

Additionally, we expanded our Future of Chemistry scholarship program both in length, extending our commitment through 2030, and in number of scholarships. In 2019, this program expanded from the Wilmington, Delaware, area to North Carolina and Georgia, United States; Shanghai, China; and Laguna, Mexico, with additional scholarships slated for 2020. The scholarship program supports students studying STEM, with each site selecting supplemental criteria to address local needs. For example, our Wilmington scholarship supports students attending HBCUs, while our Fayetteville, North Carolina, site has partnered with trade and technical institutions.

Advancing our commitments to diversity, inclusion, and increased access to STEM for all, we also co-sponsored—in partnership with the American Institute for Chemical Engineering (AIChE)—a two-day student process safety boot camp at North Carolina Agricultural and Technical State University in September. This was the first AIChE process safety boot camp hosted at an HBCU, and our Fayetteville Works Team was proud to participate, sharing our Safety Obsession value, providing practical examples from their everyday work, and creating connections with potential future employees.

### Community Advisory Board Engagement Updates

In 2019, Chemours developed a consistent approach to community engagement that will be rolled out to all manufacturing locations throughout 2020 and is expected to be formalized as a company standard in 2021. Approximately 60% of our manufacturing sites have implemented the formalized community engagement approach, which includes a fully functioning CAB. While the approach requires that CABs meet at least twice annually, most locations conduct CAB meetings at least quarterly to assess the site's impact on the surrounding community, develop programs to respond to community concerns, and establish open lines of communication between the facility management and its surrounding neighbors. This approach has seamlessly incorporated the work our site teams are doing to support our vibrant communities goal.

One such example of the effectiveness of our community engagement approach is our manufacturing facility in Dordrecht, the Netherlands. The facility has a strong CAB (called the Burenraad) that was established in 2017. Although supported by Chemours, the CAB operates independently of Chemours management to gather input and feedback from the surrounding communities and provides recommendations to site management on actions it believes would improve communication with, or lessen impact on, the community. In March 2019, the CAB issued a report to management on a formal survey it conducted within the local community that demonstrated that community members desired more information about Chemours operations. That feedback brought about the implementation of a stakeholder communication program and a more robust "summer walks" program where site management provides guided tours of the Dordrecht site and explains the nature and operation of each facility on-site, as well as the actions taken to help achieve our 2030 CRC goals. Both programs have helped improve the community's understanding of Chemours local operations and the progress in reducing site emissions.

We are proud of the work done by our employees around the globe and look forward to the continued success and growth of our vibrant communities and CAB programs.





# Shared Planet

# Climate



SDG 7

SDG 8

SDG 12

SDG 13

## Climate Change Mitigation and Adaptation

### 103-1 EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

Climate change is a critical issue for our planet and one of the most urgent challenges facing society today. In December 2015, nearly 200 countries adopted the Paris Agreement, a global climate agreement that seeks to “strengthen the global response to the threat of climate change by keeping a global temperature rise this century well below 2° Celsius above pre-industrial levels.” Achieving the Paris Agreement ambition is part of the UN SDGs—a call for all countries to take action to promote prosperity, protect the environment, and tackle climate change.

The chemicals sector, including Chemours, plays a central and complex role in the transition to a low-carbon economy due to the current and future demand for chemicals that enable low-carbon and energy-saving technologies. As the sector grows to meet this need, it must do so while reducing emissions, eventually decoupling greenhouse gas (GHG) emissions from production growth. In addition, the chemical sector’s impact on GHG emissions extends beyond the GHG emissions generated by manufacturing operations and use of purchased energy. Other indirect GHG emissions arise from sources outside our operations, ranging from the raw materials we purchase to the use of our sold products. To deliver the meaningful reductions needed to avoid the worst impacts of climate change, we must reduce our own emissions and influence our value chain to do the same. We align our GHG and air emissions management with the targets of the UN SDGs, in particular SDG 12—Responsible Consumption and Production (targets 12.4, 12.5, and 12.6), and SDG 13—Climate Action (targets 13.1 and 13.2), and to a lesser extent SDG 7—Affordable and Clean Energy (target 7.3) and SDG 8—Decent Work and Economic Growth (target 8.4).

### 103-2 THE MANAGEMENT APPROACH AND ITS COMPONENTS

At Chemours, we work to address climate change by taking prudent, practical, and cost-effective actions to reduce our emissions as we grow our company, and we strive to help our customers do the same. We are committed to reducing our scope 1 and scope 2 GHGs, and our air process emissions from fluorinated organic compounds (FOCs), by improving our resource use and energy efficiency, acting on opportunities to deploy lower emission technologies at our manufacturing sites, increasing our use of renewable energy, and encouraging our employees to reduce their own environmental footprints. We also commit to working with commercial partners to reduce their GHG and FOC process emissions and develop products and processes that help our customers and consumers reduce their environmental footprint. Ultimately, we want the emissions avoided by using our products to be greater than the emissions generated to make them. We call this becoming carbon positive. These commitments will help enable the transition to a low-carbon economy and were formalized in our 2030 CRC goals:

- Reduce GHG intensity by 60%
- Progress our plan to become carbon positive by 2050
- Reduce air process emissions of FOCs by 99% or greater

We established 2018 performance baselines for our climate and FOC goals (see sections [305-1 through 4](#) and section [303](#)) and created our climate team governance process, which includes a team charter and team guidance documents that define the scope, roles, and responsibilities needed to achieve our 2030 goals. We chartered six sub-teams, each responsible for achieving different GHG emission reductions as part of our 2030 GHG intensity goal action plans.

- **GHG Reporting Team**—Collects and aggregates enterprise scope 1 and 2 GHG emissions data and leads the data quality assurance review process
- **Capital Project Solutions Team**—Develops and implements technology solutions to reduce GHG emissions and improve energy efficiency at our manufacturing sites
- **FOC Process Emissions Team**—Develops technology solutions and tracks performance for the reduction of targeted FOC process emissions (read more about this team in section [303](#))
- **Energy Efficiency Team**—Develops and executes energy plans to achieve year-over-year energy intensity reductions:
  - Includes site energy champions, who are challenged and coached to identify and execute energy reduction programs, and corporate energy engineering consultants, who provide technical support
  - Monitors and tracks progress toward meeting annual internal improvement targets
- **Renewable Power Team**—Reviews makeup of the corporate electricity portfolio, tracks Chemours' consumption of renewable power, identifies renewable power opportunities, secures leadership support for project execution, monitors and tracks progress toward meeting internal renewable power targets
- **Refrigerant Maintenance and Management Team**—Responsible for tracking and reporting refrigerant leaks at manufacturing sites and developing and leveraging improved maintenance practices across our global operations to reduce or eliminate refrigerant losses

We also chartered teams to measure the indirect GHG emissions (GHG emissions that are owned and controlled by others, not Chemours) in each of the scope 3 categories applicable to Chemours. The teams are responsible for updating the inventory annually and maintaining the calculation methodologies and guidance included in our scope 3 GHG inventory management plan.

- **Category 1 Emissions Team**—Uses annual purchasing data and life cycle assessment (LCA) factors or supplier-provided data to calculate the GHG footprint associated with purchased goods and services
- **Categories 4 and 9 Emissions Team**—Uses raw material and product transport details and LCA factors to calculate GHG emissions associated with the procurement and distribution of our materials
- **Category 11 Emissions Team**—Uses annual product sales data and published global warming potential (GWP) factors or LCA factors to quantify annual emissions attributed to sold products; also responsible for calculating the avoided emissions benefits from the use of our products using the framework developed by the ICCA and the World Business Council of Sustainable Development
- **Minor Category Emissions Team**—Calculates emissions for the remaining scope 3 categories, which together contribute less than 1% of our scope 3 footprint

In addition to our emissions inventory efforts, we have a team responsible for developing a marketing and advocacy strategy to enable the transition from high GWP refrigerants to lower GWP refrigerants. This transition is supported by the Kigali Amendment to the Montreal Protocol and is a part of the global strategy to achieve the Paris Agreement and UN SDG 13 goal. We value collaborative change and commit to continue working with policymakers, our value chain, and other organizations to encourage collective action for reducing GHG emissions.

## Governance

Our climate mitigation and adaptation action strategy and governance are championed by a member of our CRLT, who is accountable for monitoring external trends connected to the issue, assessing climate-related opportunities and risks, assisting with strategy and resource allocation to manage the issue, and providing regular updates to the CRLT. The CRLT climate sponsor works with the climate goal leader and the FOC process emissions goal leader to develop enterprise-wide plans to achieve the 2030 CRC goals, establishes metrics and tracks performance, and works with our business segments to identify and pursue programs to reduce GHG emissions and air FOC process emissions at our operations sites. Ultimately, line leadership, with assistance from the goal leaders and the CRLT sponsor, is accountable for successful goal program execution. Read more about our CRLT governance process in [102-18](#) and [102-19](#) and our water stewardship governance in section [303](#).

Our emissions reduction actions are guided by our EHS&CR policy, climate change pledge, and EHS management system (described in section [403](#)). The EHS management system embodies a continuous improvement philosophy that drives our efforts to reduce our impacts, manage compliance across our global operations, reduce costs, and increase efficiencies. Our environmental data management standards and GHG inventory management plans provide direction and guidance for collecting, maintaining, verifying, and reporting GHG emissions and other environmental performance data. We have also developed an internal price on carbon to better inform our business strategy process and capital investment decisions, and are implementing its use.

We evaluate the effectiveness of our management approach through internal and external audits as part of our EHS management system assessment described in section 403 and by measuring progress toward achieving our climate and FOC process emissions goals.

In response to improvement opportunities identified during our internal audits, we took action in 2019 to upgrade our CRC data management processes. We developed a CRC environmental data management standard, updated our scope 1 and 2 GHG inventory management plan, and developed a scope 3 GHG inventory management plan. We upgraded our site training for data reporting, updated the data collection templates, and improved our data analysis process using an analytics platform to aggregate the data—reducing opportunities for introducing errors. We are currently piloting a centralized data management system to further simplify and streamline our data management process and plan to convert to a centralized system within the next five years.

In 2019, we provided our first climate disclosure submission to the CDP to independently assess the effectiveness of our climate management approach. We received a “C” score, and in 2020 are implementing the learnings from CDP to improve our management approach. Refer to our [2020 CDP climate change submission](#) for more information on our approach to managing carbon emissions.

### Progress Advancing Our 2030 Climate Goals



Our CRC data manager works closely with the 2030 CRC goal leaders to ensure our data and metrics are timely, accurate, and effective for communicating our environmental performance and impact. We evaluate our annual performance against our 2030 goals and make adjustments to our implementation roadmap annually. These adjustments are then cascaded to each facility in support of our 2030 and 2050 goals.

In 2019, we made progress reducing GHG emissions; however, our overall GHG emissions intensity increased—largely due to reduced titanium dioxide production volumes in 2019. As titanium dioxide production volumes return to normal demand levels, we expect to see a decrease in our GHG emissions intensity, better reflecting the impact from our GHG emission reduction efforts. Progress on our climate positive goal was modest, with the slight improvement due to lower hydrofluorocarbon (HFC) refrigerant sales in 2019, resulting in a smaller category 11 footprint.

#### Climate 2030 CRC goals

|  | 2018 baseline | 2019 | Progress toward 2030 goal   |
|--|---------------|------|---|
| 60% reduction in CO <sub>2</sub> e intensity (metric ton CO <sub>2</sub> e per metric ton sales product) | 4.74          | 5.27 |  |
| Climate positive by 2050 <sup>1</sup> (million metric tons CO <sub>2</sub> e)                            | -141          | -137 |  |

<sup>1</sup>Climate positive is defined as avoided GHG emissions—the sum of scope 1, 2, and 3 GHG emissions.

At or worse than base year  Behind schedule  On track 

In 2019, we’ve continued our work to reduce our scope 1 GHG emissions. The following examples highlight our progress:

- In December 2019, we successfully completed installing a thermal oxidizer at our Fayetteville, North Carolina, facility. Starting in 2020, the unit will reduce carbon dioxide equivalent (CO<sub>2</sub>e) emissions annually by an estimated 490,000 metric tons CO<sub>2</sub>e.
- At one of our Mississippi sites, we changed out the reactor catalyst, resulting in a 55,000-metric-ton CO<sub>2</sub>e annual reduction due to reduced nitrous oxide (N<sub>2</sub>O) emissions at the site. This change reduced the site’s total CO<sub>2</sub>e emissions by approximately 25%.
- We made progress installing new gas boilers at our Parkersburg, West Virginia, site. The new gas boilers are planned to start up in early 2021 and will replace the coal-fed boilers currently in place to produce steam for our operations and site tenants. This conversion to natural gas boilers will reduce annual CO<sub>2</sub>e emissions by an estimated 120,000 metric tons.

In addition, our site in Belgium began negotiations in 2019 to convert its energy supply to 100% renewable European wind power and carbon-neutral natural gas. The conversion was completed in May 2020. This commitment will result in a 270-metric-ton reduction in CO<sub>2</sub>e emissions annually.

We also made progress in 2019 reducing air FOC process emissions. Abatement projects implemented at our sites in Fayetteville, North Carolina; Dordrecht, the Netherlands; and Parkersburg, West Virginia, contributed toward the measured reductions. We will continue to evaluate the effectiveness of our FOC air process emissions abatement work through direct measurement and refined engineering estimates of air process emissions sources, and tracking the emissions annually as we progress mitigation programs. We are committed to reducing all air FOC process emissions by 99% or greater, independent of GHG GWP, in response to feedback from our local stakeholders and learning what is important to them. Read more in section [303](#).

| Reduce FOC air process emissions by 99% or greater (metric tons) |               |      |                           |
|--|---------------|------|---------------------------|
|  | 2018 baseline | 2019 | Progress toward 2030 goal |
| FOC air process emissions  | 1,033         | 972  |                           |

At or worse than base year   
 Behind schedule   
 On track

Looking forward, we are setting annual internal energy efficiency improvement goals in our manufacturing operations and will continue to identify opportunities to source more electricity from renewable energy sources. Project teams continue to investigate solutions and develop projects in support of our climate CRC goals. Several large capital projects are in planning to deliver significant emissions reductions over the next five years, including efforts to reduce HFC-23 and HCFC-22 process emissions and complete the installation of new natural gas boilers at our Parkersburg, West Virginia, site.

“We are committed to reducing all air FOC process emissions by 99% or greater, independent of GHG GWP.”

## GRI 302 Energy

### 302-1 ENERGY CONSUMPTION WITHIN THE ORGANIZATION

Because energy use is a significant component of our GHG emissions, we manage it as part of our climate change mitigation and adaption approach. While we do not currently certify our EHS management system to the ISO 50001 energy management standard, we do incorporate many of the standard’s elements into our energy management program. We continue to evaluate whether to implement a formal commitment to an energy management program, such as ISO 50001 certification, and/or to participate in the US Environmental Protection Agency (EPA) Energy Star program.

How we source and use energy contributes toward our overall GHG emissions and we work to reduce energy use and improve energy efficiency as part of our GHG emissions reduction strategy. Our Energy Efficiency Team sets annual energy efficiency improvement targets and develops and executes plans to achieve year-over-year energy intensity reductions. In addition, the team monitors and tracks progress toward meeting annual internal improvement targets and leverages best practices across our manufacturing operations. We will begin tracking energy reduction programs in 2020 in pursuit of our internal intensity reduction target and should see full realization of these measures in 2021.

### Total nonrenewable fuel consumption by fuel type<sup>1</sup> (MWh<sup>2</sup>)

|  | 2017             | 2018             | 2019             |
|--|------------------|------------------|------------------|
| Coal   | 615,000          | 608,000          | 708,000          |
| Diesel   | 73,000           | 82,000           | 81,000           |
| Fuel oil 1, 2  | 321              | 1,000            | 0                |
| Fuel oil 5, 6  | 5,000            | 0                | 0                |
| Gasoline   | 9,000            | 11,000           | 10,000           |
| Kerosene   | 7                | 35               | 13               |
| Liquefied petroleum gas  | 3                | 19               | 71               |
| Natural gas  | 5,148,000        | 4,709,000        | 4,157,000        |
| Propane  | 286              | 119              | 157              |
| Toluene  | 124,000          | 113,000          | 85,000           |
| Off-gas  | 405,000          | 427,000          | 281,000          |
| <b>Total nonrenewable fuel consumption</b>                     | <b>6,380,000</b> | <b>5,951,000</b> | <b>5,322,000</b> |
| Percent nonrenewable fuel in total fuel mix                    | 98%              | 98%              | 99%              |
| Chemours only total nonrenewable fuel consumption <sup>3</sup> | 5,370,000        | 5,085,000        | 4,481,000        |

<sup>1</sup>Includes total fuels consumed to support Chemours activities and to provide services for tenants co-located at Chemours sites.

<sup>2</sup>Megawatt-hour

<sup>3</sup>Excludes fuels used to generate electricity and steam for site tenants.

Chemours has been on a journey to transition to less carbon-intensive fuels. For example, we converted from heavy oil (#5 and #6) consuming equipment to natural gas in 2017, and we are currently working to replace our remaining coal-powered boilers with natural gas-powered boilers. The reductions in 2018 and 2019 natural gas usage, when compared to 2017, are primarily due to lower production volumes in those years. As product demand returns to normal levels, natural gas consumption will return to quantities similar to 2017 usage levels.

### Total renewable fuel consumption by fuel type (MWh)

|   | 2017           | 2018          | 2019          |
|---|----------------|---------------|---------------|
| Biodiesel, biofuel                        | 302            | 207           | 124           |
| Biogas/landfill gas                       | 137,000        | 96,000        | 79,000        |
| <b>Total renewable fuel consumption</b>   | <b>137,000</b> | <b>96,000</b> | <b>79,000</b> |
| Percent renewable fuels in total fuel mix | 2%             | 2%            | 1%            |

The observed decrease in biogas/landfill gas consumption in 2019 was due to issues with landfill gas quality during the first quarter and reduced steam demand at lower production rates. The site worked with the landfill operator to correct the landfill gas quality issues experienced in early 2019.

### Purchased steam consumption<sup>1</sup> (MWh)

|                                | 2017             | 2018             | 2019             |
|--------------------------------|------------------|------------------|------------------|
| <b>Total purchased steam</b>   | <b>2,736,000</b> | <b>2,583,000</b> | <b>2,215,000</b> |
| US purchased steam             | 1,651,000        | 1,613,000        | 1,375,000        |
| Outside-the-US purchased steam | 1,085,000        | 970,000          | 840,000          |

<sup>1</sup>Purchased electricity and steam passed through to tenants are not included in data. Steam data include purchased steam only. Generated steam is included in the direct energy table and is represented by the amount of energy used at the site to generate the steam.

## Electricity consumption<sup>1</sup> (MWh)

|   | 2017             | 2018             | 2019             |
|---|------------------|------------------|------------------|
| <b>Self-generated electricity—nonrenewable</b>                | <b>30,000</b>    | <b>5,000</b>     | <b>0</b>         |
| Percent self-generated  | 2%               | 0.3%             | 0%               |
| US  | 0                | 0                | 0                |
| Outside the US  | 30,000           | 5,000            | 0                |
| <b>Purchased electricity</b>                                  | <b>1,627,000</b> | <b>1,608,000</b> | <b>1,549,000</b> |
| US  | 1,292,000        | 1,268,000        | 1,210,000        |
| Outside the US  | 335,000          | 340,000          | 339,000          |
| Renewable electricity   | 81,000           | 84,000           | 82,000           |
| Nonrenewable electricity                                      | 1,546,000        | 1,524,000        | 1,467,000        |
| <b>Total electricity used (self-generated plus purchased)</b> | <b>1,657,000</b> | <b>1,613,000</b> | <b>1,549,000</b> |
| Renewable   | 81,000           | 84,000           | 82,000           |
| Percent renewable   | 5%               | 5%               | 5%               |
| Nonrenewable  | 1,576,000        | 1,529,000        | 1,467,000        |
| Percent nonrenewable  | 95%              | 95%              | 95%              |
| US electricity used   | 1,293,000        | 1,268,000        | 1,210,000        |
| US renewable  | 68,000           | 68,000           | 74,000           |
| US nonrenewable   | 1,225,000        | 1,200,000        | 1,136,000        |
| Outside-the-US electricity used                               | 364,000          | 345,000          | 339,000          |
| Outside-the-US renewable                                      | 13,000           | 16,000           | 8,000            |
| Outside-the-US nonrenewable                                   | 351,000          | 329,000          | 331,000          |
| Percent purchased from grid                                   | 77%              | 79%              | 74%              |
| Percent direct purchased from local provider                  | 21%              | 21%              | 26%              |
| Intensity (MWh per metric ton sales product)                  | 0.70             | 0.81             | 0.92             |

<sup>1</sup>Purchased electricity passed through to tenants and self-generated electricity provided to tenants are not included in data.

Our current renewable electricity consumption is a function of the generation mix of the utilities that supply our sites with power. Year-over-year increases in renewable electricity are primarily due to our increase in purchased electricity from sites in states with higher grid percentages of renewable power. The Renewable Energy Team tracks our global renewable power consumption and is continuously exploring cost-effective technology options for on-site energy generation, purchased renewable energy, or renewable energy credits. In 2019, our Renewable Energy Team identified opportunities for renewable power solutions at our sites in Florida and Belgium, including solar- and wind-powered electricity and carbon-neutral natural gas that includes Gold Standard Verified Emissions Reductions for voluntary climate action. The team will be working to secure agreements in 2020 and expects to see first full-year benefits in 2021.

## Sold electricity, heating, cooling, and steam (MWh)

|                  | 2017    | 2018    | 2019    |
|------------------|---------|---------|---------|
| Electricity sold | 48,000  | 7,000   | 0       |
| Steam sold       | 962,000 | 859,000 | 841,000 |

Total energy consumption is the sum of purchased electricity and purchased steam, as well as fuel use in Chemours operations, including fuel used to self-generate electricity and steam. The observed reduction in 2018 and 2019 total energy consumption, when compared to 2017, is primarily due to lower production volumes in those years. As product demand returns to normal levels, energy consumption is expected to return to quantities similar to 2017 usage.

| <b>Total energy consumption within the organization<sup>1</sup> (MWh)</b> |                  |                  |                  |
|---|------------------|------------------|------------------|
|   | <b>2017</b>      | <b>2018</b>      | <b>2019</b>      |
| <b>Renewable energy</b>   | <b>218,000</b>   | <b>180,000</b>   | <b>161,000</b>   |
| Percent renewable   | 2%               | 2%               | 2%               |
| US renewable energy   | 205,000          | 164,000          | 153,000          |
| Outside-the-US renewable energy   | 13,000           | 16,000           | 8,000            |
| <b>Nonrenewable energy</b>  | <b>9,652,000</b> | <b>9,192,000</b> | <b>8,163,000</b> |
| Percent nonrenewable  | 98%              | 98%              | 98%              |
| US nonrenewable energy  | 7,265,000        | 7,137,000        | 6,493,000        |
| Outside-the-US nonrenewable energy  | 2,387,000        | 2,055,000        | 1,670,000        |
| <b>Total energy consumption</b>   | <b>9,870,000</b> | <b>9,372,000</b> | <b>8,324,000</b> |
| US energy   | 7,470,000        | 7,302,000        | 6,646,000        |
| Outside-the-US energy   | 2,400,000        | 2,070,000        | 1,678,000        |

<sup>1</sup>The total energy consumption reflects Chemours-only data and does not include energy consumed by Chemours tenants.

## 302-2 ENERGY CONSUMPTION OUTSIDE OF THE ORGANIZATION

See discussion in section [305-3](#) on our approach for consumption outside the organization.

## 302-3 ENERGY INTENSITY

We measure energy intensity per metric ton of sales product, defined at the enterprise level to include all products and co-products produced for sale to third parties. It does not include materials produced on-site that eventually get consumed on-site or transferred as intermediary products for use by other Chemours sites. Year-over-year variations in energy intensity are largely due to differences in production volumes.

| <b>Energy intensity</b>                                |                  |                  |                  |
|--|------------------|------------------|------------------|
|  | <b>2017</b>      | <b>2018</b>      | <b>2019</b>      |
| <b>Total energy (MWh)</b>                              | <b>9,870,000</b> | <b>9,372,000</b> | <b>8,324,000</b> |
| Sales production (metric tons)                         | 2,355,000        | 1,994,000        | 1,685,000        |
| Energy intensity (MWh per metric ton of sales product) | 4.19             | 4.70             | 4.94             |
| Energy intensity (MWh per US dollar revenue)           | 0.0016           | 0.0014           | 0.0015           |



# GRI 305 Emissions

## 305-1

## DIRECT (SCOPE 1) GHG EMISSIONS

Our GHG inventory is calculated following the [GHG Protocol](#) for scope 1 direct and 2 indirect emissions and includes all sites within our operational control. This standard provides best practice guidance on how to inventory the GHG emissions directly generated by our manufacturing operations (scope 1) and the indirect GHG emissions (generated by other companies) associated with our use of purchased electricity and steam (scope 2). Together, these two GHG emissions categories represent the carbon footprint needed to make our products. We sourced emissions factors for Scope 1 emissions calculations from the [US EPA Stationary Emissions Factor database](#). 100-year GWPs were sourced from the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4), 2007.

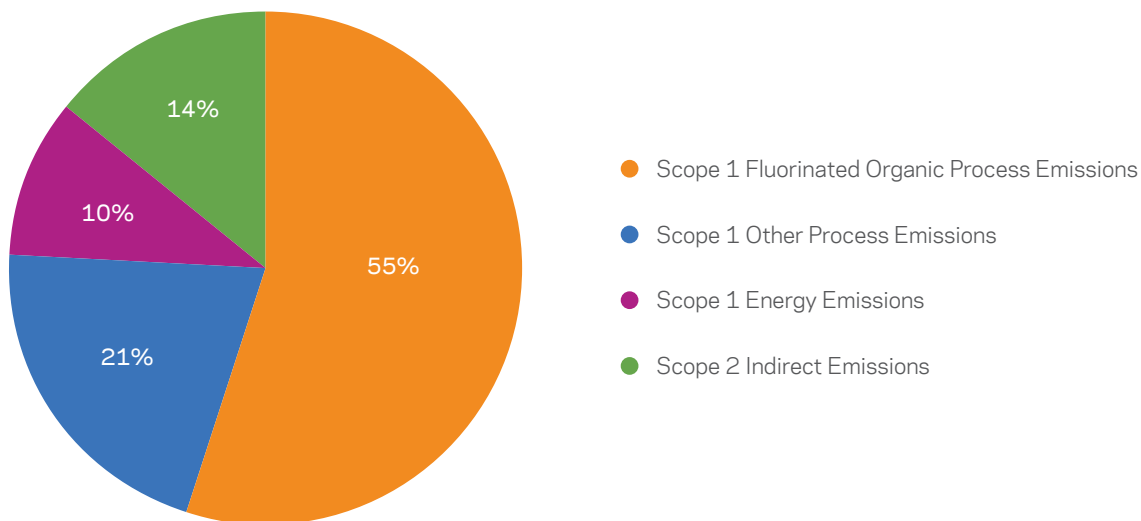
We report GHG CO<sub>2</sub>e emissions for gases covered under both the Kyoto Protocol and the Montreal Protocol as listed below:

- Kyoto Protocol gases: Carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF<sub>6</sub>), and nitrogen trifluoride (NF<sub>3</sub>)
- Montreal Protocol gases: Chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs)

We also include additional fluorinated process gases we emit that have GWPs, but are not regulated under either the Kyoto Protocol or Montreal Protocol.

## Chemours Scope 1 and 2 Emissions

Total = 8,888,000 metric tons of CO<sub>2</sub>e



The tables below present the different emissions categories that make up our total scope 1 emissions and illustrate the interconnection between our 2030 FOC air process emissions reduction goal and the GHG emissions intensity reduction goal.

### 2019 scope 1 emissions group

|  | Total emissions<br>(metric tons) | GHG equivalent<br>emissions<br>(metric tons CO <sub>2</sub> e) | % of scope 1 emissions |
|--|----------------------------------|--|------------------------|
| <b>Total scope 1 GHG emissions</b>         | -                                | <b>7,655,00</b>  | <b>100%</b>            |
| Energy                                     | -                                | 870,000  | 11%                    |
| Fluorinated process emissions <sup>1</sup> | 972                              | 4,931,000  | 64%                    |
| Kyoto Protocol fluorinated gases           | 484                              | 4,157,000  | -                      |
| Montreal Protocol fluorinated gases        | 336                              | 651,000  | -                      |
| Other fluorinated gases                    | 152                              | 123,000  | -                      |
| Other process emissions                    | -                                | 1,854,000  | 24%                    |

<sup>1</sup>Emissions group also covered under CRC goal to reduce fluorinated air process emissions by 99% or greater.

### Total direct (scope 1) GHG emissions (metric tons CO<sub>2</sub>e)<sup>1</sup>

|  | 2017 <sup>2</sup> | 2018             | 2019             |
|--|-------------------|------------------|------------------|
| US scope 1 emissions                                     | 9,038,000         | 7,400,000        | 6,778,000        |
| Outside-the-US scope 1 emissions                         | 1,059,000         | 966,000          | 877,000          |
| <b>Total scope 1 emissions</b>                           | <b>10,097,000</b> | <b>8,366,000</b> | <b>7,655,000</b> |
| % Emissions covered under regulatory program             | 99%               | 99%              | 99%              |
| % Emissions covered under a regulatory reporting program | 98%               | 99%              | 99%              |
| % Emissions covered under an emissions-limiting program  | 2%                | 6%               | 5%               |

<sup>1</sup>Chemours activities only. Does not include emissions for site tenants.

<sup>2</sup>Does not include complete set of fluorinated gases included in 2018 and 2019 inventory.

Scope 1 emissions are lower in 2019 versus 2018, primarily due to reduced production volumes. HFC-23 and HCFC-22 emissions generated during HCFC-22 manufacturing comprise approximately 55% of our 2019 scope 1 GHG emissions and, as further described in [305-5](#), we are currently evaluating abatement alternatives to address these emissions.

Our 2018 total scope 1 emissions include contributions from a one-time event that is not representative of normal operating conditions. We excluded these contributions from our intensity calculations to better represent our 2018 baseline intensity for goal tracking. For more information, refer to section [305-4](#) and our [2018 GRI Index](#).

## 305-2

## INDIRECT ENERGY (SCOPE 2) GHG EMISSIONS

Scope 2 emissions reflect power purchases to supply our global manufacturing operations with steam and electricity. These are calculated according to the Greenhouse Gas Protocol Scope 2 Guidance, following market-based methods. Where applicable, we use site-specific electricity emissions factors to determine CO<sub>2</sub>e emissions. Where site-specific emissions factors are unavailable, we use Energy Information Administration (EIA) CO<sub>2</sub>e coefficients from state average energy mixes. GWP factors for electricity come from the [IPCC Fourth Assessment Report \(AR4\), 2007](#). The observed decrease in 2019 indirect scope 2 emissions is largely attributed to decreased production in 2019 versus 2018.

| Total indirect energy (scope 2) GHG emissions (metric tons CO <sub>2</sub> e) |                  |                  |                  |
|---|------------------|------------------|------------------|
|   | 2017             | 2018             | 2019             |
| <b>Total scope 2 emissions</b>  | <b>1,657,000</b> | <b>1,458,000</b> | <b>1,233,000</b> |
| US scope 2 emissions  | 1,281,000        | 1,044,000        | 824,000          |
| Outside-the-US scope 2 emissions  | 376,000          | 414,000          | 409,000          |

## 305-3

## OTHER INDIRECT (SCOPE 3) GHG EMISSIONS

Our impact on GHG emissions extends beyond the emissions from our manufacturing operations and use of purchased energy. Our activities are connected to various sources of indirect (scope 3) GHG emissions that occur along our value chain, such as the GHG emissions generated to produce the goods we purchase and by how our customers and their customers use our products. These scope 3 emissions are directly generated and managed by others and are not owned or controlled by Chemours. We aspire to influence reductions in scope 3 emissions by partnering with our suppliers and customers, as well as by bringing low-carbon products to market.

Our scope 3 inventory is based on the [GHG Protocol](#) for Corporate Value Chain (scope 3) Accounting and Reporting Standard. We included CO<sub>2</sub>, CH<sub>4</sub>, HFCs, and other fluorinated compounds with GWPs, in our calculation of scope 3 GHG emissions. We sourced GWPs for sold products from the [IPCC Fourth Assessment Report \(AR4\), 2007](#); purchased goods, services, transportation, and distribution LCA emission factors from [Ecoinvent3](#); and fuel and energy-related activities from [Argonne National Lab](#). Our 2018 inventory serves as our baseline for measuring our progress toward meeting our CRC goal to be carbon positive by 2050.

| Scope 3 indirect emissions (million metric tons CO <sub>2</sub> e) by category and percent of total |              |              |                 |
|---|--------------|--------------|-----------------|
|   | 2018         | 2019         | 2019 % of total |
| <b>Total scope 3 emissions</b>  | <b>164.9</b> | <b>154.6</b> | <b>100%</b>     |
| Category 1: purchased goods and services  | 8.35         | 7.56         | 4.89%           |
| Category 2: capital goods   | 0.14         | 0.16         | 0.11%           |
| Category 3: fuel and energy-related activities (not included in scope 1 or 2)                       | 0.33         | 0.29         | 0.19%           |
| Category 4: upstream transportation and distribution  | 0.48         | 0.42         | 0.29%           |
| Category 5: waste generated in operations   | 0.02         | 0.03         | 0.02%           |
| Category 6: business travel   | 0.01         | 0.01         | 0.01%           |
| Category 7: employee commuting  | 0.01         | 0.02         | 0.01%           |

### Scope 3 indirect emissions (million metric tons CO<sub>2</sub>e) by category and percent of total

|  | 2018   | 2019   | 2019 % of total |
|--|--|--|-----------------|
| Category 8: upstream leased assets                     | 0.03   | 0.03   | 0.02%           |
| Category 9: downstream transportation and distribution | 0.44   | 0.40   | 0.27%           |
| Category 10: processing of sold products               | Not possible for our businesses and products | Not possible for our businesses and products | -               |
| Category 11: use of sold products                      | 154.7  | 145.2  | 93.9%           |
| Category 12: end-of-life treatment of sold products    | 0.30   | 0.29   | 0.19%           |
| Category 13: downstream leased assets                  | Does not apply                               | Does not apply                               | -               |
| Category 14: franchises                                | Does not apply                               | Does not apply                               | -               |
| Category 15: investments                               | 0.12   | 0.16   | 0.10%           |

2019 scope 3 indirect GHG emissions are slightly lower than 2018 due to decreases in category 1 purchased raw material emissions and in category 11 emissions from sold refrigerant products.

We calculate avoided emissions based on sales of our low GWP Opteon™ hydrofluoroolefin (HFO) refrigerants. In 2019, Opteon™ sales helped prevent 27 million metric tons of CO<sub>2</sub>e emissions from release to the atmosphere by replacing refrigerants with much higher GWPs. Estimated scope 3 emissions (155 million metric tons) combined with our scope 1 and 2 emissions (9 million metric tons) yields our total carbon emissions footprint of 164 million metric tons of CO<sub>2</sub>e, down from 2018. Our carbon-positive indicator is calculated by subtracting the total generated emissions from the total avoided emissions. As we progress our journey to carbon positive, we aim for this indicator to approach zero and eventually become positive.

### GHG accounting for carbon-positive goal

| Emissions (million metric tons CO <sub>2</sub> e) | 2017 | 2018 | 2019 |
|---|------|------|------|
| Generated scope 1, 2, and 3 emissions             | 173  | 175  | 164  |
| Avoided emissions                                 | 20   | 34   | 27   |
| Carbon-positive indicator <sup>1</sup>            | -153 | -141 | -137 |

<sup>1</sup>Defined as avoided emissions minus generated emissions.

Progress on our climate positive goal was modest, with the slight improvement due to lower HFC refrigerant sales in 2019 resulting in a smaller category 11 footprint.

The vast majority of our total generated scope 3 indirect GHG emissions are due to customer use of our HFC refrigerant products. As we advance our plan to become carbon positive, we need to focus on both reducing our current scope 1, 2, and 3 generated GHG emissions and increasing the use of our carbon-saving products, like our low GWP Opteon™ HFO refrigerants, which help our customers and consumers avoid generating more CO<sub>2</sub>e emissions.

## 305-4 GHG EMISSIONS INTENSITY

We normalize our total scope 1 and 2 GHG emissions by sales product and by revenue. Sales product is defined at the enterprise level to include all products and co-products produced for sale to third parties. It does not include materials produced on-site that eventually get consumed on-site or transferred as intermediary products for use by other Chemours sites.

In 2019, we made progress reducing GHG emissions; however, our overall GHG emissions intensity increased—largely due to reduced titanium dioxide production volumes in 2019. As titanium dioxide production volumes return to normal demand levels, we expect to see a decrease in our GHG emissions intensity, better reflecting the impact from our GHG emissions reduction efforts.

| Scope 1 and 2 GHG emissions intensity                             |            |                   |           |
|---|------------|-------------------|-----------|
|   | 2017       | 2018              | 2019      |
| Total scope 1 and 2 GHG emissions (metric tons CO <sub>2</sub> e) | 11,754,000 | 9,824,000         | 8,888,000 |
| Sales production (metric tons)                                    | 2,355,000  | 1,994,000         | 1,685,000 |
| Revenue (million US dollars)                                      | \$6,183    | \$6,638           | \$5,526   |
| Metric tons CO <sub>2</sub> e per metric ton of sales product     | 4.99       | 4.74 <sup>1</sup> | 5.27      |
| Metric tons CO <sub>2</sub> e per US dollar revenue               | 0.0019     | 0.0015            | 0.0016    |

<sup>1</sup>2018 GHG emissions intensity adjusted to exclude emissions from one-time event. CRC goal baseline value 4.74 MT CO<sub>2</sub>e/MT. See [2018 GRI Content Index](#) for additional information.

### 305-5 REDUCTION OF GHG EMISSIONS

We continue to see GHG reduction benefits resulting from our past efforts to transition from high carbon intensive fuels to low carbon intensive options. The majority of our GHG reduction activities in 2019 are attributed to actions to reduce process air emissions of FOCs. For more about our emissions reduction initiatives, see sections [103-3](#) and 305-7.

### 305-7 NITROGEN OXIDES (NO<sub>x</sub>), SULFUR OXIDES (SO<sub>x</sub>), AND OTHER SIGNIFICANT AIR EMISSIONS

Through our issue assessment process, our stakeholders told us air process emissions of FOCs were the most significant air emissions for us to address. In response, we set a 2030 CRC goal to reduce these emissions by 99% or greater (read more in section [303](#)). Other non-GHG air emissions were not among our most significant sustainability issues; however, we understand that certain air emissions may be important to some stakeholders and, therefore, report select air emissions data to inform our local community stakeholders.

| Air emission type (metric tons) |       |       |       |
|---------------------------------|-------|-------|-------|
|                                 | 2017  | 2018  | 2019  |
| NO <sub>x</sub>                 | 2,000 | 1,800 | 2,100 |
| SO <sub>x</sub>                 | 800   | 1,800 | 1,800 |
| VOC <sup>1</sup>                | 3,300 | 3,000 | 2,400 |
| HAP <sup>2</sup>                | 1,800 | 1,800 | 1,600 |
| FOC <sup>3</sup>                | -     | 1,033 | 972   |

<sup>1</sup>Volatile organic compound.

<sup>2</sup>Hazardous air pollutant. US sites only.

<sup>3</sup>FOC data not available for 2017.

We made progress toward our 2030 CRC goal in 2019—reducing air FOC process emissions by 62 metric tons. Abatement projects implemented at our sites in North Carolina, the Netherlands, and West Virginia contributed toward these reductions. In December 2019, our Fayetteville, North Carolina facility successfully completed construction and startup of a thermal oxidizer designed to remove greater than 99% of the FOC air emissions routed to it. This work was completed in a fraction of the time normally required for a system of its complexity. This work was completed in a fraction of the time normally required for a system of its complexity and met our commitments in the February 25, 2019, consent order with North Carolina Department of Environmental Quality (NC DEQ) and Cape Fear River Watch. In 2020, we expect to see first full-year benefits from this and other implemented projects. Read more about FOC process emissions reduction projects in section [303](#).

“In December 2019, our Fayetteville, North Carolina facility successfully completed construction and startup of a thermal oxidizer designed to remove greater than 99% of the FOC air emissions routed to it. This work was completed in a fraction of the time normally required for a system of its complexity.”

NO<sub>x</sub>, SO<sub>x</sub>, volatile organic compound (VOC), and hazardous air pollutant (HAP) emissions remained relatively flat over the past three years. The slight reductions in VOC concentrations are attributed to decreased production rates, not specific abatement activities. While we have not set specific public targets to reduce these emissions, we continuously look for opportunities to improve our performance as part of our commitment to Responsible Care® and our EHS&CR policy. Our largest opportunity to make reductions is our program to phase out our use of coal and other emissions-intensive fuel sources. We are currently converting coal-fired boilers to natural gas-fired boilers at our Parkersburg, West Virginia, site. We expect further reductions in NO<sub>x</sub> and SO<sub>x</sub> emissions when that work is completed in early 2021. In addition, we are planning to install a sulfur dioxide scrubber at another site in 2023, reducing SO<sub>x</sub> emissions at that site by 85%.

# Water

SDG 6

SDG 8

SDG 12

SDG 14

## GR1 303 Water

### 103-1 EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

More than 2 billion people across the globe are living with the risk of reduced access to clean, freshwater resources, and by 2050, at least one in four people is likely to live in a region affected by chronic or recurring shortages of freshwater ([UN Water](#)). Access to adequate quantities of clean freshwater is vital to our communities, operations, and supply chain. As global average temperatures continue to increase, we can expect more droughts and extreme weather events to create water-related risks for our company and people all along our value chain.

Responsible growth is central to our future success, and we balance that growth with a commitment to responsibly steward the water resources we need to produce our products. We track the volumes of water used by our sites, follow specific water quality criteria to ensure our discharges are compliant with local permits, manage our facilities to protect water resources, and seek opportunities to improve the quality of our discharged water to meet our stakeholders' expectations. We align our water stewardship approach with the targets of the [United Nations Sustainable Development Goals](#) (UN SDGs), in particular with SDG 6—Clean Water and Sanitation (targets 6.3, 6.4, and 6.5) and SDG 12—Responsible Consumption and Production (targets 12.4 and 12.6), and to a lesser extent with SDG 8—Decent Work and Economic Growth (target 8.4) and SDG 14—Life Below Water (target 14.1).

### 103-2 THE MANAGEMENT APPROACH AND ITS COMPONENTS

Our approach to water stewardship begins with our commitment to protecting the environment by doing what we think is right—not just what regulations require—and with listening to what is important to our stakeholders. Our neighbors and surrounding communities expect us to treat our shared water resources with respect. We use feedback from stakeholder engagement activities and input collected through our annual issue prioritization work to identify the water topics our stakeholders care about. Through these activities, we learned that water quality and chemical emissions to water are the most important water stewardship issues for us to address. Read more about stakeholder engagement in sections [102-43, -44](#), and section [413](#), and about issue prioritization in section [102-46](#).

In response, we set our 2030 CRC water goal, focusing on the process emissions most important to our local stakeholders—fluorinated organic compounds (FOCs). We commit to:

- Reduce water and air FOC process emissions 99% or greater by 2030 versus our 2018 baseline emission levels

We act on our goal through our FOC Process Emissions Reduction Team, which developed and continues to refine our FOC process emission inventory and implementation roadmap to achieve the 2030 goal. The team also tracks and reports annual progress toward reducing these emissions. The roadmap includes site-specific initiatives for emissions treatment using known abatement technologies combined with an aggressive research program to explore new innovative methods and/or closed-loop manufacturing options to further progress our goal. Read more about our approach for air emissions in section [305](#).

We recognize our stakeholders care about more than just our FOC emissions. Each individual watershed in which we operate has its own local context for the water quality and use needs of its stakeholders. We design our overall water stewardship approach to individually assess each watershed's concerns, including water stress considerations, and tailor our actions to address local stakeholder needs—including our own. Both water quality and water use are important components of how we manage water resources at our manufacturing facilities, and our water stewardship approach considers both aspects.

## Water Quality

Our stakeholders identified water quality as our highest priority. In response, we currently focus our water stewardship efforts on understanding and addressing the quality of our discharged water effluents. We start by first requiring our site operations to abide by all local laws and regulations, and adhere to local requirements governing the quality of water effluents at our sites. Wastewater quality is strictly regulated and discharge parameters are set specifically for each receiving waterbody through the regulatory permitting processes. We next focus our efforts on protection, working to prevent future impacts to water quality by setting internal environmental standards that govern how we construct, operate, and maintain our facilities to protect against leaks or releases to the environment. Our standards require our manufacturing facilities to inventory potential locations within the facility where spills or leaks of materials may cause impacts to water resources and develop preventive measures to provide protection. Additionally, our standards require that we track and investigate incidents resulting in a release to the environment, and where needed, make improvements to guard against future reoccurrences. Read more about how we work to prevent spills and incidents in section [307](#).

Lastly, we focus on continuous improvement. In addition to meeting our legal and regulatory obligations, we proactively take action to evaluate and manage our emissions to improve the quality of our discharges. We are completing comprehensive sustainability assessments at each of our manufacturing facilities, inventorying their emissions and measuring their performance against our 2030 goals. These assessments help us evaluate our manufacturing operations within context of the surrounding community and environment to identify new opportunities to improve the performance of our manufacturing operations and the quality of our discharged water effluents. Where data gaps or improvement initiatives are identified, we develop action items and management plans. After the initial assessment is completed, we periodically survey the site to monitor progress on implementing improvements and identify new opportunities to improve our operations and the quality of our wastewater effluents. Our VPEHS&CR sponsors the operations sustainability assessments and reports on progress to the CET.

## Water Use

When we consider water stewardship, we think about responsible management of both water quality and water quantity. Our operations require water for potable uses, final product formulations, manufacturing process water, and for cooling our process equipment—known as non-contact cooling water because the water does not encounter process materials. We monitor our water use and work to improve our water management practices, paying close attention to water availability and water stress in regions in which we operate. Each individual watershed in which we operate has its own local context for water availability and the needs of its stakeholders. These data are incorporated into our operations sustainability assessments, along with local stakeholder feedback, to better understand local watershed conditions, including risks for both surface water and groundwater uses. We then determine the need for a site-specific water stewardship plan, including site water use reduction goals, as part of the recommended actions developed during each facility's operations sustainability assessment.

## Governance

Our water stewardship strategy is championed by a member of our CRLT, who is accountable for monitoring external trends connected to the issue, assessing water-related opportunities and risks, setting water strategy, chartering programs to advance water initiatives, and providing regular updates to the CRLT. The CRLT water stewardship sponsor works with the FOC process emissions goal leader to develop enterprise-wide plans to achieve the 2030 CRC water goals, establish metrics and track performance, and work with our business segments to identify and pursue programs to reduce FOC process emissions at our operations sites. Ultimately, line leadership, with assistance from the goal leader and CRLT sponsor, is accountable for successful goal program execution. The CRLT water stewardship sponsor also works with the VPEHS&CR and the business operations vice presidents to complete site operations sustainability assessments, and review and track annual progress toward implementing identified actions. Read more about our CRLT governance process in sections [102-18](#) and [102-19](#).

Our water stewardship and FOC emissions reduction actions are guided by the [Responsible Care® principles](#) and our [environmental, health, safety, and corporate responsibility \(EHS&CR\) policy](#), and are governed by our EHS management system. The EHS management system embodies a continuous improvement philosophy that drives our efforts to reduce our impacts, manage compliance across our global operations, reduce costs, and increase efficiencies. Our environmental standards and guidance documents provide direction for protecting water resources, reporting environmental performance data, and engaging our communities at our operating sites. Read more about our EHS management approach in section [403](#) and our environmental compliance performance in section [307](#).

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## 103-3 EVALUATION OF THE MANAGEMENT APPROACH

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We evaluate the effectiveness of our water stewardship management approach through internal audits of our EHS management system as described in section [403](#), by completing sustainability assessments of our operations, and by measuring progress toward achieving our FOC process emissions goals.



In 2019, Chemours completed operations sustainability assessments at five of our manufacturing facilities. Since inception, we have completed operations sustainability reviews at one-third of our in-scope sites. These assessments include evaluation of water quality, use, and stress at each site. The outcome of these assessments includes plans for additional evaluation of process emissions and further engagement with stakeholder communities. We also upgraded our process by improving and streamlining our methods, revamping our training documents, and incorporating the action item tracking into our EHS data management system.

### Progress Advancing Our 2030 FOC Process Emissions Goal

In 2019, Chemours realized significant progress toward our FOC process emissions reduction goal. We reduced full-year 2019 process emissions relative to 2018 baseline by 1% and 6% for water and air, respectively. By the end of the year, we installed additional interim and final abatement technologies at several manufacturing sites, which are expected to achieve approximately 25% of our 2030 goal. We will perform necessary measurements and monitoring in 2020 to verify these emission reductions.

| FOC process emissions (metric tons) |               |      |   |
|-------------------------------------|---------------|------|---|
|                                     | 2018 baseline | 2019 | Progress toward 2030 goal   |
| Water emissions <sup>1</sup>        | 556           | 548  |  |
| Air emissions                       | 1,033         | 972  |  |

<sup>1</sup>Includes 525 metric tons (96%) of FOC process emissions temporarily captured and sent off-site for deep well disposal.

At or worse than base year  Behind schedule  On track 

In December 2019, we successfully completed construction and startup of a thermal oxidizer designed to remove greater than 99% of the FOC air emissions routed to it at our Fayetteville, North Carolina, facility. This work was completed in a fraction of the time normally required for a system of its complexity and met our commitments to the February 25, 2019, consent order with NC DEQ and Cape Fear River Watch. The FOC-containing process water was previously eliminated from local discharged effluents and continues to be sent off-site for proper disposal while we develop on-site abatement options. Meanwhile, the Fayetteville site is testing a variety of technologies to recycle process water to reduce off-site treatment needs.

We are also taking action to reduce FOC process emissions at other manufacturing facilities in our global portfolio. In 2019, we installed additional abatement systems at our Dordrecht, the Netherlands, site, which, when combined with the previously installed systems, are abating both water and air process emissions of hexafluoropropylene oxide dimer acid by 95% compared with 2017 licensed emissions. For the full year, site emissions to water were reduced by 99%, with less than one-third kilogram emitted during the year, and site emissions to air were reduced by 23%. In addition, our Parkersburg, West Virginia, plant optimized existing air treatment equipment and completed further testing to support development of additional abatement projects.

Looking forward, we will continue to advance abatement programs to meet our external FOC emissions reduction commitments. We are implementing additional interim and final projects at multiple sites. Additionally, we are exploring both best available technologies and new technology options to further reduce FOC process emissions. We continue to evaluate the effectiveness of our FOC process emissions abatement work through direct measurement and refined engineering estimates of emissions sources as we progress mitigation programs.

## 303-1 INTERACTIONS WITH WATER AS A SHARED RESOURCE

At Chemours, we recognize it is our responsibility to protect water supplies and use them wisely. We monitor our water use and work to improve our water management practices, paying close attention to water availability and water stress in regions in which we operate. Each individual watershed in which we operate has its own local context for water availability and the use needs of its stakeholders. Most of the water we withdraw for manufacturing is from nearby surface water bodies, with the balance of our needs sourced from on-site groundwater wells or purchased water. Currently, all water withdrawn for Chemours operating sites is from freshwater sources. Our operations require water for potable uses, final product formulations, manufacturing process, and for cooling our process equipment—known as non-contact cooling water because the water does not encounter process materials. Non-contact cooling water may be either single-pass (used one time for cooling before being discharged) or multi-use cooling water (cooling towers are used to remove excess heat to enable recycling cooling water). Withdrawn water is typically discharged to nearby surface waterbodies, either directly or through local publicly owned treatment works or other third parties. Consumptive water uses include water contained in products, water discharged through deep well injection disposal activities, evaporative losses in cooling towers, or where the water discharge point is different than the source water body.

Our neighbors and surrounding communities expect us to treat our shared water with respect by minimizing the impacts of our manufacturing operations. For us, this means going beyond our legal and regulatory permitted water treatment requirements to address local community expectations now and in the future. We are completing comprehensive sustainability assessments at each of our manufacturing facilities, inventorying their emissions and measuring their performance against our 2030 CRC goals. These assessments also include an analysis of the environmental conditions surrounding the site, such as watershed hydrology and stress (i.e., scarcity) conditions, as well as gathered feedback from local stakeholders, which helps us further understand local watershed conditions, including surface water and groundwater use risks. The operations sustainability assessments help us identify new opportunities to improve the performance of our manufacturing operations and identify further opportunities to improve how we use water and the quality of our discharged water effluents. We use recommendations and learnings from the operations sustainability assessments to inform manufacturing site strategy to improve operations performance.

The World Resources Institute (WRI) Aqueduct (Version 3.0) screening model and the World Wildlife Fund (WWF) Water Risk Filter (version 5.0) screening tool are key inputs in evaluating local watershed conditions for baseline water stress. Our management approach incorporates watershed baseline stress screening into our operations sustainability assessments for consideration along with site-specific information on local surface water and groundwater uses and concerns. We determine the need for a site-specific water stewardship plan, including site water use reduction goals, through priorities identified at each location from the operations sustainability assessments.

We completed initial baseline assessments at five facilities in 2019 bringing the total to one-third of our planned assessments. By year-end 2023, we expect to complete baseline assessments at our remaining global sites. We prioritized our assessments on our largest and most complex sites and progress to our smaller sites. After the initial assessment is completed at a site, we periodically survey the site to monitor its progress toward implementing identified improvements. These assessments are also a critical element in meeting our goal to reduce air and water process emissions of FOCs by 99% or greater and are vital to identifying future opportunities to improve the quality of our wastewater discharges.

We understand that we operate in a world that demands more from us as a company, and that includes stakeholders in and around the communities in which we live, work, and play. All Chemours manufacturing locations have active community feedback mechanisms in place, with most sites having CABs where members liaise with other community members to share information and collect concerns, provide input to Chemours operations, and help guide our understanding of engagement with their local communities.

The CABs and other stakeholder engagement activities provide valuable input for our operations sustainability assessments to identify the water topics most important to our local communities, such as water availability, site water use, and site discharged water quality. In addition, we use feedback from external stakeholders to inform our goal setting process. In 2018, external input, along with input from a panel of NGO experts, helped to develop and refine our 2030 CRC water goal—focusing on the FOC process emissions most important to our local stakeholders. Our current refresh of our issue prioritization assessment reaffirms how important it is to our stakeholders that we continue to improve the water quality of our discharged effluents. Read more about stakeholder engagement in section [413](#) and the issue assessment in sections [102-46, 47](#).

The following two examples illustrate how we work with stakeholders to steward water as a shared resource.

Example 1: Our Memphis, Tennessee, facility continues to engage with the local community to assess and protect the Memphis sands aquifer—a vital water resource to the region and plant operations. In 2019, Chemours continued the second year of our graduate-level scholarship at the University of Memphis Center for Applied Earth Science and Engineering Research (CAESER). Began in 2018, this initiative will further aquifer research in support of more comprehensive public water oversight and policy development. The site also facilitated a presentation of the CAESER research program at a meeting of the local West Tennessee Chapter of Air and Waste Management Association, which resulted in the University receiving additional funding to acquire new sampling equipment, and provided advisory support to help the CAESER team with its broader community engagement efforts. Additionally in 2019, the site continued to engage with a local conservation group, Protect our Aquifer, to discuss long-term strategies for managing aquifer resources.

Example 2: Our Fayetteville Works plant continues to meet our commitments to NC DEQ and Cape Fear River Watch, to deliver on the emissions control and remediation commitments made by Chemours in 2018. These commitments are contained in the February 25, 2019, consent order addressing concerns related to detections of FOCs in the Cape Fear River basin. We have been, and will be investing more than \$200 million in state-of-the-art emissions control technology and remediation activities, and achieved our major milestone of designing, building, and installing a thermal oxidizer unique to the site by year-end 2019.

We continue to demonstrate our progress at Fayetteville Works in a transparent and collaborative way, as we know that actions are far more powerful than words. We maintain a dedicated web site to publicly share the latest information on our actions. In 2019, our re-energized CAB created an agenda driven by the community that resulted in more productive interactions and understanding between the two groups. We also continued to engage with the community, elected officials, and other stakeholders by hosting 30 site tours and advisory board meetings throughout the year.

Example 3: Our mining operations in Florida and Georgia engage with local stakeholders to advance water stewardship goals important to each area. In Florida, we worked cooperatively with the Suwannee and St. Johns River Water Management Districts, Bradford County, Florida Department of Environmental Protection (DEP) and Camp Blanding, to develop an alternative mine reclamation design to address flooding concerns in areas downstream of the reclamation area. Working closely with Suwannee and DEP, the design was altered to attenuate flooding by rerouting peak flow through the reclamation area. Additionally, with the permitted design, future projects such as aquifer recharge via injection wells could occur by the Suwannee River Water Management District. Construction is planned for fall 2020.

We also work with stakeholders in the Keystone Heights area located south of our Florida mine operations to support recharge of the Floridian Aquifer. In coordination with the City of Keystone, Clay County, the Suwannee and St. Johns River Water Management Districts, and the Save Our Lakes Organization, we provide treated wastewater from our facility to the lake system interconnected by Alligator Creek in the region. Since 2005, approximately 7,655 megaliters have been diverted to this water basin for recharge.

Employees of the Chemours minerals operations in Georgia participate in the state's Adopt-A-Stream program, monitoring water quality in surface streams and rivers around the mines and mineral separation plant. We take quarterly water samples, analyze the samples for physical and biochemical parameters, and enter the information in the Georgia Department of Natural Resources Non-Point Source Pollution database, so that we can understand the long-term effects on watersheds of land use, climate, and other influences. The Chemours team participates in training and coordinates sampling with other volunteers from conservation partners such as the Satilla Riverkeeper.

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### 303-2 MANAGEMENT OF WATER DISCHARGE-RELATED IMPACTS

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Chemours strives for site operations to abide by all local laws and regulations, and all our operating sites are covered by local discharge permit requirements. Wastewater quality is strictly governed by local regulations and parameters are set specifically for each receiving waterbody through the discharge permitting process. We monitor our sites' compliance by tracking deviations from regulatory requirements and requiring investigation and improvement actions, as applicable. In addition, we require our manufacturing facilities to assess vulnerabilities to spills and develop management approaches. Read more about our environmental compliance approach and spills reporting in sections [307](#) and [306-3](#).

In addition to meeting our regulatory permit requirements, we established an ambitious 2030 CRC goal to reduce air and water process emissions of FOCs by 99% or greater. Both emission types have the potential to impact water quality. Water emissions can be directly discharged to surface water systems through manufacturing site effluents, and air emissions can enter both surface water and groundwater systems through atmospheric deposition or rainfall. We proactively apply this 99% reduction target across all our sites with FOC process emissions to water.

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### 303-3 WATER WITHDRAWAL

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We understand water use may be important to some local communities, and therefore, report our water use data to inform our stakeholders. Water use is evaluated as part of our operations sustainability reviews, with site-specific initiatives and management approaches, including setting reduction targets, developed as applicable. We practice responsible water use across all our global operations and evaluate opportunities to reduce, reuse, or recycle water as part of our continuous improvement approach described in our [EHS&CR policy](#). Total water withdrawals remained relatively consistent over the past three years. Reported water withdrawal data do not include water used for remediation purposes. We will evaluate reporting on this use in the future. In 2019, we updated our water accounting methodology, resulting in a need to restate some 2018 water data. We continue to work with our operating sites to improve our water use measurements and refine our site water balances.

| Total water withdrawal (megaliters)                                     |                |                   |                |
|---|----------------|-------------------|----------------|
|   | 2017           | 2018 <sup>1</sup> | 2019           |
| Surface water   | 223,000        | 232,000           | 236,000        |
| Groundwater   | 24,000         | 33,000            | 29,000         |
| Third-party   | 7,000          | 8,000             | 7,000          |
| <b>Total water withdrawals</b>  | <b>254,000</b> | <b>273,000</b>    | <b>272,000</b> |
| US withdrawals  | 237,000        | 259,000           | 260,000        |
| Outside-the-US withdrawals  | 17,000         | 14,000            | 12,000         |
| Water withdrawal intensity<br>(megaliters per metric ton sales product) | 0.11           | 0.13              | 0.16           |

<sup>1</sup>2018 data are restated due to improved water accounting in 2019.

### Water Stress

Each individual watershed in which we operate has its own local context for water availability and the use needs of its stakeholders. We use screening models to help us understand the potential for local baseline water stress conditions. In 2019, we updated our baseline stress screening analysis using the newly released version 3.0 of the [World Resources Institute \(WRI\) Aqueduct screening tool and version 5.0 of the WWF Water Risk Filter](#). Both tools identified the same seven sites (two in the US, three in Mexico, and two in Europe) located in watersheds with either high or extremely high predicted baseline stress levels. These sites account for only approximately 3% of Chemours' total water withdrawals. The change in our analysis between 2018 and 2019 is attributed to updated model data sets and improved resolution of the 2019 WRI Aqueduct version 3.0 screening tool versus the previous version. When compared with 2018 results, these improvements in the screening tool resulted in a reduced number and mix of facilities identified in predicted areas of high or extremely high watershed stress.

| Water withdrawal from predicted water stressed areas <sup>1</sup> (megaliters) |               |              |
|--|---------------|--------------|
|  | 2018          | 2019         |
| Surface water  | 11,000        | 8,000        |
| Groundwater  | 19            | 300          |
| Third-party  | 2,000         | 2            |
| <b>Total water withdrawals</b>   | <b>13,000</b> | <b>8,000</b> |
| % Total withdrawal from water stressed areas                                   | 5%            | 3%           |

<sup>1</sup>Water stress areas determined using WRI Aqueduct tool version 2.1 in 2018 and version 3.0 in 2019.

The next step in our water stress analysis will be to evaluate the local water context and need for a water stewardship plan for each of our seven manufacturing sites located in a potentially stressed watershed, including sites where groundwater is a primary water source. These evaluations will be completed as part of our overall operations sustainability assessments.

### Water Use

Our operations require water for potable uses, final product formulations, manufacturing process, and for cooling our process equipment—known as non-contact cooling water, because the water does not encounter process materials. Non-contact cooling water may be either single-pass (used one time for cooling before being discharged) or multi-use cooling water (cooling towers are used to remove excess heat to enable recycling cooling water).

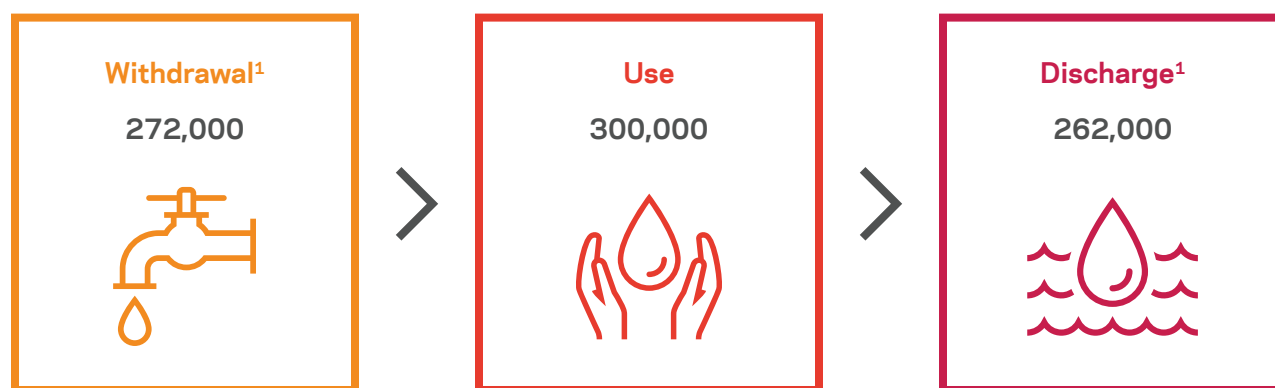
In addition to supplying our water use needs by new withdrawals, we also explore opportunities to reuse/recycle water, focusing on water use in areas with potential water stress conditions. Non-contact cooling water presents the biggest opportunity for water reuse and recycling. In 2019, non-contact cooling water accounted for 75% of Chemours' water use, with recirculating (i.e., reused/recycled) non-contact water accounting for approximately 10% of Chemours' total water use. The below table summarizes total water use across Chemours operating sites.

| 2019 Water use (megaliters)      |                   |                |
|----------------------------------|-------------------|----------------|
|                                  | 2018 <sup>1</sup> | 2019           |
| <b>Process water</b>             | <b>60,200</b>     | <b>63,000</b>  |
| Single pass                      | 60,000            | 62,600         |
| Recycled                         | 200               | 400            |
| <b>Non-contact cooling water</b> | <b>231,000</b>    | <b>226,000</b> |
| Once-through non-contact         | 199,000           | 198,000        |
| Recirculating non-contact        | 32,000            | 28,000         |
| <b>Potable water</b>             | <b>10,000</b>     | <b>11,000</b>  |
| <b>Total water use</b>           | <b>301,000</b>    | <b>300,000</b> |

<sup>1</sup>2018 data are restated due to improved water accounting in 2019.

## Water Use in 2019

In megaliters per year



|               |         |  |         |                     |         |
|---------------|---------|--|---------|---------------------|---------|
| Surface water | 236,000 | Process water <sup>2</sup>   | 74,000  | Surface water       | 252,000 |
| Groundwater   | 29,000  | Cooling water  |         | Deep-well injection | 1,000   |
| Third party   | 7,000   | <ul style="list-style-type: none"> <li>Once-through non-contact cooling water</li> </ul>                     | 198,000 | Third party         | 9,000   |
|               |         | <ul style="list-style-type: none"> <li>Recirculating non-contact cooling water and recycled water</li> </ul> | 28,000  |                     |         |

<sup>1</sup>The difference between the volume of water withdrawn and the volume discharged is largely due to consumptive losses such as evaporation or use in our products.

<sup>2</sup>Process water includes water used for production and in final products, as well as potable water.

Chemours manufacturing sites typically discharge withdrawn water to nearby surface waterbodies, either directly by us or through local publicly owned treatment works or other third parties. The following tables summarize water discharge information for 2019. Discharged water is a combination of both process wastewater and non-contact cooling water. In 2019, 91% of our water discharges were to freshwater systems.

| 2019 Total water discharges (megaliters)      |                 |                      |                       |
|---|-----------------|----------------------|-----------------------|
| Discharge destination                         | Total discharge | Freshwater discharge | Other water discharge |
| Surface water                                 | 252,000         | 229,000              | 23,000                |
| Groundwater                                   | 0               | 0                    | 0                     |
| Third-party                                   | 9,000           | 9,000                | 0                     |
| Deep well injection                           | 1,000           | 0                    | 1,000                 |
| <b>Total water discharges</b>                 | <b>262,000</b>  | <b>238,000</b>       | <b>24,000</b>         |
| US water discharges                           | 253,000         | 235,000              | 18,000                |
| Outside-the-US water discharges               | 9,000           | 3,000                | 6,000                 |
| Discharges in water stress areas <sup>1</sup> | 18,000          | 18,000               | 0                     |
| % Discharges in water stress areas            | 7%              | 7%                   | 0%                    |

<sup>1</sup>Learn more about water management in water-stressed areas in section [303-3](#).



Wastewater effluent quality is strictly governed by local regulatory frameworks, and parameters are set specifically for each receiving waterbody through the discharge permitting process. As a result, wastewater discharge quality is not reported consistently across all sites. Compliance with our permitting obligations is tracked through our EHS governance process and standards. Read more about our environmental compliance performance in section [307](#).

### Fluorinated Organic Compounds

In addition to meeting our permit requirements, we have established an industry precedent through our commitment to reduce water and air process emissions of FOCs by 99% or greater by 2030. We are proactively applying this internal discharge requirement across all our manufacturing sites in response to stakeholder interests.

In 2018, we completed a comprehensive inventory of FOC air and water process emissions to develop the baseline for our 2030 goal. At each manufacturing site, we followed a standardized approach to report emissions data, using both measured data and calculated estimates when measured data were not available. We reduced 2019 emissions by 1% and 6% for water and air, respectively. Projects installed during the course of 2019 are expected to achieve approximately 25% of our unprecedented 99% goal. These projects include installation of a thermal oxidizer at our Fayetteville, North Carolina, plant designed to abate 99.99% of FOCs routed to it, as well as abatement projects at our Dordrecht, the Netherlands, site and other facilities. In 2020, we will perform the necessary measurements and monitoring to verify these expected reductions.

## FOC process emissions (metric tons)

|                              | 2018 baseline | 2019 | Progress toward 2030 goal   |
|------------------------------|---------------|------|---|
| Water emissions <sup>1</sup> | 556           | 548  |  |
| Air emissions                | 1,033         | 972  |  |

<sup>1</sup>Includes 525 metric tons (96%) of FOC process emissions temporarily being captured and sent off-site for deep well disposal.

At or worse than base year  Behind schedule  On track 

Looking forward, we will continue to advance abatement programs to meet our external FOC process emissions reduction commitments. We are implementing additional interim and final projects at multiple sites and are evaluating the effectiveness of our FOC process emissions abatement work through direct measurement and refined engineering estimates of emissions sources as we progress mitigation programs. To date, we have identified initiatives and existing technologies that are anticipated to result in an 84% reduction. Our teams are exploring both best available technologies and new technology options to further FOC process emissions reductions toward our 2030 goal.

“We have established an industry precedent through our commitment to reduce water and air process emissions of FOCs by 99% or greater by 2030.”

## 303-5

### WATER CONSUMPTION

Consumptive water uses include water contained in products, water discharged through deep well injection disposal activities, evaporative losses in cooling towers or where the water discharge point is different than the source water body (e.g., discharging groundwater or potable water to surface water). Cooling tower evaporative losses and consumption from product manufacturing are estimated using site-specific methodology due to differences in site manufacturing technologies. Water consumption decreased by about 10% from 2018 to 2019 due to decreases in production at specific sites.

## Water consumption (megaliters)

|  | 2017          | 2018 <sup>1</sup> | 2019          |
|--|---------------|-------------------|---------------|
| <b>Total consumption</b>                             | <b>45,000</b> | <b>62,000</b>     | <b>56,000</b> |
| Consumption in water stressed areas <sup>2</sup>     | -             | 2,000             | 1,000         |
| % Consumption from water stressed areas <sup>2</sup> | -             | 7%                | 2%            |

<sup>1</sup>2018 data are restated due to improved water accounting methodology in 2019.

<sup>2</sup>Learn more about our water management in water stressed areas in section [303-3](#).

# Waste

SDG 8

SDG 12

SDG 15

## GR1 306 Effluents and Waste

### 103-1 EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

Chemours transforms raw materials and natural resources into the essential chemicals and products needed to improve the lives of people and support global population growth and urbanization. Our stakeholders expect us to responsibly manage the way we produce goods and dispose of our waste, which is not only good for the environment, it also reduces operating and compliance costs and makes good business sense. Efficiently using our planet's shared natural resources and how we manage waste are integral to our responsible chemistry approach and our efforts to reduce our ecological footprint in support of the broader global agenda outlined in the [UN SDGs](#).

### 103-2 THE MANAGEMENT APPROACH AND ITS COMPONENTS

Chemours is committed to improving our resource use efficiency, acting on opportunities to reduce our waste volumes, encouraging our employees to reduce their own waste footprint, and enhancing the circular economy throughout our value chain. In addition to taking practical, cost-effective actions to reduce waste as we grow our operations, we will also consider making capital investments when needed to improve our manufacturing processes and reduce waste generated at our sites. We demonstrate our commitment by aligning our waste management efforts with the targets of the UN SDGs, in particular with SDG 12—Responsible Consumption and Production (targets 12.4, 12.5, and 12.6) and SDG 15—Life on Land (targets 15.3, 15.5, and 15.8), and, to a lesser extent, with SDG 8—Decent Work and Economic Growth (target 8.4).

Our approach follows a waste management hierarchy designed to minimize the impact of wastes and emissions on the environment. We first work to eliminate generating waste or emissions through improved process design, plant operations, and maintenance. This includes engaging each of our business segments, as well as our R&D community, to identify opportunities to redesign processes or generate less waste, where possible. If we can't design the waste out of our processes, we seek opportunities to creatively reuse or recycle materials, exploring how our wastes could become raw materials for others in a circular economy.

Finally, when there is no other option but disposal, we classify, handle, and dispose of our hazardous and non-hazardous waste in accordance with local government regulations. Waste management activities occur at both Chemours and non-Chemours facilities, and we have specific requirements for waste that is transferred to non-Chemours facilities, including periodically auditing these facilities. Our internal standards and procedures guide our waste management efforts to ensure we safely send our waste for disposal only after considering other options.

We follow a rigorous waste accounting process at our manufacturing sites—measuring and tracking our production wastes, chemical wastes, and business wastes by quantity, material type, and disposal method. Through this process, we learned that landfilling makes up the single largest component of our waste disposal activities, with most of our manufacturing sites sending waste to a landfill, using either on-site, self-constructed, and managed landfills, or off-site commercial landfills.



Unfortunately, building landfills for waste disposal consumes land, a valuable natural resource that provides habitat to support diverse ecosystems, increases the availability of clean water, and sequesters CO<sub>2</sub>. We identified reducing our non-hazardous and hazardous waste landfill footprint as the waste management strategy where we can make the most impact, both on reducing our environmental footprint and potentially reducing operating costs. We balance the responsible growth of our company with a commitment to care for the environment by reducing the amount of landfill volume needed to produce our products and have set a 2030 CRC goal to:

- Reduce our landfill volume intensity by 70% versus our 2018 baseline of 0.36 cubic meter (m<sup>3</sup>) landfill waste per metric ton (MT) of sales product

Our [EHS&CR policy](#) and commitment to the Responsible Care® principles guide our actions and challenge us to continuously reduce impacts from waste, air, and water emissions (read more about our EHS management system in sections [307](#) and [403](#)). Together, our waste leader and CRLT sponsor set our waste management strategy and targets, provide organizational guidance, and charter programs to advance waste reduction initiatives. Additional information on our corporate responsibility governance process is included in section [102-19](#).

We chartered several teams to work with our waste leader and sponsor in achieving our goal:

- **Landfill Waste Reduction Core Team**—Composed of representatives from R&D and our business segments, this team is responsible for identifying and enacting large-scale efforts to reduce landfill waste. The team also develops internal interim targets to inform annual action plans and identifies local initiatives to drive performance at each of our manufacturing sites.
- **Operations Landfill Improvement Team**—Composed of representatives from each manufacturing facility, this team is responsible for creating and implementing plant site CRC waste reduction initiatives and leveraging best practices across our operations network.
- **Landfill Champions Network**—Composed of volunteers from across our operations and office locations, the champions work in concert with the core team and operations improvement team to support waste goal programs.

Our operations representatives and waste champions communicate regularly to share best management practices and encourage each other to further reduce landfill waste. The champions also sponsor employee education activities and challenge our employees both at our operating sites and our offices to think about how they can take action to reduce waste at work and at home.


We also work with our vendors to reduce waste through several endeavors, including reducing the amount of packaging materials sent to us, developing new processes or equipment to reduce landfill intensity, and recycling more waste materials. In addition, we continually look for product packaging alternatives that can be recycled by our customers or returned to us for reuse. Our product packaging has a direct impact on the amount of waste generated and landfill space used by our customers. As we work to reduce our landfill impact, we are thinking about how we can help our customers reduce their footprint as well.

### 103-3 EVALUATION OF THE MANAGEMENT APPROACH

We evaluate the effectiveness of our waste management approach as an integrated part of our EHS management system evaluation described in sections [307](#) and [403](#). In addition, our waste tracking and data management process includes a critical evaluation of data quality and identifies opportunities to improve our measurement practices.

In 2019, we established our waste goal teams and governance process to lay the groundwork for progressing toward our goal. We also initiated programs to strengthen our waste characterization and measurement practices at our manufacturing sites to support ongoing waste management activities.

We evaluate the effectiveness of our landfill waste management approach by monitoring progress toward meeting our 2030 CRC goal and internal interim targets. Our landfill volume intensity remained flat in 2019 versus our 2018 baseline, due to our focus on program governance in 2019, as well as process inefficiencies created by lower production volumes.

| Waste to landfill                              |                            |      |   |
|--|----------------------------|------|---|
|  | 2018 baseline <sup>1</sup> | 2019 | Progress toward 2030 goal   |
| Landfill volume intensity (m <sup>3</sup> /MT) | 0.36                       | 0.37 |  |

<sup>1</sup>Restated baseline value due to error correction.

At or worse than base year  Behind schedule  On track 

As our waste team begins implementing local improvement efforts, we expect to see modest improvements in our landfill intensity. However, larger capital efforts will be needed to show a measurable change in landfill volume intensity due to the inherent nature and waste profile of our TiO<sub>2</sub> production process. The landfill waste reduction core team is evaluating new process options with tentative plans for implementation after 2025.

Throughout 2019, our employees held engagement efforts in support of our reduced waste to landfill CRC goal. In September, Wilmington-based legal department employees spent a day learning how to properly sort materials for recycling by touring the Delaware Solid Waste Authority's Material Recovery Facility and Education Center. Employees toured the facility to learn about acceptable versus unacceptable materials for recycling.

At several of our other sites, employees held educational sessions on waste topics including how to eliminate single-use plastic from cafeterias and switching to reusable containers, as well as information on types of recycling programs to implement within our offices to address materials such as batteries, lightbulbs, toner and ink cartridges, electronic equipment, and more. Education and awareness at plants about recyclable materials led to an increase in the amount of year-over-year total waste recycled.

We are also exploring becoming Green Circle or UL Certified, which would include an in-depth, third-party assessment of our progress, management, and approaches to our landfill use as we move to zero landfill facilities. Four Chemours operating sites are currently zero landfill sites.

## 306-2 WASTE BY TYPE AND DISPOSAL METHOD

We track and report hazardous and non-hazardous production waste (which includes chemical waste) and general business waste (e.g., general trash) by disposal type and quantities recycled or recovered for beneficial reuse. We saw a modest increase in recycled waste in 2019 versus 2018. The approximate 15% decrease in 2019 total waste versus 2018 is due to annual variations in manufacturing efficiencies and lower production volumes in 2019, with decreased TiO<sub>2</sub> production rates accounting for most of the observed waste reductions.

### Hazardous waste quantities by disposal method (metric tons)

|   | 2017           | 2018           | 2019           |
|---|----------------|----------------|----------------|
| Recycling/reuse <sup>1</sup>                    | 0              | 1,000          | 3,000          |
| Composting <sup>1</sup>                         | -              | 0              | 0              |
| Recovery (including energy recovery)            | 1,000          | 1,000          | 1,000          |
| Incineration                                    | 12,000         | 11,000         | 14,000         |
| Deep well injection <sup>2</sup>                | 406,000        | 388,000        | 263,000        |
| Landfill  | 10,000         | 7,000          | 9,000          |
| On-site storage <sup>1</sup>                    | -              | 17             | 0              |
| <b>Total hazardous waste</b>                    | <b>429,000</b> | <b>408,000</b> | <b>290,000</b> |
| Hazardous waste intensity (MT/MT sales product) | 0.18           | 0.20           | 0.17           |
| Outside-the-US hazardous waste                  | 8,000          | 7,000          | 8,000          |
| US hazardous waste                              | 421,000        | 401,000        | 282,000        |

<sup>1</sup>New reporting metrics for 2018. Data are not available for all reporting years.

<sup>2</sup>Reported on dry-basis.

### Non-hazardous waste quantities by disposal method (metric tons)

|   | 2017             | 2018 <sup>1</sup> | 2019           |
|---|------------------|-------------------|----------------|
| Recycling/reuse <sup>2</sup>                        | 11,000           | 93,000            | 112,000        |
| Composting <sup>2</sup>                             | -                | 0                 | 0              |
| Recovery (including energy recovery)                | 3,000            | 4,000             | 2,000          |
| Incineration  | 20,000           | 22,000            | 12,000         |
| Deep well injection <sup>3</sup>                    | 9,000            | 11,000            | 12,000         |
| Landfill  | 981,000          | 970,000           | 851,000        |
| On-site storage <sup>2</sup>                        | -                | 0                 | 0              |
| <b>Total non-hazardous waste</b>                    | <b>1,024,000</b> | <b>1,100,000</b>  | <b>989,000</b> |
| Non-hazardous waste intensity (MT/MT sales product) | 0.43             | 0.54              | 0.59           |
| Outside-the-US non-hazardous waste                  | 507,000          | 536,000           | 452,000        |
| US non-hazardous waste                              | 517,000          | 564,000           | 537,000        |

<sup>1</sup>Certain 2018 non-hazardous data have been restated to reflect improvement in the accuracy of data.

<sup>2</sup>New reporting metrics for 2018. Data are not available for all reporting years.

<sup>3</sup>Reported on dry-basis.

### Total waste quantities by disposal method (metric tons)

|   | 2017             | 2018 <sup>1</sup> | 2019             |
|---|------------------|-------------------|------------------|
| Recycling/reuse <sup>2</sup>                | 11,000           | 94,000            | 115,000          |
| Composting <sup>2</sup>                     | -                | 0                 | 0                |
| Recovery (including energy recovery)        | 4,000            | 5,000             | 3,000            |
| Incineration                                | 32,000           | 33,000            | 26,000           |
| Deep well injection <sup>3</sup>            | 415,000          | 399,000           | 275,000          |
| Landfill                                    | 991,000          | 977,000           | 860,000          |
| On-site storage <sup>2</sup>                | -                | 17                | 0                |
| <b>Total waste</b>                          | <b>1,453,000</b> | <b>1,508,000</b>  | <b>1,279,000</b> |
| Total waste intensity (MT/MT sales product) | 0.62             | 0.75              | 0.76             |
| Outside-the-US waste                        | 515,000          | 543,000           | 461,000          |
| US waste                                    | 938,000          | 965,000           | 818,000          |

<sup>1</sup>Certain 2018 non-hazardous data have been restated to reflect improvement in the accuracy of data.

<sup>2</sup>New reporting metrics for 2018. Data not available for all reporting years.

<sup>3</sup>Reported on dry-basis.

When measuring our landfill intensity, Chemours considers only manufacturing waste generated as part of our routine operations, including production/chemical waste and business waste/general trash. We do not include waste generated as part of a one-time event, such as construction activities, which may vary widely year-over-year and are not directly connected to our manufacturing operations. For 2019, our manufacturing waste volume sent to landfills was 626,000m<sup>3</sup>. The observed reduction relative to 2018 is due to reduced production volumes in 2019 and not attributed to any specific waste reduction activities.

| Landfill waste volume by category |                              |                              |
|-----------------------------------|------------------------------|------------------------------|
|                                   | 2018 waste (m <sup>3</sup> ) | 2019 waste (m <sup>3</sup> ) |
| Production waste                  | 646,000                      | 577,000                      |
| Business waste (general trash)    | 80,000                       | 49,000                       |
| Landfill manufacturing waste      | 726,000                      | 626,000                      |
| One-time event waste              | 41,000                       | 50,000                       |
| <b>Total landfill waste</b>       | <b>767,000</b>               | <b>676,000</b>               |

Landfill volume quantities for 2019 were calculated using measured waste quantities and site-specific waste density information. Landfill volume intensity is calculated on a per unit sales product basis. In 2019, our landfill volume intensity was 0.37m<sup>3</sup>/MT of sales product. Although 2019 landfill volume intensity appears to increase versus 2018, much of this increase was due to changes in raw materials and variations in manufacturing efficiencies due to lower production volumes at our TiO<sub>2</sub> production facilities. The three-year trend is essentially flat. As we begin to implement landfill waste reduction programs and production volumes return to normal rates, we expect the intensity to decrease.

We are restating our 2018 baseline landfill volume intensity from 0.39 to 0.36m<sup>3</sup>/MT due to an error correction at one of our sites. The correction in the error resulted in a 5% change from our originally reported baseline number, which exceeds our defined restatement threshold. The newly stated baseline of 0.36m<sup>3</sup>/MT is reported in the table below.

| Waste to landfill                               |                   |                   |                |
|---|-------------------|-------------------|----------------|
|   | 2017 <sup>1</sup> | 2018 <sup>2</sup> | 2019           |
| Hazardous landfill volume (m <sup>3</sup> )     | 9,000             | 6,000             | 12,000         |
| Non-hazardous landfill volume (m <sup>3</sup> ) | 874,000           | 720,000           | 614,000        |
| <b>Total landfill volume (m<sup>3</sup>)</b>    | <b>883,000</b>    | <b>726,000</b>    | <b>626,000</b> |
| Landfill volume intensity (m <sup>3</sup> /MT)  | 0.37              | 0.36              | 0.37           |

<sup>1</sup>Landfill volume data for 2017 estimated using average densities for each Chemours business.

<sup>2</sup>Restated baseline value due to error correction.

### 306-3 SIGNIFICANT SPILLS

There were no significant spills in 2019 resulting in serious injury or a significant impact on the environment. Read more about our management approach for preventing and addressing spills in section [307](#).

| Number of significant spills |      |      |      |
|------------------------------|------|------|------|
|                              | 2017 | 2018 | 2019 |
| Significant spills           | 0    | 0    | 0    |

Chemours follows all local laws and regulations for the treatment, storage, transportation, and disposal of hazardous waste. In addition, we follow an internal corporate standard governing the use of approved off-site (e.g., non-Chemours) vendors and facilities for waste disposal. These vendors and facilities are qualified through auditing and due diligence with both our procurement and EHS organizations. Observed increases in 2019 are due to increases in waste quantities sent off-site for recycling or disposal via incineration.

| Number of significant spills                  |        |        |        |
|---|--------|--------|--------|
|   | 2017   | 2018   | 2019   |
| Hazardous waste transported <sup>1</sup> (MT) | 15,000 | 13,000 | 19,000 |
| Hazardous waste imported (MT)                 | 0      | 0      | 0      |
| Hazardous waste exported (MT)                 | 0      | 0      | 0      |
| Hazardous waste treated (MT)                  | 15,000 | 13,000 | 19,000 |

<sup>1</sup>Transported waste includes any waste materials that are moved off-site.

| Percentage of hazardous waste shipped internationally |      |      |      |
|---|------|------|------|
|   | 2017 | 2018 | 2019 |
| Waste shipped internationally                         | 0%   | 0%   | 0%   |

Our product packaging directly impacts the amount of waste generated and landfill space used by our customers. As we work to reduce our landfill impact, we aim to impact our customers as well. We continually look for packaging alternatives that can be recycled by our customers or returned to us for reuse.

In 2019, almost 50% of our products were shipped to our customers in packaging that was either reusable or recyclable. Examples of reusable packaging include railcars, tank and bulk trucks, ISO containers, Flo-Bins, and barges. Examples of recyclable packaging include static dissipative flexible intermediate bulk containers (FIBC-D), plastic drums and pails, and metal drums.

| Percent of products sold in reusable or recyclable packaging |            |            |
|--|------------|------------|
|  | 2018       | 2019       |
| Titanium Technologies  | 39%        | 41%        |
| Fluoroproducts   | 75%        | 77%        |
| Chemical Solutions   | 50%        | 66%        |
| <b>Chemours total</b>  | <b>47%</b> | <b>48%</b> |

# Land Use and Biodiversity

## GR1 304 Biodiversity

### 103-1 EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

We strive to be good stewards of the lands we own and lease to support our operations and align our approach to managing land use and biodiversity with the UN SDGs, in particular SDG 15—Life on Land (targets 15.1 and 15.5) and to a lesser extent SDG 12—Responsible Consumption and Production (targets 12.2, 12.4, and 12.5), SDG 14—Life Below Water (targets 14.2 and 14.5), and SDG 17—Partnerships for the Goals (targets 17.16 and 17.17). Protecting and restoring natural habitats helps increase availability of clean water in watersheds, provides protection from the impacts of severe weather events, enhances natural carbon dioxide sequestration processes, and supports rich, diverse ecosystems and their services.

The land we steward falls into two categories: land use to support chemical manufacturing operations and land use to support mineral mining operations. These varying uses affect the lands in different ways. Chemical operations have a smaller land use footprint than mining operations, but these activities occur over an extended period, potentially spanning many decades. Mining operations, on the other hand, impact a larger land footprint with substantial temporary impacts on land, water, and biological resources. These operations take place over a much shorter timeline, allowing restoration to begin quickly thereafter. Following the acquisition of Southern Ionics Minerals in 2019, Chemours expanded our heavy mineral sand mine operations in Georgia and Florida. As mining potentially has a more substantial impact on the land than our chemical manufacturing plants, much of the information shared in this report is focused on these mining operations.

### 103-2 THE MANAGEMENT APPROACH AND ITS COMPONENTS

All development activities that support or expand operations at our chemical manufacturing and mining sites are conducted in accordance with local laws and regulations to assess and mitigate potential impacts on habitat and biodiversity resources. Examples of typical actions include completing an environmental site assessment (ESA) and implementing plans to mitigate potential impacts on biodiversity based on the ESA findings. Our business segment line organizations manage responsible manufacturing and mining development activities as part of our business strategy. (Read more about our governance processes in sections [102-18](#) and [102-19](#)). In addition to our business-led efforts, many facilities have active, employee-led environmental stewardship teams to advance projects that enhance habitat and biodiversity at their local sites as described in section [304-3](#).

Our Titanium Technologies business segment operates mineral sands mining and separation operations in Florida and Georgia to supply our facilities with titanium dioxide mineral feed and recover other valuable mineral products. Much of the land that Chemours mines is leased from private individuals and corporations. During mining operations, a succession of mine pits is opened within the overall mine footprint. Each mine pit is open for approximately one month and then excavation of the next pit begins. Reclamation of each pit begins as soon as excavation moves to the next pit. We are committed to leaving each mining site in a similar or better shape than when we arrived, and we strive for continuous reclamation so that mined areas are reclaimed and returned to productive land use as soon as possible.

At the earliest stages of mine planning, we complete a multidisciplinary environmental analysis to avoid, minimize, and/or compensate for environmental impacts. This analysis includes identification of sensitive terrestrial and aquatic resources, including wetlands and habitats, and species of state and federal concern. Initial screenings and intensive field surveys follow established protocols of the Florida Fish and Wildlife Conservation Commission, Florida Department of Environmental Protection, Georgia Department of Natural Resources, and the US Fish and Wildlife Service. Our approach involves classifying current land use and land cover, reviewing element occurrence records for state and federal species of concern, making effects determinations for each species, analyzing mine options for avoiding sensitive habitats and species, developing impact mitigation strategies, and obtaining permits or otherwise coordinating with relevant agencies. In addition to assessing sensitive natural resources that may be impacted by mining, we conduct comprehensive cultural resource surveys of proposed mine sites. We identify archeological and historic resources to determine eligibility of listing on the National Register of Historic Places and develop plans, as appropriate for each resource, to avoid and minimize impacts. Chemours also collects a wide range of information on surface water and groundwater conditions and water quality to establish a baseline for understanding impacts of mining and success of reclamation efforts.

Before mining operations begin, Chemours submits surface mining land use plans to the state, via either the Florida DEP or the Georgia Department of Natural Resources. These plans provide a description of the proposed mining activities and schedule, and include reclamation plans for disturbed areas, including mine infrastructure such as tailings ponds. Permits are made available to the public through the respective state permitting process.

Once mining activities are completed, we [manage reclaimed areas](#) until the land surface is stabilized and permanent vegetation is established. Afterwards, the areas may be inspected by state regulators and released from the surface mining permits. For leased lands reclaimed as upland pine forest, no additional monitoring is required after the lands are released from the surface mining permit. Areas reclaimed as wetlands may require several years of additional monitoring as a condition of a Clean Water Act permit.

We regularly report the amount of land permitted for mining and disturbed by mining, and reclamation progress. Annual reports are submitted to the Florida DEP and the Georgia Department of Natural Resources, and our surface mining plans are publicly available. In addition, we actively engage with community stakeholders, our landowners, and regulators to communicate our goals and efforts with respect to biodiversity, including land management, habitat restoration, and protected species conservation. We seek input from stakeholders early in our mine planning process to understand biodiversity concerns and develop impact mitigation programs. Additionally, we partner with academic researchers and wildlife resource managers to support local and regional conservation efforts.

Chemours is a member of the Forest Landowners Association; however, we are not directly involved in forest management in connection with our mining activities since much of the land on which Chemours mines is leased from private individuals and corporations. The forest products corporations from which we lease mineral rights actively manage their lands for sustainable forest production and are certified by the Sustainable Forestry Initiative.

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### 103-3 EVALUATION OF THE MANAGEMENT APPROACH

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See sections [304-2](#) and [304-3](#) for discussions on the progress we are making.

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### 304-1 OPERATIONAL SITES OWNED, LEASED, OR MANAGED IN, OR ADJACENT TO, PROTECTED AREAS AND AREAS OF HIGH BIODIVERSITY VALUE OUTSIDE PROTECTED AREAS

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Chemours manages lands that support current and past manufacturing operations in addition to lands we manage for mining. 2019 is our first year providing data on land use, and we are working to complete our land use inventory for owned and leased lands and assess biodiversity value near our lands.

We estimate Chemours owns and manages approximately 17,500 acres of land globally that are used to either support current manufacturing operations or were former operating sites, and we lease approximately 300 acres for offices, technical centers, and distribution facilities. We estimate 34% of our total owned acreage has been developed to support current or past manufacturing operations (including capped and closed landfills) and 66% remains undeveloped and not directly involved in current manufacturing activities. These undeveloped land areas include buffer lands, wetlands, and waterways. Information describing our land management and use practices for our leased mining lands is provided in sections [304-2](#) and [304-3](#).

Many of our sites are located within 10 kilometers of culturally significant sites (e.g., UNESCO sites or National Historic Places) or near conservation areas, and we are planning to complete an initial assessment of biodiversity value near our sites in the future. The table below summarizes our global distribution of Chemours managed land.

| Land portfolio on December 31, 2019 |                           |             |             |              |
|-------------------------------------|---------------------------|-------------|-------------|--------------|
| Location                            | Operation type            | Total acres | Owned acres | Leased acres |
| <b>Manufacturing operations</b>     |                           |             |             |              |
| US and Canada                       | Manufacturing             | 12,481      | 12,358      | 123          |
| US and Canada                       | Office, Lab, Distribution | 152         | 6           | 146          |
| US and Canada                       | Former Operating Site     | 3,866       | 3,866       | 0            |
| Asia-Pacific                        | Manufacturing             | 99          | 99          | 0            |
| Asia-Pacific                        | Office, Lab, Distribution | 6           | 0           | 6            |
| Europe                              | Manufacturing             | 18          | 16          | 2            |
| Europe                              | Office, Lab, Distribution | 3           | 0           | 3            |
| Latin America                       | Manufacturing             | 1,186       | 1,182       | 4            |
| Latin America                       | Office, Lab, Distribution | 1           | 0           | 1            |
| Latin America                       | Former Operating Site     | 17          | 17          | 0            |
| Total acres                         | -                         | 17,829      | 17,544      | 285          |
| Percent developed                   | -                         | 35%         | 34%         | 100%         |
| <b>Mining operations</b>            |                           |             |             |              |
| US and Canada                       | Mining                    | 44,326      | 17,098      | 27,228       |

## 304-2 SIGNIFICANT IMPACTS OF ACTIVITIES, PRODUCTS, AND SERVICES ON BIODIVERSITY

Chemours strives to be a responsible steward of the lands we use to support our mining operations and our chemical manufacturing sites. The impacts from these operations vary both temporally and by significance of impact, with our mining operations accounting for most of our land use impacts. While we currently focus our efforts on addressing land use impacts in our mining operations, we are beginning to assess and address land use impacts from our manufacturing facilities, even though these impacts are smaller in scale. Land use impacts at our manufacturing sites are primarily due to the physical footprint of our operations facilities and supporting infrastructure and the construction and maintenance of on-site landfill cells for waste management. These land uses may occur over long periods and may significantly alter or degrade local habitats due to facility construction and operation. Our land management approach for our manufacturing sites is to identify opportunities at or near our sites and work with partners to enhance or restore local habitat quality to offset land use impacts caused by our manufacturing operations.

While mining operations have the potential to impact more total acres of land, these activities typically occur on leased lands during a limited period. The lands are then restored to pre-mine conditions and released back to the landowners. Mining activities can impact land use and biodiversity through disruption to natural habitats, changes in the biological community, and changes to the soil and groundwater systems. Many wildlife species are mobile and will abandon an area as mine activities approach and return as areas are reclaimed. Undisturbed habitat is typically available to wildlife within 1,000 feet of an active mine cell, because mining occurs in a patchwork of activity that follows the natural occurrence of the mineralized sand deposits.



Some species, however, like the gopher tortoise (*Gopherus polyphemus*) and indigo snake (*Drymarchon couperi*), require relocation assistance to keep them safe during mining activities. To protect these species, we proactively survey areas during the early stages of mine planning to identify burrow locations with active subpopulations. This is particularly important during the winter when tortoises are less active and indigo snakes may be overwintering in the tortoise burrows. Prior to mining locations with active tortoise subpopulations, Chemours uses a fiber optic camera to inspect all tortoise burrows, stumps, armadillo digs, and similar hollows. If the burrow is unoccupied, it is collapsed to render it uninhabitable. If any snakes, tortoises, or other commensal species are present, the burrow is excavated, the animals are retrieved for relocation, and the burrow is collapsed. To date, almost 600 tortoises have been relocated to state-approved relocation sites in Florida and wildlife management areas (WMAs) in Georgia. No indigo snakes have been observed on Chemours mine sites.

Mining operations cause substantial, but temporary impacts to the natural terrestrial environment. Trees are first harvested to prepare the area prior to mining. The topsoil layer is then removed and stockpiled until the end of mining activities, when it is replaced as the final step in closing the mine cell. Reserving and replacing the topsoil preserves the diverse rootstock, seedbank, and microbial community in the topsoil and accelerates reestablishing native understory plant species and habitats post-mining. Lastly, the mined areas are replanted with upland or wetland native plant species, per landowner or regulatory requirements, to restore habitat.

The sands rejected during the extraction of heavy minerals are replaced back into the mine pits from where they were excavated. The replaced sediments are homogenized compared to natural stratification that may have been present prior to mining, and some stakeholders have questioned whether this change alters the character of the surficial aquifer and wetlands at the mine site.

When Chemours mines by truck and shovel or mobile mining units rather than by floating dredges, there is a temporary, highly localized, drawdown of the surficial aquifer. An extensive hydrologic monitoring program in Georgia has demonstrated that the temporary drawdown of the water table in the immediate vicinity of an active mine pit is not significantly different in terms of magnitude or duration from the natural fluctuations of the water table during wet and dry periods. Post-mine aquifer characteristics may differ slightly due to the homogenization of the replaced sand, but reestablishment of pre-mine topography and the unaltered character of adjacent land limit the influence of any alteration to aquifer characteristics. No impacts to wetlands adjacent to mined areas or to reestablished wetlands on reclaimed lands have been identified and no specific evidence of a substantial difference in the pre-mine versus post-mine surficial aquifer has been identified, but Chemours intends to expand the hydrologic monitoring program to study these issues more carefully. Chemours is in the process of working with researchers to analyze the hydrologic monitoring data collected to date and implement additional investigations to address these types of questions. In addition, our monitoring program will be expanded in fall 2020 to include another one of our Georgia mines.

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### 304-3 HABITATS PROTECTED OR RESTORED

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We conduct both mining and chemical manufacturing operations, which may have different impacts on the surrounding environment and habitats. The following describes our habitat protection and restoration activities for both mining and chemical manufacturing lands.

#### Mined Lands

Chemours' mining operations are committed to continuous reclamation so that lands are restored to their pre-mined condition at the same rate at which they are disturbed. This commitment requires that Chemours constantly replace tailings into mined areas, replace stockpiled topsoil, and replant permanent vegetation to restore areas to pre-mined conditions. Since we lease land from private owners and corporations, most Chemours mining sites have already experienced habitat disturbance from commercial forest management practices. Typically, 95% of the mined land use is commercial pine production with less than 5% of the areas characterized by undisturbed, forested uplands or forested wetlands habitat. Forested uplands are reclaimed according to the requirements of the landowner, so most mined land is returned to managed pine plantation. Some small areas are reclaimed as pasture or replanted as a native forest community. Forested wetlands are reestablished after mining by replacing stockpiled wetlands topsoil and planting native wetland tree seedlings, as required by state and federal permits. Once restoration is complete, the areas are field inspected by the permitting agency for approval to release the area from the surface mining permit.

2019 is our first year providing data on mining land use, and we are working to improve our land use inventory for future reporting of total lands managed, including areas protected, disturbed, in rehabilitation, and restored. The following discussions provide a brief summary of our current activities. In 2019, the Florida and Georgia mining operations reestablished approximately 265 acres of uplands and 74 acres of wetlands.

We currently have 14,553 acres subject to Florida Environmental Resource Permits. Most of this acreage is undisturbed or was reclaimed prior to 2019. Approximately 1,137 acres are devoted to mineral separation facilities and water treatment ponds; approximately 1,386 acres are impacted by mine site preparation, mining, tailing, and other mine-related activities and infrastructure. In 2019, approximately 120 acres were replanted to upland forest, and 64 acres were replanted to forested wetlands.

In 2019, Chemours leased the mineral rights on 9,480 acres in Georgia. Of this leased acreage, 2,762 acres were subject to Georgia surface mining permits. Most of this acreage was undisturbed, with approximately 10 acres devoted to mine support infrastructure (office, scales, laydown yards, etc.); 60 acres impacted by construction of a new mining facility; and 345 acres disturbed by mining and mine-related activities. Of the 345 acres of mine disturbance, 182 acres were newly disturbed in 2019. Rehabilitation activities were started by replacing topsoil onto 145 acres in anticipation of final planting, and approximately 10 acres of wetland were restored. In addition to operating in permitted mine areas, Chemours operates a mineral separation facility that occupies approximately 40 acres for offices, mineral processing circuits, mineral stockpiles, and loading facilities. Since initiation of mining in Georgia in 2014, approximately 467 acres have been mined and successfully restored.

Chemours has limited opportunity to directly protect important wildlife habitat on the lands we mine because we lease the mineral rights and carry out our mining operations on land owned and managed by others. Where practicable, mine plans are crafted to avoid sensitive resources including wetlands and gopher tortoise and indigo snake subpopulations, but there is no long-term protection for these resources once Chemours returns the land to the landowners' control. We partner with other organizations to assist us in providing long-term conservation solutions to protect recovered gopher tortoises. Indigo snakes have not been observed at our mining operations to date.

Chemours is an active participant in the gopher tortoise initiative, a public-private partnership between mineral and timber producers, the US Fish and Wildlife Service, the Georgia Department of Natural Resources, The Nature Conservancy, and other groups. The purpose of the initiative is to establish 65 reproductively viable populations of gopher tortoises on protected lands throughout southern Georgia to help the species thrive and mitigate the need for federal regulation. The program has succeeded to date in establishing almost 50 populations. Since 2015, Chemours has participated in partnership with the University of Georgia (UGA), to survey approximately 4,700 acres in Georgia to identify gopher tortoise habitat and subpopulations, and relocate almost 600 tortoises from unprotected habitat areas to state WMAs in support of the gopher tortoise initiative. Additionally, 149 collected eggs were hatched, raised to juveniles, and then released at WMAs to augment relocated populations. In addition to relocating tortoises, Chemours supports UGA researchers in carrying out multiple studies of tortoise health, demographics, and behavior. UGA is conducting a wide range of research on gopher tortoises at the relocation areas and in areas not impacted by mining. In 2019, a UGA graduate student obtained his master of science degree with thesis research supported by Chemours.

In Florida, Chemours complies with regulations of the Florida Fish and Wildlife Conservation Commission (FWCC) to protect gopher tortoises, which the state identifies as a "threatened" species. Chemours surveys mine lands and obtains permits from the FWCC to relocate tortoises from mine areas to state-approved conservation centers.

Chemours also supports numerous organizations that work to protect land and water resources, including the Satilla Riverkeeper, St. Mary's Riverkeeper, One Hundred Miles, and the Georgia Conservancy.

### **Manufacturing and Former Operating Sites**

Our land management approach for our manufacturing sites is to identify opportunities at or near our sites and work with partners to enhance or restore local habitat quality to offset land use impacts by our operations. This can include actions ranging from surveying areas prior to facility construction to identify and relocate protected plant and animal species, to improving habitat on adjacent or nearby lands.

To help us in this endeavor, Chemours partners with the Wildlife Habitat Council (WHC), a nonprofit organization that promotes and certifies habitat conservation and management on corporate lands through partnerships and education. With a focus on building collaboration for conservation between corporate employees, conservation organizations, government agencies, and community members, WHC programs focus on healthy ecosystems and connected communities. The WHC's certification program is the only voluntary sustainability standard designed for broad-based biodiversity enhancement and conservation education activities on corporate landholdings. The certification recognizes meaningful wildlife habitat management and conservation education programs, provides third-party credibility, and is an objective evaluation to help companies demonstrate a long-term commitment to managing quality habitat for wildlife, conservation education, and community outreach initiatives.

Chemours' WHC programs are led by our sites, enabling employee volunteers to engage with and give back to the local communities in which we operate. Programs can include managing wildlife, creating or improving habitat, providing conservation education (related to wildlife or habitats), or a combination of all three. We currently have habitat enhancement programs at five sites with 45 actively managed WHC projects covering 1,600 acres of land. These programs are run by Chemours volunteer employees and include projects impacting habitat management (14), species management (20), and community education and outreach (12). Example projects include:

- Pollinator gardens and bald eagle nest platforms in New Jersey
- Working with The Nature Conservancy monitoring oyster beds in Mississippi
- Sustainable forestry practices for long leaf pine forests in North Carolina
- Creating nature trails through the mountains of West Virginia for use as field classrooms by local elementary schools

During 2019, two of our sites renewed their program certifications, with one site achieving gold level certification, the highest level of certification, and the other site achieving silver level certification. In total, five of our sites have received WHC certification—three gold level certified sites and two silver level certified sites. The two remaining sites are working on their certification applications.

One of the sites seeking recertification is a closed landfill site in Delaware. In 2019, the site completed a project to address erosion issues and repair the landfill cap. The project team worked with the WHC to design an improved vegetative cover for the cap, using native grasses that will provide enhanced habitat and also require less intrusive cap maintenance practices. In addition, the team completed a survey of invasive plant species at the site and is undertaking a management program to eradicate the invasive species and reestablish native plant habitats. The improved vegetative cover and habitat management practices implemented during the cap restoration process, combined with the installation of bird nesting structures, will hopefully lead to successful WHC program certification in 2020.

We have established a Chemours WHC network, where employee volunteers from our sites hold a quarterly virtual meeting to share resources, leverage learnings, share ideas on how to encourage broader participation, and discuss future plans. These meetings often include presentations by WHC technical resources, who provide invaluable guidance on the certification process as projects are being conceived, designed, and implemented. We encourage all our sites to participate in the network and are working to expand our portfolio of sites with WHC certified programs.

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#### **304-4 IUCN RED LIST SPECIES AND NATIONAL CONSERVATION LIST SPECIES WITH HABITATS IN AREAS AFFECTED BY OPERATIONS**

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Due to the nature of our mining operations, we have focused most efforts to date evaluating species potentially present at mining sites. Chemours has plans to complete a screening analysis for the potential presence of International Union for the Conservation of Nature (IUCN) Red List species at all operating sites in the future. Results from this screening study will be used to inform land use and management practices at operating sites and identify opportunities for WHC certification projects and/or environmental stewardship programs through our vibrant communities programs.

Chemours mineral sands mining and separation operations in Florida and Georgia occur on sand ridges with well-drained soils that provide habitat for the gopher tortoise and indigo snake.

The gopher tortoise is listed on the IUCN Red List as “vulnerable” due to severely fragmented habitat and declining numbers of mature individuals. In addition, it is a state protected species in Florida and a federally protected species outside Florida and Georgia. To date, almost 600 tortoises have been collected and relocated to state-approved relocation sites in Florida and WMAs in Georgia.

The eastern indigo snake is classified by the IUCN Red List as “least concern” due to fragmented habitat and continued decline of mature individuals. The species is federally listed as “threatened” throughout its range. This species has a range that overlaps with Chemours’ mining operations in Florida and Georgia. To date, we have not observed any individuals at our mining operations.



# Evolved Portfolio

# Sustainable Offerings

SDG 2

SDG 3

SDG 7

SDG 9

SDG 11

SDG 12

SDG 13

## Product Sustainability

### 103-1 EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

At Chemours, we aspire to improve the lives of people everywhere by harnessing the power of chemistry. From providing life-saving medical application materials, such as membranes and lubricants for ventilators, to using low GWP refrigerants for cooling homes and keeping food cold in trucks, warehouses, and supermarket shelves—what's good for the world is also good for our business. However, we must deliver progress, innovation, and growth by solving problems without creating new ones. Providing the essential products and applications required by our modern world places greater demands on our planet's resources.

Expectations and behaviors are changing, and our customers expect greater choices with more transparency. We work closely with our customers to understand their needs and their customer's needs, to deliver product transparency so we can continue to offer the value, quality, and peace of mind that our customers expect from a company like Chemours.

As part of the global community, we recognize the critical importance of helping to solve some of the world's most challenging needs outlined in the UN SDGs, and we strive to be a trusted source of safe and sustainable offerings that can help address those challenges. We align our product sustainability strategy with delivering products and offerings that support UN SDG 2—Zero Hunger (target 2.1), SDG 3—Good Health and Well-Being (targets 3.1, 3.2, 3.4, 3.5, 3.7, and 3.8), SDG 7—Affordable and Clean Energy (targets 7.2 and 7.3), SDG 9—Industry, Innovation, and Infrastructure (targets 9.4 and 9.c), SDG 11—Sustainable Cities and Communities (targets 11.1, 11.2, and 11.7), SDG 12—Responsible Consumption and Production (targets 12.2, 12.3, 12.4, 12.5, and 12.6), and SDG 13—Climate Action (targets 13.2 and 13.3).

### 103-2 THE MANAGEMENT APPROACH AND ITS COMPONENTS

Product sustainability is how we meet our commitment and responsibility to minimize human health and environmental impacts of our offerings throughout their entire life cycle. It includes product stewardship; product regulatory compliance and advocacy; product regulatory data and systems; and toxicology, epidemiology, and risk assessment. Together, they form the foundation of our product sustainability management system, which we fully integrate into our business processes and enterprise-wide programs. Our management system is the thread that connects all phases of the product life cycle from raw material selection during research and development, to operations, storage and transport, to customer use, and finally to end of life. Our people, processes, and culture form the heart of product sustainability and carry out our never-ending quest to always do better and deliver more sustainable offerings.

Our management system helps us conform to the ACC [Responsible Care](#)<sup>®</sup> Product Safety Code in our business planning, risk management, and operational practices, and uphold the 10 principles of the UNGC. Each year, the CET reviews and endorses our product sustainability commitment, which is included in our [EHS&CR policy](#). Additionally we have a set of internally developed standards and guidelines designed to assist our employees and businesses to responsibly manage the EHS and regulatory impacts of Chemours' raw materials, products, and services throughout the life cycle. Read more about our EHS&CR policy and EHS management system in section [403](#).

The business president of each of Chemours' three reporting segments is accountable for overseeing the implementation of our product sustainability approach within their product portfolio. They are supported by our global, leveraged product sustainability organization, which is responsible for establishing enterprise-wide procedures, maintaining product sustainability management systems, and providing services to all business segments. Our product sustainability senior director provides strategy and direction for the leveraged organization and sponsors product sustainability on the CRLT. Read more about CRLT governance in sections [102-18](#), and [-19](#).

We are committed to identifying and minimizing risks to our stakeholders throughout our products' entire life cycle. Our comprehensive, holistic approach includes systems for managing and maintaining hazard and exposure evaluations, risk assessments, product registrations, and classification and labeling. Our product sustainability approach acts as a catalyst to ensure our products are legal, safe, and trusted. This approach is guided by three principles:

- **Legal**—Comply with all laws and regulations
- **Safe**—Ensure product safety and sustainability
- **Trusted**—Maintain the trust of our stakeholders

### Legal—Product Regulatory Compliance

- **Hazard communications compliance**—We manage component data and apply regulatory rules required to author safety data sheets (SDSs) and hazard warning label documents for all languages and regulatory jurisdictions in which we do business. Our communications management system automates distribution of SDSs based on where a customer order is placed around the world. This enables distribution of updated SDSs after any revisions, ensuring our customers receive the latest safety data. The system also facilitates regulatory compliance requirements to notify supporting poison centers in providing effective emergency response.
- **Chemical management compliance**—Chemours continuously monitors and evaluates the impact of changes in global chemical management regulations to prepare for new regulatory requirements. We use a robust, integrated global substance data management system to ensure compliance and prepare notifications to regulatory authorities, including those that manage the Toxic Substances Control Act (TSCA) in the US; Registration, Evaluation, Authorization, and Restriction of Chemicals in Europe (EU-REACH); the Technical Regulation of the Eurasian Economic Union (EAEU) on Safety of Chemical Products (Eurasia-REACH); the Act on the Registration and Evaluation of Chemicals in Korea (Korea AREC); the Chemical Substances Control Law (CSCL) in Japan; MEP Order No. 7 in China; the Toxic Chemical Substance Control Act (TCSCA) in Taiwan; and many more. Compliance processes are also in place to ensure compliance with other relevant laws and regulations such as food contact compliance and drug precursor requirements. We proactively engage with regulatory bodies and participate in trade associations and expert groups to support these efforts.

### Safe—Product Safety and Sustainability

- **Animal welfare**—Chemours is committed to eliminating the need to do testing on animals except where legally required or essential for product safety. Where animal testing is required as a condition of regulatory approval by a governmental agency or product safety, we follow our [animal use principles](#) and commitment to the three Rs—replacement, reduction, refinement—for all studies involving animals. In support of our value of Unshakeable Integrity, we understand the clear obligation to ensure that any harm caused is kept to an absolute minimum. We respect the order of the Rs: replacement by alternate, adequate test methods; reduction in number of tests or test scope, which decreases the number of animals harmed; and refinement of testing methodology considered last. Oversight for all studies is conducted by our chief toxicology officer, and care and judgement is used in selecting the most appropriate laboratories. All testing facilities contracted by Chemours are audited and certified by the Association for Assessment and Accreditation of Laboratory Animal Care International.
- **Hazardous substances management**—Our product sustainability risk assessment and new product development programs cover all new and existing products and services, and help determine the safety of raw materials, intermediates, products, and byproducts in our portfolio. Hazard assessments are a critical element of these evaluations—and consider current and emerging regulations, societal, and regulatory trends, as well as industry standards and NGO restricted substance lists—to make informed product development and portfolio decisions. Systematically assessing safer alternatives, applying risk reduction measures, and eliminating hazardous substances are all part of our commitment to product sustainability.
- **Product sustainability risk assessment (PSRA)**—The PSRA process is the foundation of our approach to ensure our products are legal, safe, and trusted. The PSRA provides a broad and comprehensive view of the challenges and opportunities that exist throughout the life cycle of a product or set of products. Our process includes three steps: risk assessment review, risk management review, and executive review by senior business leaders. The process includes review of the latest regulatory and toxicology information, as well as perception, emerging issues, and customer user experience. The process is thoroughly documented, with action items from individual reviews tracked to closure and metrics, and overall effectiveness annually reviewed by the product sustainability senior director and business presidents. By leveraging data and knowledge, we can better anticipate risks with the potential to impact our products or processes, and we can make more informed and responsible decisions.
- **Training**—General product sustainability training is available online to all employees through our ethics and compliance training portal. In addition, targeted product sustainability training is provided to employees in accordance with their roles. We also offer training to our customers to ensure the safe handling, use, and disposal of our products.

## Trusted—Product Regulatory Advocacy and Stakeholder Engagement

- **Stakeholder engagement**—Transparency, communication, and collaboration with stakeholders are critical to establishing trust and driving positive progress. We engage with key stakeholders including customers, communities, government agencies, NGOs, and other stakeholders with interest in our company and activities. Our goal is to ensure that we listen and understand their perspectives and needs and, in return, they understand our position and societal need for safe and sustainable offerings. To assess stakeholder views, we use a variety of tools, practices, and frameworks. By gaining insights from a diverse group of stakeholders, we can better understand relevant issues and trends that inform our business strategy and priorities. Read more about stakeholder engagement in sections [102-40](#), [42-44](#) and report sections [303](#) and [413](#).
- **Advocacy**—Chemours is a partner to inform many public processes at the international, national, and local levels. Our employees engage with trade associations, governmental authorities, and the general public in the areas of sustainability and the environment. Examples of current advocacy focus areas include:
  - Chemours' commitment to support the phasedown of hydrofluorocarbons (HFCs) through the Kigali Amendment to the Montreal Protocol and US legislation
  - Support for science-based polyfluoroalkyl substance (PFAS) segmentation and regulatory decisions
  - TiO<sub>2</sub> hazard classification in Europe
  - Informing chemical control laws on the use of harmonized science-based risk assessments for decision-making
  - Supporting the development of standardized practices for evaluating contributions to the UN SDGs
- **Product quality**—We are striving to provide the highest quality products and services to our customers, and it is an enabler of our growth. We are continuously improving our products, processes, and operating systems and drive innovation in products and services to deliver value to our customers. Each of our businesses has implemented a quality management system that defines product quality requirements, includes management reviews of product quality performance, responds to customer quality concerns, and self-assesses performance to identify improvement opportunities. Our quality management approach is aligned with our strategic priorities and corporate values and fosters an environment of continual improvement in accordance with the requirements of the ISO 9001 standard, and regulatory and statutory requirements. Currently, 62% of our Chemours operated manufacturing facilities (16 of 26) are certified under ISO 9001. These certificates are located on our company [web site](#).

Our mission is clear, simple, and communicated across the enterprise to achieve our product sustainability commitment and Chemours' vision. Every day, it drives our activities with passion and clarity of purpose and helps us live our Corporate Responsibility Commitment and deliver our 2030 sustainable offerings goal:

- By 2030, 50%, or more, of our revenue will be from offerings that make a specific contribution to the UN SDGs.

Demonstrating progress against our goal requires us to measure our products' impacts and how they contribute to the SDGs. We do this through EVOLVE 2030, our product assessment methodology developed in partnership with Anthesis Group, a global sustainability advisor. This methodology provides better insights to adjust our business priorities and decisions. In 2019, we received third-party assurance from Lloyd's Register Quality Assurance Ltd (LRQA) on the EVOLVE 2030 methodology and are using the methodology to evaluate our current offering portfolio and all new offerings. The assessments help us maximize the SDG contributions of our product portfolio, focusing on products and offerings with positive benefits and guiding choices to improve, or phase out, products with negative impacts.

We update product evaluations on a specific frequency, or as material changes occur to a product or its application. Using EVOLVE 2030, we will drive rapid progress through innovation, collaboration, and partnership that can provide unmatched solutions to achieve the SDGs.

### Partnerships for the Goals

Target 17.6: Knowledge sharing and cooperation for access to science, technology, and innovation.

In alignment with UN SDG 17: Partnerships for the Goals, Chemours conducted an interactive risk challenge workshop in August 2019. The workshop in Puerto Varas, Chile, was hosted by the Asia-Pacific Economic Cooperation (APEC) Chemical Dialogue. APEC Chemical Dialogue aims to strengthen cooperation between government authorities, industry, and trade stakeholders to foster innovation, promote high standards of protection for human health and the environment, and facilitate economic development through trade. Due to inter-organizational cooperation, this lowers barriers for the introductions of innovations across borders, thus supporting SDG Goal 8 (resource efficiency) and Goal 9 (innovation).



The workshop demonstrated the principles and practices of human and ecological risk assessment, which leverages science-based decisions for chemical risk management. Participants included governmental and industry representatives from 11 countries across three continents.

As a result of positive workshop reception, Chemours was invited to conduct another workshop at the Second Latin American Workshop on the Sound Management of Chemicals, November 21, 2019, in Buenos Aires, Argentina. Again, the conference focus was to promote regulatory cooperation and the efficient use of risk assessment for making science-based and effective chemical management decisions. The second workshop was attended by more than 150 professionals from countries across Latin America.

### 103-3 EVALUATION OF THE MANAGEMENT APPROACH

#### Management System and Review

Product sustainability competency leaders are responsible for implementing the product sustainability management system and ensuring adherence with Chemours' values, the [Chemours Code of Conduct](#), the [Responsible Care® Guiding Principles](#), the Responsible Care® Product Safety Code, and the 10 principles of the UNGC. A review of the management system and metrics is included in annual management reviews with business and company leadership.

#### Auditing

In 2019, we completed the remaining Responsible Care® Product Safety Code Practices, as well as internal and external audits of our processes, to finalize our membership to the ACC. The stewardship management practices include product design and improvement; value chain communication, cooperation, and outreach; information sharing; and performance assessment and continuous improvement. Read more about our product sustainability management system certification as part our RC 14001 certification discussed in section [403-1](#).

#### Incident Management

Chemours established a process for ensuring incidents and leading indicators related to product sustainability are consistently captured, communicated, managed, and closed. The definition and management of product sustainability incidents are governed through our overarching product sustainability management system standard. Corrective actions are assigned and followed until closure. In 2019, one leading indicator and one incident were identified, investigated, and closed.

#### Progress Advancing our 2030 Sustainable Offerings Goal

We measure progress toward our 2030 sustainable offerings goal by using our third-party assured EVOLVE 2030 methodology to certify that our products and offerings contribute towards the UN SDGs and their targets. In 2019, we piloted the tool with an initial group of four product application combinations to demonstrate and verify the methodology effectiveness. Evaluations in 2019 verified 10.4% of our revenue came from products that contribute to the UN SDGs. We will continue evaluating existing portfolio products and offerings in 2020, in addition to evaluating all new products and offerings.



|   | 2018 baseline | 2019  | Progress toward 2030 goal |
|---|---------------|-------|---------------------------|
| Percent revenue from offerings that contribute to the UN SDGs | 9.5%          | 10.4% |                           |

At or worse than base year Behind schedule On track

During 2019, we focused our efforts on developing and verifying our EVOLVE 2030 assessment methodology. We made modest progress increasing revenues from products and offerings that contribute toward the UN SDGs. As we continue to evaluate our existing portfolio and bring new products and offerings to market, we expect our percent revenue from sustainable offerings to grow.



## Contributions to the UN SDGs

| Product Application Combinations (PACs)   | Main Target for UN SDG Contribution   | Secondary Target(s) for UN SDG Contribution  |   |
|---|---|--|---|
| <p><b>Nafion™ Membranes in Fuel Cells for Electric Vehicles</b></p> <p>Direct emissions from a fuel cell vehicle are just water and some heat. This is a vast improvement over the greenhouse gases emitted from internal combustion engines.</p>           | <p>7.1</p>     | <p>7.2</p>    | <p>7.3</p>     |
| <p><b>Opteon™ YF (R-1234yf) Automotive Refrigerant</b></p> <p>Can help meet the 2020 target to achieve environmentally sound management of chemicals in order to minimize their adverse impacts on human health and the environment.</p>                    | <p>9.4</p>     | <p>11.1</p>   | <p>12.4</p>    |
| <p><b>Ti-Pure™ TiO<sub>2</sub> TS-6300 Residential and Non-Residential Construction Materials</b></p> <p>High-opacity paints with Ti-Pure™ TiO<sub>2</sub> can cover surfaces in one coat, reducing the quantity of materials used and waste generated.</p> | <p>6.4</p>     | <p>8.4</p>    | <p>11.1</p>    |
| <p><b>Glypure™ Glycolic Acid in Polyglycolic Acid (PGA)</b></p> <p>Beverage industries depend on high-gas barrier packaging. PGA polymers are among the best high-barrier polyester resins available today.</p>   | <p>12.5</p>  | <p>9.4</p>  | <p>12.3</p>  |

## GR1 416 Customer Health and Safety

416-1

ASSESSMENT OF HEALTH AND SAFETY IMPACTS OF PRODUCT AND SERVICE CATEGORIES

One hundred percent of all existing product offerings are assessed for health and safety impacts and improvement areas using our PSRA process, and all new product offerings are assessed prior to commercial launch. As part of our product sustainability commitment and our new EVOLVE 2030 methodology, Chemours is constantly looking for alternatives with reduced human and/or environmental impact.

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**416-2**                      **INCIDENTS OF NON-COMPLIANCE CONCERNING THE HEALTH AND SAFETY  
IMPACTS OF PRODUCTS AND SERVICES**

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In 2019, Chemours did not identify any non-compliance of regulations and/or voluntary codes resulting in a fine, penalty, or warning.

| <b>Health and safety impacts of products and services compliance</b>        |             |             |
|---|-------------|-------------|
|   | <b>2018</b> | <b>2019</b> |
| Incidents of non-compliance with regulations resulting in a fine or penalty | 0           | 0           |
| Incidents of non-compliance with regulations resulting in a warning         | 0           | 0           |
| Incidents of non-compliance with voluntary codes                            | 0           | 0           |

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**417-1**                      **REQUIREMENTS FOR PRODUCT AND SERVICE INFORMATION AND LABELING**

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Chemours follows a standard product sustainability procedure to gather all relevant regulatory information about the sourced components used in Chemours products or services. We manage the regulatory content for all substances in Chemours products in our EHS management system. We use the data to evaluate our products and to create SDSs and regulatory labels, which provide information to help our customers fulfill their application-specific requirements, prevent the misuse of products, and protect people and the environment. Chemours provides safe use and disposal information on SDSs and regulatory labels for all products. For more information see section [102-3](#).

We assess 100% of products for regulatory compliance.

## **GRI 417 Marketing and Labeling**

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**417-2**                      **INCIDENTS OF NON-COMPLIANCE CONCERNING PRODUCT AND SERVICE  
INFORMATION AND LABELING**

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In 2019, Chemours did not identify any non-compliance of product and service information and labeling resulting in a fine, penalty, or warning.

| <b>Product and service information and labeling compliance</b>              |             |             |
|---|-------------|-------------|
|   | <b>2018</b> | <b>2019</b> |
| Incidents of non-compliance with regulations resulting in a fine or penalty | 0           | 0           |
| Incidents of non-compliance with regulations resulting in a warning         | 0           | 0           |
| Incidents of non-compliance with voluntary codes                            | 0           | 0           |

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# Sustainable Supply Chain



SDG 5

SDG 6

SDG 8

SDG 10

SDG 12

SDG 13

SDG 15

## GRI 204 Procurement Practices, GRI 308 Supplier Environmental Assessment, and GRI 414 Supplier Social Assessment

### 103-1 EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

At Chemours, we are committed to operating responsibly and in line with our values. We view our suppliers as an extension of ourselves, and we're equally committed to working with suppliers who share our commitment to operate responsibly. Mismanagement of our supply chain could negatively impact a wide range of Chemours' stakeholders, internally and externally, with the potential to create social, environmental, or economic impacts.

Responsible procurement is a key aspect of our responsible chemistry commitment and is how we ensure the longevity of our supply chain, and ultimately, our ability to operate. Chemours contracts with more than 12,000 suppliers spanning over 70 countries to supply the raw materials, equipment, and services that enable the manufacture of our products. Our extensive and interconnected supply chain is critical to the success of our business and includes suppliers of raw materials, contract manufacturing, carriers, warehousing, distributors, and service providers. Supplying our operations requires moving significant volumes of raw and intermediate materials, including hazardous materials, around the globe to meet our customer needs.

As we consider our responsible procurement program, we focus on the UN SDGs and respective targets that most closely align with our vision of a sustainable supply chain. In particular, we consider SDG 6—Clean Water and Sanitation (targets 6.3 and 6.4), SDG 12—Responsible Consumption and Production (targets 12.4, 12.5, 12.6), SDG 13—Climate Action (targets 13.1 and 13.2), and to a lesser extent SDG 5—Gender Equality (targets 5.1, 5.5), SDG 8—Decent Work and Economic Growth (targets 8.4, 8.5, 8.7, 8.8), SDG 10—Reduced Inequalities (target 10.2), and SDG 15—Life on Land (targets: 15.1, 15.3, 15.5, and 15.8).

### 103-2 THE MANAGEMENT APPROACH AND ITS COMPONENTS

We realize that enabling a sustainable supply chain and demonstrating responsibility is more than just extending expectations to our suppliers. It requires that we set a strategy that addresses the unique needs of our internal and external stakeholders while advancing our responsible procurement ethos. Our strategy is critical to our vision:

**“We aspire to be a best-in-class procurement team, enabling sustainable value to Chemours through impactful partnerships with our business customers, suppliers, and the communities where we work and live.”**

Our vision reminds us that we focus on all our stakeholders as we endeavor to shape an environment that encourages and supports longer-term, more responsible performance.

## How We Work

Creating a best-in-class procurement organization requires that we set clear objectives for how we conduct procurement at Chemours. We set high standards for how we operate, and through our responsible procurement program, we expect our supplier partners to do the same. We choose to work with suppliers who:

- Provide a safe workplace and comply with all regulations
- Protect and advance human rights
- Share our commitment to environmental stewardship
- Collaborate with us for great results

One way we advance our responsible procurement strategy is through our 2030 CRC sustainable supply chain goal:

- Baseline the sustainability performance of 80% of our suppliers by spend and demonstrate 15% performance improvement

To achieve this aspiration, we are taking actions that support identification and selection of qualified suppliers, assess supplier sustainability performance, and help suppliers improve their performance. We measure supplier sustainability performance through our supplier corporate responsibility assessment (SCRA), conducted in partnership with EcoVadis, a leading provider of business sustainability ratings for global supply chains. Our SCRA evaluates suppliers across four ESG categories: social performance, ethical performance, environmental performance, and sustainable supply chain. At the end of the assessment, the supplier receives a scorecard with recommended opportunities to improve their ESG performance. The EcoVadis scorecard provides a detailed rating of the most effective improvement areas, and we expect suppliers to use this information to prioritize the opportunities that bring the greatest benefit to their performance. Our network of procurement champions helps engage new suppliers in the SCRA and shares supplier sustainability performance with our businesses. In addition to assessing supplier sustainability performance through EcoVadis, we assess our own performance.

As our responsible sourcing strategy matures, we are building more sophistication, such as automation, into our supplier onboarding and qualification process. By automating the end-to-end responsible procurement management system, we better aggregate supply chain risk and performance data, and ensure each supply chain partner is appropriately evaluated. This approach enables improved central reporting of supplier risk and performance to the CRLT, Senior Leadership Team, and Board of Directors.

## Governance

Our chief procurement officer (CPO) works directly with our CET and CRLT in setting the strategy, guiding our approach for responsible procurement, and operating the procurement function. Together, the CPO and our responsible procurement leaders establish internal supplier engagement processes and define our expectations for responsible supply chain operations. Our global procurement policy and [Supplier Code of Conduct](#) underpin this governance approach. These documents reflect Chemours' values and align with our company's broader [Code of Conduct](#) and policies. Read more about our values and policies in section [102-16](#) and our CRLT governance process in section [102-19](#).

Our global procurement policy outlines our responsible procurement principles and standards for our Global Procurement Team—providing clear, consistent rules for supplier engagement. The policy includes our strategy and expectations for suppliers, including supplier qualification, performance, diversity, and corporate responsibility. These expectations are communicated to suppliers through our Supplier Code of Conduct.

The Supplier Code of Conduct establishes clear expectations for our supply chain partners and invites them to join us in our commitment to work responsibly, with the needs of our stakeholders as our focus. We expect our suppliers to have a positive impact on their employees, their communities, and our planet through responsibly producing and delivering their products and services. We include our Supplier Code of Conduct in supplier agreements and strongly encourage suppliers to extend these standards throughout their own supply chain. To further enhance our communications with suppliers, we share our Supplier Code of Conduct and CPO commitment to the Supplier Code of Conduct on our external web-portal. We believe that thoughtful, clear, and consistent communication is critical to our relationship with suppliers and helps ensure alignment with our expectations.

Procurement integrates feedback from key stakeholders as part of our quality management approach. Supply chain partners are welcome to ask questions or report concerns through the [Chemours Ethics Hotline](#), the [suppliercenter@chemours.com](mailto:suppliercenter@chemours.com) mailbox, or routine business review meetings with procurement. We combine this feedback with the results from internal and external (e.g., RC 14001 and EcoVadis) assessments of our responsible procurement management system to evaluate our performance and identify opportunities for improvement. Read more about our responsible procurement management system certification as part our Responsible Care® RC 14001 certification discussed in section [403](#).



Our Chemours Assurance Services Team (i.e., internal audit) routinely audits the procurement function, as well as our Corporate Responsibility Commitments and progress. Identified improvement opportunities are tracked through completion. In addition, we assess the maturity of our responsible procurement management approach as part of our sustainable supply chain partnership with EcoVadis. Our sustainable procurement score from EcoVadis reflects above average performance, and we are leveraging these results to identify and prioritize areas for improvement.

We identify supplier sustainability issues through ethics hotline reports, EcoVadis assessments, and industry sources, or those self-reported by suppliers. Significant supplier sustainability issues within our supply chain are thoroughly reviewed to ensure identification of root cause and effective remediation to prevent reoccurrence. Examples of potential significant supplier sustainability issues may include unsafe work conditions, child or forced labor, and bribery and corruption. In 2019, we investigated two sustainable supply chain incidents and worked with the suppliers to ensure appropriate corrective actions were implemented.

In 2019, we began to refresh our Supplier Code of Conduct and we are publishing the updated code in 2020. We also began implementing a supplier data management system that will launch in 2021. The responsible procurement management system will simplify and standardize our supplier management processes by automating supplier onboarding, centralizing management and maintenance of supplier master data, and sending automated notifications to new strategic or high-risk suppliers to complete the SCRA. In addition, we plan to update our supplier contract language to include our responsible procurement expectations in new supplier contracts and existing supplier contract renewals. These actions will further clarify our expectations for a sustainable supply chain and embed them in our business relationships.

#### Progress Advancing Our 2030 Sustainable Sourcing Goal

During 2019, the first full year using our SCRA, we focused on incumbent suppliers with high spend. This allowed us to build a solid relationship with EcoVadis and gain a thorough understanding of their assessment scorecards. By the end of 2019, we grew supplier participation in the SCRA to cover 38.6% of our supply chain by spend, making significant progress toward part one of our goal to baseline 80% of suppliers by spend.

|   | 2018 baseline | 2019  | Progress toward 2030 goal   |
|---|---------------|-------|---|
| Baseline performance of 80% of suppliers by spend   | 5%            | 38.6% |  |
| 15% improvement supplier sustainability performance | 0%            | 0%    |  |

At or worse than base year  Behind schedule  On track 

In 2019, we focused on engaging existing suppliers and working to complete our performance baseline. As we advance our SCRA program, we are training the organization on how to engage suppliers to increase SCRA participation, discuss assessment results, and set improvement objectives. This focus will help the organization understand the insights provided by the assessment and how to use the assessment to drive meaningful improvement.

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## 204-1 PROPORTION OF SPENDING ON LOCAL SUPPLIERS

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We spend approximately 14% of our procurement budget with local suppliers (excluding utilities suppliers) in significant locations of operation. Chemours defines a local supplier as any supplier address in our supplier master database located within the same state (or equivalent state structure if outside the United States) as a significant location of Chemours operations, which includes our headquarters and operating sites. As we develop our supplier management program, we intend to improve our capability to capture the supplier demographic footprint and narrow our definition of a local supplier.

Through inclusion of small and diverse suppliers, we enhance innovation for our businesses and stimulate economic value for our communities. Chemours is committed to ensuring the fair inclusion and utilization of small and/or diverse businesses, many of which are located near our operations. In 2017, we baselined our procurement spend with women/minority suppliers at approximately 2%. Our 2019 spend with this portion of our supplier base was approximately 1% and an additional, approximate 2% of our procurement spend was with small businesses.

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## 308-1 NEW SUPPLIERS THAT WERE SCREENED USING ENVIRONMENTAL CRITERIA

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During 2019, the first full year using our SCRA, we focused on incumbent suppliers with high spend. This allowed us to build a solid relationship with EcoVadis and gain a thorough understanding of their assessment scorecards. By the end of 2019, we grew the supplier participation in the SCRA to cover 38.6% of our supply chain by spend. In 2021, we will finalize the automation of our new supplier onboarding program, which can automatically push a request for new suppliers to respond to the EcoVadis platform.

We rely on the independent and globally recognized methodology administered by EcoVadis to assess supplier environmental performance as part of our SCRA. Participating suppliers are assessed against the following categories: Energy Consumption and GHGs; Water; Biodiversity; Local and Accidental Pollution; Materials, Chemicals, and Waste; Product Use; Product End-of-Life; Customer Health and Safety; and Environmental Services and Advocacy.

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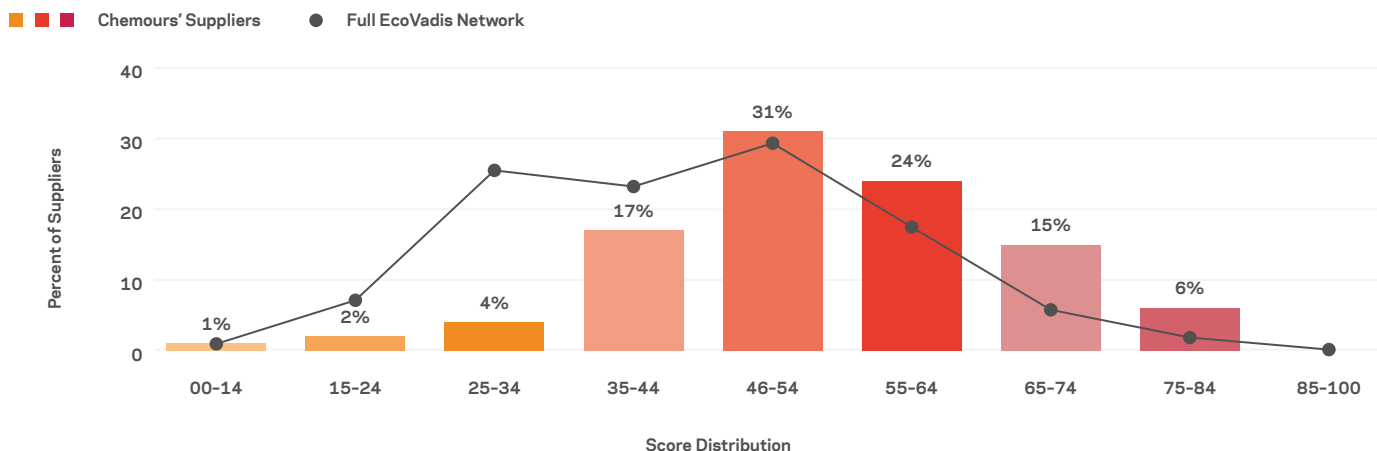
## 308-2 NEGATIVE ENVIRONMENTAL IMPACTS IN THE SUPPLY CHAIN AND ACTIONS TAKEN

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We assessed 38.6% of suppliers by spend through the SCRA program by the end of 2019, which included a supplier environmental performance evaluation. The assessment provides an environmental score and recommended action plan for individual suppliers to improve their performance. We plan to review assessment scores with suppliers during business review meetings and discuss mitigation options.

The average environmental score for our assessed suppliers was 52% (on a scale of 0 to 100). This is higher than the EcoVadis benchmark of 43% (based upon all the participating companies in their network). A total of 60% of our assessed suppliers have established environmental reporting and 45% of our assessed suppliers are ISO 14001 certified at one or more operational site. The breakdown of participating supplier scores is shown below by percentile, with the gray line showing average performance of all participating companies in the EcoVadis network.

## Supplier Environmental Practice Score Distribution



The average fair business practices score for our assessed suppliers is 48.0% (on a scale of 0 to 100). This is also higher than the EcoVadis benchmark of 40.5% (based upon all the participating companies in their network). A total of 55% of our suppliers have whistle-blowing procedures in place covering ethics.

### 414-1 NEW SUPPLIERS THAT WERE SCREENED USING SOCIAL CRITERIA

During 2019, the first full year using our SCRA, we focused on incumbent suppliers with high spend. This allowed us to build a solid relationship with EcoVadis and gain a thorough understanding of their assessment scorecards. By the end of 2019, we grew the supplier participation in the SCRA to cover 38.6% of our supply chain by spend. In 2021, we will finalize the automation of our new supplier onboarding program, which can automatically push a request for new suppliers to respond to the EcoVadis platform.

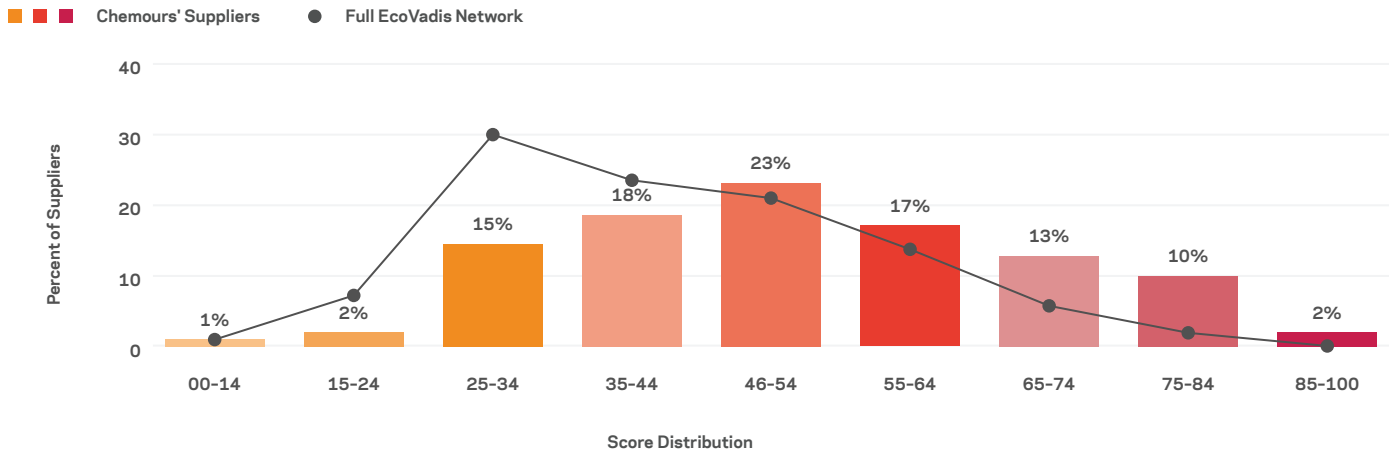
We rely on the independent and globally recognized methodology administered by EcoVadis to assess suppliers' Labor and Fair Business (i.e., social) performance as part of our SCRA. Participating suppliers are assessed against the following categories: Employee Health and Safety; Working Conditions; Social Dialogue; Career Management and Training; Child Labor, Forced Labor, and Human Trafficking; Diversity, Discrimination, and Harassment; and External Stakeholder Human Rights.

### 414-2 NEGATIVE SOCIAL IMPACTS IN THE SUPPLY CHAIN AND ACTIONS TAKEN

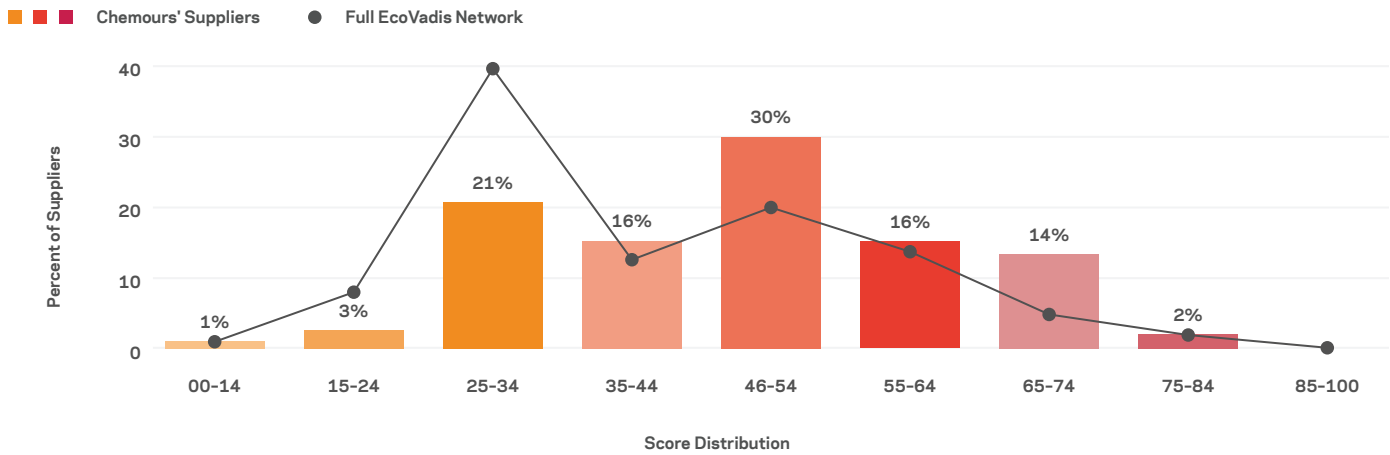
We assessed 38.6% of suppliers by spend through the SCRA program by the end of 2019. This assessment included a social performance evaluation. The assessment provides a Labor and Fair Business score and recommended action plan for individual suppliers to improve their performance. We plan to review assessment scores with suppliers during business review meetings and discuss improvement options.

The average labor practices score for our assessed suppliers is 54.0% (on a scale of 0 to 100). This is higher than the EcoVadis benchmark of 44.8% (based upon all the participating companies in their network). A total of 58% of our suppliers completing the assessment have established reporting on health and safety indicators. The breakdown of participating supplier scores shown below by percentile, with the gray lines showing average performance of all participating companies in the EcoVadis network.

## Supplier Labor Practice Score Distribution



## Supplier Fair Business Practice Score Distribution





# Other Reporting



# Sustainability Accounting Standards Board (SASB) Index



Our 2019 report marks the first time that Chemours has reported to the Sustainability Accounting Standards Board (SASB) framework—Chemicals Industry Standard Version 2018-10. The index below summarizes our metrics and highlights where more detailed information may be found in our report.

## Accounting Metrics

### Greenhouse gas emissions

| Accounting metric  | Code         | Response   |
|--|--------------|--|
| Gross scope 1 emissions  | RT-CH-110a.1 | 7,655,000 MT CO <sub>2</sub> e   |
| Percent gross scope 1 emissions covered under emissions-limiting regulations   | RT-CH-110a.1 | 5%   |
| Discussion of long-term and short-term strategy or plan to manage scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets | RT-CH-110a.2 | For information on our GHG accounting methodology and governance of GHG emissions, refer to the <a href="#">climate section</a> of our CRC report. |

### Air quality

| Accounting metric                | Code         | Response |
|----------------------------------|--------------|----------|
| Global NO <sub>x</sub> emissions | RT-CH-120a.1 | 2,100 MT |
| Global SO <sub>x</sub> emissions | RT-CH-120a.1 | 1,800 MT |
| Global VOC emissions             | RT-CH-120a.1 | 2,200 MT |
| US HAP emissions <sup>1</sup>    | RT-CH-120a.1 | 1,600 MT |

<sup>1</sup>US sites only. Data not available for international sites.

### Energy management

| Accounting metric           | Code         | Response              |
|-----------------------------|--------------|-----------------------|
| Total energy consumed       | RT-CH-130a.1 | 29,966,000 gigajoules |
| Percentage grid electricity | RT-CH-130a.1 | 14%                   |
| Percentage renewable energy | RT-CH-130a.1 | 1%                    |
| Total self-generated energy | RT-CH-130a.1 | 4,273,000 gigajoules  |

For additional information on our energy accounting methodology and actions to reduce our energy consumption and/or improve energy efficiency, refer to the [climate section](#) of our 2019 CRC report.

## Water management

| Accounting metric  | Code         | Response   |
|--|--------------|--|
| Total water withdrawn  | RT-CH-140a.1 | 272,000 thousand m <sup>3</sup>  |
| Total water consumed   | RT-CH-140a.1 | 56,000 thousand m <sup>3</sup>   |
| Percentage withdrawn in regions with high baseline water stress  | RT-CH-140a.1 | 3%   |
| Percentage consumed in regions with high baseline water stress   | RT-CH-140a.1 | 1%   |
| Number incidents of non-compliance with water quality permits, standards, and regulations                | RT-CH-140a.1 | 5  |
| Description of water management risks and discussion of strategies and practices to mitigate those risks | RT-CH-140a.1 | For information on our water stewardship approach and actions to reduce emissions to water, refer to the <a href="#">water section</a> of our 2019 CRC report. |

## Hazardous waste management

| Accounting metric                   | Code         | Response   |
|-------------------------------------|--------------|------------|
| Total hazardous waste generated     | RT-CH-150a.1 | 290,000 MT |
| Percentage hazardous waste recycled | RT-CH-150a.1 | 1%         |

For additional information on our hazardous waste accounting methodology and governance of solid waste emissions, refer to the [waste section](#) in our 2019 CRC report.

## Community relations

| Accounting metric  | Code         | Response   |
|--|--------------|--|
| Discussion of engagement processes to manage risks and opportunities associated with community interests | RT-CH-210a.1 | For information regarding our stakeholder engagement process, refer to the <a href="#">vibrant communities</a> and <a href="#">water sections</a> , and to <a href="#">sections 102-40-44</a> of the general standard disclosures, of our 2019 CRC report. |

## Workforce health and safety

| Accounting metric   | Code         | Response  |
|---|--------------|---|
| Employee total recordable incident rate <sup>1</sup>  | RT-CH-320a.1 | 0.27  |
| Employee fatality rate <sup>1</sup>   | RT-CH-320a.1 | 0   |
| Contractor total recordable incident rate <sup>1</sup>  | RT-CH-320a.1 | 0.32  |
| Contractor fatality rate <sup>1</sup>   | RT-CH-320a.1 | 0.02  |
| Description of efforts to assess, monitor, and reduce exposure of employees and contractors to long-term (chronic) health risks | RT-CH-320a.1 | For information on our safety programs, refer to the <a href="#">safety section</a> of our 2019 CRC report. |

<sup>1</sup>Rate defined as number of incidents per 100 workers per year.

## Operational safety, emergency preparedness and response

| Accounting metric                             | Code         | Response   |
|---|--------------|--|
| Total process safety incidents                | RT-CH-540a.1 | 2 tier 1 incidents<br>16 tier 2 incidents                      |
| Process safety total incident rate (PSIR)     | RT-CH-540a.1 | 0.02 tier 1 PSIR <sup>1</sup><br>0.14 tier 2 PSIR <sup>1</sup> |
| Process safety incident severity rate (PSISR) | RT-CH-540a.1 | Not applicable <sup>2</sup>                                    |
| Total transportation incidents <sup>3</sup>   | RT-CH-540a.2 | 6 incidents  |

<sup>1</sup>Rate is defined as number of events per 100 workers per year.

<sup>2</sup>The total severity weighting is determined and monitored for tier 1 process safety events but, given the limited utility of the severity rate calculation, it is excluded from performance indicators.

<sup>3</sup>Chemours uses American Chemistry Council (ACC) Metrics for Scoring DOT 5800.1 Incident Reports to define transportation incidents.

For additional information on our process safety methodology, governance of process safety, and transportation safety governance, refer to the [safety section](#) of our 2019 CRC report.

## Product design for use-phase efficiency

| Accounting metric  | Code         | Response   |
|--|--------------|--|
| Revenue from products designed for use-phase resource efficiency | RT-CH-410a.1 | We continue to invest in research and development aimed at products that are designed to increase resource efficiency during their use-phase. For more information, refer to the <a href="#">sustainable offerings section</a> of our 2019 CRC report. |

## Safety and environmental stewardship of chemicals

| Accounting metric  | Code         | Response   |
|--|--------------|--|
| Percentage of products by revenue that contain Globally Harmonized System of Classification and Labeling of Chemicals categories 1 and 2 Health and Environmental Hazardous Substances | RT-CH-410b.1 | For more information, refer to the <a href="#">sustainable offerings section</a> of our 2019 CRC report. |
| Percentage of such products that have undergone a hazard assessment  | RT-CH-410b.1 | 100%   |
| Discussion of strategy to manage chemicals of concern  | RT-CH-410b.2 | Refer to the <a href="#">sustainable offerings section</a> of our 2019 CRC report.                       |
| Discussion of strategy to develop alternatives with reduced human and/or environmental impact  | RT-CH-410b.2 | Refer to the <a href="#">sustainable offerings section</a> of our 2019 CRC report.                       |

## Management of the legal and regulatory environment

| Accounting metric  | Code         | Response  |
|--|--------------|---|
| Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry | RT-CH-530a.1 | Refer to <a href="#">sections 102-18, 19</a> of the general standard disclosures, as well as the <a href="#">environmental compliance section</a> of our 2019 CRC report. |

## Genetically modified organisms

| Accounting metric  | Code         | Response   |
|--|--------------|--|
| Percentage of products by revenue that contain genetically modified organisms (GMOs) | RT-CH-410c.1 | Not applicable—Chemours does not produce any products that contain GMOs. |

## Activity Metrics

### Production by reportable segment

| Accounting metric   | Code        | Response     |
|---------------------|-------------|--------------|
| Chemours production | RT-CH-000.A | 1,685,000 MT |

# UN Global Compact Communications on Progress




On October 8, 2018, Chemours became a United Nations Global Compact (UNGC) participant. As such, we commit to annual reporting on our progress toward implementing the UNGC's 10 principles covering human rights, child and forced labor, the environment, and anti-corruption.

This 2019 CRC report serves as our annual UNGC Communication on Progress, describing our actions to integrate the UNGC and its principles into our business strategy, culture, and daily operations.

Chemours applies the standards of the UNGC to our Code of Conduct; our business ethics policies; our human resources policies; our environmental, health, safety, and corporate responsibility policy; and our responsible procurement program. Read more about our policies in section 102-16 and our implementation strategy for each of the UNGC principles in the sections referenced below.

**Read more about our Corporate Responsibility Commitment in our [letter from our president and CEO](#).**

COMMUNICATION  
ON PROGRESS



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

We welcome feedback on its contents.

| Principle | Principle description  | Content Index   |
|-----------|--|---|
| 1         | Businesses should support and respect the protection of internationally proclaimed human rights.                         | <ul style="list-style-type: none"> <li>▪ <a href="#">Organizational Profile</a></li> <li>▪ <a href="#">Reporting Practices</a></li> <li>▪ <a href="#">Empowered Employees</a></li> <li>▪ <a href="#">Sustainable Offerings</a></li> <li>▪ <a href="#">Safety Excellence</a></li> <li>▪ <a href="#">Sustainable Supply Chain</a></li> </ul>  |
| 2         | Businesses should make sure they are not complicit in human rights abuses.   | <ul style="list-style-type: none"> <li>▪ <a href="#">Organizational Profile</a></li> <li>▪ <a href="#">Ethics and Integrity</a></li> <li>▪ <a href="#">Reporting Practices</a></li> <li>▪ <a href="#">Sustainable Supply Chain</a></li> </ul>   |
| 3         | Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. | <ul style="list-style-type: none"> <li>▪ <a href="#">Organizational Profile</a></li> <li>▪ <a href="#">Ethics and Integrity</a></li> <li>▪ <a href="#">Vibrant Communities</a></li> <li>▪ <a href="#">Reporting Practices</a></li> <li>▪ <a href="#">Empowered Employees</a></li> <li>▪ <a href="#">Sustainable Supply Chain</a></li> </ul> |

| Principle | Principle description   | Content Index   |
|-----------|---|---|
| 4         | Businesses should uphold the elimination of all forms of forced and compulsory labor.               | <ul style="list-style-type: none"> <li>▪ <a href="#">Organizational Profile</a></li> <li>▪ <a href="#">Ethics and Integrity</a></li> <li>▪ <a href="#">Reporting Practices</a></li> <li>▪ <a href="#">Sustainable Supply Chain</a></li> </ul>   |
| 5         | Businesses should uphold the effective abolition of child labor.                                    | <ul style="list-style-type: none"> <li>▪ <a href="#">Organizational Profile</a></li> <li>▪ <a href="#">Ethics and Integrity</a></li> <li>▪ <a href="#">Reporting Practices</a></li> <li>▪ <a href="#">Sustainable Supply Chain</a></li> </ul>   |
| 6         | Businesses should uphold the elimination of discrimination in respect of employment and occupation. | <ul style="list-style-type: none"> <li>▪ <a href="#">Organizational Profile</a></li> <li>▪ <a href="#">Ethics and Integrity</a></li> <li>▪ <a href="#">Reporting Practices</a></li> <li>▪ <a href="#">Empowered Employees</a></li> <li>▪ <a href="#">Sustainable Supply Chain</a></li> </ul>  |
| 7         | Businesses should support a precautionary approach to environmental challenges.                     | <ul style="list-style-type: none"> <li>▪ <a href="#">Organizational Profile</a></li> <li>▪ <a href="#">Reporting Practices</a></li> <li>▪ <a href="#">Climate</a></li> <li>▪ <a href="#">Sustainable Offerings</a></li> <li>▪ <a href="#">Sustainable Supply Chain</a></li> <li>▪ <a href="#">Waste</a></li> <li>▪ <a href="#">Water</a></li> </ul>   |
| 8         | Businesses should undertake initiatives to promote greater environmental responsibility.            | <ul style="list-style-type: none"> <li>▪ <a href="#">Organizational Profile</a></li> <li>▪ <a href="#">Ethics and Integrity</a></li> <li>▪ <a href="#">Reporting Practices</a></li> <li>▪ <a href="#">Climate</a></li> <li>▪ <a href="#">Sustainable Offerings</a></li> <li>▪ <a href="#">Sustainable Supply Chain</a></li> <li>▪ <a href="#">Waste</a></li> <li>▪ <a href="#">Water</a></li> </ul> |
| 9         | Businesses should encourage the development and diffusion of environmentally friendly technologies. | <ul style="list-style-type: none"> <li>▪ <a href="#">Organizational Profile</a></li> <li>▪ <a href="#">Ethics and Integrity</a></li> <li>▪ <a href="#">Reporting Practices</a></li> <li>▪ <a href="#">Climate</a></li> <li>▪ <a href="#">Sustainable Supply Chain</a></li> <li>▪ <a href="#">Waste</a></li> <li>▪ <a href="#">Water</a></li> </ul>  |
| 10        | Businesses should work against corruption in all its forms, including extortion and bribery.        | <ul style="list-style-type: none"> <li>▪ <a href="#">Organizational Profile</a></li> <li>▪ <a href="#">Ethics and Integrity</a></li> <li>▪ <a href="#">Governance</a></li> <li>▪ <a href="#">Reporting Practices</a></li> <li>▪ <a href="#">Sustainable Supply Chain</a></li> </ul>   |

# Chemours 2019 Performance Scorecard





| Business Overview (USD in Millions)           | FY2017 | FY2018 | FY2019 | 2030 Goal Progress |
|---|--------|--------|--------|--------------------|
| <b>Economic Value Generated</b>               |        |        |        |                    |
| Net Sales                                     | 6,183  | 6,638  | 5,526  |                    |
| Adjusted EBITDA                               | 1,422  | 1,740  | 1,020  |                    |
| <b>Economic Value Distributed</b>             |        |        |        |                    |
| Operating Costs <sup>1</sup>                  | 5,121  | 5,373  | 5,098  |                    |
| Research and Development                      | 81     | 82     | 80     |                    |
| Payments to Providers of Capital <sup>2</sup> | 370    | 1,718  | 877    |                    |
| Payments to Governments <sup>3</sup>          | 79     | 75     | 85     |                    |
| Capital Expenditures                          | 411    | 498    | 481    |                    |
| <b>Economic Value Retained</b>                |        |        |        |                    |
| Change in Retained Earnings <sup>4</sup>      | 693    | 887    | -217   |                    |

| Inspired People  | FY2017       | FY2018       | FY2019       | 2030 Goal Progress |
|--|--------------|--------------|--------------|--------------------|
| <b>Empowered Employees</b>   |              |              |              |                    |
| Total Number Employees at Year End <sup>5</sup>                                    | -            | 7,021        | 6,953        |                    |
| <b>Women in Total Global Workforce<sup>5</sup></b>                                 | -            | <b>22%</b>   | <b>22%</b>   | 🟡                  |
| Women in Global Leadership Team <sup>5</sup>                                       | -            | 33%          | 33%          |                    |
| Women in Chemours Executive Team   | 13%          | 13%          | 13%          |                    |
| Women on the Board of Directors  | 25%          | 25%          | 33%          |                    |
| <b>Ethnic Diversity in Total US Workforce<sup>5</sup></b>                          | -            | <b>19%</b>   | <b>19%</b>   | 🟡                  |
| Ethnic Diversity in US Leadership Team <sup>5</sup>                                | -            | 26%          | 21%          |                    |
| Ethnic Diversity in Chemours Executive Team  | 13%          | 13%          | 25%          |                    |
| Ethnic Diversity on the Board of Directors   | 13%          | 13%          | 11%          |                    |
| Workplace Culture—Survey Participation   | 72%          | 80%          | 89%          |                    |
| Workplace Culture—Benchmark Ranking  | 2nd Quartile | 2nd Quartile | 2nd Quartile |                    |
| <b>Vibrant Communities</b>   |              |              |              |                    |
| Charitable Giving (USD in Millions) <sup>5</sup>                                   | -            | 2.1          | 2.5          |                    |
| <b>Cumulative Charitable Giving toward 2030 Goal (USD in Millions)<sup>5</sup></b> | -            | <b>0</b>     | <b>2.5</b>   | 🔴                  |
| Chemours—Supported Employee Volunteering (Hours) <sup>5</sup>                      | -            | 5,860        | 5,417        |                    |

At or worse than base year 🟡 Behind schedule 🔴 On track 🟢




| Inspired People  | FY2017      | FY2018      | FY2019      | 2030 Goal Progress  |
|--|-------------|-------------|-------------|---|
| <b>Safety Excellence</b>   |             |             |             |   |
| <b>Employee Total Reportable Incident Rate<br/>(Number of events per 100 workers per year)</b>   | <b>0.26</b> | <b>0.28</b> | <b>0.27</b> |  |
| Employee Lost Time Incident Rate<br>(Number of events per 100 workers per year)                  | 0.03        | 0.05        | 0.03        |   |
| Employee Fatalities  | 0           | 0           | 0           |   |
| <b>Contractor Total Reportable Incident Rate<br/>(Number of events per 100 workers per year)</b> | <b>0.31</b> | <b>0.23</b> | <b>0.32</b> |  |
| Contractor Lost Time Incident Rate<br>(Number of events per 100 workers per year)                | 0.09        | 0           | 0.02        |   |
| Contractor Fatalities  | 0           | 0           | 1           |   |
| <b>Tier 1 Process Safety Event Rate<br/>(Number of events per 100 workers per year)</b>          | <b>0.01</b> | <b>0.04</b> | <b>0.02</b> |  |
| Tier 2 Process Safety Event Rate<br>(Number of events per 100 workers per year)                  | 0.10        | 0.11        | 0.14        |   |
| <b>Distribution Incidents</b>  | <b>7</b>    | <b>3</b>    | <b>6</b>    |  |
| Total Number Significant Spills  | 0           | 0           | 0           |   |




| Shared Planet  | FY2017     | FY2018    | FY2019    | 2030 Goal Progress |
|--|------------|-----------|-----------|--------------------|
| <b>Energy Use</b>  |            |           |           |                    |
| Total Purchased Electricity Use (MWh)  | 1,627,000  | 1,608,000 | 1,549,000 |                    |
| Electricity Use—Nonrenewable Sources (MWh)   | 1,546,000  | 1,524,000 | 1,467,000 |                    |
| Electricity Use—Renewable Sources (MWh)  | 81,000     | 84,000    | 82,000    |                    |
| Renewables as Percent of Total Electricity Use   | 5%         | 5%        | 5%        |                    |
| Total Fuel Use (MWh)   | 5,507,000  | 5,181,000 | 4,560,000 |                    |
| Fuel Use—Nonrenewable Sources (MWh)  | 5,370,000  | 5,085,000 | 4,481,000 |                    |
| Fuel Use—Renewable Sources (MWh)   | 137,000    | 96,000    | 79,000    |                    |
| Total Purchased Steam Use (MWh)  | 2,736,000  | 2,583,000 | 2,215,000 |                    |
| Total Energy Use (MWh)   | 9,870,000  | 9,372,000 | 8,324,000 |                    |
| US Energy Use  | 7,470,000  | 7,302,000 | 6,646,000 |                    |
| Outside US Energy Use  | 2,400,000  | 2,070,000 | 1,678,000 |                    |
| Energy Intensity (MWh / Metric Tons of Sales Product)  | 4.19       | 4.70      | 4.94      |                    |
| Renewables as Percent of Total Energy Use  | 2%         | 2%        | 2%        |                    |
| <b>Greenhouse Gas Emissions</b>  |            |           |           |                    |
| Direct (Scope 1) GHG Emissions (Metric Tons of CO <sub>2</sub> e)                                      | 10,097,000 | 8,366,000 | 7,655,000 |                    |
| Indirect (Scope 2) GHG Emissions (Metric Tons of CO <sub>2</sub> e)                                    | 1,657,000  | 1,458,000 | 1,233,000 |                    |
| Total Scope 1 and 2 GHG Emissions (Metric Tons of CO <sub>2</sub> e)                                   | 11,754,000 | 9,824,000 | 8,888,000 |                    |
| US GHG Emissions (Metric Tons of CO <sub>2</sub> e)  | 10,319,000 | 8,444,000 | 7,602,000 |                    |
| Outside US GHG Emissions (Metric Tons of CO <sub>2</sub> e)  | 1,435,000  | 1,380,000 | 1,286,000 |                    |
| Total Scope 1 and 2 GHG Intensity<br>(Metric Tons of CO <sub>2</sub> e / Metric Tons of Sales Product) | 4.99       | 4.93      | 5.27      |                    |
| Total Scope 1 and 2 GHG Intensity<br>(Metric Tons of CO <sub>2</sub> e / \$ Net Sales)                 | 0.0019     | 0.0015    | 0.0016    |                    |

At or worse than base year  Behind schedule  On track 

| Shared Planet  | FY2017      | FY2018       | FY2019      | 2030 Goal Progress |
|--|-------------|--------------|-------------|--------------------|
| <b>Greenhouse Gas Emissions</b>  |             |              |             |                    |
| Total Scope 1 and 2 GHG Intensity<br>(Metric Tons of CO <sub>2</sub> e / \$ Adjusted EBIDTA)   | 8,266       | 5,646        | 8,714       |                    |
| <b>2018 Adjusted Scope 1 and 2 GHG Intensity<br/>(Metric Tons of CO<sub>2</sub>e / Metric Tons of Sales Product)<sup>5,7</sup></b>   | -           | <b>4.74</b>  | <b>5.27</b> | 🟡                  |
| Indirect (Scope 3) GHG Emissions<br>(Million Metric Tons of CO <sub>2</sub> e)   | 162         | 165          | 155         |                    |
| Total Scope 1, 2, and 3 GHG Emissions<br>(Million Metric Tons of CO <sub>2</sub> e)  | 173         | 175          | 164         |                    |
| Avoided GHG Emissions Enabled by Products<br>(Million Metric Tons of CO <sub>2</sub> e)  | 20          | 34           | 27          |                    |
| <b>Carbon-Positive Indicator: Avoided GHG Emissions—Scope 1, 2, and 3 GHG Emissions<br/>(Million Metric Tons of CO<sub>2</sub>e)</b> | <b>-153</b> | <b>-141</b>  | <b>-137</b> | 🔴                  |
| <b>Air Emissions</b>   |             |              |             |                    |
| <b>Total Fluorinated Organic Compound Process Emissions to Air (Metric Tons)<sup>5</sup></b>   | -           | <b>1,033</b> | <b>972</b>  | 🔴                  |
| Total NO <sub>x</sub> + SO <sub>x</sub> Emissions (Metric Tons)  | 2,800       | 3,600        | 3,900       |                    |
| Total NO <sub>x</sub> Emissions (Metric Tons)  | 2,000       | 1,800        | 2,100       |                    |
| Total SO <sub>x</sub> Emissions (Metric Tons)  | 800         | 1,800        | 1,800       |                    |
| Total Volatile Organic Carbon Emissions (Metric Tons)  | 3,300       | 3,000        | 2,400       |                    |
| US Hazardous Air Pollutants (Metric Tons)  | 1,800       | 1,800        | 1,600       |                    |
| <b>Water Stewardship</b>   |             |              |             |                    |
| Total Water Use (Megaliters) <sup>5</sup>  | -           | 301,000      | 300,000     |                    |
| Total Water Withdrawals (Megaliters) <sup>6</sup>  | 254,000     | 273,000      | 272,000     |                    |
| Total Water Recycled (Megaliters) <sup>5</sup>   | -           | 32,000       | 28,000      |                    |
| Total Water Discharged (Megaliters) <sup>5</sup>   | -           | 250,000      | 262,000     |                    |
| Total Water Consumption (Megaliters) <sup>6</sup>  | 45,000      | 62,000       | 56,000      |                    |
| Water Use Intensity<br>(Megaliters / Metric Tons of Sales Product) <sup>5</sup>  | -           | 0.15         | 0.16        |                    |
| Number of Sites in Stressed Watersheds per Aqueduct Screen <sup>5</sup>  | -           | 8            | 7           |                    |
| Stressed Watershed Withdrawals/Total Withdrawals <sup>5</sup>  | -           | 5%           | 3%          |                    |
| <b>Total Fluorinated Organic Compound Emissions to Water (Metric Tons)<sup>5,8</sup></b>   | -           | <b>556</b>   | <b>548</b>  | 🔴                  |
| <b>Waste Generation</b>  |             |              |             |                    |
| Total Waste Generated (Metric Tons) <sup>6</sup>   | 1,453,000   | 1,508,000    | 1,279,000   |                    |
| Total Waste to Landfills (Metric Tons) <sup>6</sup>  | 991,000     | 977,000      | 860,000     |                    |
| Total Waste to Incineration/Controlled Combustion<br>(Metric Tons)   | 32,000      | 33,000       | 26,000      |                    |
| Total Waste to Deep Wells (Metric Tons)  | 415,000     | 399,000      | 275,000     |                    |
| Total Waste to Other Disposal Methods (Metric Tons) <sup>5</sup>   | -           | 17           | 0           |                    |
| Total Waste Recycled (Metric Tons) <sup>5</sup>  | 11,000      | 94,000       | 115,000     |                    |
| Total Waste Incinerated for Energy Recovery (Metric Tons)  | 4,000       | 5,000        | 3,000       |                    |
| Total Waste Intensity<br>(Metric Tons / Metric Tons of Sales Product)  | 0.62        | 0.75         | 0.76        |                    |

At or worse than base year 🟡 Behind schedule 🔴 On track 🟢

| Shared Planet   | FY2017      | FY2018      | FY2019      | 2030 Goal Progress  |
|---|-------------|-------------|-------------|---|
| <b>Waste Generation</b>   |             |             |             |   |
| Total Hazardous Waste Generated (Metric Tons)   | 429,000     | 408,000     | 290,000     |   |
| Hazardous Waste Recycled/Recovered (Metric Tons)  | 0           | 1,000       | 3,000       |   |
| Total Nonhazardous Waste Generated (Metric Tons) <sup>6</sup>                             | 1,024,000   | 1,100,000   | 989,000     |   |
| Nonhazardous Waste Recycled/Recovered (Metric Tons) <sup>6</sup>                          | 11,000      | 93,000      | 112,000     |   |
| Total Waste Volume to Landfills (m <sup>3</sup> ) <sup>6</sup>                            | 883,000     | 726,000     | 626,000     |   |
| <b>Landfill Volume Intensity (m<sup>3</sup>/Metric Tons of Sales Product)<sup>6</sup></b> | <b>0.37</b> | <b>0.36</b> | <b>0.37</b> |  |

| Evolved Portfolio <sup>5</sup>                                 | FY2017 | FY2018      | FY2019       | 2030 Goal Progress  |
|--|--------|-------------|--------------|---|
| <b>Sustainable Offerings</b>                                   |        |             |              |   |
| <b>Revenue from Products that Support the UN SDGs</b>          | -      | <b>9.5%</b> | <b>10.4%</b> |  |
| Products Sold in Renewable/Reusable Packaging                  | -      | 47%         | 48%          |   |
| <b>Sustainable Supply Chain</b>                                |        |             |              |   |
| <b>Procurement Spend Covered by Sustainability Assessments</b> | -      | <b>5%</b>   | <b>39%</b>   |  |
| Procurement Spend with Local Suppliers                         | -      | 16%         | 14%          |   |
| <b>Improvement in Supplier Sustainability Score</b>            | -      | <b>0%</b>   | <b>0%</b>    |  |

<sup>1</sup>Operating Costs is comprised of cost of goods sold, selling, general, and administrative expense, and restructuring, asset-related, and other charges, as disclosed in the Company's Annual Reports on Form 10-K for the years ended December 31, 2019 and 2018.

<sup>2</sup>Payments to Providers of Capital is comprised of cash paid for interest (net of amounts capitalized), debt repayments, debt extinguishments, debt issuance costs, revolving loan repayments, dividends, and purchases of treasury stock, as disclosed in the Company's Annual Reports on Form 10-K for the years ended December 31, 2019 and 2018.

<sup>3</sup>Payments to Governments is comprised of cash paid for income taxes (net of refunds), as disclosed in the Company's Annual Reports on Form 10-K for the years ended December 31, 2019 and 2018.

<sup>4</sup>Economic Value Retained reflects the change in retained earnings, as disclosed in the Company's Annual Reports on Form 10-K for the years ended December 31, 2019 and 2018. Economic Value Retained does not represent Economic Value Generated less Economic Value Distributed, as not all financial impacts are reflected within the metrics included above. Refer to the Company's Annual Reports on Form 10-K for the years ended December 31, 2019 and 2018 for further information.

<sup>5</sup>Data not available for all reporting years.

<sup>6</sup>We are restating our historic planet data because of improved data completeness and quality.

<sup>7</sup>Values adjusted to remove contributions from a one-time emissions release event in 2018.

<sup>8</sup>Includes 525 metric tons of emissions currently captured and sent off-site for deep-well injection.

**Bolded entries represent our 2018 baseline values and progress for our 2030 CRC goals.**

At or worse than base year  Behind schedule  On track 

# Report Resources



## Our Commitment to Transparency

### Inspired People

- [Code of Conduct](#)
- [Ethics Hotline](#)
- [Environment, Health, Safety, and Corporate Responsibility Policy](#)
- [Environment, Health, and Safety Management System Certifications](#)
- [Inclusive Environment and Nondiscrimination Policy](#)
- [Statement on Human Rights](#)
- [Statement of Principles on Child Labor, Forced Labor, and Modern Slavery](#)
- [Investor Relations](#)
- [SEC Filings: 10-K, 10Q](#)
- [2020 Proxy Statement](#)
- [2018 GRI Content Index](#)
- [2018 CRC Report](#)

### Shared Planet

- [Climate Change: Our Pledge](#)
- [Environment Management System Certifications](#)

### Evolved Portfolio

- [Animal Use Principles](#)
- [Conflict Minerals: Specialized Disclosure Report](#)
- [Quality Management System Certifications](#)
- [REACH General Statement](#)
- [Statement on California Transparency in Supply Chains Act](#)
- [Statement on Conflict Minerals](#)
- [Substances of Very High Concern \(SVHC\) General Statement](#)
- [Supplier Code of Conduct](#)

## Acronyms

|                              |   |                         |   |
|------------------------------|---|-------------------------|---|
| <b>A2E</b> .....             | Ability to Execute  | <b>COVID-19</b> .....   | Coronavirus Disease 2019  |
| <b>ACC</b> .....             | American Chemistry Council                                | <b>CPO</b> .....        | Chief Procurement Officer                                       |
| <b>AIChE</b> .....           | American Institute for Chemical Engineering               | <b>CRC</b> .....        | Corporate Responsibility Commitment                             |
| <b>ANSI</b> .....            | American National Standards Institute                     | <b>CRLT</b> .....       | Corporate Responsibility Leadership Team                        |
| <b>APAC</b> .....            | Asia-Pacific  | <b>DEQ</b> .....        | Department of Environmental Quality                             |
| <b>APEC</b> .....            | Asia-Pacific Economic Cooperation                         | <b>DSST</b> .....       | Distribution Safety Strategy Team                               |
| <b>AR4</b> .....             | IPCC Fourth Assessment Report                             | <b>EHS</b> .....        | Environmental, Health, and Safety                               |
| <b>BCC</b> .....             | Belle Chemical Company                                    | <b>EHS&amp;CR</b> ..... | Environmental, Health, Safety, and Corporate Responsibility     |
| <b>BLS</b> .....             | Bureau of Labor Statistics                                | <b>EMEA</b> .....       | Europe, Middle East, and Africa                                 |
| <b>CAB</b> .....             | Community Advisory Board                                  | <b>EMR</b> .....        | Experience Modification Rating                                  |
| <b>CAER</b> .....            | Community Awareness Emergency Response                    | <b>EP&amp;R</b> .....   | Emergency Preparedness and Response                             |
| <b>CAESER</b> .....          | Center for Applied Earth Science and Engineering Research | <b>EPA</b> .....        | Environmental Protection Agency                                 |
| <b>CBEN</b> .....            | Chemours Black Employee Network                           | <b>EBITDA</b> .....     | Earnings Before Interest, Taxes, Depreciation, and Amortization |
| <b>CC</b> .....              | Chemours Company  | <b>ERG</b> .....        | Employee Resource Group   |
| <b>CCO</b> .....             | Chief Compliance Officer                                  | <b>ERM</b> .....        | Enterprise Risk Management                                      |
| <b>CEO</b> .....             | Chief Executive Officer                                   | <b>ERT</b> .....        | Emergency Response Team   |
| <b>CET</b> .....             | Chemours Executive Team                                   | <b>ESG</b> .....        | Environmental, Social, and Governance                           |
| <b>CFC</b> .....             | Chlorofluorocarbon  | <b>FIBC-D</b> .....     | Dissipative Flexible Intermediate Bulk Containers               |
| <b>CH<sub>4</sub></b> .....  | Methane   | <b>FOC</b> .....        | Fluorinated Organic Compound                                    |
| <b>CLARO</b> .....           | Chemours Latin American Resource Organization             | <b>FWCC</b> .....       | Fish and Wildlife Conservation Commission                       |
| <b>CO<sub>2</sub></b> .....  | Carbon Dioxide  | <b>GHG</b> .....        | Greenhouse Gas  |
| <b>CO<sub>2</sub>e</b> ..... | Carbon Dioxide Equivalent                                 | <b>GMO</b> .....        | Genetically Modified Organism                                   |
| <b>COE</b> .....             | Center of Excellence                                      |                         |   |

|                             |  |                              |   |
|-----------------------------|--|------------------------------|---|
| <b>GRI</b> .....            | Global Reporting Initiative                                | <b>PSIR</b> .....            | Process Safety Total Incident Rate  |
| <b>GWP</b> .....            | Global Warming Potential                                   | <b>PSISR</b> .....           | Process Safety Incident Severity Rate   |
| <b>HAP</b> .....            | Hazardous Air Pollutant                                    | <b>PSRA</b> .....            | Product Sustainability Risk Assessment  |
| <b>HBCUs</b> .....          | Historically Black Colleges and Universities               | <b>R&amp;D</b> .....         | Research and Development  |
| <b>HCFC</b> .....           | Hydrochlorofluorocarbon                                    | <b>RC</b> .....              | Responsible Care®   |
| <b>HFC</b> .....            | Hydrofluorocarbon  | <b>SASB</b> .....            | Sustainability Accounting Standards Board                                     |
| <b>HFO</b> .....            | Hydrofluoroolefin  | <b>SCRA</b> .....            | Supplier Corporate Responsibility Assessment                                  |
| <b>HR</b> .....             | Human Resources  | <b>SDG</b> .....             | Sustainable Development Goal  |
| <b>ICCA</b> .....           | International Council of Chemical Associations             | <b>SDS</b> .....             | Safety Data Sheet   |
| <b>ICMC</b> .....           | International Cyanide Management Code                      | <b>SEC</b> .....             | Security and Exchange Commission  |
| <b>IEC</b> .....            | International Electrotechnical Commission                  | <b>SF<sub>6</sub></b> .....  | Sulfur Hexafluoride   |
| <b>ILO</b> .....            | International Labour Organization                          | <b>SFST</b> .....            | Shop Floor Safety Team  |
| <b>IP</b> .....             | Internet Protocol  | <b>SMART</b> .....           | Specific, Measurable, Actionable, Realistic, and Time-Bound                   |
| <b>IPCC</b> .....           | Intergovernmental Panel on Climate Change                  | <b>SO<sub>x</sub></b> .....  | Sulfur Oxides   |
| <b>ISO</b> .....            | International Organization for Standardization             | <b>STAR</b> .....            | Science, Technology, and Advanced Research                                    |
| <b>IUCN</b> .....           | International Union for the Conservation of Nature         | <b>STEM</b> .....            | Science, Technology, Engineering, and Math                                    |
| <b>LCA</b> .....            | Life Cycle Assessment                                      | <b>SVHC</b> .....            | Substance of Very High Concern  |
| <b>LGBTQA</b> .....         | Lesbian, Gay, Bisexual, Transgender, Questioning, and Ally | <b>SVPHR</b> .....           | Senior Vice President of Human Resources                                      |
| <b>LRQA</b> .....           | Lloyd's Register Quality Assurance                         | <b>TfS</b> .....             | Together for Sustainability   |
| <b>LWCR</b> .....           | Lost Workday Cases Rate                                    | <b>TiO<sub>2</sub></b> ..... | Titanium Dioxide  |
| <b>m<sup>3</sup></b> .....  | Cubic Meter  | <b>TRIR</b> .....            | Total Recordable Incident Rate  |
| <b>MT</b> .....             | Metric Ton   | <b>UGA</b> .....             | University of Georgia   |
| <b>MWh</b> .....            | Megawatt-Hour  | <b>UL</b> .....              | Underwriters Laboratories   |
| <b>N<sub>2</sub>O</b> ..... | Nitrous Oxide  | <b>UN</b> .....              | United Nations  |
| <b>NAICS</b> .....          | North American Industry Classification System              | <b>UNESCO</b> .....          | United Nations Educational, Scientific and Cultural Organization              |
| <b>NCDEQ</b> .....          | North Carolina Department of Environmental Quality         | <b>UNGC</b> .....            | United Nations Global Compact   |
| <b>NF<sub>3</sub></b> ..... | Nitrogen Trifluoride                                       | <b>US</b> .....              | United States   |
| <b>NGO</b> .....            | Nongovernmental Organization                               | <b>USDA</b> .....            | United States Department of Agriculture                                       |
| <b>NO<sub>x</sub></b> ..... | Nitrogen Oxides  | <b>VOC</b> .....             | Volatile Organic Compound   |
| <b>NYSE</b> .....           | New York Stock Exchange                                    | <b>VP</b> .....              | Vice President  |
| <b>OECD</b> .....           | Organization for Economic Co-operation and Development     | <b>VPEHS&amp;CR</b> .....    | Vice President of Environmental, Health, Safety, and Corporate Responsibility |
| <b>OH&amp;S</b> .....       | Occupational Health and Safety                             | <b>VPP</b> .....             | Voluntary Protection Program  |
| <b>OHSAS</b> .....          | Occupational Health and Safety Assessment Series           | <b>WBCSD</b> .....           | World Business Council of Sustainable Development                             |
| <b>OSHA</b> .....           | Occupational Safety and Health Administration              | <b>WHC</b> .....             | Wildlife Habitat Council  |
| <b>PFAS</b> .....           | Perfluoroalkyl Substances                                  | <b>WMA</b> .....             | Wildlife Management Area  |
| <b>PFC</b> .....            | Perfluorocarbon  | <b>WRI</b> .....             | World Resources Institute   |
| <b>PHA</b> .....            | Process Hazard Analysis                                    | <b>WWF</b> .....             | World Wildlife Fund   |
| <b>PMP</b> .....            | Performance Management Process                             |                              |   |

## General Definitions

### American Chemistry Council (ACC)

The ACC represents a diverse set of companies engaged in the business of chemistry.

### bluesign®

The bluesign® system is the solution for sustainable textile production. It eliminates harmful substances right from the beginning of the manufacturing process and sets and controls standards for environmentally friendly and safe production.

### Carbon Footprint

The total amount of direct and indirect GHG emissions, expressed as CO<sub>2</sub>e.

### CEO Action for Diversity & Inclusion

A coalition of more than 1,000 CEOs, who have committed to taking actions to advance diversity and inclusion in the workplace.

### Chemours Environment, Health, and Safety Excellence Award

This award is given to plants that reach the top quartile of performance using the ACC industry safety metrics.

## Deep Injection Well

Class-one underground injection wells are used to inject hazardous and nonhazardous waste into deep, isolated rock formations that are thousands of feet below the lowermost underground source of drinking water. The injection zone is separated from any aquifers by an impermeable “cap” rock called the “confining layer,” along with additional layers of permeable and impermeable rock and sediment.

## Fluorinated Organic Compound (FOC) Process Emissions

These are emissions of FOCs to air and water from our manufacturing processes. FOCs are defined as compounds containing one or more carbon-fluorine bonds. Air emissions of these compounds are tracked for GHG reporting purposes, and both air and water emissions will be tracked for our water quality goal.

## Global Reporting Initiative (GRI)

The GRI has developed the Sustainability Reporting Guidelines, which strive to increase the transparency and accountability of economic, environmental, and social performance. The GRI was established in 1997 in partnership with the UN Environment Programme. It is an international, multi-stakeholder, and independent institution whose mission is to develop and disseminate the globally applicable Sustainability Reporting Guidelines. These guidelines are for voluntary use by organizations for reporting on the economic, environmental, and social dimensions of their activities, products, and services. The GRI Guidelines became the GRI Standards in 2016.

## Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard

The GHG Protocol Corporate Accounting and Reporting Standard maintains requirements and provides guidance for companies and other organizations that are preparing a corporate-level GHG emissions inventory. The standard covers the accounting and reporting of seven greenhouse gases covered by the Kyoto Protocol: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF<sub>6</sub>), and nitrogen trifluoride (NF<sub>3</sub>). It was updated in 2015 with the Scope 2 Guidance, which allows companies to credibly measure and report emissions from purchased or acquired electricity, steam, heat, and cooling. Companies may additionally report GHG emissions from gases not covered by the Kyoto Protocol, such as chlorofluorocarbons and other fluorinated compounds. CO<sub>2</sub>e stands for carbon dioxide equivalent and is a standard unit for measuring carbon footprints.

### ▪ GHG scope 1

Scope 1 emissions are the GHGs produced directly from sources that are owned or controlled by Chemours—for example, from our manufacturing processes and equipment or from combustion of fuel in vehicles, boilers, and furnaces. Emissions produced from renewable fuel sources (e.g., landfill gas or biogas) are not reported as scope 1 emissions.

### ▪ GHG scope 2

Scope 2 emissions are the indirect GHGs resulting from the generation of electricity, heating and cooling, and steam off-site but purchased by the entity. Scope 2 emissions physically occur at the facility where electricity and steam are generated and not at Chemours locations.

### ▪ GHG scope 3

Scope 3 emissions are indirect emissions that organizations produce through their activities but that arise from sources not owned or controlled by the organization. Examples of such activities include business travel, commuting, supply chain (procurement), product use, and activities associated with product end of life. The GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard, provided by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), allows companies to assess their entire value-chain emissions impact and identify where to focus reduction activities.

## Green Globes

Green Globes is an online assessment protocol, rating system, and guidance for green building design, operation, and management. It is interactive, flexible, and affordable, and provides market recognition of a building’s environmental attributes through third-party assessment.

## International Council of Chemical Associations (ICCA)

The ICCA is the trade association of the global chemical industry. Its members include both regional trade associations and national associations, such as the ACC. Members account for more than 90% of global chemical sales. ICCA is the steward of Responsible Care®, a voluntary scheme to improve chemical safety among its members.

## ISO 14001

An international standard developed by the International Organization for Standardization (ISO) that determines the general requirements for an environmental management system for voluntary certification.

## ISO 45001

An international standard developed by ISO that determines the general requirements for an occupational health and safety (OH&S) management system, and gives guidance for its use, to enable organizations to provide safe and healthy workplaces by preventing work-related injury and ill health, as well as by proactively improving its OH&S performance. This standard replaced the OHSAS 18001 safety standard.

## ISO 50001

An international standard developed by ISO that determines the general requirements for use of an energy management system with a main purpose of using energy more efficiently.

## Joint Venture

A cooperative agreement in which the parties that have joint control of a legally independent entity have rights to the net assets of that arrangement. Joint ventures are accounted for using the operational control boundary for reporting environmental data.

## Land Protected

Undisturbed land (not affected by any operations) that remains in its original state and that is actively protected from operations to maintain a healthy, functioning ecosystem.

## Land Disturbed

Areas that are used during or affected by operational activities, including operational plants and units (including tanks, maintenance facilities, etc.), office buildings, infrastructure (roads, parking lots, ditches, etc.), waste treatment/storage areas or ponds, and mining operations (from area prep through backfilling).

## Land in Rehabilitation

Former or operational areas where topsoil has been placed, but rehabilitation is not complete.

## Land Restored

Areas where rehabilitation has been completed to achieve a specified quality level as agreed upon with regulatory agencies, third party requirements, or internal standards.

## Location-Based Emissions

Reflect the average GHG emissions intensity of grids on which electricity consumption occurs (using mostly national grid-average emissions factor data). The corresponding emissions factor is in most cases the national emissions factor.

## Market-Based Emissions

Reflect GHG emissions from electricity supplies that companies have purposefully chosen and contracted (or decided against). Corresponding emissions factors: supplier-specific emissions factor (provided by the supplier) and residual emissions factor (country-based grid factor, corrected for allocated purchased electricity from renewable resources).

## Production

### ▪ Intermediate Product

Manufactured products or co-products that are either used at the producing site or transferred to another Chemours site to be used as a feedstock in the production of another product.

### ▪ Sales Product

Manufactured products or co-products that are sold to a third party.

## REACH

A European Union regulatory framework for the registration, evaluation, authorization, and restriction of chemicals; it was implemented gradually and took full effect by 2018. Companies are obligated to collect data on the properties and uses of produced and imported substances and to assess any risks.

## Responsible Care®

A worldwide initiative by the chemical industry to continuously improve its performance and achieve excellence in environmental protection, health, safety, and security performance.

- **Responsible Care® 14001 (RC 14001)** combines the Responsible Care Management System and ISO 14001 certification into a single, cost-effective process.

## Science-Based Targets

The Science-Based Targets initiative (SBTi) champions science-based target-setting as a powerful way of boosting companies' competitive advantage in the transition to a low-carbon economy. A science-based target is one that is adopted by companies to reduce GHG emissions according to the level of decarbonization required to keep global temperature increase below 2°C compared to preindustrial temperatures, as described in the Fifth Assessment Report of the United Nations Intergovernmental Panel on Climate Change (IPCC AR5).

### **United Nations Global Compact (UNGC)**

A strategic policy initiative for businesses that are committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment, and anticorruption.

### **United Nations Sustainable Development Goals (UN SDGs)**

The Sustainable Development Goals are a collection of 17 global goals set by the United Nations General Assembly. The UN SDGs are part of Resolution 70/1: "Transforming Our World: The 2030 Agenda for Sustainable Development." The goals are broad and interdependent, yet each has a separate list of targets to meet. Achieving all 169 targets would signal the accomplishment of all 17 goals. The UN SDGs cover social and economic development issues, including poverty, hunger, health, education, global warming, gender equality, water, sanitation, energy, urbanization, the environment, and social justice.

### **United States Department of Agriculture-Certified Bio-Based Product**

The USDA's BioPreferred® Program Catalog assists users in identifying products that qualify for mandatory federal purchasing and are certified through the voluntary labeling initiative.

### **United States Occupational Safety and Health Administration's Voluntary Protection Programs (VPPs)**

The VPPs recognize employers and workers in the private industry and federal agencies who have implemented effective safety and health management systems and maintain injury and illness rates below national Bureau of Labor Statistics averages for their respective industries.

### **Value Chain**

The successive steps in a production process: from raw materials through various intermediate steps, such as transportation and production, to finished product.

## **Waste Definitions**

Waste is defined as solids, liquids, sludges, or vapor materials that undergo varying degrees of treatment prior to disposal (e.g., using landfills, incineration, underground injection wells, or third parties) in accordance with local and national regulations. Solid waste may also be recycled or recovered for beneficial reuse, including energy recovery.

### **Business Waste**

Business waste includes waste materials generated at office buildings and materials classified as general trash (office waste, food waste, pallets, etc.) at our operating sites and technical centers.

### **Chemical Waste Management Program**

All chemicals are included in the production waste totals and are not reported separately.

### **Consumer/Customer Product Waste**

Consumer waste is defined as the waste generated by our direct customers as a result of using our products. A major component of waste generated by our customers is the packaging materials for our products. We do not currently collect customer waste data, but are looking for opportunities to partner with customers to obtain data and collaborate on new opportunities for reducing waste.

### **Energy Recovery**

Use of combustible waste containing sufficient heating value to generate energy through direct incineration, with or without other waste, but with the recovery of heat, e.g., industrial furnaces and boilers.

### **Hazardous Waste**

Hazardous wastes are defined per the local or national legal or regulatory framework(s) applicable within the jurisdiction where the waste was generated. Hazardous waste excludes process wastewater.

### **Incineration**

Waste treatment through high-temperature combustion of materials in an enclosed combustion chamber. Does not include open burning.

### **Landfill**

A designed or engineered area of land that receives waste material. This does not include waste piles.

### **Landfill Volume Intensity**

Landfill volume intensity is the volume in cubic meters of landfill space consumed for each metric ton of sales product we produce.



## **Nonhazardous Waste**

All waste that is not defined as hazardous waste, excluding process wastewater.

## **On-Site Storage**

On-site storage is the storing of hazardous or nonhazardous wastes in tanks, containers, waste piles, or transport vessels/vehicles for subsequent on-site treatment, disposal, or recycling, or for shipment off-site for management during the calendar year (January 1 through December 31).

## **Production Waste**

Production wastes are defined as manufacturing process wastes that are a direct non-product outflow of a chemical manufacturing operation. Production wastes also include chemical wastes from chemical feedstocks, raw materials, product output, and other chemicals uniquely associated with the production process.

## **Recycling**

Recycling is sending waste off-site for future use by an agency or another company, either for another purpose or to be made into a new material.

## **Reuse**

Reuse is sending materials to another company or agency to use as originally intended.

## **Shipped to Wastewater Treatment Plant**

Shipped to wastewater treatment plant is the transport of wastewater to an off-site wastewater treatment plant.

# **Water Definitions**

## **Cooling Water**

- **Multiuse**  
Water used multiple times for process cooling by using cooling towers that remove excess heat and enable the recycling of water.
- **Noncontact**  
Water used for process cooling on the external side of the process equipment, keeping it out of contact with process materials.
- **Single Pass**  
Water used one time for process cooling before being discharged to a receiving water body.

## **Water Consumed**

Water lost to evaporation, incorporated into products, or returned to a waterbody other than its source.

## **Water Intake**

Sources include water drawn directly from surface water, pumped from groundwater wells, and purchased from local municipal treatment facilities.

## **Water Use**

Water is used in our manufacturing facilities as drinking water for our employees, as a component in some of our products, and for cooling our manufacturing equipment. We include both withdrawn water and recycled and reused water in our total water use calculations.

## **World Resources Institute Aqueduct Tool**

Aqueduct is a global water-risk mapping tool that helps companies, investors, governments, and other users understand where and how water risks and opportunities are emerging worldwide. The current analysis was completed using version 3.0 of the Aqueduct tool.

