

Binani

3B the fibreglass company

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



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

We welcome feedback on its contents.



Sustainability Report 2018

www.3B-fibreglass.com



Sustainability for 3B is:

"A pre-condition to be a long-term successful, ecological and socially responsible leader in the glass fibre market."

Statement from CEO

1

“More efficiency in sustainable action, more maturity in sustainable reporting.”

During the year 2018, 3B continued its work to improve all aspects of sustainable development related to its business. We went on with the structure we gave ourselves in 2015 when we joined UNGC, implementing GRI principles and aligning with the standardised performance indicators. The evolution we measure reflects both the responsibility we have towards our customers, our employees and society as a whole and the strong determination that drives our teams.

From the start 3B has been working in close and long-term partnership with its customers. Today, we offer them our strong continued support in their efforts to reduce CO₂ emissions. 3B mainly serves the **automotive industry** and the **wind industry**. These two sectors are at the heart of sustainable development issues. We provide them with quality raw materials to manufacture first-class composite materials and equipment. For the automotive industry, glass fibre is a key component to bring lighter vehicles to market: we are directly involved in the endeavours of the entire industry to meet the drastic reduction targets for emissions that are essential for the future of our societies. As regards the wind industry, we work with major players in the sector to ensure that the wind turbines of tomorrow are able to deliver sufficient clean energy to as many people as possible. This shared commitment with our customers is a cornerstone of our company's strategy and day-to-day operations.

To achieve our sustainability goals we work in a structured and realistic way. It is not possible to conduct all projects nor to work on all Sustainable Development Goals (SDGs) at the same time. We focus on SDGs that are **relevant** to our business, **actionable** for our company, and **meaningful** for the entire value chain. We have organised our approach according to the “Triple P”.

People

The people at 3B, their safety and their well-being, are at the heart of our strategy and success. Protecting our human capital and the health of all stakeholders is crucial for 3B. People are motivated to work at 3B; they are engaged to do their best to implement the strategy and drive results.

Planet

We position ourselves as THE eco-responsible glass producer with greener technologies, creative initiatives and behaviours. Our aim is to reduce the environmental footprint of our products throughout their lifecycle and to support the whole value chain in doing so.

Profit

The implementation of our productivity and quality programmes aims at ensuring that each 3B site reaches an investment-grade financial level so as to guarantee a sustainable future. By delivering top-quality, competitive and innovative products in a sustainable way, 3B is recognised by its customers as a trusted and reliable supplier, and as a sustainable business partner.

This report indicates what priorities we have given ourselves.



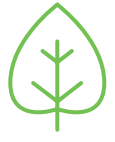
During 2018, we continued our efforts in process optimisation to **reduce resource consumption**. The ability to innovate and the creativity of our teams are the sources of our positive results. We laid a strong focus on the issue of waste. Indeed, we make sure to generate **as little industrial waste as possible**. All our staff members are informed and trained. With regard to the glass fibre waste that is inherent in the production process of our industry, we treat it as a product rather than as waste via **upcycling**. Our quality improvement and continuous improvement plans are directly supporting these goals. Each staff member of 3B is involved and is expected to contribute to the challenge, taking into account the specific context of our plants, the countries in which they are located and the expectations of the surrounding communities.

I am proud of our evolution and happy to confirm that our will is to go further, to guarantee the future of our company as a committed player for a sustainable society, respectful of people as well as of their natural and societal environment. I look forward to presenting our next report because I know that 3B will have made significant progress, beyond the direct interests of the company and beyond the requirements of laws and regulations.

Sincerely yours,

Marc Hubert,
CEO

TABLE OF CONTENTS

1	Statement from CEO.....	3
2	Governance.....	7
	2.1 Stakeholder engagement & materiality analysis.....	7
	2.2 Ethics and business conduct.....	10
	2.3 Supplier engagement.....	12
	2.4 Certifications.....	13
3	People.....	15
	3.1 Health and Safety.....	15
	3.2 Community engagement.....	21
	3.3 Product stewardship.....	22
	3.4 Employee engagement.....	24
	3.5 Diversity and equal opportunity.....	27
4	Environment.....	29
	4.1 Climate.....	29
	4.2 Energy efficiency.....	32
	4.3 Waste.....	33
	4.4 Water use.....	35
	4.5 Sustainable innovation.....	37
	4.6 Emissions and pollution.....	39
5	Closing – Acknowledgements.....	40





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

2.1 Stakeholder engagement & materiality analysis

Context, Policy and Goals

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

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

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

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

SUSTAINABLE DEVELOPMENT GOALS



¹ AccountAbility, BT Group Plc and LRQA, 2006.

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

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

The Ten Principles of the United Nations Global Compact

HUMAN RIGHTS

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

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

LABOUR

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

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

Principle 5: the effective abolition of child labour; and

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

ENVIRONMENT

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

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

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

ANTI-CORRUPTION

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

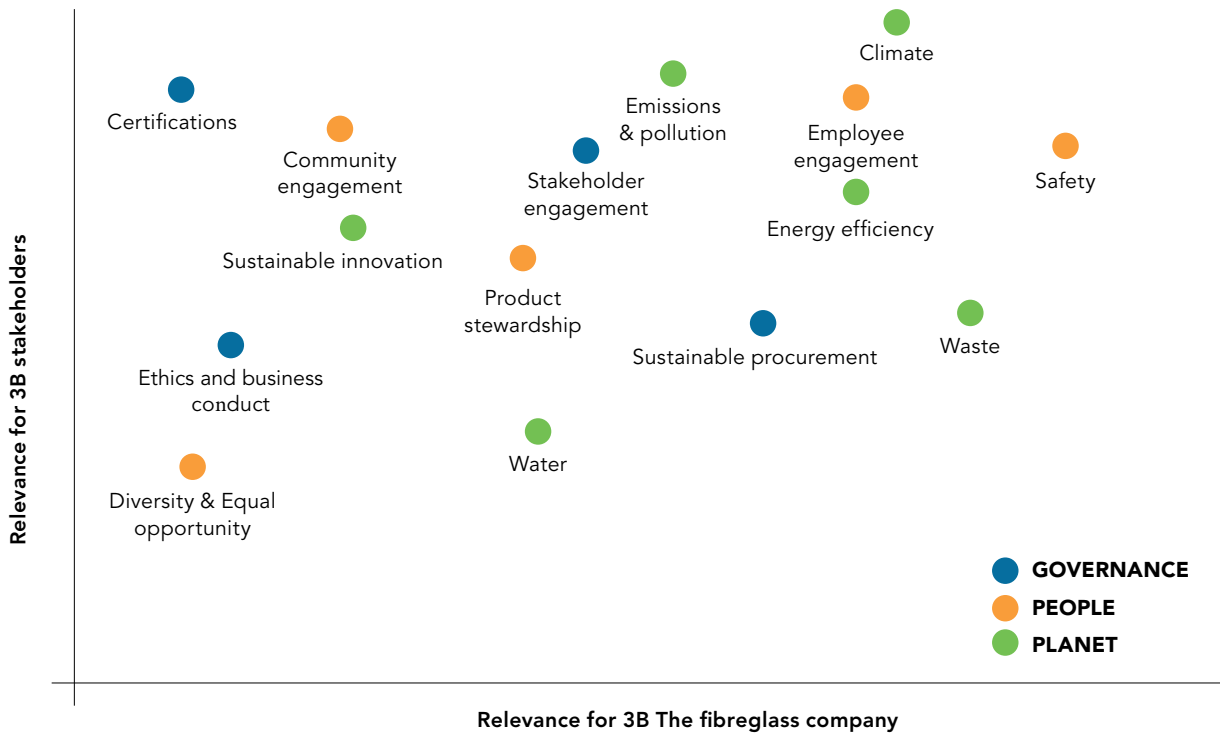
Implementation

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

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

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

The updated materiality matrix for 3B is given below.



Performance measurements - Objectives

Our objectives related to stakeholder engagement are:

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

2.2 Ethics and business conduct

Context, Policy and Goals

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



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

Strength

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

Reliability

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

Proximity

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

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

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

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

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

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

Implementation

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

For those already employed, regular actions are carried out, to make sure that all have an up-to-date and in-depth knowledge of its principles.

In 2018, a new dimension was forcefully integrated in our Code of Conduct, i.e. the principles related to the respect of people's privacy when treating their data.

Driven by the coming into force of the General Data Protection Regulation (GDPR), 3B put a compliance action plan in place. An important part of this plan was devoted to staff information and education about the importance of respecting privacy when dealing with personal data. Awareness-raising sessions were organised and information material was made available. Our Code of Conduct was amended to include a specific reference to the practices that need to be implemented in relation to data protection, whether such data belong to third parties or to 3B staff members. Although only our Belgian and Norwegian entities are required by law to comply with the GDPR, we chose to adopt its principles throughout the company, including our Indian entity. The adapted Business Code of Conduct was therefore the subject of a new communication to all employees of 3B. We approached our suppliers proactively, to ensure their commitment to comply with the principles of the GDPR as well. We consider this to be part of our role as a socially responsible corporate organisation.

Performance measurements - Objectives

3B will continue improving awareness of the Code of Conduct and his principles.

2.3 Supplier engagement

Context, Policy and Goals

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

Our Supplier Code of Conduct is available from our website⁴.

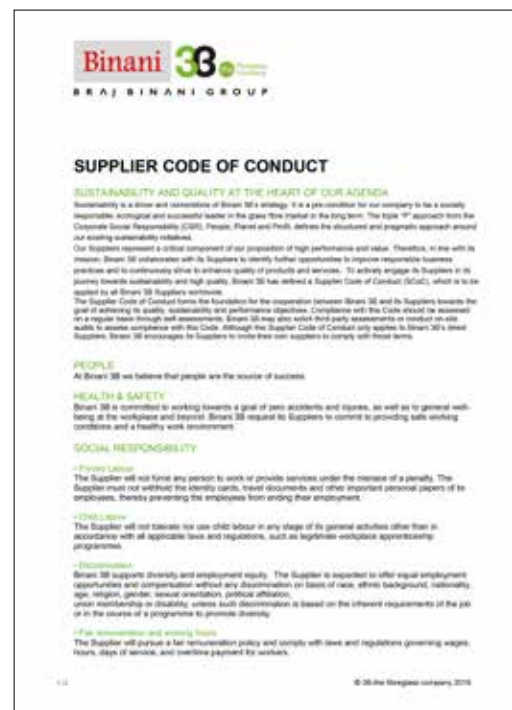
Implementation

Compliance with the Supplier Code of Conduct must be evaluated by the suppliers on a regular basis through self-assessments. 3B also encourages its suppliers to invite their own suppliers to comply with those terms.

Sustainability and social responsibility are also important elements in our supplier selection process (supplier pre-qualification and evaluation forms, supplier audit questionnaire). Supplier performance assessment is under review to improve the communication of performance rating to our suppliers and clarify expectations related to required improvement on the different performance categories.

An increased focus is also given to the carbon footprint of the purchased products and logistics partners.

In 2018 3B has developed a new detailed CSR questionnaire for our suppliers. This will be used to evaluate and follow-up CSR performance of our suppliers in the coming years.



Performance measurements - Objectives

Mid-2016 the Supplier Code of Conduct has been transmitted to 90% of the suppliers of our plant in Battice (Belgium). 29% of the transmitted SCoC have been signed. Several suppliers did not sign, but did comply with the principles and sent their own Code of Conduct. In total 31% of the suppliers have signed or committed to the principles.

Based on the results of the new supplier CSR survey that will be realised in 2019, targets will be defined for the coming years to improve CSR performance of our suppliers.

We aim to improve visibility of the carbon footprint of our suppliers and encourage them to reduce their own carbon footprint.



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

2.4 Certifications

Context, Policy and Goals

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

Implementation

All our plants are certified ISO9001, ISO14001 and OHSAS 18001.

CSR performance of our plants is evaluated regularly through the EcoVadis platform. The EcoVadis methodology covers 21 criteria across four themes of environment, fair labour practices, ethics/fair business practices and supply chain. The methodology is built on international CSR standards including the Global Reporting Initiative, the United Nations Global Compact and the ISO 26000.

Performance measurements - Objectives

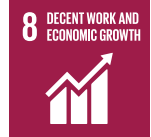
Plant	2013	2016	2018	2020
Battice plant	52	67	68	
Goa			57	
Birkeland				Assessment Birkeland





People

3



3.1 Health and Safety

Context, Policy and Goals

3B commits to:

- place the Health and Safety of our people, at the very heart of our priorities;
- provide a clean workplace as per company standards. The workplace must be free from safety or health hazards or diseases, and it should be ensured that the operational hazards are controlled to accepted levels;
- foster a culture whereby each individual is encouraged to actively participate in identifying, preventing and reducing risks in the areas of Health and Safety;
- adopt a Health and Safety management system and a series of performance indicators to identify areas for active prevention and continuous improvement;
- enable our people to be the source of our success, considering safety at all times.

“Focus on safety culture and behaviours to drive towards an accident-free work environment and enable our people to be the source of our success.”

OBJECTIVE =  ZERO ACCIDENT

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



Implementation

Every year safety programmes are organised in all 3B plants to increase safety awareness and reinforce safety engagement throughout the company. During these sessions we want to provide inspiration, knowledge and motivation to sustain our focus and unconditional engagement for safety throughout the year. Each 3B site goes for the most relevant theme, with regards to its specific safety challenges.

Safety Week in our plant in Goa (India)

The theme of the 47th National Safety Day in India was: "Reinforce Positive Behaviours at the workplace to achieve Safety, 5S and Health goals". In Goa the team took this opportunity to organise numerous activities inside the plant, such as:

- a "Chalta bolta programme" throughout the plant consisting in asking safety related spot questions
- various activities around 5S (sorting activities at respective workplaces, a "5S Train the Trainers" session and a general awareness programme for all team members, ...)
- mock drill and ERT awareness programmes for the Fire squad members and ERT team along with other employees
- health talk conducted by our Medical Officer
- ...

The Safety Week was also celebrated with the community of Colvale village, with more than 100 villagers, school teachers and students attending sessions:

- awareness programme explaining about hazards, do's and don'ts during emergencies like LPG leakage, etc.
- 5s at homes and schools

In 2018, specific awareness-raising measures have been taken in order to improve road safety on the way to work. Collective actions are being explored.



Safety Days in our plant in Battice (Belgium)

During the last training session dedicated to safety in Battice, 3 very important concepts were discussed in a practical way:

- **Shared vigilance, or how to take responsibility for oneself and one's colleagues**

To practice shared vigilance means that you show interest in what others are doing and feel concerned about their safety. It also multiplies our collective vigilance, since it is practiced by all.

- **Distraction, or the risks of lack of concentration**

During a very practical workshop, exercises demonstrated that one **can only concentrate on one task at a time. To engage in several activities at the same time gives the impression of saving time, but in practice one loses time and efficiency.**

- **"Live my life", with a disability**

Participants in the Battice Safety Day were also made aware of the possible consequences of an accident at work. Thus, everyone stepped into the shoes of a person who has lost a significant faculty: mobility disability, visual impairment, loss of limb, loss of hearing.

Safety Week at S&T (Belgium)

Our Science & Technology centre and Headquarters also organised a specific safety week in 2018. As the activities of staff are different from those of people working at production sites and the building hosts a large number of administrative staff, among which many frequent travellers, the focus was placed on fire prevention, ergonomics and road safety.



Health and safety activities & sports in Birkeland (Norway)

The staff of our plant in Birkeland is very active in animating sports life for the workers and also members of the local community. Among the various activities that are organised to promote health and safe sports practices we can list: indoor soccer, spinning, fishing... The activities involve several members of the staff.



Performance measurements - Objectives

We strongly believe in a safe work environment and we need to relentlessly focus with 100% concentration on the job/activity. Safe behaviours should always be our top priority: our Successful Behaviours programme also supports safety awareness at all levels. Moreover, all safety officers are encouraged to emphasize safety rules and recommendations repeatedly.

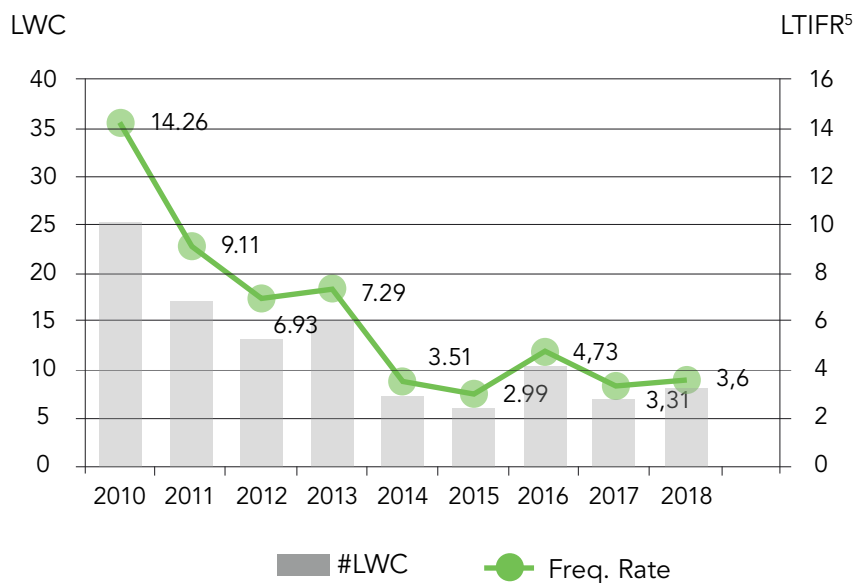
Safety results have been plateauing and even slightly deteriorating the last years. It is clear that the initiatives taken so far are not sufficient to reach the next level. We need to raise the bar and create a step change in the safety culture within 3B.

Therefore an intensive global safety improvement programme will be launched in 2019 including review of the Health and Safety policy, creation of 3B safe work practices, competence gap assessments and trainings, ...

Additionally Birkeland plant will also launch an HSE Step Change initiative in 2019 (in-depth thematic risk analyses, training, new PPE, 5S, documentation, focus on enforcement and compliance...).

We are all in this together, no matter where we work. More than anything we need people's unconditional commitment and engagement for safety.

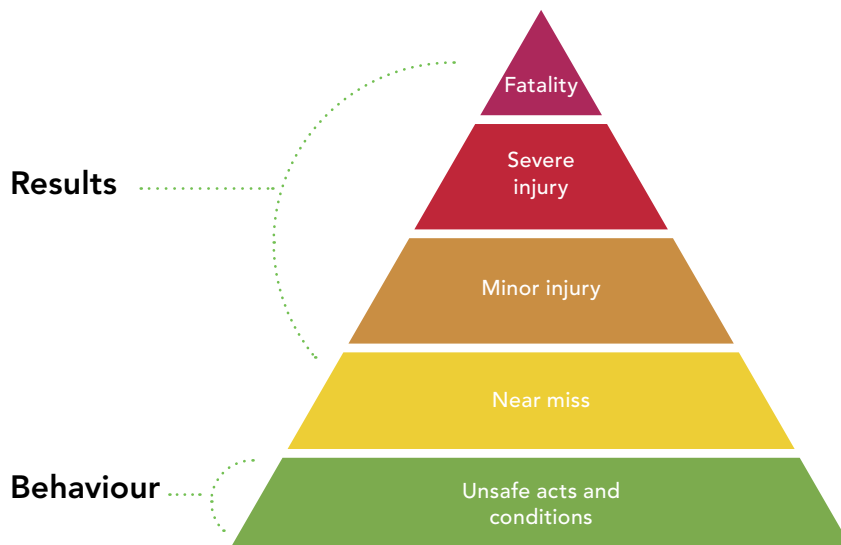
Evolution LWC and LTFR



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

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

⁵ LTIFR = Lost Time Injury Frequency Rate



82%
of our people believe that all necessary measures are undertaken to ensure their safety

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

3B Safety indicators	2015	2016	2017	2018
Accident index ⁶	9.2	10.7	8.8	11.7
Engagement survey - % of our people that believe all necessary measures are undertaken to ensure their safety	82%	82%	87%	82%
Lost Workday Cases	6	11	7	9
LTIFR		4.73	3.31	3.6

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

3.2 Community engagement

Context, Policy and Goals

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

Implementation

In Battice (Belgium), 3B has built close relationships with the nearby communities and local authorities through the organisation of regular discussion forums around environmental concerns. 3B also regularly interacts with the local fire services in order to facilitate their intervention in the event of an incident. In addition, 3B opens its doors to emergency services for the implementation of scenario-based exercises and simulations that may occur in different companies of similar or smaller size.

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

In Goa (India), 3B organises various community activities in order to improve health and safety. As referred to earlier, during the yearly safety week, 3B sets up an information, awareness and screening programme for the inhabitants of the village of Colvale, where it operates. In 2018, the community health and safety activities aimed at reinforcing positive behaviours through relevant information related to safety, 5S and health goals. More than 100 villagers, school teachers and students of the nearby locality took part in the activities.

Like every year, 3B organised an eye-treatment clinic for the community around the Goa plant where eye testing was performed/ Several cataract operations have been supported financially by the company.

Additionally, plant staff celebrated the World Environment Day (June 5th, 2018) by organising a "Beat plastic pollution" rally along with the neighbouring company. A walk to collect plastic waste took place, with a large number of employees from both companies collecting plastic waste along the Colvale industrial estate road. 20 large bags of littered plastic waste were collected, totalling 1,040 kg.



Performance measurements - Objectives

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

3.3 Product stewardship

Context, Policy and Goals

For 3B stewardship means:

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

Implementation

The product stewardship strategy has been implemented:

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

Performance measurements - Objectives

Our product stewardship objectives are:

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

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



3.4 Employee engagement

“Our people are the source of our success”

Context, Policy and Goals

As part of our strategy 2020, one important axis is that we want to enable our people to be the source of our success, considering safety at all times.

In relation with this, we established our 2020 HR ambition aiming at further engaging, energising and developing our employees in order to help them reach their full potential.

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

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



Implementation

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

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

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

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

Based on the outcome of the yearly survey, plans are established to continuously improve in terms of employee satisfaction.



Performance measurements - Objectives

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

Engagement survey	2016	2017	2018
The understanding of the vision, the strategy and the main objectives	4.01/5	3.91/5	3.94/5
The way our values are lived within the company	3.80/5	3.72/5	3.79/5
The effectiveness of our communication	3.49/5	3.42/5	3.42/5
The overall satisfaction level vis-à-vis 3B as an employer	7.4/10	7.2/10	7.13/10
Overall engagement score	3.83/5	3.82/5	3.90/5

The company is progressing but we set the bar higher for ourselves as we continuously strive to develop our behaviours to deliver on our HR ambitions and our company strategy.

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

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

3.5 Diversity and equal opportunity



Context, Policy and Goals

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

3B sees diversity as an advantage and a benefit.

Implementation

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

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

In 2018 a training program for young executives has started, to make sure that tomorrow's team leaders have a perfect understanding of all cultures represented in the company and are used to working in different environments, with people from various origins. This is also part of how we ensure that 3B is an agile company in the long run.

Performance measurements - Objectives

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

3B diversity indicators	2016	2017	2018
Number of nationalities	25	25	25
Engagement survey: "I recognize that the company respects diversity".	3.93/5	3.84/5	3.92/5
% of women	14.8%	14.8%	14%
Number of women in management teams	5	5	4



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



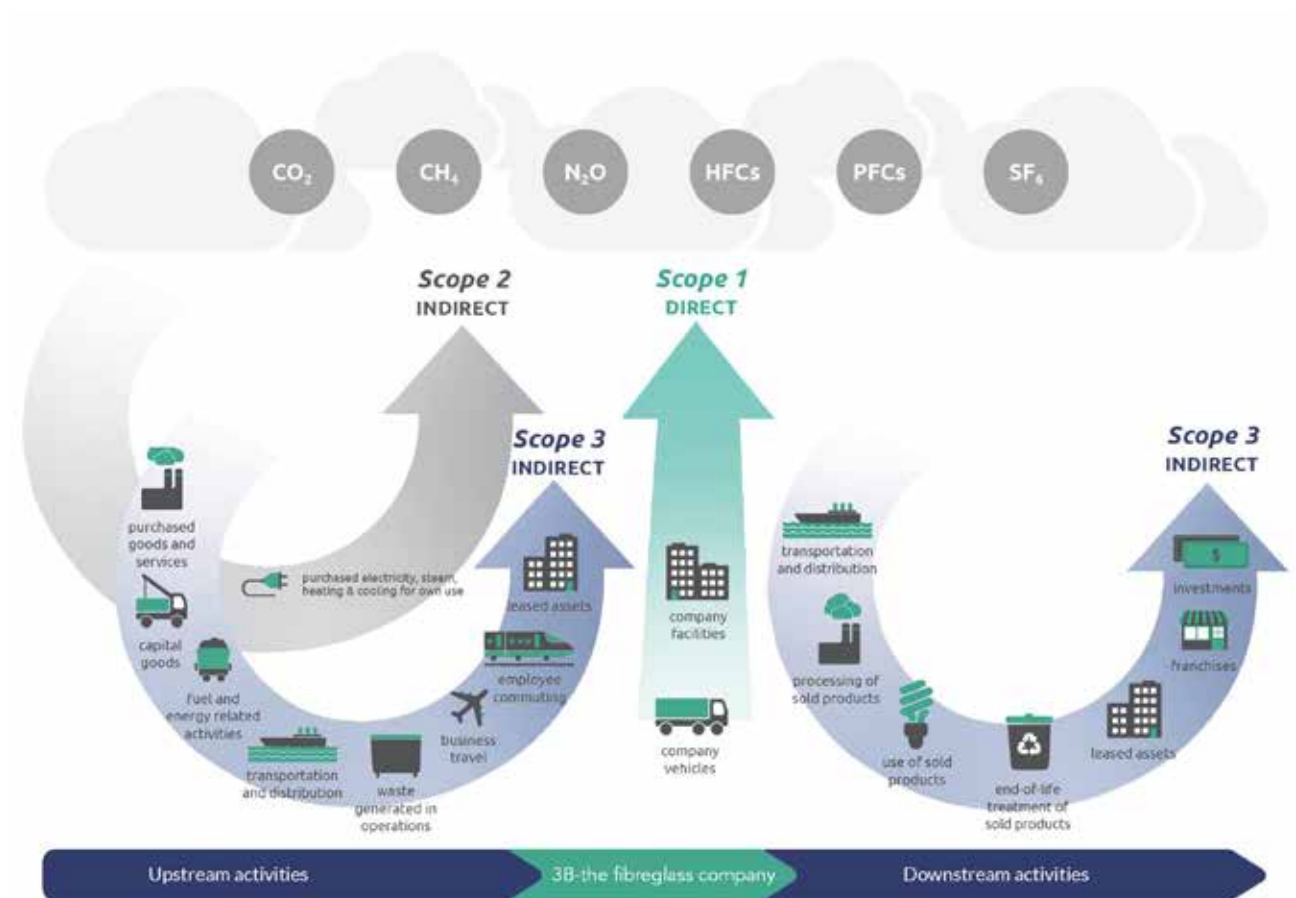
4.1 Climate

Context, Policy and Goals

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

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

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



⁷<http://ghgprotocol.org>

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

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

These hot spots constitute almost 80% of the carbon footprint⁸

Other elements of our carbon footprint are:

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

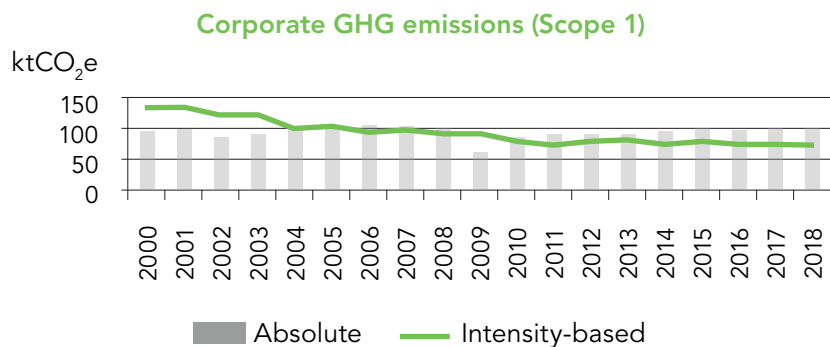
Implementation, Performance measurements and Objectives

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

This will enable us to define a robust vision and roadmap towards carbon-neutral CFGF production.

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

Big efforts have been made over the last decades to implement state-of-the-art melting technologies which have resulted in a decrease of direct CO₂ emissions of 45% in 2018 vs 2000.



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

Objective is to further decrease the scope 1 emissions down to 50% reduction in 2025 vs 2000. 3B is open to collaborate with other glass fibre producers to make a step change for the industry, and this, in the scope of the Glass Fibre Europe association, respecting all anti-trust legislation.

Indirect CO₂ emissions (electricity) – GHG protocol Scope 2

Thanks to implementation of state-of-the-art melting technologies, specific electricity consumption reduction has been achieved over the last decades.

The differences in electricity mixes used in the 3 plants results in very different CO₂ emissions factors ranging from very low in Norway due to 96.4% hydro-energy and very high in India (~75% coal)⁹.

3B plans to increase the share of renewable electricity in the plants of Belgium and India which will result in a decrease of 20% CO₂ emissions (location-based) by 2025.

Moreover studies are ongoing to further increase the share of renewable electricity in the coming years.

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

⁹ www.iea.org

Indirect CO₂ emissions – GHG protocol Scope 3

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

Important contributors are:

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

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

3B also strives to reduce the logistics footprint by:

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

¹⁰ CO₂ mapping Battice plant



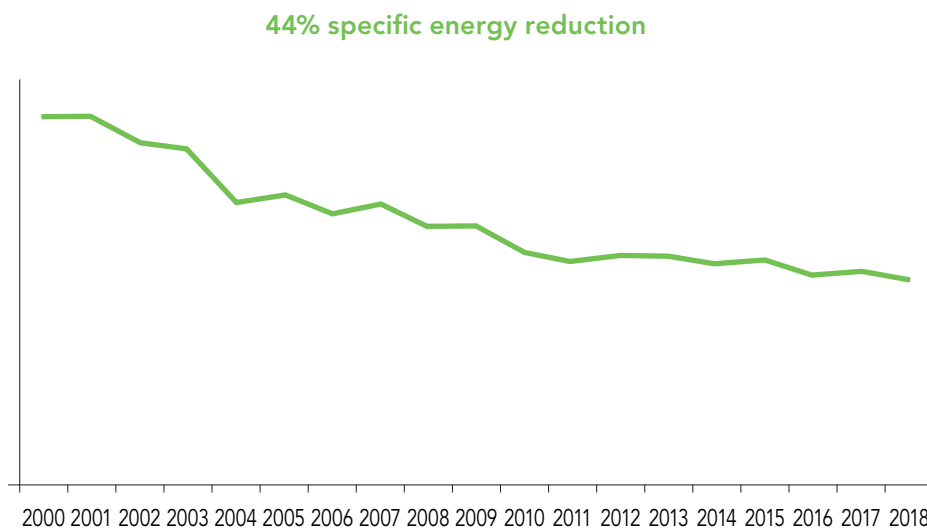
4.2 Energy efficiency

Context, Policy and Goals

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

Implementation, Performance measurements and Objectives

All plants implementing energy management system principles and Goa plant is certified ISO500001. Great energy intensity reductions have been achieved over the last decade. 44% reduction in 2018 compared to 2000.



These improvements were achieved thanks to various ongoing projects:

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

We aim to further reduce our energy consumption by:

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



4.3 Waste

Context, Policy and Goals

Our company mainly generates two types of waste:

- common industrial waste
- glass fibre by-products

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

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

Implementation, Performance measurements - Objectives

Great efforts have been made in Battice to reduce the amount of glass waste going to landfill. These efforts resulted in a reduction of 80% in 2018 (vs 2016). Our next step is to develop alternative solutions for a sustainable upcycling system.

Globally all plants are striving to zero glass to landfill and this results in 2018 in a reduction of 55% (vs 2016) for the whole company.

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

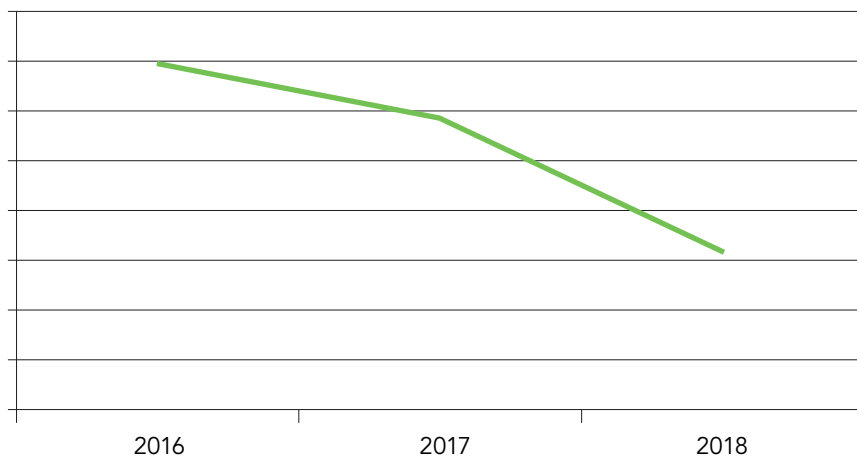
Furthermore waste reduction awareness sessions have been organised in Battice and together with the surrounding communities in Goa:

- Beat Plastic Pollution rally in Colvale industrial estate
- Dust bins (2000 nos) given to villagers of Colvale
- 500 Cotton bags given to village Panchayat Colvale



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

Towards Zero Glass to Landfill



ULTIMATE OBJECTIVE = ZERO GLASS TO LANDFILL

4.4 Water use

Context, Policy and Goals

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

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

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

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

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



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

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

Implementation and Performance measurements

Battice plant managed to reduce its 2017 specific water use by more than 20% vs 2015. These reductions were achieved mainly by improving the performance of water treatment units resulting in a higher water recycling rate.

Unfortunately, problems with the waste water treatment plant end of 2018 in Battice have decreased the recycling rate and increased the raw water use in 2018.

61% of the water is recycled over Battice and Goa (cfr. GRI 303-3). Additional flow measurement meters need to be installed in Birkeland.

Objectives

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

- Improvement of the performance of our Waste Water Treatment Plants (WWTP) and increase the recycling rate in all plants
- Installation of additional flow meters to improve analysis of the water use in Birkeland and ensure robustness of the data collection in line with the GRI¹⁴ standard on water withdrawal
- Improvement of people awareness on water scarcity and water use reduction

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

¹⁴ Global Reporting Initiative - www.globalreporting.org

4.5 Sustainable innovation

Context, Policy and Goals

The vision of 3B is to be the preferred supplier of value creating, innovative glass fiber solution for automotive and wind applications. This vision is based on three main strategic motivations which are sustainability, technological innovation and a global presence in order to follow our main customers globally in an efficient way.

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

Implementation

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

Sustainability performances of new solutions are evaluated against three dimensions:

- **Profit:** in order to be sustainable, we need to develop innovative solutions that bring value not only for our company but also for our customers.
- **People:** In this dimension, we evaluate the impact of the project on the health and safety of the people. The impacts could be internal when we consider our workers, or external if we consider our customers' workers, and it could also integrate the impact on final consumers.
- **Planet:** in this dimension we consider the impact of the project on the Planet on a broad sense, focusing on both resource consumption and emission, internally or externally from our customers down to the end users. "Emission" includes air-water emissions and waste; "Consumption" refers to resource efficiency of water, energy and all raw materials.

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

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

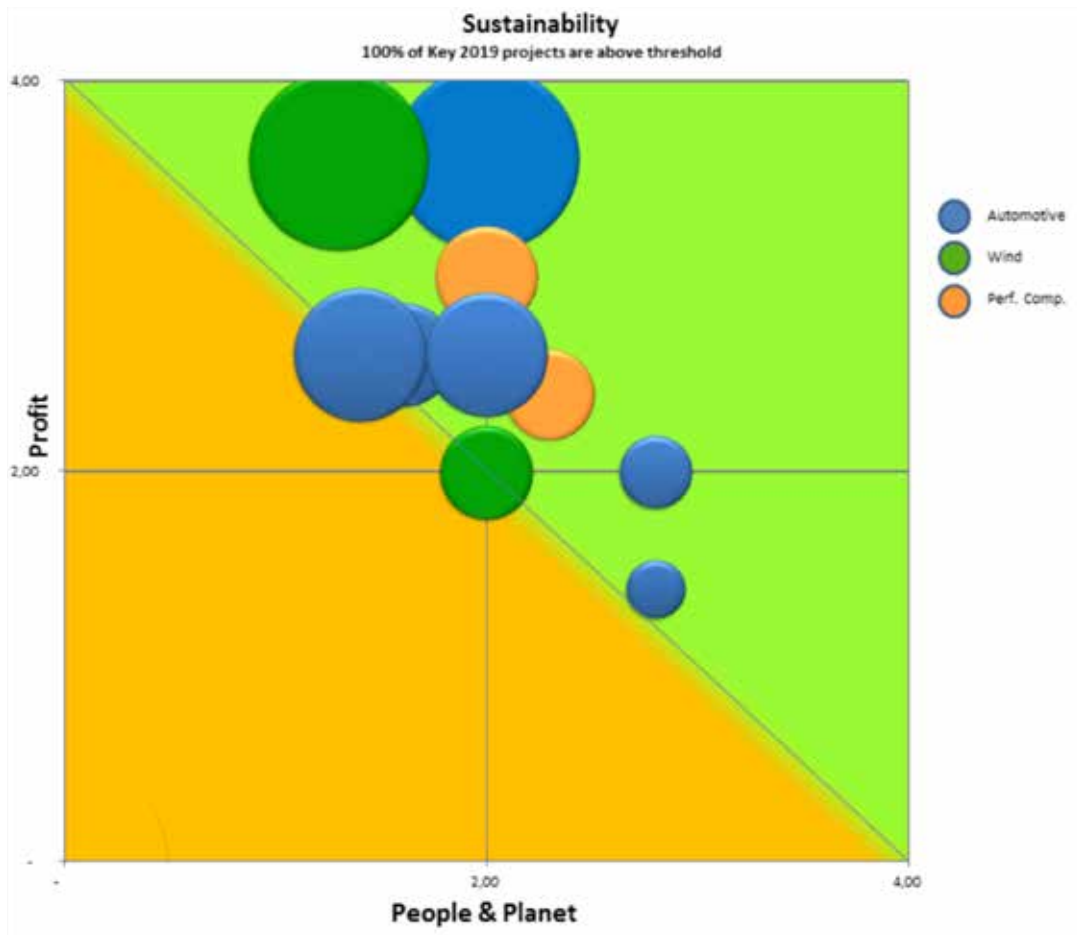
Performance measurements - Objectives

Sustainability is one of the key criteria for the selection and the prioritisation of the projects. The Sustainability Matrix is an element of the Business Cases that are built, discussed, approved and followed at the 3B Value Added Committee.

In 2018, looking at our top key projects for 2018, 100% of the projects were above the threshold.

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

The 2020 objective is to have 85% of our projects portfolio above the threshold.





4.6 Emissions and pollution

Context, Policy and Goals

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

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

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

Implementation, Performance measurements and Objectives

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

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

Air emissions (GRI 305-7)	2015	2016	2017	2018
NOx emissions (kg) ¹⁷	146.451	198.676	182.001	220.127
Particulate Matter emissions (kg)	13.295	11.503	13.434	15.342

Water discharge quality (GRI 306-1)	2018
Chemical Oxygen Demand (kg)/year	65.367

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

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

We further aim to:

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

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

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

¹⁷ Without Goa plant (not measured)

Going for the integrated sustainability approach promoted by the UNGC has greatly helped our company to structure our sustainability initiatives, to better monitor them and to further develop our ambitions in this respect. Following the various Sustainable Development Goals (SDG) supports our actions in improving our impact on environment, but not only. In our view, this is a pre-condition to embed sustainability deeply in our organisation and to create a genuine and tangible impact over time. We have also experienced the positive effects of proper and regular reporting, which includes the preparation of this report, because it helps us keep the right focus.

Our sustainability strategy formally establishes our ambition and engagement. As our objectives are clearly stated, we are able to adjust our behaviours to the reality we strive to create and to the results we committed to deliver.

For all this, we want to thank all stakeholders who contribute to this motivating and challenging endeavour. Our customers are themselves major players for a sustainable world: they inspire and confirm our ambitions. Our suppliers and partners support and follow us in our efforts. And of course, we thank all members of the 3B staff for their commitment, motivation and day-to-day work.

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



Customer Service India

Survey No 220,Village Colvale
Taluka, Bardez, Goa-403 513, India

P. +91 832-2299147 / +91 832-2299151

F. +91 832-2299 887

E. info@binaniglassfibre.com

Customer Service Europe

Ildefonse Vandammestraat 5-7
B-1560 Hoeilaart, Belgium

P. +32 2 402 2000

F. +32 2 402 2002

E. 3bthefibreglasscompany@3b-fibreglass.com

discover
your fibreglass world



www.3B-fibreglass.com

Disclaimer of Liability The data and information set forth in this publication is provided exclusively with the view to facilitating the selection of a product and/or service. The information contained in this publication is based on actual laboratory data and/or field test experience. We believe this information to be accurate, but do not guarantee in any manner its suitability to the user's process or assume any liability arising out of its use or performance. The user, by ordering the products and/or services described herein, agrees to be entirely responsible for thoroughly testing any application to determine its suitability before committing to production. It is key for the user to determine the properties of its own products and/or compounds when using a product and/or service herein described. We do not give any representation or warranty, express or implied, as to the accuracy or completeness of the data and information contained in this document, and shall have no liability to

the user or any other person resulting from the use of or reliance on any such information. Further, we do not give any representation or warranty, express or implied, as to our products and/or services, including in respect of their merchantability and fitness for a particular purpose, and shall have no liability to the user or any other person resulting from the use of or reliance on any such products and/or services. Only those representations and warranties set forth in a supply agreement, when, as and if it is executed, and subject to such limitations and restrictions as may be set forth in such agreement, shall have any legal effect. Statements included in this document are not, and may not be construed as, representations or warranties or as inducements to infringe any patent or violate any law, safety code or insurance regulation. 3B reserves the right to modify the content of present document without notice and without incurring in any obligations.