



2023
esg report



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message from our chair and CEO

At Ashland, we live by the principle that what gets measured, gets improved.

In October 2023, our science-based targets received approval, bolstering Ashland's purpose to responsibly solve for a better world, and highlighting the dedicated efforts of Ashland's global solvers who have committed to ambitious, precise, and impactful goals for our company, our communities, our value chain, and our world.

When combined with environmental, social and governance (ESG) our new technology platform innovations continue charting a metamorphic journey for Ashland and our customers and suppliers, helping deliver on collective business goals in ways that sustainably address both people and planet. Our ESG disciplines are driving a new portfolio powered by innovation and market expertise, with products that are increasingly natural, nature-derived, biodegradable and sustainable in use.

Our materiality assessment underscores the structure behind the science of ESG at Ashland. Our sustainable sourcing, operations, and solutions are a testament to the women and men at Ashland who have made it their life's work to solve some of the world's most complex challenges.

While many obstacles remain, this report and our science-based targets are tangible, achievable examples of Ashland's innovation at work. We acknowledge that details, which are often technical, complex, and challenging, matter. And our comprehensive strategy recognizes that diversity, in all its forms, powers solving.

Ashland's conscious and proactive mindset for ESG enables a brighter and stronger future with more sustainable and profitable solutions for customers and market growth in every corner of the world. I am proud to see our initiatives come to life in this report.

Guillermo Novo

Chair and CEO
Ashland



message from our svp and chief technology officer

Scientific invention, innovation and discovery. Each speaks to the endless possibilities of humankind to improve the quality of life on Earth.

At Ashland, innovation doesn't just happen. Our new to the world technology platforms are the result of deep collaborations between our commercial business units, operations, research and development, and our suppliers and customers worldwide. Through these collaborations and our deep innovation pipeline, we're enabling endless possibilities to reimagine and reinvent.

Performance is paramount and with proactive consideration for environmental, social and governance (ESG), Ashland is innovating with a purpose. Responsibly solving for a better world is at the heart of our research and development team's work, while we tackle superior and differentiated performance, and a range of challenges including climate change, deglobalization, circularity, biodegradation and energy transition.

Within R&D centers in every corner of the globe, Ashland employees understand that every solution must consider the unique needs of each customer, culture, and consumer market. Whether it is a more durable architectural coating, a sustainably harvested raw

material for cosmetics or a vital ingredient in a much-needed medicine, our focus is always on expanding the possibilities of science to create a more livable and sustainable world.

This ESG report is a snapshot of our broader efforts to shift the focus of innovation in ways that extend beyond our walls, up and down the value chain. Our science-based targets, materiality assessments, and long-range plans acknowledge and embrace innovation inside and outside the lab and inside and outside of Ashland. That deeper collaboration with suppliers, partners and customers has fueled both the accomplishments captured in this report and those yet to be achieved.



Osama Musa

Senior Vice President and Chief Technology Officer
Ashland



performance at a glance

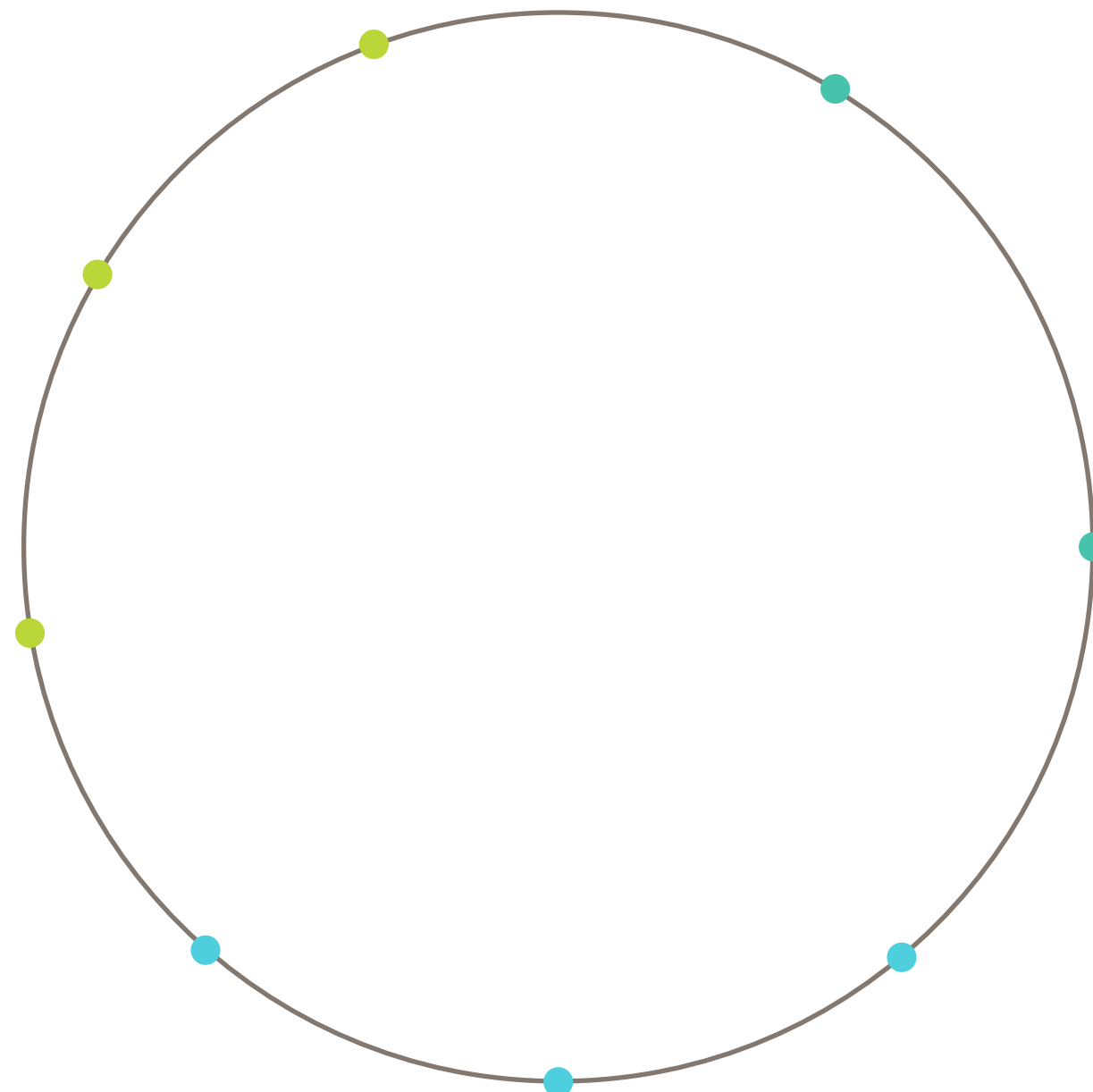
| | FY 2020 | FY 2021 | FY 2022 | FY 2023 |
|---------------------------------------------------|-------------|--------------|-------------|--------------------|
| energy | | | | |
| total energy consumption (GJ) | 8,174,319.5 | 8,771,054.45 | 9,080,214.7 | 8,204,506.9 |
| electricity (GJ) | 1,638,228.0 | 1,681,104.3 | 1,779,853.8 | 1,580,989.0 |
| % grid electricity | 20.0% | 19.1% | 19.6% | 19.3% |
| natural gas (GJ) | 4,265,507.2 | 4,276,552.6 | 4,646,320.2 | 4,256,832.2 |
| other fuels (GJ) | 2,270,584.2 | 2,813,908.7 | 2,654,040.7 | 2,366,685.7 |
| GHG emissions | | | | |
| scope 1 emissions (MT CO2 eq. emitted) | 312,950.6 | 316,566.2 | 332,184.7 | 288,175.7 |
| scope 2 emissions (MT CO2 eq. emitted) | 246,715.4 | 241,832.4 | 242,643.6 | 222,480.8 |
| scope 3 emissions (MT CO2 eq. emitted)* | 681,355.5 | 625,255.9 | 848,199.1 | 727,738.2 |
| employee safety | | | | |
| employees+ at year-end | 4,131.0 | 3,744.0 | 3,836.0 | 3,852.0 |
| employee recordable injury rate | 0.7 | 0.7 | 0.6 | 0.4 |
| employee lost-time incident rate | 32.0 | 27.0 | 24.0 | 19.0 |
| employee fatalities | 0.0 | 0.0 | 0.0 | 0.0 |
| indirect contractors'++++ recordable injury rate | 0.6 | 0.8 | 1.6 | 1.0 |
| indirect contractors'++++ lost-time incident rate | 0.38 | 0.19 | 0.20 | 0.32 |
| indirect contractors' fatalities | 0 | 0 | 0 | 0 |
| indirect contractors' hours | 1,051,211 | 1,069,399 | 998,221 | 1,234,446 |
| incidents, spills, waste, and releases | | | | |
| toxic release inventory (million pounds) | 18.44 | 19.62 | 18.18 | 17.18 |
| hazardous waste disposal (MT) | 2,874 | 3,212 | 3,243 | 2,426 |
| transport incidents | 10 | 6 | 3 | 3 |
| water | | | | |
| water withdrawal (m3) | 16,003,080 | 15,300,540 | 15,661,850 | 14,578,825 |
| community engagement | | | | |
| cash and in-kind donations | 269,928 | 401,021 | 355,536 | 677,000 |

*FY 2022 scope 3 emissions have been materially restated. During the SBTi validation process, Scope 3 category 12 was previously prepared excluding end of life treatment of Ashland product. This data was later revised based on SBTi feedback to include best estimates of the end of life emissions from treatment and disposal of Ashland product, leading to an overall increase in scope 3 emissions for FY 2022 scope 3 data.

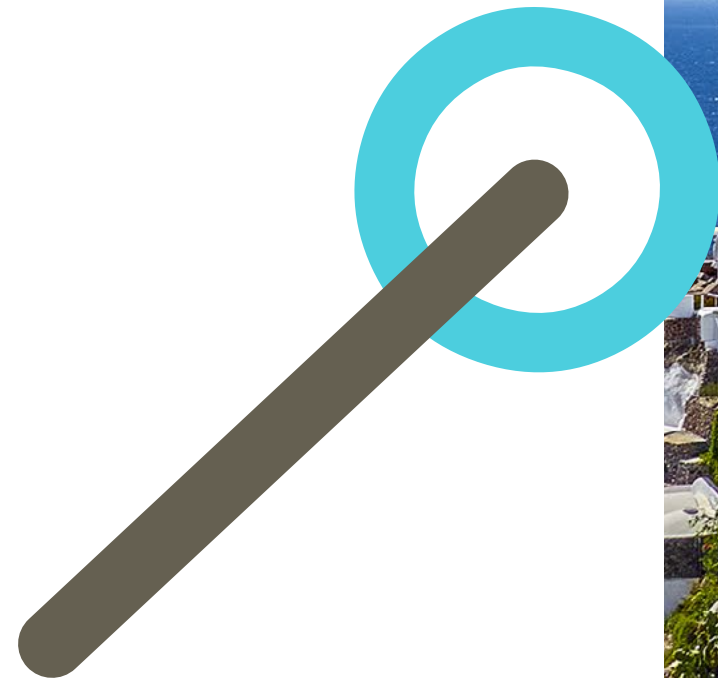
Employees include directly supervised contractors: these are employees defined as those employees on the entity's payroll, whether they are full-time, part-time, executive, labor, salary, hourly, or seasonal employees. Contract employees are defined as those who are not on the entity's payroll, but who are supervised by the entity on a day-to-day basis, including independent contractors and those employed by third parties (e.g., temp agencies and labor brokers).

materiality matrix

This Materiality Assessment is part of a larger matrix to depict the positioning of our most materially significant internal and external ESG topics. Ashland uses Datamaran to perform this assessment for a data driven approach to collecting, identifying, and assessing material ESG topics.



Ashland reports
in alignment with
Sustainable Accounting
Standards Board (SASB)
and Global Reporting
Initiative (GRI)



environmental

sustainable sourcing

Ashland's goal is to ensure all suppliers are engaged in and continuously improving their efforts to reduce adverse impacts on the environment and human rights, both to protect future generations and to help customers meet market needs.

*Below are our efforts towards sustainable sourcing, including maintaining and expanding on our certification and disclosure plans, as listed below and on pp. 15 and 16.



supplier code of conduct

greater than 80% of our raw material and packaging suppliers (by spend) have signed

goal is to maintain signatures from all key suppliers (key suppliers represent 80% of raw material spend) from 2024 and onwards

ecovadis

EcoVadis

over 230 raw material suppliers have been onboarded onto the EcoVadis platform representing over 95% of our key raw and packaging material spend

goal is to maintain ecovadis disclosures from 100% of our key suppliers (representing 80% of raw material spend) in 2024 and onwards



cellulose

FSC or PEFC controlled wood

FSC or PEFC Chain-of-Custody certification for all cellulose sites

goal is to maintain ongoing FSC and PEFC Certification for all cellulose sites in subsequent years



guar

Guar suppliers disclosing on EcoVadis

partnership with a local NGO began in 2021



RSPO

actively source from RSPO-MB certified suppliers

RSPO Chain-of-Custody certification

• Freetown, MA • Hopewell, VA
• Sophia, France • Zwijndrecht, NL

RSPO goal is stated on p. 15 of this report

supplier qualification

At Ashland, we adhere to stringent supplier qualification standards to ensure that both the supplier and their products meet our rigorous quality standards, compliance with relevant laws, and fulfill our customers’ requirements.

To the right is a high-level overview of the process we follow to qualify a supplier and their product:

pre-qualification assessment

Before engaging with a potential supplier, we conduct a thorough pre-qualification assessment. This involves evaluating their financial stability, business practices, and adherence to ethical standards.

Code of Conduct compliance

We require our suppliers to comply with and adhere to our supplier code of conduct. This includes compliance with all applicable laws and regulations concerning embargoes and sanctions for the United States, as well as the countries in which they operate. We expect this to include ethical business practices, environmental responsibility, and social accountability.

technical capability & regulatory compliance

We evaluate the technical capabilities of the supplier, including their production processes, equipment, and technology. This includes a thorough review of relevant certifications and compliance with industry standards.

material quality assessment

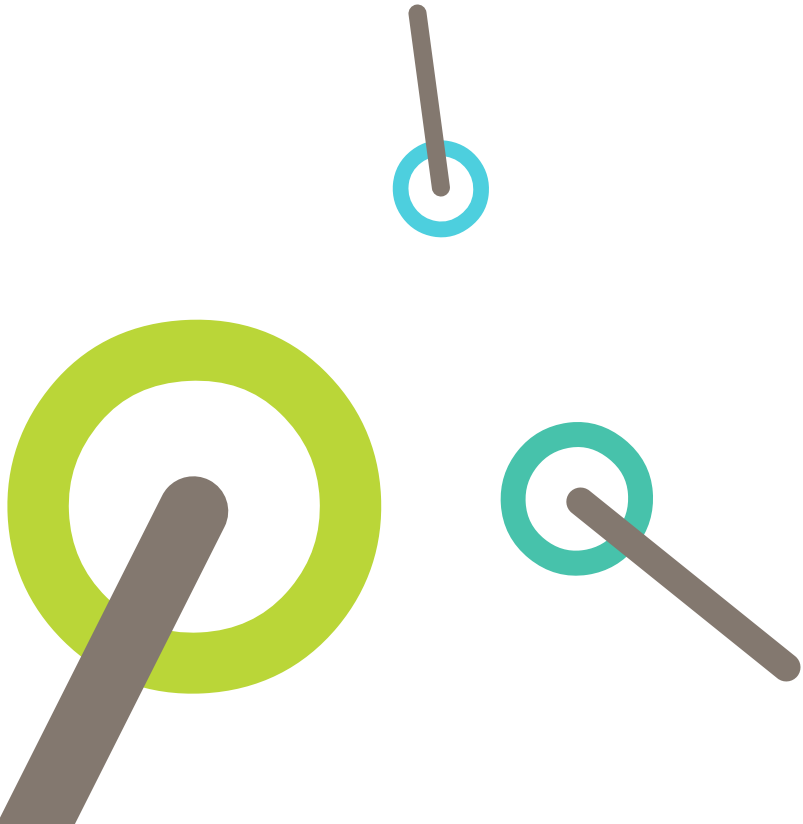
We review supplier specifications, test materials in our labs and conduct plant trials to validate the performance and consistency of the sourced materials under real-world manufacturing conditions.

performance monitoring

We maintain an ongoing relationship with our suppliers, monitoring their performance through key performance indicators (KPI’s) such as on time delivery, quality consistency and responsiveness to corrective actions.

continuous improvement

We work with our suppliers to continuously seek opportunities for improvement. Feedback from audits, performance evaluations and customer input are used to drive continuous improvement.



EcoVadis and our suppliers

In 2023, Ashland continued using EcoVadis for third-party verification of supplier sustainability assessments to ensure they set standards and track progress on environmental, social, and ethical practices and behavior. The assessment focuses on environment, labor and human rights, ethics, and sustainable procurement [as defined by EcoVadis here](#), through a four-pillar approach.

In 2023, the average score of Ashland's suppliers was 61.5 (out of 100) vs. the total average score of 51.6 in 2023 of all assessed companies on the EcoVadis platform.

Ashland is working with suppliers that have performance scores below 45 so they understand the factors affecting their score and can improve and develop their sustainability programs.

*In 2023, Ashland achieved 100% key raw material and packaging supplier assessments on the EcoVadis platform. Key suppliers are defined as suppliers cumulatively representing at least 80% of raw material and packaging spend within the identified categories.

FY 2021

188 raw material suppliers onboarded, representing over

82%

of our raw material spend

FY 2022

230 raw material suppliers onboarded, representing over

96%

of our raw material spend

FY 2023

over 230 raw material and packaging suppliers onboarded, representing over

96%

of our raw material and packaging spend

FY 2023

As of 2023, Ashland has received signatures/responses on the supplier code of conduct from

100%

of our key raw and packaging material suppliers by spend.*

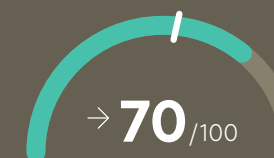


2023 EcoVadis Silver

overall score

percentile: **90**th ↗ **68**/100

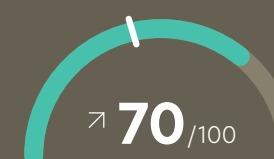
environment



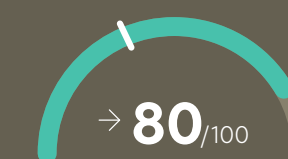
labor and human rights



ethics



sustainable procurement



diverse US suppliers at Ashland

Ashland is committed to fostering an inclusive and equitable business environment. Our supplier diversity policy aims to promote and support as appropriate, certified* minority, and women-owned suppliers (MWBEs) in its overall sourcing activities.

key elements of Ashland’s supplier diversity program include:

- include MWBE suppliers in applicable sourcing activities (RFI, RFP etc.)
- prefer sourcing from MWBE suppliers where possible and appropriate
- identify and track certified MWBE spend
- provide Ashland customers with as needed data to support customer’s tier 2 diversity program

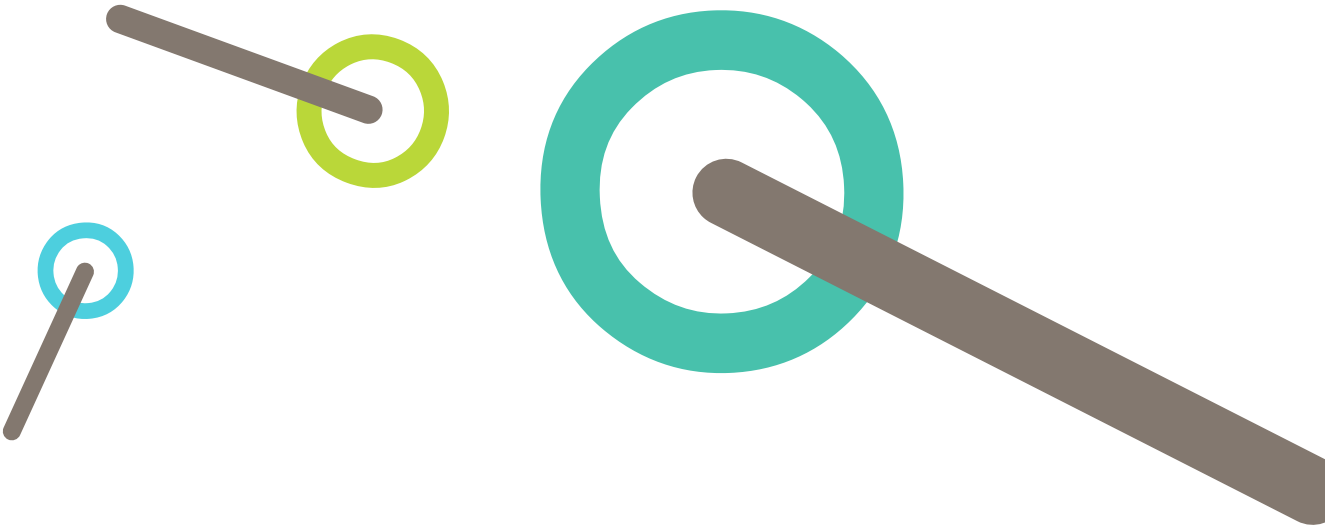
In 2023, we assessed our spend with diverse suppliers in the US. Ashland purchased from 748 certified* diverse suppliers, representing 5.8% of all US suppliers and 3.6% of the total supplier spend in the US.

*certified status is defined using criteria developed by D&B, and can be found [here](#)



| | # suppliers | % supplier | % spend |
|--------------------------|-------------|------------|---------|
| total certified* | 748 | 5.8% | 3.6% |
| certified minority | 61 | 0.5% | 0.1% |
| certified woman owned | 132 | 1.0% | 0.2% |
| certified veteran owned | 36 | 0.3% | 0.1% |
| certified small business | 652 | 5.0% | 3.4% |

single suppliers may be counted multiple times across categories (for example supplier may be minority and small business) and as a result categories do not add to total.



suppliers and GHG emissions - scope 3 data

Ashland has committed to reducing scope 3 emissions by 50.4% from 2022 to 2032.*

As of 2023, nearly half of Ashland's value chain emissions reside in scope 3 Category 1, purchased goods and services. These emissions are mostly from raw materials and specifically chemical feedstocks used to produce Ashland ingredients.

To support Ashland's efforts, the company has engaged actively with its raw material suppliers to better understand their emissions and efforts towards reducing their environmental footprint.

As of 2023, Ashland's supplier outreach metrics are provided to the right. We recognize this is a starting point and that additional efforts are needed to continue to support supply chain engagement in emissions reduction efforts.

Ashland's scope 3 data for chemical emissions is currently utilizing a spend based estimate aligned with the GHG protocol. In the future, we plan to improve these measurements using supplier specific reporting, as we continue to better understand our value chain emissions.

35% of Ashland's raw material suppliers by spend have provided material- specific emissions. 21% of suppliers are in the process of providing the data to support these efforts.

Ashland has evaluated the top 60% of its raw material suppliers by spend and:

- **9.33%** of supplier spend is from suppliers with approved SBTi targets
- **10.43%** of supplier spend is from suppliers that have committed to setting SBTi targets
- **28.3%** of raw material spend is from suppliers that have public emissions targets that are not SBTi committed or approved
- **12.1%** of raw material spend is from suppliers with no GHG emissions targets available

We recognize this is a journey and are working to improve Ashland's engagement with suppliers, to understand and support emissions reduction efforts across the value chain.

By 2025 Ashland's goal is to improve scope 3 footprint data to incorporate supplier specific emissions data (vs. spend) for at least 50% of key raw material spend.*

*Ashland defines key raw material suppliers as representing 80% of ashland supply by spend

*for more information, see page 21 of this report

upcycled materials

Ashland is committed to sourcing upcycled products where available.

Upcycled materials are discarded materials that are reused in a way that creates higher quality or value.

A listing of Ashland's products containing upcycled materials are provided to the right - we are committed to continuing to look for ways to increase our portfolio of these products.

| product name | natural origin source | primary use of natural source | upcycled waste/by-product |
|-----------------------------------------------------------------|-----------------------|-------------------------------------------------------|--------------------------------------|
| ederline™ biofunctional | apples | pulp used for food & drink | waste apple seeds and skin |
| perenityl™ biofunctional | pears | pulp used for food & drink | waste pear seeds and skin |
| d'orientine™ biofunctional | date palm | date pulp used in food products | waste date kernel |
| suberlift™ biofunctional | oak tree | cork used to make cork toppers | waste cork oak |
| aquarize™ biofunctional | rice | food | by-product of processing raw rice |
| vegetal ceramides bgg™ biofunctional | rice | food | by-product of processing raw rice |
| achromaxyl™ biofunctional | colza seeds | pulp used to make colza oil | waste colza seeds |
| oleanoline™ is biofunctional | olives | food | waste leaves |
| phytoRNx baobab™ biofunctional | seeds | baobab oil used for food | waste baobab seeds |
| elixiance™ biofunctional | pink pepper tree | pink pepper berries used for decorative purposes | waste leaves and twigs |
| cb2-skin™ biofunctional | patchouli | essential oil | waste patchouli |
| marine hydrolyzed collagen a™ biofunctional | fish | fish for food industry | waste fish skin |
| selected cellulosic products sourced from cotton linters | cotton | cotton used for textiles, animal feed, cottonseed oil | by-product from cottonseed oil mills |

*more information on Ashland biofunctionals can be found [here](#)



sustainable sourcing initiatives and certifications

Ashland is an active member of RSPO. Ashland currently has 4 locations RSPO-MB certified:

- Freetown, MA
- Hopewell, VA
- Sophia Anti-polis, France
- Zwijndrecht, Netherlands

As of 2023, company wide, an estimated 94% of Ashland's palm containing raw materials are sourced from RSPO-MB certified suppliers.

Ashland's goal is to continue to increase this number and to achieve 100% RSPO-MB certified palm products by 2026.

sustainable guar

In 2023, Ashland continued its collaboration with the Sehgal Foundation to continue to enhance and expand our program for the sustainable farming of guar in Rajasthan, India.

Through educational programs and scientific solutions for more sustainable farming, Ashland continues to help increase the quality and volume of guar harvested annually, while respecting the sourcing relationships and local cultures of these small village farmers in India.

These relationships are important because Ashland uses guar to formulate specialty ingredients for personal care, life sciences, and coatings applications. From the program’s inception in 2021, we’ve been helping expand local economies in and around Rajasthan.

Using science, technology, engineering, and math (STEM) and modern technologies, farmers are taught sustainable agronomic practices and water conservation. The program’s successful results include helping farmers lower their production cost while increasing their crop yield by approximately 30 percent. In addition, the program has helped increase farmers’ income, thus expanding the economy in the small villages.

Importantly, Ashland’s commitment to gender equality fueled specific training focused on the local female population to empower them, improve their technical knowledge and skills, and help elevate their standard of living.

sustainably sourced guar by the numbers

- number of farmers enrolled in the program increased from 1,850 farmers (in 2022) to 3,450 farmers (2023) and from 25 villages to 38 villages
- average productivity yield increase in guar crop since the implementation of the program is 22%
- number of women participating in health, sanitation, and community participation awareness program for women increased from 728 in 2022 to 866 in 2023
- number of children participating in health, hygiene, sanitation, and nutrition awareness program for children increased from 1600 in 2022 to 2601 in 2023



sustainable operations

Ashland is committed to continuing to reduce adverse environmental and human rights impacts in its operations and value chain.

Ashland’s engagement in sustainable operations refers to and is based environmental and social initiatives that include listed disclosures and scores with the CDP, participation in Ecovadis, Sedex, and ongoing maintenance of ISO and RC 140001 certifications.

continued CDP disclosures in 2023:

forests: C*
water: C
climate: B

ongoing SMETA audits at Ashland sites as requested

Disclosing on Transparency One Platform, Sedex Platform, PSCI, and EcoVadis

target

deadline

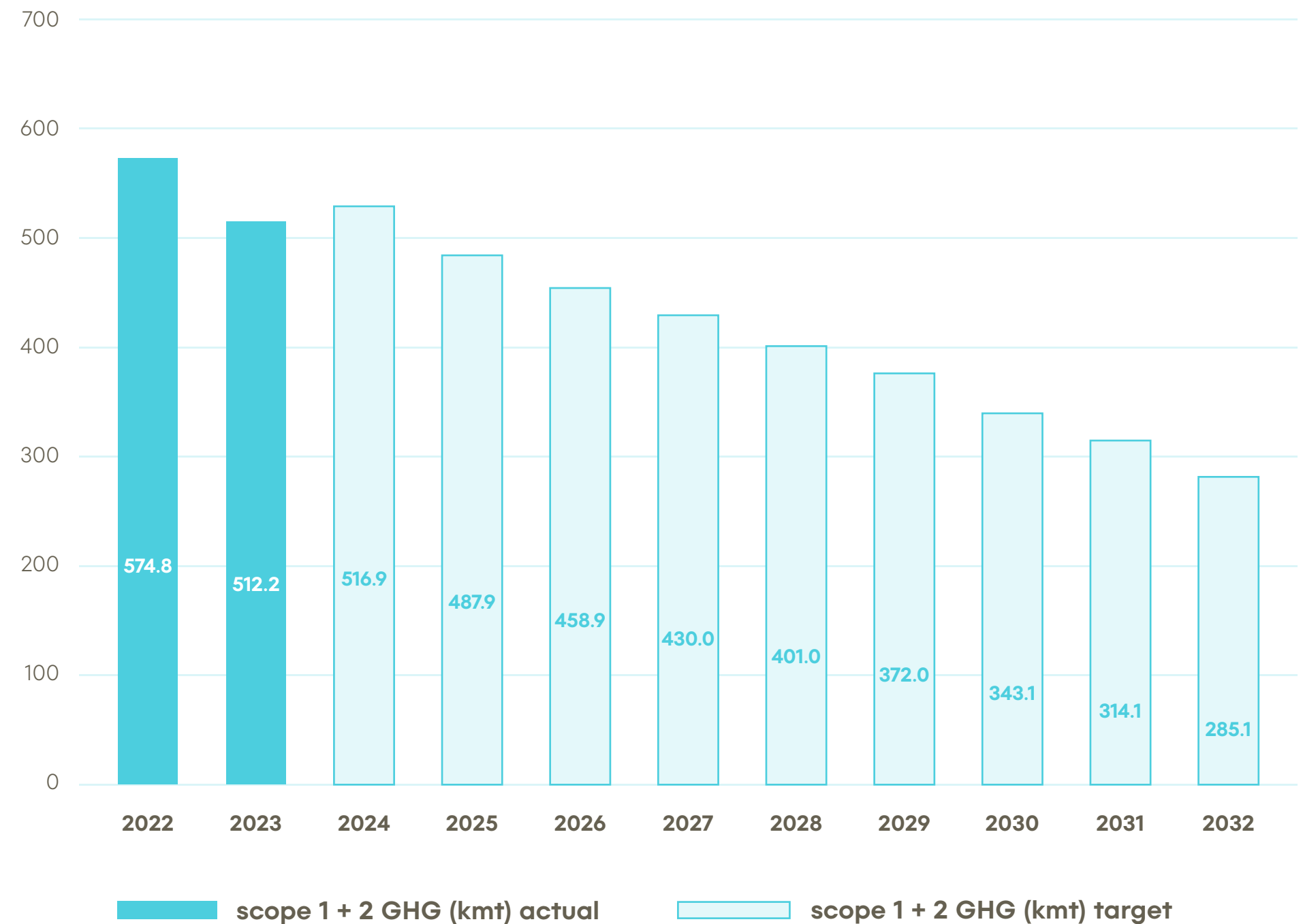
| | |
|-------------------------------------------------------------------------|-------------|
| SBTi approved target: 50.4% reduction in scope 1 and 2 emissions | 2032 |
| SBTi approved target: 50.4% reduction in scope 3 emissions | 2032 |
| reduction in intensity-based energy use – 2% per year | 2025 |
| reduction in intensity-based GHG emissions – 2% per year | 2025 |
| reduction in intensity-based hazardous waste generation – 10% | 2025 |
| reduction in intensity-based water withdrawal – 2% per year | 2025 |
| product lifecycle assessments (LCA) for 60 key products | 2025 |

*Ashland received a C rating for palm and timber and a D for soy, which represents a much smaller portion of Ashland’s raw material spend globally

Science Based Targets initiative

- received SBTi approval November, 2023
- near-term targets aligned with 1.5C
- emissions reduction target met in 2023 for scope 1 and 2 emissions
- 50.4% absolute CO2 emissions reductions target
 - scope 1 and scope 2 target year of 2032 against 2022 baseline year
 - scope 3 target year of 2032 against 2022 baseline year
- Ashland is actively executing plans to meet these targets, such as:
 - renewable electricity sourcing (RECs, vPPAs)
 - lean manufacturing/energy efficiency projects
 - long-term decarbonization projects

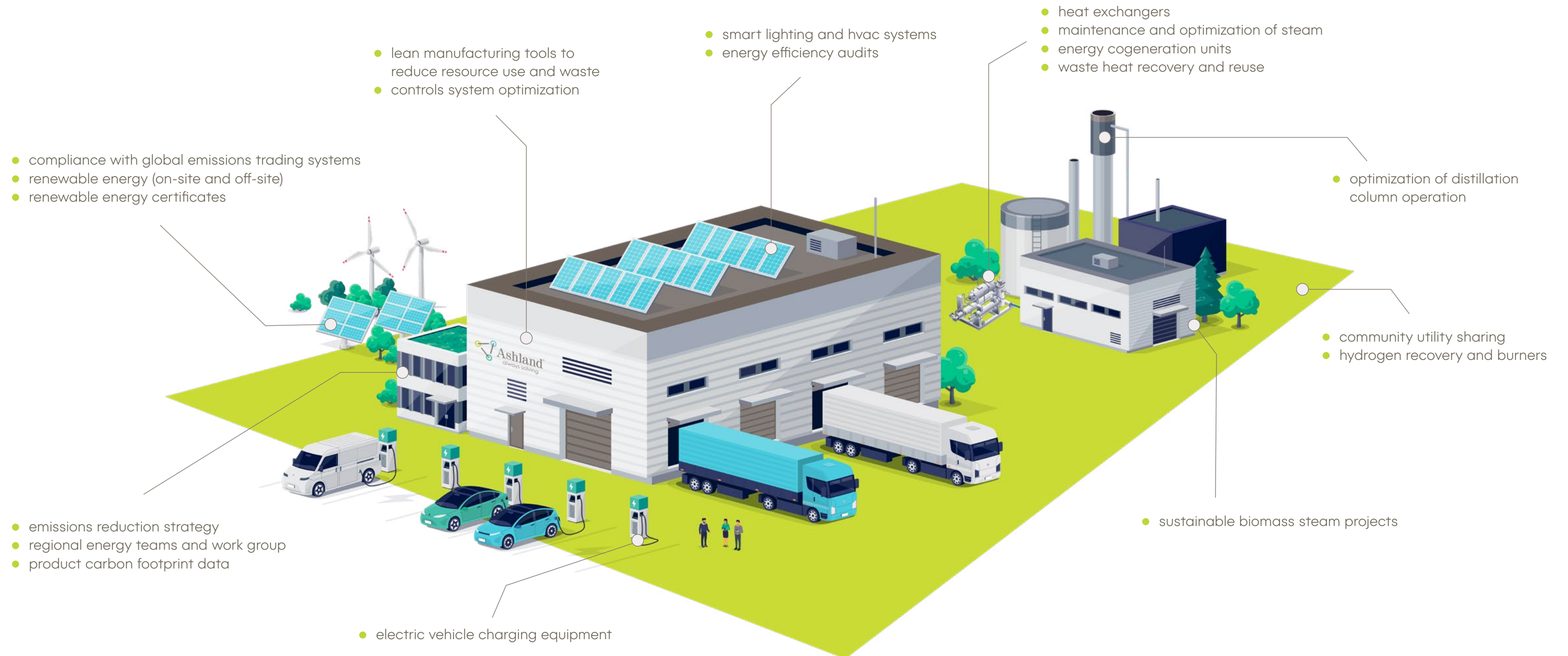
total scope 1 + 2 GHG emissions (kmt)



Ashland scope 1 and 2 decarbonization strategy



our decarbonization journey – planned/ongoing initiatives



scope 3 emissions

understanding Ashland’s value chain footprint

As part of Ashland’s comprehensive science based targets validation, Ashland underwent a thorough review of the company’s up and downstream value chain emissions. Data was developed in accordance with the USEPA GHG Protocol and has been primarily developed using spend-based estimates. This work gives an initial view of the company scope 3 emissions and supports a better understanding of key focus areas (by category) within Ashland’s value chain.

In limited gases, the impacts were difficult to estimate or were not estimated due to lack of data- primarily, this was in category 10, processing of sold products. Ashland’s products are specialty ingredients that are sold to a large number of customers as a single small component in a wide variety of applications. The impact of this is difficult to estimate at this time but in the future Ashland will look to improve this data.

Other categories such as Category 1 are currently estimated based on spend- Ashland has initiated efforts to improve the quality of this data and to transition from spend estimates to more exacting data provided by customers. This process began in 2023 and Ashland intends to publish updated values as better data becomes available and is utilized.

taking action

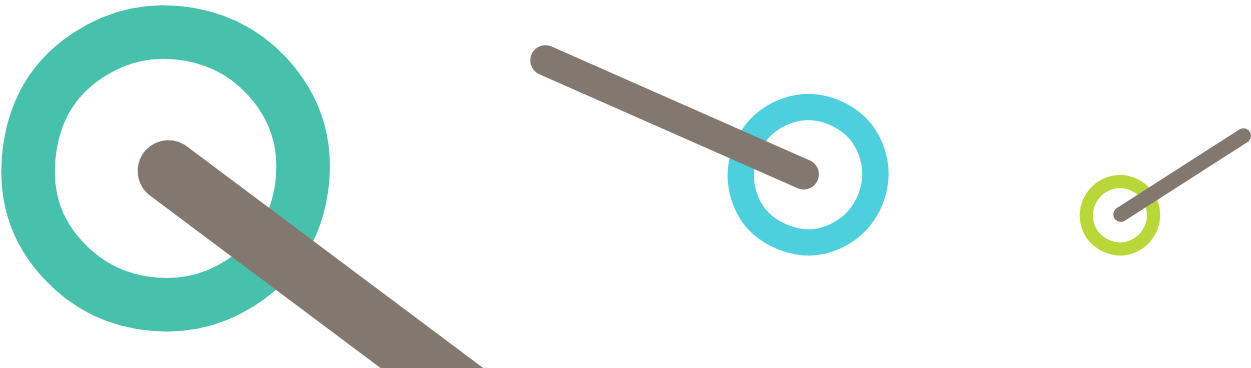
Ashland is focused on several of it’s most significant scope 3 categories with the goal of reducing the company value chain footprint.

Category 1, purchased goods and services, contributes to roughly half of Ashland’s scope 3 emissions and the largest contributor within this category is Ashland’s raw material products. Ashland is actively engaging with its suppliers to better understand raw material emissions as well as customer strategies and commitments towards emissions reductions which will significantly support overall scope 3 emissions reductions.

Category 12 emissions come from the end of life treatment and disposal of sold products- these emissions are estimated to account for just over 20% of Ashland’s scope 3 footprint. To tackle and to reduce the impacts from this category, Ashland continues to work towards improving product life cycle impacts. Ashland is working to understand, disclose, and improve attributes such as biodegradeability and naturality, as well as efficiency improvements in use to support broader life cycle emissions reductions.

Combined, upstream and downstream transportation of raw and finished materials accounts for almost 13% of Ashland’s scope 3 footprint. Ashland is working with its logistics partners to better understand transportation emissions in real time to make informed decisions to support reduction in these areas. Ashland is also working towards continuous improvement in its supply chain to support a reduced environmental footprint in these categories.

| | category | status | emission (mt CO2e) | % of total |
|----|--------------------------------------------|---------------------------|-----------------------|------------|
| 1 | purchased goods and services | relevant - calculated | 363,058 | 49.9% |
| 2 | capital goods | relevant - calculated | 9,682 | 1.3% |
| 3 | fuel and energy related activities | relevant - calculated | 89,028 | 12.2% |
| 4 | upstream transportation and distribution | relevant - calculated | 74,435 | 10.2% |
| 5 | waste generated in operations | relevant - calculated | 3,419 | 0.5% |
| 6 | business travel | relevant - calculated | 2,601 | 0.4% |
| 7 | employee commuting | relevant - calculated | 8,336 | 1.1% |
| 8 | upstream leased assets | not relevant | - | - |
| 9 | downstream transportation and distribution | relevant - calculated | 18,154 | 2.5% |
| 10 | processing of sold products | relevant - not calculated | - | - |
| 11 | use of sold products | not relevant | - | - |
| 12 | end-of-life treatment of sold products | relevant - calculated | 151,862 | 20.9% |
| 13 | downstream leased assets | not relevant | - | - |
| 14 | franchises | not relevant | - | - |
| 15 | investments | relevant - calculated | 7,163 | 1.0% |
| | | | total | 727,738 |



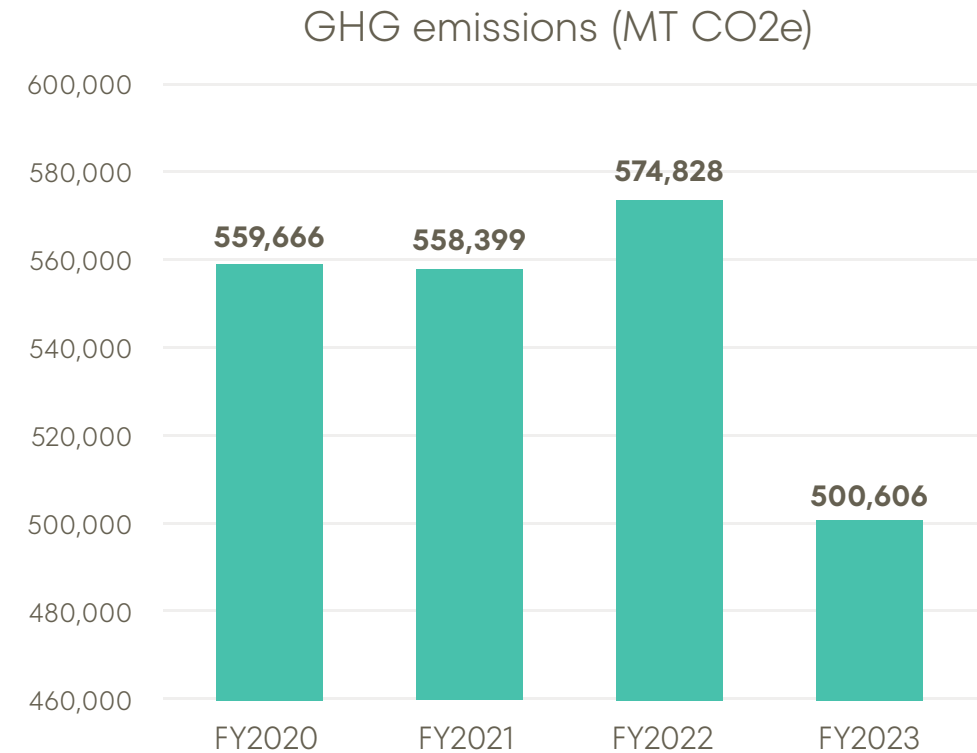
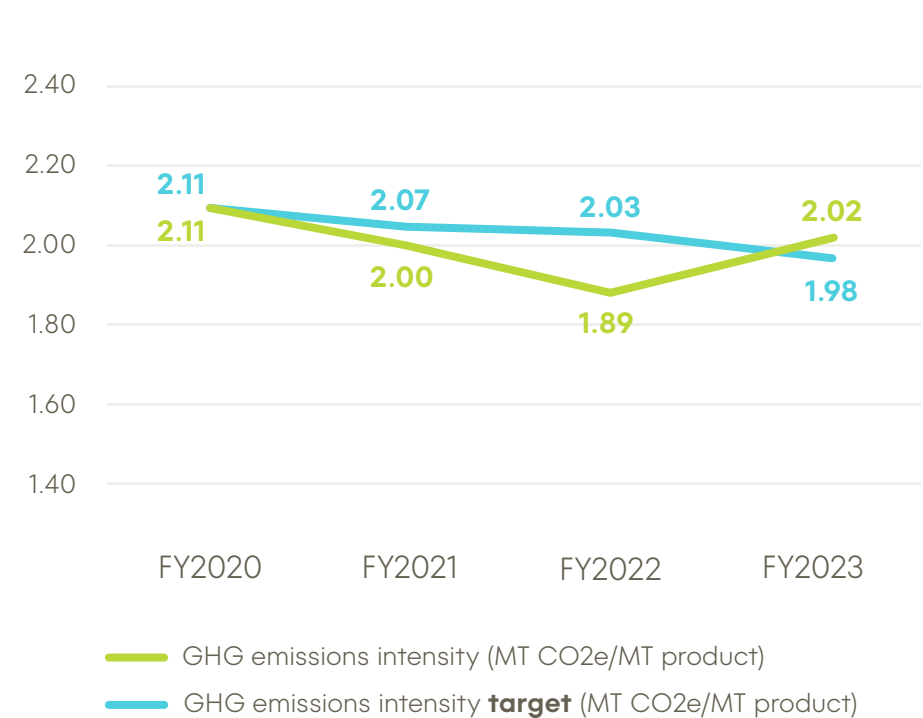
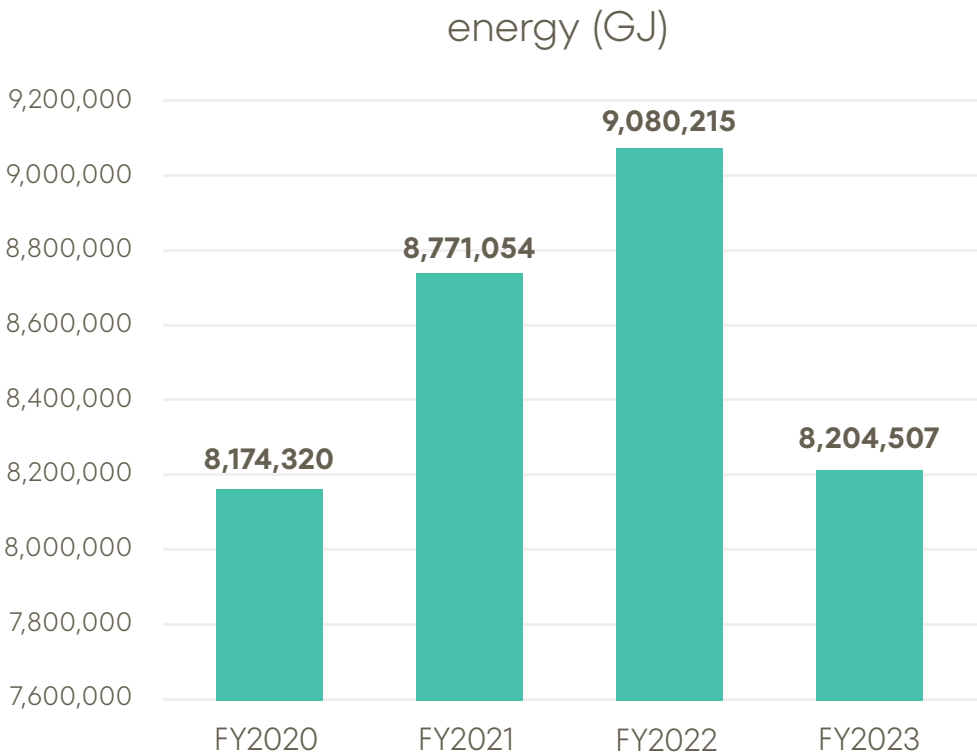
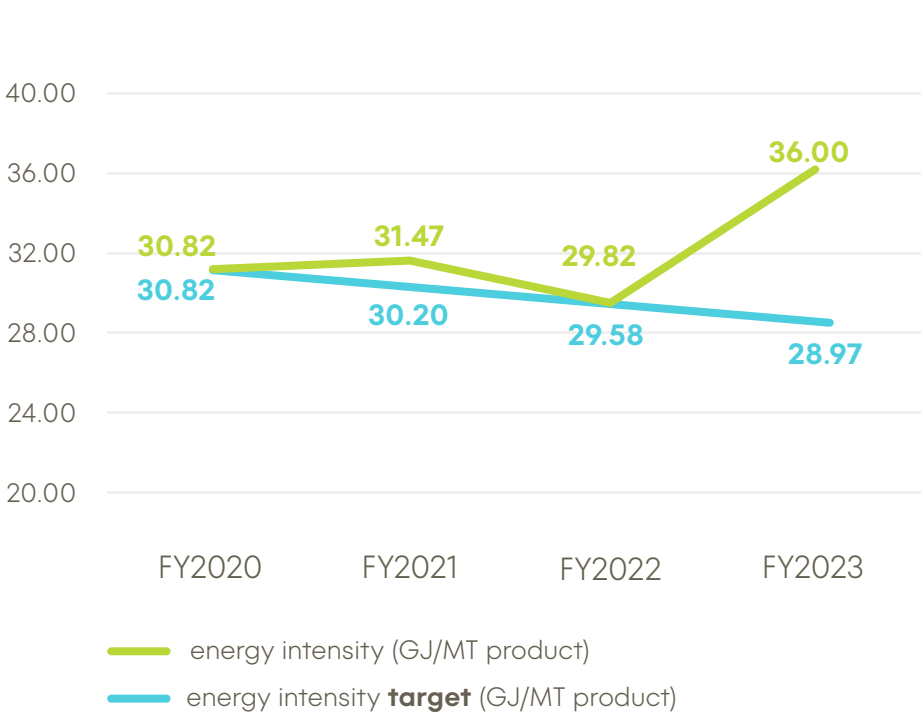
environmental performance

In 2023, we continued our efforts toward emissions reduction on an intensity basis. Our manufacturing teams met on a monthly basis to discuss sustainability initiatives and best practices, and identify and implement projects and initiatives to reduce our environmental footprint.

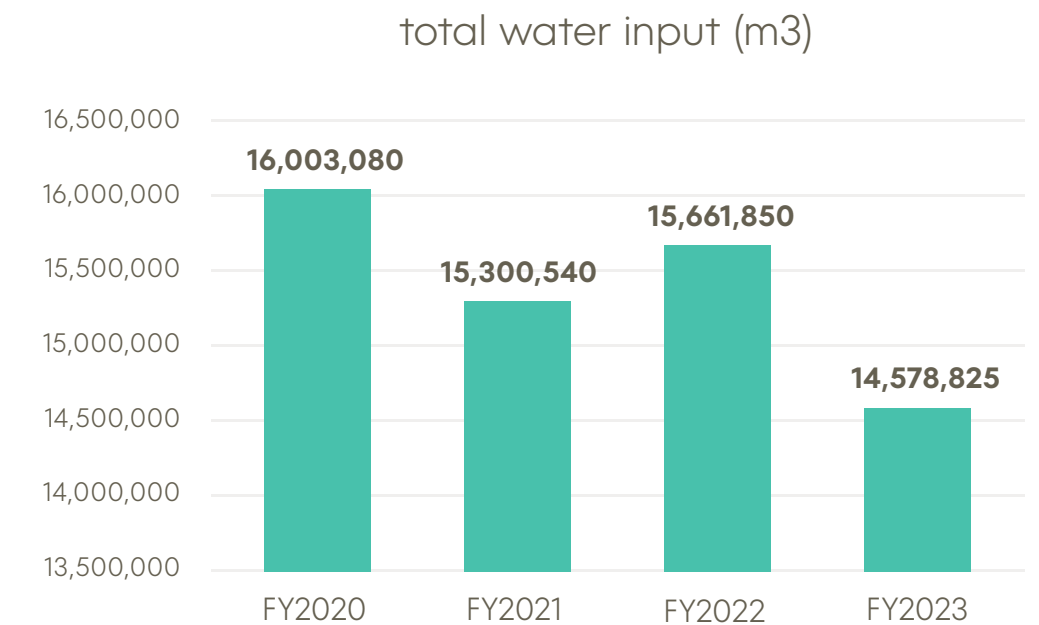
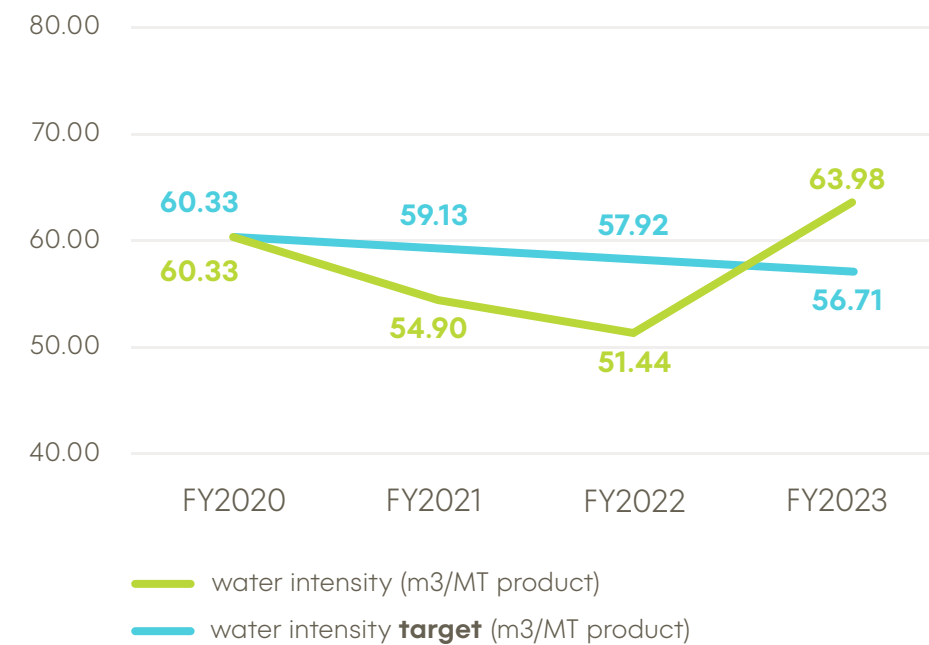
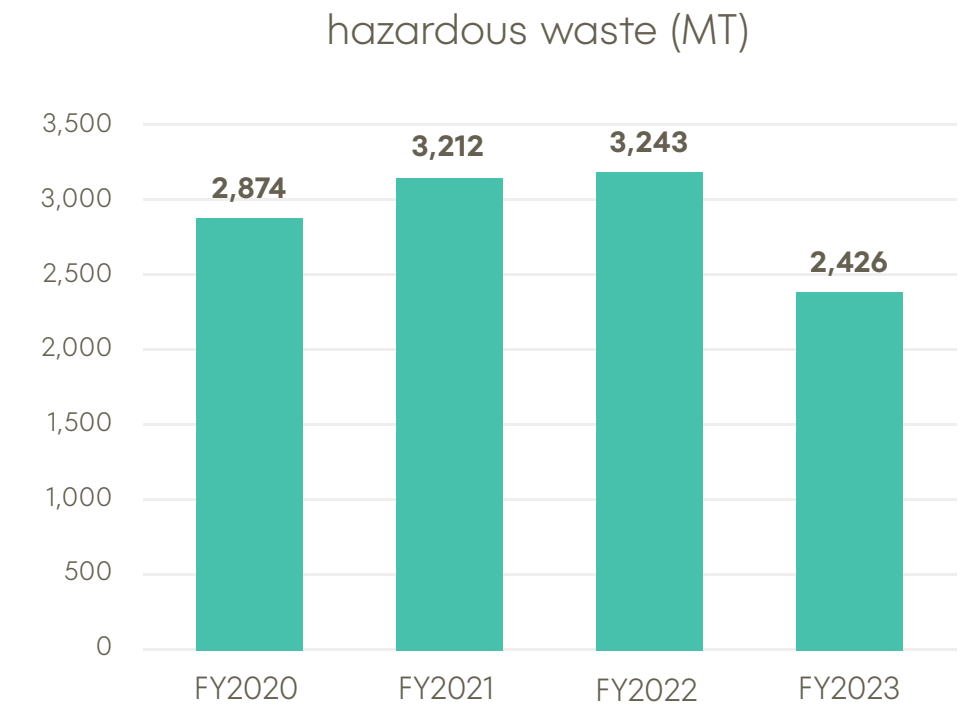
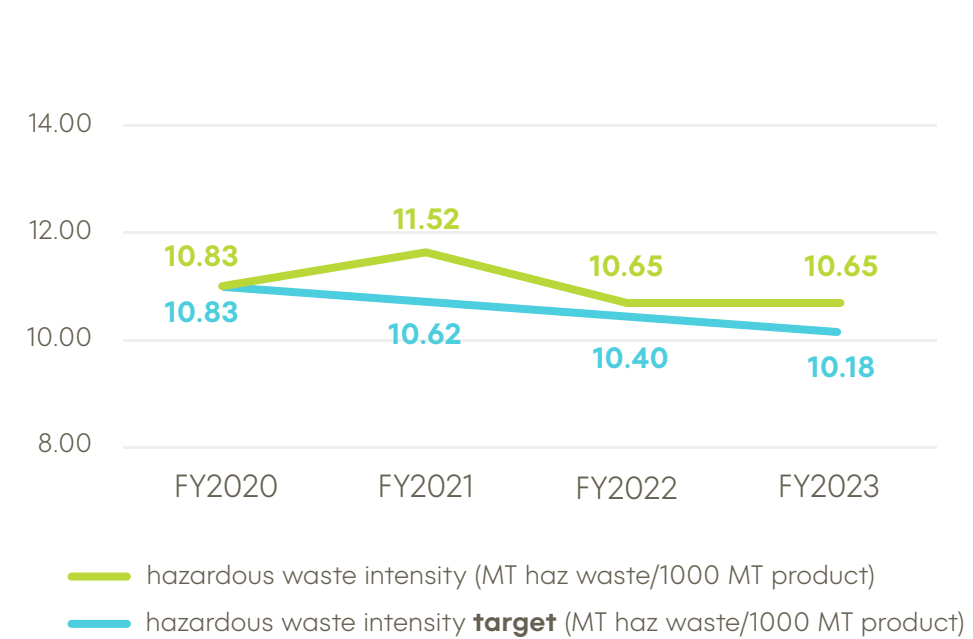
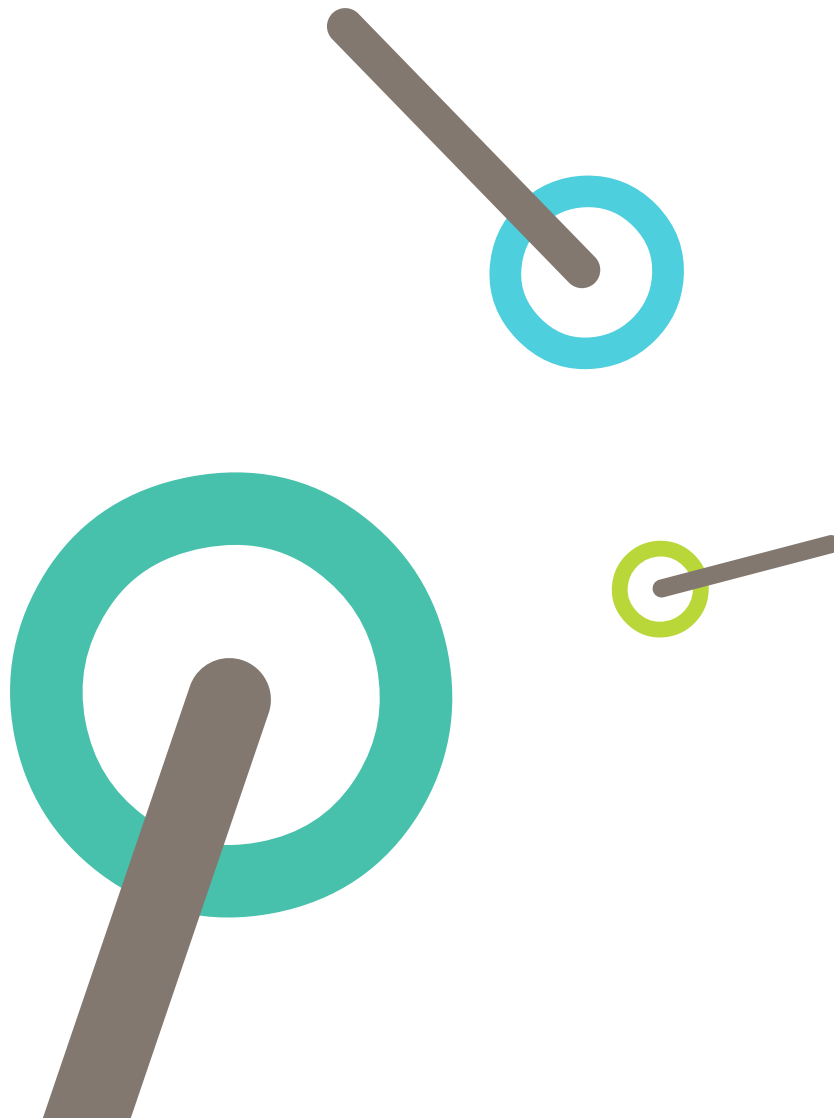
2023 was a challenging year, where reduced production rates impacted the efficiency of processing and manufacturing. As a result, the intensity of Scope 1 and 2 GHG emissions, water, and energy use (measured per pound of finished product) increased, and only hazardous waste generation intensity decreased from 2022 to 2023. Ashland did not progress toward its intensity goals in 2023 and results are shown to the right and on the following page.

To provide additional clarity, the absolute performance in these categories is also shown. For all four categories measured (GHG emissions, energy use, water, and hazardous waste) generation decreased in absolute and were below prior year levels. GHG emissions, water, and hazardous waste emissions were also below baseline year levels.

Ashland continues to strive to meet its intensity reduction targets by implementing lean manufacturing efforts and practices at its manufacturing sites. As 2025 approaches, the company is looking ahead at establishing and meaningfully meeting future emissions reduction targets and better understanding the company environmental footprint through life cycle assessment data and increasingly robust metering and measuring efforts.



environmental performance continued



process safety performance

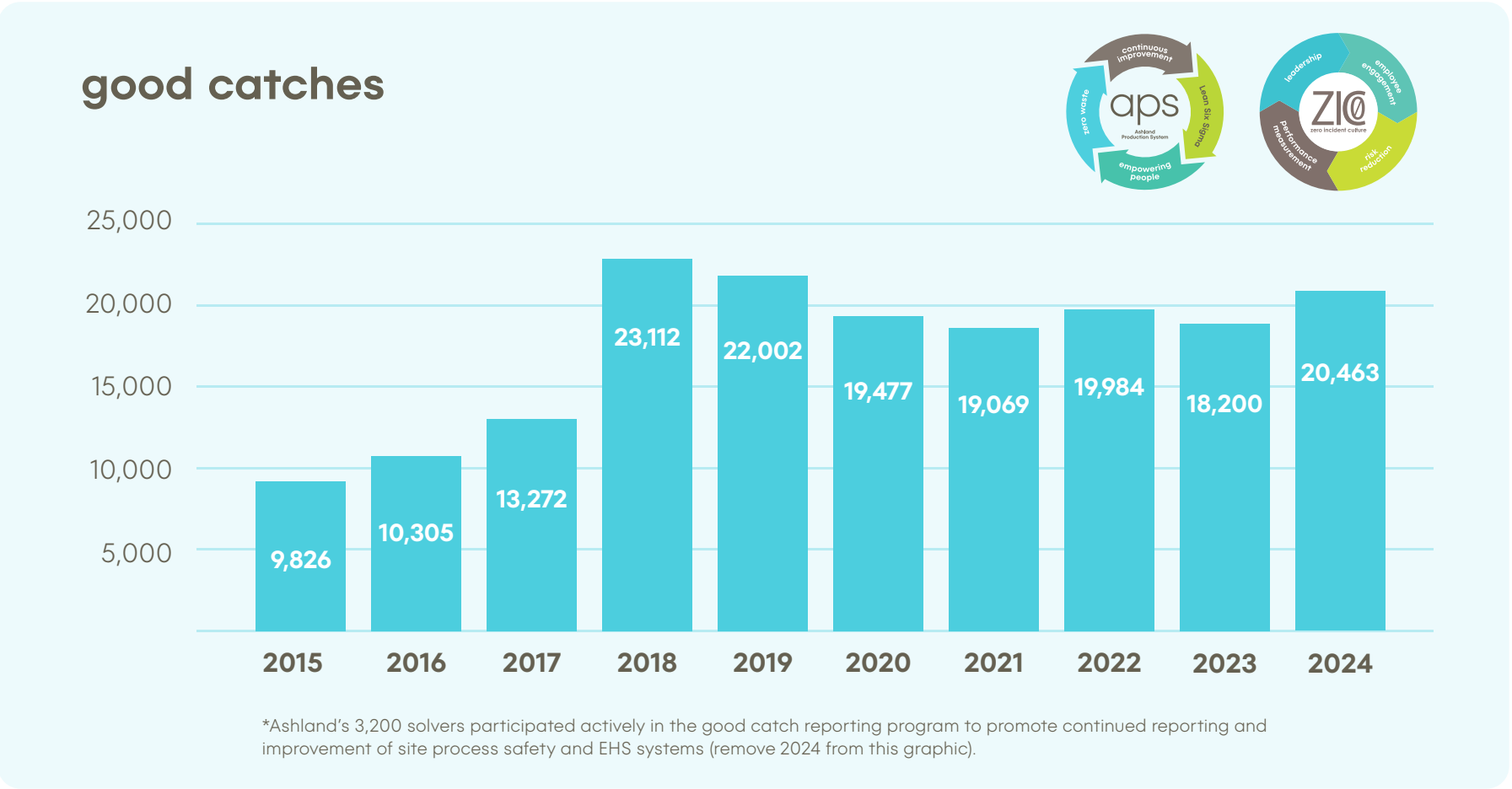
In 2023, Ashland continued to execute on its roadmap for continuous improvement. Sites implemented risk reduction projects and continued in efforts to maintain robust reliability programs. Ashland teams continue to meet quarterly to benchmark and discuss ongoing efforts assess and reduce risk. Employees are engaged in every step of the process to ensure that feedback, concerns, and suggestions are reviewed and implemented to support these continuous improvement efforts.

The 2023 focus was on driving increased visibility on leading indicators and continued discipline around identifying and addressing hazard assessment action items, driving down risk and providing visibility to management system gaps and failures.



| FY 2023 process safety performance - T1 incidents | FY 2020 | FY 2021 | FY 2022 | FY 2023 |
|---------------------------------------------------|---------|---------|---------|-------------|
| process safety incidents count - T1 only | 10 | 4 | 6 | 5 |
| process safety total incident rate | 0.27 | 0.11 | 0.16 | 0.13 |
| process safety incident severity rate | 0.27 | 0.11 | 0.00 | 0.08 |
| FY 2023 process safety incident free | | | | FY 2023 |

| | |
|----------------------------------------------------------------------------------------------------------------|-----------|
| # of sites included in metric | 31 |
| # of manufacturing sites that have gone 1 year with 0 process safety incidents | 28 |
| # of manufacturing sites that have gone 4 years with 0 process safety incidents (6.25.24 changed 3 years to 4) | 20 |



EHS performance

We exceeded our target for TPRR and met our target for PSI. We did not meet our target for EIC.

As an indication of our commitment to Responsible Care®, we have obtained a third-party certification to RC14001, which includes the internationally recognized ISO 14001 certification and adds additional health, safety, security, and chemical industry requirements.

Currently, Ashland has 24 ISO/RC14001 certified sites participating in group (multi-site) certifications, and we are working toward certifying all our manufacturing locations. Also, as part of our commitment to health and safety, 16 of our sites have obtained an additional ISO 45001 certification, an international health and safety management system.

All performance data has been updated to reflect Ashland’s footprint at the end of FY2023, including the divestiture of the Huntsville site. At the end of FY2023, we operated 31 manufacturing sites and 14 lab/office locations.

| FY 2023 safety KPIs | FY 2022 actual | FY 2023 % reduction target | FY 2023 target | FY 2023 actual |
|-------------------------------------|----------------|----------------------------|----------------|----------------|
| total preventable recordable rate | 0.59 | 14% | 0.50 | 0.39 |
| process safety event rate | 0.56 | 15% | 0.42 | 0.42 |
| environmental incident points (EIC) | 32 | 15% | 27 | 42 |

| employee safety | FY 2020 | FY 2021 | FY 2022 | FY 2023 |
|----------------------------------|---------|---------|---------|---------|
| employees at year-end | 4131 | 3744 | 3836 | 3852 |
| employee recordable injury rate | 0.73 | 0.71 | 0.59 | 0.39 |
| employee lost-time incident rate | 0.32 | 0.27 | 0.24 | 0.19 |
| employee fatalities | 0 | 0 | 0 | 0 |

2 sites have been injury free for more than 15 years

7 sites have been injury free for more than 10 years

8 sites have been injury free for more than 5 years

16 sites have been injury free for more than 1 year



Responsible Care®

Ashland delivers on commitments through a comprehensive Responsible Care® program. This global industry initiative advances the safe and secure management of chemical products and operations.

Within Ashland, this program includes a global management system, employee involvement at every level of the organization, continuous improvement toward the goals of operating with zero incidents; ensuring compliance; and reducing our environmental, health, safety, and security impact.



RESPONSIBLE CARE™

Driving Safety & Sustainability



transport safety

Ashland sets global operational expectations for transportation safety that are designed to ensure compliance with transportation regulations and to minimize the risk to people and the environment.

Ashland’s common carriers are expected to be in full compliance with applicable laws and Ashland’s Global Supplier Code of Conduct, have a satisfactory safety performance and be in good financial standing, as regionally determined.

Carriers are assessed on an ongoing basis to minimize any potential future risk, and their performance is monitored through Ashland’s incident management system. Ashland supports investigations and developing corrective action plans with carriers for incidents involving Ashland products.

| | FY 2020 | FY 2021 | FY2022 | FY2023 |
|----------------------|---------|---------|--------|--------|
| transport incidents* | 10 | 6 | 3 | 3 |

*The values are reported based upon transport incidents that require a U.S. Department of Transportation 5800 report, transport incidents that require a report based upon the EU concerning the International Carriage of Dangerous Goods by Road (ADR) criteria, and either transport incidents defined in accordance with the nationally recognized definition or definition consistent with the ICCA Guidance for Reporting Performance. These include all distributions for which Ashland has direct oversight as well as those contracted by Ashland to a third party.

20

manufacturing sites
have gone over

4 years

with

zero

process safety incidents

28

manufacturing sites
have gone over

1 year

with

zero

process safety incidents



manufacturing site projects

Zwijndrecht, Netherlands

In 2023, Ashland's asia pacific biofunctionals plant implemented an energy savings project that is estimated to save roughly 800 MWh annually, and an additional 2,300 tons of purchased steam. These reductions are due to a number of equipment upgrades and high energy equipment replacements to support more energy efficient operations.

To support future electrification projects and decarbonization efforts, the Zwijndrecht, Netherlands site initiated an electrical power supply increase to support the manufacturing site efforts to decarbonize through increased electrification.

In 2023, The Zwijndrecht site began implementation of a process expansion project in its HEC manufacturing purification stages. The expansion project included implementation of energy efficient purification equipment – the additional purification will reduce the need for energy intensive distillation and are expected to reduce site natural gas usage in the future. This project is estimated to reduce Zwijndrecht manufacturing site emissions by approximately 10%.

Sophia-Antipolis, France

Ashland's Sophia-Antipolis manufacturing site implemented an energy and water savings project in 2023 to provide additional heat conservation and reuse in heating systems on site. The project has a dual benefit of reducing energy needed for building heating, and cooling hot water before discharge to reduce thermal pollution to receiving waters.

Alizay, France

Ashland's Alizay France facility implemented a water reduction project which implemented heating and cooling recirculation on key plant utilities. The project increases the reliability of the process as well as reducing water consumption by an estimated 168,000 m3/year. In 2023, Ashland's Alizay France facility began discussions with a neighboring energy cogeneration site, to support shared area utilities and increased efficiency. The cogeneration facility uses RED-II sustainable biomass to produce steam and electricity. If successful the project will lead to a reduction in on site usage of natural gas, while lowering the carbon footprint to both Ashland and its neighbor.

The Alizay, France, facility has multiplied by 4, to 1 GWh/year, the amount of biogas produced at its biological waste water treatment plant.

The biogas is conveyed to the boiler room to produce steam used on site for the CMC manufacturing process. This reliability project is estimated to result in up to a 0.75 GWh reduction in natural gas usage (through use of renewable biogas).

Nanjing, China

In 2023, The Ashland Nanjing site further reduced energy consumption and fugitive emissions, and increased resource efficiency in our production. Electricity was reduced by 656,400 Kw.h by using high efficiency fans and reducing equipment idle running time, CO2e reduction because of electricity consumption reduction was 350 tons. Hazardous waste was reduced by an estimated 2 metric tons per year. Fugitive emissions have decreased by an estimated 44% through the installation of flange protectors

Doel, Belgium

Doel: in 2023, in the site wastewater treatment plant high energy-consuming compressors were replaced with two energy-efficient compressors equipped with variable frequency drive. These compressors allow for adjustments to air supply based on the wastewater load while operating to optimal energy use. These upgrades lead to a savings of 175 MWh per year.



Doel compressors



Alizay WWTP

Zwijndrecht expansion



Nanjing electricity upgrades

APS

Ashland's lean manufacturing program drives sustainable project ideas.

The Ashland Production System* builds on our zero-incident culture using a structured, disciplined lean management system. The goal of APS is to increase the safety and efficiency of our manufacturing operations to support our efforts to decrease our environmental footprint.

In 2023, we integrated environmental sustainability performance targets into our APS communication process, increasing visibility to progress toward our ESG goals.

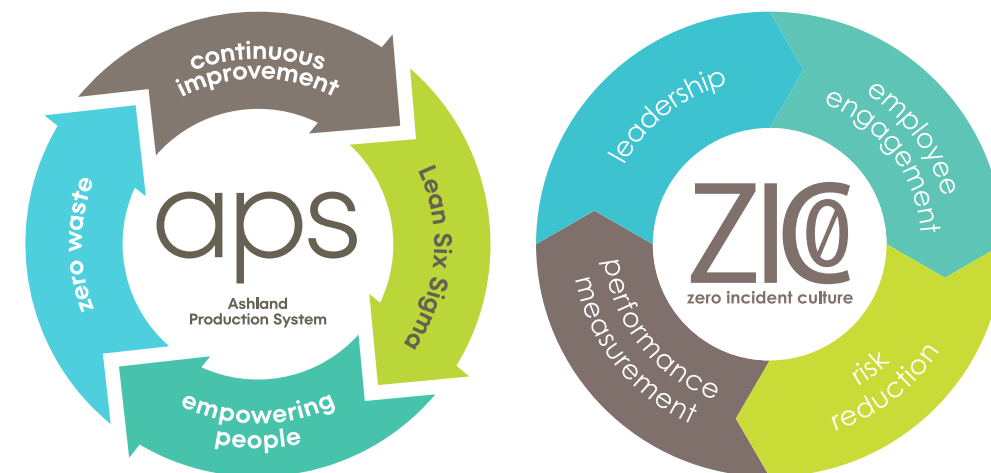


*The Ashland APS system has been implemented at Ashland's 10 largest manufacturing sites, which make up over 90% of Ashland's overall energy and water use. Efforts are ongoing to increase this to all manufacturing locations

external recognition

We are proud to share our 2023 achievements, where our team of solvers continue to seek out the challenges and deliver solutions that drive safe and responsible operations.*

It's a testament to our diverse and motivated workforce who spend their professional lives seeking out challenges and delivering solutions that spark innovation and fuel impact.



2023 Safety Awards

- Columbus, OH
- Lima, OH
- Calvert City, KY



2023 ACC Facility Safety Awards

Certificate of Achievement (3)

- **Life Sciences:** Ogden
- **Specialty Additives:** Hopewell
- **Personal Care:** Freetown

Certificate of Excellence (13)

- **Life Sciences:** Wilmington Aquarius, Totowa, Fiskeville, Columbus
- **Specialty Additives:** Parlin
- **Personal Care:** Kenedy, Merry Hill, Summerville, Menomonee Falls
- **Intermediates:** Lima
- **Technical Centers:** Bridgewater, Wilmington, Totowa



2023 Wildlife Habitat Council Awards

- ALL Wildlife Habitat Council sites achieved "gold" in 2023.

2023 Energy Efficiency Award

- Wilmington, DE solar project

*Ashland's engagement in sustainable operations refers to and is based environmental and social initiatives that include listed disclosures and scores with the CDP, participation in Ecovadis, Sedex, and ongoing maintenance of ISO and RC 140001 certifications.

sustainable solutions

Ashland's approach to high-performing innovations includes additives and specialty ingredients derived from natural, renewable, bio-based resources.



Ashland defines sustainable solutions as the design of products or processes which:

- reduce or eliminate the use, generation, or risk of substances hazardous to humans, animals, plants or the environment
- promote health and wellness
- reduce environmental waste and encourage circularity and responsible use (or reuse) of resources
- are biodegradable by design, sustainable in-use and offer health and wellness benefits and aligned with the United Nations Sustainable Development Goals

Ashland defines sustainable solutions as natural or nature-derived (according to ISO16128), biodegradable (according to OECD 301 methods), or sustainable in use (through innovative solutions that enhance sustainability product profiles in product applications or which promote social sustainability through health and wellness benefits). The design of these products supports reduced environmental impacts, the use of renewable resources, and reduced footprint across the product life cycle.



R&D targets

80%

from sustainable* chemistry by 2025 (based on GP)

65%

from natural or nature derived according to ISO 16128 methods by 2025 (based on GP)

85%

new product launches from sustainable* chemistry by 2025

>70%

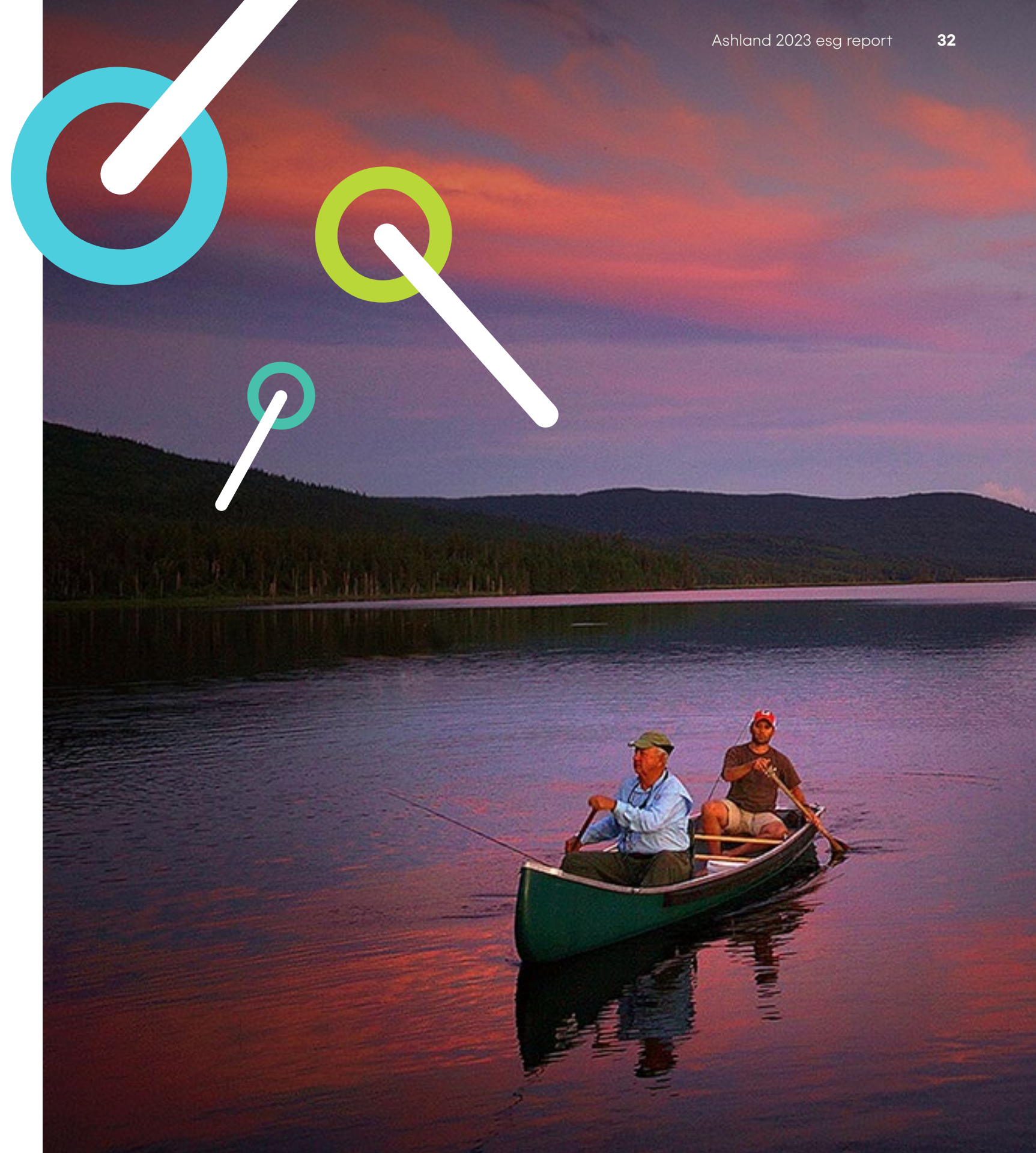
of natural or nature derived ingredients from sustainably sourced** raw materials by 2025

multi functional starch platform technology

breakthrough platform technology designed to expand choices and opportunity for customers; predicated on a sustainable* supply. This is just one example of how we enable value-chain transformation, serving as catalysts for change.

*Ashland defines sustainable solutions as natural or nature-derived (according to ISO16128), biodegradable (according to OECD 301 methods), or sustainable in use (through innovative solutions that enhance sustainability product profiles in product applications or which promote social sustainability through health and wellness benefits)

**sustainably sourced: made from renewable raw materials, and/or contains third party certification for raw materials or products where applicable, which includes: RSPO-MB, or FSC/PEFC Controlled wood certifications



scaling technology platforms

enabling value chain transformation

passing scope 3 emissions savings on to customers

commercial solutions

offering sustainable solutions* which may provide a broad range of customer benefits

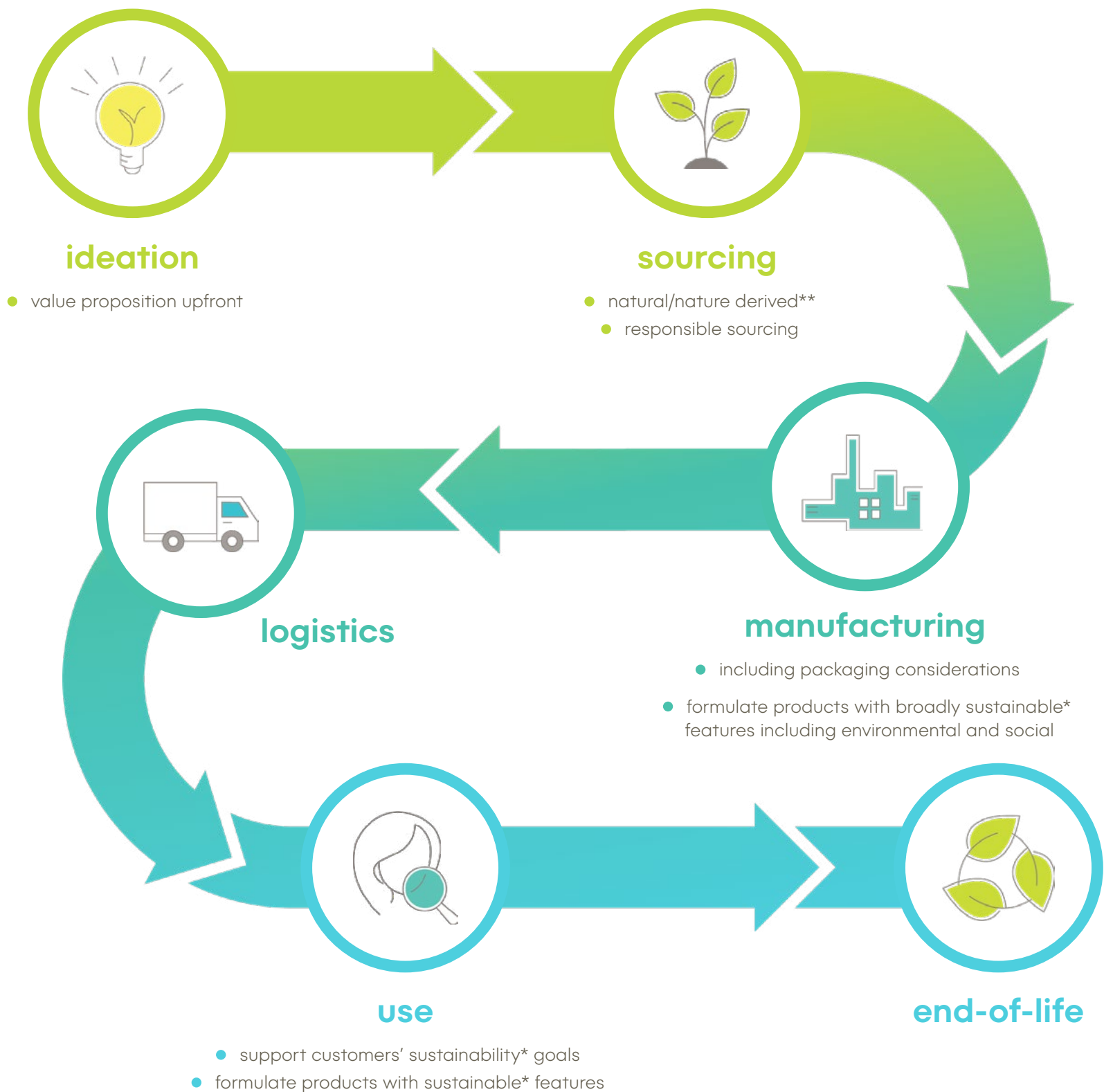
| new product launch targets | deadline |
|-----------------------------------------------------------------------------------------------|----------|
| 80% gross profit from sustainable solutions* | 2025 |
| 65% gross profit from natural or nature-derived** ingredients | 2025 |
| 80% new*** product launches from sustainable solutions* | 2025 |
| >70% of natural or nature-derived* ingredients are based on sustainably sourced raw materials | 2025 |



*Ashland defines sustainable solutions as natural or nature-derived (according to ISO16128), biodegradable (according to OECD 301 methods), or sustainable in use (through innovative solutions that enhance sustainability product profiles in product applications or which promote social sustainability through health and wellness benefits)

**according to ISO 16128-2:2017

***new products are defined as newly innovated and released to market within the time-frame covered by this ESG report



life sciences

ESG focus

- LS is focused on providing solutions that align with our corporate ESG initiatives and goals
- pharma excipients provide extensive benefits for consumers that help produce products of the highest quality and help increase patient compliance
- feeding the global population of 9.8 B by 2050 sustainably*, with more efficient land use and less environmental impact is a benefit that both the Ag and Nutrition businesses provide
- our life science cellulose offerings are made from sustainably sourced*** raw materials.

*Ashland defines sustainable solutions as natural or nature-derived (according to ISO16128), biodegradable (according to OECD 301 methods), or sustainable in use (through innovative solutions that enhance sustainability product profiles in product applications or which promote social sustainability through health and wellness benefits)

**<https://pmc.ncbi.nlm.nih.gov/articles/PMC10675717/>

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****new products are defined as newly innovated and released to market within the timeframe covered by this ESG report

FY2023 new product launches

viatel™ ultrapure controlled release bioresorbable polymers

deliver improved stability for sensitive drug compounds and overall enhanced controlled release performance in long acting injectables and implants (LAI). Stability, along with bioresorbability, eliminates the need for patients to swallow tablets and comply with difficult drug regimens, while improving rate and consistency of delivery of the drugs they need.

klucel fusion™ hydroxypropyl cellulose

optimizes performance in twin screw melt granulation (TSMG), a simpler, cheaper, faster, and more consistent drug manufacturing process. Because the TSMG process eliminates the need for water or organic solvents, the tablet drying production step is eliminated, along its associated energy use. Klucel Fusion™ hydroxypropyl cellulose is the only purpose-designed melt granulation binder on the market. Conducted at lower temperatures (50°C-80°C), Klucel Fusion™ hydroxypropyl cellulose melt granulation binding enables many other advantages, such as less degradation of the API, stronger tablets, lower binder levels, and trouble-free extrusion.

polyplasdone™ plus superdisintegrant

a “three-in-one” tablet excipient that combines disintegrant, glidant and lubricant functionality. This enables elimination of two time and energy intensive manufacturing steps, where step 1 is the addition of glidant and disintegrant and step 2 is the addition of the lubricant. This time and energy reductive process throughput simultaneously delivers improved tablet hardness and helps ensure consistent, high-quality, uniformly blended pharmaceuticals in batch and continuous manufacturing.

aquarius™ genesis film coating systems

new formulations of this product line were launched in response to manufacturing challenges. These high solids film coating formulations allow fast application and fast drying on the tablet — at lower processing temperatures. This technology reduces solution preparation and coating process times up to 65 percent, across a wide range of coating equipment. The result is higher productivity through higher tablet quality, reduced cycle times by way of faster application and drying, significant energy savings in terms of reduced process time and temperature, and capex savings by way of equipment flexibility.

benecel™ hydroxypropyl methylcellulose

pharmaceutical excipients are newly offered in custom, pre-blended molecular weights, whereby customers completely avoid polymer blending that can result in unpredictable drug release variability for active pharmaceutical ingredients. This reduces R&D time as well as manufacturing time because the customer does not need to address optimization of blend ratio and manage multiple raw materials.

benecel™ XRF hydroxypropyl methylcellulose

products are optimized for controlled-release matrix tablets, enabling high-speed compaction that improves tablet strength. High strain rates are reduced; strain rates are on imposed on the tablet during the production process causing polymer materials in the excipient to change from ductile to brittle. In summary, Benecel™ XRF hydroxypropyl methylcellulose enables less waste through product loss by providing consistent, robust tablets for the manufacturer, especially for large scale, high-speed tableting operations. And most importantly, offers consistent drug release for the patient.

benecel™ MX 100 methylcellulose

contains cellulose that is sustainably sourced*** and supports the reported environmental and social sustainability benefits of plant-based diets**. It was developed to improve the texture of “alt-meat” applications, resulting in enhanced eating experience and increased consumer adoption.

sustainable platforms*

continuous manufacturing - expanded portfolio in 2023 - full product offering includes:

- plasdone™ S-630 ultra copovidone
- benecel™ dc hpmc
- polyplasdone™ plus superdisintegrant
- klucel™ fusion hpc
- aquarius™ genesis film coatings line extensions

benefits

- cost savings
- improved cost efficiencies
- reduced manufacturing time
- improved product quality and reliability

****new platform technologies

pharma today - bioresorbable polymers - degradable carrier for drug delivery applications



personal care

innovative technology platforms include products that are sustainably sourced, upcycled, natural, nature-derived, biodegradable, “new to the world” ingredients*

Embedding ESG in all we do to create real-world, sustainable solutions and world-class innovative platform technologies, to fuel growth and partner with our customers in their initiatives to responsibly solve for a better world.

For a century Ashland has adapted, ahead of the curve, with breakthrough innovations that shape markets and enable customers to solve some of their most complex challenges. Globally, consumer demands are defining the future and changing the face of the world. Our localized approach to business puts the power of our people and products in the hands of personal care customers and communities in which we operate.

ESG is critical to our long-term business strategy

Environment, social and governance (ESG) is embedded in Ashland’s strategy and operating plans. It is both an impetus and growth opportunity, turning the potential for change into action and driving real business growth. Under our commitment to the Paris Climate Accord and Science Based Targets, and the United Nations Global Compact and Sustainable Development Goals, we’re operating with greater transparency and aligning resources to foster innovation while maintaining targets and commitments to support the preservation of the beauty of the globe.

Ashland’s conscious-to-cutting-edge innovation strategy includes increasing the speed and impact of new product innovations while embracing and integrating ESG in all that we do. 83 percent of our personal care product portfolio is natural, nature-derived, biodegradable, or sustainable in-use*.

Our sourcing processes work to help us understand our supplier ESG programs and focus. For some raw materials we have gone further to capture agricultural practices and related impact on environment; human and societal considerations including wages and community support; and procedures to ensure a secure and reliable supply which anticipates the ever-evolving regulatory framework. To support our customers in their commitment to sustainable sourcing, we now offer controlled wood-based products under FSC and PEFC certifications. Ashland obtained and maintains RSPO-MB certification at four of our manufacturing sites for a broad selection of products using palm oil or palm kernel oil As a result of this, our product offerings for many of our key personal care products are RSPO-MB certified.

new innovative technology platforms

At Ashland, we are reinventing and expanding the possibilities through innovation. Our solutions enable innovative achievements offering choice to customers and consumers in personal care. Our technology platforms enable customers to reshape global megatrends and respond to various regulatory landscapes.

In 2023 we launched 3 innovations from our Transformed Vegetable Oils platform (TVO). These unique, new-to-the-world additives can scale multiple markets with a wide range of attractive characteristics. They are nature derived, biodegradable, non-microplastic, non-GMO, and vegan suitable. Bolstered by excellent intellectual property protection, the platform provides four-in-one functionality with tunable water solubility. As a vital platform for personal care, transformed vegetable oils (TVOs) is in every way a significant success. This four-in-one multifunctional platform sets the standard for dynamic, next generation technology platforms.

A dispersant, film former, binder and delivery system, the TVO platform is a true disruptor for our customers adding value across personal care including oral care for mouthwashes and toothpaste (gantrez™ soja delivery system), skin care for hand and body washes (softhance™ mr conditioning agent) and skin/ sun care and color cosmetics (antaron™ soja glyceride).

*Ashland defines sustainable solutions as natural or nature-derived (according to ISO16128), biodegradable (according to OECD 301 methods), or sustainable in use (through innovative solutions that enhance sustainability product profiles in product applications or which promote social sustainability through health and wellness benefits)

The terms referenced within this page are further explained below:

- natural, nature derived:** natural or nature derived according to methods and definitions in ISO 16128-2:2017
- biodegradable:** biodegradable according to OECD Methods
- sustainably sourced:** made from renewable raw materials, and/or contains third party certification for raw materials or products where applicable, which includes: RSPO-MB, or FSC/PEFC Controlled wood certifications
- sustainable in use:** product determined to provide sustainability benefits when used, through innovative solutions that enhance sustainability product profiles in product applications or which promote social sustainability through health and wellness benefits
- kosher:** product is kosher certified through an accredited third party, certification and additional information available upon request
- halal:** product is halal certified through an accredited third party, certification and additional information available upon request
- vegan suitable:** based on a review of raw materials, this product does not contain or come in contact with animal/animal derived materials.
- non GMO/GMO free:** based on a review of the raw materials, this material adheres to current U.S. and European Regulations for non-GMO/GMO free status, with supporting information maintained internally.
- organic:** product has been third party certified as organic, certification and additional information available upon request.
- non microplastic:** material is not identified as microplastic according to the (EU) 2023/2055 amendment to Annex XVII
- ICEIC listed:** Inventory of Existing Cosmetic Ingredients in China (IECIC 2021). Latest update issued by NMPA (National Medical Products Administration) in 2021.
- upcycled:** contains one or more raw material(s) which have been reused in such a way as to create a product of higher quality or value than the original.
- COSMOS approved:** ingredients have been third party verified as compliant with the COSMOS standard

low VOC: VOCs as measured using ASTM D-6886. Thresholds for low VOC are aligned with generally accepted limits for paints and coatings of <50 g/L for “low VOC” and <5 g/L for “zero VOC”

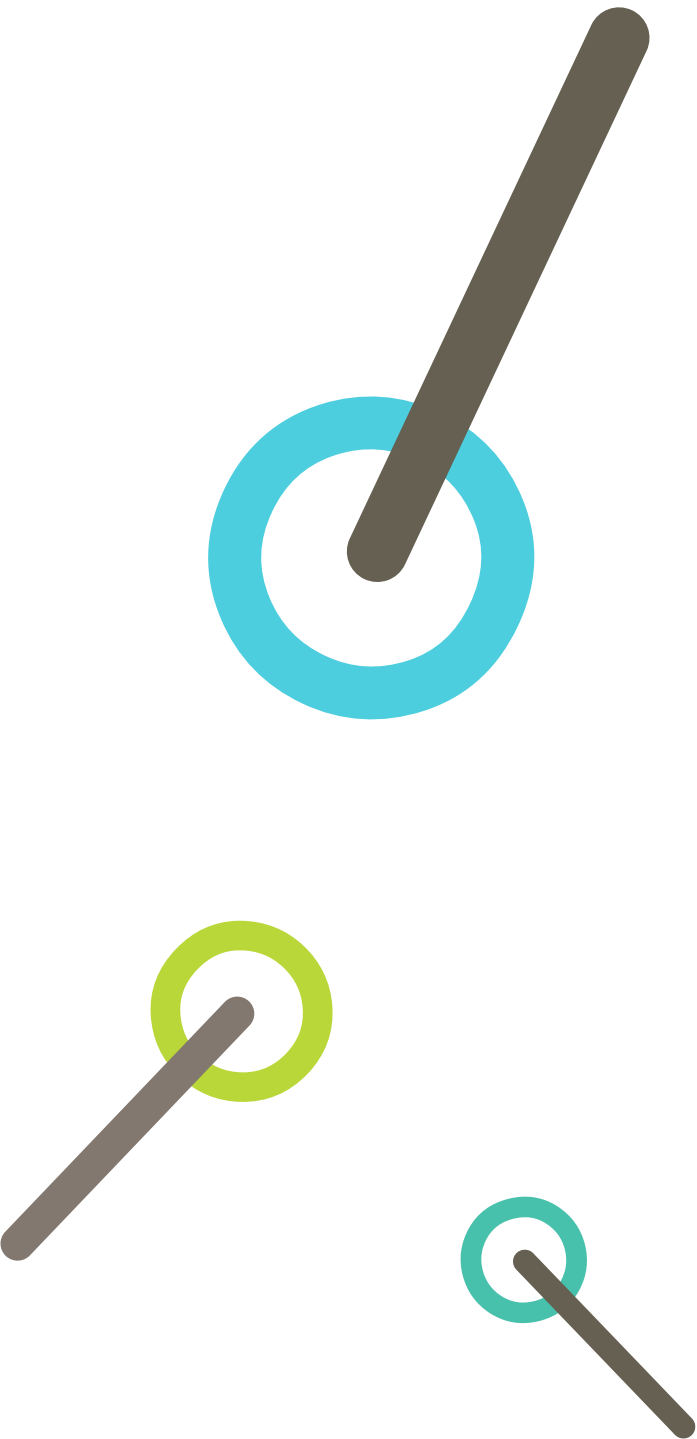
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personal care continued

2023 personal care ESG innovations

- **liftyl™ biofunctional:**
natural, biodegradable, utilizes upcycled raw materials, utilizes sustainably sourced raw materials, cosmos approved, IECIC listed
- **saffragyl™ biofunctional:**
natural, biodegradable, vegan suitable, utilizes upcycled raw materials, utilizes sustainably sourced raw materials, cosmos approved, IECIC listed
- **sclareance™ biofunctional:**
natural, biodegradable, vegan suitable, GMO free, non GMO
- **hyalurotech™ sodium hyaluronate:**
natural, vegan suitable, halal, cosmos approved, non- microplastic, IECIC listed, GMO free
- **perfectyl™ biofunctional:**
nature derived, biodegradable, vegan suitable, utilizes sustainably sourced raw materials, organic
- **antaron™ soja glyceride*:**
nature derived, biodegradable, vegan suitable, non-microplastic, non GMO
- **softhance™ mr conditioning agent*:**
nature derived, biodegradable, vegan suitable, non- microplastic, non GMO
- **gantrez™ soja delivery system*:**
nature derived, biodegradable, vegan suitable, non- microplastic, non GMO



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*Transformed Vegetable Oils platform technology launch

specialty additives

innovating for a better tomorrow

Ashland is not just revolutionizing the role of additives in coatings and specialty markets with our cutting-edge technology platforms, we are doing so while making efforts to reduce Ashland's footprint and to enable our customers to produce with more environmentally sustainable raw materials. These platforms offer increased and enhanced performance capabilities and contribute to our commitment to environmental sustainability.

paints and coatings

Our business strategies are firmly rooted in environmental, social, and governance (ESG) principles. We have a long-standing leadership position with our core Natrosol™ product line, a naturally derived material produced from wood and cotton cellulose. Through innovation, we are going beyond rheology and rethinking the possibilities. In 2023, we introduced easy-wet™ substrate wetting agents from our super wetters platform. This fluorine and silicone-free product portfolio delivers defect-free films for architectural and industrial coatings markets. It allows customers to tune their formulations for optimal application performance and provides a sustainable solution*. Notably, easy-wet™ 300 has one of the industry's lowest VOC levels.

*Ashland defines sustainable solutions as natural or nature-derived (according to ISO16128), biodegradable (according to OECD 301 methods), or sustainable in use (through innovative solutions that enhance sustainability product profiles in product applications or which promote social sustainability through health and wellness benefits)

batteries and energy storage

Ashland drives regional and customer-focused decision-making and innovations by country, culture, and consumer. This partnership includes navigating a regulatory road map by region. With the transition to zero- or low-emission electric and hybrid vehicles and the need for lithium-ion batteries, we know the road to compliance can take many twists and turns.

Ashland provides a wide range of specialty additives, including binders for high-capacity silicone-based anodes with our eyes on the environmental impact of our products and regulations.

Our binder portfolio is sustainable. Bondwell™ cmc contains at least 77 percent renewable carbon** and is fluorine-free, enabling water-based formulations for solvent-free, zero-VOC anodes. Additionally, we perform life cycle assessments on our products and use this data to understand their environmental impact.

Ashland's unwavering focus on product safety and quality begins with safe, compliant, and responsible operations***. Our additives portfolio empowers customers to enhance their operations' efficiency without compromising on performance, all while providing consumers with the peace of mind that comes from knowing they are choosing a sustainable solution*.

**according to ISO16128-2:2017

***Ashland's engagement in sustainable operations refers to and is based on the listed disclosures and scores with the CDP, Ecovadis, Sedex, and ongoing maintenance of ISO and RC 140001 certifications.

2023 specialty additives ESG innovations

Ashland easy-wet™ substrate wetting agents

portfolio is a breakthrough technology designed to deliver defect-free films in the coatings markets. Our three product grades—easy-wet™ 200, easy-wet™ 210, and easy-wet™ 300—deliver key functional attributes, including excellent substrate wetting and low foam stabilization, leading to no cratering in film coatings. All grades are fluorine and silicone-free, offering formulators a more sustainable solution. Easy-wet™ 300 has one of the lowest VOC levels in the industry.

Nutrashield™ 200 and pHlex 360 pH neutralizing

agents are low-odor pH neutralizing and stabilizing additives designed for easy incorporation and long-term pH stability in latex emulsions and water-based paints and coatings. The additives have low VOC content and can replace ammonium hydroxide and other organoamine pH neutralizers, reducing our customers' VOC in water-borne paints.

Natrosol™ FRS1500 and FRS1700 liquid rheology

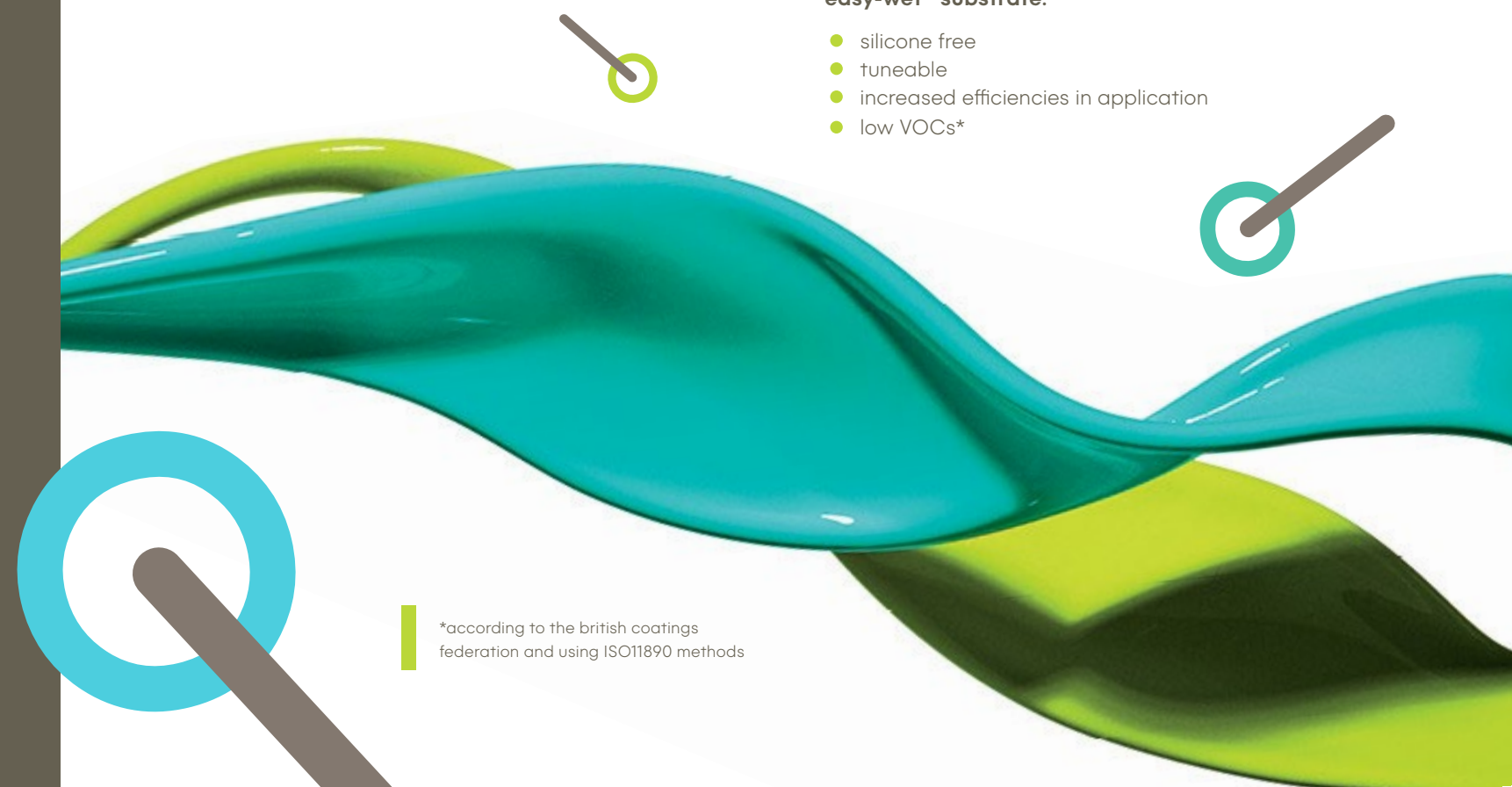
modifiers are preservative-free, novel rheology additives designed to deliver manufacturers of water based architectural paints optimal flexibility in the manufacturing of traditional paints. When utilizing the full potential of the additive technology, optimization of the paint manufacturing process can result in significant reduction of processing time, resulting in overall energy savings. These additives are made using FSC Controlled wood sources.

Culminal™ GAP 0540 is a new additive for premium cementitious tile adhesives. With the ever-increasing requirements for the traditional cement industry to reduce CO2 emissions, the use of composite cements is growing because they can be produced with a lower carbon footprint; however, these composite cements negatively impact the performance of the formulated cementitious adhesives. Culminal™ GAP is the industry's solution to maintaining the desired performance of composite cement adhesives and enabling a reduced CO2 emissions footprint.

easy-wet™ substrate:

- silicone free
- tuneable
- increased efficiencies in application
- low VOCs*

*according to the british coatings federation and using ISO11890 methods



biodegradability*

We're a source for additives and specialty ingredients plus a resource for the industry with our in-house biodegradation capabilities that allows Ashland to:

- screen products/raw materials to determine those that have better biodegradation profiles using standard methodologies
- investigate structure/performance relationships to tailor biodegradable materials
- analyze the results including seeing what goes on beyond the time period of standard testing
- control and mimic environmental scenarios that may be more applicable to real-life



Biochemical Oxygen Demand (BOD) bottles in the incubator for use in the OECD 301D methodology.

*biodegradability measurements using OECD 301 methods and thresholds



ISO 16128

To solve for the growing consumer interest in natural and nature-derived ingredients in cosmetic application, Ashland has evaluated the natural and natural origin content of many grades of its personal care specialty ingredient product lines, applying the ISO 16128-2:2017(E) standard.

ISO 16128-2:2017 provides guidelines on definitions for natural cosmetic ingredients and approaches to calculate the natural origin content of products. Section 4.3 of the ISO standard references the determination of Natural and Natural Origin Indexes of ingredients, including nature-derived ingredients.

Examples of Ashland ISO 16128 calculations on its personal care product lines:

- Ashland cellulosic and guar chemistries’ derived natural values are calculated using molecular weight, formulation details for the product and analytical data from production
- Ashland biofunctional and preservatives chemistries’ derived natural values are calculated using weight fraction; formulation details for the product; raw material supplier data; and, where applicable, analytical data from production
- Ashland finished products as sold to the customer factor in formulated water as referenced in the ISO standard 16128-2 (Section 5.1), and the calculations provided are for our finished products as sold to customers

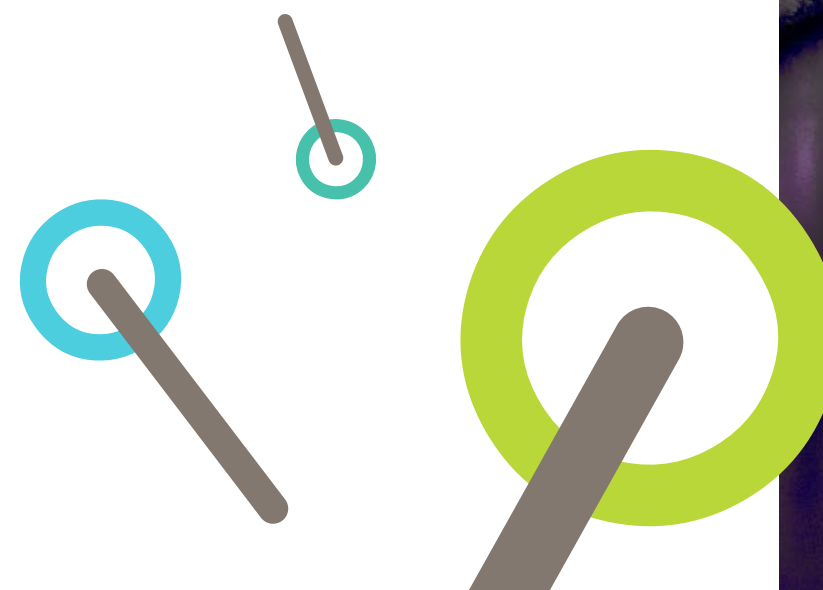
For products used outside of the cosmetic ingredients scope, Ashland applies a similar approach/best practice standards when calculating the natural or nature-derived content of a material. As customers in the life sciences and specialty additives business units continue to seek support and information on these product circular life cycle impacts, Ashland’s experts continue to work to provide transparent information on product attributes.

natural

meets ISO 16128-2:2017 100% natural origin content standard

natural-derived

meets ISO 16128-2:2017 50%-99% natural origin content standard



sustainable forest management

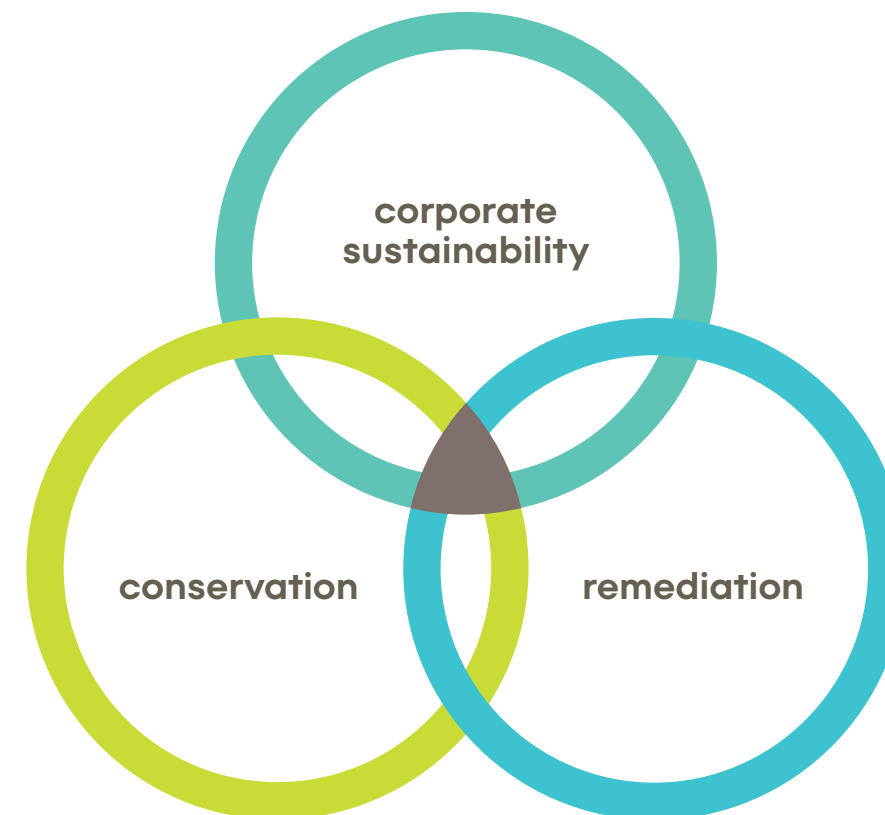
In 2023, Ashland continued its support of The Nature Conservancy (TNC) by donating \$25,000 toward TNC's STEM youth engagement Nature Lab, and providing an additional \$25,000 in funding toward that organization's Plant a Billion Trees forest restoration project.

These projects that support sustainable forestry, STEM education, and conservation underscore Ashland's focus on community engagement with a STEM focus, and the broader need to fund practical ways to engage and enlist the next generation of problem-solvers and innovators. TNC's reforestation program can have a profound impact on local conservation and restoration efforts and can play a vital role in curbing the effects of climate change and habitat loss.

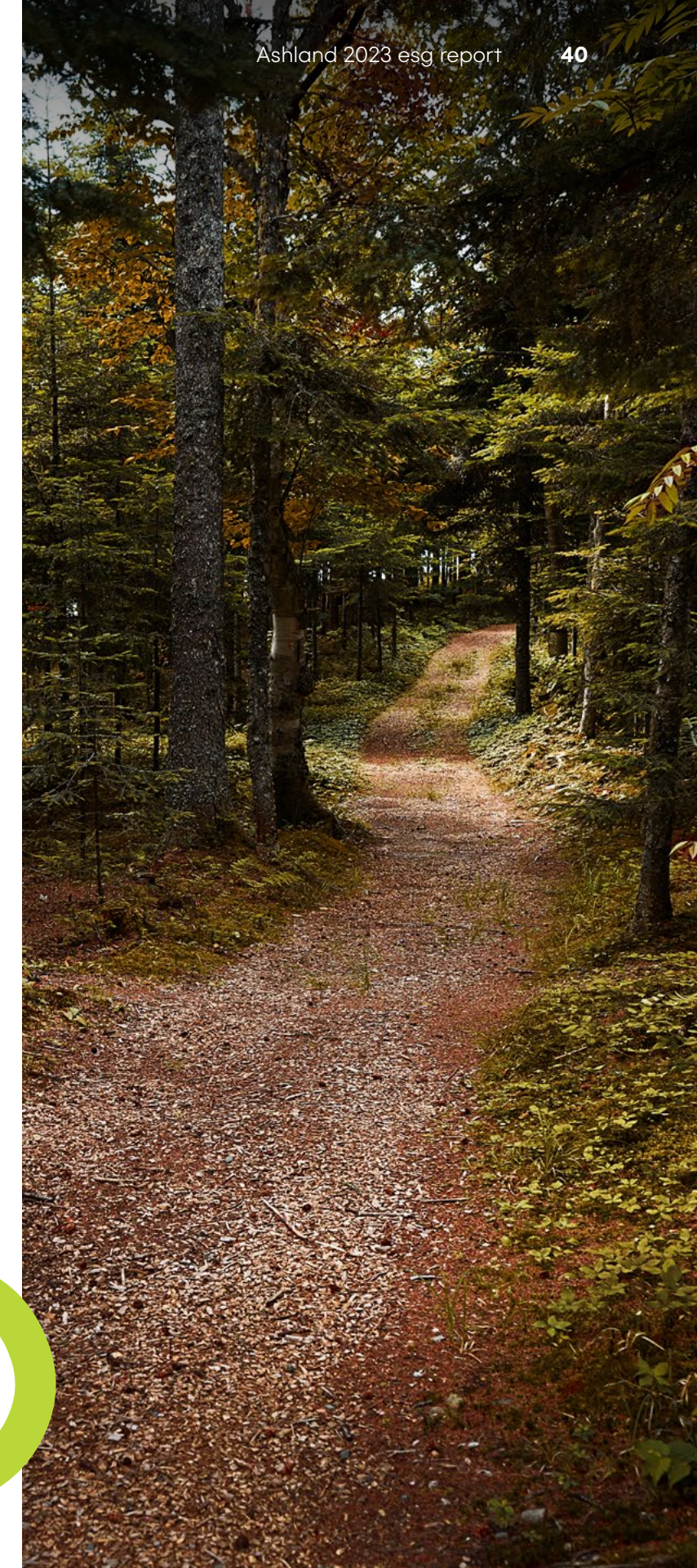
Ashland's donation funds the planting of roughly 10,000 trees through The Nature Conservancy. Once mature, these trees could absorb 480,000 pounds of carbon dioxide annually, based on estimates from the Arbor Day Foundation*

In 2023, Ashland maintained FSC and PEFC certification for responsible sourcing of controlled wood-based products. These programs support supply chain transparency and sustainable forest management. At this time, we focus on offering controlled wood-based products to our requesting customers with the goal of educating customers and providing additional certified materials in the future.

At Ashland, we understand there is no Planet B. We are a vital part of an ecosystem that must be protected for future generations. We believe increasing the number of students pursuing advanced degrees in STEM careers is vital to the health of the planet and to our long-term success as a company. We will continue working with partners to broaden the participation of women and minorities because the more diverse the team, the better the problem solving.



*<https://www.arborday.org/value>



wildlife habitat council

In 2022, Ashland continued our commitment to biodiversity enhancement and conservation by continuing to improve multiple projects across eight sites within our Wildlife Habitat Council (WHC) program portfolio.

Ashland’s WHC program has seven certified gold sites. Ashland continues to combine conservation and corporate sustainability goals with remediation efforts and was recognized by WHC at the 2023 Conservation Conference as a finalist for the Bats and Formal Learning projects at the wilmington research center.

Jacksonville Plant

The former Jacksonville Plant, covering 93 acres of conserved ecosystems, earned Gold certification for nine habitat and species projects, including an avian nest box project that helped fledge 11 nestlings in 2023, aiding songbird conservation. It expanded habitat monitoring to additional grasslands and began a new pollinator project, aligning with nearby Camp Robinson Special Use Area’s bird conservation goals. Annual mowing sustains grassland health, benefiting native pollinators like bumblebees, dragonflies, and butterflies dependent on local vegetation.



Hopewell, Plant

The Hopewell Plant, featuring an 8-acre landfill cap meadow surrounded by diverse habitats, supported projects for reptiles, amphibians, pollinators, avian species, bats, and mammals in 2023. Habitat enhancements like nesting boxes, coverboards, and pollinator boxes were added to aid foraging, shelter, and breeding activities. Monitoring efforts using game cameras identified new species like the double-crested cormorant and red-tailed hawk, alongside dominant ones such as the yellow-bellied slider, eastern bluebird, and white-tailed deer. Adaptive strategies like additional seeding were used to further support native wildlife populations on-site.



Hattiesburg Plant

In 2023, the former Hattiesburg Plant attained gold certification for its habitat and species conservation projects, including the fledging of 10 bluebird nestlings from strategically placed nesting boxes in its 5.5-acre grassland habitat. The site’s focus on monitoring native cavity-nesting songbirds, pollinators, and mammals has shown increased signs of nesting and diverse wildlife sightings, highlighting the effectiveness of its management efforts in supporting native populations through breeding and rearing stages.



Research Center

In 2023, the Research Center program was recognized at the WHC Conservation Conference as a finalist for the Bats Project Award and winner of the Remediation Project Award. Their efforts included establishing a landscaped pollinator garden and monitoring five species across managed and adjacent habitats, with a thriving grassland habitat supporting wildlife like bats and species of conservation concern such as the Baltimore Oriole and Common Flicker. This recognition underscores the Research Center’s dedication to environmental stewardship and biodiversity conservation.



Old York Road Center

In 2023, the Old York Road site was highlighted in a WHC Member Success Story for its robust habitat and species programs, including a partnership with Rutgers University for scientific data collection on its 7-acre former landfill. New plant and animal species were discovered on-site, and 32 nestlings from three native songbird species successfully fledged from grassland nest boxes, showcasing effective preventative measures against parasitism, pests, and predation. These successes indicate a positive impact on target species and the overall diversity of native wildlife in the area.



Former Brunswick Plant

The Former Brunswick Plant boasts grasslands and forest habitats supporting diverse native wildlife like birds, mammals, and pollinators. In 2023, changes on-site altered the grassland habitat, yet signs of nesting persisted in avian boxes, and solitary pollinators used the pollinator box. Adaptive efforts included updating the mammal camera for ongoing wildlife observations and post-2023 recommendations for bird box improvements to enhance fledging success rates, all crucial for maintaining strong habitat and species programs for certification.



Former 009 Landfill

The Former 009 Landfill program comprises freshwater ponds, wetlands, and a grassland meadow supporting monitoring projects for avian, mammal, pollinator, and reptile & amphibian species. In 2023, a new pollinator box attracted leaf cutter bees for nesting, showcasing effective habitat additions. Planned adaptive management activities, such as replacing nest boxes and coverboards, aim to bolster habitat diversity for certification. Moreover, the program’s recognition as a finalist for the WHC Reptiles & Amphibians project award underscores its dedication to conservation efforts.



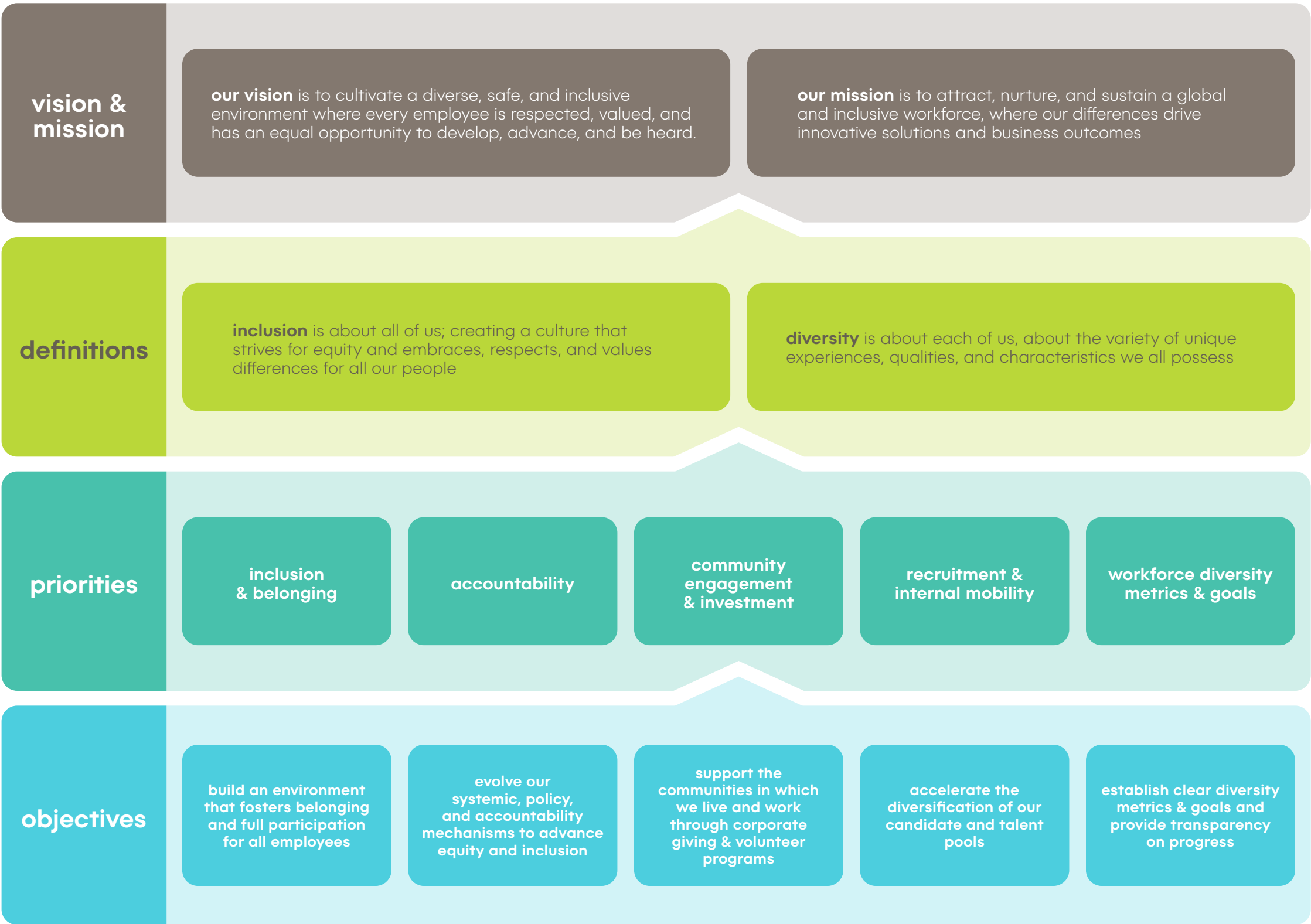
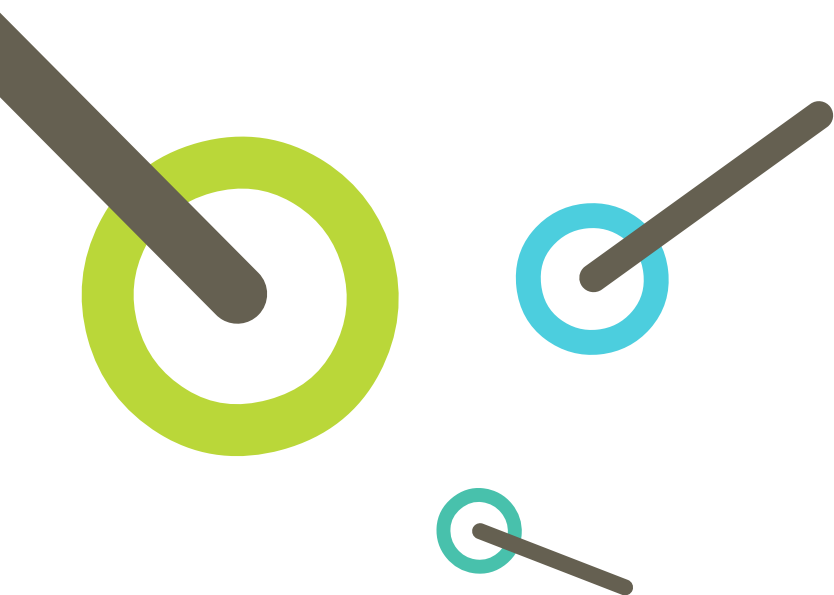
social

inclusion and diversity

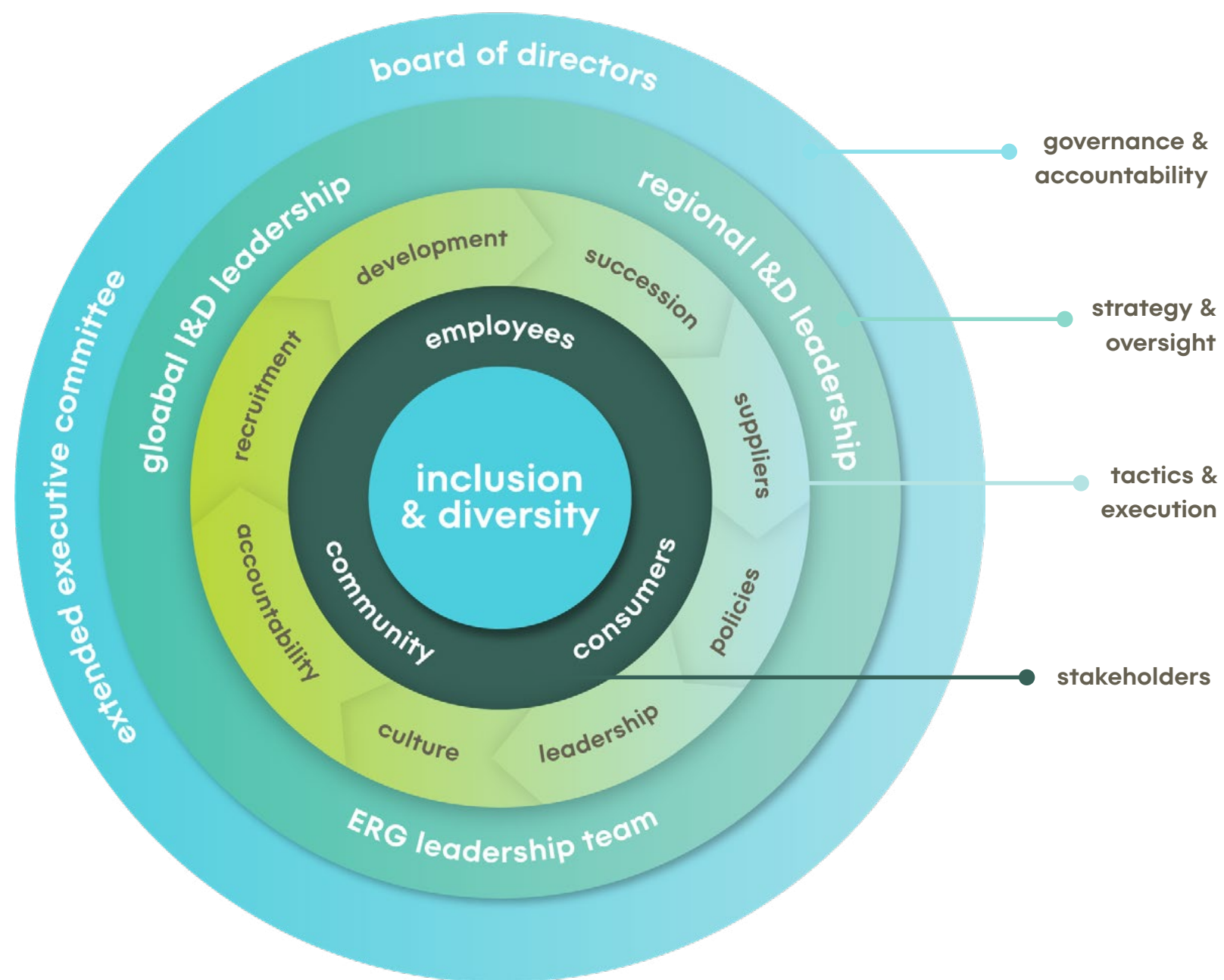
Ashland's purpose is to responsibly solve for a better world.

We believe one powerful and necessary way to live that purpose is to proactively strengthen both the diversity of our workforce and the inclusiveness of our culture.

We achieve our vision and mission through five key priorities from which we have built global and local objectives and initiatives to advance our progress.



our ecosystem



mission of I&D leadership

attract, nurture, and sustain a global and inclusive workforce, where our differences drive innovative solutions and business outcomes

role of participants

senior level commitment, governance, oversight, and execution of global and regional inclusion and diversity efforts and goals

cadence of leadership meetings

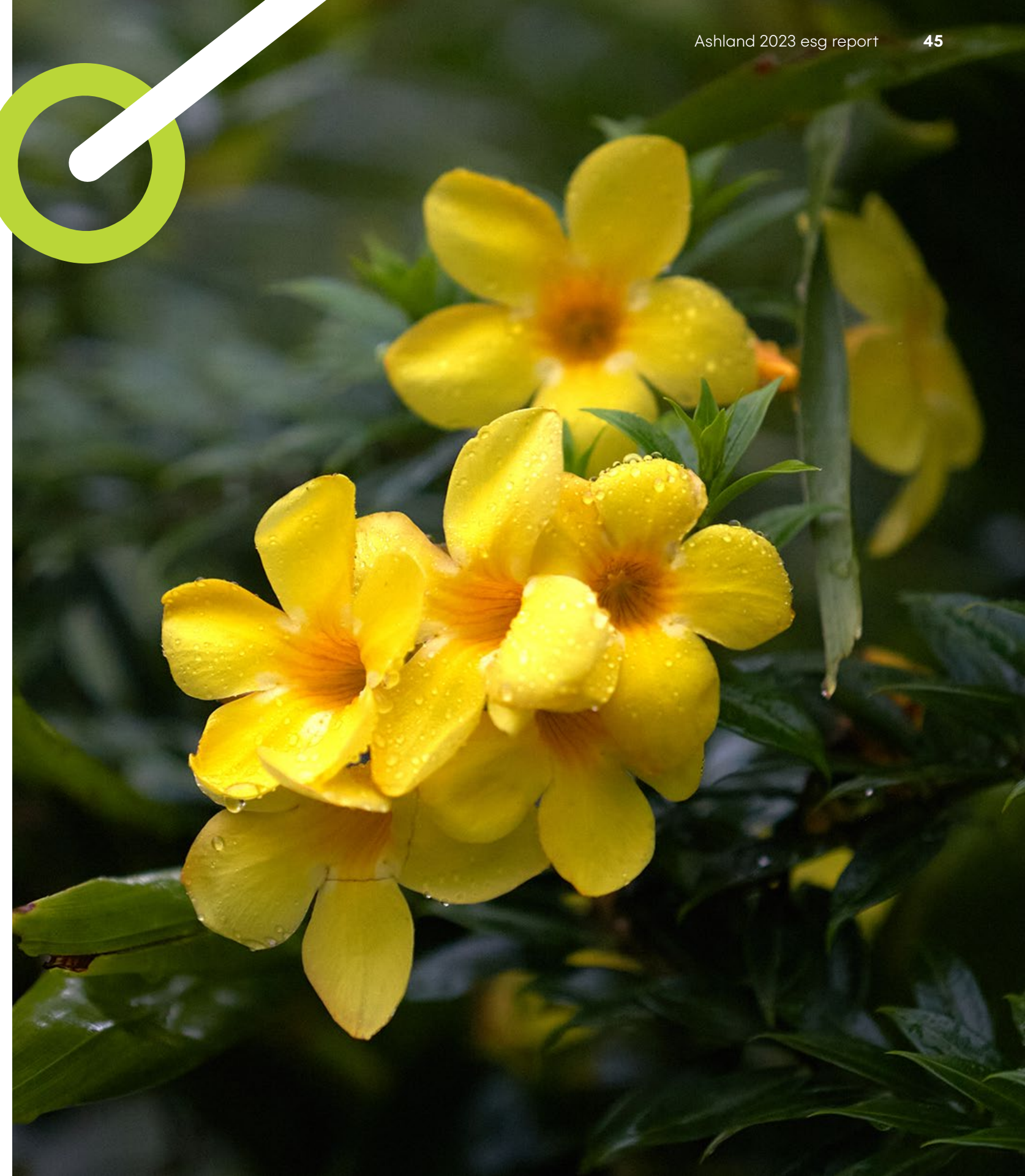
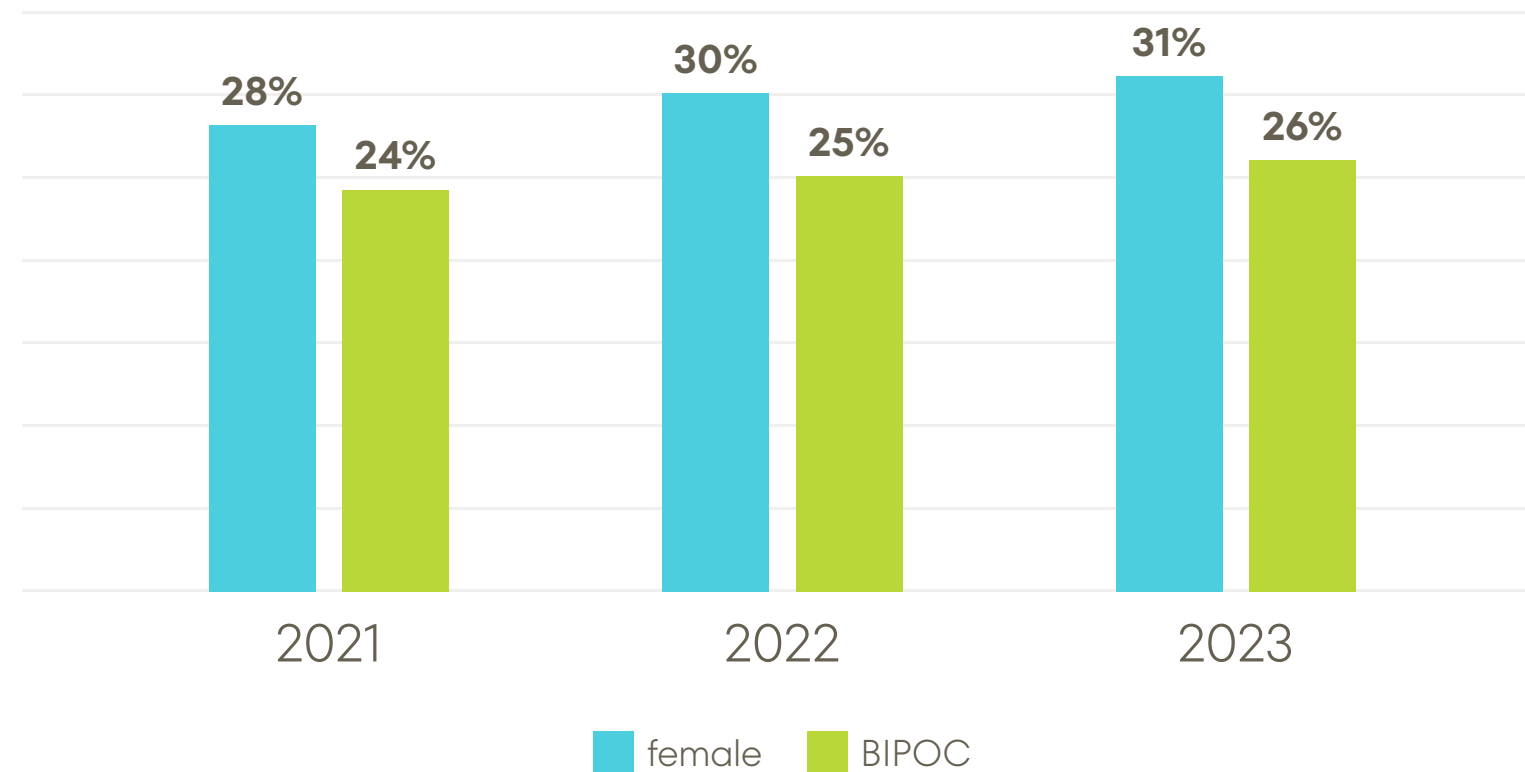
range from monthly to quarterly meetings to review Inclusion & Diversity implementation plans, scorecard progress, support needed, and global goals

diversity progress

In 2021, Ashland set long-term goals to ensure a sustained focus on building a diverse workforce and inclusive culture.

In 2022, we established a global committee with regional leadership and CEO oversight to drive accountability and focus on the initiatives and efforts that will build momentum across our entire organization towards a more inclusive and diverse organization.

We are making great incremental progress.



FY23 activations

inclusion

inclusion & belonging

build an environment that fosters belonging and full participation for all employees

- inclusion & allyship training
- career pathing & development planning training
- engagement survey insight & action
- team^{UP} mentorship program
- stay interviews/ attrition evaluation
- global cultural celebrations
- well-being and health sessions/EAP
- adapt local orientation programs to include I&D
- activate & enable Employee Resource Groups

accountability

evolve our systemic, policy, and accountability mechanisms to advance equity and inclusion

- drive leadership accountability through performance goals such as: participation in I&D events, mentorship of diverse talent
- BU & functional quarterly I&D scorecards measuring hiring, attrition, and population

community engagement & investment

support the communities in which we live and work through corporate giving & volunteer programs

- global STEM / education focus; regional plans include many elements including sponsorships, internships, co-ops, and mentoring
- partner with local non-profits and orgs focused on advancing equality

diversity

recruitment & internal mobility

accelerate the diversification of our candidate and talent pools

- partner with local universities & organizations to attract diverse talent
- ensure a diversified candidate pool and interviewers
- increase diversity across the leadership pipeline
- create an internal and external I&D communication strategy
- remove and evaluate job descriptions for exclusive language

workforce diversity metrics & goals

establish clear short & long-term diversity metrics & goals and provide transparency on progress

- US diversity (diverse males & females): increase to 50% by 2031: **FY 2023 target 44.8%**
- global gender: increase to 36% by 2031: **FY 2023 target 31.3%**
- each region has targeted goals aligned to the global gender goal above

employee resource groups

These employee-led global teams focus on educating, connecting, and positively impacting the Ashland workforce.

The company plans to continue to expand their reach so each continues actively leading impactful knowledge and experience sharing events, influencing policies, and creating a sense of community and belonging.

aadn

Ashland African
descendents network

Ashland embraces all descendants of African heritage across continents, countries, languages, ethnic backgrounds, and skin tones/hues.

We believe by providing creative education and innovative interaction we can increase knowledge where perception is exchanged for perspective and different cultural backgrounds enhance all of us by leveraging our unique perspectives.

apan

Ashland pride allies network

Ashland is a welcoming organization where people of all sexual orientations and gender identities can be their true selves and feel empowered to achieve their full potential. APAN strives for an inclusive workforce engaging Ashland employees to be allies for their LGBTQ+ colleagues. APAN works to educate the Ashland community on why supporting the LGBTQ+ community is important.

We believe in equality for all and that Ashland can play a role in advancing career opportunities for members of the LGBTQ+ community by actively creating and maintaining an inclusive and welcoming work environment.

awin

Ashland Women's
International Network

We envision Ashland as a company where women feel inspired and empowered to achieve their full potential. AWIN seeks to cultivate success in career aspirations for women across all levels of the organization in pursuit of greater gender-balance, inclusion and diversity.

We believe each of us is an agent of change, individually and for others, through continuous self-awareness, self-cultivation, and always doing the right thing.

International Women's Day

Each year, AWIN recognizes women employees for their outstanding and noteworthy contributions to the company's bottom line.

In 2023, twenty-two women solvers were selected by the Ashland Women's International Network from among hundreds of nominations across the company. These Ashland women solvers are role models, mentors, catalysts for others and have inspired others in their own lives, careers, and behaviors.

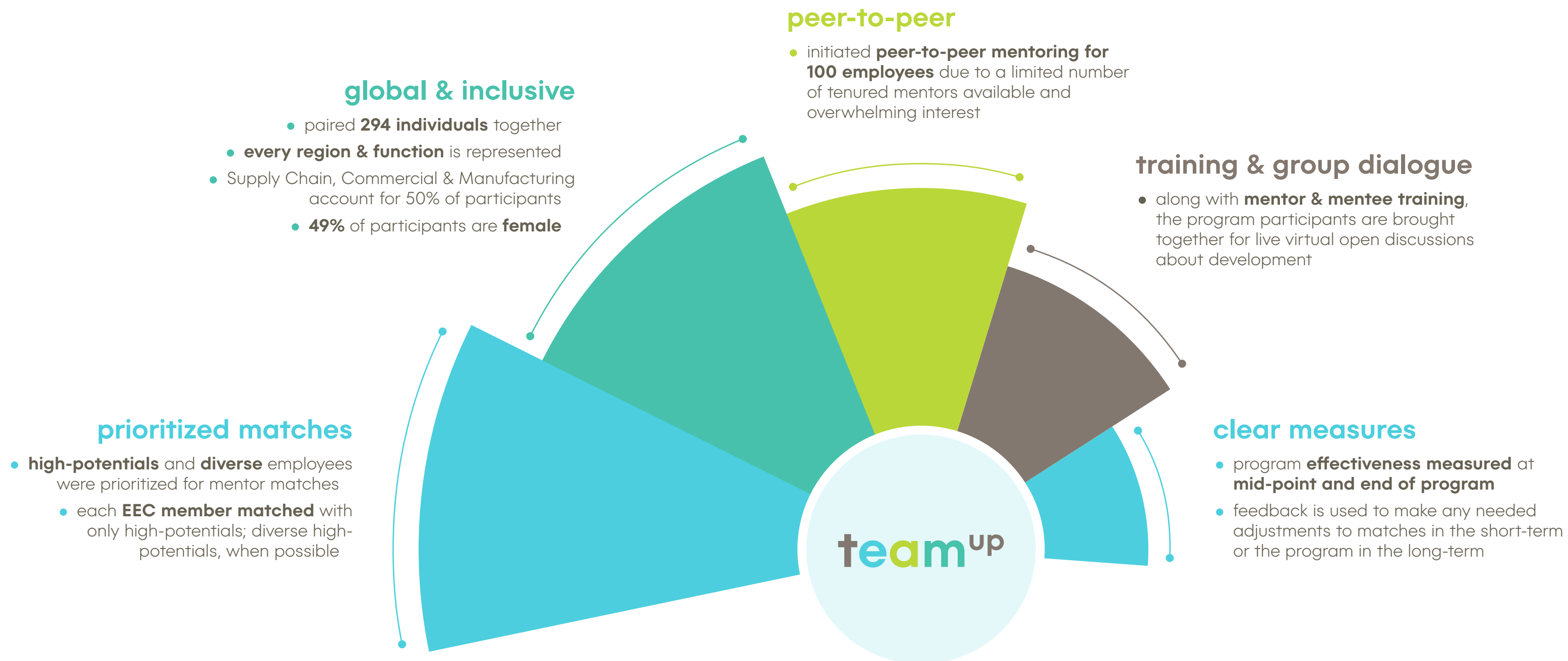
The recognition of our Inspirational Women's Award winners coincides with International Women's Day and is a vital component of the company's work to drive gender parity. It also supports Ashland's Responsible Solvers™ philanthropic program.

In honor of this year's 22 AWIN recipients, Ashland donated \$20,000 dollars to greenlight4girls, an international non-profit dedicated to inspiring girls of all ages and backgrounds to pursue science, technology, engineering and math (STEM) subjects by introducing them to the world of science in fun and exciting ways.

photo credit: **greenlight4girls**



team^{up} mentor program



social responsibility through

stem



STEM pervades every part of our lives, and is critical to business success.

As a technology and innovation driven company, Ashland understands that science touches every aspect of our professional and personal lives, and ultimately helps us support the next generation of solvers.

Through a philanthropic focus on science, technology, engineering and math (STEM) education, we're maximizing our impact in local communities around the globe to:

- broaden awareness and access to a STEM skillset for women and minorities
- elevate significant portions of economies in the communities in which we operate
- increase social equity and equity in compensation for people we impact
- further our sustainability goals

Central to this work are the relationships we have with the organizations in the communities where we live, work and play.



collective purpose

Responsibly solving for a better world is our collective purpose. We can't achieve our plan to contribute to the welfare of society and the environment without our global organization planning and executing locally, for what is most needed in our regions. The examples that follow, demonstrate our activities at the ground level.

global STEM

Ashland's corporate STEM program supports Greenlight for girls, an international, non-profit organization, with headquarters in Belgium.

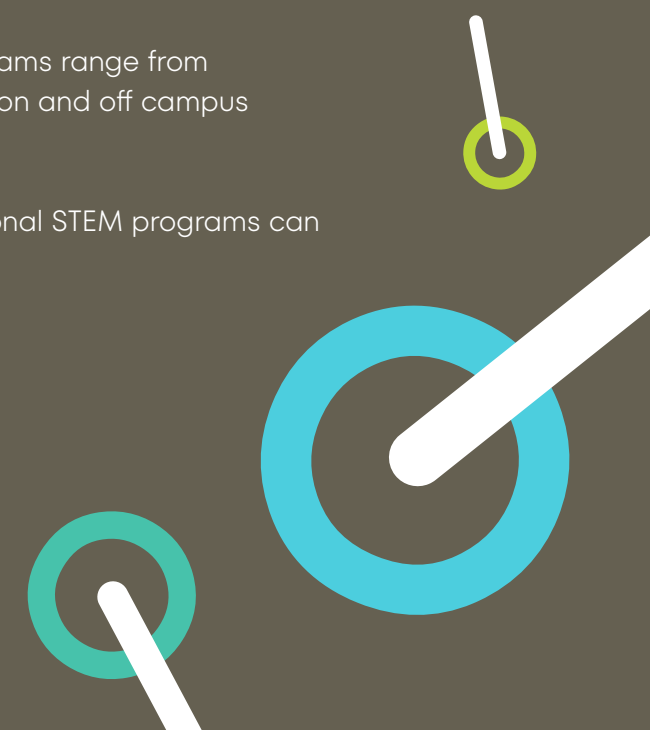
The organization is fueled by passion for instilling confidence in girls and encourages them of any age and any background to consider STEM-related careers. Since its inception the organization has reached more than 60,000 girls in 39 countries.

In 2023, alongside other corporate partners Ashland was able to impact more than 9,000 girls from hard-to-reach and economically challenged environments in seven countries.

regional STEM

Ashland supports many regional STEM programs range from internships and co-ops to sponsorships and on and off campus programs and more.

Here are just a few highlights and more regional STEM programs can be accessed from our website.



regional STEM

China

Ashland has very strong STEM programs in China that include:

- the creation of a national personal care formula competition with Shanghai Institute of Technology;
- education and scientific research cooperation with China Pharmaceutical University;
- chemistry education and robotic competitions with Jiulong Middle School of Nanjing;
- and internships and practice sessions for university students with several Chinese universities.



regional STEM

Europe

Most of our programs in Europe are in collaboration with our major manufacturing facilities and laboratories in:

- Sophia-Antipolis and Alizay, France
- Doel, Belgium
- Zwijndrecht, The Netherlands
- Hamburg, Germany

Activities include internships, site visits, sponsorships and more.



Ashland intern, **Aminael**, a student at the institut supérieur international du parfum, de la cosmétique et de l'aromatique alimentaire, received real life, hands-on experience through her laboratory internship in Sophia-Antipolis, France.



In **Hamburg, Germany** we've sponsored students, bringing them to our laboratory to work alongside one of our scientists who provide guidance and workspace for the practical part of the students' master thesis.



In **Doel, Belgium**, Ashland sponsors a second chance program through our relationship with Sira for traineeship programs. Participants train through different departments and each department provides one employee per stage for students' training. Pictured here are recent graduates. Over the past 10 years, Ashland has hired 12 process operators.

With many strong partnerships in **The Netherlands**, Ashland programs include one to two plant tours per year for 30 students per tour.

We have internships with:

- DaVinci College (Dordrecht)
- STC (Brielle)
- Curio (Breda)
- Techniek College (Rotterdam)
- Avans (Breda)

To foster greater inclusion, Ashland encourages our solvers to sponsor people with special needs and we work to match students' current capabilities providing training so they have access to technical careers.

regional STEM

India

In India, Ashland's initiatives are broad and greatly needed.

Our programs range from our highly successful guar farming education to providing for hygiene and health-related needs, sponsorships of research papers and awards, support for rural institutions, and general STEM exposure and awareness creation across educational institutions.



sustainable farming of guar in Rajasthan, India

Our work continues helping farmers lower their production cost while increasing their crop yield by approximately 30 percent; the program has helped increase farmers' income, thus expanding the local economy in the small villages.

Ashland's commitment to gender equality led to specific training focused on the local female population to empower them, improve their technical knowledge and skills, and help elevate their standard of living.



reconstruction of dilapidated classrooms



hearing aids donated to hearing impaired children



refurbishment of school for intellectually disabled and visually impaired children



industry problem-solving event at VES college



regional STEM

Latin America

In Brazil Ashland continues its relationship with Instituto Reciclar providing financial support, volunteerism and offering job opportunities.

In 2023 we hired two young students in supply chain operations. More than 140 students visited Ashland's facilities and our CEO and Chair, Guillermo Novo visited their facility to speak with students.



FEBRACE is a science and engineering talent program aimed at fostering scientific culture, investigative knowledge, innovation and entrepreneurship among young individuals and educators in primary and technical education in Brazil.

More than 500 students from across the country present their scientific research, offering solutions to pressing issues. Ashland sponsors student awards in chemistry and sustainability. Students also experience day at Ashland's facilities, including travel expenses for those who live outside São Paulo.



In Mexico we're reaching out to "at risk" kids, to further inspire their dreams and encourage them to feed their professional interests, many of which are science related. **We're helping them with writing and reading skills though a fun "pen pal" writing program.** In 2023 we had 20 Ashland mentors working with 40 students. Our success record has 90% of the students studying and remaining in high school. And we'll keep at it until we're at 100%.



Also in Mexico, we are re-enforcing our partnership with Instituto Politécnico Nacional. This program is at university students studying chemistry and pharmacology. Students spend a day at Ashland's pharmaceutical facilities, learning about new technologies and innovations. In 2023 we extended our initiative to include participants from Colombia and Central America for a total of 25 students and we're aiming for a higher number in 2024.

regional STEM

North America

In North America our manufacturing facilities are hosting internships, co-ops, career fairs, and sponsoring scholarships in:

- Calvert City, Kentucky
- Freetown, Massachusetts
- Parlin, New Jersey
- Texas City, Texas
- Hopewell, Virginia



At our headquarters in Wilmington, Delaware, we're continuing our sponsorship of the **Wilmington Urban STEM Initiative** to further Jacqueline Mean's (aka The STEM Queen) organization's mission to provide hand-on experiences and expose girls and minorities from underrepresented communities to STEM.



Activities include community center events, tours and a day of hands-on experiments and learning at our Wilmington Research Center, trips to Washington, DC museums and more – **all to help demystify STEM as a discipline and a career.**



As the title sponsor since its inception nine years ago, Ashland continues our relationship with the Delaware STEM Council and Delaware Foundation for Science and Mathematics Education to sponsor the Delaware STEM Educators Awards for the state's top educators for grades Kindergarten through grade 12.

regional STEM

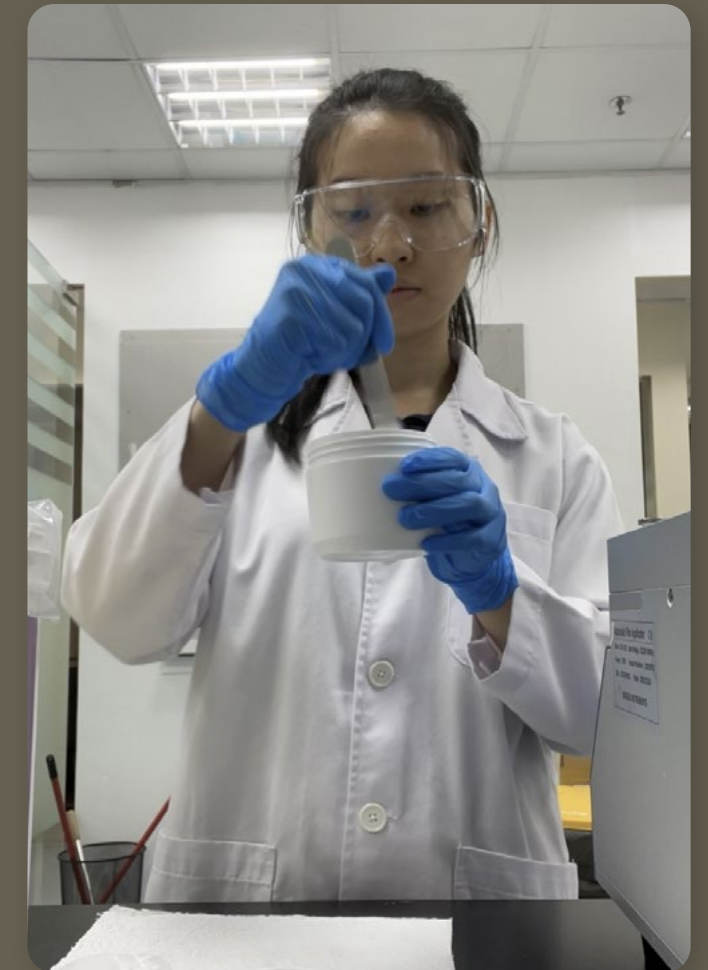
Rest of Asia

In the Rest of Asia Region, Ashland has five main initiatives to support the community:

- Nanjing Technological Institute in Singapore
- Singapore Institute of Technology
- One Million Trees Movement
- A Packet of Rice
- The Food Bank of Singapore Ltd.



Teo Jing Lin was a student from the School of Biological Sciences; she has completed her internship with Ashland in 2023.



Beh Yan Tze is a student from Bachelor of Engineering (Chemical and Biomolecular Engineering) who has just completed her internship with us at our Singapore coating lab.

governance

overview

By fostering a culture that emphasizes compliance with the law and ethical business behavior and by adopting strong principles of corporate governance, our constituents can feel confident about their association with Ashland.

The cornerstone of Ashland's compliance program is our Global Code of Conduct. We also have a strong and active preventive law program and apply strict ethical standards to our financial audit practices.

Our system of corporate governance includes an independent board of directors and board committees composed entirely of independent directors as well as stock ownership guidelines for key employees.

At Ashland, we value the trust our constituents place in us, and we work every day to keep their trust.

risk management

enterprise risk management

Ashland has a risk assessment process to assess risks and opportunities for both near - and long-term.

The risk assessment process identifies key risk areas, including ESG and other impacts which could pose threats to business continuity. Additionally, the risk process encompasses a definition of the responsibilities of risk owners, functional experts, and independent verifiers.

Each risk type is managed and supported by functional organizations that are responsible for specifying corporate requirements and processes. These processes include the critical elements of leadership, people, risk identification and management, and continuous improvement.

In 2023, Ashland reviewed and identified several ESG-related risks tied to climate change, transitional risks and opportunities, and resource availability.

We continue to evaluate ESG-related risks in our enterprise risk assessment process to ensure that our risk identification and mitigation efforts are forward-looking and sustainable.

board oversight and committee efforts

audit committee

Ashland’s audit committee supports oversight of internal and external validation of ESG metrics and reporting. The committee actively monitors anticipated or known disclosure requirements that will impact future reporting of key ESG information.

The Audit Committee assists the Ashland Inc. Board of Directors in fulfilling its oversight responsibilities relating primarily to: (a) the integrity of the Company’s financial statements and financial reporting process; (b) the integrity and effectiveness of the Company’s internal control over financial reporting; (c) the performance of the Company’s internal audit function and independent auditors; (d) the independent auditors’ qualifications and independence, and the audit of the Company’s financial statements and effectiveness of internal control over financial reporting; (e) the Company’s risk management policies and processes; (f) the Company’s financial affairs; and (g) legal and regulatory compliance requirements.

The committee reviews and approves the report required by the rules of the Securities and Exchange Commission (“SEC”) to be included in the Company’s annual proxy statement. The committee maintains effective working relationships with – and open communication between – the Board, management, and internal and independent auditors.

compensation committee

Ashland’s compensation committee supports compensation tied to ESG performance and KPIs, including current and future compensation for the company sustainability progress.

The Compensation Committee of the Board of Directors of Ashland Inc. will assist the Board in discharging its duties related to executive compensation and succession and the adoption, amendment, and termination of employee benefit plans sponsored, maintained, or contributed to by Ashland Inc., its subsidiaries, and affiliates that are more than 50 percent owned by Ashland Inc. (hereinafter singly or collectively referred to as the “Company”).

The purpose of the Committee is to (i) oversee the adoption and administration of the Company’s compensation plans, in particular the incentive and equity-based plans; (ii) discharge the Board’s responsibilities relating to compensation of the Company’s executive officers (those executive officers deemed “officers” under Section 16 of the Securities Exchange Act of 1934, as amended) (“Executive Officers”); (iii) oversee the preparation of the annual report on executive compensation required by the rules and regulations of the Securities and Exchange Commission to be included in the Company’s proxy statement; (iv) oversee plans for executive development and succession; and (v) adopt, amend, terminate, merge, spin off, and transfer the employee benefit plans of the Company, including those that are and are not subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), except as the committee otherwise expressly determines or applicable law otherwise expressly requires, the committee shall not act as a fiduciary with respect to any company Employee Benefit Plan subject to ERISA.

environmental health, safety, and quality committee

The EHS&Q Committee reviews ongoing implementation of sustainability efforts, including Ashland’s direct and indirect GHG emissions reduction efforts and sustainable sourcing initiatives.

Ashland Inc. is committed to operating our businesses safely and responsibly and in compliance with all regulations. The Company is committed to protecting the health and safety of its employees and the public and sustaining the quality of the environment for future generations. Ashland is also committed to producing and providing safe and quality products for our customers while protecting the health and safety of its employees and customers. Ashland is also committed to increasing its portfolio of sustainable products and solutions to better protect the environment and the communities within which we operate.

The primary responsibility for ensuring the Company’s compliance with applicable environmental, health, safety, and product safety laws and regulations is vested in the operating management of the Company.

The Company’s Board of Directors believes that the Company must continuously earn the trust and confidence of its employees, customers, shareholders, and neighboring communities and other stakeholders in its commitment to operating safely and responsibly.

To monitor such compliance and performance as well as EHS, Quality, and Environmental ESG (defined as sustainability topics covering sourcing, operations, and solutions) related issues affecting the Company, the Board has established the Environmental, Health, Safety, and Quality Committee. The Committee is appointed by the Board to review and oversee the Company’s EHS, Quality, Environmental ESG, and Compliance policies, programs, and practices; EHS and Quality audits; and any EHS, quality, or compliance issues that affect, or could affect, the Company’s employees, customers, shareholders, and neighboring communities.

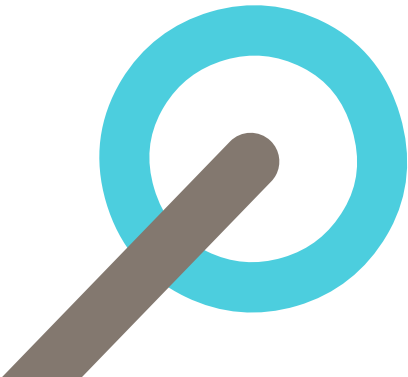
governance and nominating committee

The G&N Committee supports ESG governance efforts, including communication, transparency, and oversight of Ashland’s ESG programs. The committee also supports community engagement and STEM initiatives.

The Governance and Nominating Committee will assist the Ashland Inc. Board of Directors in identifying qualified individuals to become Board members, in determining the composition of the Board and its committees, in developing and implementing the Company’s corporate governance guidelines, and in ensuring the independence of the Board as it exercises its corporate governance and oversight roles for the benefit of shareholders and the Company’s other constituencies, including, but not limited to, counsel to the full Board with respect to (A) Board size, organization, membership, and function, (B) Board committee structure, size, and membership, and (C) succession planning for the Board.

director independence standards

Pursuant to Ashland Inc.’s (“Company”) Corporate Governance Guidelines policy, at least two-thirds of the Company’s Board of Directors (“Board”) must be independent. No director will be deemed independent unless the Board affirmatively determines that the director has no material relationship with the Company, directly or as an officer, shareholder, or partner of an organization that has a relationship with the Company. The Board will observe and comply with all additional criteria for independence established by the New York Stock Exchange and other governing laws and regulations.



raising transparency, avoiding conflicts of interest, and honing compliance policies beyond foundational elements of doing business

increased management and board ESG literacy

gender and ethnically diverse board

embedded ESG topics in board/committee agendas and charters

management defined most material ESG topics

ESG transparent management systems

strengthening compliance and auditing reporting

strengthening engagement with industry advocacy group

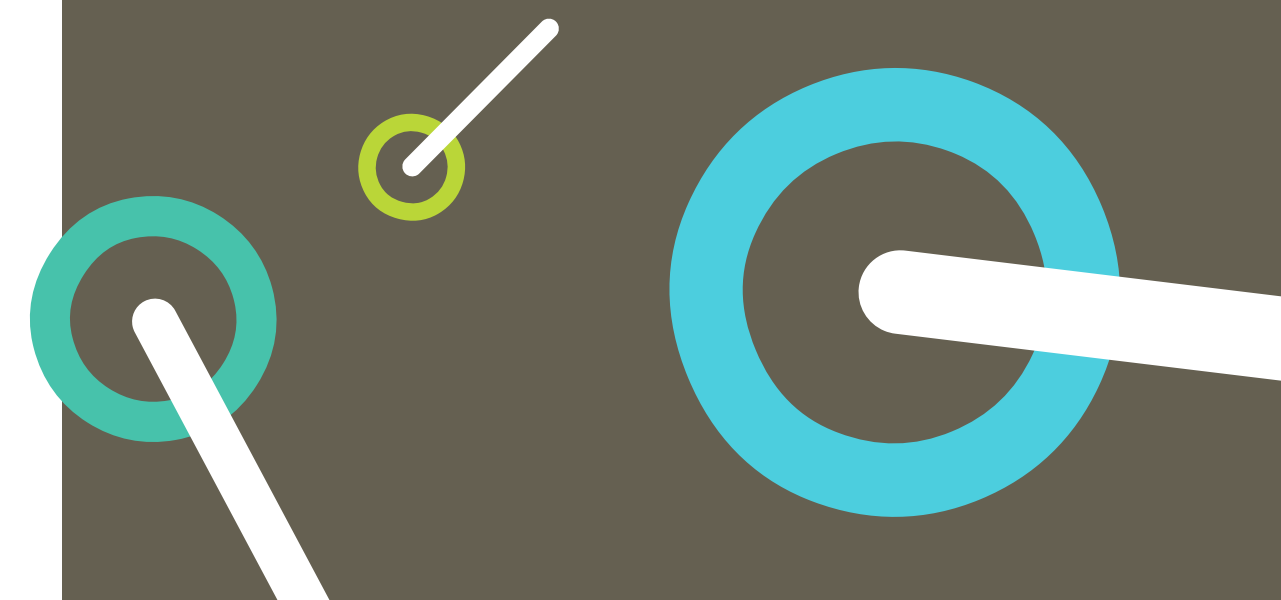
executive compensation tied to performance metrics

cybersecurity

Cybersecurity is an increasingly important topic for companies around the world. Ashland takes steps to protect information from loss, misuse, unauthorized access, disclosure, alteration, and/or destruction.

Our Vice President of Cybersecurity and IT teams have a comprehensive security program in place, including:

- annual security trainings for employees
- regular updates to operating systems
- change management processes
- antivirus and malware protection
- firewalls and intrusion prevention systems
- identity and access controls
- 24x7 security operations center
- annual penetration tests and risk assessments
- compliance with regional/country data privacy laws



global code of conduct

Our Global Code of Conduct is the foundation of everything we do.

It details our core values of integrity and ethical behavior that define Ashland’s way of doing business. It applies to all employees, officers, and members of the Board, and it guides us on how to carry out our daily activities in accordance with our values and applicable laws and policies.

We have zero-tolerance policies for the use of child labor, forced labor, human trafficking, or land-grabbing practices. We refuse to do business with subcontractors, business partners, and suppliers who engage in these practices. We expect all relevant third parties to hold themselves to similar standards when acting on Ashland’s behalf. Ashland takes appropriate measures when we believe third parties have not met our expectations or their contractual obligations.

When doing business with a third party, Ashland has a formal process in place to initiate the due diligence review process. This process is required prior to entering or renewing a contractual relationship with a person or entity supporting Ashland’s international business operations.

training

Training is required annually on our Code of Conduct for all employees and as part of our onboarding of new Board of Director members. Our mature and robust training program uses a variety of methods for employees to complete training including instructor-led, targeted, and online. The majority of Ashland’s global employee population completes training.

In 2022, our overall completion rate in the areas below was at least 95 percent.

- anti-boycott compliance
- anti-corruption compliance
- code of conduct
- competition & anti-trust
- data privacy: global edition
- diversity & inclusion
- preventing workplace harassment

targeted and instructor-led training:

- data privacy
- code of conduct
- intellectual property
- secrecy agreement process

Additionally, all employees and Board of Director members must complete a questionnaire and certification that demonstrates understanding of the Code and their commitment to it. In 2023, we achieved 100 percent compliance.

Ashland manages our business ethics and compliance by ensuring:

- secure, confidential, third-party whistleblowing mechanism through Ashland’s Global Speak Up Line
- annual training of all employees on our Code of Conduct
- the assignment of a Chief Compliance Officer who oversees adherence to the Code in all business operations
- all ethics incidents are investigated thoroughly and disciplined accordingly
- ethics and compliance policies are available to all employees
- an ethical culture is maintained, where employees feel comfortable speaking up about their concerns without fear of retaliation

ethics ambassadors

As an extension and enhancement to Ashland’s Ethics and Compliance policies and programs, Ashland has created a global network of “*Ethics Ambassadors*” as an added resource for employees and to integrate our global ethics and compliance program into business operations at the local level.

board of directors

Guillermo Novo

Chair and Chief Executive Officer,
Ashland Inc.

Steve D. Bishop

Former CEO, Consumer Health Care,
Procter & Gamble,

Sanat Chattopadhyay

Executive Vice President
Merck &Co.

Brendan M. Cummins

Former CEO,
Ciba Specialty Chemicals

Suzan F. Harrison

Former President, Global Oral Care,
Colgate-Palmolive Company

Jay V. Ihlenfeld, Ph.D.

Former Senior Vice President,
3M Company

Wetteny Joseph

Chief Financial Officer and Head of
Business Development, Zoetis

Susan L. Main

Former Senior Vice President and Chief Financial Officer,
Teledyne Technologies Incorporated

Jerome A. Peribere

Former President and CEO,
Sealed Air Corp.

Janice J. Teal, Ph.D.

Former Group Vice President and Chief Scientific Officer,
Avon Products Inc.

executive leadership

Guillermo Novo

Chair and Chief Executive Officer

Eric N. Boni

Vice President, Finance and Principal
Accounting Officer

Karl Bostaph

Senior Vice President, Manufacturing

Min Chong

Senior Vice President and General Manager,
Specialty Additives and Intermediates

Eileen Drury

Senior Vice President and Chief Human
Resources Officer

Ashok Kalyana

Senior Vice President and General Manager,
Life Sciences

Robin E. Lampkin

Senior Vice President, General Counsel
and Secretary

James Minicucci

Senior Vice President Strategy, M&A and
And Portfolio Management

Osama Musa, Ph.D.

Senior Vice President and
Chief Technology Officer

J. Kevin Willis

Senior Vice President and Chief Financial Officer

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