

ADVANSix

# 2019

Sustainability Report



# MESSAGE FROM THE CEO

AdvanSix is proud to share our third annual Sustainability Report.

From packaging and plastics to fertilizer to paints and coatings, AdvanSix plays a critical role in global supply chains, innovating and delivering essential products for our customers and communities. Responsible business practices encompassing economic, social and environmental sustainability are fundamental to our commercial success. This has become ever more vital as we navigate global economic headwinds and the transition to a low carbon and circular economy.



Operational resilience and strategic agility informed by a long-term perspective are the hallmarks of AdvanSix's nearly century-long history. Our core values of Safety, Integrity, Accountability and Respect guide our day-to-day activities. In this report, we share examples of how living our values and implementing our sustainability strategy continue to strengthen our company and move us forward.

We recognize that our people are our greatest asset and the foundation of our success. We feel a deep sense of responsibility to provide a safe, inclusive and engaging workplace for all our employees and contractors, and strive for a zero-incident safety culture. While we outperformed industry-wide safety benchmarks in 2019, our relentless focus on continuous improvement remains. Toward the end of 2019, we launched a new program, CARE — Courage to Act, Respond and Engage — as the next step in our safety journey and to inspire us to Live Safety in all we do. Our employees and contractors are approaching this challenge personally, collectively and with resolve.

We continue to value our role in the communities in which we operate — as a partner, a neighbor, and an employer. We rely on our diverse, connected network of colleagues to operate our highly integrated chemical production facilities. During these times, our connection with local communities is even more relevant, and our employees are leading the way as we aim for a truly inclusive culture with the goal of a high-performing team that reflects our communities.

Our ability to be a trusted partner in our customers' ongoing success is based on a reliable and sustainable supply of Advantaged Chemistries. Our vertically integrated value chain enables us to consistently deliver high quality products. We engage with partners across the supply chain to advance together in response to growing demand for sustainable solutions.

We continue to drive safe, stable, and sustainable operations, including making significant investments to improve our efficiency, reduce environmental impact, develop innovative products and execute on our long-term growth strategy. We are pleased to be recognized for our sustainability progress to date, including receiving a 2020 Gold Rating for Corporate Social Responsibility from EcoVadis, an independent corporate social responsibility assessment agency.

Looking forward, we will continue to mature our sustainability efforts to position our business for future success. We know that the next century will not look like the last, and what it means to be a sustainable and thriving organization will evolve. We will strive to lead, partnering across our industry and collaborating with our stakeholders to address challenges and opportunities as we continue to make products the world needs.

A handwritten signature in black ink that reads "Erin N. Kane". The signature is written in a cursive, flowing style.

Erin N. Kane  
President and CEO, AdvanSix

## FORWARD LOOKING STATEMENTS

This report contains certain statements that may be deemed “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical fact, that address activities, events or developments that our management intends, expects, projects, believes or anticipates will or may occur in the future are forward-looking statements. Forward-looking statements may be identified by words like “expect,” “anticipate,” “estimate,” “outlook”, “project,” “strategy,” “intend,” “plan,” “target,” “goal,” “may,” “will,” “should” and “believe” or other variations or similar terminology. Although we believe forward-looking statements are based upon reasonable assumptions, such statements involve known and unknown risks, uncertainties and other factors, many of which are beyond our control and difficult to predict, which may cause the actual results or performance of the Company to be materially different from any future results or performance expressed or implied by such forward-looking statements. Such risks and uncertainties include, but are not limited to: general economic and financial conditions in the U.S. and globally, including the impact of the coronavirus (COVID-19) pandemic; the scope and duration of the pandemic and pace of recovery; governmental, business and individuals’ actions in response to the pandemic, including our business continuity and cash optimization plans that have and may be implemented; the impact of the pandemic on economic activity and actions taken in response; the effect on our customers’ demand for our products and our suppliers’ ability to manufacture and deliver our raw materials; our ability to sell and provide our goods and services, including as a result of travel and other COVID-19-related restrictions; the ability of our customers to pay for our products; and any closures of our and our customers’ offices and facilities; the impact of scheduled turnarounds and significant unplanned downtime and interruptions of production or logistics operations as a result of mechanical issues or other unanticipated events such as fires, severe weather conditions, natural disasters and pandemics including the COVID-19 pandemic; price fluctuations and supply of raw materials; our operations and growth projects requiring substantial capital; growth rates and cyclicalities of the industries we serve including global changes in supply and demand; risks associated with our indebtedness including with respect to restrictive covenants; failure to develop and commercialize new products or technologies; loss of significant customer relationships; adverse trade and tax policies; extensive environmental, health and safety laws that apply to our operations; hazards associated with chemical manufacturing, storage and transportation; litigation associated with chemical manufacturing and our business operations generally; inability to acquire and integrate businesses, assets, products or technologies; protection of our intellectual property and proprietary information; prolonged work stoppages as a result of labor difficulties or otherwise; cybersecurity and data privacy incidents; failure to maintain effective internal controls; disruptions in transportation and logistics; our inability to achieve some or all of the anticipated benefits of our spin-off including uncertainty regarding qualification for expected tax treatment; fluctuations in our stock price; and changes in laws or regulations applicable to our business. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this report. Such forward-looking statements are not guarantees of future performance, and actual results, developments and business decisions may differ from those envisaged by such forward-looking statements. We identify the principal risks and uncertainties that affect our performance in our filings with the Securities and Exchange Commission, including the risk factors in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2019, as updated in subsequent filings.

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# OUR JOURNEY

Our purpose is to be our customers' trusted partner for Advantaged Chemistries by caring, innovating and advancing together.

## Our Purpose

From the carpet under our feet, to the paints and coatings that protect our homes, to the packaging that increases the shelf life of foods, to the nutrition that supports the crops that feed a hungry world, AdvanSix delivers the Advantaged Chemistries that are the building blocks for it all.

Our reliable and sustainable supply of quality products emerges from the vertically integrated value chain of our three U.S.-based manufacturing facilities. AdvanSix strives to deliver best-in-class customer experiences and differentiated products in the categories of nylon solutions, plant nutrients and chemical intermediates, guided by our core values of Safety, Integrity, Accountability and Respect.

## OUR RICH HISTORY

We are a young company with a rich history and a deep, long-standing commitment to safety and operational excellence.

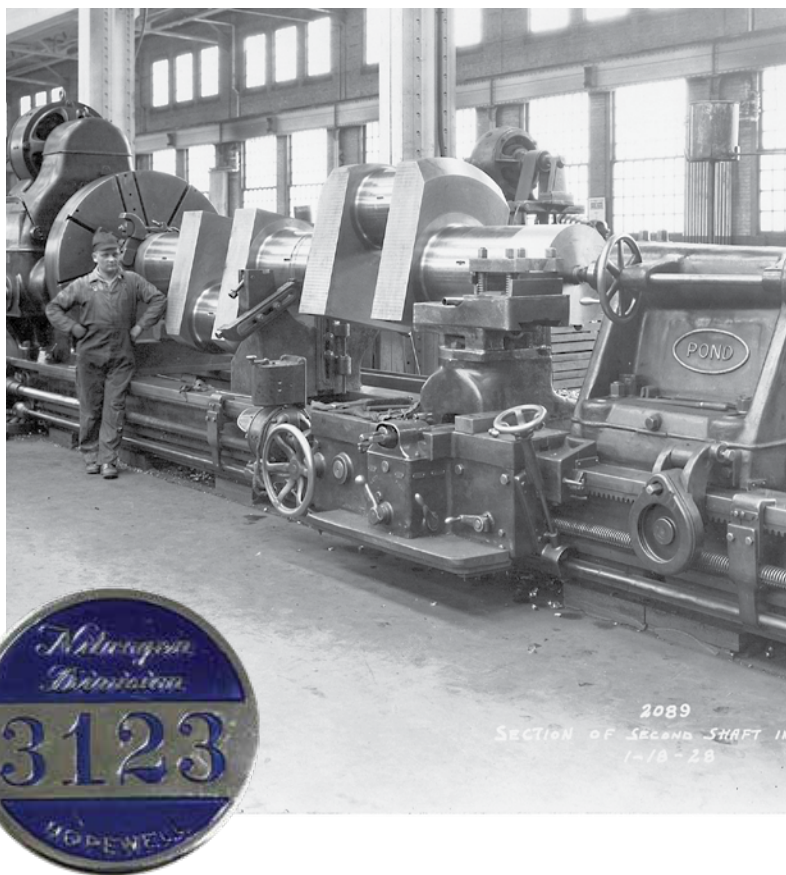
Our facility in Frankford, Pennsylvania began as an early dye and chemical operation in the late 1800s, and is one of the longest continually operating chemical plants in the country. In the late 1920's, our Hopewell, Virginia plant was the site of the second commercial ammonia start-up in the western hemisphere, now home to an integrated chemical site. The Chesterfield, Virginia site was constructed in the 1950s to add nylon polymerization capabilities to further functionalize materials produced in our Hopewell site.

Those early engineers and laborers were pioneers in the North American synthetic nitrogen fertilizer industry which is to this day essential to food production. Their discoveries also set the company on its course for the many innovations and improvements to follow. Those before us created a culture of operational excellence, combined with a desire to help customers grow, that remains central to who we are today.

## OUR COMPANY TODAY

AdvanSix Inc. (NYSE: ASIX), headquartered in Parsippany, NJ, is one of the most efficient manufacturers in our industry because of our proven, vertically integrated manufacturing process, world-scale facilities and robust supply chain, all of which support our global low-cost position. Our operating model is designed to ensure the highest levels of reliability, consistency and quality.

Our empowered, high-performing culture employs more than 1500 people who serve approximately 400 customers annually in more than 40 countries globally. Our products are sold to customers who use our materials in a wide variety of end markets and applications that touch people's lives, such as building and construction, plant nutrients, plastics, solvents, packaging, paints, coatings, adhesives and electronics.





## Our Sustainability Strategy

Our priority has been, and will continue to be, ensuring safe, stable and sustainable operations through best-in-class performance. Our legacy and ongoing commitment to operational excellence, including process safety and adherence to the American Chemistry Council (ACC) Responsible Care® principles, has established a solid foundation for our corporate sustainability programs. As recognition of our commitment to sustainability, we were proud to be awarded with a Gold Rating by EcoVadis' rigorous, independent assessment methodology.

### SUSTAINABILITY COUNCIL

As we evolve as an organization, we are similarly maturing our sustainability strategy. With this in mind, a Sustainability Council was formed to holistically assess our corporate sustainability and environmental, social and governance (ESG) practices. The Council is leading the refinement of our corporate sustainability strategy, prioritizing work streams and related goals, as well as enhancing public disclosures aligned with prevalent reporting frameworks.

The Council acts as a governance body on strategy development and collaborates with subject matter experts throughout the organization with a focus on processes, product innovation and people, and will report quarterly to the newly established Health, Safety, Environmental and Sustainability Committee (HSE&S Committee) of the AdvanSix Board of Directors. The HSE&S Committee is responsible for oversight of our policies and programs relating to compliance with health, safety, environmental and sustainability matters, including process safety, security, asset reliability, product stewardship, community engagement and government affairs, as well as other matters regarding AdvanSix's role as a responsible corporate citizen.

Our 2019 Sustainability Report builds on our sustainability journey. We have developed a report that was prepared in accordance with the Global Reporting Initiative (GRI) Standards Core. In addition, we have supplemented our disclosures to provide additional information on ESG and climate change risks and opportunities, using guidance of the Sustainability Accounting Standards Board (SASB) as well as the Task Force on Climate-related Financial Disclosures (TCFD), as applicable.

### OUR SUSTAINABILITY COUNCIL MISSION STATEMENT

**“As our customers’ trusted partner for Advantaged Chemistries, we will advance on our path forward by remaining true to our core values, serving as a responsible corporate citizen, adapting to the needs of our stakeholders and delivering innovative ideas for a sustainable future.”**

## OUR PRIORITY TOPICS

In connection with the release of our inaugural Sustainability Report, we conducted a materiality assessment to determine which sustainability topics to prioritize. This was a collaborative, cross-functional effort across our organization to guide and support the development of our sustainability program. Material topics are considered to be the most critical to internal and external stakeholders, as well as to the success of our company.

As stated in our 2017 and 2018 sustainability reports, key factors identified in the materiality assessment were safety performance, environmental compliance, operational impacts, and quality and product performance. For our 2019 Sustainability Report, we have added carbon footprint and emissions as a priority topic given its impact to society and to our business. Our materiality assessment identified this topic as high priority for external stakeholders.

## OUR STAKEHOLDERS

Sustainability is critical to our business and our relationships with key stakeholders. Our stakeholders include employees, customers, suppliers, shareholders, and the communities in which we operate, as well as regulators and industry associations. We identify stakeholders based on our interactions and maintain two-way communication with each group. We approach stakeholder engagement at both a corporate level and at a community level. We consider our employees to be our most important asset.

We engage in open and honest dialogue with our stakeholders, and increasing transparency in our annual sustainability reporting is one way we are responding to them.

Material Topic	Definitions
Safety Performance	Creating safe and healthy working conditions for employees and contractors; protecting communities through safe process operations, material transportation, materials management and emergency preparedness; and promoting a culture to Live Safety
Environmental Compliance	Acting in accordance with environmental laws and regulations; and exceeding regulations to protect the environment wherever practical
Operational Impacts	Ensuring safe, stable and sustainable operations while maximizing product output; and minimizing the environmental and/or social impact of processes and products
Quality and Product Performance	Driving product quality across unit operations to meet customers' needs; continuously improving our product portfolio through discovery and innovation; and executing a rigorous product stewardship program to control and minimize our products' safety risks and any adverse effects on human and animal health and on the environment
Carbon Footprint and Emissions	Preparing for the impacts of climate change on our business; and reducing GHG emissions throughout our operations and product life cycles



## SUSTAINABLE DEVELOPMENT GOALS

The [United Nations Sustainable Development Goals](#) (SDGs) provide the framework for stimulating sustainable growth in the areas of people, planet, prosperity, peace, and partnership. As identified in past reporting, AdvanSix has highlighted six goals that align with our values. The icons on the left link to relevant sections in this report. AdvanSix will continue to align with these SDGs as we progress on our sustainability journey.

## Our Commitment to Corporate Social Responsibility

AdvanSix awarded Gold Rating for corporate social responsibility (CSR) from EcoVadis, an independent CSR assessment agency



In 2019, we completed a comprehensive review of our CSR practices and participated in our first assessment by [EcoVadis](#). AdvanSix received a Gold Rating in January 2020 and ranked among the top four percent of chemical industry peers.

Established in 2007, EcoVadis evaluates corporate sustainability performance in the areas of Environment, Labor & Human Rights, Ethics, and Sustainable Procurement. Its unique CSR assessment methodology is based on international CSR standards and covers 21 CSR indicators, 198 purchasing categories and 155 countries.

This Gold Rating is an acknowledgment of the solid foundation we have built as an organization, the work of our team, and our commitment to corporate responsibility. The rigorous assessment helps us to benchmark our programs and provide a framework of areas we can continuously improve our sustainability performance.



# OUR VALUES

At AdvanSix, we are guided by our core values of Safety, Integrity, Accountability and Respect. Our values shape the way we treat each other and our partners and act as a compass for our decision-making and actions.

## Living Our Values

Our values are also at the core of our sustainability strategy. They help define our approach to and implementation of [corporate governance](#).

Our values are reflected in each element of ethics, integrity and governance, including our [Health, Safety and Environmental Values](#), our [Code of Business Conduct](#), and our [Supplier Code of Business Conduct](#). We further demonstrate our values through our adherence the [Responsible Care® Guiding Principles](#), which encourage:

- Ethical leadership
- Product safety
- A culture which reduces and manages process safety risk
- Reduction of pollution and waste
- Continuous improvement in environmental, health, safety and security performance

Evidence of how we live our values is found throughout our 2019 Sustainability Report, with stories, photos and data that highlight our actions and illustrate how our values are integrated into everything we do at AdvanSix.

## HSE Values

AdvanSix is committed to protecting our people and the environment, achieving sustainable growth, continuously improving our operations, engaging and collaborating with stakeholders, and driving compliance with all applicable regulations. AdvanSix utilizes a comprehensive Health, Safety, and Environmental (HSE), process safety management, product stewardship, and sustainability management system based on the ACC Responsible Care® Guiding Principles and industry best practices. It supports continuous and sustainable operational improvement at all our facilities and drives compliance with regulatory requirements.



Our team of subject matter experts ensures timely development and implementation of process improvements and corrective action plans. This experienced group of professionals has extensive knowledge and collective experience in safety, environmental and occupational health, chemistry, engineering, industrial hygiene, materials management, process safety and energy efficiency.

We integrate our HSE values into our overall business strategy by using our management system to set improvement goals, measure our ongoing performance and drive continuous improvement action plans that support achievement of our business objectives.

## OUR SAFETY CULTURE

As outlined in the ACC's [Responsible Care® Guiding Principles](#), we work to *“instill a culture throughout all levels of the organization to continually identify, reduce and manage process safety risks.”*

A strong safety culture among our employees and contractors is necessary to sustain our robust safety programs, including our HSE and Process Safety Management (PSM) systems. Ongoing reinforcement is essential for continued progress toward our expectation of zero injuries for employees or contractors.

However, safety performance at AdvanSix is more than just numbers on a report. It is driven by real actions by real people every day. At AdvanSix, we all make the

choice to Live Safety — to look out not only for ourselves, but for our coworkers, too — to drive results and support our goals and systems.

Toward the end of 2019, we launched CARE – Courage to Act, Respond and Engage — as the next building block in our safety journey and our roadmap to ACC top-quartile performance. Our 2020 efforts focus on hazard recognition, risk mitigation, and team empowerment supported by trainings at each site. Our teams are working hard to bring those lessons to life by reporting all near misses, and putting corrective actions in place.



## Responsible Care®

### We are a Responsible Care® Company of the American Chemistry Council

AdvanSix is a Responsible Care® company with a sharp focus on safety and advancing as a sustainable enterprise. Responsible Care® is the environmental, health, safety and security performance initiative of the ACC. Overall, Responsible Care® program participants have achieved 70% emissions reductions and a worker safety record four times better than the U.S. manufacturing sector average.

AdvanSix is committed to the ACC's Responsible Care® Guiding Principles, and pledges to continuously improve:

- environmental, health, safety and security performance for our facilities beyond government requirements
- processes and products through ethical leadership
- product safety
- a culture which reduces and manages process safety risk
- reduction of pollution and waste



#### 2019 ACC RESPONSIBLE CARE® FACILITY SAFETY AWARDS

Certificate of Achievement  
• Hopewell

Certificate of Excellence  
• Frankford

# OUR COMPANY

AdvanSix is one of the most efficient manufacturers in our industry because of our proven, vertically integrated manufacturing process, world-scale facilities and robust supply chain, all of which support our global, low-cost position and are designed to ensure the highest levels of reliability, consistency and quality. Our best-in-class technical experts support customers in the United States and around the world. Our research and development projects are focused on developing innovative process technology to improve our operational performance and new, differentiated products to help our customers succeed.

## 2019 Highlights

We faced a broad set of challenges and opportunities in 2019, including a difficult end-market environment. Despite the global slowdown in demand, we continue to benefit from our low-cost position and remain focused on executing against our strategic priorities and making smart investments to position the company for long-term success.

### DRIVING SAFE, STABLE AND SUSTAINABLE OPERATIONS

- We achieved robust, near-record output in 2019 across our caprolactam and ammonia production units, which are key operations within our integrated asset base. Utilization at our Hopewell site was roughly 95%, an increase from a pre-spin 2013–2016 average of approximately 89%. This is a testament to our multi-year focus to drive stability, mature our mechanical integrity programs and mitigate risk.
- We were awarded a 2020 Gold rating for corporate social responsibility (CSR) from EcoVadis, an independent CSR assessment agency.
- 100% of AdvanSix manufacturing locations are ISO9001:2015 and RC14001:2015 certified, with scope set forth in certificates for [Chesterfield](#), [Frankford](#) and [Hopewell](#).

### ALLOCATING CAPITAL FOR LONG-TERM VALUE CREATION

- Capital expenditures were approximately \$150 million for 2019, an amount that increased from 2018 to fund key investments including our natural gas boilers, caprolactam process improvements, and research and development (R&D) Technology Center relocation projects.
- We continued our return to stockholders by repurchasing approximately \$62 million of shares during 2019.

### NAVIGATING THROUGH A CHALLENGING END-MARKET ENVIRONMENT

- We remained well-positioned as the world's lowest cost producer of caprolactam.
- We led successful anti-dumping petitions against acetone imports into the U.S.
- We announced a strategic alliance with Oben Group, a leading producer of films for the flexible packaging industry, and the closure of our Pottsville, Pennsylvania films plant, which position the company for improved performance in nylon films.
- We successfully managed shortages and delivery delays of cumene, a key raw material, in the first quarter and the disruption and shutdown of Philadelphia Energy Solutions, one of our cumene suppliers, in the second quarter.
- We continued to build out long-term growth capabilities through our differentiated product portfolio.
- We furthered commercialization of our novel EZ-Blox® anti-skinning agent as a sustainable replacement of MEKO in the paints and sealants markets.

# Our Product Lines

## NYLON SOLUTIONS

Leading vertically integrated  
Nylon 6 producer

### Products

Caprolactam  
(Flake and Molten)

Nylon 6 Resin

Nylon 6/66  
Copolymer Resin

Nylon Films

### End-Use Applications

Carpets      Textiles

Plastics      Other

Packaging



## PLANT NUTRIENTS

Key co-product portfolio  
delivering on sulfur nutrition  
value proposition

### Products

Ammonium Sulfate fertilizer

- Granular
- Mid-grade
- Standard

### End-Use Applications

Crop and Lawn/Turf Fertilizer



## CHEMICAL INTERMEDIATES

High quality products serving  
diverse end market needs

### Products

Acetone

Oximes

Phenol

Sulfuric Acid

Cyclohexanone/  
Cyclohexanol

Carbon Dioxide

Ammonia

Alpha-  
Methylstyrene

### End-Use Applications

Paints/Coatings

Engineered

Resins

Construction

Adhesives

Materials

Pharmaceuticals

Electronics

Other



2019 SALES BY PRODUCT LINE

For information regarding AdvanSix's business, financial results and operations, please refer to our [Investor Webpage](#) and our [2019 Annual Report](#). For more information on our policies and procedures related to environmental, social and governance, please refer to our [Global Citizenship Webpage](#). For questions regarding the report, please email [investorrelations@advansix.com](mailto:investorrelations@advansix.com).

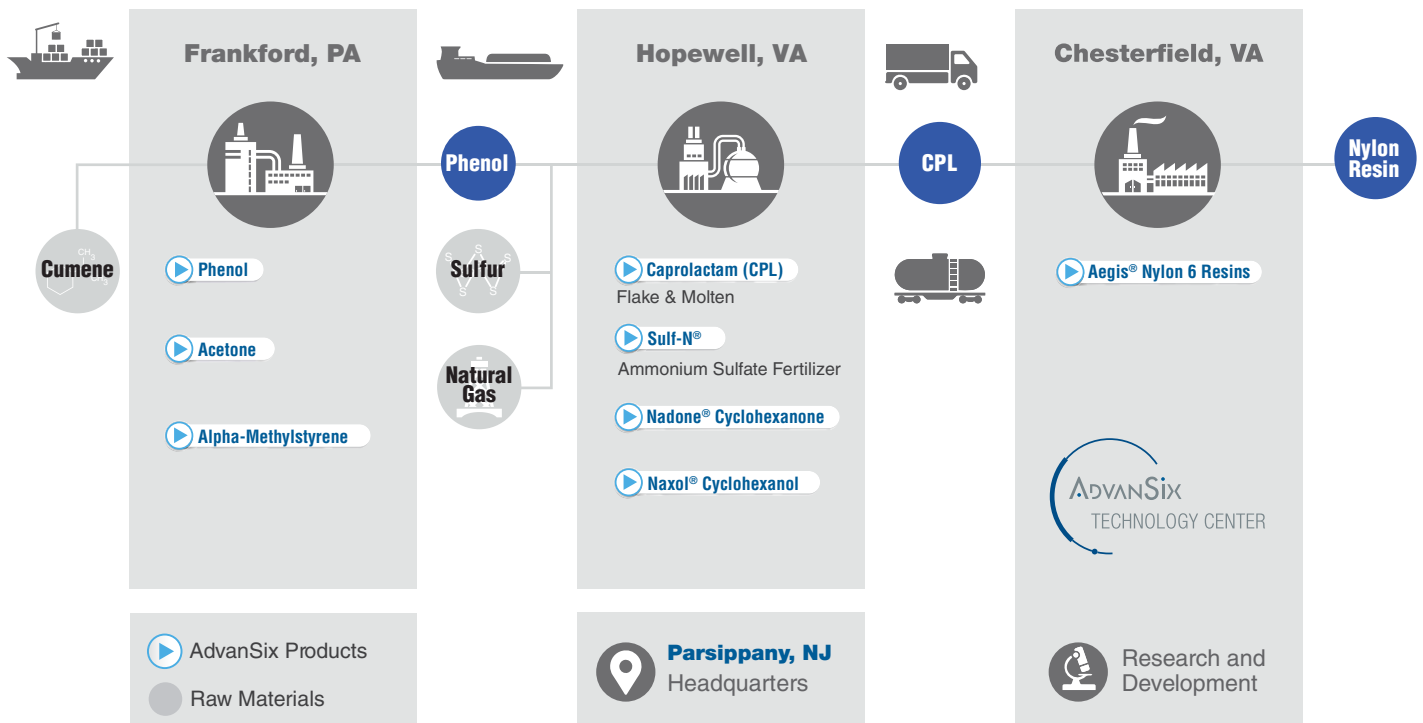
## Vertically Integrated Value Chain

Our operations are managed as an integrated value chain across three manufacturing sites, with skilled plant leadership and operators enabled by robust supply chain, procurement and technology functions and supported by a strong corporate management team.

The production process consumes three key raw materials — cumene, natural gas and sulfur. We purchase raw materials from multiple suppliers to ensure security of supply and optimal terms. Cumene is used to manufacture phenol, acetone and alpha-methylstyrene at the Frankford plant. The majority of the phenol manufactured is then transferred to the Hopewell facility where it is further processed, with natural gas and sulfur inputs, into caprolactam, ammonium sulfate and other materials.

In recent years, approximately 60% of the caprolactam produced at the Hopewell facility has been shipped to our nearby Chesterfield site where it is polymerized into Aegis® Nylon 6, and 6/66 co-polymer resin. All of the co-products manufactured along our value chain, including acetone, Nadone® and others, are monetized across a diverse range of end markets.

The AdvanSix Technology Center, now located at our Chesterfield site, was established to accelerate new and differentiated product development, improve manufacturing technology and processes, and enable more effective collaboration with customers. It is home to the company's more than 40 full-time researchers and scientists who work closely with their sales, marketing, and operational counterparts to facilitate best-in-class innovations, application development and process improvements for AdvanSix and its customers.



# Operations

Production output across our sites in 2019 was 1,971 million pounds of product compared to 2018 production output of 2,009 million pounds. Total sales in 2019 were \$1,297 million compared to \$1,515 million in 2018, primarily driven by lower raw material pass-through pricing. In 2019, AdvanSix's net income was \$41 million, a reduction from \$66 million in 2018 driven in part by a challenging end market environment.

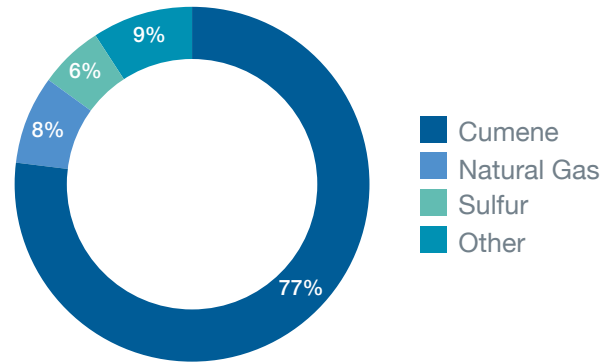
Despite the macro environment, we continued to invest for long-term performance, including an increase in capital expenditures, such as our new natural gas boiler project and the relocation of our R&D Technology Center. Our annual costs include employee wages and benefits, contractors, feedstocks, logistics (trucking, rail and marine), and other operating costs. These expenditures drive local and regional commerce.

Raw materials represent over 50% of total company costs of goods sold. A breakdown of our 2019 raw material spend is shown to the right.

The logistical requirements of our operations drive commerce well beyond the boundaries of our facilities. Our teams transport roughly 8 billion pounds of materials annually through our operations and supply chain. Aspects of our trucking, rail and marine transportation in our operations are shown below.

An agile, reliable supply chain and maintenance of optimal inventory levels are imperative to our operations. We build long-term relationships with our suppliers, and we will only enter into supplier agreements with

Direct Raw Material Spend



companies we understand to have demonstrated a record of and commitment to integrity. We work proactively to introduce sustainability requirements to our supply chain.

Maximizing output while minimizing operational impacts is key to our success. As part of our continuous improvement efforts, we are developing a sustainable procurement roadmap for the next five years to include training the procurement organization, establishing key performance indicators to track supplier performance, and conducting annual reviews of supplier CSR assessments and policies. Currently, we use two metrics to evaluate our success in sustainable procurement. For each, we have a goal of 100%, which we achieved in 2019:

- 100% of our suppliers are subject to our [Supplier Code of Business Conduct](#)
- 100% of internal AdvanSix buyers receive training on sustainability issues



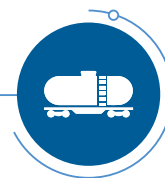
## TRUCKING

- ~38,000 truck shipments
- ~20% of total freight spend



## MARINE

- Dry bulk loading ~35 vessels in Hopewell with additional 4,800 ocean containers for exports shipped annually
- Operating three barges, one ocean-going vessel
- ~30% of total freight spend



## RAIL

- ~20,000 rail shipments
- ~50% of total freight spend

## Quality and Product Performance

Maintaining quality and product performance is vital to being our customers' trusted partner. To that end, we implement continuous improvement practices with an emphasis on metrics and indicators that promote quality and enhance customer service. Notable accomplishments include:

- 100% of AdvanSix manufacturing locations are ISO9001:2015 and RC14001:2015 certified, with scope set forth in certificates for [Chesterfield](#), [Frankford](#) and [Hopewell](#)
- 100% product regulatory compliance
- EcoVadis Gold Award Rating
- Kosher certifications for Acetone and Nylon Resin product lines at our Frankford and Chesterfield sites, respectively
- Customer satisfaction and engagement teams to resolve customer complaints and reduce non-conformance in our products toward zero
- Implementation of Product Safety Management System covering 100% of our manufacturing operations consistent with RC® requirements
- Customer audits and customer requested self-audits of manufacturing facilities

## A Trusted Partner for Our Customers

AdvanSix provides education on the benefits of Ammonium Sulfate to small farmers in Pucallpa, Peru in collaboration with a valued customer

Together with our valued customer, Molinos & Cia. S.A., and the support of local Universidad Nacional de Ucayali, INIA (Instituto Nacional de Innovacion Agraria) and Dirección Regional de Agricultura, AdvanSix led a hands-on educational workshop in the community of Pucallpa, Peru, to further the effectiveness and efficiency of family farms and smaller growers.

Our agronomic expert, who is based in South America, highlighted the 4R Nutrient Stewardship principles — right source, right rate, right time, and right place — and important benefits of using ammonium sulfate to fertilize local crops in a sustainable and environmentally friendly way.

Ammonium sulfate is an unmatched source for supplying nitrogen and sulfur, essential plant nutrients, to Peruvian agriculture, where the regional soil also benefits greatly from the indirect effect of keeping certain key nutrients in a form the crops can readily use. For these reasons, as well as its effectiveness in fighting certain fungal diseases, ammonium sulfate has become a favorite tool for increasing yield and quality of Peruvian crops.



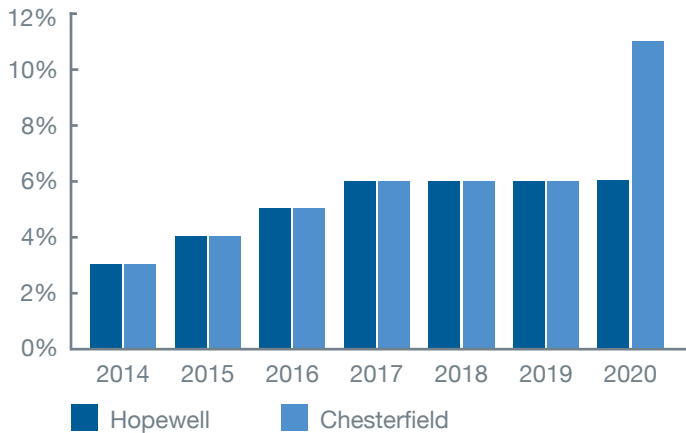
Increasingly, customers and industry groups in the packaging and carpet fiber areas are interested in recycled nylon content. In 2019, our Nylon Resins and Caprolactam contained a minimum 6% pre-consumer recycled content as certified by a third-party. Over time, we have increased the recycled content of our finished goods by increasing our internal resin capacity and working with our Caprolactam customers to optimize the recovery stream that is returned to us. In addition, we have taken action to drive additional recovery that will increase our recycled content in Nylon Resin to 11% for 2020. We continually work to improve recycled content, including engaging with partners up and down the value chain, and are evaluating future options to help customers achieve their sustainability goals.

## PRODUCT STEWARDSHIP

Through our participation with the ACC and the International Council of Chemical Associations (ICCA), we are actively engaged with the Global Product Strategy (GPS) — an innovative program to improve product stewardship within the chemical industry and with suppliers and customers throughout the chain of commerce.

The ultimate goal of GPS is to increase public and stakeholder awareness and confidence that chemicals in commerce are safely managed throughout their lifecycle. To reach that goal we are committed to making public all relevant product safety information on chemicals in commerce.

## Recycled Content



Note: Third-party certification of Nylon Resin and Caprolactam pre-consumer recycled content based on previous year's data.

Through our Product Stewardship program, we take responsibility to control and minimize all possible safety risks and adverse effects on human or animal health and on the environment, which could be caused by our products throughout their life cycle. Our Product Stewardship Management System is multi-faceted, forming the bedrock of our processes to ensure sustainable business practices. It encompasses product development, hazard communication, chemical regulatory compliance, and transportation of dangerous goods. At AdvanSix, we work to innovate safer and better compounds and materials with a focus on both safety and waste reduction by design. We engage with our stakeholders to communicate improvements in efficacy and efficiency in their applications. We work directly with customers and perform formal audits to ensure proper storage, handling, use, and disposal of our materials.





## Governance

AdvanSix maintains a transparent culture of integrity and compliance, HSE performance and operational excellence via its corporate governance. We have developed robust and fit-for-purpose manuals, procedures, standards, matrices, checklists, and overarching policies to drive our sustainability program and ESG practices.

Our eight-person [Board of Directors](#) is responsible for overseeing the activities of AdvanSix. The Board acts as the ultimate decision-making body and selects the CEO, appoints the executive officers, and oversees senior management which is charged with conducting business. The Board reviews and oversees implementation of our strategic and annual operating plans and corporate policies. There are four standing [Board Committees](#): the Audit Committee, Compensation and Leadership Development Committee, Nominating and Governance Committee and the newly formed Health, Safety, Environmental and Sustainability (HSE&S) Committee.

Our values, principles, standards, and norms of behavior are primarily governed by our [Code of Conduct](#) which applies to all AdvanSix directors, officers and employees. The Code of Conduct serves as a set of baseline requirements that enables employees to recognize and report compliance, integrity and legal issues, including the anonymous ACCESS Integrity and Compliance Helpline. The Code outlines our organization's pledge to operate in a safe, ethical and compliant manner, promote a positive workplace, show respect for colleagues and partners, promote development through training and value diversity of perspectives and ideas. It provides guidance and outlines expectations in a number of key integrity and compliance areas, including the prohibition of sexual or other forms of harassment, avoiding conflicts of interest, our commitment to health, safety and environmental matters, maintaining accurate books and records, anti-corruption and proper business practices, trade compliance, insider trading, data privacy, respect for human rights and the appropriate use of information technology and social media. All AdvanSix employees are required to complete Code of Conduct training and certify their compliance with the Code. In addition, directors and executive officers certify, on an annual basis, their acknowledgment of the Code of Conduct and that they will act in accordance with it.



Beyond our Code of Conduct, we have many specific policies and programs as part of our corporate governance; many are listed below. For more information, please refer to our [Governance Documents Webpage](#) and our [Global Citizenship Webpage](#). Please refer also to separate sections of this report outlining our governance related to ESG issues associated with Our People, Our Community and Our Environment.

- [Board of Directors Code of Ethics Guidelines](#)
- [Corporate Governance Guidelines](#)
- [Compensation and Leadership Development Committee Charter](#)
- [Health, Safety, Environmental and Sustainability Committee Charter](#)
- [Audit Committee Charter](#)
- [Nominating and Governance Committee Charter](#)
- [Insider Trading Policy](#)
- [Supplier Code of Business Conduct](#)
- [Policy Statement Against Slavery and Human Trafficking](#)
- [Human Rights Policy](#)
- [Conflict Mineral Policy Statement](#)

As AdvanSix further matures its sustainability program and ESG practices under the oversight of the Sustainability Council, our governance framework will continue to evolve.

## Cyber Security

AdvanSix is committed to the protection of its data and confidential information regarding its business, employees and customers. As an organization, we face risk of cyber security breaches and incidents, as well as risk from internal threats to the security of our information and networks, any of which could compromise our business or disrupt operations.

Cyber risk is closely managed by our executive leadership with governance and oversight by the Audit Committee of the Board of Directors.

We have implemented a comprehensive cybersecurity program, which is based on the ACC recommended NIST Cybersecurity Framework. We have a dedicated cyber team responsible for management, implementation and operation of the cyber program. Our cyber security framework is further reinforced through collaboration with strategic partners who provide threat detection and monitoring services on 24x7 basis. AdvanSix's cyber security organization has formed a cyber incident response team and conducts detailed scenario planning sessions to ensure preparedness in the event of a breach.

The Company has implemented appropriate measures to protect its sites from both physical and cyber attacks, while continually assessing security vulnerabilities and reinforcing security to remain compliant with applicable data security and other data privacy laws and regulations. We have a Data Governance Policy and Data Loss Prevention program to protect our Intellectual Property and other sensitive data.

We engage independent third-parties to perform security assessments, which include annual penetration testing of our external and internal environment. An external assessment has identified our cybersecurity program as above peer average.

We remain diligent in tracking cyber performance metrics and ensure comprehensive training of 100% of our employees on protective measures regarding information security, data privacy, cyber attacks and recognizing phishing attempts.

This approach is designed to support the business, enhance production and drive innovation while protecting our intellectual property, confidential information, privacy data, operations and infrastructure.



# OUR PEOPLE

At AdvanSix, our people are our greatest asset and the foundation of our success. Just as each plant depends on the output from the others, we depend on each other's contributions to drive company performance in our fast-paced and dynamic environment. We rely on our diverse, connected network of colleagues for the operation of our business, from our highly integrated chemical production facilities to our functional support organizations. We work together to cultivate a sense of family and we feel a deep sense of responsibility to operate in a safe, stable and sustainable manner.



## Caring, Innovating and Advancing Together

Our Purpose guides our approach to caring, innovating and advancing together in order to engage one another, drive continuous improvement and achieve exceptional results for our customers, shareholders and communities.

We live our values and recognize them in company-wide Town Hall meetings, tier meetings, plant newsletters, videos and in every day conversations among employees. Information, including learning material, best practices and stories about company activities, is made available on the AdvanSix Intranet. We conducted our first employee engagement survey in 2018 with participation from a majority of the AdvanSix team. Based on additional feedback from the survey, groups led by members of the executive team have driven projects to address areas of opportunity associated with Employee Performance and Development, Reward & Recognition and Communication.

In 2019, we hired and effectively onboarded nearly 340 new employees. AdvanSix recognizes and rewards individuals' talents by providing competitive compensation and benefit packages, including annual bonuses and long-term incentives for certain employees. In addition to our salaried employees, more than half our workforce is comprised of employees who are covered under four different collective bargaining agreements. In 2019, our hourly paid employees earned an average of approximately \$34.00 per hour.



## Training

Continual learning is part of our employee engagement strategy. We promote development through training that broadens work-related skills and believe that the most effective model combines an "experience, exposure, and education" approach. We acknowledge that learning is a career-long endeavor and place the greatest emphasis on learning by doing, supported by feedback, training, and self-reflection.



The goal of our training programs is to prepare and support employees so we can achieve our Purpose together. A highly-trained and engaged workforce is essential for AdvanSix to be our customers' trusted partner, and those partnerships are built by delivering best-in-class experiences that result in satisfied customers. We are a team of empowered, high-performing employees, and we encourage each other to engage, participate and learn through experiences and relationships, alongside formal training.

AdvanSix promotes development through training that broadens work-related skills. These include:

- Core competencies for all employees to develop and apply
- Leadership competencies needed by all employees managing people
- Functional competencies that are position specific and used to inform job progression

We maintain a comprehensive Learning Management System (LMS). Currently, there are 1,370 Training Modules that cover a wide variety of topics including regulatory and legal, corporate, job-specific and career development available for AdvanSix employees. We provide all employees with access to training that educates them on how our operations impact corporate sustainability and ESG issues. Over half of all annual training hours are related to safety, including initial safety onboarding, recertifications and life critical procedures.

Our LMS platform provides detailed compliance and status reports that are shared with managers to ensure adherence to required learning programs.

We have safety and environmental training modules for new employees as part of HSE orientation. Job-specific training is aligned to roles as identified in our continually updated training matrix. In 2019, we provided an average of 54 hours of training per employee.

## Innovating Together

We are increasing efficiency, accuracy and consistency with the use of electronic permitting

We implemented our electronic-permitting system at each of our sites in 2019 to simplify and streamline the overall permitting process. It's an example of technology enabled continuous improvement that aids our goal of ensuring higher-risk and life-critical maintenance work, like line-breaking, hot work, confined space entry and lock, tag and try, is done safely every time. E-permitting also covers safe work permits for non-routine jobs.

Compared to our previous system, which was manual, paper-based and time-consuming, E-permitting enables a more complete risk assessment, captures lessons learned from previous work, and provides a place to document and store our plans and our permits for reference and to automatically support regulatory compliance.

E-permitting has resulted in safer jobs and a safer work environment, better compliance, increased efficiency and increased employee satisfaction.



# Safety

At AdvanSix, safety is our number one value — we Live Safety in all we do. Live Safety is an interdependent concept meaning that you care not only for your own safety, but for the safety of the people and communities around you at all times.

As an ACC member company, we are deeply committed to the health and safety of our workers and the communities in which we operate, as well as the safety of our products and processes. This commitment is reflected in our [HSE Values](#) and our corporate governance (please refer to [Governance](#) for more information). Our HSE management system is rooted in these values to ensure we achieve our strategic priorities and business objectives. Oversight for HSE is provided by the [HSE&S Committee](#) of the Board of Directors.

Under the HSE management system, AdvanSix has procedures in place with defined responsibilities and direct references to the ACC Responsible Care® 14001 Technical Specification. Identification and prioritization of HSE issues, risks and opportunities are integrated into the annual operating plan and often updated to respond to significant changes. The HSE management system covers all our employees, contractors and visitors, and is the direct responsibility of the AdvanSix HSE Management representative. In addition, our [Supplier Code of Business Conduct](#) is essential to communicating our expectations on health and safety to our suppliers and mandating compliance through our contractual arrangements.

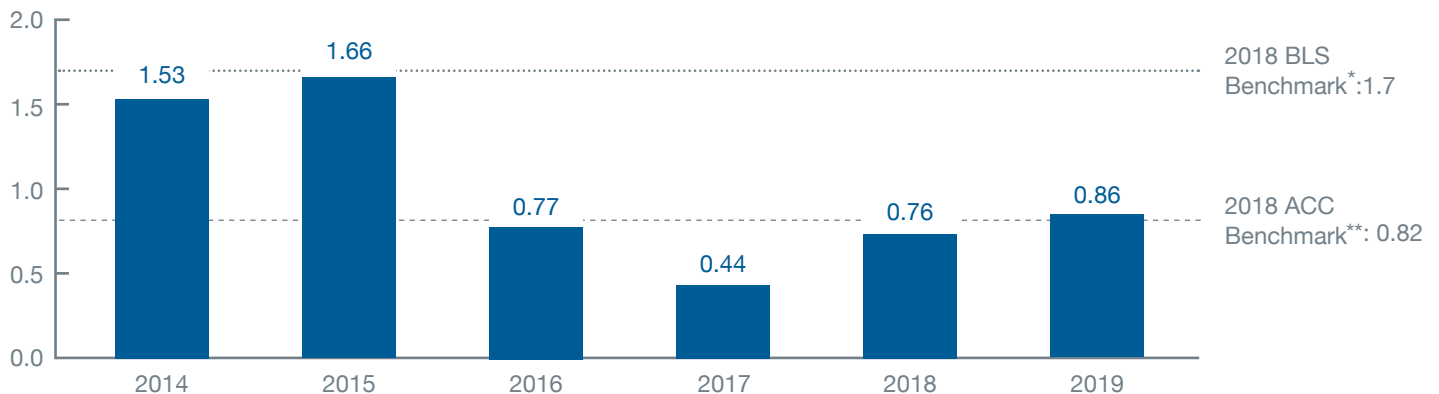
A key component of the HSE management system is maintenance of an HSE Aspects Register to guide objectives and planning actions for continual HSE performance improvement. This Register prioritizes HSE aspects based on risks — that is, the severity and likelihood of potential incidents. Our approach drives the management of risks, including inspections, audits and training hours.

Our expectation is zero injuries for employees and contractors, which we endeavor to achieve every day. We use the industry standard Total Case Incident Rate (TCIR) to measure our ongoing safety performance and compare with benchmarks. TCIR is defined as the number of occupational injuries and illnesses per 100 employees. As shown on the chart, our TCIR was 0.86 in 2019. While this outperforms the industry-wide Bureau of Labor Statistics (BLS) benchmark and represents an overall 44% improvement since 2014, we are not satisfied if there are any injuries at AdvanSix.

The most recently available ACC report summarizes 2018 performance. While ACC’s TCIR benchmark was 0.82 in 2018 for medium-sized companies, the top quartile performance for TCIR medium-sized companies was 0.53. AdvanSix has set a goal to be in the top-quartile of ACC safety performance for comparably sized companies.

## Total Case Incident Rate (TCIR)

**44% IMPROVEMENT SINCE 2014**



\* U.S. Bureau of Labor Statistics TCIR benchmark for Plastics Material and Resin Manufacturing industry

\*\*American Chemistry Council benchmark for medium size companies

\*\*\*AdvanSix has had zero fatalities.

When injuries do occur, we rigorously and self-critically investigate to identify root causes, take corrective actions, and drive the learnings across our facilities including through our Learning Management System (refer to [Training](#) for more information). Investigations incorporate a cross-functional team, including employees at the facility, to ensure broad understanding and encourage improvement to our hazard identification, risk assessment and incident investigation as governed by our HSE management system.

### PROCESS SAFETY MANAGEMENT

Process Safety Management (PSM) is integral to our governance at AdvanSix, a focus of our new Sustainability Council, and key to the health and safety of our workers and the communities in which we operate. World-class PSM is essential to achieving safe, stable and sustainable operations. We have an established PSM team with a structured approach to global process hazards analysis, auditing and incident investigation. The PSM program drives understanding and mitigation of hazards, management of change and maintenance of safety critical systems, including emergency response planning. This is an ongoing effort that reflects our commitment to safely managing chemical hazards as part of our day-to-day operations.

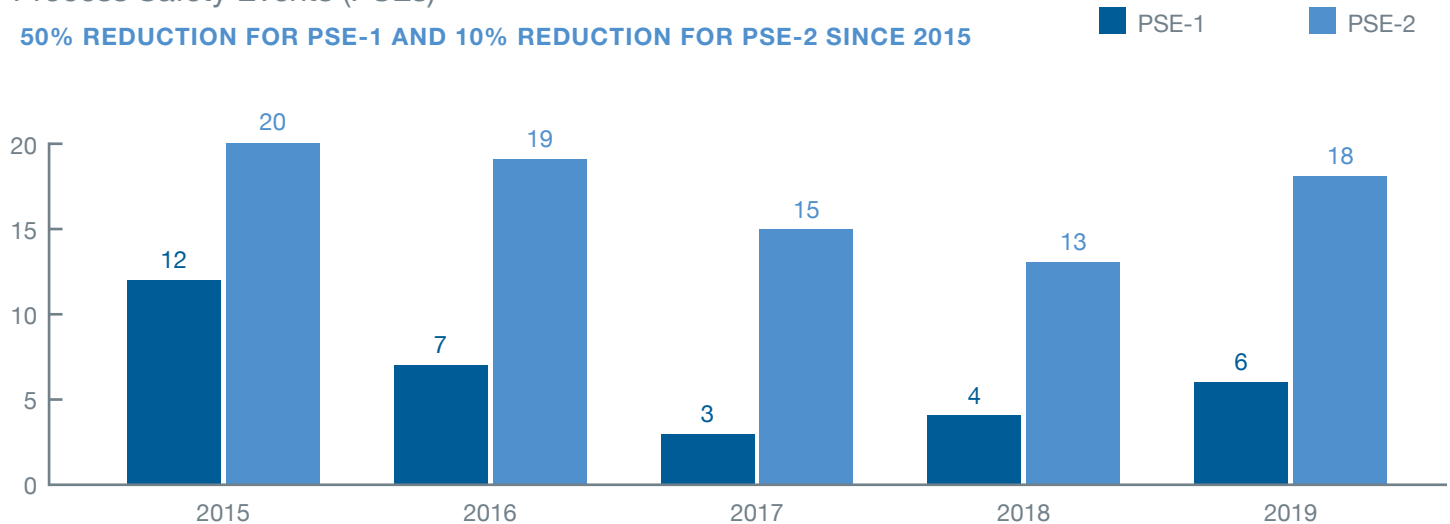
AdvanSix tracks Process Safety Events (PSEs) which are losses of primary containment with levels based on severity as defined by the American Petroleum Institute (API) Recommended Practice (RP) 754: Process Safety Performance Indicators for the Refining and Petrochemical Industries.

In the event of a release, our PSM team drives to the root cause in an incident investigation. We are also completing near-miss reporting, emergency response management and table-top exercises of PSM-type events. As our PSM program matures, we intend to disclose data related to these leading indicators.

Our PSE reporting reflects a reduction in severity of events, as well as increased awareness and associated reporting of lower level PSEs. We continually aim for year-over-year improvement and seek to implement enhancements to our processes. World-class PSM is a continuous process and a global effort within our operations. Our approach will mature over time, and we look forward to driving reduction in total PSEs. We look forward to updating this disclosure annually to demonstrate outcomes of our current focus on PSM.

### Process Safety Events (PSEs)

**50% REDUCTION FOR PSE-1 AND 10% REDUCTION FOR PSE-2 SINCE 2015**



\*The API 754 standard defines PSE-1 (Tier 1) Events as “LOPC Events of Greater Consequence” and PSE-2 (Tier 2) Events as “LOPC Events of Lesser Consequence” where LOPC refers to “Loss of Primary Containment”  
 \*\*PSE data tracking began in second quarter of 2014; annual data reporting commenced in 2015



## Inclusion and Diversity

At AdvanSix, we provide an inclusive work environment that fosters respect for all our coworkers, customers, suppliers and business partners. We value the diversity reflected in the various backgrounds, experiences, and ideas of our employees, contractors, and other stakeholders. Our [Code of Conduct](#) outlines our commitment to provide employees a workplace that is free from unlawful discrimination or harassment (specifically related to gender, race, disability, ethnicity, nationality, religion and sexual orientation) or personal behavior not conducive to a productive work climate. For more information on our corporate governance and associated policies, please refer to [Governance](#).

We strive for a workplace that reflects the diversity of the communities in which we operate. We believe it is important that each employee feels included and valued as part of the organizational culture we have cultivated, and we feel it is important that each employee sees representation across our AdvanSix team. AdvanSix is committed to managing, monitoring and reporting on inclusion and diversity for our employees to show progress toward our goal that the diversity of our more than 1500 employees reflects the communities in which we operate.

We believe we have a responsibility to improve gender equality in the manufacturing industry, starting with supporting science, technology, engineering and math (STEM) education and work in related fields. AdvanSix joined hundreds of companies in signing the CEO Action for Diversity and Inclusion pledge becoming part of the largest CEO-driven business commitment to advance diversity and inclusion within the workplace. The effort centers around three main commitments: to have complex discussions about diversity and inclusion, implement and expand upon unconscious bias education and share best and unsuccessful diversity and inclusion practices. We are proud that our senior leadership team was comprised of nearly 50 percent women in 2019, including our Chief Executive Officer, Chief Technology Officer, Chief Information Officer, Vice President of Integrated Supply Chain, Vice President, Nylon Solutions and Vice President, Business Development. Two of our seven-member 2019 Board of Directors are women.

# Encouraging Diverse Voices

## A culture of employees feeling included and encouraging diverse voices



In 2019, an enthusiastic and enterprising group of employees formed Supporting Women in Manufacturing (SWiM), an AdvanSix Employee Resource Group to promote women in manufacturing, female leadership and growth in STEM-related fields. As part of its charter, SWiM encourages diverse voices and works to make our professional environment more inclusive for women.

SWiM seeks to engage all employees — men and women — by raising awareness through programs, events and discussions. Guided by a Steering Team, SWiM functions through various committees, namely networking, professional development, outreach, volunteering and internal programs highlighting leadership and career paths in multiple disciplines.

The list of events in the group’s inaugural year was long, filled with efforts to fulfill their mission as well as ways to Enjoy Our Work and Have Fun, too. The activities included panel discussions featuring career advice from senior leaders, a community-sponsored panel on STEM-education, co-sponsored events with other engineering and manufacturing companies to highlight common goals and projects and team participation in events, from dragon boat races, to volunteering at schools and touring local manufacturing facilities.





## Reward and Recognition

In the spirit of Enjoying Our Work & Having Fun we have embedded peer-to-peer recognition in our daily operating processes. Our tier meeting process is used to recognize and communicate outstanding efforts through all levels in the organization including through monetary awards; in 2019, 375 people were recognized by their peers.

Every quarter, several employees are recognized at company-wide Town Hall meetings for their contributions to our strategic priorities. The men and women who volunteer on our Emergency Brigades are honored at an annual luncheon in recognition of their commitment to emergency preparedness, safety and helping others. We also recognized 12 employees at our annual Technical Career Progression celebration dinner. These employees display technical capability and regularly deliver in three key areas — results, behaviors and capability.

Each January, AdvanSix honors colleagues who have made significant contributions to our success. The AdvanSix President's Award, first given in 2017, is our company's highest honor and recognizes people who exemplify what it means to be a leader at AdvanSix. This year's recipients represent the best of AdvanSix and are outstanding performers from our Human Resources, Manufacturing Finance, Process Safety Management,



and Ammonium Sulfate sales organizations. Their contributions ranged from working with customers, to working in the community, to working to drive safe, stable and sustainable operations.

We also introduced the First Line Supervisor (FLS) of the Year award for 2019. This recognition is for the FLS who demonstrates excellence by being an empowered HSE leader, a decision maker and the chief communicator on shift, while developing, coaching and mentoring their shift teammates.

AdvanSix was proud to receive external recognition from industry groups and partners in 2019 for safe rail car loading and maintenance of hazardous material. Highlights include:

- Union Pacific Railroad recognized the AdvanSix Hopewell team with its 2019 Chemical Transportation Safety Pinnacle Award. This prestigious award recognizes companies that had zero Non-Accident Releases (NARs) for shipments of regulated hazardous material moving in tank cars, moved at least 100 rail cars and confirmed the use of safety best practices.
- AdvanSix was awarded the 2018 CSX Chemical Safety Excellence Award and the 2018 BNSF Stewardship Award.

David White, a member of our Plant Nutrients sales organization was honored as 2020 member of the year for his contributions to the Pennsylvania Agronomic Education Society (PAES).

## Health and Wellness

We are committed to providing our employees opportunities to maintain and improve their mental and physical health and well-being — both at work and at home.

- An Employee Assistance Program available to employees and members of their households enables ready access to professional counselors
- Contributions to the Health Savings Accounts for eligible employees assist with medical costs
- Emergency Brigades, staffed and run by employees, enable quick response to any medical or other emergency at our sites
- Medical operations at our plants offer flu shots and other preventative medicine, in addition to emergency first aid and fit-to-work and other evaluations
- Discounts on gym memberships encourage an active lifestyle



## External Recognition of Outstanding Leadership

### Step Ahead: AdvanSix Engineer Recognized for Leadership

Erika Militch, lead process engineer with AdvanSix, was selected as a 2020 national STEP Ahead Award honoree. The annual STEP Ahead Awards, sponsored by the Manufacturing Institute, recognize women in science, technology, engineering and production careers who exemplify leadership within their companies.

Erika played a meaningful role in the ongoing development of the new 2-PO product, known commercially as EZ-Blox®, a sustainable, alternative anti-skinning agent used in the paints and coatings industry. Her interaction, empathy and willingness to help contributed significantly to sustaining chemical plant operations and creating innovation. She built trust between operators and engineers, which made the team work better together to uncover opportunities for improvement and meet production goals.



# OUR COMMUNITY

AdvanSix is committed to responsible, proactive citizenship — both in our local communities and in our industry. We have strong, active involvement with a wide range of local and national organizations that advance our industry, support those in need and protect our environment. As a leading member of the chemical industry, we feel a deep responsibility to the communities in which we operate to maintain safe, stable and sustainable operations. We appreciate our role as a trusted partner to deliver Advantaged Chemistries that are the building blocks in products that are essential to society.



## Say Thank You & Give Back

We build pride in AdvanSix by Saying Thank You & Giving Back through active participation in a wide range of organizations. In 2019, our employees spent hundreds of hours volunteering and participating in organizations focused on community, the environment and economic development. AdvanSix contributes financially to many of the same organizations. As we mature our sustainability program, we intend to share metrics in future reporting that further demonstrates our company's commitment to our local communities.

### LOCAL COMMUNITIES

Below are a few of the ways we continued connecting with our local communities in 2019.

- Engaged with local economic development associations, [Greater Northeast Philadelphia Chamber of Commerce](#) and [Virginia's Gateway Region Economic Development Organization](#)
- Volunteered with non-profits, including [Tara's Children](#) in Virginia, and the [Salvation Army](#) in New Jersey
- Served on the Board of Directors for [Rebuilding Together®](#) Richmond, Virginia chapter, [Hopewell \(Virginia\) Chamber of Commerce](#), [Virginia Manufacturing Institute](#) and [Boys and Girls Club of Philadelphia \(Bridesburg\)](#) in Pennsylvania
- Supported Hopewell Fire and Rescue and other local emergency services, conducting emergency response drills with the Philadelphia Fire Department and first responders, and participating in training at national fire schools

- Promoted STEM education, including co-op programs, hosting "Take Your Child to Work Day" at our New Jersey headquarters, and networking and volunteering events highlighting STEM career paths
- Sponsored local environmental stewardship programs, including the [James River Association](#) in Richmond, Virginia
- Participated in community meetings and events, including Frankford Community Advisory Panel, the Hopewell Chamber of Commerce and others
- Contributed funding and leadership to the municipal wastewater treatment project, Hopewell Water Renewal
- Participated in local utility advocacy groups, such as Virginia Committee for Fair Utilities Rates and Virginia Industrial Gas Users Association
- Ran in the annual CityPoint 5K Fun Run in Hopewell, hitting the roads, having fun, and again winning the Industry Cup as the best local company team

### INDUSTRY

We are proud to be a company engaged in the business of chemistry. As a member of the [American Chemistry Council](#), we participate on the Board of Directors as well as in multiple committees, programs and initiatives, including [Responsible Care®](#). We use a collaborative approach to understand sustainability issues across our industry — at a global, national and local level.

At a global level, the [International Council of Chemical Associations](#) spearheads an innovative program to improve product stewardship which is key to AdvanSix.

At a national level, AdvanSix not only participates as a Board member but is a patron level supporter of the American Institute of Chemical Engineers' (AIChE) Doing a World of Good initiative that actively supports five high priority pillars within the chemical engineering field that align closely with sustainability and ESG principles.



AdvanSix is involved in many more national and local industry groups engaged in the business of chemistry. Some are listed below.

- Board member, [The Fertilizer Institute](#)
- Board member, [Virginia Manufacturers Association](#)
- [American Fuel and Petrochemical Manufacturers](#)
- [Hopewell Manufacturers Association](#)
- [Materials Technology Institute](#)
- [National Association of Manufacturers](#)
- [Northeast Chemical Association](#)
- [The Manufacturing Institute](#)

## Community Engagement & Empowerment

At AdvanSix, we pride ourselves in supporting stronger communities where we live and work

To build strong communities, we work together with various organizations including [Rebuilding Together®](#), a nonprofit community revitalization organization with a mission to repair homes, revitalize communities and to rebuild lives. The organization engages with community partners to help low-income homeowners with repairs and updates to their houses — to make them safer and more livable.

Several times a year, AdvanSix gathers a group of volunteers to help families in both the Richmond and Greater Philadelphia areas. AdvanSix has become the “go-to” company in Richmond for challenging projects because we are known to have the skills and wherewithal to get the job done.

For months before a single nail is hammered or a light is replaced, our team manages the details behind the scenes, getting to know the homeowners, learning about what needs to be done, and working collaboratively to pick materials and designs. We engage with our contractors for their technical expertise, our customers for their products and other service providers in the area for their talents as well.

For AdvanSix, our work with [Rebuilding Together®](#) is an opportunity to Say Thank You & Give Back, and work together for something that is larger than ourselves.



# OUR ENVIRONMENT

At AdvanSix, we work to reduce our impact on the environment throughout our operations and our value chain. Our HSE management system focuses on continuous improvement — this system is implemented via policies, practices and procedures. Our cross-functional teams, enabled by technology, ensure conformance with our management system, as well as compliance with all applicable government requirements. We are driven to move beyond compliance to minimize operational impacts on the environment, including addressing climate change, reducing criteria pollutant air emissions, managing wastes and protecting water resources.



## Environmental Compliance

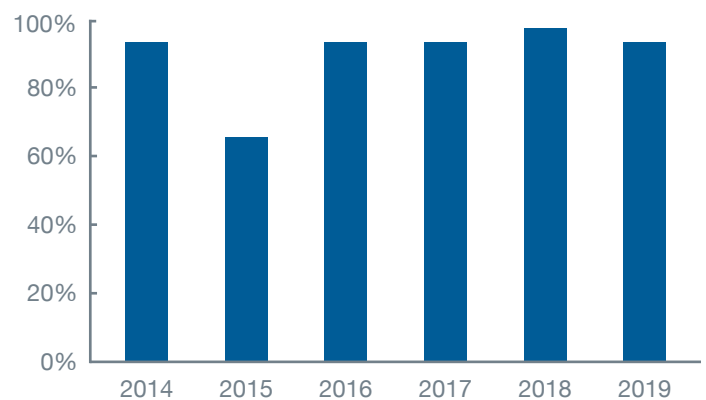
Conforming with standards and compliance with regulatory requirements is the foundation of our day-to-day operations. We Live by Our Word in all we do, and promote a culture where we do the right thing especially when no one is looking. We aim to exceed regulatory requirements to protect the environment wherever possible while continuing safe, stable and sustainable operations.

We are subject to various federal, state, local and foreign government requirements regarding protection of human health and the environment. Compliance with these laws and regulations is essential to maintaining our operations. We invest significant financial and human resources into ongoing environmental compliance and we continue to monitor emerging developments.

Our environmental compliance system is part of our HSE management system (please refer to [Governance](#) for more information). As described under [Safety](#), a key component of the HSE management system is maintenance of an HSE Aspects Register to guide objectives and planning actions for continual HSE performance improvement, including environmental compliance.

We monitor and internally report as part of our management approach on regulatory compliance. The chart on the right side of the page shows percentage of routine and unannounced visits or inspections by federal, state and local government agencies that did not result in a written violation, fine or penalty. This provides a lens into trends of our regulatory compliance. We aim for 100% compliance, that is, no violations, fines or penalties.

Agency Inspections Without Violations



## Climate

AdvanSix is committed to preparing for the impacts of climate change on our business, and reducing greenhouse gas (GHG) emissions throughout our operations and product lifecycles. The most recent Global Risks Report by the World Economic Forum identifies climate action failure and climate-linked issues, like extreme weather and biodiversity loss, as top risks in terms of both impact and likelihood.

Risks associated with the effects of climate change, such as severe weather events, rising sea levels and other impacts of GHG emissions, affect not only our business and operations, but also our stakeholders, including our employees, customers, suppliers, investors and communities. Accordingly, we have identified this as a topic material to our business.

Based on the framework recommended by the [Taskforce for Climate-related Financial Disclosure](#) (TCFD), AdvanSix intends to make continual progress on:

- Governance
- Strategy development
- Risk management processes and
- Metrics and targets used to assess and manage relevant climate-related risks and opportunities

AdvanSix is dependent upon environmental resources and susceptible to weather patterns and climate risk. Extreme weather conditions can interfere with our operating activities, disrupt our maritime logistics and inter-plant supply chain, increase our costs of operations or reduce the efficiency of our operations and potentially increase costs for insurance coverage in the aftermath of such conditions. Long-term, higher average global temperatures could result in changes in natural resources, growing seasons, precipitation patterns, weather patterns, species distributions, water availability, sea levels and biodiversity. These impacts could influence raw material supply chains used to maintain our production capacity and could lead to possible increased sourcing costs in the future.

We continually assess our manufacturing plants for risk and opportunity to increase our preparedness for climate change. For example, we evaluate sea level rise and storm surge at our plants to proactively mitigate potential impact and develop response planning.



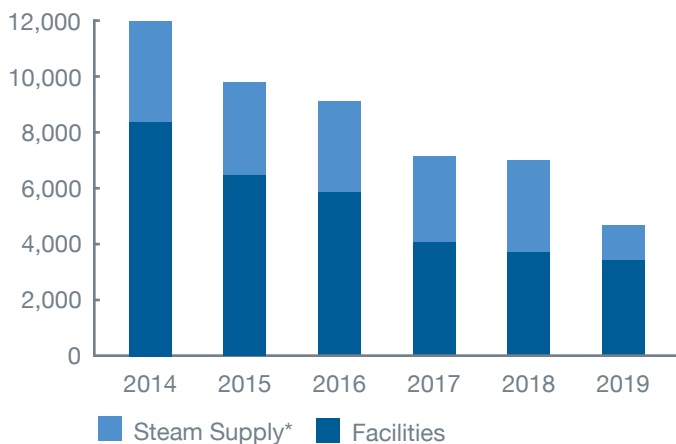
## Air Emissions

Air pollutants that have an ambient air quality standard set by the Environmental Protection Agency (EPA) are known as criteria pollutants. Criteria pollutants include, but are not limited to, nitrogen oxides (NOx), sulfur oxides, carbon monoxide, particulate matter that are ten micrometers or less in diameter, and ozone (for which volatile organic compounds and NOx are precursors). AdvanSix reports on its emissions of criteria air pollutants to state regulatory agencies.

AdvanSix has substantially reduced its emission of total criteria pollutants since 2014. This trend continued in 2019. This is primarily due to the reduction in NOx at the Hopewell facility based on our installation of Selective Catalytic Reduction (SCRs). The SCRs convert NOx to nitrogen and water using ammonia. Approximately one-third of the ammonia used comes directly from the process creating the NOx and the balance is sourced from ammonia manufactured at the site. As a result, the Hopewell site does not require ammonia as an input to reduce NOx. The conversion of steam supply from coal to natural gas in 2019 also resulted in a reduction of criteria air pollutants.

### Criteria Pollutant Emissions (tons)

**61% REDUCTION SINCE 2014**



\* Steam supply converted from coal to natural gas boilers in 2019



### GREENHOUSE GASES

Reducing GHG emissions is important to AdvanSix given our commitment to address climate change, and the benefit of reducing costs through reduced energy and electricity use. Our direct GHG emissions result from our manufacturing processes, and production of energy and steam (Scope 1). Our indirect GHG emissions result from purchasing electricity (Scope 2).

In 2019, AdvanSix reduced its company-wide carbon footprint — specifically through the conversion of steam supply from coal-fired to natural gas boilers. There was an increase in Scope 1 emissions directly from the facilities, specifically Hopewell, and in Scope 2 emissions due to a modest increase in electricity purchased.

**>\$100M**

capital investment on air emission reduction from 2014–2019



## Scope 1 GHG Emissions (CO<sub>2</sub>e MT)

3% REDUCTION SINCE 2014



\* Steam supply converted from coal to natural gas boilers in 2019  
 \*\*AdvanSix 2018 and 2017 Sustainability Reports disclosed GHG emissions under EPA's "Mandatory Greenhouse Gas Reporting" rule (40 CFR Part 98). In our 2019 Sustainability Report, the total CO<sub>2</sub>e also includes nitrous oxide (N<sub>2</sub>O) for all years reported from the Hopewell facility.

## Scope 2 GHG Emissions (CO<sub>2</sub>e MT)

1% INCREASE SINCE 2014



# Investing to Reduce GHG and Air Emissions

We have taken action to reduce our GHG and criteria pollutants emissions by converting our steam supply from coal-fired to natural gas boilers



In our 2018 Sustainability Report, we announced our investment to convert our steam supply boilers from coal to natural gas. In 2019, we executed a capital investment project at our Hopewell facility designed to ensure continuous steam supply to operations, minimize environmental impact and align with the company's mission to ensure safe, stable and sustainable operations. We invested approximately \$40 million for the purchase and installation of new, natural gas-fired steam generation boilers and enabled the shut-down and decommissioning of 30-year-old coal-fired boilers.

This project resulted in measurable reductions in GHG emissions and criteria air pollutants, including expected reductions of approximately 45% in GHG emissions, as well as sustainable improvements in fuel-to-steam conversion efficiency. Notable expected benefits include: (i) reductions of GHG emissions by approximately 200,000 tons of CO<sub>2</sub>e per year; (ii) reductions of criteria pollutants by approximately 2,850 tons per year; and (iii) 19% improvement in fuel to steam conversion efficiency. The majority of the criteria pollutant emission reductions are emissions of sulfur dioxide, nitrogen oxides and carbon monoxide. This annual reduction in emissions of both criteria air pollutants and greenhouse gases will be reflected over a full year in future reporting.



## Energy

Energy consumption remains a critical focus for AdvanSix. We continue to optimize our processes and procedures to reduce the energy intensity of our production and continuously monitor production, energy consumption and emissions with the goal of improving efficiency.

The commissioning of new natural gas boilers at Hopewell to replace the steam previously provided by coal-fired boilers resulted in significant reduction in energy use in 2019. This built on the overall trend of energy efficiency at our facilities since 2014 due to optimization.

## Electricity

As with energy consumption, we aim to have no net increase of electricity usage per unit of product. We continuously monitor electricity use and optimize where possible with the goal of improving efficiency.

## Waste

We minimize waste by reducing, reusing, and recycling at operating facilities and our offices. This includes non-hazardous materials, such as metals, woods, plastics, paper, glass, and cardboard. Waste management is part of our overall environmental stewardship and awareness. In terms of management of hazardous waste at our facilities, we reduce generation through operational controls, process improvements, and capital investments in our plants, while maintaining compliance with applicable laws and regulations.

The majority of hazardous waste generated by our operations is phenolic residue from our Frankford facility. We use phenolic residue directly on-site as a fuel source for our operations. We also recycle a large amount of cumene in our process — the unreacted cumene is purified and reintroduced to the process.

### Energy Use (BBTU)

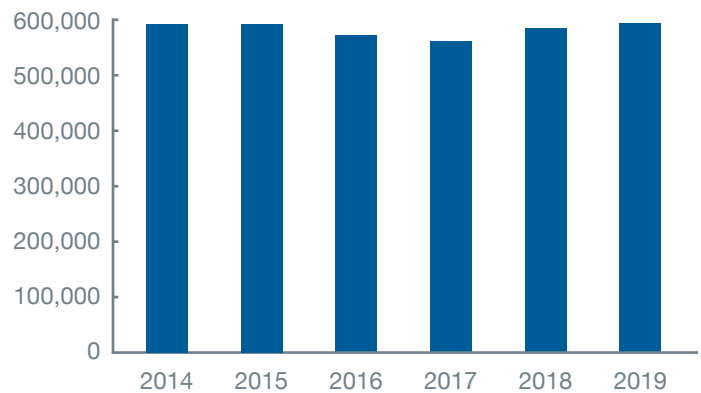
**14% REDUCTION SINCE 2014**



\* Steam supply converted from coal to natural gas boilers in 2019

### Electricity Consumption (MWh)

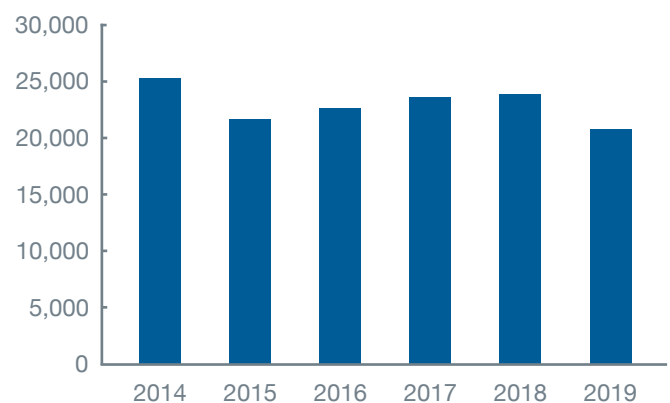
**1% INCREASE SINCE 2014**



\* Total for facilities; steam supply figures are immaterial

### Hazardous Waste (MT)

**18% REDUCTION SINCE 2014**



\* Total for facilities; steam supply figures are immaterial

# Water

At AdvanSix, we recognize water as essential to life and a fundamental human right. Water is a finite resource and it is critical to our operations. Our use and discharge of river water is regulated. We do not withdraw or discharge to groundwater. Our objective is to conserve water and protect both local (James River) and regional (Chesapeake Bay) watersheds.

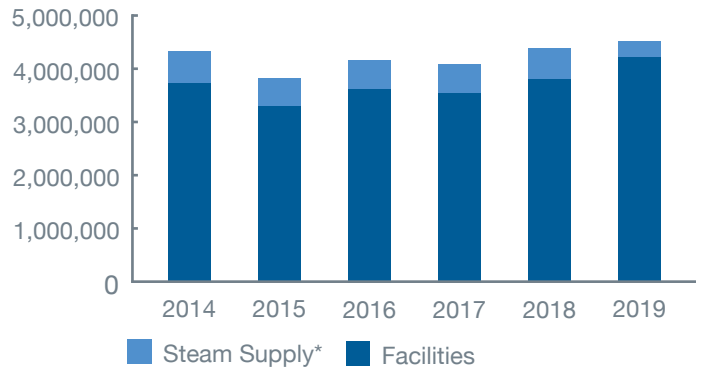
Our team closely monitors consumption in relation to our facility operations with the goal to reduce excess withdrawals and recycle process water, where feasible. All of our facilities consume municipally-supplied water, in addition our Hopewell and Chesterfield plant operations also utilize river water as one-pass, non-contact cooling water.

Our goal is to have no net increase in water consumption per unit of product. Typically, fluctuations in water consumption are related to varying production rates. We plan to show both total consumption and rate of consumption relative to production in future disclosures.

We are continually looking for opportunities to reduce water consumption and improve discharge quality. The majority of our process water is discharged to permitted wastewater treatment facilities prior to release. All of our discharges are monitored.

## Water Consumption (kgal)

**4% INCREASE SINCE 2014**



\*Steam supply converted from coal to natural gas boilers in 2019

## Stewardship of the Water Sources Around Us

We have taken action to reduce nutrient discharges through production improvements in our Hopewell facility

The Chesapeake Bay is the largest estuary in the United States and is designated as a National Wildlife Refuge and Wildlife Management Area. Ten major rivers enter the system, including the James River. Both our Virginia facilities — Hopewell and Chesterfield — are within the watershed of Chesapeake Bay.

AdvanSix prioritizes protection of the Bay. Since 2015, the Hopewell facility has directly reduced nutrient discharges to the Bay by 29% through process improvements. Additional improvements to the water quality in James River were achieved through an expansion of Hopewell Water Renewal, a municipal wastewater treatment facility, that was partially funded by AdvanSix and resulted in additional nutrient removal. Our Chesterfield facility has been designated a non-significant discharger with respect to nutrient loading in the Bay.



# CONTENT INDEX

This Content Index assists readers in locating AdvanSix’s disclosures relevant to the GRI Standards framework from 2016, unless otherwise noted. This index also incorporates applicable principles and content elements of the Sustainability Accountings Standards Board (SASB) Chemicals Industry Standards. The report content associated with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) is also referenced in this index.

Standard	Disclosure	Location / Direct Answer
<b>Organizational Profile</b>		
GRI 102: General Disclosures	102-1 Name of the organization	AdvanSix Inc.
	102-2 Activities, brands, products and services	Our Purpose; Vertically Integrated Value Chain
	102-3 Location of headquarters	300 Kimball Drive, Suite 101, Parsippany, NJ
	102-4 Location of operations	Our Purpose; Vertically Integrated Value Chain
	102-5 Ownership and legal form	Our Purpose
	102-6 Markets served	Our Purpose; Vertically Integrated Value Chain
	102-7 Scale of the organization	Our Purpose; Operations
	102-8 Information on employees and other workers	Caring, Innovating and Advancing Together; 2019 Annual Report, pg. 8
	102-9 Supply chain	Value Chain; 2019 Annual Report, pg. 46
	102-10 Significant changes to the organization and its supply chain	2019 Highlights; 2019 Annual Report, pg. 27
<b>Strategy</b>		
GRI 102: General Disclosures	102-14 Statement from senior decision-maker	Message from the CEO
<b>Ethics &amp; Integrity</b>		
GRI 102: General Disclosures	102-16 Values, principles, standards and norms of behavior	Governance
	102-17 Mechanisms for advice and concerns about ethics	Governance

Standard	Disclosure	Location / Direct Answer
<b>Governance</b>		
GRI 102: General Disclosures	102-18 Governance structure	Governance; 2019 Annual Report, pg. 9–10
	102-22 Composition of the highest governance body and its committees	Corporate Governance / Committees
	102-23 Chair of the highest governance body	AdvanSix Executive Leadership
<b>Stakeholder Engagement</b>		
GRI 102: General Disclosures	102-40 List of stakeholder groups	Our Sustainability Strategy
	102-41 Collective bargaining agreements	Caring, Innovating and Advancing Together
	102-42 Identifying and selecting stakeholders	Our Sustainability Strategy
	102-43 Approach to stakeholder engagement	Our Sustainability Strategy
	102-44 Key topics and concerns raised	Our Sustainability Strategy; Content Index Stakeholder Engagement
<b>Reporting Practices</b>		
GRI 102: General Disclosures	102-45 Entities included in the consolidated financial statements	2019 Annual Report, pg. 25
	102-46 Defining report content and topic boundaries	Our Sustainability Strategy
	102-47 List of material topics	Our Sustainability Strategy
	102-48 Restatements of information	The one restatement of information in AdvanSix's third sustainability report is associated with GRI-305 Direct (Scope 1) GHG emissions for historical and current <a href="#">data</a>
	102-49 Changes in reporting	There are no changes in reporting in AdvanSix's third sustainability report
	102-50 Reporting period	January 1, 2019 through December 31, 2019 (unless reported otherwise)
	102-51 Date of most recent report	2018 Sustainability Report published April 2019
	102-52 Reporting cycle	Annual
	102-53 Contact point for questions regarding the report	<a href="mailto:investorrelations@advansix.com">investorrelations@advansix.com</a>
	102-54 Claims of reporting in accordance with the GRI Standards	This report is in compliance with GRI Core
	102-55 GRI content index	<a href="#">Content Index</a>
	102-56 External assurance	The data within this report has not been externally verified at this time

# Stakeholder Engagement

## GRI Disclosure 102-44: Key topics and concerns raised

Stakeholders	Key Topics and Concerns Raised	Selected Engagement
Employees	<ul style="list-style-type: none"> <li>• Safety and workplace security</li> <li>• Inclusion and diversity</li> <li>• Health and wellness</li> <li>• Career development</li> <li>• Competitive compensation and benefits</li> <li>• Work/life balance</li> <li>• Business strategy and culture</li> </ul>	<ul style="list-style-type: none"> <li>• Town hall meetings and informal Q&amp;A sessions with leaders</li> <li>• AdvanSix intranet</li> <li>• Social media, including LinkedIn</li> <li>• Employee resource groups</li> <li>• Employee engagement</li> <li>• Surveys and roundtable discussions</li> <li>• Service Anniversary Recognitions</li> <li>• Training programs</li> <li>• Emergency Brigades volunteering</li> <li>• Medical operations at our plants</li> <li>• Discounts on gym membership</li> <li>• Employee Assistance Program</li> <li>• Health savings accounts</li> <li>• Ethics hotline</li> </ul>
Communities	<ul style="list-style-type: none"> <li>• Economic development</li> <li>• Environmental impacts, including emissions</li> <li>• Community involvement and support</li> <li>• Support of education</li> <li>• Employment opportunities</li> <li>• Human rights</li> <li>• Operational impacts</li> <li>• Community impacts and needs</li> </ul>	<ul style="list-style-type: none"> <li>• Local community associations</li> <li>• Social media postings</li> <li>• Contribution to community initiatives</li> <li>• Volunteering with non-profits</li> <li>• Support local emergency services</li> <li>• STEM education support and interaction</li> <li>• Co-op programs</li> <li>• Local sponsorships</li> <li>• Local media relations</li> <li>• Chamber of commerce memberships</li> </ul>
Customers	<ul style="list-style-type: none"> <li>• Safety</li> <li>• Product quality</li> <li>• Sustainability</li> <li>• Supply chain management</li> <li>• New product development</li> <li>• Innovative products and technology</li> <li>• Technology needs</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain regular dialogue</li> <li>• Collaborative approach</li> <li>• Account management interaction</li> <li>• Presence at industry events</li> <li>• Technical and application support</li> <li>• Distribution channels</li> <li>• Customer service team</li> <li>• Customer service call centers</li> <li>• Quality control and management</li> <li>• Marketing solutions</li> <li>• Social media</li> </ul>

## GRI Disclosure 102-44: Key topics and concerns raised

Stakeholders	Key Topics and Concerns Raised	Selected Engagement
Government	<ul style="list-style-type: none"> <li>• Energy supply and security</li> <li>• Environmental performance</li> <li>• Compliance</li> <li>• Employment opportunities</li> <li>• Ethics and integrity</li> <li>• Local supplier development</li> <li>• Education</li> </ul>	<ul style="list-style-type: none"> <li>• Plant tours and site visits for government officials</li> <li>• Industry / trade association involvement</li> <li>• Support economic development</li> <li>• Support co-ops and employment programs</li> <li>• Provide information and insights on policies that may affect our business</li> <li>• Ongoing regulatory liaison</li> </ul>
Investors	<ul style="list-style-type: none"> <li>• Business performance and market dynamics</li> <li>• Transparent reporting of financial performance</li> <li>• Return on investment</li> <li>• Capital expenditures</li> <li>• Risk management</li> <li>• Board composition</li> <li>• Corporate Governance and Executive Compensation</li> <li>• Corporate Social Responsibility and ESG</li> <li>• Climate change</li> <li>• Environmental performance</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly earnings announcements, conference calls, and materials</li> <li>• News releases and SEC Filings</li> <li>• Annual report</li> <li>• Proxy Statement and Annual Meeting of Stockholders</li> <li>• Investor Relations website</li> <li>• Investor Day</li> <li>• Presentations at conferences</li> <li>• Investor meetings</li> <li>• Investment stewardship outreach</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>• Safety</li> <li>• Value chain insights</li> <li>• Local supplier development</li> <li>• Quality</li> <li>• Performance expectations</li> <li>• Operational integrity</li> <li>• Environmental performance</li> <li>• Expectations for suppliers</li> <li>• Diversity and inclusion</li> <li>• Education</li> <li>• Human rights</li> <li>• Risk management</li> <li>• Corporate responsibility</li> </ul>	<ul style="list-style-type: none"> <li>• Educate and require suppliers to follow our HSE values and procedures</li> <li>• Engage with Supplier Code of Conduct</li> <li>• Contractual authority to conduct audits and enforce compliance with Supplier Code of Conduct</li> <li>• Industry and trade group involvement</li> <li>• Periodic business review meetings</li> <li>• Supplier relationship management to ensure performance and corrective actions</li> <li>• Periodic assessment of supplier qualifications</li> </ul>

Standard	Disclosure	Location / Direct Answer
GRI 200: Economic Standards Series		
Economic Performance		
GRI 201: Economic Performance	Direct economic value generated and distributed	Operations
GRI 300: Environmental Standards Series		
Materials		
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	<a href="#">Our Sustainability Strategy</a> (relates to material topic of Quality and Product Performance); <a href="#">Vertically Integrated Value Chain</a>
	103-2 The management approach and its components	<a href="#">Our Sustainability Strategy</a> ; <a href="#">Vertically Integrated Value Chain</a> ; <a href="#">Governance</a> ; <a href="#">HSE Values</a>
	103-3 Evaluation of the management approach	<a href="#">Our Sustainability Strategy</a> ; <a href="#">Vertically Integrated Value Chain</a> ; <a href="#">Governance</a> ; <a href="#">HSE Values</a>
GRI 301: Materials	301-2 Recycled input materials used	<a href="#">Vertically Integrated Value Chain</a>
Energy		
GRI 302: Energy	302-1 Energy consumption within the organization	<a href="#">Climate</a>
Water		
GRI 303: Water & Effluents (2018)	303-5 Water consumption	<a href="#">Water</a>
SASB Indicator	RT-CH-140a.1 1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	<a href="#">Water</a>
Emissions		
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	<a href="#">Our Sustainability Strategy</a> (relates to material topic of Carbon Footprint and Emissions); <a href="#">Operations</a> ; <a href="#">Climate</a> ; <a href="#">Air Emissions</a>
	103-2 The management approach and its components	<a href="#">Our Sustainability Strategy</a> ; <a href="#">Governance</a> ; <a href="#">HSE Values</a> ; <a href="#">Climate</a> ; <a href="#">Air Emissions</a>
	103-3 Evaluation of the management approach	<a href="#">Our Sustainability Strategy</a> ; <a href="#">Governance</a> ; <a href="#">HSE Values</a> ; <a href="#">Climate</a> ; <a href="#">Air Emissions</a>
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	<a href="#">Climate</a>
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	<a href="#">Air Emissions</a>

Standard	Disclosure	Location / Direct Answer
SASB Indicators	RT-CH-110a.1 Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Climate
	RT-CH-120a.1 Air emissions of the following pollutants: (1) NOX (excluding N2O), (2) SOX, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	Air Emissions
Waste		
GRI 306: Effluents & Waste	306-2 Waste by type and disposal method	Waste
Environmental Compliance		
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Our Sustainability Strategy (relates to material topic of Environmental Compliance); Operations; Environmental Compliance
	103-2 The management approach and its components	Our Sustainability Strategy; Governance; HSE Values; Environmental Compliance
	103-3 Evaluation of the management approach	Our Sustainability Strategy; Governance; HSE Values; Environmental Compliance
GRI 307: Environmental Compliance	307-1 Non-compliance with environmental laws and regulations	Environmental Compliance
GRI 400: Social Standards Series		
Employment		
GRI 401: Employment	401-1 New employee hires and employee turnover	Caring, Innovating and Advancing Together
SASB Indicator	EM-CO-310a.1 Percentage of active workforce covered under collective bargaining agreements, broken down by U.S. and foreign employees	Caring, Innovating and Advancing Together
Occupational Health and Safety		
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Our Sustainability Strategy (relates to material topic of Safety Performance); Operations; Caring, Innovating and Advancing Together; Safety
	103-2 The management approach and its components	Our Sustainability Strategy; Governance; HSE Values; Safety
	103-3 Evaluation of the management approach	Our Sustainability Strategy; Governance; HSE Values; Safety



Standard	Disclosure	Location / Direct Answer
GRI 403: Occupational Health & Safety (2018)	403-1 Occupational health and safety management system	HSE Values; Safety
	403-2 Hazard identification, risk assessment, and incident investigation	Safety
	403-3 Occupational health services	Safety
	403-4 Worker participation, consultation, and communication on occupational health and safety	Safety
	403-5 Worker training on occupational health and safety	Safety; Training
	403-6 Promotion of worker health	Health and Wellness
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Our Sustainability Strategy; Vertically Integrated Value Chain; HSE Values; Safety
	403-8 Workers covered by an occupational health and safety management system	Governance; Safety
	403-9 Work-related injuries	Safety
SASB Indicators	RT-CH-320a.1 (1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Safety
	RT-CH-320a.2 Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	Safety
Training and Education		
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Our Sustainability Strategy (relates to material topic of Operational Impacts); Caring, Innovating and Advancing Together; Training
	103-2 The management approach and its components	Our Sustainability Strategy; Governance; HSE Values; Training
	103-3 Evaluation of the management approach	Our Sustainability Strategy; Governance; HSE Values; Training
GRI 404: Training and Education	404-1 Average hours of training per year per employee	Training
Diversity and Equal Opportunity		
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	Inclusion and Diversity

Standard	Disclosure	Location / Direct Answer
Local Communities		
GRI 413: Local Communities	413-1 Operations with local community engagement, impacts assessments, and development programs	<a href="#">Say Thank You &amp; Give Back</a>
SASB Indicator	RT-CH-210a.1 Discussion of engagement processes to manage risks and opportunities associated with community interests	<a href="#">Our Sustainability Strategy</a> ; <a href="#">Say Thank You &amp; Give Back</a>

Task Force On Climate-Related Financial Disclosures (TCFD) Recommendations		
Framework	Description	Location / Direct Answer
Governance	AdvanSix's governance around climate-related risks and opportunities	<a href="#">Our Sustainability Strategy</a> ; <a href="#">Governance</a> ; <a href="#">Climate</a>
Strategy	The actual and potential impacts of climate-related risks and opportunities on the our businesses, strategy, and financial planning	<a href="#">Our Sustainability Strategy</a> ; <a href="#">Governance</a> ; <a href="#">Climate</a> ; <a href="#">2019 Annual Report</a> , pg. 15–16
Risk Management	Our processes to identify, assess, and manage climate-related risks	<a href="#">Governance</a> ; <a href="#">Safety</a> ; <a href="#">Climate</a> ; <a href="#">2019 Annual Report</a> , pg. 15–16
Metrics and Targets	The metrics and targets used to assess and manage relevant climate-related risks and opportunities	<a href="#">Climate</a>



# ADVANSix

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