

## SOCIAL (WORKFORCE)

# Meeting the mark with an effective people approach

Our focus is on raising an aware and confident workforce that can unravel answers to tomorrow's challenges, while prioritising their safety and professional growth. We have seamlessly adopted the emerging hybrid working environment, with employees not directly involved with the operation and maintenance of our production facilities, working from home. We have also stepped up our efforts to make people interactions more meaningful.





## EMPLOYEE SAFETY IN THE TIME OF A PANDEMIC

Like last year, in 2021 we complied with the local stay-at-home orders for many non-essential workers and approached the pandemic with an abundance of caution to safeguard employees, their families and production personnel from possible infection, so that our facilities remained an unbroken link in the global supply chain.

Due to our safety culture and awareness, we decided to work from home beyond legal requirements and continue to collaborate via virtual meetings on Microsoft Teams. Microsoft Teams enabled us to use the platform to conduct job interviews, substitute business travel and provide employees with real-time updates about developments in our Company.

Precautionary measures that were implemented at our production facilities in 2020 remained largely unchanged to avoid a breakout at our plants. Tight restrictions were enforced to ensure limited access to our facilities – especially critical areas, such as control rooms – to minimise the possibility of COVID-19 exposure.

We supported our employees' efforts to get vaccinated. At our US and German plants, we worked with outside healthcare providers to offer on-site vaccination, with over 200 employees at our Castrop-Rauxel facility getting vaccine shots during the summer of 2021. Similarly, in India and Russia, we worked with local organisations to ensure that interested employees had access to COVID-19 vaccines.

As we enter 2022, the measures taken to protect our employees and operations remain largely in effect – and in doing so, we continue to fulfil our role as an essential business in the global supply chain.

## IMPACTFUL EMPLOYEE ENGAGEMENT

In 2021, we launched our first-ever employee-satisfaction and engagement survey. Given the many changes in our organisation in recent years, as well as in the way we work due to the pandemic, we believe this is the appropriate time to ask for employee feedback on a range of topics. This will help us identify opportunities to make it an even better place to work.

The survey contained several questions designed to create a common understanding of what employees are satisfied with and in which areas the organisation could improve. The survey was also constructed to help us understand the importance and impact of cultural and age differences across our global workforce.

To execute the survey efficiently, the global HR organisation worked closely with our global Office 365 team to develop the questionnaire and an online tool to evaluate the results of the survey using Office 365.

The management team reviewed the feedback during the first months of 2022 and is developing an action plan to address key areas for improvement. We plan to communicate the results and action items to our employees by the end of the first quarter of 2022.

## PROFESSIONAL GROWTH AND DEVELOPMENT

Meeting the training needs and assuring further development of our employees during the pandemic were challenging in 2021. When the objectives could be attained using virtual training, we utilised Microsoft Teams to protect the health and safety of our employees. For trainings that would not be effective using an online platform, we used risk evaluation to assess the local COVID-19 situation to determine if trainings could take place in small groups with strict precautionary measures or if it would be ideal to postpone them.

Building on our success using virtual formats for many training activities in 2020, we decided to transition our Global and North America Leadership Development programmes to online platforms in 2021. During the year, 10 employees participated in the second round of the Global Leadership Development programme. Virtual Learning Groups were implemented, and individual online coaching seasons were offered to the participants. We also had 16 employees from the US and Canada begin the Regional Leadership Development programme in North America, online.

We expanded the use of our Learning Management System in 2021, and it became a vital platform to provide web-based trainings, such as 'Moderating Online Meetings', 'Leading & Motivating Employees in the Home Office' and 'Working Successfully in Your Home Office'. We also offer a broad assortment of professional development tutorials, including leadership-related issues, sales and communication skills to our employees.

Our Human Resources team reviewed several employee-satisfaction and employee-engagement studies to evaluate the following dimensions related to employee satisfaction:

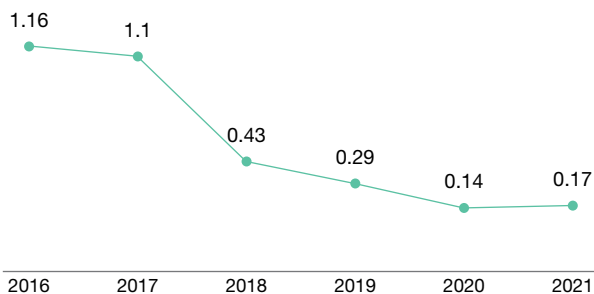
Corporate culture	Communication	Organisation and structure	Work-life balance	Job and tasks	Financial compensation
Career development	Training and development	Work environment	Relationship with colleagues	Leadership	

# SOCIAL (WORKFORCE)

## STRENGTHENING OUR EHS MEASURES

For the third consecutive year, our Carbon and Advanced Materials segments had an annual total recordable incident rate (TRIR) of less than 0.2, demonstrating that even with the many challenges posed by the pandemic, our employees are strongly focused on safety and health for themselves and their colleagues.

### Total Recordable Incident Rate



# 0.14

Total lost-time injury rate in the Carbon and Advanced Materials business segments in 2021

# 0.17

TRIR in the Carbon and Advanced Materials business segments in 2021

In recognition of our production facilities that have gone one year or more without a recordable injury, we launched the President's Safety Excellence Award in 2021. Going forward, facilities that have been recordable-free for five or more years will receive a gold medal; for three years, a silver medal; and for one year, a bronze medal.

## QUEST FOR ZERO

Safety, health and environment (SHE) is paramount to us at RAIN. In 2018, we launched the Quest for Zero initiative to become an incident-free organisation and avoid serious consequences for our people, communities, environment, assets and corporate reputation.

At the core of this initiative is the development of a culture in which employees are encouraged to adopt safety as a behaviour in all aspects of their lives.

In 2019, Quest for Zero began with organisation-wide training and awareness-building activities that helped employees recognise unsafe actions and conditions and empowered them to act proactively and independently to implement preventive measures. We also worked with DuPont Sustainable Solutions on several initiatives to enhance operational safety and optimise our expertise and processes.

As a result, employees in our Carbon and Advanced Materials segments completed 2019 with a TRIR of 0.29, less than 0.14 in 2020 and 0.17 in 2021 – clear evidence that our safety trajectory is heading in the right direction. In fact, our safety performance exceeds the industry benchmark (as measured by the US Bureau of Labor Statistics) and is comparable with best-in-class companies among our peer group.

In our Cement segment, we are implementing additional improvements to our safety-management systems, based on recommendations by the National Safety Council. We expect this to improve the effectiveness of our existing safety systems and procedures at both of our integrated cement plants.

Even with the annual improvements in our SHE performance, we know that safety can never be taken for granted. In the US alone, statistics from the Occupational Safety and Health Administration show that ~5,500 people die on the job each year. This number equates to over 100 deaths per week, or about 15 deaths a day. These statistics motivated us to introduce our Life-Saving Rules campaign in 2020. In 2021, we continued our 18–24-month rollout of the nine rules that focus on highly hazardous situations that our employees and contractors frequently face in the work environment.



Some achievements in 2021 are as follows:

- Introduced the President's Award for Excellence in Safety recognising the following facilities for one or more years without a recordable injury:
  - Gold medal (5+ years) -- Purvis, US
  - Silver medal (3-5 years) -- Vizag, India
  - Bronze medal (1-3 years) -- Duisburg, Germany; Gramercy, US; Hamilton, Canada; and Kędzierzyn-Koźle, Poland
- Each recordable-free milestone was accomplished while the Company continued to perform planned maintenance turnarounds, work on major capital projects and facility repairs due to natural disasters – all while successfully safeguarding employees and contractors from COVID-19.

## BUILDING FOR A SAFER FUTURE

The lessons learned and new experiences that have come from dealing with COVID-19, powerful hurricanes and other challenges have resulted in many positive SHE-related impacts across the organisation.

In 2021, we continued the rollout of our Life-Saving Rules campaign, focusing on near misses and unsafe conditions that could result in injury, and the need for increased safety-related communication at all levels of our organisation. The Life-Saving Rules also emphasise training to raise awareness about non-routine hazards during process changes, project construction and start-ups, and planned shutdowns for repairs and maintenance.

These areas for improvement will remain a priority cross our organisation in 2022 and will continue to drive us in our quest to becoming an incident-free organisation.



## SOCIAL (SUPPLY CHAIN PARTNER)

# Stepping up execution with deeper connections

In 2021, we enhanced our supply-chain activities and their contribution to our Company, as well as our upstream and downstream business partners, by focusing on continuous improvement and enhanced sustainability through control, data analytics and investment.

### SUPPLY CHAIN CONTROL

While some of our raw materials are delivered to our sites by our suppliers, most of the logistics along our supply chains are organised and controlled by in-house teams of specialists, backed by supply chain data analytics specialists around India, Europe and North America.

This unique strength gives us key insights into the causes of delays and exposes areas with scope of improvement along each section of our supply chains by helping us constantly analyse processes and drive efficiency improvements. This

focus on logistics data analytics enables us to lower logistics costs while also improving our supply chain's sustainability and reliability.

Our facilities and supply chains are built on flexibility and multi-modal capabilities. Our plants and terminals receive our liquid and solid raw materials from suppliers via a combination of pipelines, conveyor belts, trains, trucks, containers, barges and ships, including our own deep-water ship terminals.





Our plants and terminals load out our bulk and packaged materials as well as solid and liquid finished and intermediate goods, using a combination of multi-modal logistical connections.

We receive and ship materials either directly using our own sites and terminals or by working with strategically located, off-site, third-party locations. This includes many where we offer value-added activities, such as blending or packaging to accurately meet our business needs.

Our logistical fleet and network are strengthened by a backbone of dedicated, exclusive-use, specialty vehicles and terminals that move and transfer our materials safely, sustainably and efficiently. Maintaining strong relationships with our logistics service providers is key to our ability to maintain reputation as an industry-leading, first-class service provider among our suppliers and customers.

### **Supply chain data analytics for improvement, optimisation and sustainability**

During 2021, RAIN's Logistics teams implemented and enhanced a global series of technology-based tracking systems to effectively monitor and manage the efficiency of our terminals and vehicle fleets through data analytics.

Access to this critical information allows us to proactively and directly make planning decisions that reduce our vehicle waiting time (demurrage) costs across the globe. Logistics data analytics enables better monitoring of the loading and un-loading speed performance at our own terminals by identifying and eliminating regular causes for delays and zeroing in on our logistics partners who are operating most efficiently. These insights allow us to drive operating efficiencies at our terminals and those of our business partners and better manage our fleet sizes by reducing the number of vehicles we require. Such fleet reduction and logistics efficiency improvements offer both financial and sustainability benefits.

### **SUPPLY CHAIN OPTIMISATION INITIATIVES**

Our supply chain strategy is built on a sustainable and cost-reducing philosophy of maximising and optimising the utilisation rates of our vehicles and terminals wherever possible. Combined with our supply chain data analytics, this guiding philosophy drives supply chain cost optimisation, as well as a reduction in emissions. For the movement of liquid and solid materials across our global footprint, we partnered with specialist trucking companies whose vehicle designs allow us to utilise the same vehicles to deliver our outbound, intermediate and finished goods, and to then pick up our in-bound raw materials near the initial delivery sites. Instead of using two vehicles, each making one leg of a journey empty, we organise our logistics and vehicles to be fully loaded in both directions, both domestically and internationally. This reduces

our transportation and raw material costs, as well as our carbon footprint.

Our fleet of specialty tanker ships is flexibly designed to carry both our raw materials and our very different finished goods, either at the same time or in similar 'back-haul' return journeys. This allows reduction in our fleet-size needs, costs and impact on the environment. These efforts have enabled us to enter into strategic partnerships and relationships with key vehicle suppliers to build long-term, reliable and sustainable supply chains as a partnership.

### **2021: A year of investments in supply chain sustainability**

The bygone year saw us initiate and complete several key supply chain infrastructure investments that will increase our sustainability both environmentally and economically, putting us on a strong footing for the future by proactively addressing the needs of today and tomorrow. Here are a few examples:

- At our Gramercy calcination facility and terminal in the US, we reduced our barge-water discharge by implementing advanced systems to filter that water and reuse it at the plant. We also commissioned a pilot study at Gramercy to measure energy usage along each step of our site's logistics and production chains. The goal of the study is to identify areas where our energy use can be reduced, with lessons learned that can be implemented at other sites. Also, at Gramercy, we completed a major logistics project using a simple and low-cost, dock-design solution for our barge-handling that had the double benefit of enabling safer barge operations at all river water levels and Gramercy's berthing up of Panamax-sized ships. This will facilitate faster loading and unloading of barges and our ability to use larger ships that transport more of our materials with greater fuel efficiency.
- At our Castrop-Rauxel facility in Germany, we implemented a new system to control dust emissions during bag-filling operations, which improves the working environment for our employees and the living environment around our site. Also, at Castrop-Rauxel, we implemented new loading-arm systems to greatly reduce vapour emissions for trucks loading certain liquids at our site.
- At our Kurnool cement plant in India, we optimised trucking logistics around a combination of raw material pick-ups and cement deliveries. Whenever our teams identify a potential new source of raw materials, we make parallel moves to start (or increase) our cement sales in the areas near that raw material source. This allows us to deliver cement economically while on the way to pick up local raw materials for the return journey.
- At our Lake Charles facility in the US, we began a series of projects to greatly reduce particulate emissions from both our raw material and finished good conveying and loading

## SOCIAL (SUPPLY CHAIN PARTNER)

systems, which has lowered our raw material waste. Also at Lake Charles, we initiated a project to implement a new finished product sizing technology that will significantly reduce our electricity consumption and product loss, while also helping in achieving faster loading speeds.

- At our Norco facility in the US, we implemented simple yet effective design enhancements to our sulphur-emissions scrubbing system to allow the site to more effectively remove sulphur from its process emissions. These improvements to the weighing and injection systems also significantly reduce the amount of lime-scrubbing agent that needs to be transported by truck into and out of the plant every year, thereby reducing the sulphur and carbon footprints of Norco's operations.
- At our Duisburg facility in Germany, we increased production to record levels during 2021, helped by the consolidation of hydrogenated resins previously produced at our former Uithoorn site in the Netherlands. This centralisation and consolidation in the production of materials into one site reduced our transportation costs, emissions and complexity. It also meant more throughput for our inbound and outbound logistics infrastructure. To meet this challenge, RAIN specialists successfully rethought several key bottleneck points in Duisburg's traditional supply chain to ensure our ability to receive, produce, package and ship record volumes of material.
- At our Chalmette facility in the US, we completed several key logistics improvements that will enhance transportation-mode flexibility. At the Chalmette Terminal, we initiated a project to greatly reduce particulate emissions during unloading of raw materials, while also allowing us to directly trans-load finished-goods blend components directly from barges onto ships. We also made several key investments to enable Chalmette in loading out finished goods by rail. We modernised several finished goods storage tanks, allowing safe, environmentally efficient and reliable inventory management for the future.
- At our Zelzate facility in Belgium, we completed preparations in 2021 for the installation of a new ship-loading arm. This new logistical connection will allow us to move material more efficiently by water to our customers than trucks. This enhancement will also allow us to reduce the traffic volumes on the roads, as well as into and out of our site, by 550 truckloads per year.
- At our Duisburg, Germany site, we undertook a multi-pronged project in 2021 that enabled the facility to ship record-high production quantities while reducing our impact per tonne on the surrounding community. With the consolidation into Duisburg of volumes previously produced at our former site in Uithoorn, the Netherlands, we have debottlenecked multiple aspects of our packaging, palletising and loading systems. These new systems and new paperless documentation procedures allowed us to reduce the quantities of paper and packaging materials used per tonne sold. They also enabled us to load more tonnes on average into each truck load, reducing the number of trucks needed per tonne of material shipped.
- In North America, our raw materials logistics team was able to re-think our traditional transportation method and supply-chain route used to move a critical raw material to our Zelzate site in Belgium. By switching from small-volume tank-container transportation to large-volume barges and ships, this new practice will reduce our carbon footprint and road traffic on two continents, while safely and reliably moving a critical raw material through our system.



At our Vizag facility in India, we completed construction of three covered warehouses to store raw materials and finished goods. This investment will reduce dust emissions and enable better control of our inventory quantities than by using third-party storage facilities. These RAIN warehouse locations will reduce the distances over which our materials need to be transported and facilitate faster loading and unloading operations for our ships in the local port, both of which will reduce the environmental impact of our operations.



## SOCIAL (CUSTOMERS)

# Making good customer relationships even better

At RAIN, much of our success is the result of the blue-chip portfolio of customers that we have cultivated over the years and our ongoing effort to strengthen those relationships.



### CARBON

In our Carbon segment, we enjoy long-standing supply relationships with the world's leading aluminium and  $\text{TiO}_2$  producers. We have an excellent reputation as a reliable supplier of CPC to the market, and have used an ISO 9001-certified quality system since 1991. We have a history of close collaboration with our customers and have published numerous joint technical papers with them during the past 20 years. In 2021, we completed a detailed carbon-footprint study

with one of our major aluminium smelting customers that will be published as a technical paper in 2022 (see story on page 60). It will provide an industry benchmark on what it means to produce sustainable, low-carbon aluminium. In addition to regular customer visits and meetings, we have a world-class pilot anode facility in Germany that we use on a regular basis to support our aluminium smelting customers.

### ADVANCED MATERIALS

In our Advanced Materials segment, we work to enhance customer relationships through one-on-one meetings, training seminars, collaborative projects with clients, such as those utilising our new Duisburg rubber lab (see story on page 31) and social media-based marketing. These activities are augmented by customer-satisfaction surveys – and responsive actions on our part – as well as key performance indicators on customer experience, quality and complaint analysis as well as preventive actions.

### CEMENT

Our Cement segment is a prominent player in Andhra Pradesh, Telangana, Tamil Nadu, Karnataka, Kerala, Odisha and Maharashtra. We have more than 2,000 registered dealers, the majority of which are repeat customers. We are enhancing infrastructure development in India by making our cement products easier to handle and more accessible for customers. We support our small distributors and dealers that cannot afford to purchase and store large quantities of cement at once with two new services in collaboration with our freight transportation and logistics provider. These services include:

- Garuda, which refers to a legendary bird in Hindu mythology and symbolises agility, provides direct deliveries from our Suryapet and Kurnool cement plants to nearby towns
- Free Door-Delivery Service, known simply as FDDS, provides cement shipments from our dozen warehouses to customers in the developing areas of Hyderabad, free of labour costs related to the unloading of cement bags from trucks

## SOCIAL (COMMUNITY)

# Transforming lives for the better

Across our operations, we have identified diverse social concerns and designed a range of CSR activities in healthcare, safety, education, and community outreach and engagement. They have been crafted to positively impact the lives of our various stakeholder groups and the communities where we operate.



In India, many of our activities are driven by our Pragnya Priya Foundation ([www.pragnyapriya.org](http://www.pragnyapriya.org)), which we established in 2012 to empower underprivileged and underserved communities in India with a focused, hands-on and grassroots approach towards education and health. For nearly a decade, the work of the foundation has enabled our neighbours in rural communities to join the mainstream and reap the benefits of sustainable development.

### EDUCATION IN INDIA

At RAIN, we believe education is the right of every individual, and we work towards providing quality education for the underserved communities near our production facilities in India and in a village in the state of Andhra Pradesh.

We have established three schools under the Pragnya Priya Foundation in rural Telangana and Andhra Pradesh. The schools serve local students, including those from economically challenged families.

Our classrooms leverage world-class academic content from one of the top digital education providers in India. We train teachers in the latest trends in education and the use of digital equipment. The schools have laboratories for various scientific subjects, such as physics, chemistry and biology, and are well-equipped with libraries and playgrounds. As part of our commitment to health and safety, good hygiene has been a focus in each of our schools throughout the COVID-19 pandemic.

The high-quality education provided by the Pragnya Priya Foundation's schools has resulted in a larger proportion of students achieving higher grades and gaining admission to premiere colleges, such as the International Institute of Information Technology and the Indian Institute of Science. The education received at our schools has prepared them to successfully complete professional examinations. With the transition to fully digital classes, we expect the academic achievements of our students to accelerate.





## HEALTHCARE IN INDIA

The availability of proper healthcare is integral to the physical and economic health of every Indian.

Our hospitals are in remote regions where no other medical facilities are available within a 30-kilometre radius. These medical centres are equipped with test laboratories and other specialised equipment.

# 69,497

Patients receiving treatment at the three Pragnya Priya hospitals in India

## COMMUNITY DEVELOPMENT IN INDIA

We have undertaken projects that contribute to the overall development of communities around our production facilities. We are promoting and supporting growth initiatives in collaboration with local authorities. Some of our key activities in this regard have been:

- Providing financial and material support towards building and maintaining community-based infrastructure in villages, such as roads, bridges, culverts, drains and community centres
- Contributing to local welfare activities
- Donating building material for the construction of local government offices
- Supporting the repair work of hostels
- Contributing to Green Visakha for planting and maintaining trees to create 'social forests' and improving the air quality in Vizag

Beyond our tree horticultural activities in Vizag, tree plantation at our cement plants is one of our most engaging and eco-friendly activities. In fact, we are the first industrial company around the Suryapet area to have a large-scale, high-density plantation, which is spread over four acres. Our Kurnool plant is equally well-known for its horticulture activities. Many visitors are especially fond of the green space in the middle of the cement plant.

## ACTIVITIES IN NORTH AMERICA

In North America, we have a long history of participating in diverse activities to make meaningful difference in the lives of the people in our communities, including working with local schools to help drive education in areas that are fundamental to our business: science, technology, engineering, mathematics education. Much of our activity in North America involves the

hands-on work of our employees stocking shelves of a local foodbank, serving as volunteer coaches and working with Habitat for Humanity to build homes for low-income members of our communities. Prior to the pandemic, our employees donated ~1,000 volunteer hours per year, and in 2021 – as vaccinations became available across the region – they safely resumed their work with several organisations we support.

One area that remained unaffected despite the pandemic was the financial generosity of our US employees. Their contributions helped support a range of initiatives for those in need in local communities. For over two decades, through a matching programme with our employees, we have contributed more than US\$ 1.9 Mn to the United Way.

## RÜTGERS FOUNDATION ACTIVITIES IN EUROPE

The RÜTGERS Foundation aims to make science, technology and computer science lessons tangible and interesting for pre-college students. It supports school groups and project teams and helps create immersive experiences in science and research for the students.

The Foundation has increasingly promoted scientific networks and supported the inter-disciplinary exchange of science. It facilitates the transition of young people from pre-college education to universities and professional opportunities by awarding scholarships. The close cooperation with teachers has recently led to long-term cooperation with schools that has resulted in a pronounced scientific focus and enhanced teaching.

# 400 Schools

Funded by the RÜTGERS Foundation

# €1.65 Mn

Contributed by the RÜTGERS Foundation

# 13,000

Young people reached by RÜTGERS Foundation activities

\*Numbers recorded since inception in 1999 until now