



January 2025

Water Management Program

Policy Statement

Ashland is committed to responsibly managing the company's operational footprint including the consumption of water. Considering increasing water risks related to water stress and water scarcity, tied to climate change and resource growth, the company is taking steps to understand and reduce the water footprint across all operations, as well as to engage across the value chain in this key environmental issue.

Ashland believes in the importance of sustainable water resource management and in risk-based prioritization and addressing of operational impacts. Ashland is working to continue to refine current understanding of water risks to set meaningful water targets that improve efficiency and increase stakeholder understanding of Ashland's direct and value chain water impacts. Ashland currently relies on standards and guidance set forth by the Water Resources Institute, as well as reporting guidance in the GRI standards, to identify and disclose key information on company water impacts. Ashland is engaging in the value chain on water stewardship and works to support best practices with suppliers, customers, and communities.

Ashland sets forth several key actions to directly address water sustainability issues, as listed below:

Compliance

Ashland complies with all local, national and international regulations governing water use, and water discharge management. The Ashland Code of Conduct lays out minimum expectations of compliance as well as non-retaliation speak up policies to address any concerns raised by its employees and stakeholders. Ashland has procurement policies and processes for evaluating raw material suppliers with considerations for water input and discharge, and a strict Supplier Code of Conduct which requires adherence to all applicable laws and regulations.

Environmental Impact and Pollution Prevention

Ashland's operating footprint must be managed properly to prevent negative impacts to water, through unplanned releases to the environment. Ashland is committed to a goal of achieving zero spills and releases to eliminate off site impacts from operations. Ashland is a Responsible Care company with robust management systems to minimize spills and releases and drive to zero.

To support these efforts, Ashland takes the following steps:

- Regularly solicit and receive feedback through site good catch reporting programs
- Walk the line policies and standards to prevent hazardous material spills and releases
- Incident investigation and reporting (both internal and external) and a formal incident investigation program to identify management system failures
- Regular internal audits to review and identify site programs and standards to minimize risk and ensure compliance with all applicable regulatory requirements
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Ashland sets annual targets around reduced water impacts from spills and releases, to drive to zero.

Voluntary Water Reduction Targets

Ashland has set public water input reduction targets to reduce the water usage (on an intensity basis) at operating facilities. The company has set a goal of a two percent year over year reduction in water intensity at its operating facilities from 2020-2025, and publishes annual updates on these targets in the company's annual ESG report.

Ashland has committed to completing 60 life cycle assessments by 2025 to better understand product specific water intensity metrics across the company. This is the first step in better understanding and communicating product level data.

The company assesses water risk at its facilities by using the WRI Aqueduct tool. Outputs of this tool related to risk are used in support of identifying and reducing water related risks.

Ashland is a signatory to the UN Global Compact and water goals are set to align to the UN sustainable development goals (UNSDGs).

Broadly, Ashland's efforts are aligned with improving operational water efficiency, and sustainably sourcing water to its sites.

Water and sustainable sourcing

Ashland works to source raw materials from environmentally responsible suppliers. Ashland utilizes Ecovadis to understand the maturity of supplier ESG programs and commitments to corporate social responsibility. Ashland has active targets to increase Ecovadis disclosures and is working to onboard all its suppliers onto these platforms

Innovation

Ashland works closely with its customers to understand its downstream impacts and customer and consumer needs related to water. The following are key metrics related to water use and water quality that Ashland reviews:

- Biodegradability (using OECD methods) to understand and communicate if Ashland products break down naturally in the environment
- Ecotoxicity to assess and communicate the impacts Ashland products have on the environment

- Product Life Cycle Assessments to quantify a larger spectrum of environmental impacts the product may have which impact biodiversity

Ashland additionally works to provide products that improve the efficiencies of customer operations. Doing so supports reduced water use either at Ashland operations or through supplier use of Ashland products.

Definitions

Water input - the amount of water drawn into an organization's boundaries for any use during a reporting period. This is also known as water withdrawal.

Water Discharge - the total amount of water that leaves an organization's boundaries and is released to surface water, groundwater, or third parties over a reporting period. This includes all water that leaves the organization, whether it's used or unused, and whether it's released through a defined discharge point or over land in an undefined manner.

Water Use - the amount of water a company draws in and doesn't release back into the environment or to a third party within a reporting period.

Responsible Party

Ashland's Vice President of EHS, Quality, and Regulatory Affairs is responsible for implementation of, and amendments to, this program.

Scope

Ashland is fully committed to this Water Management Program. Responsibility for the successful implementation of this program belongs with every Ashland employee at each level and function in the organization.

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Approved by:



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