

Nexeo Solutions, Inc.

SUSTAINABILITY REPORT 2017

Connecting Sustainable Solutions



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About this Report

We are delighted to share our inaugural Sustainability Report with our stakeholders to foster trust in our business and encourage our customers, suppliers, employees and the public to engage with us in open dialogue about how we contribute to sustainable development. This report provides an overview of our economic, social and environmental performance. It also includes examples of how we conduct our business, focusing on a set of ten key sustainability impacts of our business on stakeholders. We intend to publish a sustainability report annually.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards' core option. It applies the reporting principles for outlining report content and quality as defined in GRI Standard 101: Foundation 2016. This report covers the period January 1 to December 31, 2017 unless otherwise noted, and all data, tables and charts are as of December 31, 2017, unless otherwise noted. We report on our global operations, disclosing performance data from owned or operated distribution sites and offices. Please note, this report excludes our newly acquired facilities in Mexico and Latin America, which became part of the Nexeo Solutions' asset portfolio in 2017. The data in this report has not been externally assured, but it has been subject to rigorous internal reviews.

We welcome your queries and views on this report, and we commit to responding to all feedback or queries received.

Please contact: Brandon Lyssy at asknexeo@nexeosolutions.com

Sustainability:**A Perspective from Our CEO**

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As a leading chemicals and plastics distributor, we are the preferred partner for performance materials and environmental services to some of the most successful and well-recognized brands in the world. We serve over 28,000 customers in more than 80 countries and deliver almost a half-a-million orders every year. By connecting our customers and suppliers in simple and efficient ways, we enable innovative products to be brought to market that improve the quality of life and propel a growing global economy.

I am pleased to present Nexeo Solutions' inaugural Sustainability Report "Connecting Sustainable Solutions", which reflects our unique and differentiating contribution to sustainable development.

Our customers operate in a wide range of industry sectors, sourcing over 24,000 products from Nexeo Solutions. They value industry knowledge, product expertise and technical support. We operate as a brand extension of our suppliers and openly share project information with them. This approach, combined with the strength of our sales force, affirms our value proposition to our suppliers enabling us to amplify their sales and build an unrivaled level of trust and transparency. As a global distributor of chemicals and plastics with a proprietary operating system, we are in a unique position to rapidly collect data, share analysis and drive resource-efficient supply chains contributing to a more sustainable world.

Customers who utilize our Environmental Services benefit from a range of solutions that help them become more sustainable operators - nine significant customers in the United States (U.S.) achieved zero waste to landfill targets in 2017.

Sustainability for Nexeo Solutions is not only about what we do, but also about how we do it. Ethically driven, compliant and safe practices have always been the foundation of Nexeo Solutions. We are building on this foundation by connecting other responsible practices – environmental stewardship, employee development, and upholding human rights. We are enhancing responsible practices through our supply chain network in a broader strategic approach. Having considered our most significant areas of contribution and business priorities, this report accounts for our performance in these areas of focus. In addition, it reflects intensive work over the past year to formalize

our policies and positions on critical aspects of responsible business, including human rights, compliance and supplier conduct. We aim to provide greater transparency and clear frameworks for our partners.

Overall, in 2017, Nexeo Solutions delivered profitable financial results for our shareholders. In our fiscal year ending September 2017, we generated \$3.6 billion in sales and operating revenues, which was supplemented with an acquisition and reflected organic growth. In one of the most significant acquisitions to date, we welcomed Ultra Chem, S. de R.L. de C.V. ("Ultra Chem"), a leading specialty chemicals distribution business based in Mexico City, Mexico, into our family. This acquisition strategically expanded our presence in specialty chemicals in Mexico and Latin America, and is helping us penetrate the food and beverage market, and broaden our reach into the personal care market. We began integrating Ultra Chem into our operations, and have started to enjoy the resulting synergies and sales expansion, creating new value for our shareholders and customers.

In closing, I would like to thank all of our employees for their ongoing commitment to safety and service. Their professionalism and dedication have made Nexeo Solutions a trusted partner to thousands of businesses around the world as well as a promoter of sustainable growth and development.

Thank you for taking an interest in this report. We welcome your comments and questions.

David A. Bradley

President and Chief Executive Officer

Distribution Defined: About Nexeo Solutions

As one of the world’s largest chemical and plastic product distributors, supporting major manufacturers with thousands of products across industries in 80 countries, we cut the complexity out of supply chains, providing resource-efficient solutions and differentiated service for more than 28,000 customers. We are constantly inspired by opportunities to help our customers achieve their objectives by making it easy for them to adopt resource-efficient solutions to satisfy materials needs.

Nexeo Solutions, Inc. is headquartered in The Woodlands, Texas, and is publicly traded on the Nasdaq (NXEO). We serve our customers by providing chemicals and plastic products as well as value-added services, such as custom blending, packaging and re-packaging, private-label manufacturing and product testing in the form of chemical analysis, product performance analysis and product development. We also provide on-site and offsite environmental services, including waste collection, recovery, disposal services and recycling through our Environmental Services team, helping our customers achieve zero waste to landfill and other environmental efficiencies. Details of our ownership and governance structure can be found on the Investor Relations section of our [website](#).



Source: 2017 annual report on form 10-K

OUR MISSION

We are obsessed with connecting our customers and suppliers in simple and unimagined ways.

OUR VISION

Distribution Defined

OUR VALUES



DO THE RIGHT THING



RESULTS MATTER



THINK, DECIDE AND ACT



GREAT IS NOT GOOD ENOUGH



CUSTOMERS PAY THE BILLS – ACT LIKE IT



BE BOLD, DIRECT AND TRANSPARENT



TAKE YOUR WORK SERIOUSLY, NOT YOURSELF!

OUR BUSINESS AND PRODUCT LINES

CHEMICALS

Alcohols
Blends
Esters
Glycols
Hydrocarbons

Ketones
Resins
Silicones
Surfactants

PLASTICS

Engineered Thermoplastics
Polyolefins
Specialty Thermoplastics
Styrenics

ENVIRONMENTAL SERVICES

On-Site Services
Non-Hazardous and Hazardous Waste Disposal
Non-Hazardous Water Treatment/Recycling

2017 Sustainability Highlights

DRIVING RESOURCE-EFFICIENT SUPPLY CHAINS



Invested and implemented transformational technology, making our distribution and logistics operations significantly **MORE EFFICIENT.**



Implemented Warehouse Management Solutions, delivering **INVENTORY ACCURACY OF >98% AND PICK ERROR RATE <0.1%.**



ACHIEVED 99% on-time deliveries to customers using our private delivery fleet.



Completed new customer experience training for our **ENTIRE SALES FORCE.**



Helped **9 CUSTOMER LOCATIONS** in the automotive industry in the U.S. achieve **ZERO WASTE TO LANDFILL.**



Helped customers divert **316,000 TONS** of waste from landfill.

2017 Sustainability Highlights

MANAGING OUR BUSINESS RESPONSIBLY



HOSTED 90 quality safety, environmental and social audits of our sites by customers, standards bodies and federal agencies.



IMPROVED SAFETY PERFORMANCE to a **RECORD LOW** rate of 3.3 per 100 employees and record low rate of 2.9 lost days per 100 employees.



Purchased more than **8,000** reconditioned drums, totes and other containers.



Published a new **SUPPLIER CODE OF CONDUCT** and new corporate positions on Human Rights and Compliance.



Invested **\$30.7 MILLION** from 2014 to 2017 in environmental improvements.



Achieved an improvement of **1.5% IN MILES PER GALLON** (versus 2015) in own delivery operations.



Avoided **>5,000 TONS** GHG emissions (versus 2012 baseline) through distribution efficiencies.



DIVERTED 98% of waste from landfill at our own production sites.



SAVED > 400 LBS. of paper and envelopes through paperless invoicing.

Sustainability Trends and Priorities

Although this is our first report, our business activities have supported our sustainability journey for many years. We define our sustainability priorities based on our expertise in growing global trends and a deep understanding of the needs of our stakeholders. Leveraging the frequent interactions with our customers, suppliers and other key stakeholders, our leaders used the following resources and frameworks to define and report our priorities for sustainable development:

- Our business strategy - designed to deliver sustainable, profitable growth by meeting the needs of our stakeholders
- The priorities defined by our major investors
- The United Nations (UN) Sustainable Development Goals, which are used as an overarching framework defining global priorities to achieve inclusive global prosperity
- Customer and supplier benchmarks, ratings and sustainability frameworks that define relevant performance metrics for our industry
- Industry frameworks, such as the Responsible Distribution program of the National Association of Chemical Distributors and peer company benchmarking
- Independent sustainability expertise

The outcome of this review yielded ten priority topics that represent the most significant impacts on our business, and the expectations and interests of our stakeholders. These are as follows:

DRIVING RESOURCE-EFFICIENT SUPPLY CHAINS

- Simplifying supply chains
- Delivering differentiated customer service
- Helping smaller businesses succeed
- Prioritizing product safety and quality
- Helping customers achieve sustainability goals

MANAGING OUR BUSINESS RESPONSIBLY

- Upholding ethics and compliance
- Engaging employees
- Working safely
- Sourcing responsibly
- Protecting our planet

Beyond our immediate business and stakeholders, these priorities also align with UN Sustainable Development Goals (SDGs). In 2015, 17 SDGs were approved by 193 member states of the UN as key action areas to achieve global prosperity by 2030. Nexeo Solutions embraces this call-to-action and are focusing our efforts on improving performance in areas that advance the achievement of these goals. Specifically, our priorities align with targets underpinning three SDGs.



DECENT WORK AND ECONOMIC GROWTH

As a global employer of more than 2,600 people, reaching more than 28,000 customers and working with 1,400 suppliers, we play a key role in generating work opportunities, directly and indirectly generating work opportunities.



INDUSTRY, INNOVATION AND INFRASTRUCTURE

As a provider of solutions to a wide range of industries and smaller businesses, we enable industrial growth, directly generating more than \$3.6B of sales value each year.



RESPONSIBLE CONSUMPTION AND PRODUCTION

As a simplifier of supply chains in our markets, and a responsible and ethical business, we make a considerable contribution to responsible production, resource efficiency and waste reduction.

Sustainability Targets

Our commitment to addressing our sustainability priorities and improving our impact on society and the planet are reflected in the following targets:

KEY PRIORITY	TARGET	MEASURE	TARGET DATE
Protecting our environment	Reducing Volatile Organic Compound (VOC) emissions by a minimum of 4 tons	# of tons of VOC emissions	By 2020
Deliver a differentiated customer experience	Increase Net Promoter Score (NPS) from Chemicals customers by two points compared to the previous year	Chemicals NPS score on the last day of the fiscal year	2018
Upholding ethics and compliance	Achieve compliance training completion for all covered employees	% completion by employees of Global Standards of Business Conduct compliance training	Annually
Engaging employees	Invest in employees through annual performance reviews, professional development plans and training	% of performance reviews	Annually
Working safely	Aspirational goal of 0 recordable injuries – improve performance each year	Total Recordable Injury Rate (TRIR) per 100 employees	Annually
	Expand additional safety training to 100% of employees in North America	% of employee completion	2018
Sourcing responsibly	Secure supplier acknowledgement of the Nexeo Solutions Supplier Code of Conduct: 85% of top 80% of lbs. purchased from suppliers	% of suppliers acknowledging the Nexeo Solutions Supplier Code of Conduct or equivalent code	2018
	90% from indirect procurement suppliers based on cost		
Sustainable Procurement Rating	Achieve a minimum EcoVadis score of 55 and a Corporate Social Responsibility (CSR) Silver rating status	EcoVadis evaluation score and rating	2018

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Any good approach to corporate sustainability should originate from an organization’s purpose, leverage strengths, and align with the culture to deliver positive environmental, social and economic impacts. At Nexeo Solutions, we are building on a strong foundation of ethics, safety and compliance, and broadening our sustainability ambition to ensure our business aligns with the future we want.

BRANDON LYSSY
CORPORATE COMMUNICATIONS & CULTURE

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The products we supply to a host of industries around the world include the basic materials that are the building blocks of so many things people take for granted in daily life. By simplifying the sourcing of these products for our customers, making supply networks more efficient, and doing so ethically and responsibly, Nexeo Solutions helps improve the quality of life for millions of people around the globe as well as helping preserve our planet.

MIKE WILLMAN

VICE PRESIDENT, NETWORK PLANNING AND PROCUREMENT

Supply Chains: Driving Resource-Efficiency

The supply chain is what connects various businesses with each other, and the end-consumer. Encompassing millions of movements of products within and across regional borders, and using multiple transportation options for packages of diverse sizes, supply chain management has become a critical element of any sustainable business as well as being a skill that companies cannot afford to ignore. The potential for inefficiencies in any supply chain can pose a major risk for companies, as can the potential for labor issues and violations of the basic rights of people employed at all stages of the process. By contrast, the opportunity offered by an efficient and ethical supply chain can become a considerable competitive advantage. At Nexeo Solutions, we help our customers minimize the risks along multiple aspects of supply chain management, and offer opportunities that support sustainable, profitable business growth. Driving resource-efficiency through tens of thousands of supply chains around the world is our signature contribution.

We do this in five key ways:

- We simplify supply chains around the world, saving money, serving both customers and suppliers
- We deliver differentiated service that our customers can rely on
- We help smaller businesses succeed by sourcing and supplying them with flexibility and attentiveness to their needs
- We never compromise on quality and safety, striving to meet customer requirements
- We help customers become more sustainable by helping them reduce resource consumption, minimize waste and manage disposal

In this section of the report, we share our practices in these areas.

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Managing the supply chain effectively is a true source of our competitive advantage and the differentiated experience we deliver. I am referring to far more than the obvious advantages of assuring business continuity and reducing the cost of inventory. Supply chains hide a myriad of opportunities for saving resources while protecting all those involved in the process. By enabling our customers to increase efficiency in their supply chains, we make businesses around the world more sustainable. As a trusted partner to thousands of suppliers and customers, we share a responsibility to keep moving the needle on safety, quality, efficiency and service.

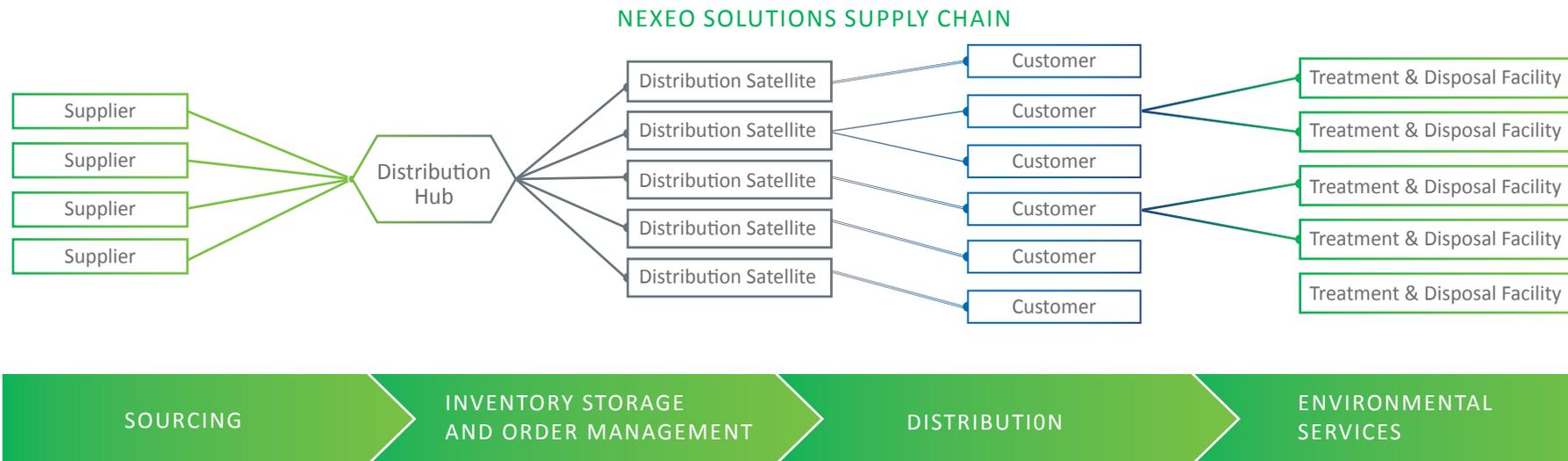
RON LABUSCH

SENIOR VICE PRESIDENT, SUPPLY CHAIN AND ENVIRONMENTAL SERVICES

Simplifying Supply Chains Around the World

The key to simplification is scale. Nexeo Solutions goes beyond traditional logistics to provide products and value-added services across many industries, including chemicals manufacturing, oil and gas, coatings, personal care, healthcare, automotive and 3D printing, among many others. Product brands and manufacturers in these markets are all working to improve competitiveness, innovation, market reach and availability for both industrial customers and end consumers. Supply chain efficiencies help all these markets achieve these objectives. Nexeo Solutions operates at a global level across multiple product lines and markets, being able to achieve economies of scale in sourcing and distribution that help reduce costs while maintaining reliability.

At the other end of the supply chain, our scale enables us to simplify distribution for the suppliers from whom we source. Suppliers benefit from the centralized business model of the Nexeo Solutions distribution platform to reach thousands of customers with same-day / next-day service via a single distribution point, thereby simplifying their shipment and administrative processes as well.



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As a leading chemicals distributor, the way we supply makes a difference to so many players, right through the entire value chain. We are far more than a channel. We are an active partner in helping our customers solve issues, simplify operations and reduce losses. While many end-users may not know our name, we indirectly influence the quality of their life. This motivates our employees to continue developing efficiencies by making operations simpler for our customers and for our suppliers.

BRIAN HERINGTON
EXECUTIVE VICE PRESIDENT OF CHEMICALS

Leveraging Technology for Differentiated Supply Chain Optimization

Managing scale requires robust processes and systems advanced by technology to ensure optimum procurement decisions, inventory management and transportation routing. Our approach is based on deriving efficiencies through a centralized business model, with large volumes of inventory processed at primary regional hubs and shipped to smaller local warehouses on a demand-driven basis for delivery to customers. The entire operation, which processes almost half-a-million orders per year through our distribution facilities, is controlled through a proprietary highly scalable, centralized technology platform consisting of our ERP (“Enterprise Resource Planning”) system, SAP-based transportation management software, pricing system, customer portal and other digital tools.

In December 2016, we implemented two transformational systems to support the centralized technology platform that has revolutionized our network. First, after a long development period, we implemented our **Transportation Management Software (TMS)**. This technology allowed us to route our private fleet and manage our external transportation carriers in the same system, enabling us to route more shipments through our private fleet at a lower cost, achieving better fuel efficiency and improving delivery service. With this new capability, we expanded our private fleet utilization by 170 basis points through routing additional pounds of product through our private fleet in 2017.

DATA-GATHERING AND ANALYSIS

The advanced data-gathering and analysis capabilities of our ERP system enable us to anticipate weekly volumes, demand shift fluctuations and quickly respond to rapidly changing customer needs.

DEMAND FORECASTS

This capability helps our suppliers by providing reliable and accurate demand forecasts that result in improved efficiency, flexibility, and faster execution, while also reducing costs in the supply chain by optimizing production and logistics schedules.

IMPROVED ON-TIME DELIVERY

Our private fleet, supported by TMS technology, consistently outperforms external carriers by 10 – 15 points in on-time delivery.



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We have all our systems in a central place. This allows us huge opportunities from a supply chain perspective to leverage all the different elements of the system in a connected way, offering full visibility and traceability of all our movements and controls. We are constantly committed to leveraging and continually improving technology for the benefit of our customers and suppliers. That's just one of the many things I love about Nexeo Solutions.

RAE MARTIN
DIRECTOR OF BUSINESS PROCESS
IMPROVEMENT

TECHNOLOGY-BASED SYSTEMS IMPROVING PERFORMANCE

The second transformational technology initiative we implemented in December 2016 was a comprehensive redesign of our Environmental Services materials management and distribution systems. Prior to this initiative, waste management services for our customers were planned and managed through multiple manual processes, covering more than 100,000 material numbers spread among hundreds of customers with individual customer profiles. In our redesign process, we standardized all waste management product offerings and reduced the number of product options by 97%, mapping all of our customer waste processes into a hierarchy of materials management. Integrating this with our SAP-based Transportation Management System (TMS), we can now monitor every movement of waste from our customers, and route shipments effectively and most importantly, ensure compliance by routing waste to the relevant, qualified treatment and disposal facilities for each waste type. This integrated system now provides full transparency and audit capability for each shipment with real-time reporting for each customer.



With our Warehouse Management System, our inventory accuracy is regularly >98% and our pick error rate is <0.1%.

Additionally, in 2017, we completed the conversion of additional major distribution hubs to the technology-driven Warehouse Management System, a program that we began adopting in 2014 with a goal to convert a maximum of 3 distribution hubs per year. As of December 2017, the system is now operating in 9 distribution hubs, enabling efficient inventory management and improved order-picking accuracy. In addition, the Warehouse Management System technology also helps improve safety by ensuring product storage in compatible areas of each warehouse, avoiding potential safety hazards when chemicals of certain types are stored in close proximity.

Partnering to Make Supply Chains More Efficient

The size and scale of our supply chain means that Nexeo Solutions influences supply chain efficiencies within countries and across regions. We partner to help remodel supply chains across a wide range of industries because we believe that systemic, beneficial change is powered by collaboration and innovation. The partnerships, in which we are actively engaged, include:



SUPPLIERS PARTNERSHIP FOR THE ENVIRONMENT™

This is an innovative partnership between automakers, their suppliers and the U.S. Environmental Protection Agency (EPA) that provides a forum for automakers and suppliers to work together to develop projects and activities focused on environmental sustainability issues that impact the auto supply chain. As a major supplier of chemicals, plastics, and environmental services to the automotive industry, we add and gain value from this important initiative.



MANUFACTURE 2030 PLATFORM

This is a collaboration across industries with a mission to reduce more than half the resources used in global manufacturing by 2030, bringing brands, retailers and manufacturing suppliers together to cut costs, risks and environmental impacts. Collaboration is by means of a digital platform that enables the capturing and sharing of best practices.



NATIONAL ASSOCIATION OF CHEMICAL DISTRIBUTORS (NACD)

In the U.S., Nexeo Solutions is a member of NACD, an international association of chemical distributors and their supply-chain partners, advancing professionalism and stewardship of the chemical distribution industry. We comply with the NACD Responsible Distribution® Guiding Principles and host NACD audits at our sites using these principles as a basis. Every cycle, approximately 20% of our sites in the U.S. are audited by a third-party.



RESPONSIBLE DISTRIBUTION CANADA® (RDC)

In Canada, we are members of RDC, a non-profit trade association, representing organizations in the chemical and ingredient supply chain. As a member, Nexeo Solutions commits to a management program known as Responsible Distribution®, which ensures focus on the continual reduction of incidents that may result in or threaten injury to people or damage to the environment. Our sites in Canada are randomly audited every year by a third-party auditor as a condition of our membership of RDC.

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The building blocks of a culture entirely focused on serving our customers with passion and enthusiasm is created with three things: skill, training and communication. We aim to ensure our sales and service teams have the right skills to do the job while underpinning our processes with technology to provide the practical solutions our customers need. We aim for awesome, and we work hard to achieve it.

LARRY HUNT
VICE PRESIDENT CUSTOMER SOLUTIONS



Delivering Differentiated Customer Experience

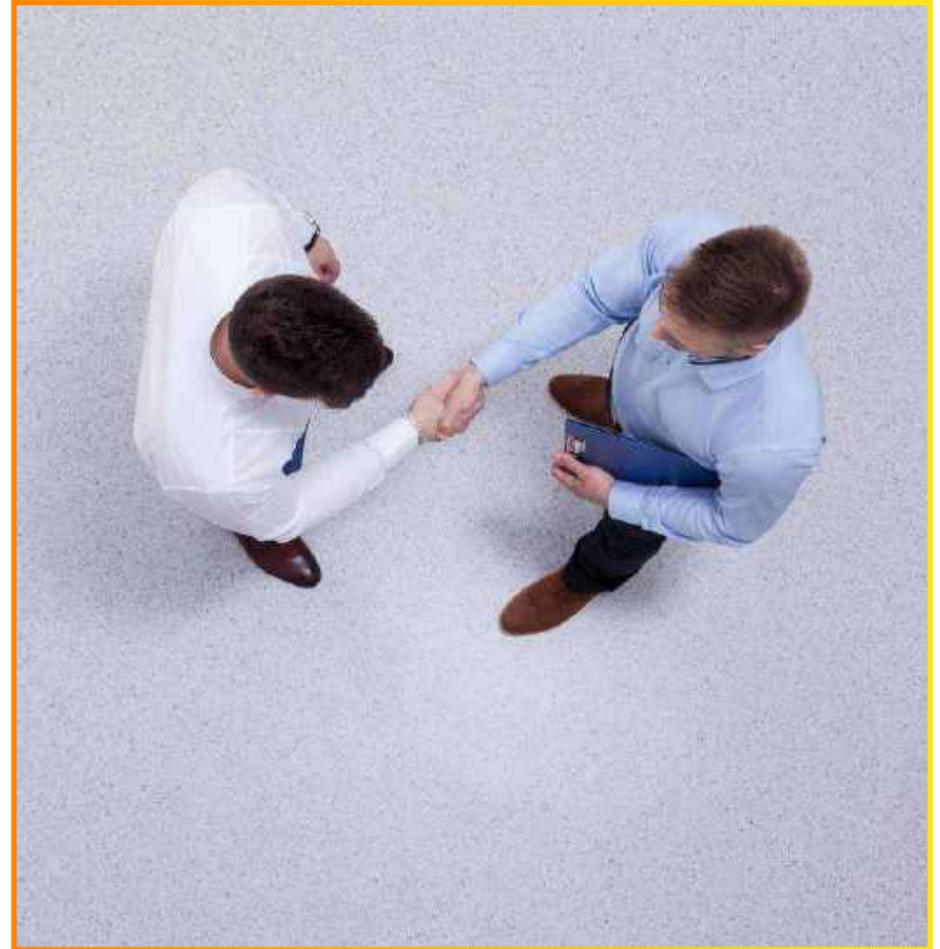
At Nexeo Solutions, we aim to ensure that each customer receives the best experience with every interaction. We recognize that our success relies upon our ability to consistently meet customer requirements and provide a differentiated experience every time. Working with more than 28,000 customers around the world, we ensure that customer-centric processes are embedded at all stages of our operations. As a result, some of our largest customers have been working with Nexeo Solutions for more than 15 years, confirming their satisfaction through our customer feedback program.

We organize ourselves to deliver optimal solutions in efficient ways for our customers. In the automotive market, for example, where we have a leading position in the U.S., we maintain a dedicated team, skilled application and technical development engineers to help our customers achieve the best value sourcing to meet their needs. As with all industries, we source flexibly from suppliers, enabling us to provide a wide range of material options to the customer.

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As the largest North American distributor of plastic-based products, with close to 12,000 global customers, we cover all major industry markets ranging from automotive, medical and pharmaceuticals, to electronics, recreational and more. We maintain a best-in-class product offering by aligning with global, market-leading suppliers who embraces Environmental, Social and Governance (ESG) improvements. Where we can, we offer our customers bio-based plastics.

SHAWN WILLIAMS
EXECUTIVE VICE PRESIDENT OF PLASTICS



MEASURING CUSTOMER SERVICE

We measure customer service in two ways: the first is through our own performance metrics, where we consistently track at least 14 Key Performance Indicators (KPIs) on every shipment, and the second is through direct customer feedback in our Net Promoter Score (NPS) program. The combination of both sets of metrics enables us to see the full scope of the customer experience with Nexeo Solutions and identify the improvement opportunities.

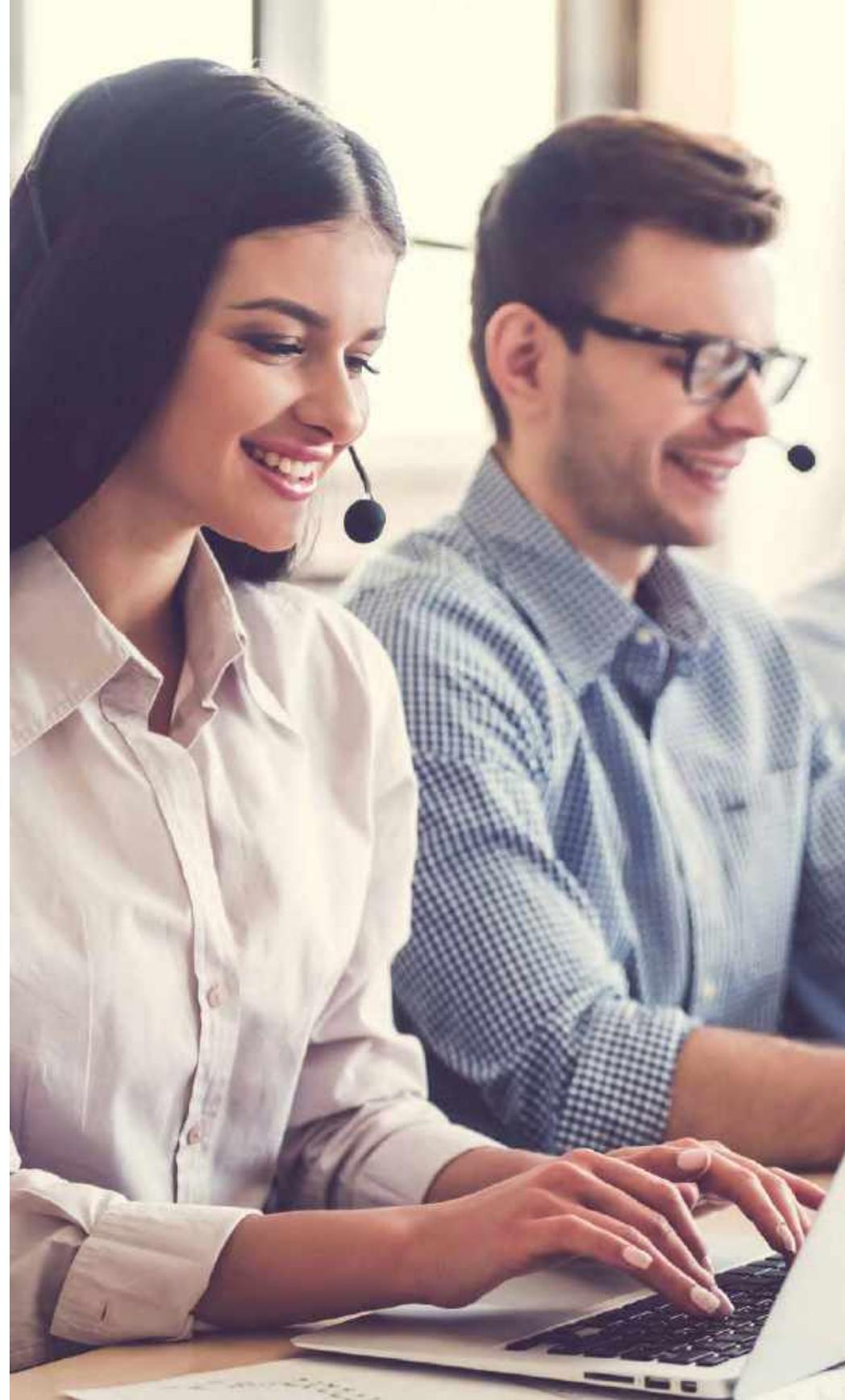
For example, a key customer service metric relates to on-time deliveries. Typically, we achieve far better service through our private fleet in the U.S., rather than through the use of third party carriers, which is one of the reasons we aim to maximize shipments on our private fleet whenever possible. Overall, including the mix of private and third-party carriers, we regularly achieve more than 95% on-time delivery.

PRIVATE FLEET + 3RD PARTY CARRIERS	2015	2016	2017
On-time delivery service in U.S. and Canada	94.0%	95.7%	95.2%

Since August 2013, we have implemented the Net Promoter Score (NPS) as our way of engaging direct customer feedback around all aspects of the experience with us. The “Promoters” are those who are satisfied enough to indicate that they would recommend our company to others. Of more than 2,300 customers who responded in 2017, 58% were Promoters, a score we are proud of, which energizes us to do better. As we continue to expand the Net Promoter Score system, we expect to reach more customers and gain further valuable feedback.



In 2017, we achieved **99% on-time deliveries** to customers using our private fleet.



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Nexeo Solutions has consistently been there to help with moving deliveries up if at all possible which is a huge help in our business.

CUSTOMER
OHIO, U.S.

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Nexeo Solutions has been a great supplier/partner to me and the organization I work for. They bend over backwards to make things happen for me.

CUSTOMER
NEW JERSEY, U.S.

CREATING A CUSTOMER EXPERIENCE CULTURE

Service is more than delivering on-time and meeting the needs of our customers. It's about anticipating their needs and identifying opportunities to help them succeed. We invest heavily in both the tools and the training that enable us to create not only a framework but also a culture of positive experience for all our customers, small and large, everywhere we operate.

In 2017, we rolled out a new training initiative to all of our Customer Solutions team members, designed to help us better engage the customer, and, supported by new technology that integrates multiple aspects of our operating system, to enable better and faster responses to customers. The initiative is a professional development program based on a philosophy of thinking about solutions outside the box and delivering a differentiated experience to the customer. All of our Customer Solutions teams and Sales Support staff, including executive leaders in the Customer Solutions organization, were trained in this approach in 2017, and all new employees are trained within six months of joining Nexeo Solutions. We have established a monthly competency program with ongoing training in all aspects of this approach.

Customers today want and expect information at the touch of a button. In 2017, we opted to reinforce our digital platforms to provide customers with new service options. We redesigned our customer portal www.mynexeo.com giving our customers a broader range of on-demand services to place and track orders, manage documents and collaborate with our Customer Solutions teams. Our teams are continually making improvements to the functionality of our online tools to help customers get the information they need faster and more efficiently every day.



Helping Smaller Businesses Succeed Across Markets

With global scale and reach, our business engages with smaller enterprises and large corporations, both as suppliers and as customers. We believe that encouraging a diversity of supply and supporting smaller businesses is an opportunity for our business as well as a commitment to the economies, in which we operate. In general, our customers range from some of the largest global companies to smaller, regional, private companies with no single customer representing more than 10% of our sales in the chemicals industry, and even less in our plastics business.

We do our best to make all businesses, especially smaller companies, feel welcomed as a customer or supplier by applying the same high service and quality standards that we maintain across all our business divisions. We avoid applying strict minimum order requirements for customers, and in certain cases, accept smaller supplier requests for shorter payment terms against a fair discount, which helps them with cash flow considerations.

“

We know that smaller companies need to ensure their operating cash flow is sufficient to support ongoing transactions. The cost of credit is often prohibitive for smaller businesses. We try to help our customers grow and develop their business by operating flexibly when we can, enabling them to order exactly what they need and offering next day delivery and fair payment terms. Without this consideration, we believe many of our suppliers and customers would not have been able to grow their businesses successfully over the past five years.

ROSS CRANE

EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER



Assuring Product Safety and Quality

Assuring quality and customer safety throughout our supply chain is critical for Nexeo Solutions, as it is the fundamental prerequisite of doing business while being the most basic requirement. Our Quality Policy Statement is available on our [website](#).

Quality at Nexeo Solutions is headed by our Senior Vice President of Supply Chain, supported by an expert quality team who oversee all quality matters and ensure the implementation of quality procedures, training, tracking and reporting.

All our sites in the U.S. and Canada are certified to Quality Standard ISO 9001:2015, and are supported by our Quality Management System that operates to the Plan Do Check Act cycle. All relevant operating staff are trained in quality procedures.

QUALITY POLICY STATEMENT

Nexo Solutions will provide industry-leading service to customers.

We will accomplish this by:

- Measuring our performance
- Minimizing impact on the environment
- Maintaining compliance with legal and regulatory requirements
- Embracing a culture that values zero incidents
- Continual improvement

“Quality is never a matter for debate. At Nexeo Solutions, we seek to achieve operational excellence in all that we do, and this means working with reputable suppliers who deliver quality products to us the first time, so we can provide the same level of support to our customers. Over the years, we have reinforced our systems and processes while also implementing education and training for our teams to strive to eliminate quality failures from our organization

CHARLES BONNIE
SENIOR MANAGER, GLOBAL QUALITY

Auditing Product Safety and Quality

Beyond compliance with all applicable laws and regulations relating to quality and safe product handling, we are frequently audited by external bodies, customers and internal auditors in a stringent annual program of internal quality, safety and environmental compliance. We have a team of trained and qualified in-house auditors based in the U.S. and a technology-supported process ensuring that all corrective actions are evaluated, investigated, documented and closed within the timeframe determined by the auditor.

All products we supply to customers are subject to applicable health and safety regulations regarding information and labelling. In most cases, an analysis of safety risk is conducted by the product manufacturers and supported where relevant, by our own regulatory and safety analyses. Customers can download Safety Data Sheets from our website or request them with deliveries of materials. We have not been subject to any significant fines or sanctions relating to product safety or product information and labelling during the reporting period.

In 2017, we added another certification to our quality process: the European Federation for Cosmetic Ingredients (EFFCI), designed by major cosmetic manufacturers to harmonize safety and quality standards for the industry. We have recently completed audits at two sites, the results of which, will be online and transparent for all Federation members.



23 internal audits of our sites in 2017 in line with our commitments to ISO Standards.

67 external audits of our sites in 2017 by customers, federal agencies, ISO and other organizations.



Helping Customers Be More Sustainable

We help our customers become more resource-efficient by providing a one-stop service for all materials, supplied via our sophisticated, technology-driven distribution and services network. We also offer a full suite of environmental and on-site services tailored to meet customer needs, supported by more than 450 of our full-time environmental management experienced employees, currently located at more than 85 customer locations across the U.S. Through these services, we assist customers in achieving regulatory compliance, implementing efficient waste sorting, handling and disposal methods, all the while delivering impressive cost benefits. In the past year, we invested more than \$1 million in an environmental services technology platform to provide automated compliance controls and detailed monitoring and reporting capabilities for our customers.

Overall, in 2017, we helped customers divert 316,000 tons of waste from landfill. These waste diversion and recycling efforts helped customers achieve environmental goals, as well as deliver financial savings and operational efficiencies. Typically, our customers achieve 5% or more year-on-year cost benefit as a result of efficient waste stream management and diversion from landfill.

Our approach to waste management is based on identifying the optimal solution for each facility and each type of waste. In all cases, we support our customers by first identifying options to reduce waste. Then, we apply sorting and separation practices for each and every waste stream, identifying the best disposal method, working with hundreds of qualified partners across the U.S. to recycle, compost, recover, repurpose or treat all types of waste, leaving only minimum quantities for landfill. In many cases, zero waste to landfill is achieved within the first year of operation.



In 2017, **more than 15 of our customer locations** in the automotive industry in the U.S. reported zero waste to landfill, contributing to a considerable reduction in the carbon footprints of their operations.

TOTAL WASTE MANAGEMENT SOLUTIONS



Saving Our Environment

In 2017, Nexeo Solutions helped customers divert 316,000 tons of waste from landfills. Some examples of environmental savings for our customers through recycling are ...



36,000

TONS OF PAPER, BOARD AND WOOD RECYCLED



413 Billion

BTU ENERGY SAVED THROUGHOUT RECYCLING



184 Million

GALLONS OF WATER SAVED BY RECYCLING

That amounts to...



615,000

TREES SAVED



78,000

HOMES POWERED



280

OLYMPIC-SIZED SWIMMING POOLS

- Nexeo Solutions is proud to help global automotive manufacturers achieve their sustainability targets. One customer, headquartered in Europe, remains the only automotive manufacturer to have never generated any landfill waste in the history of their production of cars in the U.S., in large part to the support provided by Nexeo Solutions Environmental Services teams.

TURNING WASTE INTO OPPORTUNITY

At Nexeo Solutions, we see waste as an opportunity, and apply our creativity, technical expertise and extensive contacts and partnerships throughout the industry to deliver innovative solutions to our customers. Some examples from our recent engagements with customers include:



DIVERTING USED CAMERAS FROM LANDFILL: Our customer, a camera maker, sought a solution for used single-use cameras returned to its receiving center for disposal. We identified a niche recycler who removes the camera batteries and sorts the components into plastic types suitable for shredding. More than six million cameras have been diverted from landfill to date.



FROM PAINT SOLIDS TO SOIL TREATMENT: Our customer, an auto maker, needed to dispose of organic solids contaminated by calcium carbonate during paint filtration. We identified a local remediation firm that needed calcium carbonate for its soil treatment program. The result was, reduced disposal costs for our customer, and lower raw material costs for the remediation plant.



CUTTING DISPOSAL COSTS IN HALF: Our customer, a leading oilfield services company generating high waste volumes of ammonia distillate, was burdened with prohibitively high costs of storage and incineration. Using our extensive network of waste experts, we identified a reclamation partner to process the ammonia distillate, resulting in a 50% decrease in disposal costs and 78% decrease in storage costs, while meeting our customer's requirements for beneficial reuse.

RECOVERING WASTE – SERVING THE COMMUNITY

We are often able to combine the need to dispose of waste in an environmentally conscious manner with the opportunity to add social value. We can describe many examples where, through partnerships with our customers and qualified waste disposal facilities, waste streams are re-purposed into usable products that benefit local communities.

REUSING POLYSTYRENE FOAM BLOCKS SUPPORTING HABITAT FOR HUMANITY: Nexeo Solutions Environmental Services has a long-standing partnership with Habitat for Humanity of Logan County, Ohio, U.S., a non-profit housing organization. As part of its operation, Habitat for Humanity runs “ReStore”, an initiative that accepts used household and building materials for use in construction of houses and resale, generating revenues to help build homes for low-income families. Nexeo Solutions, and one of our major automotive manufacturing customers, have supported this effort for many years by donating the solid foam board, which is used for insulation.

PARTNERING WITH OUR CUSTOMERS FOR RECYCLING: In Ohio, U.S., we maintain two community outreach programs where we participate in roadside and park cleanup events. In the last event, our team members collected almost 300 lbs. of litter and took this to the waste handling facility at one of our major automotive manufacturing customers, where, after sorting, we were able to recycle 75% of the waste through qualified recycling partners in the region.

RECYCLING HOUSEHOLD ITEMS: In Alabama, U.S., we provide containers for employees of our largest automotive manufacturing customers, to collect household waste items. We manage the recycling of this waste on behalf of our customer through one of our authorized partner waste-handling facilities.

“

The foam board we supply to Habitat for Humanity makes a real difference as valuable insulation material for homes and barns. We are delighted that our customer is willing to partner with us in turning waste into a benefit for our local community.

BOB DUNMIRE
NEXEO SOLUTIONS SITE MANAGER



ZERO WASTE TO LANDFILL AT A LARGE AIRCRAFT MANUFACTURER: This facility, in South Carolina, U.S., achieved zero waste to landfill in 2011 (with the help of Nexeo Solutions) and has maintained that status ever since. Much of the waste diversion at this facility benefits the local community. Some examples follow.



BIRD CAGES

Nexeo Solutions has identified and vetted multiple vendors to take birdcages at no cost for our customer.

The vendors create Tiny Homes and Storage Solutions for people in need.



PALLETS

Nexeo Solutions has identified and vetted multiple vendors to take pallets at no cost for our customer.

The vendor donates the pallets to multiple organizations in the community for revitalization projects.



EMERGENCY TRAINING

Nexeo Solutions has worked directly with local emergency organizations to donate large boxes.

The boxes are transformed and used for training purposes.



WOOD CLUB

Nexeo Solutions helps create, manage, organize and maintain the Wood Clubs at the customer's campus.

This solution offers the customer's employees an opportunity to reuse and/or repurpose scrap wood for numerous projects.

In addition, Nexeo Solutions works alongside a qualified waste handling partner to compost food scrap from the aircraft manufacturer's facility. The resulting compost is then given to the customer's employees to enable them to run their own composting programs at home.

TRAINING OUR CUSTOMERS IN WASTE MANAGEMENT

As part of our continuing commitment to our customers, and to environmental stewardship, we hold annual Hazardous Waste Management Training and Certification Seminars in different locations across the U.S. The one-day training seminars cover federal guidelines and Department of Transportation requirements to help customers ensure that they have the expertise needed to manage operations.

“

At Nexeo Solutions, we have become experts in developing creative ways to dispose of our customers' waste efficiently and with additional benefits for the communities in which we serve. This is work that not only delivers real economic benefits through the supply chain, it also fuels our passion and provides additional meaning for both our own team members and our customers' employees. We seek to expand these initiatives wherever we can and are grateful for the collaboration of our customers in making it possible.

JOSHUA SCHMIDT

DIRECTOR - ENVIRONMENTAL SERVICES

“

We work to ensure that all our employees at Nexeo Solutions have a clear understanding that ‘doing the right thing’ is not a choice but an imperative required for business success. Our commitment to ethical business practices isn’t just a requirement we fulfill. It speaks to the heart of how we feel all business should be conducted in our industry. It’s up to us to set that example for our customers, suppliers and other distributors.

MIKE FARNELL

EXECUTIVE VICE PRESIDENT, CHIEF ADMINISTRATIVE OFFICER AND SECRETARY

Business Practices:

Maintaining Ethics, Compliance and Safety

Compliance with the law, ethical business practices, and dedication to safety are the foundation of our business. When we operate in accordance with these guiding principles, we reinforce the trust our customers, suppliers, regulators, communities and, of course, our own team members have in our leadership and our business. This trust supports mutually beneficial relationships and sustainable business growth.

In addition to ethics, compliance and safety, we reinforce trust by engaging employees, sourcing responsibly and protecting our planet.

In this section, we describe the way we do business with regards to five sustainability priorities:

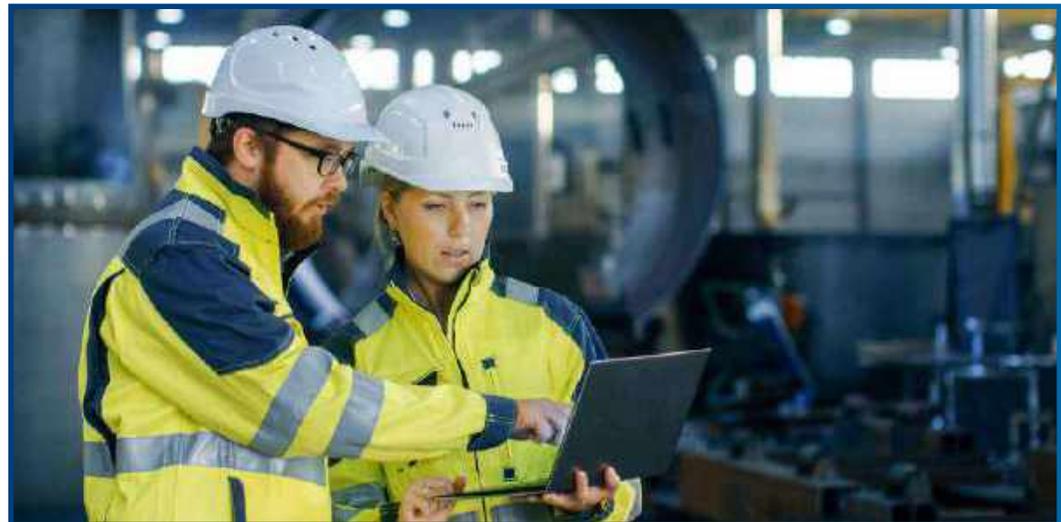
Upholding Ethics and Compliance

Engaging Employees

Working Safely

Sourcing Responsibly

Protecting Our Planet



Upholding Ethics and Compliance

One of our core values at Nexeo Solutions is “Do the Right Thing”. In running our business, we are first and foremost, individuals with a strong moral compass, which guides us in everything we do. Whenever we are faced with an ethical dilemma, we are guided by what is right, decent, fair and compliant.

GLOBAL STANDARDS OF BUSINESS CONDUCT (GSBC)

We recognize in a global business that doing the right thing may be open to interpretation, and that different cultures and customs may influence the way individuals approach and apply ethical standards. Therefore, we developed our [Global Standards of Business Conduct](#), (the “GSBC”) available on our website, to define a set of standards that serve as an ethical compass for decision-making in our business activities. Additionally, the GSBC defines the minimum standards of behavior expected of all employees in the company. All covered employees are trained in the GSBC and complete refresher training on-line every year. We operate an externally managed Employee Hotline for any employee or third-party to confidentially report suspected unethical or illegal conduct. The Hotline is available 24 hours a day, seven days a week. Calls to the Employee Hotline may be made confidentially, and we do not permit any form of retaliation against an employee who, in good faith, reports any alleged or suspected breach of our GSBC.



ROBUST COMPLIANCE

Operating in an industry that is subject to intensive regulation and compliance is one of the foundations of our business. A host of regulations relating to chemical and toxic substances, transportation of materials and environmental standards, govern how we conduct our business. Similarly, working across many countries around the world, compliance with regulations covering foreign trade, anti-corruption, anti-bribery, anti-slavery and eliminating forced labor, to name a few, is imperative to avoid placing our business, employees, customers and suppliers at risk. We therefore aim to comply with all applicable laws, regulations and directives, aspiring to the highest standards of compliance in all markets, thereby voluntarily exceeding compliance requirements where regulation is less developed. We educate and train our employees systematically in matters of compliance as applicable to our business, and ensure that they understand their role in maintaining a healthy and compliant business.

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The Executive Leadership Team is very supportive of the compliance function. I get the support I need, and am very comfortable recommending improvements to our compliance as necessary because I know the Company is committed to doing the right thing.

SILVIA SURMAN
COMPLIANCE DIRECTOR

“

As part of my responsibility for managing Mergers and Acquisitions (M&A), I conduct due diligence on all potential acquisition companies. I look for the same values that Nexeo Solutions upholds in potential acquisitions. When I do not observe these values, it immediately raises a red flag. When this happens, we assess ways to mitigate potential risk, or we decline to move forward.

ALBERTO J. MACHADO
SENIOR VICE PRESIDENT,
STRATEGIC GROWTH

To further reinforce our culture of compliance, and to leave no room for doubt about the behaviors we expect from our employees and supply partners, we have developed a [corporate position statement on compliance](#) to ensure transparency and serve as a guide for our employees on their roles and responsibilities in all compliance-related matters. This position statement is available on our [website](#).

EFFECTIVE COMPLIANCE RISK MANAGEMENT

We maintain a robust global enterprise risk management program that was established in 2014. The Risk Committee, which includes members of our senior leadership, meets quarterly, or more often if business needs so require, and defines an annual action plan to address pressing or emerging risks throughout the business. As Nexeo Solutions operates across a range of foreign countries, compliance with relevant anti-corruption and trade regulations is paramount, particularly in countries with higher corruption indices. Similarly, employee safety is always on the agenda of our Risk Committee. Even though our safety record is excellent versus our peer group, we are never complacent. We demand the same type of dedication to safety from all of the trade vendors that work at our sites.

MANAGING ESG RISKS IN AN ACQUISITION IN 2017

When reviewing an acquisition opportunity, we evaluate a target’s practices and ascertain the regulatory compliance status of assets as part of our due diligence process. Our due diligence checklist helps us scrutinize all the major aspects of a target’s business operations, and identify potential areas of risk. This process allows us to focus our resources in areas that may need modification to meet our global standards. Priority items on our list include those related to any potential environmental risks and compliance with governmental regulations, such as proper practices regarding spills, wastewater treatment, hazardous materials handling, air emissions, and permits. Safety, compliance, and sustainability are the foundation of our business. We are committed to ensuring that our operations are performed in a responsible and compliant manner.

UPHOLDING ANTI-CORRUPTION AND ANTI-BRIBERY

Employees receive online anti-corruption training, followed by an annual refresher. Furthermore, the legal and commercial team cooperate to give additional live training sessions. In 2017, our executives, managers and employees devoted approximately 820 hours to anti-corruption and anti-bribery training. Our operations are assessed for corruption risk through our global enterprise risk management program.

We also expect high standards of anti-corruption and anti-bribery compliance from our third-party vendors, agents, service providers and our customers. [Our Third Party Anti-Corruption Policy](#) can be found on our website. We perform risk-based compliance due diligence on third parties as appropriate before engaging them.

A NEW STAND ON HUMAN RIGHTS

Although the protection of human rights, to us, seems like a fundamental reflection of our core value, “Do the Right Thing,” we have realized that it is necessary to formalize our position to provide clarity for our employees, suppliers, partners and shareholders. Therefore, we recently developed a corporate position on human rights, confirming our commitment to the United Nations’ Universal Declaration of Human Rights, relevant international labor conventions and other ethical practices that respect people everywhere, without discrimination, in whatever capacity they are connected to our business. As part of our human rights position, we confirm the management of formal grievance mechanisms that enable any individual to report concerns related to human rights without fear of retaliation, as well as our commitment to enabling the remediation of adverse human rights impacts, associated with our business activities. Our corporate position on human rights can be downloaded from our [website](#).

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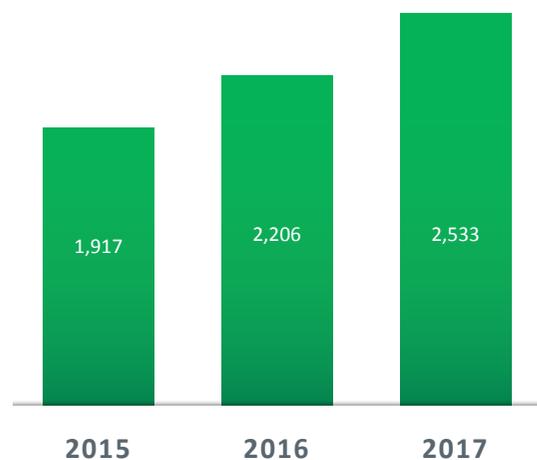
Nexeo Solutions has a robust compliance program designed to ensure employee understanding and adherence to legal and ethical requirements. Conducting ourselves in accordance with applicable regulations and our own GSBC speaks to the heart of our culture, and is a driving force in our decision making.

JENNIFER GALLAGHER
DEPUTY GENERAL COUNSEL

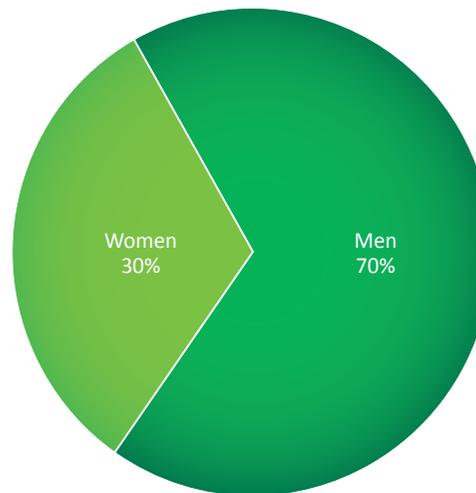
Engaging Employees

Each day, we aim to provide a safe, challenging and exciting workplace for more than 2,600* team members across the globe, of whom almost 90% are based in the U.S. and Canada. Almost 400 of our employees are drivers, serving our customers every day with product deliveries that keep the production lines of so many companies operational with the raw materials they need to maintain supply continuity. We work diligently to ensure that our teams, wherever they are, have the necessary knowledge and skills to perform their work, as well as the opportunities to progress within the organization whenever possible. We offer employees an attractive package of benefits, designed to be competitive and desirable within our industry.

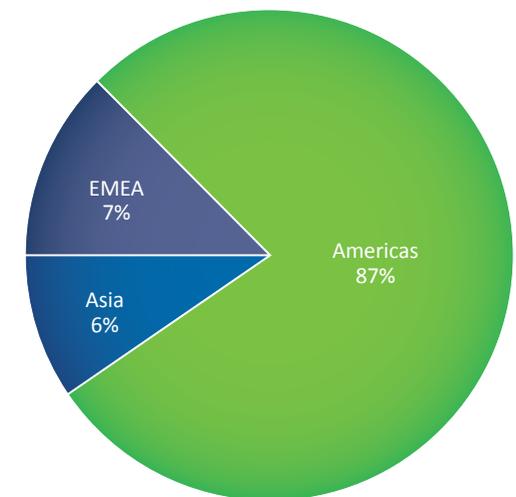
TOTAL EMPLOYEES 2015–2017



EMPLOYEES BY GENDER IN 2017



EMPLOYEES BY REGION



Source: Employment numbers represented in this report are snapshots taken from our ERP system as of the last calendar day of 2017.



Since our inception, we transformed our talent strategy to attract, develop and retain an industry-leading team. For a distribution company, we have a unique business model and value proposition that requires both creativity and discipline from our employees. This requires an exceptional pool of talent focused on delivering creative solutions safely and efficiently every day. We are committed to connecting customers to world-class products that improve lives around the globe.

CARRIE RUTHERFORD
VICE PRESIDENT OF HUMAN RESOURCES

LIVING OUR VALUES

Nexeo Solutions' core values shape the way we work and are the very foundation of our culture. We believe in recognizing those who contribute to keeping our values alive and relevant through their actions, while encouraging our employees to actively promote and recognize good performance. Our Living the Values Recognition Program enables employees to highlight behaviors they witness in others that uphold and advance our core values. Since the program was launched in 2013, more than 2,600 recognitions have been logged by our employees and managers.

HUMAN AND LABOR RIGHTS

We comply with all applicable laws governing the employment and the hours of work and rest for all our employees around the world. In addition, Nexeo Solutions supports the four core conventions of the International Labor Organization (ILO) relating to avoidance of child labor and forced labor, respecting freedom of association and collective bargaining and upholding non-discrimination. We actively manage our organization to uphold these conventions and the guiding principles that inspired them, contained in the Universal Declaration of Human Rights of the United Nations. All employees are age-verified and no employee under the legal age in any of our operations is employed, and all employees join Nexeo Solutions of their own free will. In the U.S., approximately 140 employees (5% of our global headcount) are represented by unions in six locations. While we encourage direct communications between our employees and management, we respect and maintain positive relations with employee representatives and union affiliations.

LEARNING AND DEVELOPMENT

We believe in investing in our employees so that they have the necessary skills to perform their work. Our Learning Management System (LMS) covers multiple aspects of knowledge that employees require, including compliance and safety ethical standards of behavior, in line with our Global Standards of Business Conduct, industry training and detailed product-handling procedures. All employees have access to the relevant training materials, engage and complete annual personal reviews and development plans informing their learning priorities. Most of our learning systems are online, empowering employees to engage in training at convenient times, and enabling our Human Resources managers to track progress. Goal setting for many employees is quarterly, ensuring regular engagement between employees and their managers.

As part of our leadership development and communications, we gather the top 75-100 leaders in the company from around the globe for several days of strategy alignment and initiatives review twice each fiscal year. Participants learn from executive leaders about performance, and engage in panel discussions and dialogue across functional groups on new plans, market trends, continuous improvement and more.

ENHANCING SALES SKILLS

At Nexeo Solutions, we believe in ensuring that our employees have the best knowledge and skills to perform well in their roles, while seeking opportunities for targeted skill-development in core functions. In early 2018, for example, 22 sales leaders from across our business divisions attended leadership training at The University of Houston in a four-day program to enhance their ability to effectively serve customers.

ENGAGEMENT WITH LOCAL COMMUNITIES

We encourage our team members to support our local communities in a variety of initiatives. Many of our employees engage with their communities throughout the year, volunteering their time in different events, all with the objective of showing solidarity with our local communities and helping improve the quality of life for those in need. In addition to volunteering our time, we support the generosity of our employees by matching up to \$500 a year, per employee, to eligible non-profit organizations that our employees actively support, by providing team event sponsorships, and by volunteering event sponsorships in the communities, in which our employees live.

MAKING HOLIDAYS MEMORABLE

We often partner with our customers in charitable work, especially when we have a team deployed alongside our customers' employees at their sites. In December 2017, our teams partnered with a large aircraft manufacturer to sponsor a toy drive with United Way. As part of this initiative, we also repurposed wooden crates into boxes and filled them with toys so that many children could have a memorable holiday.



CYCLING FOR MULTIPLE SCLEROSIS

For the third year in a row, Team Nexeo Solutions Cycling participated in the BP MS 150 in 2017 and raised \$13,360 to advance research and treatment for Multiple Sclerosis. Organized by the National MS Society, the BP MS 150 is the largest two-day fundraising cycling event in the country boasting over 13,000 cyclists and 3,500 volunteers. This year, Team Nexeo Solutions Cycling was represented by 13 cyclists, who covered more than 2,000 miles in 2 days.

WALKING TO IMPROVE CHILDREN'S HEALTH

In Shanghai, China, during 2017, ten employees at our company, Nexeo Plaschem, gave their time and care to participate in the seventh annual charity "Egg Walkathon" under the auspices of the One Egg Program initiated by Shanghai United Foundation (SUF). The program aims to improve children's health in poverty areas of China by giving an egg per day to every child during their primary school years. Our walkers completed the 50km challenge, raising around \$3,500 in donations to SUF.

SUPPORTING CHEMISTRY EDUCATION

Nexeo Solutions was a Gold Level Sponsor of the 12th annual “You Be The Chemist” National Championship in 2017. This annual event draws students in grades 5-8 from across the country to compete for the national title. Our Gold Level Sponsorship funds are used by the Chemical Education Foundation to support and promote STEM (Science, Technology, Engineering & Math) education in schools. We hosted a booth at the championship event where we were able to share insights with students about possible career opportunities in chemistry-related professions.

TEACHING THE SCIENTISTS OF TOMORROW

We are committed to advancing education in Science, Technology, Engineering and Mathematics (STEM) to create the next generation of chemists and engineers. In May 2017, Nexeo Solutions Houston Formulation Lab hosted their first Mad Science: Kids Day at the Lab for the children of employees. Children got the chance to visit the 22,000 sq. ft. laboratory, participate in experiments and learn from a variety of chemists and scientists that work for Nexeo Solutions. We believe teaching the scientists of tomorrow should be fun. Thus, the participants got the chance to learn, in a very hands-on way, how chemistries work and where they intertwine with their daily lives.



Working Safely

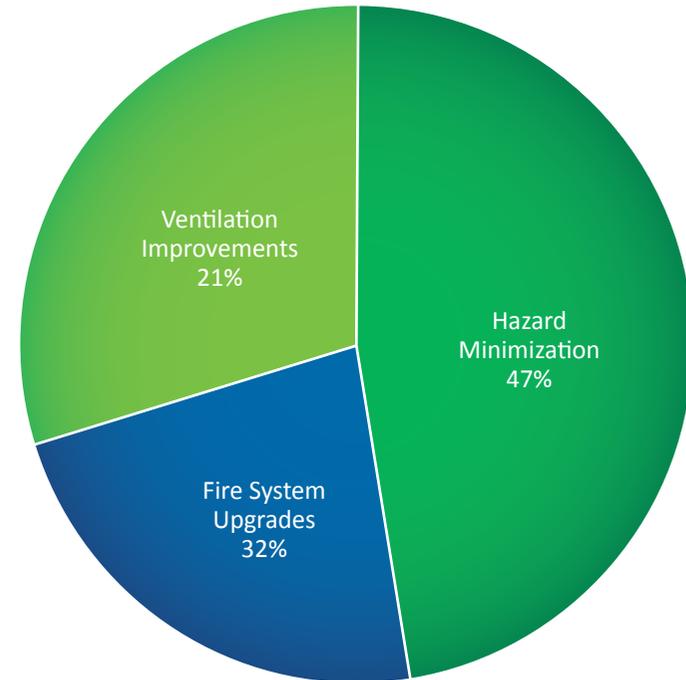
At Nexeo Solutions, we believe that all accidents and injuries are avoidable, and our safety team dedicates itself to identifying potential hazards and minimizing them in a comprehensive safety management system. We ensure that our employees are fully trained in all aspects of safety relevant to their roles, while encouraging them all to be vigilant in maintaining safe working conditions at all times. Our culture of safe working is rewarded by strong safety performance.

Our [Health and Safety Policy Statement](#) is available on our website. Responsibility for safety at Nexeo Solutions is shared by all employees, managers and executives. It is managed by our Safety Director, who reports to an executive team member, the Chief Administrative Officer. The Safety Director oversees a global Safety Leadership Committee, comprising regional and local employees who embed safe working practices and execute safety training at our different facilities.

INVESTING IN SAFETY

Safety is paramount at Nexeo Solutions, which is reflected in our ongoing level of investment to eliminate safety risks and hazards from our operations and maintain healthy working conditions for our employees. Over the past four years, we have invested on average \$1.8 million each year to help further ensure that our employees' health and safety are protected in the workplace.

SAFETY INVESTMENTS 2014–2017



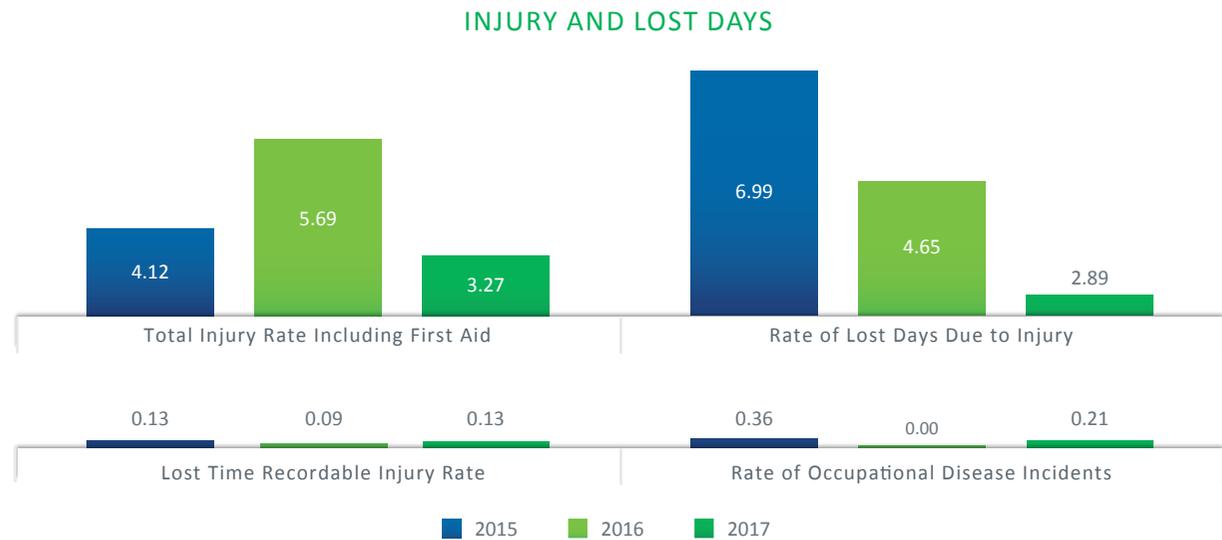
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Our safety record is one we are proud of – and much better than industry average. Part of what makes safety work well at Nexeo Solutions is our stable workforce. People know the systems well as they have been in their roles a long time and are very experienced. Our challenge is to keep going deeper to identify the less obvious safety risks and address them as well. We never take our eye off the ball.

JEFF DAGGS
SAFETY DIRECTOR

SAFETY PERFORMANCE

In 2017, our relentless focus on safety resulted in a reduction in total injuries and lost days due to injury, as well as a reduction in rates per 100 employees.



Notes: Data is for operations including offices in the U.S. and Canada. Occupational disease refers to minor ergonomic injuries, such as back strain that is typically treated with pain medication and, sometimes requires a period of restricted duties, but does not incur time away from work. Rates are based on actual hours worked in our facilities.

SAFETY PRACTICES

In the past two years, we have led a renewed company-wide focus on Process Safety Management addressing all systems that support safe working. We dedicated a full-time position to updating our Safety Standard Operating Procedures (SOPs) and began a series of Safety Risk Assessments at our facilities, starting with the largest and systematically working through the organization. In 2017, we conducted more than 25 rigorous internal safety audits, with the intention to conduct similar audits annually at our larger sites and every three years at the smaller sites.

In addition to requiring basic safety training for all new employees, we maintain a comprehensive annual training program, ensuring we cover the key areas of safety on a rotational basis.

In 2017, we developed guidance documents to further train managers in advanced aspects of safety management, and in the current year, facility managers are rolling this information out in their own regions. Furthermore, we established a new database management tool for tracking incidents, including near misses, and observations, which we will use to track and trend our overall safety program. At all of our U.S. and Canada warehouse and distribution facilities, we operate an observation program and target a minimum of one observation exercise per employee, per month, to ensure that each employee has an opportunity to make safety top-of-mind, thereby reinforcing safe behavior. In 2019, we plan to expand this program to our warehouse and distribution facilities in Mexico.

Sourcing Responsibly

We source our products and other materials from reliable, responsible suppliers who share our values and commitment to ethical conduct. Wherever possible, we source products that offer environmental benefits in addition to their performance specifications. In our own operations, we prefer to use recycled or reconditioned packaging materials, where practicable.

MATERIALS SOURCING

Most of the products we supply to our customers are sourced and redistributed without modification by Nexeo Solutions. Our role is to combine different products for delivery to customers, which may often require repacking. Therefore, the most significant items we procure for our operations, with the exception of transportation costs, are indirect packaging materials, representing more than 11% of our total operational spend.

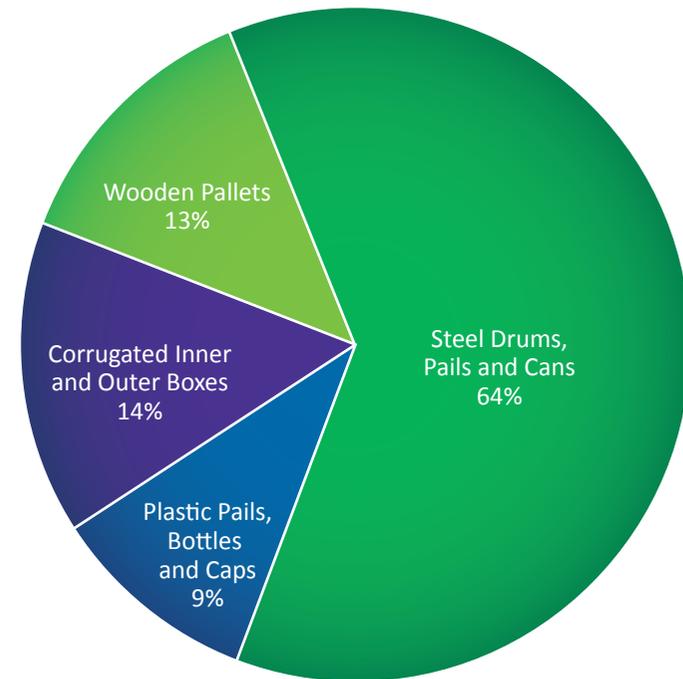
REDUCING THE WEIGHT OF STEEL DRUMS

By December 2015, we successfully converted our procurement of steel drums for liquids packaging to a lighter weight model, saving 3 lbs. of steel per drum while continuing to comply with all applicable quality and safety specifications. Given that 64% of our total packaging requirements (by weight) are steel-based, this resulted in a considerable saving of more than 1.8 million lbs. of steel on an annualized basis.

RECONDITIONING AUDITING

When engaging in partnerships with third-party re-conditioners of steel drums and plastic totes, Nexeo Solutions holds vendors accountable for regulatory compliance through independent auditing. The audits include observation reports of site management, container washing, wastewater treatment and testing, hazardous residual testing, and vendor employee experience and skill level. Audits are conducted on a regular cadence in accordance with Nexeo Solutions' standard policies and procedures. In 2017, we conducted 14 audits.

SPLIT OF PACKAGING BY WEIGHT



Total Weight: >40 million lbs. per year



In 2017, we purchased more than 8,000 units of reconditioned drums, totes and other containers. We regularly audit suppliers of these items to ensure that they maintain environmentally sound practices.

SAVING TIRES FROM LANDFILL

For our private delivery fleet, we must replace hundreds of tires per year on tractors, trailers and bulk tankers. In the past, we purchased new tires. In 2014, we discovered that it is possible to replace only the tire tread that meets the road to meet applicable legal requirements without compromising safety. Since then, we have purchased more than 1,450 recapped tires, saving the same number of worn tires from ending up in landfill.

SELLING ENVIRONMENTALLY PREFERABLE SOLVENTS

Our solvent team seeks to encourage customers to use lower volume liquid chemical compounds wherever possible. As new and more environmentally friendly products become available, our team identifies specific market segments in which these products could be relevant and ensures our customers get the necessary information to make informed decisions about their material selection. In addition, we support customers by helping them identify alternative chemistries that could help them reduce Volatile Organic Compounds (VOCs) in their processes.

ENGAGING WITH SUPPLIERS

As a distributor of primarily branded products from many chemicals and plastics manufacturers, we take care to engage with suppliers who share our commitment to uphold ethical practices and environmental responsibility. All suppliers are subject to a vetting process when commencing a contractual relationship with Nexeo Solutions and, beginning in 2018, are requested to review our Global Standards of Business Conduct and provide information about their business relating to safety, quality, operational efficiencies and other social practices.

Our major suppliers, representing more than 80% of our volumes, are large, often global, companies that publish their own sustainability reports and sustainability metrics, and we have confidence in their supply integrity. Nonetheless, we feel it is important to be clear to all suppliers, large and small, about our requirements and expectations.

Therefore, we recently developed a Supplier Code of Conduct (“Code”) that is available on our website www.NexeoSolutions.com. The Code includes aspects of ethical and responsible conduct important for Nexeo Solutions, including upholding human rights, labor rights, anti-corruption and anti-bribery and environmental stewardship. In 2018, we will start communicating the Code to our suppliers and securing their agreement in writing to abide by its principles.

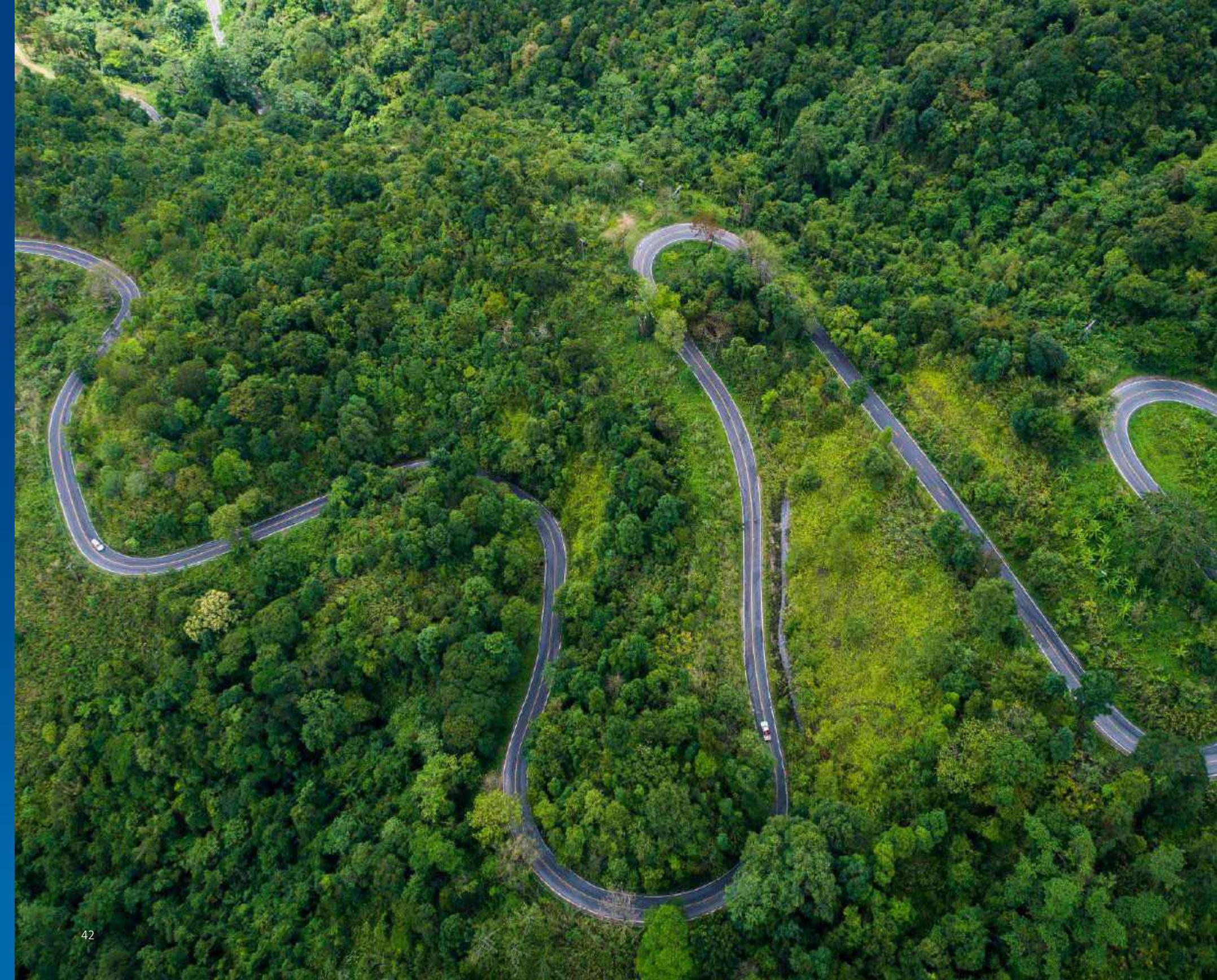
We take a long-term view regarding collaboration with suppliers and welcome their suggestions for new and creative approaches to improve supply. We hold periodic reviews with our most strategic suppliers based on a performance scorecard, covering all key supply metrics.

ASSESSING COMPLIANT OPERATIONS AT SUPPLIERS

As part of our corporate environmental regulatory oversight, we stay abreast of regulatory changes regarding materials handling and waste. One area where this is especially critical is in our Environmental Services operation where we work with several waste treatment and disposal facilities around the U.S., all of which require up-to-date permits that may differ on a state-by-state basis. In order to help ensure compliant operations within our vendor network, we have implemented an audit program for our waste treatment and disposal facilities to confirm that each facility has relevant permits and operates in an environmentally sound manner.



Nexeo Solutions works with more than 200 waste treatment and disposal facilities in the U.S. for recycling or reuse of waste from our customers.



Protecting Our Planet

As a global distributor delivering almost half-a-million orders every year to approximately 24,000 customers in 80 countries, as well as directly operating 57 distribution and transshipment sites around the world, our global impact on the environment is not insignificant. We take a precautionary approach as introduced by the United Nations in Principle 15 of 'The Rio Declaration on Environment and Development', and proactively manage environmental risk. This is reflected in our commitment towards minimizing the use of resources and mitigating climate change by driving efficiencies in our operations, educating our colleagues on environmental responsibilities and collaborating with our customers and suppliers to identify opportunities for reducing energy use and waste generation. We know that an efficient operation is sustainable, where we seek to protect our business, our community and the planet, all at the same time.

Responsibility for environmental management at Nexeo Solutions is governed by our Senior Vice President for Supply Chain and Environmental Services, supported by a corporate team of professionals and managers at local sites. We strive to comply with the applicable laws and regulations in all the locations where we do business. In 2017, we have received no significant fines or sanctions for breach of environmental regulations in 2017. Beyond compliance, we have always embraced opportunities to reduce our environmental impact through environmental assessments and initiatives relating to resource use, distribution efficiencies and process improvements. Starting in 2018, spurred on by demands from our company stakeholders, we are tracking our environmental footprint in a consistent way across all of our owned sites in the U.S. and Canada. We are pleased to present our energy, greenhouse gas emissions and waste data for the first time in this report.

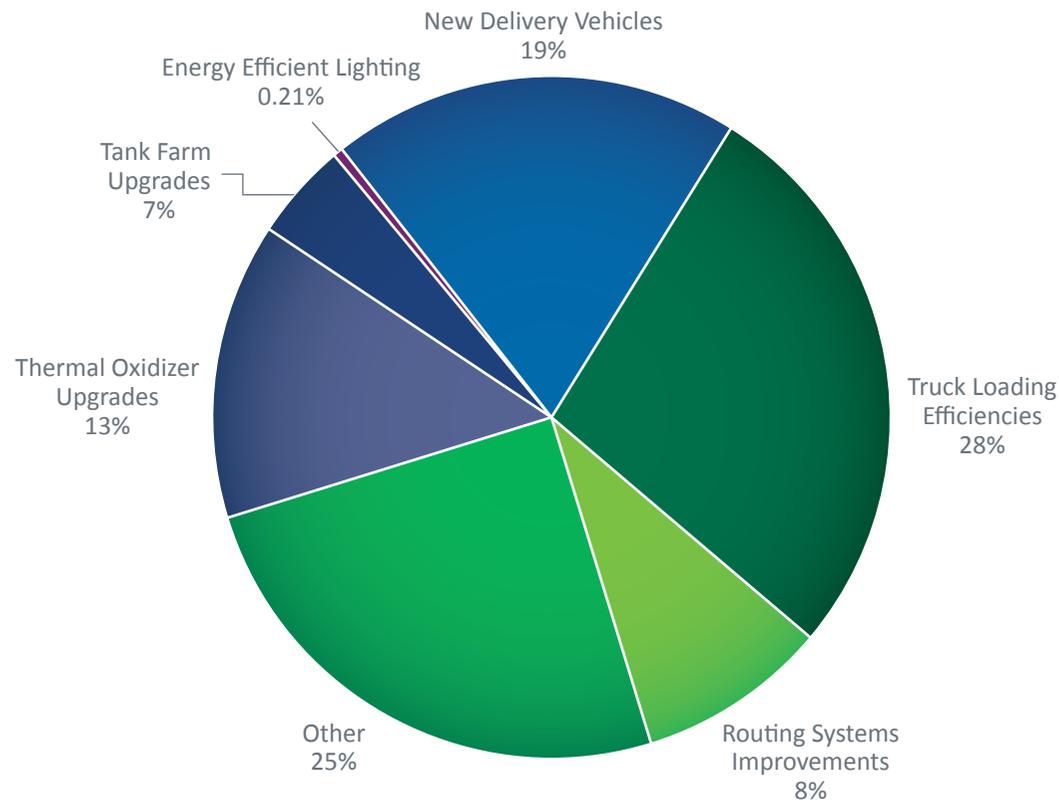


Source: 2017 annual report on form 10-K

INVESTING IN OUR PLANET

Environmental investments are a regular feature of our annual budgets. In the past four years, we have invested \$30.7 million – an average of \$7.7 million per year - in operational improvements that drive efficiency and minimize carbon emissions and waste. More than 55% of these investments have improved our delivery efficiencies with the addition to our fleet of more than 209 new delivery vehicles, a hi-tech Transportation Management System for efficient routing and backhauling, as well as other improvements to minimize waste and greenhouse gas emissions during loading and unloading of bulk product containers. Other investments have increased our facilities' efficiencies with upgrades to storage tank farms, lighting retrofits and more.

ENVIRONMENTAL INVESTMENTS 2014–2017



Total invested: \$30.7 million

REDUCING ENERGY CONSUMPTION

The largest part of our energy footprint is fuel for the transportation of our products to our customers around the world, accounting for almost half of our energy use. The remainder is energy and fuels used to operate our distribution warehouses, office facilities and gasoline for sales travel.

Between 2012 and 2015, we implemented several operational improvements that continue to reduce our fuel consumption for distribution including a move from external haulage carriers to a more efficient, new private fleet of trucks at an investment of close to \$6 million, improved trailer utilization, site rationalization and a major investment in vehicle routing technology. Over this 4-year period, we rationalized our diesel consumption per pound of product delivered to achieve significant fuel savings. In 2017, for example, we achieved an improvement of 1.5% in miles per gallon (versus 2015), equivalent to driving 1.2 million miles – from Houston to San Francisco and back 300 times!

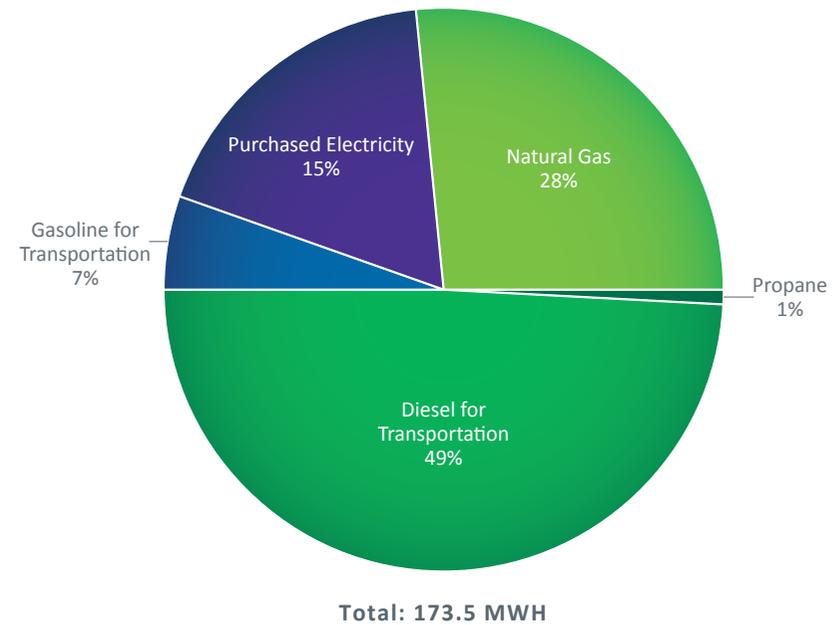
MORE EFFICIENT HANDLING IN DISTRIBUTION CENTERS

In 2017, we piloted and implemented an efficient new process in our distribution centers to reduce the amount of forklift truck travel on our plastic packaging lines. By combining different parts of the boxing and filling process in a single straight-line process, rather than using multiple areas, we were able to reduce the operational cycle time for building and loading boxes on our conveyors by 18%, increasing the number of boxes prepared per shift by 36% and reducing the distance traveled by our fork lift trucks more than 8 times.

LIGHTING RETROFITS IN CALIFORNIA

At our facility in Carson, California, we converted our lighting to more than 660 LED lamps, removing all T5 fluorescent lamps. As a result, we increased light levels by at least 20% everywhere in the facility while saving more than 117,000 kWh of power. Similar lighting retrofits are ongoing at our other sites.

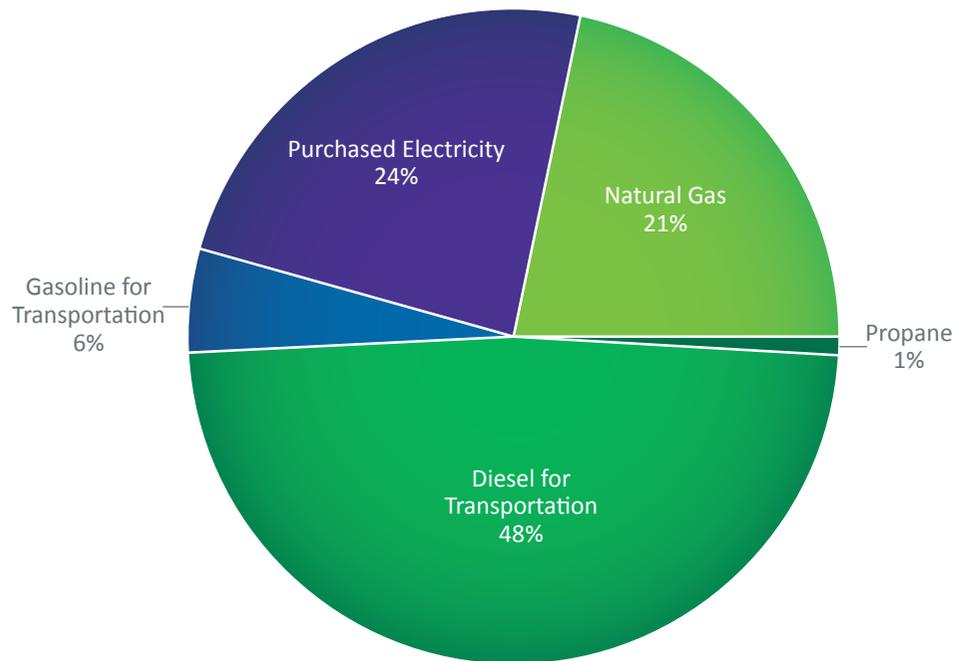
ENERGY CONSUMPTION (U.S./CANADA) 2017



AVOIDING GREENHOUSE GAS EMISSIONS

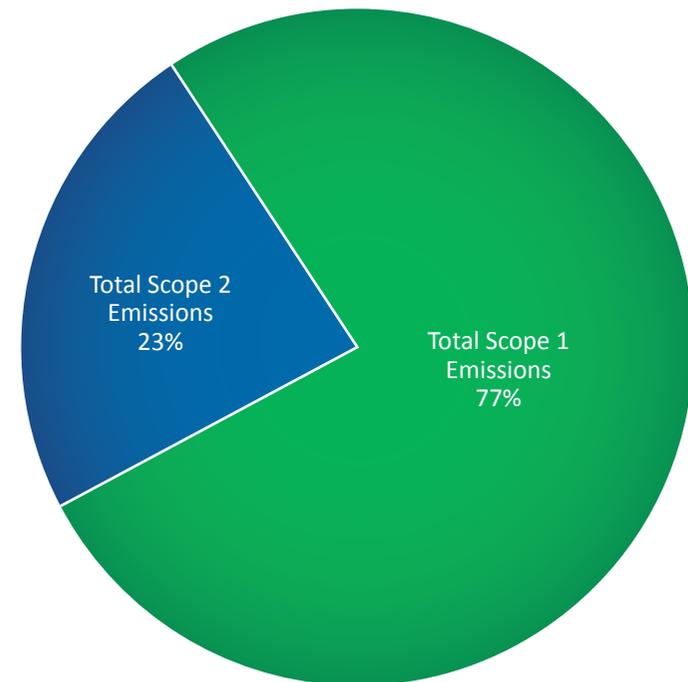
Nexeo Solutions' carbon footprint is driven by our energy consumption and energy mix, and ongoing efforts over the years to optimize our operations mean that we now achieve a high level of carbon efficiency at all of our sites in the U.S. and Canada. Wherever possible, we use natural gas over fossil-fuel driven electricity to deliver carbon savings. Over the past several years, against a 2012 baseline, distribution efficiencies have enabled us to avoid emissions of more than 5,000* metric tons of CO₂e.

GHG EMISSIONS (SCOPE 1 & 2 - U.S./CANADA) 2017



Total: 47,406 tons CO₂e

GHG EMISSIONS BY SCOPE 2017



*Note: This figure restates the figure of 54,000 metric tons that was publicly reported in 2017 in a Nexeo Solutions Press Release as the result of fuel efficiencies. In updating our carbon footprint for this report, we identified and corrected an error.



IN 2017, NEXEO RECYCLED:

21,103

WOODEN PALLETS

33,698

PLASTIC PALLETS

91,207

STEEL DRUMS

176,740

LBS. OF PAPER AND CARDBOARD

735,488

LBS. OF CHEMICAL FLUSH BYPRODUCT

“

Continuous improvement is key to ensuring cost and environmental efficiency. A small investment can make a big difference in the long run.

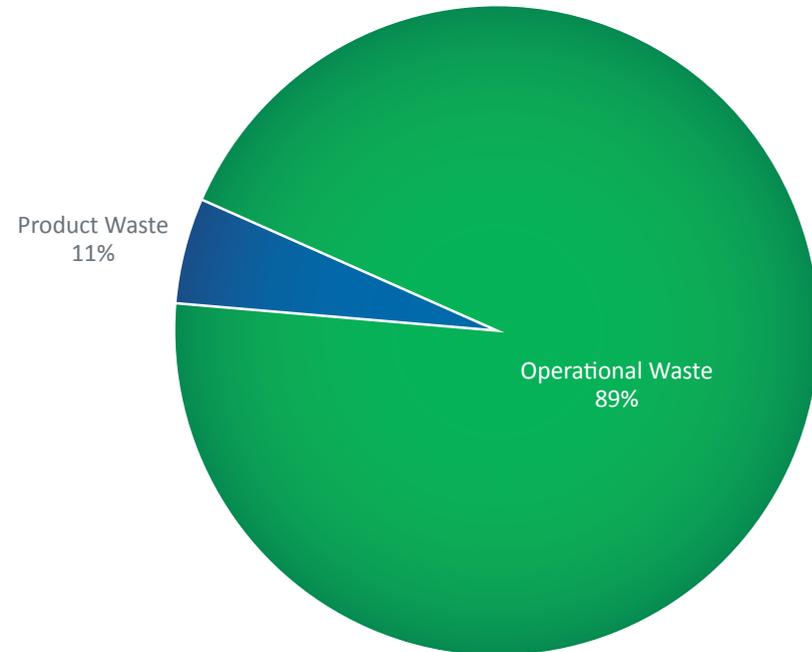
DIEGO RIVERA
WILLOW SPRINGS FACILITY MANAGER

HEADING TOWARDS ZERO WASTE TO LANDFILL

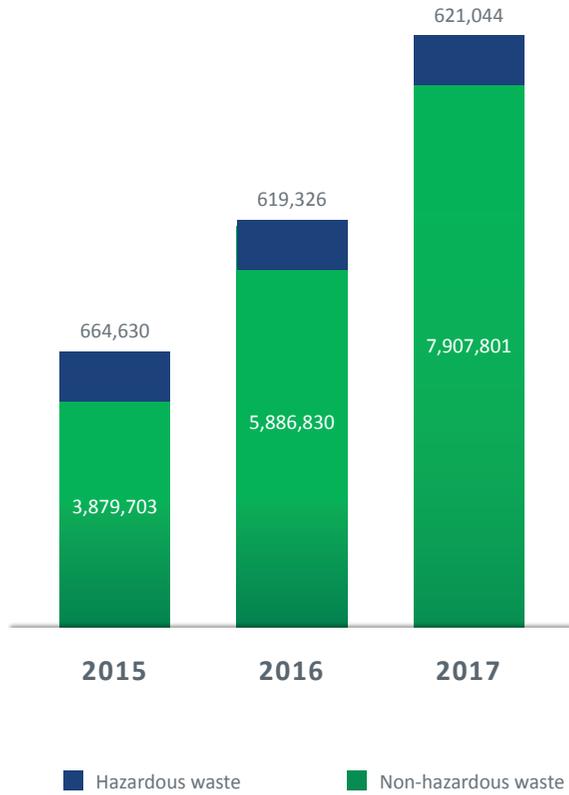
We believe waste is an operational inefficiency that can be avoided with effective planning and collaboration throughout the supply chain. We continue to strive to prevent the generation of waste from any source. Furthermore, we recycle or reuse what we cannot, leaving landfill as the last resort. In our operations, waste is generated in two ways: through our warehousing and distribution activities (i.e., packaging materials, pallets, paper and other miscellaneous operating and office waste) and through unsaleable product (i.e., expired, returned or unusable inventory).

A minor proportion of our waste is hazardous, which is disposed of through approved waste handling facilities for recycling or reuse, or small amounts to landfill. The vast majority - 98% - of our operational and product waste is diverted from landfill through recycling and recovery as an energy source. We continue to target zero waste to landfill across our operations.

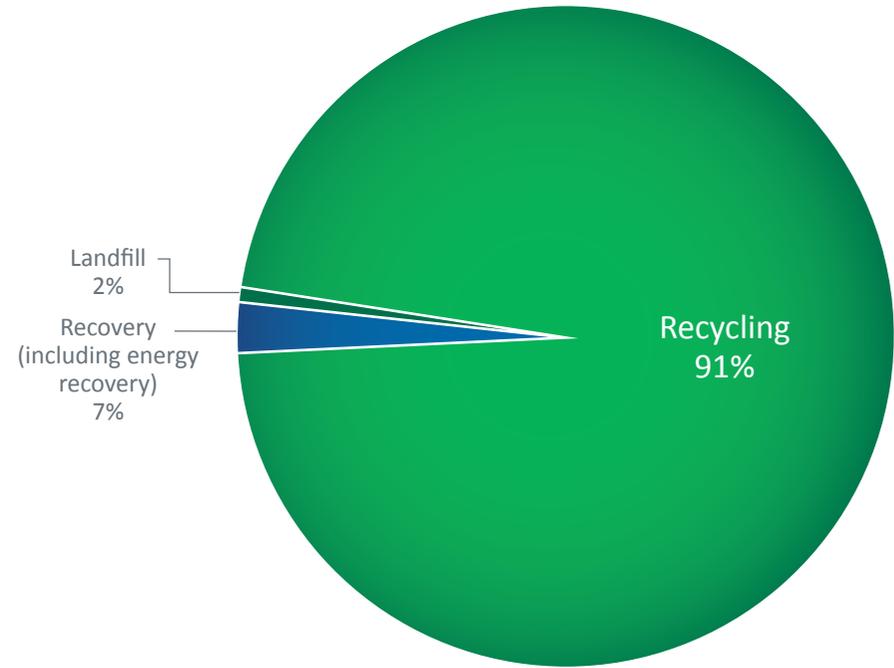
WASTE BY SOURCE AT NEXEO SOLUTIONS SITES



WASTE 2015–2017 IN LBS

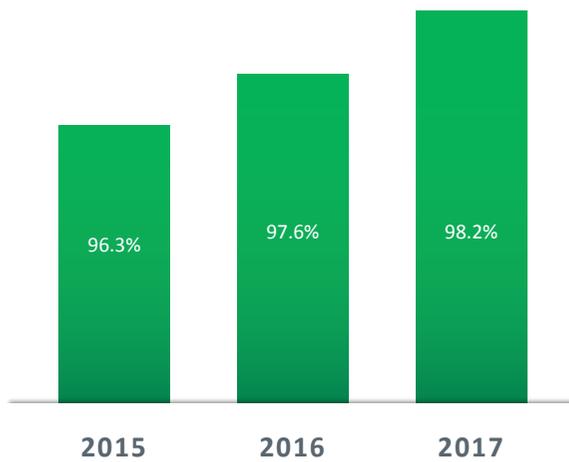


WASTE DISPOSAL BY TYPE IN 2017

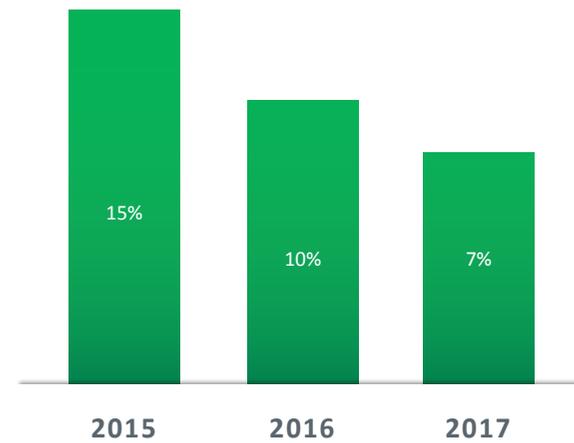


Total Waste: 8.5 million lbs.

PERCENTAGE OF WASTE RECYCLED OR RECOVERED



PERCENTAGE OF HAZARDOUS WASTE





REDUCING PRODUCT WASTE AT WILLOW SPRINGS

Our distribution center in Willow Springs, Illinois is our second largest facility where we prepare custom product blends for customers. In product transition processes, we flush out product residues, which generates a byproduct sold to customers who accept certain residue levels. However, some byproduct inevitably becomes waste. In order to reduce waste at the source, our Willow Springs Facility Manager identified that a modest investment in flush piping would enable lower levels of flushing and disposal. In practice, we reduced product flush by more than 20% per transition, waste by 8% and disposal costs by more than 40%, amply recovering our investment cost in one year.

REDUCING PAPER WASTE THROUGH PAPERLESS INVOICING

With almost 500,000 orders per year, we generate nearly 2,000 invoices per day. In 2017, we started the process of gaining customer agreement to accept electronic invoices, enabling both a faster and more efficient service to customers while reducing paper consumption and costs. In addition, wherever possible, we use electronic Material Safety Data Sheets (MSDS). By the end of 2017, we had converted almost 8,000 customers to electronic invoicing, saving more than 22,000 printed paper invoices and 14,000 envelopes compared to the previous year.

CONSERVING WATER

Water consumption does not represent a significant impact for Nexeo Solutions as we use minimal amounts of water, primarily for sanitary and cleaning purposes as well as a small amount of rinse water in our facilities. Almost all water is sourced from municipal grids, and water discharge includes sanitary wastewater from restrooms, treated rinse water to the municipal sewer, and storm water run-off to storm sewers and wet weather ditches. As all of this is insignificant in terms of total water use and discharge, we do not maintain records, though we take all precautions to minimize water consumption through the use of low-flush toilets, restricted flow of faucets in washrooms and other reasonable measures, where practicable, at owned locations.

20% of product waste reduced through line switchover efficiency initiative



400 LBS. of paper and envelopes saved through paperless invoicing in 2017

GRI Content Index

GRI STANDARD 102: GENERAL DISCLOSURES 2016	DISCLOSURE	PAGE REFERENCE OR RESPONSE
102-1	Name of the organization	6
102-2	Activities, products and services	6,7
102-3	Location of headquarters	6
102-4	Location of operations	6
102-5	Ownership and legal form	6
102-6	Markets served	6
102-7	Scale of the organization	6
102-8	Information on employees	54
102-9	Supply chain	14
102-10	Significant changes	No significant changes in the reporting period
102-11	Precautionary Principle	43
102-12	External initiatives	17
102-13	Membership of associations	17
102-14	Statement from senior manager	5
102-16	Values, principles and standards	7
102-18	Governance structure	6
102-40	List of stakeholder groups	54
102-41	Collective bargaining agreements	35

GRI Content Index

GRI STANDARD 102: GENERAL DISCLOSURES 2016	DISCLOSURE	PAGE REFERENCE OR RESPONSE
102-42	Identifying and selecting stakeholders	54
102-43	Stakeholder engagement	54
102-44	Key topics and concerns raised	54
102-45	Entities included	4
102-46	Report content and topic boundaries	4
102-47	List of material topics	10
102-48	Restatements of information	This is our first report
102-49	Changes in reporting	This is our first report
102-50	Reporting period	Calendar year 2017
102-51	Date of most recent report	This is our first report
102-52	Reporting cycle	4
102-53	Contact point	4
102-54	Reporting in accordance with GRI Standards	4
102-55	GRI content index	50
102-56	External assurance	4

GRI Content Index

MATERIAL IMPACT	GRI STANDARDS (2016)	MANAGEMENT APPROACH STANDARDS 101:1-3: PAGE	PERFORMANCE INDICATOR	PAGE	OMISSIONS
Efficient supply chains	203: Indirect economic impacts	13	203-2 Indirect economic impacts	13-29	
Ethics and compliance	205: Anti-corruption	31	205-1 Operations assessed for risks related to corruption	33	
			205-3 Confirmed incidents of corruption	None	
	206: Anti-competitive behavior	32	206-1 Legal actions for anti-competitive behavior	None	
Sourcing responsibly	301: Materials	40	301-1 Materials used by weight or volume	40	
	308: Supplier Environmental Assessment	41	308-1 New suppliers screened using environmental criteria	41	
	414: Supplier Social Assessment	42	414-1 New suppliers screened using social criteria	41	
Protecting our planet	302: Energy	45	302-1 Energy consumption within the organization	55	
			302-3 Energy intensity	55	
	305: Emissions	46	305-1 Direct (Scope 1) GHG emissions	55	
			305-2 Energy indirect (Scope 2) GHG emissions	55	
	306: Effluents and Waste	47	305-4 GHG emissions intensity	55	
			306-2 Waste by type and disposal method	56	
	307: Environmental Compliance	43	307-1 Non-compliance with environmental laws and regulations	43	

GRI Content Index

MATERIAL IMPACT	GRI STANDARDS (2016)	MANAGEMENT APPROACH STANDARDS 101:1-3: PAGE	PERFORMANCE INDICATOR	PAGE	OMISSIONS
Engaging employees	403: Occupational Health and Safety	38	403-2 Type of injury and rates of injury	57	Gender split is not available
	404: Training and Education	35	404-2 Programs for upgrading employee skills	35	
			404-3 Employees receiving performance reviews	58	
Product safety and quality	416: Customer Health and Safety	23	416-1 Assessment of the health and safety impacts of products and services	24	
			416-2 Non-compliance concerning health and safety impacts of products	24	
	417: Marketing and Labeling	23	417-1 Requirements for product and service information and labeling	24	
			417-2 Non-compliance concerning product and service information and labeling	24	

EMPLOYEE INFORMATION

GRI 102-8: EMPLOYEES BY REGION AND GENDER	2015			2016			2017		
	Location	Women	Men	Total	Women	Men	Total	Women	Men
Americas	460	1,214	1,674	526	1,380	1,906	596	1,610	2,206
Asia	36	43	79	49	65	114	68	74	142
EMEA	88	76	164	100	86	186	94	91	185
Total	584	1,333	1,917	675	1,531	2,206	758	1,775	2,533

NOTES:

- Data refers to all direct employees on permanent contracts, and a small number on temporary contracts in EMEA
- All employees are employed on a full-time basis. There is a very small number of employees on part time contracts, which is not noted
- There are no significant seasonal variations in our workforce

STAKEHOLDERS AND STAKEHOLDER ENGAGEMENT

Our approach is to work collaboratively with all stakeholders who influence and are influenced by our business. We maintain constant levels of engagement through various channels with primary stakeholder groups and foster open dialogue with all. We did not conduct a specific engagement process for the purpose of this report, relying on our knowledge of stakeholder interests as expressed in our ongoing meetings with them.

GRI 102-42,43,44: STAKEHOLDER GROUP	ENGAGEMENT PROCESSES	KEY TOPICS AND CONCERNS
Shareholders	Periodic reports in the form of 10-Qs, 10-Ks and 8-Ks, investor conferences, investor meetings, quarterly earnings calls, and our annual proxy	<ul style="list-style-type: none"> • Compliance • Profitable sustainable growth
Employees	A range of internal communication channels in all regions	<ul style="list-style-type: none"> • Fair and inclusive, safe working practices • Compensation • Professional development opportunities
Customers	Regular meetings	<ul style="list-style-type: none"> • Price, quality and service • Safe products • Transparent and ethical practices
Suppliers	Regular meetings	<ul style="list-style-type: none"> • Fair Dealing
Regulators	As required	<ul style="list-style-type: none"> • Compliance • Anti-corruption and anti-bribery • Accurate and timely reporting
Industry sectors in which we are active (chemicals, plastics, logistics)	Engagement with industry associations	<ul style="list-style-type: none"> • Positive representation of the industry • Partnership to improve supply chain operations
Social and environmental organizations	As required	<ul style="list-style-type: none"> • Employment of local populations • Safe products and processes • Environmental stewardship

ENERGY AND EMISSIONS

GRI 302-1: ENERGY WITHIN THE ORGANIZATION	UNITS	2017
Natural Gas	KWH	49,487,855
Propane	KWH	1,597,072
Diesel for transportation	KWH	85,049,500
Gasoline for transportation	KWH	12,047,318
Purchased electricity	KWH	25,313,664
Total Energy	KWH	173, 495, 409

GRI 302-3: ENERGY INTENSITY	UNITS	2017
Energy consumption per lb product	KWH/lb	0.0227

GRI 305-1 + GRI 305-2:GHG EMISSIONS	UNITS	2017
Natural Gas	Tons CO2e	10,127
Propane	Tons CO2e	368
Diesel for transportation	Tons CO2e	22,751
Gasoline for transportation	Tons CO2e	3,050
Purchased Electricity	Tons CO2e	11,110
Total Scope 1 Emissions	Tons CO2e	36,295
Total Scope 2 Emissions	Tons CO2e	11,110
Total Scope 3 Emissions	Tons CO2e	47,406

GRI 305-4: EMISSIONS INTENSITY	UNITS	2017
Scope 1 + 2 per lb product	Tons CO2e	0.0000062

NOTES:

- Data is for operations including offices in the U.S. and Canada
- Conversion factors for GHG emissions use IEA Emissions, 2017 edition
- Fuel conversion factors use DEFRA 2017 version
- All electricity is procured from local grid
- We do not purchase or sell heating or steam

HAZARD AND NON-HAZARDOUS WASTE

GRI 306-2: WASTE BY DISPOSAL TYPE IN LBS	2015	2016	2017	% OF TOTAL WASTE IN 2017
Non-hazardous waste by disposal type				
Landfill	104,666	97,532	97,802	1%
Recycling	3,565,704	5,594,235	7,614,394	89%
Recovery (including energy recovery)	209,332	195,063	195,604	2%
Total Non-hazardous Waste	3,879,703	5,886,830	7,907,801	93%

HAZARDOUS WASTE BY DISPOSAL TYPE	2015	2016	2017	% OF TOTAL WASTE IN 2017
Landfill	62,800	58,519	58,681	1%
Recycling	162,233	151,174	151,593	2%
Recovery (including energy recovery)	439,598	409,633	410,769	5%
Total Hazardous Waste	664,630	619,326	621,044	7%

TOTAL WASTE BY DISPOSAL TYPE	2015	2016	2017	% OF TOTAL WASTE IN 2017
Landfill	167,466	156,051	156,483	2%
Recycling	3,727,937	5,745,409	7,765,987	91%
Recovery (including energy recovery)	648,930	604,696	606,373	7%
Total Waste	4,544,333	6,506,156	8,528,844	100%

INJURY RATES

GRI 403-2: INJURIES	2015	2016	2017
Fatalities	0	0	0
Total injuries including first aid	92	126	177
Lost time recordable injuries	3	2	3
Lost days due to injury	156	103	68
Incidents of occupational disease	8	0	5

INJURY RATES	2015	2016	2017
Fatalities	0	0	0
Total injuries including first aid	4.12	5.69	3.27
Lost time recordable injuries	6.99	4.65	2.89
Lost days due to injury	0.13	0.09	0.13
Incidents of occupational disease	0.36	0.00	0.21

INJURIES BY GENDER	2015		2016		2017	
	Men	Women	Men	Women	Men	Women
Fatalities	0	0	0	0	0	0
Total injuries including first aid	81	11	107	19	71	6
Lost time recordable injuries	3	0	1	1	3	0
Lost days due to injury	156	0	10	93	68	0
Incidents of occupational disease	5	3	0	0	4	1

NOTES

- Data is for operations including offices in the U.S. and Canada
- Rates are calculated per 100 employees based on actual hours worked in our facilities
- Rates by gender are not provided as working hours are not split by gender
- Occupational disease refers to minor ergonomic injuries such as back strain that is typically treated with pain medication and sometimes requires a period of restricted duties, but does not incur time away from work
- In the U.S., we also calculate Total Recordable Injury Rate (TRIR) using the formula (# of Cases X 200,000) / Labor Hours for the time period), with the following results: **2015** - 0.73, **2016** - 0.63, **2017** - 0.60

EMPLOYEE PERFORMANCE REVIEWS

GRI 404-3: EMPLOYEES RECEIVING PERFORMANCE REVIEWS	2015		2016		2017	
	Women	Men	Women	Men	Women	Men
Executives	1	8	1	6	0	5
Managers	64	124	72	146	84	160
Non-Management	433	858	531	1,057	539	842
Total by Gender	498	990	604	1,209	623	1,007
Total by Group	1,488		1,813		1,630	
Percentage of total employees	78%		82%		64%	

NOTES:

- This data covers employees in Americas and EMEA regions. No data was available for our employees in Asia who represent 5% of our global workforce





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