



2017
Sustainability
Report.

September 2018

PURIFY | PROTECT | ENHANCE

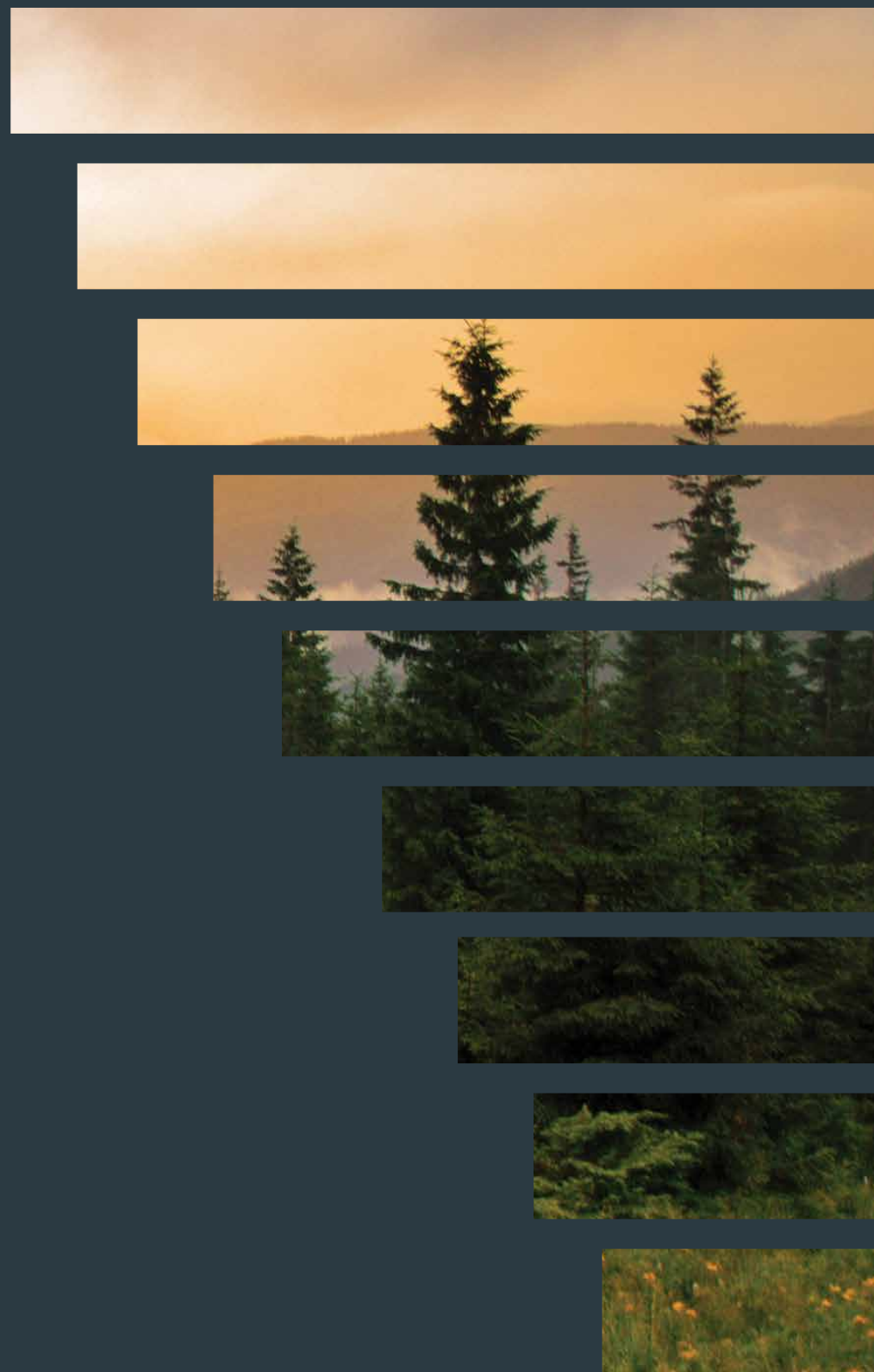


Table of contents.

Letter from the CEO	3
Company profile	4
Performance Chemicals	6
Performance Materials	8
Corporate governance	10
Our sustainability journey	12
Ingevity's Four Pillars of Sustainability	13
Stakeholder engagement	14
Forging The IngeviWay	16
The IngeviWay	17
Our purpose	18
Our Foundation: Integrity and Ethical Behavior	19
Pillar #1: Protecting People and the Environment	20
Pillar #2: Creating Value for Customers and Society	25
Pillar #3: Engaging Our People	29
Pillar #4: Driving Business Excellence	35
GRI Index	38

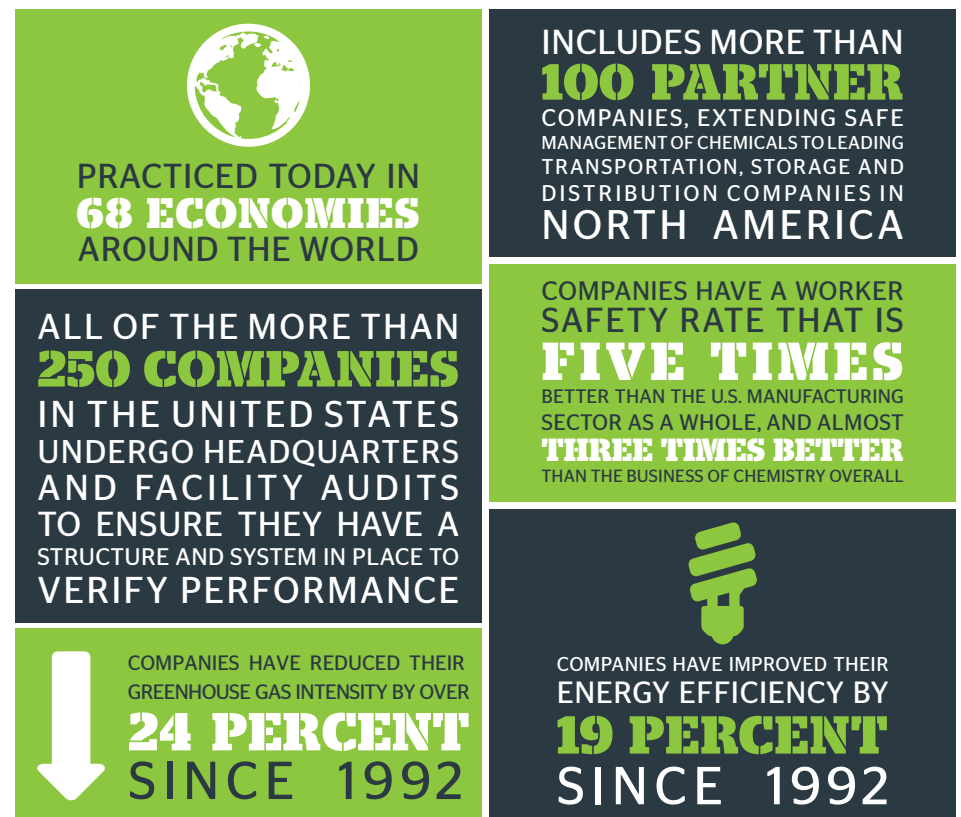


As a long-standing member of the American Chemistry Council (ACC), Ingevity believes in and subscribes to the Guiding Principles of the American Chemistry Council's Responsible Care® program—a world-class environmental, health, and safety performance initiative for the chemical industry.

Globally, Responsible Care is managed by the International Council of Chemical Associations and governed by the Responsible Care Global Charter, which sets a global vision for the Responsible Care program.

Through the program, we work to continuously improve our health, safety and environmental performance, while providing communications to stakeholders about our products and processes. Supporting Responsible Care helps our industry operate safely, profitably and with due care for future generations.

Responsible Care by the Numbers



Source: Responsible Care by the Numbers Fact Sheet, July 2017

Letter from the CEO.

Dear Stakeholders,

I am pleased to introduce Ingevity's first sustainability report! Our "life" as an independent, publicly traded company has so far been an exciting one, in large part because of the attractiveness of our markets, the soundness of our strategy and the overall long-term viability of our enterprise.

At Ingevity, our businesses are so clearly beneficial to the world around us. It is because of the fundamental nature of these businesses, combined with the responsible way in which we conduct them, that we so strongly believe in their sustainability. We believe that the tenets of business success, environmental protection and enhancement, and social contribution are not mutually exclusive. In fact, we believe that we are an embodiment and example of how a corporation can serve its shareholders and other stakeholders at the same time.

Many people mistakenly associate sustainability only with environmental issues; and while minimizing our footprint on the planet is a part of sustainability, it is not the only element. **Sustainability is a way of defining and executing our business strategy that ensures Ingevity's existence well into the future.** By focusing on our performance as it relates to economic, environmental and social standards, we are taking a holistic approach to managing and driving the company forward.

In 2017, we introduced The IngeviWay, the framework that outlines how we work together to improve the world through innovations that purify, protect and enhance. It also articulates what's important to us—the values that guide our behavior and provide a meaningful backdrop to the work we do, both in our business interactions and in the communities where we work and live.

More pertinently, in 2017 we also launched our sustainability initiative focused on four key pillars, built on the foundation of integrity and ethical behavior. This report describes our past results, current efforts and future objectives as they relate to sustainability.

I personally believe that to the degree we can integrate the concepts of sustainability into our everyday management practices, we are furthering progress toward reaching our own goals and meeting and exceeding the expectations of our stakeholders, including customers, suppliers, employees, investors and neighbors.

I hope that this report not only provides the reader with information about Ingevity, but more importantly begins a dialogue that will ultimately enhance our performance and value into the future.

Best regards,

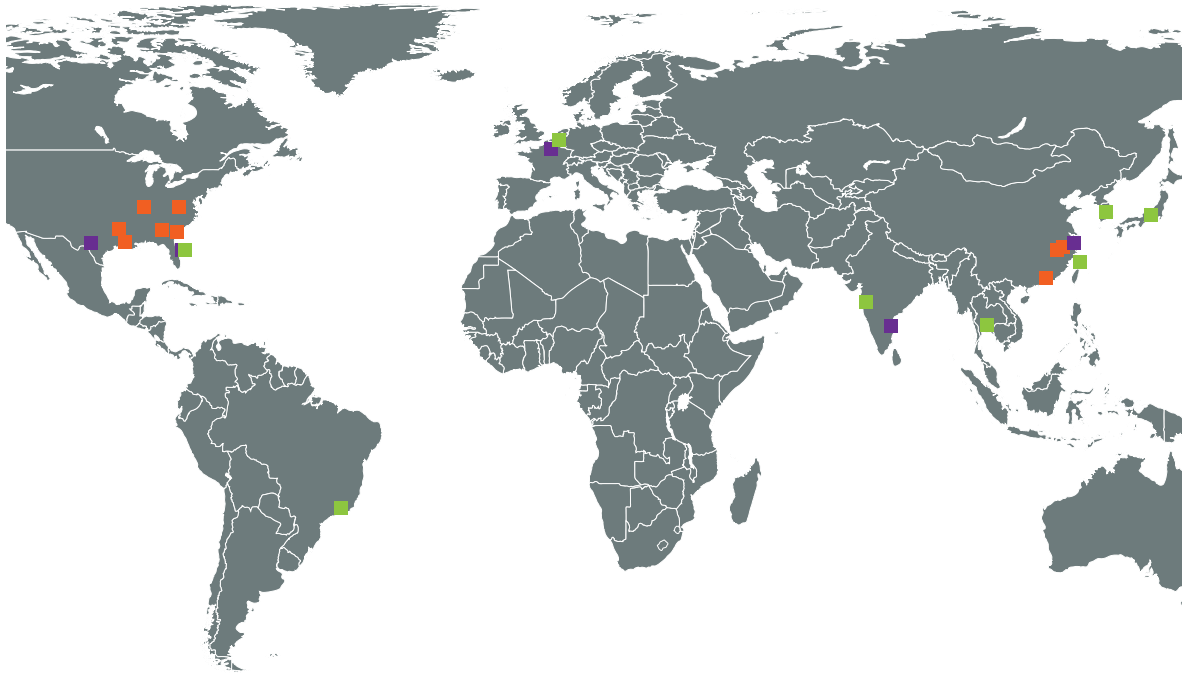


D. Michael Wilson
President and CEO



Company profile.

Ingevity, headquartered in North Charleston, South Carolina, is a leading specialty chemicals and performance materials company. Spun off into an independent, publicly traded company in May 2016, the company is traded on the New York Stock Exchange under the ticker symbol “NGVT.”



Manufacturing

Changshu, China
Covington, Va.
Crossett, Ark.
DeRidder, La.
North Charleston, S.C.
Waynesboro, Ga.
Wickliffe, Ky.
Wujiang, China
Zhuhai, China

Technical

Chennai, India
Lille, France
North Charleston, S.C.
Shanghai, China
Tulsa, Okla.

Administration and Sales

Bangkok, Thailand
Bundang-gu, South Korea
Brussels, Belgium
Campinas, Brazil
Mumbai, India
North Charleston, S.C.
Shanghai, China
Tokyo, Japan




Ingevity takes renewable, wood-based raw materials that would otherwise be disposed of or incinerated—crude tall oil from pine trees and hardwood sawdust—and converts these materials into high-value products that not only benefit customers, but the environment and our society as well.

What we do best is to create value-added products, largely from renewable raw materials, that solve customer problems. Our two most critical raw materials, crude tall oil (CTO) and hardwood sawdust, are substances that would otherwise be disposed of or incinerated. We not only convert these materials into high-value products for our customers, but ultimately, our products often benefit the environment. The majority of the company's sales come from North America; that said, we are a global company, employing approximately 1,600 people around the world. We operate nine manufacturing facilities: six in the United States, and three in China. We also have a broad network of technical centers and sales offices; and we do business in about 70 countries.

We manage and report on the company in two business segments: Performance Chemicals and Performance Materials.



Ingevity's Waynesboro, Georgia, facility manufactures activated carbon honeycombs, which are used as auxiliary emissions scrubbers in automotive applications and in vehicle air intake systems.



Performance Chemicals

Pavement Technologies


- Pavement preservation
- Evotherm® warm mix asphalt additive

Oilfield Technologies

- Well service additives
- Production and downstream


Industrial Specialties

- Adhesives
- Inks
- Paper size
- Rubber emulsifiers
- Agrochemicals
- Lubricants
- Intermediates




Performance Materials

- Automotive evaporative emission control
- Process purification



\$623
2017 Sales (M)



\$349
2017 Sales (M)

Our History

<p>1846 Ellis, Chafin & Co. founded, later <i>Mead Paper Company</i></p>	<p>1888 Piedmont Pulp & Paper Co. founded, later <i>Westvaco</i></p>	<p>1900s Carbon production begins at Tyrone, Pa. (1914) and Luke, Md. (1931)</p>	<p>1934 Tall oil distillation and lignin development began in Covington, Va.</p>	<p>1954 Pine chemicals production moved to Charleston, S.C.</p>	<p>2002 Mead and Westvaco merged to form <i>MeadWestvaco</i>, rebranded to <i>MWV</i> in 2008</p>
<p>July 2015 <i>Ingevity</i> announced as name of specialty chemicals business spinoff</p>	<p>July 2015 MWV merges with RockTenn to become <i>WestRock</i></p>	<p>May 2016 <i>Ingevity</i> spinoff from <i>WestRock</i>, began trading on NYSE</p>	<p>Jan. 2017 Named #1 spinoff of 2016 by Forbes</p>	<p>March 2018 Completed Georgia-Pacific pine chemicals acquisition</p>	<p>Our Future A thriving specialty chemicals and materials company</p>

Performance Chemicals.

Our Performance Chemicals segment supplies products that are used in a wide variety of applications. We report revenues for these products in three end-use areas. We are the largest provider of specialty additives to the asphalt and pavement industry. In addition, Ingevity is a pioneer in the rapidly expanding warm mix asphalt segment which allows paving at cooler temperatures and, therefore, extends the paving season, lowers energy costs and reduces environmental emissions. Our oilfield technologies team sells a range of chemicals for oil drilling, production and downstream applications. And, in industrial specialties, we sell upgraded derivatives and chemical intermediates of the crude tall oil refining process into a variety of applications, including adhesives, agrochemicals, lubricants, inks, paper size and rubber emulsifiers.

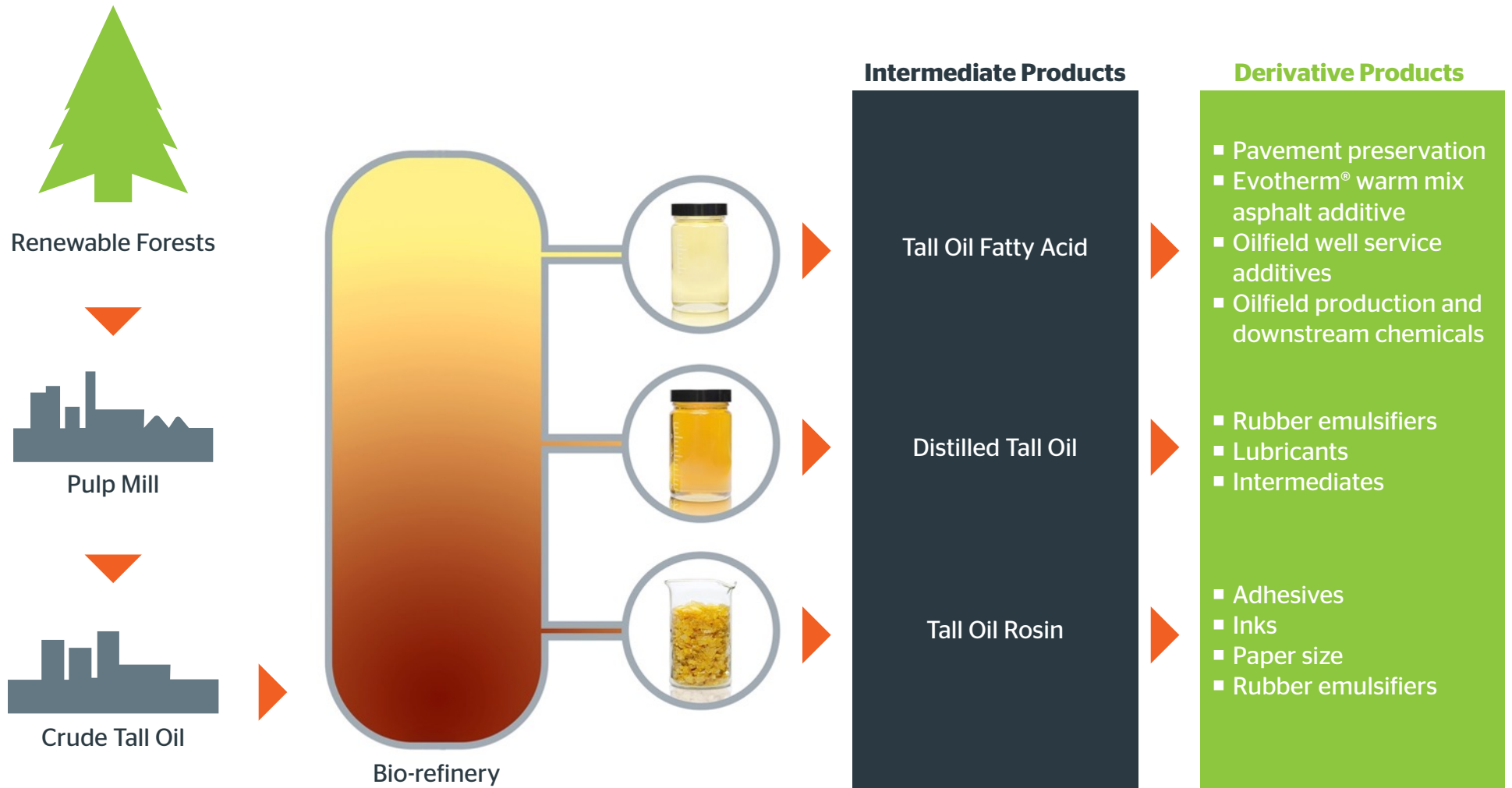


- Ingevity's environmentally friendly ink resins enhance the color vibrancy and glossiness of printed publications.
- Derived from pine trees, Ingevity's adjuvants and dispersants protect crops and enhance our customers' agricultural products.
- Ingevity's North Charleston, South Carolina-based refinery manufactures rosin, paper size, adhesives, tall oil fatty acid, metalworking fluids, oilfield production chemicals and drilling fluid additives, asphalt additives and lignin-based products that are used in dispersants for crop protection and dyestuff applications.



Bio-refinery Process

Ingevity is a leading refiner of crude tall oil (CTO), a renewable co-product of the pulp and papermaking process. We separate crude tall oil into its fractions: tall oil fatty acid, distilled tall oil and tall oil rosin. These are then further derivatized into higher value-added products that bring unique performance and functionality characteristics to our customers' applications.



Performance Materials.

Our Performance Materials segment is the leading global manufacturer of activated carbon used in gasoline evaporative emission control systems in cars, trucks, motorcycles and boats. Increasing attention paid by government regulators to these passive gasoline emissions over the past 40 years has driven our growth. Ingevity is often asked by government regulatory bodies around the world to consult with them as they implement ways to improve air quality. More stringent rules, each requiring more advanced technology, continue to increase volume and per vehicle revenue opportunities. We also sell products to process purification applications for air, food, beverage and water.



- Ingevity's powdered activated carbon products have a number of purification applications, including food and beverage, municipal point-of-use water treatment, decolorization, deodorization and contaminant reduction. Close to 216 billion gallons of water were purified using our Nuchar carbon products in 2017.
- Ingevity's activated carbon products are used in the gasoline vapor emission control systems of cars, trucks, motorcycles and boats. We estimate these products help to recover the equivalent of 8 million gallons of liquid gasoline every day and reduce atmospheric pollution.
- Ingevity's Covington, Virginia-based plant manufactures activated carbon products used in automotive evaporative emissions systems, food, beverage and industrial purification applications.



Reducing Automotive Gasoline Vapor Emissions

There are two sources of emissions on a vehicle: tailpipe emissions, which are well-regulated around the world, and evaporative emissions, which can take place while the vehicle is parked, being driven or during the refueling process. Evaporative emissions are under-regulated and are estimated to be the largest source of hydrocarbon vehicle emissions globally. As the leading worldwide resource for automotive activated carbon solutions for fuel vapor emissions control systems, Ingevity holds patents to state-of-the-art technology that enables “near zero” evaporative emission levels.

Emission Sources and Impact



+



+



=

Globally, approximately 8M gallons captured and reused per day

Control Technology



1970-80s Technology / 0.5-1.0L

- One-day parking
- All countries outside of the U.S. and Canada
- Granular activated carbon



1990s Technology / 2.0-3.0L

- Multi-day parking and running loss
- Plus refueling control
- U.S. and Canada (current), China (July 2020)
- Pelletized activated carbon



Modern Technology / 2.0-3.0L

- “Near zero” evaporative emissions
- U.S. and Canada (phase in 2017-2022)
- Pelletized activated carbon plus honeycomb “scrubber”

Corporate governance.

Ingevity Corporation is governed by a 7-member Board of Directors, six of whom are not employees of the company. Richard (Rick) Kelson is the chairman of the board. The company's Corporate Governance Guidelines, which are published and available online, outline the structure of governance at the company.

Ingevity's Board of Directors maintains four standing committees:

- The Audit Committee ensures the integrity of the company's financial statements and compliance with legal and regulatory requirements, and manages Ingevity's internal and independent auditors.
- The Compensation Committee oversees compensation of the company's executives and non-employee directors, and has oversight of matters relating to the company's equity compensation and employee benefits plans.
- The Nominating and Governance Committee oversees the composition of Ingevity's Board of Directors by identifying and recommending qualified candidates for the board and its committees, and oversees the evaluation of the effectiveness of the board.
- The Executive Committee provides for the exercise of certain powers of the board between meetings of the board where a full board meeting is impractical or is not warranted under the circumstances.

Board of Directors



Rick Kelson ■ ■ ■
Chairman of the Board and President and CEO at ServCo LLC



Jean Blackwell ■ ■ ■
Former Exec. Vice President and CFO at Cummins Inc.



Luis Fernandez-Moreno ■ ■ ■
Former Sr. Vice President at Ashland Company



Mike Fitzpatrick ■ ■ ■
Exec. Advisor Partner at Wind Point Partners, Inc.



Fred Lynch ■ ■ ■
CEO and President at Masonite International Corporation



Dan Sansone ■ ■ ■
Exec. Vice President, Strategy (retired) at Vulcan Materials Company



D. Michael Wilson
President, CEO and Director at Ingevity

- Audit Committee
- Compensation Committee
- Executive Committee
- Nominating and Corporate Governance Committee



Ingevity's Wickliffe, Kentucky, plant manufactures activated carbon products used in automotive evaporative emissions systems, food, beverage and industrial purification applications.

Ingevity's day-to-day management is administered by the Ingevity Leadership Team (ILT). The ILT is comprised of D. Michael Wilson, president and chief executive officer, and six other executive leaders representing corporate staff functions and various business segments across the company.

The entire ILT is actively engaged in the management of Ingevity's sustainability initiative. Mr. Wilson champions sustainability at an organizational level, and each of the other ILT members sponsor a pillar that is tied directly to their area of responsibility. Pillar sponsors engage directly with the pillar teams, providing resources and direction and eliminating any roadblocks. This direct connection ensures that the leaders keep sustainability at the forefront of the overall business strategy for Ingevity.

Leadership Team



D. Michael Wilson
President, CEO and Director



John Fortson
Exec. Vice President, CFO
and Treasurer



Kathy Burgeson
Exec. Vice President, General
Counsel and Secretary



Mike Smith
Exec. Vice President and
President, Performance Chemicals



Ed Woodcock
Exec. Vice President and
President, Performance Materials



Cindy Cartmell Burns
Sr. Vice President,
Human Resources



Marty Heyne
Sr. Vice President, Operations



Ingevity's Performance Chemicals plant located in DeRidder, Louisiana, manufactures emulsifiers, rosin and tall oil fatty acid-based products that are used in a number of industrial specialties, asphalt and oilfield applications.

Our sustainability journey.

In May 2017, Ingevity officially launched its sustainability initiative and named a Sustainability Council comprised of 15 employees representing a cross-section of the company, including every functional group, business and geographic region. The council's primary purpose is to guide Ingevity's implementation of a sustainability program aimed at ensuring the long-term success of the company.

The team began its work by training on the basic principles of sustainability and the Global Reporting Initiative (GRI) Standards, followed by developing the scope of the company's sustainability program. In order to better understand Ingevity's strengths, weaknesses and the key material issues facing the company, the Sustainability Council worked with an external consultant to develop a framework of 48 potentially material issues. The team then prioritized these utilizing an internal survey and narrowed the list to 12 key material issues and conducted more than 120 interviews with managers and professionals across the company to assess the existence and state of management systems and metrics for each material issue.

Based on these thorough examinations, the team developed a sustainability mission statement and a framework of four "pillars" and 28 various metrics to guide Ingevity's sustainability initiative.

Moving forward, council members will work primarily within the pillar teams, which will also include subject matter experts and others within the organization who are directly responsible for related material issues. Pillar teams will work under the guidance of a team lead and an Ingevity Leadership Team sponsor, who will help to focus and coordinate work with the pillar sponsor and organizational sustainability efforts.

Ingevity's Sustainability Mission Statement

At Ingevity, we integrate responsible economic, environmental and social principles into our global business strategy and decision making. Our objective is to create value for Ingevity and all of its stakeholders by purifying, protecting and enhancing the world around us, today and well into the future.

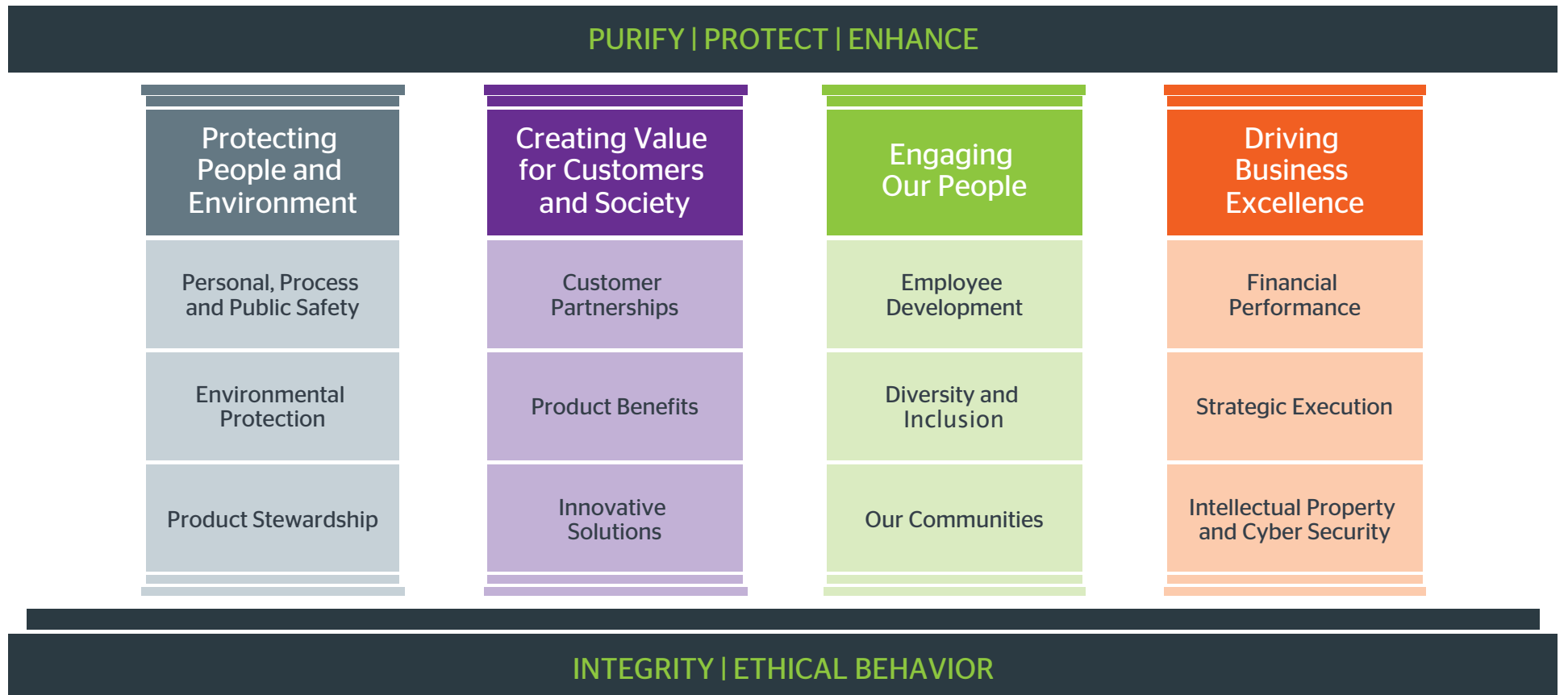


Ingevity's Sustainability Council is a cross-functional team of 15 people who represent employees across the company, as well as the interest of customers, investors and our communities. Collectively, the team contributed more than 5,000 hours toward launching the company's sustainability program. Pictured from left: Hunter Harris, Judy Gomez, Claudio Carrara, Jessica Waagner, Dan Gallagher, Jenna Bowers, Maureen Miller, Laura Woodcock, Ryan Fisher, Sam Siefring, Jack Maurer, Norman Garris, Ryan White, Tim Byrne and Bill Lark (not pictured).

Ingevity's Four Pillars of Sustainability.

Ingevity's Pillars of Sustainability framework is aimed at enabling the company to fulfill its purpose—to purify, protect and enhance the world around us. Further, as a foundation, Ingevity is committed to operating in an ethical manner with all of its stakeholders and in all aspects of its business. The four pillars which house Ingevity's material sustainability issues are:

- Protecting People and the Environment:** Ingevity is committed to protecting people and the environment while utilizing resources in a responsible and sustainable manner. We manage risks associated with our operations and products by: striving to prevent injuries, illnesses and incidents; meeting or exceeding all applicable regulations; and continuously improving our Responsible Care® Management System.
- Creating Value for Customers and Society:** Ingevity creates innovative solutions that solve the complex challenges of our customers and markets, and delivers products that benefit society.
- Engaging Our People:** Ingevity strives to engage its employees to realize their full potential and vital role in the company's long-term success. We do this by fostering an inclusive workplace that allows employees to learn, grow and contribute to Ingevity's success and the communities in which they live and work.
- Driving Business Excellence:** Ingevity aspires to improve its economic performance while protecting company assets and proactively mitigating risk in order to ensure the company's longevity.



Stakeholder engagement.

In order for Ingevity to continue to be a sustainable enterprise, it is important that the company establish and maintain open communication and dialogue with its stakeholders. We do this in a variety of ways. In order to better understand Ingevity’s “points of contact” with its constituencies—and in preparation for this report—the company’s Sustainability Council conducted an internal survey of approximately 50 managers.

	How Ingevity Engages	Key Topics of Discussion	How Ingevity Has Responded	Strategic Benefits
Employees	<ul style="list-style-type: none"> Quarterly all-employee CEO-led webcast Monthly management update conference calls Regular email updates from company leadership Biennial global employee culture and engagement survey Ongoing safety and compliance programs and training Daily intranet articles and social media updates Employee resource groups IngeviWay workshops 	<ul style="list-style-type: none"> Company strategy and performance updates Safety and compliance Compensation and benefits Performance management and career development Community involvement Policies Corporate social responsibility Ingevity’s culture, The IngeviWay 	<ul style="list-style-type: none"> Implemented new benefit options based on employee feedback Held quarterly employee webcasts from different locations Restructured the corporate philanthropy program to better suit employees’ interests Introduced a usability council to facilitate changes in technology Nominated a Sustainability Council Began a series of IngeviWay workshops 	<ul style="list-style-type: none"> Strategic alignment A safe and compliant working environment A sense of unified purpose and pride Increased employee engagement A collaborative culture
Customers	<ul style="list-style-type: none"> Regularly scheduled sales calls and face-to-face meetings Annual trade shows and industry conferences Frequent market-specific email communications and blog posts Customer service calls, as required Periodic customer satisfaction surveys Annual customer appreciation events 	<ul style="list-style-type: none"> Product quality and performance Reliability of supply Market trends and innovative new products Reducing costs Supply chain optimization Sustainability of products 	<ul style="list-style-type: none"> Connected customers with internal experts for support Improved communication between customer service, plants, warehouse and planning systems Shared relevant data for product performance Held technical exploration meetings Partnered with commercial teams to integrate supply chain into commercial relationships Facilitated cross-functional action and prioritization within Ingevity 	<ul style="list-style-type: none"> Products that meet or exceed customer requirements Continuous improvement of order process Strategic alignment and transparency Customization of products to meet customers’ specific requirements Insight into customers’ market challenges or opportunities ahead
Investors and Analysts	<ul style="list-style-type: none"> Ongoing face-to-face or on-site meetings and telephone calls Quarterly earnings conference calls and presentation materials Presentations by Ingevity leadership at financial and industry conferences Investor Relations section of Ingevity.com News releases and SEC filings 	<ul style="list-style-type: none"> General company overview by segment Competitive positioning Financial performance and outlook Capital deployment opportunities Relevant industry and market trends 	<ul style="list-style-type: none"> Included business leaders in investor visits Broadened participation in financial and industry conferences Improvements to Investor Relations section of Ingevity.com 	<ul style="list-style-type: none"> Compliance with Regulation Fair Disclosure (Reg FD) Quality of analyst coverage Insight into financial community’s interests and concerns

	How Ingevity Engages	Key Topics of Discussion	How Ingevity Has Responded	Strategic Benefits
Suppliers	<ul style="list-style-type: none"> Regularly scheduled conference calls and face-to-face meetings Site visits Industry conferences and events Frequent targeted email communications Daily coordination of logistics 	<ul style="list-style-type: none"> Safety and regulatory issues Capacity and availability Pricing Service level agreements and key performance indicators Sustainability of business relationship 	<ul style="list-style-type: none"> Conducted service and governance reviews Set process and planning improvement initiatives Enhanced the data management process Held routine brainstorming and innovation discussions Facilitated cross-functional collaboration between teams 	<ul style="list-style-type: none"> Risk management and mitigation Retention of top suppliers Insight into industry and market trends Working capital efficiencies Improvements in delivery time and service
Government Officials	<ul style="list-style-type: none"> Visits to elected and non-elected officials Annual industry advocacy group and trade council meetings Onsite facility tours, as requested Quarterly Community Leadership Board meetings Ongoing engagement with global regulatory authorities 	<ul style="list-style-type: none"> Policies that impact business, particularly in the areas of energy, tax, permitting, incentives and regulatory framework Regulatory developments Job market and a maintaining a skilled workforce Circular economy Renewable energy 	<ul style="list-style-type: none"> Committed to follow all regulations in areas of operation Adheres to top safety standards and world-class code of conduct Shares regulations with business managers and employees Targeted communications 	<ul style="list-style-type: none"> Informed elected and non-elected officials who understand impact of regulations on industry Insight into and influence over future legislation Support from elected officials
Charities and Nonprofit Organizations	<ul style="list-style-type: none"> Regular interactions through Ingevity's corporate philanthropy program, IngeviCares Corporate charitable contributions and sponsorships Quarterly Community Leadership Board meetings Employee service on boards of directors and committees Weekly social media posts 	<ul style="list-style-type: none"> Input on improving community programs and offerings Employee engagement and community involvement Statement of needs Securing volunteers for community events Communication of community impact 	<ul style="list-style-type: none"> Evaluated needs and fit within Ingevity's mission of charitable giving Relaunched corporate philanthropy program Introduced IngeviCares Committee to leverage contributions budget and facilitate change in local communities Made corporate giving and match programs more accessible to employees 	<ul style="list-style-type: none"> Structured corporate philanthropy program Actively participating in and benefiting the communities in which Ingevity operates Increased brand recognition and positive corporate reputation Employee engagement
Community Residents	<ul style="list-style-type: none"> Ongoing participation in community organizations, programs and sponsorships Quarterly Community Leadership Board meetings Interaction with local media, as needed Local chamber of commerce meetings and events, as scheduled 	<ul style="list-style-type: none"> Employment opportunities Environmental impact and protection Community growth Charitable giving Safety 	<ul style="list-style-type: none"> Surveyed residents in the communities in which Ingevity operates Participates in community meetings Shares impactful news with local media outlets Educates residents on Ingevity's compliance with all environmental regulations and within all legal limits in its areas of operation Committed to producing products that purify, protect and/or enhance the world around us 	<ul style="list-style-type: none"> Increased engagement with Ingevity's local communities Building goodwill and a positive corporate reputation Positive impact on local communities Overall employee satisfaction and pride

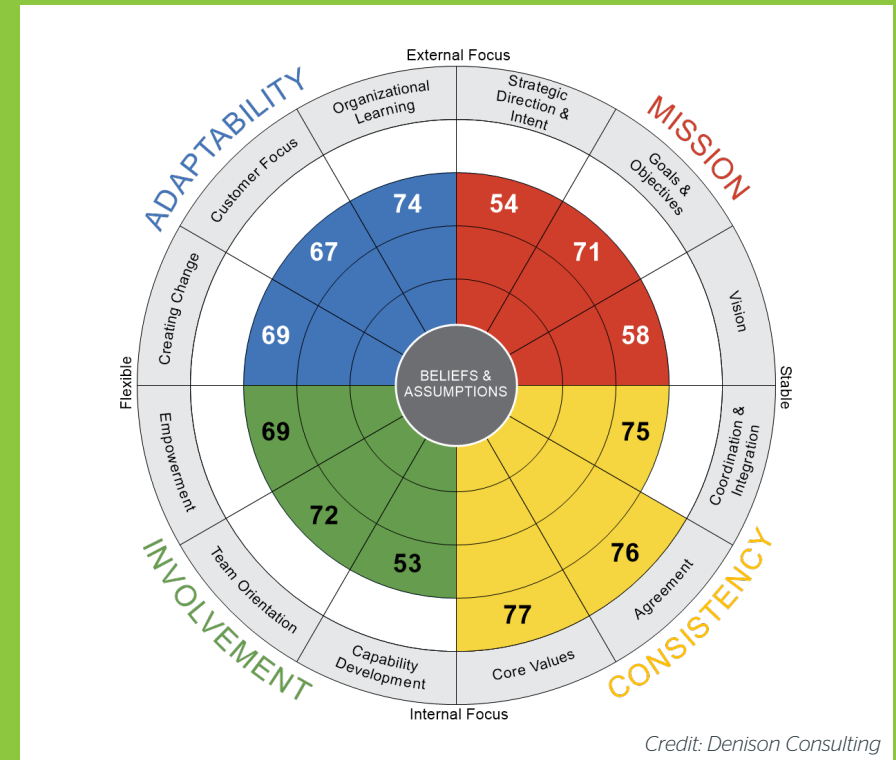
Forging The IngeviWay.

Shortly after being spun off into an independent, publicly traded company, Ingevity's managers began work to develop the company's vision, purpose and values. And what better place to start, than with our employees. In November 2016, Ingevity engaged Denison Consulting to conduct a comprehensive employee survey. While the results of the survey clearly showed a level of employee engagement well above average, the research also indicated the need to more formally articulate the company's direction. Ingevity's Leadership Team (ILT) responded by creating an initial draft document that outlined the company's identity, vision, purpose and values. The company then held 17 focus groups with salaried and hourly employees in locations in the U.S., China and Europe. Approximately 150 employees participated. Based on the feedback from the sessions, the company revised the draft to reflect employees' ideas and perspectives. "The IngeviWay" was then rolled out on February 15, 2017 at a global meeting of company managers and later introduced to the entire company. A survey of employees in 2018 later showed that 74 percent of employees said that they "understood the IngeviWay."



Ingevity introduced its vision, purpose and values—collectively referred to as “The IngeviWay”—at a global leadership meeting in early 2017.

2016 Employee Survey Results Denison Consulting Model



Ingevity's overall survey results suggest that it is an organization with an above-average level of clarity and alignment in all of the twelve assessed cultural indices in four major categories, which included:

Adaptability

- Creating change
- Customer focus
- Organizational learning

Involvement

- Empowerment
- Team orientation
- Capability development

Mission

- Strategic direction and intent
- Goals and objectives
- Vision

Consistency

- Core values
- Agreement
- Coordination and integration

We placed within the third quartile or higher* on all indices. This indicates that there is good balance across the management practices of these categories. The greatest strengths occur in the consistency trait, and the greatest opportunities for improvement within the mission and involvement areas.

*As compared to Denison's database of more than 1,000 companies.

The IngeviWay.

Who We Are

We're bold, energetic, ingenious and genuine.

What We Want to Be

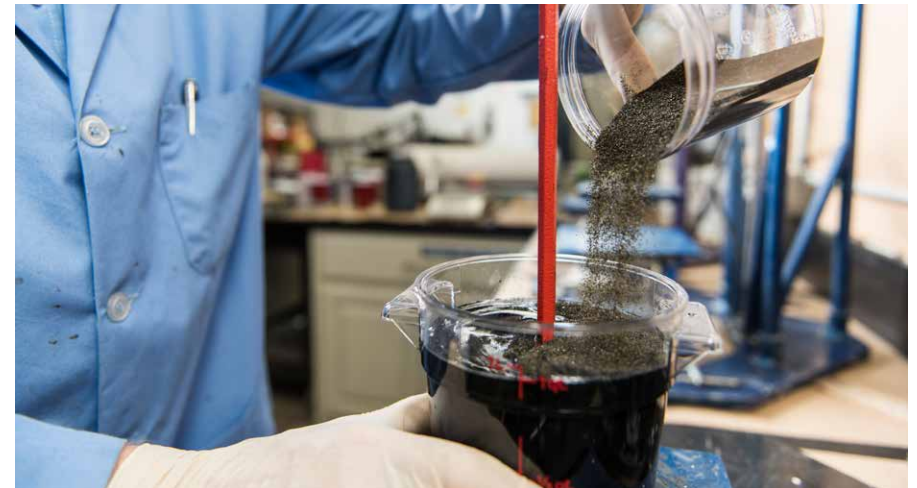
To be the recognized leader in our markets; to be proud of where we work; and to be a good neighbor in our communities.

Why We're Here

To improve the world through innovations that purify, protect, and enhance.

What's Important to Us

- **Safety and Sustainability:** We strive for zero personal and process safety incidents. We continually seek to protect human health, the environment and our communities. We utilize resources in a responsible manner and encourage the responsible use and application of our products.
- **People:** Our success requires a team-oriented culture that engages the diversity, knowledge, energy, talents and expertise of all individuals. We treat each other fairly and with respect; we seek to develop our skills and talents; and we reward results.
- **Customers:** We strive to be our customers' technology partner of choice. We want to anticipate their needs and exceed their expectations. We create the most value for ourselves when we create value for our customers.
- **Integrity and Ethical Behavior:** We are honest, sincere and genuine. We do the right things at all times. We obey the letter and spirit of the laws of the countries in which we do business.
- **Creativity and Innovation:** We are innately curious and open to new ideas. We are always willing to be bold and take informed risks, and we view failure as an opportunity to learn.
- **Commitment to Excellence:** We strive to perform at the highest levels. We work to continuously improve our operations, our business and our results. To this end, each employee is accountable for delivering on his or her commitments.



Our purpose.

Ingevity's purpose is to purify, protect and enhance the world around us, and we deliver on it every day. Our innovations enable oil to flow better. They help crops grow fuller. They make the roads last longer. And they ensure that the air we all breathe is cleaner.

Several real-life examples of our products purifying, protecting and enhancing across diverse markets and applications include:

Purify



8M

gallons of gasoline recovered globally by our activated carbon every day.

Protect



40

percent reduction in CO₂ emissions by using Evotherm[®] warm mix asphalt additive.

Enhance



10K

miles of reflective traffic striping enhanced with WestRez[®] resins in 2017.



216B

gallons of water purified using our Nuchar[®] products in 2017.



364

days of extra corrosion inhibition using Diacid[®] 1550 as a metalworking fluid additive.



10

percent increase in efficiency for oilfield companies using EnvaMul[®] emulsifiers for drilling.

Our Foundation: Integrity and Ethical Behavior.

As Ingevity grows and succeeds, what will not change is our company's commitment to ethical business conduct. Our reputation for being an honest, fair and capable firm with which to do business, wherever we operate, is a crucial competitive advantage. In addition, violations of law or our compliance policies can have significant consequences for our company and its employees individually. As a result, it is imperative that everyone at Ingevity knows, understands and conforms to one high standard of behavior.

Ingevity's Code of Conduct

From its very beginning, Ingevity set forth the principles that apply to all Ingevity people, everywhere and in every circumstance. The Ingevity Code of Conduct is closely aligned with our core values. Each Ingevity employee, no matter where in the world he or she works, receives a copy of the Ingevity Code of Conduct.

A Daily Focus on Ethics

Ethics at Ingevity goes beyond the text of the code alone; the company provides training and ongoing communications related to ethics and compliance. Each year, an estimated 93 percent of Ingevity employees from around the world participate in the company's ethics training program.

Ethics compliance is also an immediate focal point in integrating employees from newly acquired companies. For example, upon the completion of Ingevity's acquisition of the pine chemicals business of Georgia-Pacific, all employees received information on the Code of Conduct within days of joining Ingevity.

Employees are encouraged and expected to report violations or concerns to their manager, the human resources department, the law department or via the appropriate compliance and ethics hotlines. The Ingevity Ethics Hotline, available in 11 languages, provides an important, toll-free vehicle by which employees can report unethical, illegal, or questionable business activity. The hotline is managed by an independent, third-party firm whose representatives are trained to listen carefully, ask questions, and document the situation accurately—while maintaining the employee's anonymity. Each call is addressed by human resources or the law department.



Ingevity's Zhuhai, China, plant is one of the company's newest facilities. It manufactures activated carbon products used primarily in automotive evaporative emissions systems.

Pillar #1: Protecting People and the Environment.

Ingevity is committed to protecting people and the environment while utilizing resources in a sustainable manner, and encouraging the responsible use and application of its products. The company has obtained—and maintains—certification for the American Chemistry Council's Responsible Care® Management System, or RC14001, at its locations, and applies a strong focus on protecting its employees, contractors, the environment and the communities in which it operates.

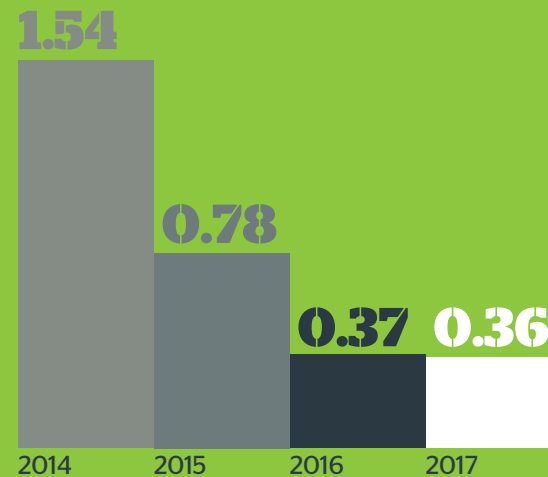
Personal, Process and Public Safety

Ingevity has a world-class safety program and a strong safety culture. In 2017, it achieved its best-ever personal and process safety performance.

The company defines personal, process and public safety as protecting employees, contractors and the communities in which it operates and distributes its products, from injuries, illnesses and incidents through the design of safe operations; continuous improvement of safety; health and process safety management systems and programs; a strong culture of compliance; and its commitment to zero harm to people and the environment.

More than 98 percent of Ingevity employees participated in safety programs across the company in 2017.

Ingevity is seeking to improve its transportation safety by moving toward using only Responsible Care® certified carriers, wherever possible. In 2017, the company reported zero transportation-related incidents, per the U. S. Department of Transportation's reporting criteria, across the company.



Employee Total Case Incident Rate

Ingevity utilizes the U.S. Occupational Health and Safety Administration's total case incident rate (TCIR) as a standard measure of occupational safety. TCIR is calculated by multiplying the number of recordable cases by 200,000, then dividing that number by the number of labor hours worked by Ingevity employees.

All of Ingevity's manufacturing sites, with one exception, completed 2017 with zero employee injuries. The company achieved first quartile performance versus American Chemistry Council medium-sized benchmark companies in both 2016 and 2017 for low employee injury rates. Ingevity's employees work continuously to improve hazard recognition and avoidance, which have been key factors in recent injuries.

The company continuously works to improve hazard recognition and avoidance through employee awareness and training programs. It measures employee participation in safety-related committees, action teams, meetings and other activities.

Ingevity's operational stewardship program focuses on the elimination of significant process safety incidents through the application of a disciplined framework that includes:

- Managing the integrity of hazardous operating systems and processes by applying good design principles.
- Using strong engineering and operating procedures and practices.
- Conducting process hazard analyses.
- Appropriately managing change.

The company also has a robust Operational Excellence (OpEx) program that has completed diagnostics on a variety of safety and operational stewardship topics. OpEx teams are comprised of cross-functional groups of employees who focus on delivering strategic, paradigm shifts across the organization.

Environmental Protection

Ingevity's right to operate and its future business success depend on protecting the environment and meeting regulatory obligations. The company has a long history of environmental compliance; it not only operates within the legally required parameters, but in many cases has been one step ahead of regulations, taking actions to reduce its environmental impact before it was required to do so.

Members of Ingevity's environmental team are active in associations that provide opportunities to exchange information and ideas with others working in the environmental field, identify environmental improvement projects and opportunities, share issues and solutions, and learn about regulatory updates and other developments.

To ensure ongoing compliance with regulations, Ingevity's site environmental and project engineering managers work together to identify and implement projects that will deliver positive environmental impacts. In 2018, the team is implementing a more robust system to assess the environmental impacts of expansion projects and other process modifications. They are also investigating ways to improve the company's monitoring capabilities for more consistent and automated metrics tracking and working toward developing environmental goals that will align with Ingevity's purpose, strategy and values.

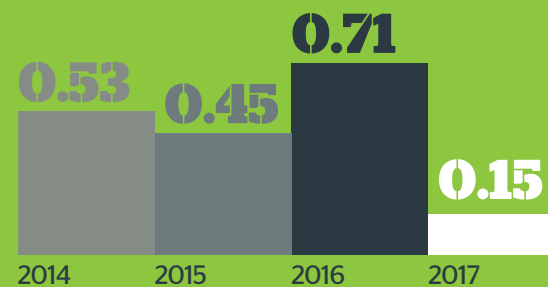
Total Energy | Greenhouse Gasses (CO₂E)

Reducing energy consumption has been a focus for Ingevity for many years. Over the past several years, the company has achieved significant energy savings through conservation efforts and efficiency upgrades. Energy efficiency projects are underway at all of Ingevity's manufacturing facilities, which will also result in greenhouse gas reductions.

Ingevity has a variety of wellness activities that help its employees stay healthy, and contribute to reduced medical costs. These include:

- Access to personal health coaching programs to assist in changing unhealthy lifestyle choices.
- Physical activity-based incentive programs to reward employees for making healthy choices.
- Exercise facilities at many of its locations.

Employee participation rates in such programs are high, and help to keep Ingevity's workforce engaged and active, which also leads to a safer work environment.

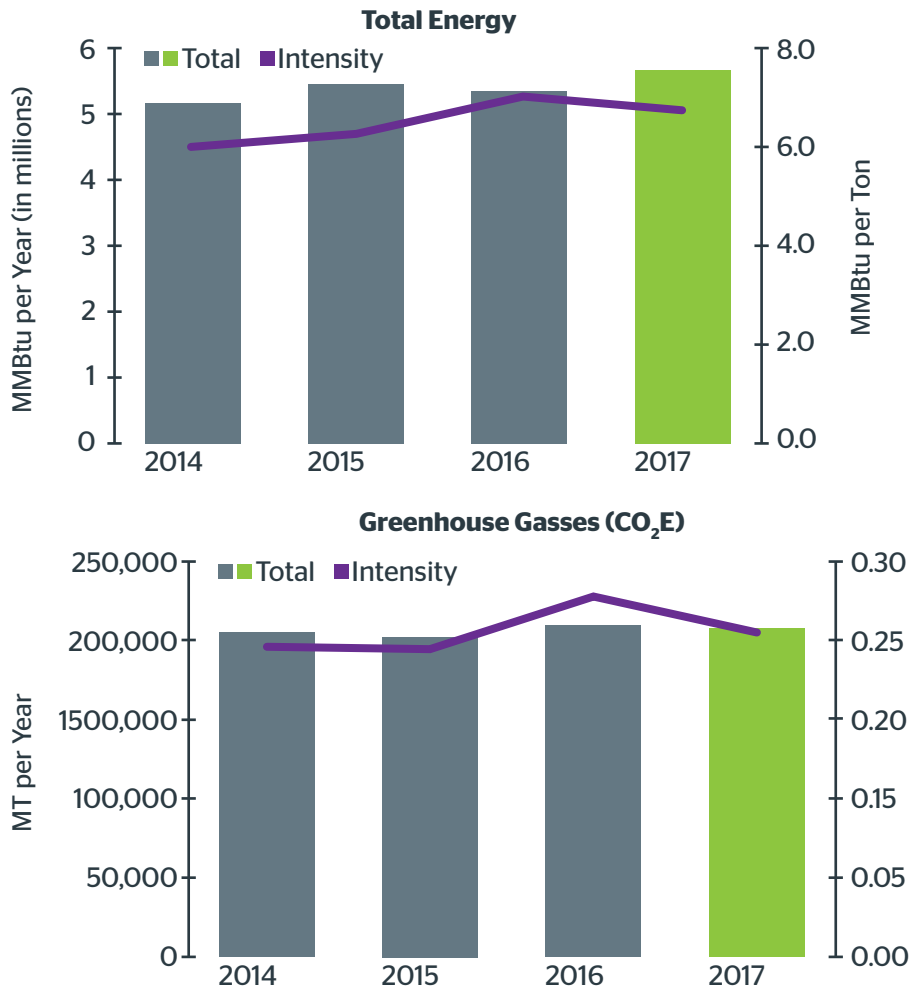


Tier 1 and 2 Process Safety Incident Rate

Ingevity defines Tier 1 and Tier 2 process safety incidents (PSIs) in accordance with the American National Standards Institute/American Petroleum Institute Recommended Practice 754 (ANSI/API RP 754), which is consistent with other companies in the American Chemistry Council (ACC). PSI ratings are determined by site management and then verified by global safety and health management.

Ingevity achieved top quartile performance for Tier 1 PSIs versus ACC benchmark companies, completing more than four years without a Tier 1 PSI, the most significant category of safety-related incidents. Ingevity experienced a spike in Tier 2 incidents in 2016, none of which resulted in injuries, illnesses or environmental impact; however, the increased rate prompted a focus on process safety improvements, which resulted in an 80 percent decrease in Tier 2 PSIs in 2017. Mechanical integrity program upgrades are in process to further reduce Tier 2 PSIs.

The company's overall production increased by a total of 10 percent in 2017 versus 2016, which required a 6 percent increase in total energy usage (natural gas and other fuels). Ingevity's total energy usage intensity (defined as the amount of energy per pound of finished product manufactured) decreased by 4 percent. Greenhouse gas emissions (GHG) decreased by 1 percent, and GHG intensity decreased by 10 percent. The greater decreases in intensity reflected in these results are typical for a manufacturer as intensity typically decreases as production increases.



In early 2018, Ingevity completed the installation of a photovoltaic solar panel system, a renewable and sustainable energy source, at its manufacturing facility in North Charleston, South Carolina. The project consists of approximately 1,500 solar modules, and will produce approximately 723,000 kilowatt hours of energy in its first year of operation, offsetting the equivalent of 1.1 million pounds of carbon dioxide on an annual basis. Additional solar energy projects are planned for the facilities in Waynesboro, Georgia, and Zhuhai, China.

Ingevity was recognized by the U.S. Department of Energy as part of their Better Plants/Better Facilities Program for meeting its energy reduction goal in 2016 to reduce energy intensity by 25 percent over a 10-year period. The energy reduction also resulted in a corresponding decrease in greenhouse gas emissions. Ingevity has also received the American Chemistry Council's Energy Efficiency Award in previous years.

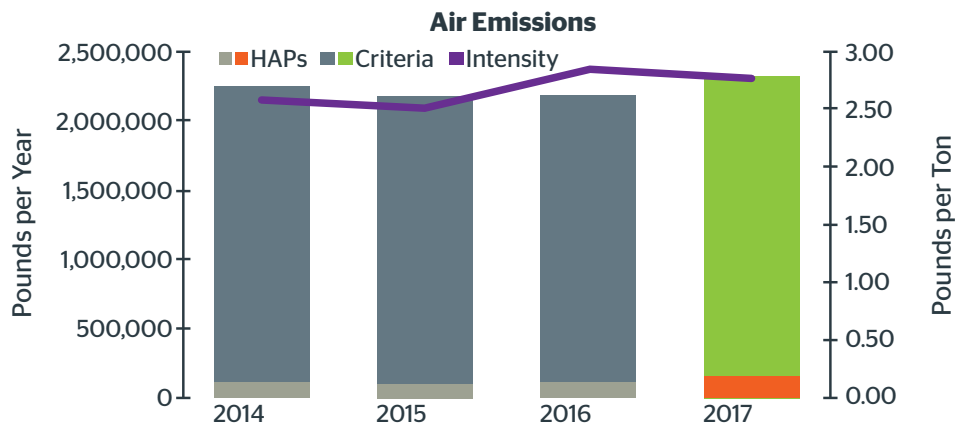
Air Emissions

Ingevity utilizes modern air pollution control devices on the majority of its point sources of air emissions. Electronic monitoring and other procedures are used to minimize fugitive and excess emissions. The majority of air emissions are generated as a result of fuel combustion; however, Ingevity uses clean fuels like natural gas and state-of-the-art controls to minimize these emissions.

Air emissions increased by 5 percent and, conversely, air emissions intensity decreased by 5 percent in 2017 due to the 10 percent increase in production. Notably, air emissions at the Wickliffe, Kentucky, facility increased in 2017 due to the installation of a new boiler, which is used to generate steam that had previously been provided by a neighboring paper mill.

Hazardous air pollutant (HAP) emissions comprise an average of 5 percent of the total air emissions from our facilities. HAP emissions rose by 39 percent in 2017 due to newly installed control devices at the Covington, Virginia, facility that did not function according to the manufacturer's design specifications, resulting in higher emissions than expected. Ingevity proactively addressed this by making upgrades to the control devices, which now function within the design requirements.

Historical HAP emissions from Ingevity's manufacturing sites in China were not estimated or included in these results. A project to include these in future metrics is currently underway.



Water Consumption | Effluent Flow

Ingevity does not operate in water-stressed or impaired locations, and its water consumption and effluent volumes are relatively low compared to industry benchmarks. Most of Ingevity's manufacturing locations discharge effluent water to the wastewater treatment facilities at neighboring paper mills. The company's DeRidder, Louisiana, and Wickliffe, Kentucky, facilities own and operate their

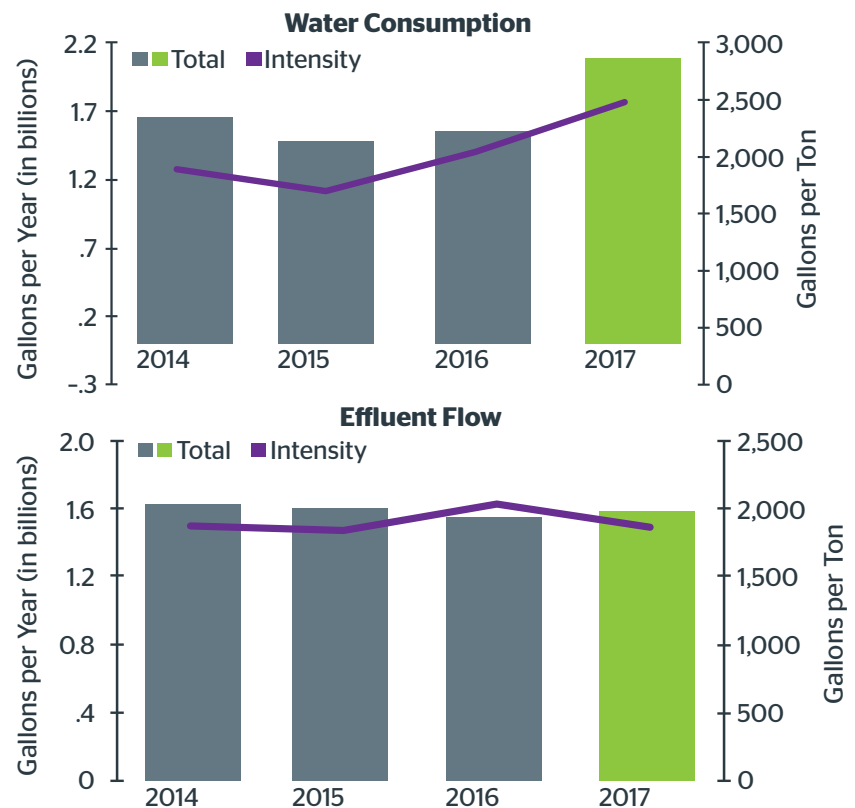
own wastewater treatment facilities. All wastewater is treated in accordance with applicable regulations prior to discharge into the environment.

In 2017, water consumption increased by 33 percent and intensity increased by 21 percent due largely to two factors:

- The North Charleston, South Carolina, plant's increased production of water-based lignin products, which significantly increased water usage, but did not affect effluent flow results as this water ultimately became part of the product formulation.
- The installation of the Wickliffe, Kentucky, plant's new boiler and water treatment system, which are used to generate steam that had previously been provided by an adjacent paper mill.

Water effluent increased by 1 percent in 2017 versus the prior year due to increased production at all of Ingevity's manufacturing facilities. The slight increase was offset partially by water reduction activities at the North Charleston, South Carolina, facility, which reduced water effluent flow by 47 million gallons between 2016 and 2017.

A project to develop water balances and improve water measurement at all Ingevity manufacturing facilities will be implemented in 2019.



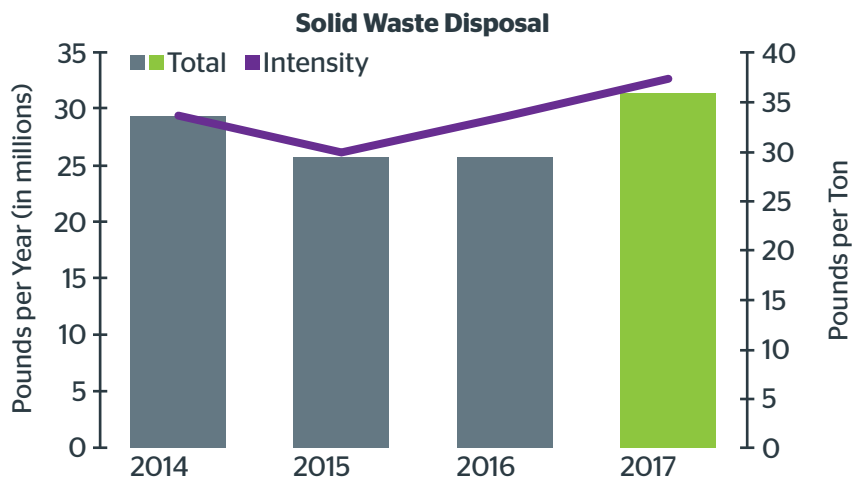
Solid Waste Disposal

The majority of waste generated at Ingevity's plants is non-hazardous—in fact, only 1 to 2 percent of the total solid waste generated at its facilities is hazardous, and it is disposed of in accordance with all applicable regulations.

Non-hazardous solid waste was elevated in 2014 due to the demolition of an old administration building at the North Charleston, South Carolina, plant. In 2017, non-hazardous waste increased by 23 percent (intensity increased by 11 percent) versus the prior year due to a number of factors, including:

- Dredging of the wastewater ponds at the DeRidder, Louisiana, and Wickliffe, Kentucky, facilities, which is completed every five years. In Wickliffe, wastewater solids are reused for agricultural applications.
- Neutralization of water, related to the new boiler and water treatment system at the Wickliffe, Kentucky, facility.
- Improved accuracy in waste disposal weights at the Covington, Virginia, plant versus previously estimated disposal estimates. This is due to the facility's switch from an on-site landfill, now owned by its former parent company, WestRock, to a county landfill following Ingevity's spinoff in 2016.

Waste minimization and recycling efforts are in progress at all Ingevity locations and will continue to be a key focus area in 2019.



Product Stewardship

Ingevity defines product stewardship as:

- Compliance with global and region-specific laws and standards for product stewardship.
- Management of impacts of changing regulations.
- Ensuring products are safe for intended and likely uses.
- Ensuring the safety of those who may use or be exposed to our products, from cradle to grave.

The key elements of Ingevity's approach to product stewardship come from the American Chemistry Council's Responsible Care® Product Safety Code, which is integrated into all facets of the company's strategy. Ingevity's senior leadership, businesses, technical, operations, risk management, supply chain, communications and other functional teams play key roles in ensuring product stewardship is shared by all employees, and a key consideration in every action taken across the organization. Ingevity's goal is to have zero product-related non-compliance issues.

The products Ingevity manufactures and sells are designed and developed to be safe for their intended uses. Ingevity considers the health, safety and environmental impacts of its products throughout their lifecycle in support of the company's commitment to sustainability. Ingevity ensures that its products comply with all applicable laws, regulations, standards, codes and any other requirements or policies to which Ingevity voluntarily subscribes.

Ingevity's product stewardship & regulatory (PS&R) team supports the company's commitment to sustainability by providing services such as:

- Oversight and coordination of assessment and management of product risks.
- Product regulatory technical assistance to support new product development and other initiatives.
- Training, education and tools to ensure requirements are understood and compliance is maintained.

The company is in the process of developing formal management systems to track non-compliance incidents concerning the health and safety of Ingevity's products and product information and labeling, which should be implemented in 2018.

Responsible Care® Product Safety Code

- Leadership commitment
- Accountability and management
- Prioritization of products
- Product information
- Risk characterization
- Product safety management
- Management of new information
- Product design and improvement
- Value chain cooperation
- Information sharing with the public
- Performance assessment and improvement

Pillar #2: Creating Value for Customers and Society.

Customer Partnerships

Ingevity strives to be its customers' technology partner of choice. Within the company, business segments engage regularly with existing and prospective customers to ensure their expectations are met—or exceeded—through quality products and services, addressing concerns promptly and efficiently and anticipating, and acting upon, future needs to improve or create new products.

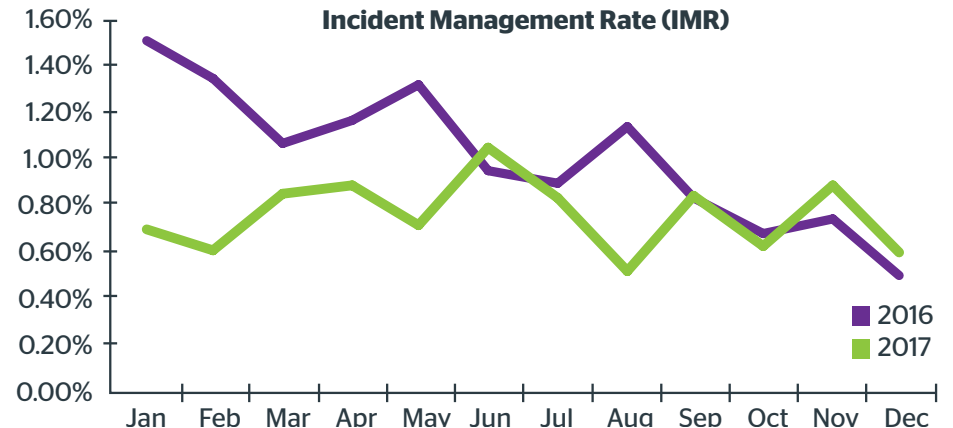
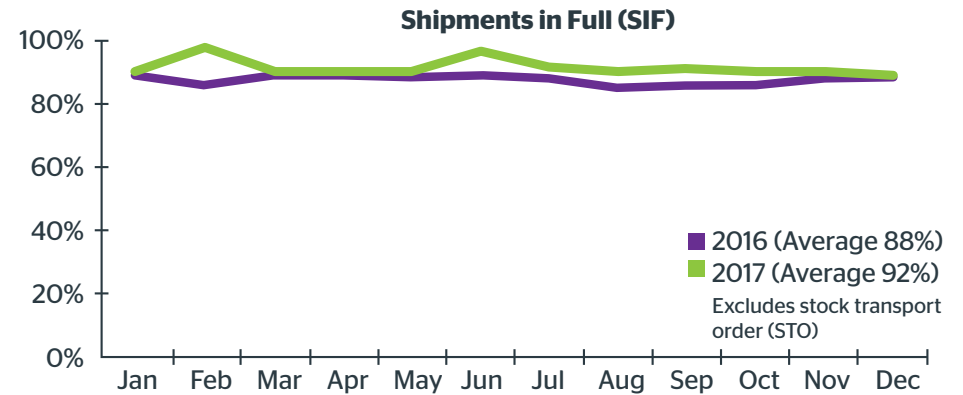
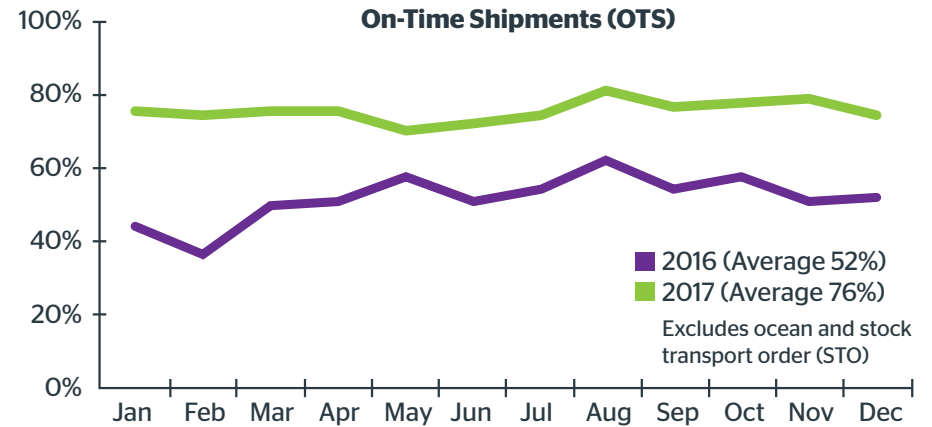
Ingevity is both ISO 9001 and International Automotive Task Force (IATF) certified and adheres to strict quality management standards at each manufacturing facility. In addition, the company focuses on four specific metrics to evaluate the customer satisfaction aspect of its partnerships, which it began tracking in 2016, when it spun off from its former parent company, WestRock:

- Percentage of on-time shipments (OTS)
- Percentage of shipments in full (SIF)
- Incident management rate (IMR), as a measure of customer complaints
- Feedback received from customer surveys

OTS increased by an average of 38 percent between 2016 and 2017 due to changes implemented by the organization's supply team to improve the shipment confirmation and invoicing processes and accuracy of shipment transit routes. The team also increased awareness of the importance of entering the correct shipment dates for orders shipped. This metric is reviewed monthly during business performance meetings with business leaders, supply chain management and product managers.

SIF increased from 88 percent to 92 percent between 2016 and 2017 due to concerted efforts between the customer service and shipping teams to maximize loads. This metric is also reviewed during monthly business performance meetings.

Ingevity has a formal customer complaint system and customer satisfaction process in place. One of the metrics from these processes tracks the IMR: the number of valid customer complaints per number of orders shipped. The IMR decreased from 1 percent in 2016 to 0.76 percent in 2017 due to the implementation of clearer guidelines and expectations with Ingevity's carriers and third-party vendors. Complaints are discussed in meetings between the businesses, plants and members of the supply chain team on a monthly basis. In 2018, a cross-functional specific, measurable, attainable, relevant and time-bound (SMART) goals action team will focus on improving results around late



delivery and wrong product shipped. Members of the supply chain team will also participate in process diagnostics that will drive better on-time performance.

Lastly, according to a survey conducted by Ingevity in 2017, 90 percent of Ingevity's customers have a positive or very positive opinion of Ingevity overall. The survey identified areas with the highest ratings by Ingevity's customers, as reflected at right.

Product Benefits

With products that are manufactured from the co-products of other manufacturing processes—themselves renewable wood-based raw materials—Ingevity and its employees make products that purify, protect and enhance the world around us. Ingevity's innovations enable oil to flow better. They help crops grow fuller. They make roads last longer. And they ensure that the air we all breathe is cleaner.

The company calculates the effectiveness of several of its products for example purposes, such as its automotive carbon products that provide both environmental control and energy recovery. Collectively, these products prevent more than 20,000 metric tons of volatile organic compounds (VOCs) from being lost to the atmosphere on a daily basis, which are then returned in the equivalent of 8 million gallons of gasoline each day.

In addition, Ingevity measures the percentage of renewable raw materials used in the manufacturing of its products. These raw materials do not compete with the food chain, or contribute to deforestation. The overall percentage decreased slightly between 2015 and 2017 due to an overall higher volume of raw materials purchased. The amount of renewable raw materials purchased in 2017 actually increased by more than 108 million pounds, versus renewable raw materials purchased in 2016.

Percentage of Renewable Raw Materials Used to Manufacture Ingevity Products

2015	2016	2017
84.7%	84.2%	78.2%

Customer Ratings (Top-2-Box %)



In 2017, Ingevity launched its Customer Success Story program, an ongoing web series on the company's Ingevity Effect blog, which highlights specific challenges faced by customers and how Ingevity provides effective, value-added solutions. Past Customer Success Stories have featured:

- A paving contractor who relied on one of Ingevity's paving technologies, Evotherm®, to reconstruct a 1.3-mile stretch of a National Scenic Byway after it was completely destroyed by a hurricane.
- A jet and rocket engine manufacturer who used Ingevity's Diacid® 1550 as a metalworking fluid that would perform in high-heat, high-pressure conditions.
- An oilfield drilling fluids provider, who used Ingevity's ErvaMul® emulsifiers as a cost-effective but high-performing product that met their specific requirements.



A cross-functional team of technical and business employees are considering other metrics that may be used to quantify the benefits of Ingevity's products in the future.

Innovative Solutions

Perhaps one of the principal reasons for Ingevity's longevity as a company is its 100-year history of innovating new and relevant products for changing marketplace needs. As one of Ingevity's core values, innovation is deeply embedded within its culture: The company's extensive technical expertise, market knowledge and insights—derived from years of customer relationships and Ingevity's best-in-class research and development capabilities—drive exceptional value for Ingevity and its customers.

Innovation efforts are led and supported by Ingevity's teams of technical experts and knowledgeable industry professionals, many of whom are considered the foremost experts in their fields, spread throughout the organization in key positions from product development to manufacturing to sales. Each business has its own development and application laboratories that work in partnership with customers to refine existing products and develop new innovative products that will drive value for Ingevity and its customers. Quickly understanding and addressing customers' performance needs has allowed the company to maintain and grow its partnership with its customer base through the years.

Formally, Ingevity began measuring innovation through the company's vitality index and the percentage of annual revenue spent on technology and innovation in 2016, when the processes for tracking these metrics were defined. Ingevity's vitality index is calculated by the percentage of annual revenue derived from the sale of new products, defined as products that have been sold for the first time within the last five years. Between 2016 and 2017, this percentage increased nearly 6 percent, indicating that Ingevity is responding to customer needs, as its products are driven by meeting performance requirements. Ingevity is staffed with chemists capable of meeting the continuing demand of our customers to improve product performance.

Over the last 20 years, the use of chelating agents, specifically ethylenediaminetetraacetic acid, or EDTA, has come under public and regulatory scrutiny as a result of potential health risks. EDTA is produced from ethylenediamine, formaldehyde, and sodium cyanide, and is used in the formulations of cosmetics, food, medical treatments and cleaning materials. Ingevity historically used EDTA for many years in the production of a hydrotrope, but as part of its purpose to purify, protect and enhance the world, the company replaced EDTA with a more toxicologically and environmentally friendly chelate. Altapur Hydro P-240 and Altapur Hydro P-40 now meet the stringent requirements of the EPA's Safer Choice program. This initiative earned Ingevity a Responsible Care Product Safety Award for product safety from the American Chemistry Council in 2018.



Ingevity employees who led the product reformulation project, pictured from left: Zhigang Chen, Greg Webb, Renato Baptista De Oliveira, James Govan.



Grand opening of Ingevity's Automotive Testing Center in Zhuhai, China.

Percentage of Revenue from New Products

2016	2017
13.6%	19.4%

The company also measures innovation through the percentage of annual revenue spent on technology and innovation (T&I), an important part of Ingevity's ability to continue meeting customer demands. Ingevity is staffed with chemists capable of meeting the continuing demands of our customers to improve product performance.

Percentage of Annual Revenue Spent on Technology and Innovation

2016	2017
1.9%	2.0%

By innovating, producing and delivering products that purify, protect and enhance, Ingevity creates value for customers, which increases shareholder value that, in turn, allows Ingevity to reinvest and grow its business.



■ Innovation Center in North Charleston, South Carolina.

■ Asphalt laboratory in Chennai, India.

■ Laboratory in Lille, France.

Pillar #3: Engaging Our People.

Employee Development

In late 2016, results of the company-wide culture and engagement survey conducted by Denison Consulting revealed that Ingevity's employees would welcome more opportunities for learning and capability development.

Throughout 2017, members of the talent acquisition, organizational development and learning teams invested a significant amount of time and resources to better understand employees' skills, capabilities and interests. After evaluating the resulting feedback, the team applied the Center for Creative Leadership's "70-20-10" model as they began creating employee development initiatives that will ensure a diverse, skilled workforce ready to meet the current and future needs of the business.

The 70-20-10 Philosophy

Experiential	Social	Educational
<ul style="list-style-type: none">■ New position■ Stretch assignments■ Special projects■ Horizontal moves■ Cross-functional projects■ Job rotation■ Application of new learning	<ul style="list-style-type: none">■ Exposure to upper-level management■ Mentoring■ Professional affiliations■ Networking■ 360° evaluations■ Coaching■ Job shadowing	<ul style="list-style-type: none">■ Online courses■ Seminar, workshop or instructor-led training■ College/university programs■ Internal training programs■ Books/articles

The 70-20-10 model describes the three types of learning experiences and the proportions required of each for optimal employee development: 70 percent from job-related experiences, 20 percent from interactions with others and 10 percent from formal educational opportunities or sources.

The scope and execution plans for a new organizational development and talent management strategy were created in 2017, with many of the elements rolling out in 2018 and 2019, including:

- The launch of a new learning platform called Grow in 2018, which includes on-demand and classroom-style learning options that are available to all employees, in local languages where possible.
- An organizational review process that provides greater understanding of employees' unique skill sets and capabilities. A larger pool of employees is being included in this process in 2018.
- The selection of six leadership competencies, the main strengths or strategic advantages that allow Ingevity to be competitive in the marketplace.

In-house Learning Opportunities

Ingevity employees are assigned training each year using a learning management system, which typically focuses on safety, health and environment (SHE), regulatory and compliance, policies, job qualification and new hire training. Employees completed a total of 36,980 required and elective training courses in 2017. Ingevity's new learning platform, Grow, will enable the company to capture more robust information about the employees who are participating in learning and training programs, which will be disclosed in future reports

Performance Management

Ingevity's performance management process is one example of how the company optimizes the knowledge, energy, talents and expertise of its people. Performance management is a year-round process that encourages conversation and interaction between employees and managers to set goals and expectations that support business success. One hundred percent of the professional employee population received a performance assessment in 2017.

Higher Learning

Ingevity's employees are encouraged to pursue their career aspirations, even if that requires additional educational courses to grow their knowledge base and skill sets. An educational assistance program that covers much of the cost of approved coursework is available to employees based in the U.S. and China who wish to further their education.



Ingevity employees in Mumbai, India, learning about Grow.

Diversity and Inclusion

Ingevity's long-term success will require a team-oriented culture that engages the diversity, knowledge, energy, talents and expertise of every employee. Through various initiatives, Ingevity strives to recruit and retain the best talent, leverage diverse views and ideas and foster an environment that enables employees to do their best work.

Ingevity seeks to attract diverse talent at a university level through co-op and engineering rotational programs and at a professional level through partnerships with such organizations as the National Society of Black Engineers (NSBE) and the Society of Women Engineers (SWE).

As a relatively new organization, Ingevity is aligning and formalizing its diversity and inclusion practices and framework with its overall business strategy. Led by the organizational development and talent acquisition teams, the company is actively seeking ways to embed diversity throughout its policies and processes, lead with inclusion, celebrate differences, and ensure equal pay for equal work.

Ingevity believes that
diversity is more than a
study in demographics: It's
the background, education,
life experiences and
personal values that lead to
diversity of thought, the true
value of a diverse workforce.

Fair Pay Practices

Fair pay practices are foundational to Ingevity's compensation philosophy. The company has processes in place to look at pay by gender and ethnic minority status to identify whether there are areas of concern. The company has introduced Mercer International Position Evaluation (IPE), a globally respected job evaluation methodology, to ensure that we have a consistent and robust process for supporting internal equity.

The IngeviWay, Our Way

After launching The IngeviWay in early 2017, the company's Bold Leadership Council designed half-day workshops called "The IngeviWay, Our Way." These workshops were offered to help employees better understand the company's purpose and culture, and reflect on what it means to them in their role.



■ Renata Castro, Hernando Macedo Faria and Marcos Teixeira participate in one of The IngeviWay, Our Way sessions in Campinas, Brazil.

■ The team in Brussels, Belgium, learning about The IngeviWay.

Ingevity's total workforce is comprised of 1,506 employees as of December 31, 2017.

Region	Female	Male	Not Disclosed
Asia Pacific	49	169	6
Full-time, permanent	49	169	6
Brazil	3	14	0
Full-time, permanent	1	14	0
Fixed term temporary	1	0	0
Intern/co-op	1	0	0
Europe, Middle East, Africa	10	22	1
Full-time, permanent	9	21	0
Fixed term temporary	1	0	1
Intern/co-op	0	1	0
North America	317	915	0
Full-time, permanent	315	915	0
Part-time, permanent	1	0	0
Intern/co-op	1	0	0
Total	379	1,120	7

The diversity of incoming talent at Ingevity continues to improve the company's organizational demographics. In fact, in 2017, 41 percent of Ingevity's newly hired professionals were female. This is noteworthy considering the overall composition of the specialty chemicals manufacturing industry's workforce, which is principally male.

Highlights of Ingevity's diversity and inclusion management efforts include:

- The creation of a formal diversity and inclusion analytics dashboard.
- Third-party vendor coordination for equal employment opportunity and affirmative action plans.
- Decision to move to new applicant tracking system which will allow greater insight into the pool of candidates.
- Partnership with the Carolinas-Virginia Minority Supplier Development Council (CVMSDC).



Ingevity's Diversity and Inclusion Efforts Extend Beyond Its Own Workforce

In 2017, Ingevity co-hosted a supplier outreach event with the Carolinas-Virginia Minority Supplier Development Council (CVMSDC) to raise awareness of global business opportunities for local and regional minority-owned businesses.



Recruiting New Talent at the Society of Women Engineers' Annual Career Fair in Austin, Texas

One of the ways Ingevity seeks to attract diverse talent is through partnerships with organizations such as the National Society of Black Engineers (NSBE) and the Society of Women Engineers (SWE). SWE's annual career fair is the world's largest career fair for women engineers.

Celebrating Diversity in Industrial Specialties

Of Ingevity's new hires into the industrial specialties domestic technical team in 2017, 50 percent were of diverse gender and 86 percent were of ethnic diversity. Ingevity has invested in Cultures@Work training as a structured process that will allow the team to understand its differences and how those differences can be optimized and celebrated.

Creating Work/Life Balance for New Parents and Caretakers

Ingevity is dedicated to helping its employees find a healthy work/life balance and providing options that enable employees to more easily align their careers with the needs of their families. In 2017, Ingevity announced the introduction of three new policies to enable employees to care for their family members:

- Parental Leave Policy, which provides new parents with full salary continuation and time off from work to enjoy and bond with a newborn or newly adopted child.
- Caregiver Policy, which provides employees with full salary continuation and time off from work to care for a child, spouse or parent with a serious or chronic health condition.
- Bereavement Leave Policy, which allows employees with salary continuation and time off from work to be with family and make arrangements following the death of a family member.

Because these are new policies, Ingevity is unable to report on the number of employees who have partaken in these benefits. A management system is now in place to capture this information, which will be disclosed in future reports.

Our Communities

Through its charitable donations, matching gift programs and employee volunteer programs, Ingevity seeks to be a positive influence in the communities where it operates and where its employees and their families live and work.

IngeviCares

In 2017, Ingevity launched its IngeviCares program and committee to create and implement a new strategic framework for the company's philanthropy. A cross-functional team of employees was formed, and sub-committees at each manufacturing location were instituted. The team started its work by conducting an employee survey to understand the company's desires and motivations related to corporate donations and volunteerism. In addition, the team conducted benchmarking with other companies and third-party databases to develop its own IngeviCares program. The resulting framework:

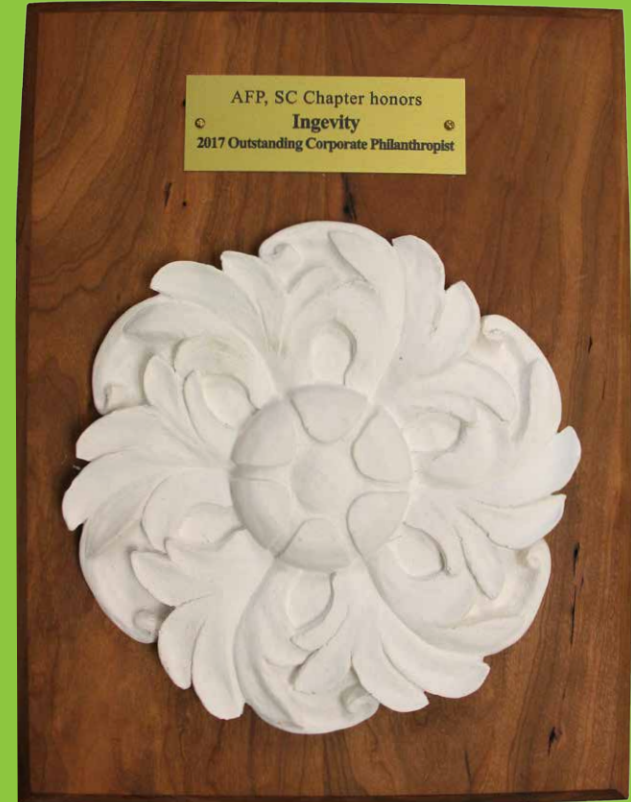
- Designates 0.1 percent of revenues toward Ingevity's philanthropic work and charitable giving.
- Focuses on supporting "keystone initiatives" with nonprofit organizations and charities at a level that will make a significant impact in each community.
- Encourages and supports employee giving through our matching gifts program and United Way campaigns.
- Provides stronger resources for our manufacturing locations so that they can tailor plant-level funding to support the unique needs of the communities in which we operate.

Across the globe, 100 percent of Ingevity's operating facilities actively participate in community engagement programs.

The IngeviCares program focuses its charitable giving and community involvement in three areas that support Ingevity's mission to purify, protect and enhance:

Sustainability	Education	Well-being
Environmental, economic and social initiatives	Emphasis on science, technology, engineering, arts and math	Health and human services

Ingevity was named the 2017 Corporate Philanthropist of the Year by the South Carolina Lowcountry Chapter of Fundraising Professionals. This award was presented for outstanding commitment through financial support and encouragement, which motivates Ingevity employees to take leadership roles in philanthropic and community involvement programs.



Sustainability



Taking Action to Protect Waterways in the Greater Charleston Area

Employees from Ingevity's North Charleston, South Carolina, locations joined forces with the South Carolina Aquarium and local parks department for a litter cleanup, collecting and logging more than 300 pieces of debris from a nearby beach. The company also made a \$300,000 contribution to the "In Our Hands" campaign, which funded a new "Respond Gallery" at the aquarium that will inform guests about the harmful effects of single-use plastics on the environment.



Improving the World Through Social Innovation in China

In Shanghai, China, Ingevity partnered with Enactus, an international nonprofit organization dedicated to inspiring university students to improve the world through entrepreneurial action, as an IngeviCares keystone initiative. University-level students worked closely with Ingevity mentors to create projects that would make a positive social, environmental and economic impact on the world.

Education



Driving Positive Relationships

Ingevity's Covington, Virginia, facility has been a longtime supporter of the Boys Home of Virginia, a facility that offers emotional support, guidance and on-campus schooling for between 50 and 60 at-risk boys and young men, ranging from 6 to 18 years of age. Ingevity's employees organize and participate in multiple mentoring and teambuilding events, tutoring and celebrations of milestones throughout each year. In 2017, the Covington facility donated a van to transport the Boys Home residents to the local community college and other local activities.



Engaging the Minds of Future Chemists and Engineers

Employees from Ingevity's DeRidder, Louisiana, facility have worked with a local elementary school's science teachers and after-school clubs for more than half a decade to boost students' knowledge of the sciences, technology, engineering, and math (STEM) fields. The DeRidder plant also contributed a total of \$8,000 in 2017 to local junior and high schools in support of programs that focus on students' academic success.

In the United States, local United Ways have been a mainstay among Ingevity's charitable giving initiatives for many years. A catalyst for transformative community change, United Way organizations work with local communities to identify the most pressing needs and find the resources to address them. Among United Ways' collective areas of focus are education, financial stability, human health and connecting the community, several of which tie back to the IngeviCares program. In 2017, combined giving to United Way organizations between all Ingevity locations was \$1,117,139.

Ingevity is the largest corporate donor to Charleston-based Trident United Way, with combined employee and corporate giving totaling more than \$1 million in 2017. This was Ingevity's fourth consecutive million-dollar campaign for the organization; it is the sixth company in the history of South Carolina to donate this amount to Trident United Way.





Promoting Bright Futures for Crossett Youth

Ingevity's newest facility in Crossett, Arkansas, was quick to embrace the IngeviCares program, selecting the Boys and Girls Club of Ashley County as their keystone initiative. The Ashley County Boys and Girls Club serves youth in the community year-round through mentoring and educational initiatives, hosting programs such as Smart Girls, Passport to Manhood, Power Hour and STEM.



Well-being



Pulling for the Special Olympics

Fifteen employees from the Wickliffe, Kentucky, facility competed in the Paducah Big Brown Truck Pull to raise funds for the Special Olympics, an international program of year-round sports training and athletic competition for more than one million children and adults with intellectual disabilities. The team pulled an 18-wheeler UPS truck for 12 feet.



Supporting Well-being in the Community Through Wimberly House Ministries

Employees at Ingevity's Waynesboro, Georgia, facility have long supported Wimberly House Ministries, an organization that provides programs and services such as after school care for children in need, counseling services, rehabilitation programs and rape and sexual assault services. Although the facility has been involved with this organization for many years, it is now formally identified as the site's IngeviCares keystone initiative.



Providing Healthy Produce for Neighbors in Need

Many low-income children and their families in the Charleston, South Carolina, area struggle with food insecurity and malnutrition due to a lack of access to healthy food—especially fresh produce. Ingevity's North Charleston, South Carolina, locations partnered with the Lowcountry Food Bank to sponsor and provide volunteers for monthly "Fresh for All" events, which provide fresh produce at no cost. These events will provide food-insecure children, families and adults with access to nutritious food.

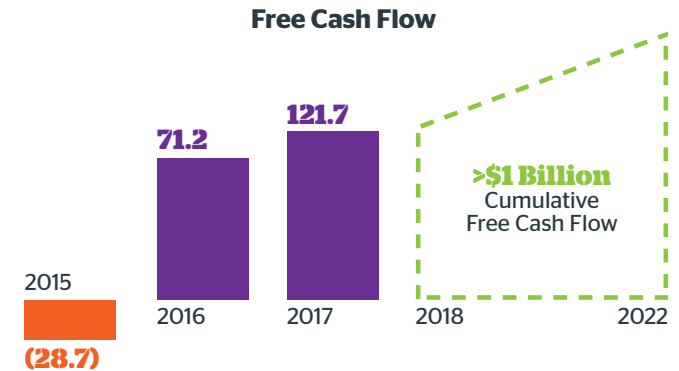
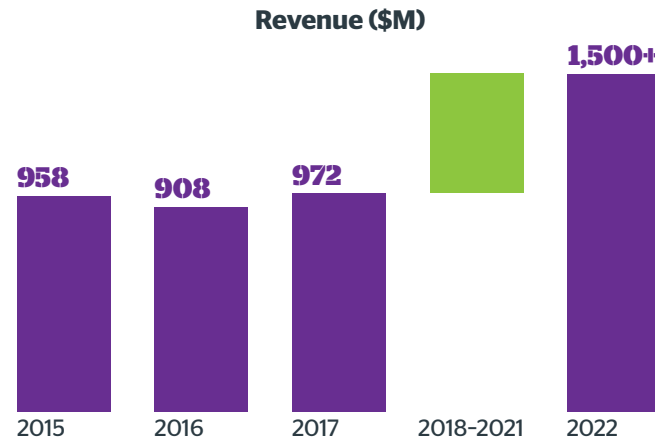
- Students from Rainbow House visited our Commercial Application Center in Shanghai, China.
- Employees in Wickliffe, Kentucky, sponsored and participated in the American Heart Association's Heart Walk to fight against heart disease and stroke.
- Employees from our facility in DeRidder, Louisiana, were a part of the First Annual United Way Incrediball Tournament which raised over \$2,100 for the United Way of Southwest Louisiana.

Pillar #4: Driving Business Excellence.

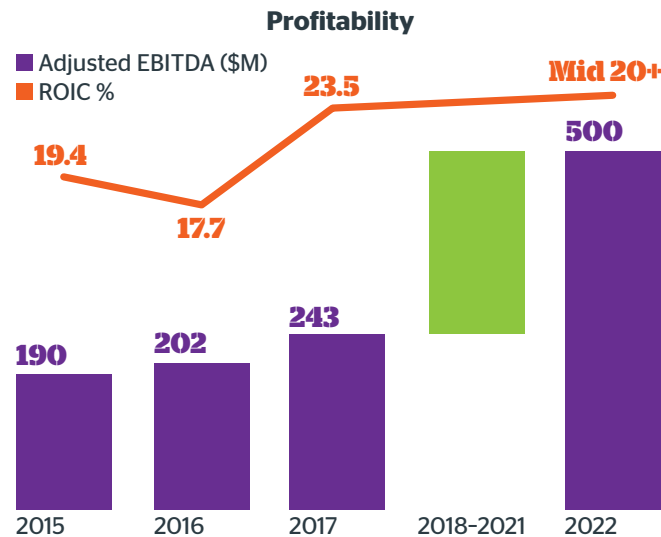
Financial Performance

At Ingevity, financial performance is measured in many ways; however, there are four metrics of particular focus:

- Revenue as the measure of total value provided to our customers.
- Adjusted earnings before interest, taxes, depreciation and amortization (EBITDA), as a measure of current earnings capability.
- Return on Invested Capital (ROIC) as a measure of ensuring the most profitable long-term decisions.
- Free cash flow, as a measure of ability to reinvest in the company or return capital to shareholders.



The company employs stringent management systems and internal control processes around these, and other, financial metrics. The company is Sarbanes-Oxley (SOX) compliant, and in fact was SOX compliant in its first year after the spin from WestRock. Ingevity's Leadership Team (ILT) meets monthly to review financial results and make resource allocation decisions. These financial reviews include analysis of Ingevity's income statement, balance sheet and free cash flow along with variances versus expectations and prior periods. The review also includes analysis and discussion about capital expenditures and future projects to support growth.



Ingevity's Corporate Strategy

- Capture value for shareholders by creating value for our customers
- Expand our geographic reach
- Accelerate innovation
- Pursue strategic, value-creating acquisitions
- Drive continuous improvement in execution
- Maintain returns-oriented financial focus

Ingevity has implemented a strategic planning review process, whereby each reporting segment develops strategic priorities and goals. They also develop a one-year operating plan and a five-year strategic financial plan that is aligned with those priorities and goals. The plan is reviewed by the management team, approved by the CEO, and reviewed and approved by the Board of Directors once a year. The financial plans are the basis for the company's incentive compensation programs. As a corporation, Ingevity has outlined its five-year goal, or "Target 2022." The company's goals are to reach approximately \$1.5 billion in revenue; approximately \$500 million in adjusted EBITDA; and adjusted EBITDA margin of more than 30 percent by the end of 2022.

Strategic Execution

At Ingevity, the company's success depends on its ability to achieve superb performance and optimal results throughout the organization. The company strives to perform at the highest levels and to continuously improve its operations.

Underpinned by a culture of productivity, Ingevity employs an Operational Excellence (OpEx) process to drive improvement. Dedicated OpEx practitioners lead and facilitate a variety of productivity initiatives to aid business, functional and process owners in driving improvements. The OpEx process has four distinct phases:

- **Opportunity Identification:** Business leaders and OpEx practitioners pinpoint and prioritize areas that need improvement.
- **Diagnostic:** Cross-functional teams are formed to more clearly define the project, discover root causes and discern potential solutions.
- **Implementation:** Recommended action plans are implemented.
- **Control:** Follow-up monitoring is done to ensure sustainable improvement.

At the manufacturing level, Ingevity concentrates on a metric for overall equipment effectiveness (OEE) to gauge efficiency. It is used to some degree at all of our manufacturing facilities. OEE is calculated by multiplying "availability" (percentage equipment uptime) by "quality" (percentage of first pass quality) by "run rate" (percentage throughput versus capability). Ingevity strives for an OEE of 100 percent.

To further fuel efforts toward operational excellence, Ingevity has invested in staffing and sourcing a sales and operations planning group and commercial product managers in each of the company's businesses to ensure that commercial and operational decisions maximize the company's results and drive value for Ingevity's stakeholders.

Availability x Quality x Run Rate

OEE



■ Ingevity's DeRidder, Louisiana, maintenance team.

■ A 2017 OpEx team meeting.

Intellectual Property and Cyber Security

Intellectual property (IP) is a key outcome of one of Ingevity's strongest assets—the innovation of its people. More than simply a collection of patents, however, IP includes technical papers, contracts, strategic partnerships, experience, know-how and more. As a result, how the company protects those assets is critical to its sustainability.

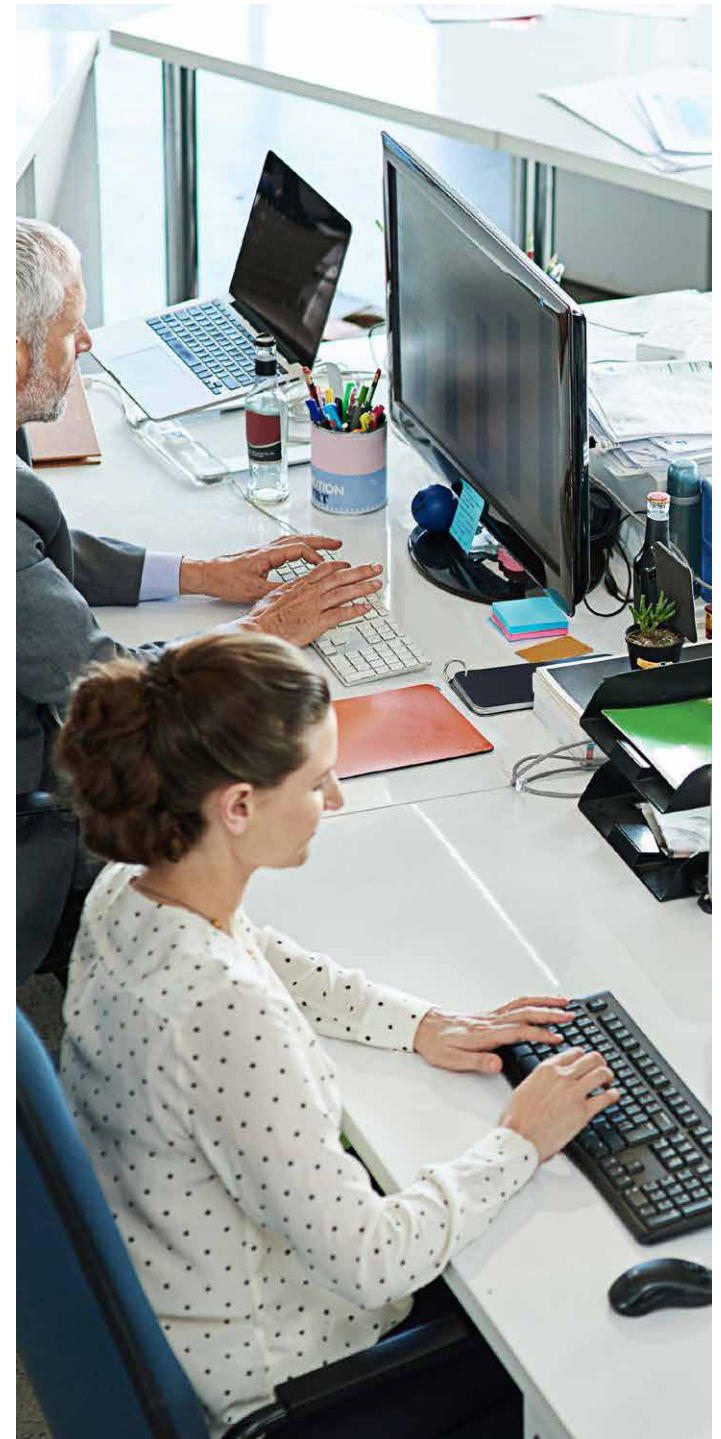
Innovation, as represented by IP, is a key competitive advantage for Ingevity:

- In Performance Materials, Ingevity holds a well-regarded patent related to the control of automotive gasoline vapor emissions. This technology helps automakers meet U.S. Environmental Protection Agency (EPA) Tier 3 and California LEV III regulations. In addition, in 2017, the company was issued another patent around solving the evaporative emissions requirement and we have other provisional patents pending. Ingevity is the world's foremost expert on gasoline evaporative emissions on automobiles, and beyond simply attaining patents, the company concentrates on working to solve customers' current and future needs. Ingevity's products are preferred in the more stringent applications due to its manufacturing know-how, 40+ year reputation in the industry, and product consistency and durability for the life of an automobile.
- In Performance Chemicals, Ingevity has a broad patent portfolio in the Evotherm line of warm mix asphalt additives that meet the variety of challenges that occur in different regions and different paving conditions. In addition, the company has recently integrated the processing capability acquired with the Georgia-Pacific pine chemicals acquisition in order to manufacture an adhesive tackifier resin that is significantly lighter in color, which customers require for higher quality adhesive applications.

Ingevity continually assesses ways to improve its cyber security posture designed to support the business, enhance production, and drive innovation while protecting IP, confidential information, privacy data, operations and infrastructure throughout our global business operations. These programs are consistent with applicable regulations (domestic or international such as: Sarbanes-Oxley, European General Data Protection Regulation, and the China Cyber Security law) and industry-accepted security practices (NIST 800 series and ISO-27001/2). Ingevity pursues aggressive goals to ensure an acceptable level of risk is achieved by applying these essential standards.

Ingevity relies on talented cyber analysts, strategic partners and consultants, collaboration with the American Chemistry Council's ChemITC®, proven cyber security technology, and employee vigilance to defend against cyber security threats. The company's cyber security program includes awareness, threat detection, threat prevention, incident response and mitigation plans. We conduct third-party vulnerability assessments, employee training exercises and track cyber performance metrics to drive continual process and maturity improvement.

Going forward, Ingevity intends to measure its cyber security spending as a percent of total IT spending, and the percentage of revenue that is patent protected.



GRI Index.

Ingevity's 2017 sustainability report is defined by its material issues, stakeholder interests, business priorities and the requirements of the Global Reporting Initiative's GRI Standards, core option. Ingevity self-certifies that the information and data is as accurate and inclusive as possible as reflected by the management systems that were in place prior to January 1, 2018.

General Disclosures	
GRI Number	Disclosure – Report Section/Link – Page Number
Organizational Profile	
102-1	Name of the organization – Company Profile – p. 4
102-2	Activities, brands, products, services – Company Profile – p. 5
102-3	Location of headquarters – Company Profile – p. 4
102-4	Location of operations – Company Profile – p. 4
102-5	Ownership and legal form – Company Profile – p. 4
102-6	Markets served – Company Profile – p. 5
102-7	Scale of the organization – Company Profile – p. 5
102-8	Information on employees and other workers – Diversity and Inclusion – p. 31
102-9	Supply Chain – Stakeholder Engagement – p. 14
102-10	Significant changes to the organization and its supply chain – Our History – p. 5
102-11	Precautionary Principle or approach – Personal, Process and Public Safety – p. 20-21
102-12	External initiatives – Responsible Care, Product Stewardship – p. 2, 24
102-13	Membership of associations – American Chemistry Council, European Chemical Industry Council, Abiquim, Association of International Chemical Manufacturers, Pine Chemicals Association, Adhesive and Sealant Council, Manufacturer of Emission Controls Association, Foundation for Pavement Preservation

General Disclosures	
GRI Number	Disclosure – Report Section/Link – Page Number
Ethics and Integrity	
102-16	Values, principles, standards and norms of behavior – Our Foundation: Integrity and Ethical Behavior – p. 19
102-17	Mechanisms for advice and concerns about ethics – Our Foundation: Integrity and Ethical Behavior – p. 19
Governance	
102-18	Governance structure – Corporate Governance – p. 10
Stakeholder Engagement	
102-40	A list of stakeholder groups engaged by the organization – Stakeholder Engagement – p. 14
102-41	Percentage of total employees covered by collective bargaining agreements – Annual Report, p. 16 (of Form 10-K)
102-42	Identifying and selecting stakeholders – Stakeholder Engagement – p. 14
102-43	Approach to stakeholder engagement – Stakeholder Engagement – p. 14
102-44	Key topics and concerns raised – Stakeholder Engagement – p. 14-15
102-45	List of all entities included in the organization's financial statements or equivalent – Annual Report, p. 4 (of Form 10-K)
102-46	Defining report content and topic boundaries – Our Sustainability Journey – p. 12
102-47	List of material topics – Ingevity's Four Pillars of Sustainability – p. 13
102-48	Restatements of information – N/A - This is Ingevity's first report
102-49	Significant changes from previous reporting periods in the list of material topics and topic boundaries – N/A - This is Ingevity's first report
102-50	Reporting period for the information provided – Calendar year 2017

General Disclosures

GRI Number Disclosure – Report Section/Link – Page Number

Stakeholder Engagement

102-51	Date of the most recent report – This is Ingevity’s first sustainability report
102-52	Reporting frequency – Biennial with updates in off year
102-53	Contact point for questions regarding the report – Hunter Harris, Director, Sustainability, sustainability@ingevity.com
102-54	Claims of reporting in accordance with the GRI Standards – This report has been prepared in accordance with the GRI Standards: Core option
102-55	GRI content index – GRI Index
102-56	External assurance – We have not sought external assurance for this report

Disclosures on Management Approach

GRI Number Disclosure – Report Section/Link – Page Number

Pillar #1: Protecting People and the Environment

103-1, 103-2, 103-3	Management approach: Personal, Process and Public Safety – Personal, Process and Public Safety – p. 20
103-1, 103-2, 103-3	Management approach: Environmental Protection – Environmental Protection – p. 21
103-1, 103-2, 103-3	Management approach: Product Stewardship – Product Stewardship – p. 24

Pillar #2: Creating Value for Customers and Society

103-1, 103-2, 103-3	Management approach: Customer Partnerships – Customer Partnerships – p. 25
103-1, 103-2, 103-3	Management approach: Product Benefits – Product Benefits – p. 26
103-1, 103-2, 103-3	Management approach: Innovative Solutions – Innovative Solutions – p. 27

Pillar #3: Engaging Our People

103-1, 103-2, 103-3	Management approach: Employee Development – Employee Development – p. 29
----------------------------	--

Disclosures on Management Approach

GRI Number Disclosure – Report Section/Link – Page Number

Pillar #3: Engaging Our People

103-1, 103-2, 103-3	Management approach: Diversity and Inclusion – Diversity and Inclusion – p. 30
103-1, 103-2, 103-3	Management approach: Our Communities – Our Communities – p. 31

Pillar #4: Driving Business Excellence

103-1, 103-2, 103-3	Management approach: Financial Performance – Financial Performance – p. 35
103-1, 103-2, 103-3	Management approach: Strategic Execution – Strategic Execution – p. 36
103-1, 103-2, 103-3	Management approach: Intellectual Property and Cyber Security – Intellectual Property and Cyber Security – p. 37

Specific Disclosures

GRI Number Disclosure – Report Section/Link – Page Number

Economic Performance

201-1	Direct economic value generated and distributed – Financial Performance – p. 35
--------------	---

Materials

301-1	Materials used by weight or volume – Product Benefits – p. 26
--------------	---

Energy

302-3	Energy intensity – Total Energy Greenhouse Gasses – p. 22
--------------	---

Emissions

305-4	GHG emissions intensity – Total Energy Greenhouse Gasses – p. 22
305-7	Other air emissions – Air Emissions – p. 23

Effluents and Waste

306-1	Water discharge by quality and destination – Water Consumption Effluent Flow – p. 23
--------------	--

Specific Disclosures

GRI Number **Disclosure – Report Section/Link – Page Number**

Effluents and Waste

306-2 Waste by type and disposal method – Solid Waste Disposal – p. 24

Employment

401-3 Parental leave – Diversity and inclusion – p. 31

Specific Disclosures

GRI Number **Disclosure – Report Section/Link – Page Number**

Occupational Health and Safety

403-1 Workers representation in formal joint management-worker health and safety committees – Personal, Process and Public Safety – p. 20

403-2 Types of injury and rates of injury – Personal, Process and Public Safety – p. 20

Training and Education

404-1 Average hours of training per year per employee – Employee Development – p. 29

404-2 Programs for upgrading employee skills and transition assistance programs – Employee Development – p. 29

404-3 Percentage of employees receiving regular performance and career development reviews – Employee Development – p. 29

Local Communities

413-1 Percentage of operations with implemented local community engagement, impact assessments, and development programs – Our Communities – p. 32



Ingevity Corporation
5255 Virginia Avenue
North Charleston, SC 29406
844 643 8489

ingevity.com

