

Interview: Pierrick Le Gallo, DuPont EMEA President

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1 PLEASE DESCRIBE YOUR PROFESSIONAL BACKGROUND AND BUSINESS EXPERTISE, AND HOW YOU GAINED YOUR EXPERIENCES IN THESE FIELDS

Shortly after obtaining my master's degree, I realized that growing and developing in the international environment of a reputable global company was a path I intended to take. My business experience began in one of the DuPont sales departments and I can honestly say that starting my professional adventure with DuPont was a decision I cherish every day. During my thirty-seven years in the company, I have had an opportunity to live and be exposed to different aspects of business life. One could describe them as building blocks of competencies for the role I am currently holding. Spending more than twenty years in a wide variety of countries and in different parts of the organization made me a highly adaptable person with an in-depth understanding of diverse projects. Such were taken place in the Asia Pacific and North America regions and within Sales, Marketing, Manufacturing, HR, Corporate Strategy Planning and Business Leadership departments.

2 WHAT YOU DO NOW AT DUPONT AND WHAT ARE YOUR MAIN RESPONSIBILITIES AT DUPONT?

I am currently holding a position of the Regional President for the Europe, Middle-East and Africa ('EMEA') region. I am responsible for ensuring that the global businesses get all the possible support from the region to implement their strategy and deliver the result we need. Moreover, I represent DuPont interests in industry associations such as European Chemical Industry Association ('CEFIC') where I sit as Board and Executive Committee member.

3 THE UNITED NATIONS ('UN') GENERAL ASSEMBLY ADOPTED THE SEVENTEEN UN SUSTAINABLE DEVELOPMENT GOALS ('SDGs') IN 2015. THE PURPOSE WAS TO PRODUCE A SET OF UNIVERSAL GOALS THAT WOULD HELP COMBAT THE URGENT ENVIRONMENTAL, POLITICAL AND ECONOMIC CHALLENGES FACING THE WORLD AND TO ACHIEVE THEM BY 2030.

What are your views on the UN SDGs in general? What is DuPont doing to contribute to achieving the UN SDGs

The inspiration taken from a guiding set of principles is a first step to taking concrete actions that will have an impact on the global challenges we all face together. The introduction of the UN SDGs is therefore an opportunity for companies, like DuPont, to reflect on what our role is in addressing such diverse challenges as inequality, climate change, environment degradation and poverty.

DuPont shares the vision of a just and sustainable world by 2030 and beyond. The SDGs have inspired us at DuPont to formulate our own nine 2030 Sustainability Goals such as delivering innovation for global challenges, enabling a circular economy, and acting on climate. We designed them to provoke technological breakthroughs and new ideas for addressing society's biggest challenges. We invest in enabling a circular economy, innovating safer by design, acting on climate and more. They are the basis of our mission – to empower the world with the essential innovations to thrive. We are dedicated to shifting our innovation processes to purposefully drive towards solutions that address the global challenges included the UN SDGs.

Needless to say, we realize that achieving the goals requires commitment and enormous investments, but

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also innovation from across all sectors. We at DuPont do our part. In 2020 DuPont's contribution could be witnessed in prioritizing SDG challenge areas in early-stage marketing and innovation processes; sharpening alignment of the SDGs with market drivers for our innovation platforms; and enacting partnerships for scalable impact to advance the SDGs.

Thanks to the contribution of our scientists and engineers, we have made significant contribution in many areas. To give you just two examples: (1) we provide solutions to achieve clean water and sanitation for industrial operations, or drought-stricken communities with our water filtration and purification technologies; (2) we deliver sustainable solutions for residential and commercial buildings worldwide with our construction materials.

4 WHAT ARE THE MAIN CHALLENGES FOR CONTRIBUTING TO THE SUSTAINABILITY GOALS? HOW DOES DUPONT ADDRESS THESE CHALLENGES?

Good health and well-being proved to be one of the key pillars of the seventeen SDGs in 2020. And while contributing to the medical and healthcare is always a priority for us at DuPont, 2020 gave our responsibility to global health a whole new dimension. In order to be able to meet the spiking demand for personal protective equipment ('PPE') of front-line health care workers exposed to COVID-19, we took immediate action: we shifted capabilities of our assets towards producing PPE, and we built new partnerships and expanded into new supply chains. In 2020 alone we provided almost 100 million PPE to health care workers and our COVID-19 response efforts were recognized and rewarded by the American Chemistry Council.

As we stated in our sustainability report, DuPont's resilience to the 2020 global crisis allowed us to emphasize efforts on our own footprint reductions to advance sustainable innovation; circular economy; climate change; health, safety, and well-being; product safety and transparency; and water stewardship.

We agree that urgent action is needed to combat climate change and water scarcity. By investing in innovative and game-changing technologies, turning the long lifetimes of energy infrastructure into a net positive for the climate and establishing different forms of collaboration, we can get closer to achieving our 2030 target. DuPont has already begun the transition to low-carbon industrial processes for our insulation product lines and lowering emissions in our manufacturing plants by improving operational practices and transitioning to low-carbon energy sources. Moreover, together with our partners, we are actively involved in providing greater access to clean water and promoting global water stewardship.

5 DO YOU HAVE ANY SUGGESTIONS ON HOW DIFFERENT STAKEHOLDERS (E.G., GOVERNMENTS, COMPANIES, CIVIL SOCIETIES) COULD WORK TOGETHER MORE CLOSELY TO ACHIEVE THE UN SDGs?

We consider collaboration as a key to achieve the SDG. Through our memberships in industry organizations, we are working together to point the specialty products industry in an increasingly sustainable direction. Moreover, we engage directly with our customers, investors, suppliers, and other stakeholders on our sustainability efforts, to ensure that these stakeholders have accurate, transparent information about our company, and to communicate how we are considering their priorities within our own strategy. DuPont is also a longstanding member of the World Business Council for Sustainable Development ('WBCSD'), a global CEO-led organization of over 200 leading businesses from all sectors and major economies working together to accelerate the transition to a sustainable world.

Our participation in the Circular Electronics Partnership ('CEP'), which we are engaged in through the WBCSD, indicates our efforts to achieve the UN SDGs. DuPont decided to enter the partnership with the biggest companies in tech, consumer goods and waste management to accomplish a circular economy for electronics by 2030. The CEP estimated that 50 million tonnes of e-waste was produced annually. This number is expected to increase in the nearest future considering the fast-growing demand for electronics. DuPont is committed to cooperate with our partners in order to achieve a greater product circularity, increased transparency and sustainable materials solutions. We believe that engagement with different stakeholders can bring us closer to accomplish the UN SDGs, hence our participation in the CEP.

6 THE EUROPEAN UNION ('EU') PLANS TO INTRODUCE A CARBON BORDER ADJUSTMENT MECHANISM ('CBAM') FROM 2023 TO ADDRESS CARBON LEAKAGE. WHILE THE CBAM AIMS TO SUPPORT THE EU'S CLIMATE GOALS, IT RAISES CONCERNS ON INTERNATIONAL TRADE. WHAT ARE YOUR VIEWS ON THE CBAM IN GENERAL?

As part of the Green Deal, the EU is in the process to update their 2030 climate targets, pledging to reduce greenhouse gas ('GHG') emissions by 55% by 2030 and achieve carbon neutrality by 2050. In order to achieve these goals, the EU has proposed implementing a CBAM. Based on the current proposal, there will be obligations for importers to purchase allowances at the equivalent of the EU Emission Trade System ('ETS') traded price (so-called mirror EU ETS for importers).

As the EU CBAM will put a price on the GHG emissions embedded in goods imported into the EU, it will have a significant effect on both international trade and climate diplomacy and might lead to trade tensions and possibly trade retaliation. Any proposed CBAM needs to therefore be compatible with World Trade Organization ('WTO') rules.

The chemical industry is increasingly exposed to carbon leakage unless and until international trading partners converge towards comparable CO₂ prices. So political efforts to form the so-called carbon clubs would be a very effective way to avoid trade retaliation at a political level.

As the European chemical industry is also very export oriented, any proposed CBAM methodology needs to include safeguards for export competitiveness.

The design of an appropriate CBAM methodology should also consider the complexity of value chains. If CBAM would only cover certain products in the value chain, then there is a risk of value chain circumvention. For example, if CBAM is only applied to basic chemicals, then importers may avoid CBAM payments by importing products that are further down in the value chain.

7 IN NOVEMBER 2020, SEVERAL WTO MEMBERS PUBLISHED A DECLARATION ON ENHANCING TRADE AND ENVIRONMENTAL SUSTAINABILITY, AND EMPHASIZED THE IMPORTANCE OF CREATING AND DEEPENING DIALOGUES BETWEEN WTO MEMBERS AND PRIVATE STAKEHOLDERS (E.G., COMPANIES, CIVIL SOCIETIES).¹ IN YOUR VIEW, HOW COULD THIS DIALOGUE BE FACILITATED FOR PRIVATE STAKEHOLDERS TO PROVIDE MEANINGFUL INPUTS? WHAT WOULD YOU SUGGEST TO THE WTO MEMBERS TO ENSURE THAT INPUTS FROM PRIVATE STAKEHOLDERS ARE REFLECTED IN POLICY-MAKING?

Part of the plan for achieving our circular economy goals is participating in forums promoting the advancement of a circular economy in our value chains. Each of those forums can support the move to a circular economy and they will be most effective if they incorporate private stakeholders like DuPont.

We are in the business of developing innovative solutions for today's most pressing problems, including sustainability. The technology necessary to support a circular

economy is going to be developed, commercialized, and implemented by private sector actors. The WTO is an important forum for developing rules and guidelines for the world trade system to allow the private sector development. That means WTO Members and the Secretariat should seek views from private sector stakeholders on protecting intellectual property, identifying the most significant tariff and non-tariff barriers to environmental goods and their inputs, and ensuring trade rules keep up with the global supply chains that enable evolving environmental technology.

8 WHAT DO YOU SEE AS OTHER CURRENT 'HOT TOPICS' IN INTERNATIONAL TRADE AND SUSTAINABLE DEVELOPMENT?

Current events surrounding German supply chain debate can be undoubtedly perceived as one of the 'hot topics' in international trade and sustainable development. On 11 June 2021, German policy makers passed a national supply chain law. It will oblige companies to ensure basic labour and human rights standards as well as environmental due diligence along their supply chains. At the first stage – 2023, companies with more than 3,000 employees will be falling under the scope of law and one year later it will be applicable to entities with more than 1,000 employees.

At DuPont, we ensure that our commitment to sustainability is reflected in our supply chain. We follow the Supplier Code of Conduct and UN Global Compact since 2001. We make sure that the protection of human rights is respected wherever we operate. We do not tolerate the exploitation of children and their engagement in hazardous work. We are committed to provide diversity, equality and inclusion and we expect our suppliers to uphold to the same standards. At DuPont, we are committed to improve environmental, health, safety and security performance of facilities and take actions towards climate protection. Such commitments are closely connected to the recently passed supply chain law in Germany.

9 WHAT IS ONE QUESTION THAT YOU WISHED I HAD ASKED, BUT DID NOT, AND WHAT WOULD BE YOUR RESPONSE?

I would be eager to respond to a question regarding the EU's European Green Deal and to give more insights on how DuPont is already today addressing the EU's environmental and climate goals and is contributing to the green and digital transition.

During her 2019 State of the Union speech, Ursula von der Leyen stated that '[...] the mission of the European

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¹ WTO Committee on Trade and Environment, Communication on trade and environmental sustainability (WT/CTE/W/249), 17 Nov. 2020.

Green Deal involves much more than cutting emissions. It is about making systemic modernisation across our economy, society and industry. We need to change how we treat nature, how we produce and consume, live and work, eat and heat, travel and transport'. We at DuPont are at the core of innovative research and development that is necessary to allow our industries, our economies and ultimately our societies to transition to this green, decarbonized economy, the Commission President referred to.

We for instance create technologies and material solutions for vehicle electrification. Our goal is to help the European industry to transition to electric and eco-friendly mobility in line with the EU's Sustainable and Smart Mobility Strategy. Because of our commitments we can have a significant input in reducing GHG emissions and urban pollution and improving road and

pedestrian safety. We are motivated to support the digital revolution and respond to fast-growing demand for polymeric thermal management solutions for 5G era. We are fully prepared to face global challenges and provide essential range of technologies in order to achieve digital change.

We bring our efforts to provide solutions for sustainable cities and communities through our technologies for the construction sector. To improve overall safety and address energy and climate requirements, we use more environmentally friendly solutions for building insulation products in line with the Renovation Wave and the Energy Performance of Buildings Directive. So far, more than 20 million residential and commercial buildings are using our installations while, at the same time, contributing to energy efficiency and climate action.