



2020 Corporate Social Responsibility Report

FY 2020 Valvoline At-A-Glance



\$2.4B

REVENUE



8,800

EMPLOYEES



140+

COUNTRIES WHERE
VALVOLINE IS SOLD

Our products were sold to consumers through more than:

55,000

RETAIL OUTLETS

15,000

NORTH AMERICAN
INSTALLER LOCATIONS

1,500

APPROXIMATE NUMBER OF
COMPANY-OWNED AND FRANCHISED
QUICK LUBE CENTERS

About Valvoline

Valvoline Inc. (NYSE: VVV) is a leading provider of automotive services and marketer and supplier of premium branded lubricants worldwide, with sales in more than 140 countries. Established in 1866, the Company's heritage spans more than 150 years, during which time it has developed powerful brand recognition across multiple product and service channels. Valvoline operates and franchises more than [1,500 quick-lube locations](#) and is the No. 2 chain by number of stores in the United States under the Valvoline Instant Oil ChangeSM brand and the No. 3 chain by number of stores in Canada under the Valvoline Great Canadian Oil Change brand. It also markets Valvoline lubricants and automotive chemicals, including [Valvoline EV Performance Fluids](#); [Valvoline Hybrid Vehicle Full Synthetic motor oil](#); Valvoline High Mileage with MaxLife technology motor oil for engines over 75,000 miles; Valvoline Advanced Full Synthetic motor oil; Valvoline Premium BlueTM heavy-duty motor oil; Valvoline Multi-Vehicle Automatic Transmission Fluid; and ZerexTM antifreeze. To learn more, visit www.valvoline.com.

TM Trademark, Valvoline or its subsidiaries, registered in various countries
SM Service mark, Valvoline or its subsidiaries, registered in various countries

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[From Sam Mitchell](#)

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To Our Stakeholders

It all starts with our people. This phrase is at the heart of Valvoline's mission and values. It drives how we operate as a business and serves as a constant reminder to always put people — our teammates, our customers, our stakeholders — first. It's also the foundation for our CSR activities. And it was perhaps never more evident than in 2020 as we navigated through the depths of the COVID pandemic.

I have never been more proud to work alongside the 8,800 people who make up our team. Through all of the challenges 2020 brought, we delivered for our customers like never before, achieved tremendous results and made significant progress toward realizing our vision for the company, all guided without compromise by our Values, Vow and Vision — or what we call our “Three ‘V’s.”

While we were delivering business results, we also continued to make progress toward reducing our energy and waste footprint, established a diversity, equity and inclusion council, and improved our safety metrics by leveraging a safety-focused culture which has been years in the making. We invested in training

and career development that reduced turnover in our stores, took care of one another with our Hands On Assistance fund, and continued to give back to our communities with dollars and time to help disadvantaged children and families in our toughest neighborhoods. All of this happened because of our people.

Throughout 2020, our “Three ‘V’s” guided our COVID-19 efforts as we prioritized the health and safety of our team members. Valvoline's COVID-19 Steering Committee, comprised of employees from across the company, helped us navigate the business through those unprecedented days. The Committee's initiatives enabled our service centers and manufacturing facilities to safely maintain operations and allowed us to give team members who work in our global office locations the ability to safely work from home. The commitment and perseverance of our team members helped us effectively prioritize health and safety while continuing to deliver our essential services and products to our customers.

Inside this report you'll find additional information and examples of Valvoline's CSR efforts over this past year. While

taking time to celebrate our CSR efforts and achievements is an important part of our journey, we recognize there is more work to be done. Our people-driven teams will continue to seek opportunities to run our business in a responsible manner, reduce our impact on the environment, create a diverse and vibrant workforce, and help make the communities in which we serve better.



Samuel J. Mitchell, Jr.
Chief Executive Officer

“We rely on our “Three ‘V’s” — Values, Vow and Vision—to guide all decisions we make.”

SAM MITCHELL



At Valvoline, we strive for greatness in all that we do, and we are committed to winning... the right way.

This tenet applies to all aspects of our operations and translates into a strategic CSR focus in three main areas: *citizenship*, *sustainability*, and *diversity, equity, and inclusion*.



Citizenship

Creating and supporting initiatives to realize better communities. →

Sustainability

Pursuing opportunities to realize safer workplaces and mitigate the environmental impacts of our products and operations. →

Diversity, Equity, & Inclusion

Fostering innovative thinking in our workplaces and supply chain where diverse backgrounds and ideas are represented, encouraged and empowered. →

Valvoline's "Three V's"

Valvoline's three "V's"—Our Values, Vow and Vision—drive our culture and always inform the decisions we make.

Values

- It all starts with our people
- Safety is always our priority
- We are committed to winning... the right way
- We work hard, celebrate success and have fun
- We strive for greatness

Vow

Our vow is to bring "Hands-On Expertise" for the benefit of our customers every day, moving the business forward with speed and excellence.

Vision

We are building the world's leading engine and automotive maintenance business. We will accelerate growth around the world by increasing our focus and investment in:

- The Valvoline brand, built on superior products and service.
- The industry's best retail services model.
- Technology that enables speed, innovation and increased efficiency in every aspect of our business.
- Strong value-adding relationships with our partners.

Valvoline's Impact

Valvoline is a leading worldwide marketer and supplier of premium branded lubricants and automotive services with sales in more than 140 countries. Valvoline has a significantly smaller environmental footprint than the industries we're often classified with, including integrated lubricant and specialty chemical manufacturers.

What we do:

- Responsibly formulate, blend, package, market and supply premium products and services across the globe.
- Seek to develop products which improve fuel efficiency and engine life in internal combustion engines (ICE).
- Produce products for use in hybrid and electric vehicles.
- Operate and franchise approximately 1,500 quick lubes in the U.S. and Canada.
- Operate low-emission blending and packaging facilities.
- Employ over 8,800 employees.
- Support product stewardship, foster safe work and minimize impacts on the environment.
- Make communities in which we operate better places.
- Support The American Red Cross, Children's Miracle Network, Habitat for Humanity, Big Brothers Big Sisters and many more organizations.
- Strive for a diverse, equitable, and inclusive workforce.
- Support veterans.

What we don't do:

- Engage in exploration, hydraulic fracturing, or the refinement of oil and gas.
- Produce oil and gas, drill wells, or manage production or drilling sites either onshore or offshore.
- Own property associated with oil and gas production.
- Conduct animal testing.
- Locate facilities in sensitive or critical habitats or high biodiversity value locations.
- Operate waste treatment facilities.
- Operate water intensive facilities.
- Own or engage in foresting operations, tailing ponds, underground reinjection wells or reclamation of disturbed lands.
- Use conflict minerals.
- Tolerate the discrimination of workers.
- Withdraw ground water. All of our water is sourced from public water supply and virtually all of that is used for sanitary and non-contact cooling water purposes.
- Emit significant amounts of air contaminants including nitrogen oxides (NOx), sulfur oxides (SOx), hazardous air pollutants (HAPs) or particulate matter (PM).



Citizenship

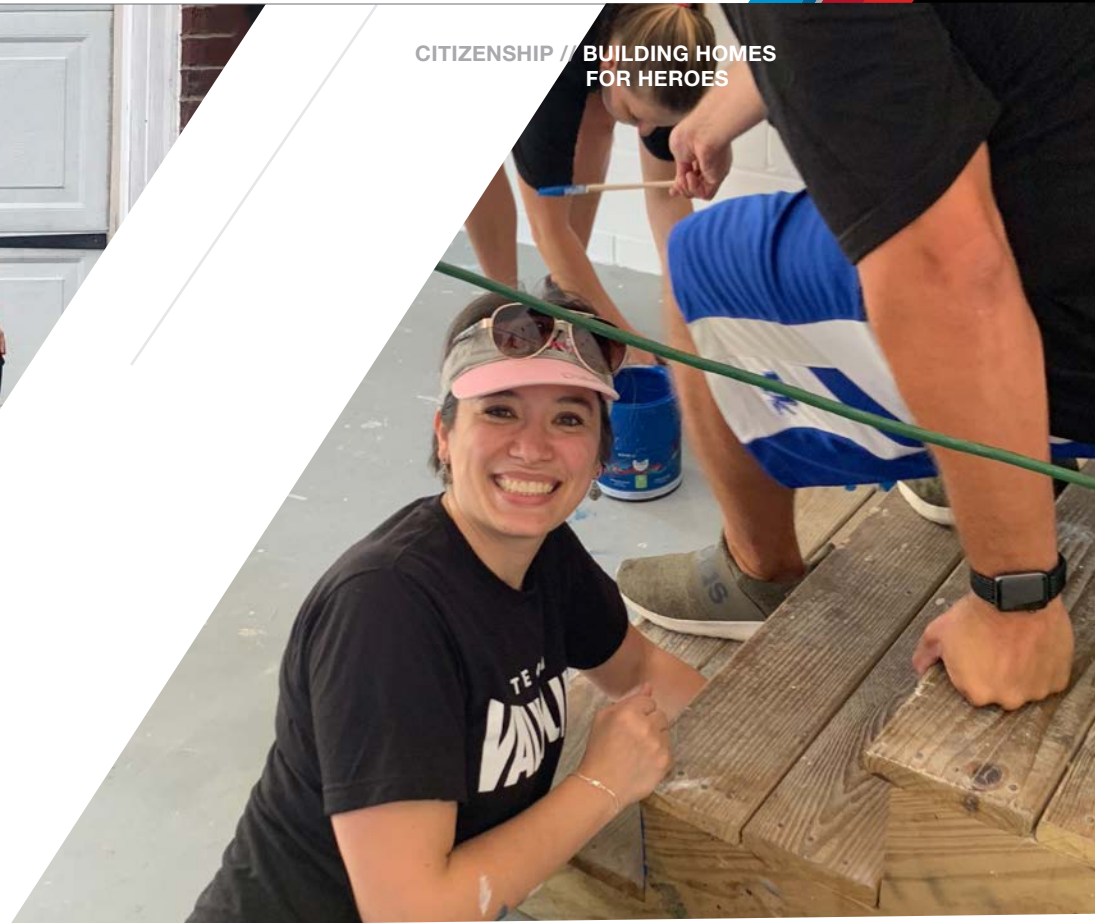
Being a good corporate citizen is fundamental to our values at Valvoline. We recognize the importance of being a part of strong communities, and we help care for and support those who live in the cities and neighborhoods in which we operate.



Thank you



CITIZENSHIP // BUILDING HOMES FOR HEROES



Building Homes for Heroes

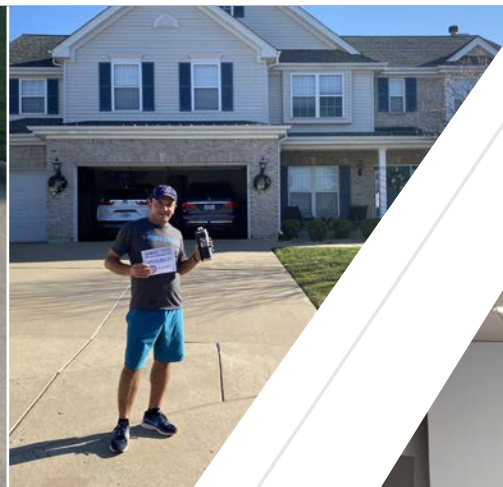
Valvoline again partnered with Building Homes for Heroes in 2020 to provide an army veteran a new home. Building Homes for Heroes is an organization that builds or modifies homes and gifts them—mortgage-free—to veterans and their families. The veteran's new home includes a renovated and fully outfitted garage donated by Valvoline. We customized this part of the home to fit the individual's love of woodworking with open shelving, work cabinets, tools, equipment, and Valvoline-branded items.

Valvoline's rebate program, through our retail partner, Advanced Auto Parts, also resulted in \$50,000 being raised for this charity that aligns with our support for veterans.

\$50K

RAISED FOR BUILDING HOMES FOR HEROES





CITIZENSHIP // GLOBAL GIVING CAMPAIGN



Global Giving Campaign

Our Global Giving Campaign resulted in over \$694,000* raised for charities, a record amount for Valvoline. Teams participated in events such as a virtual 5-K and an Ugly Sweater Contest to keep things exciting in spite of having to conduct the campaign virtually. Valvoline's Global Giving Campaign is an annual event that includes a combination of team member gifts and Valvoline corporate matches for qualifying non-profit organizations that align with our giving pillars.

\$694K*

RAISED FOR
CHARITIES

VALVOLINE GIVING PILLARS



Disadvantaged
Children and Families



Education



Environment

Transylvania University

Education is one of Valvoline's giving pillars. In 2020, we were proud to continue our support of Transylvania University, a nationally ranked liberal arts college located in Lexington, Ky. The Valvoline Game Room, in the center of the newly remodeled campus center, is a spot where students can relax, participate in e-sports gaming, or play pool or ping-pong.

*Reflects total from FY 2021



01



02



03



04

International Giving

As we continue to expand our geographic footprint, Valvoline's foundational commitment to citizenship remains constant.

01 Thailand

In 2020, Valvoline's Thailand operations provided financial support to Pom Wichian Chotikaram School, a school that provides education to underprivileged children in a remote area of Thailand.

02 India

Valvoline Cummins Private Limited (VCPL), Valvoline's joint venture with Cummins Inc. in India, prepared and distributed 165,000 COVID safety kits to specifically targeted individuals with limited resources to purchase personal protective equipment including truck drivers, small mechanics and retailers throughout India.

03 The Netherlands

Last year, our Netherlands operations donated goods to Food Banks Netherlands, a not-for-profit organization that provides food to families temporarily unable to afford it.

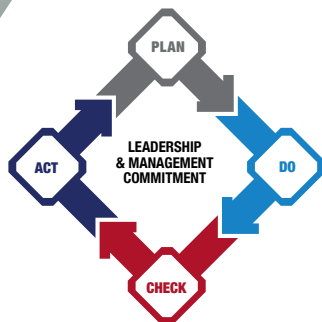
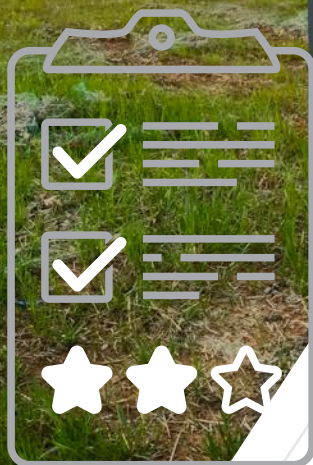
04 Serbia

Valvoline Europe made a donation to the General Hospital in Kruševac, Serbia for the purchase of PCR tests to help diagnose and limit the spread of COVID-19 at a critical stage during the pandemic.



Sustainability

Creating safer workplaces and reducing our environmental impacts remain a focus as we continue to improve our long-term sustainability.



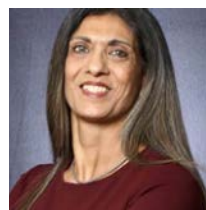
[Responsible Operations
EHS Policy](#)

Valvoline Management Systems

Valvoline has a passion for People, Product and Planet-driven management systems. Our environmental, health and safety (EH&S) management system governs company-wide processes and all EH&S activities at our supply chain sites. Valvoline Instant Oil Change (VIOC) operates under a complementary management system designed to meet the unique needs of its business.

SuperPro™, VIOC's exclusive service process of more than 150 steps that our certified technicians execute during our stay-in-your-car oil change experience, incorporates our EH&S standards. Our employees are trained, tested and certified on these standards as they support and encourage the proper use of callouts, personal protective equipment, tools, and SuperPro system practices to drive superior EH&S performance.

Valvoline continues to adhere to the Responsible Care 14001 (RC14001) standard as best-in-class for Valvoline's Global Supply Chain's Responsible Operations program. The program is a comprehensive [certified management system](#) assuring uniform transparent global implementation of environmental, health, safety and security standards. This framework helps identify and address risk, targets and objectives, monitor performance and drive continuous improvement within the Valvoline supply chain through documented standards and best practices. Our Responsible Operations Management System is externally group certified to RC14001 by ABS Quality Evaluations.



Recognition Spotlight

Harvinder Matharu has been with Valvoline for more than 20 years, currently overseeing our blending and distribution operations in Mississauga, Ontario, as plant manager. In 2020, she was recognized as a STEP Ahead Honoree by The Manufacturing Institute, an award dedicated to honoring women in science, technology, engineering and production who exemplify leadership within their companies.

"Manufacturing has many untapped areas of opportunity for women. I was lucky to have a number of helpful mentors in my career at Valvoline, and now I have a chance to make a difference for young women across our operations and I plan to make the most of it."

HARVINDER MATHARU, VALVOLINE PLANT MANAGER—CANADIAN OPERATIONS

Safety

Valvoline is committed to a zero-incident culture for our employees and customers. We design, build and operate our facilities to promote a safe and secure workplace.

SAFETY // KEEPING OUR TEAM MEMBERS HEALTHY



Keeping Our Team Members Healthy

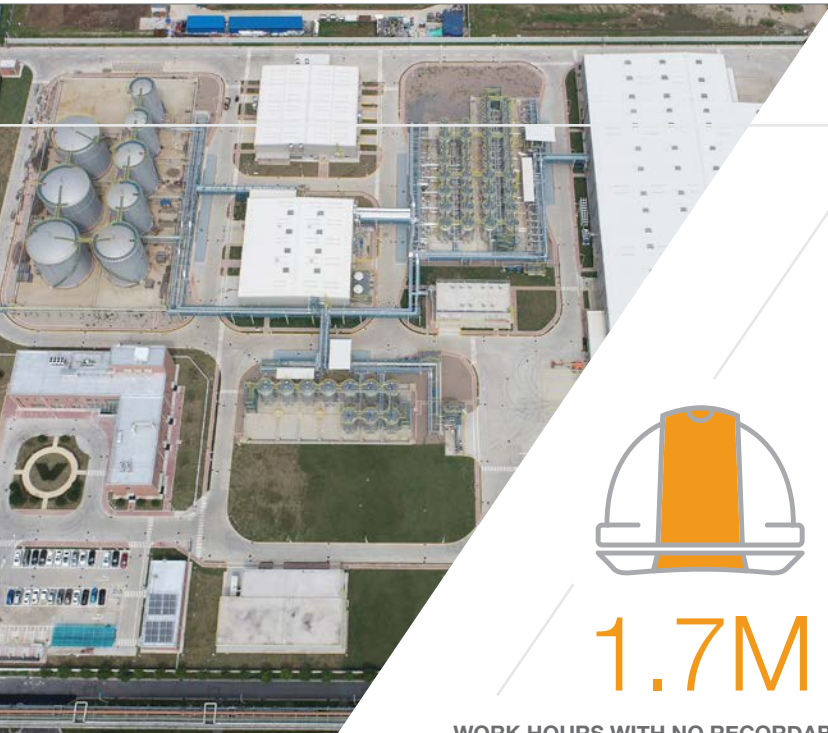
Our primary focus throughout COVID-19 was the health and safety of our global team and customers. In March of 2020, we developed a playbook with policies to protect our employees and customers, secured and distributed health and safety supplies across our operations, reorganized facilities to maintain social distancing, implemented procedures to minimize the risk of transmission, and established work from home protocols for those who were able to work remotely.

In our service centers, VIOC's stay-in-the-car experience allowed us to continue servicing our quick lube customers keeping first responders, healthcare workers, delivery personnel and other essential personnel on the road. To support our franchisees, we developed and rolled out initiatives to help them maintain their operations. Valvoline's front-line team members who continued to serve our customers throughout the pandemic were also provided additional pay.

Valvoline manufacturing plants remained safely open by implementing social distancing measures and protective equipment protocols. Pre-pandemic technological investments in customer management and sales support facilitated an easy transition to conducting business virtually, enabling us to continue offering exceptional support to our existing customers, while securing and onboarding new customers.



COVID Safety Plan Brochure



1.7M

WORK HOURS WITH NO RECORDABLE SAFETY INCIDENTS DURING CONSTRUCTION

Safety in China

Valvoline's focus on safety is a bedrock of our company, and that commitment was on full display throughout the construction of our new manufacturing facility in Zhangjiagang, China. The 800,000 square foot blending and packaging facility, equivalent to 74,322 square meters or 10 FIFA football fields, that opened in early 2021 required over 1.7 million work hours to complete. There were no recordable safety incidents during the entire span of construction—a remarkable accomplishment and a testament to Valvoline's safety-first approach. Our first hire for the project was an EH&S manager to help ensure the building would be constructed in a safety-first manner. All contractors were issued handbooks that illustrated safety requirements for all construction activities, our safety staff conducted regular site tours, and we celebrated safety milestones along the way to keep awareness levels high.

We also reported no cases of COVID-19 infection during construction. Through careful planning and intentional execution of mitigation strategies such as daily temperature checks, mandatory mask wearing, and avoidance of close contact whenever possible, we kept our team members and contractors healthy under extremely challenging conditions. The facility, with annual capacity in excess of 30 million gallons of lubricants and coolants, is now fully operational. Thanks to our hard work and diligence throughout 2020 as the site was being built, we can proudly reflect on the lengths we went to keep our people safe and healthy.

Valvoline Safety Metrics



MANUFACTURING OPERATIONS*

13%

BELOW INDUSTRY
AVERAGE INJURY RATE

VIOC*

24%

BELOW INDUSTRY
AVERAGE INJURY RATE

VALVOLINE

7%

REDUCTION IN OUR INJURY
RATE OVER THE PRIOR YEAR,
COMPANY-WIDE

*Based on 2019 Bureau of Labor Statistics data



Lockout/Tagout Demonstrations



Exoskeleton



67

EMPLOYEES AT THE CINCINNATI,
OHIO PLANT PARTICIPATED IN
SAFETY DAY

Cincinnati Safety Day

Our Cincinnati, Ohio, plant hosted its inaugural Safety Day in January 2020 with nearly 67 employees participating. Participants were placed in break-out groups allowing for more “hands-on” interaction and training.

A health booth provided information on nutrition, stress management and stretching techniques. At the ergonomic station, we reinforced established lifting techniques to utilize while at work. We introduced exoskeleton suits, ergonomically and structurally designed suits that help reduce lower back pressure and injuries, that had been effectively rolled out in another facility in the previous year. We also included a Lockout/Tagout demonstration to increase awareness of the dangers inherent in energized equipment, along with a “hazard hunt” to identify various safety opportunities throughout the facility. Last but not least, our teams participated in a “forklift rodeo” to test their safe-driving skills behind the wheel of a forklift.

“I honestly wasn’t sure what to expect, but it turned out to be really helpful. I learned new things, and it opened my eyes to several areas of the plant I hadn’t worked in for years.”

DWIGHT SCHADLE, VALVOLINE CINCINNATI BLENDER

Environment

As a global company, Valvoline understands the significant impact we can have on our environment. Through our green initiatives such as striving to reduce our carbon emissions and advancing the development of more environmentally friendly vehicles and engines, we are committed to operating in a manner that will result in positive change.



ENVIRONMENT // CARBON EMISSION PROGRAM



CDP Reporting

In our second year of participating in the CDP Climate Change Survey, Valvoline received a “B” score which CDP identified as above average for the chemical sector. We attribute this score, in part, to Valvoline’s transparency, efficient operations, product research and development efforts. CDP category scores show Valvoline received high scores in business strategy and financial planning, governance, value chain engagement, risk, opportunity disclosures and emission reduction strategies. Valvoline is working to further improve our CDP scores by setting more aggressive decarbonization and sustainability targets and initiating work on verification and the collection of supply chain scope 3 emissions. Learn more about our CDP reporting in our [GHG Summary](#) and on [cdp.net](#).

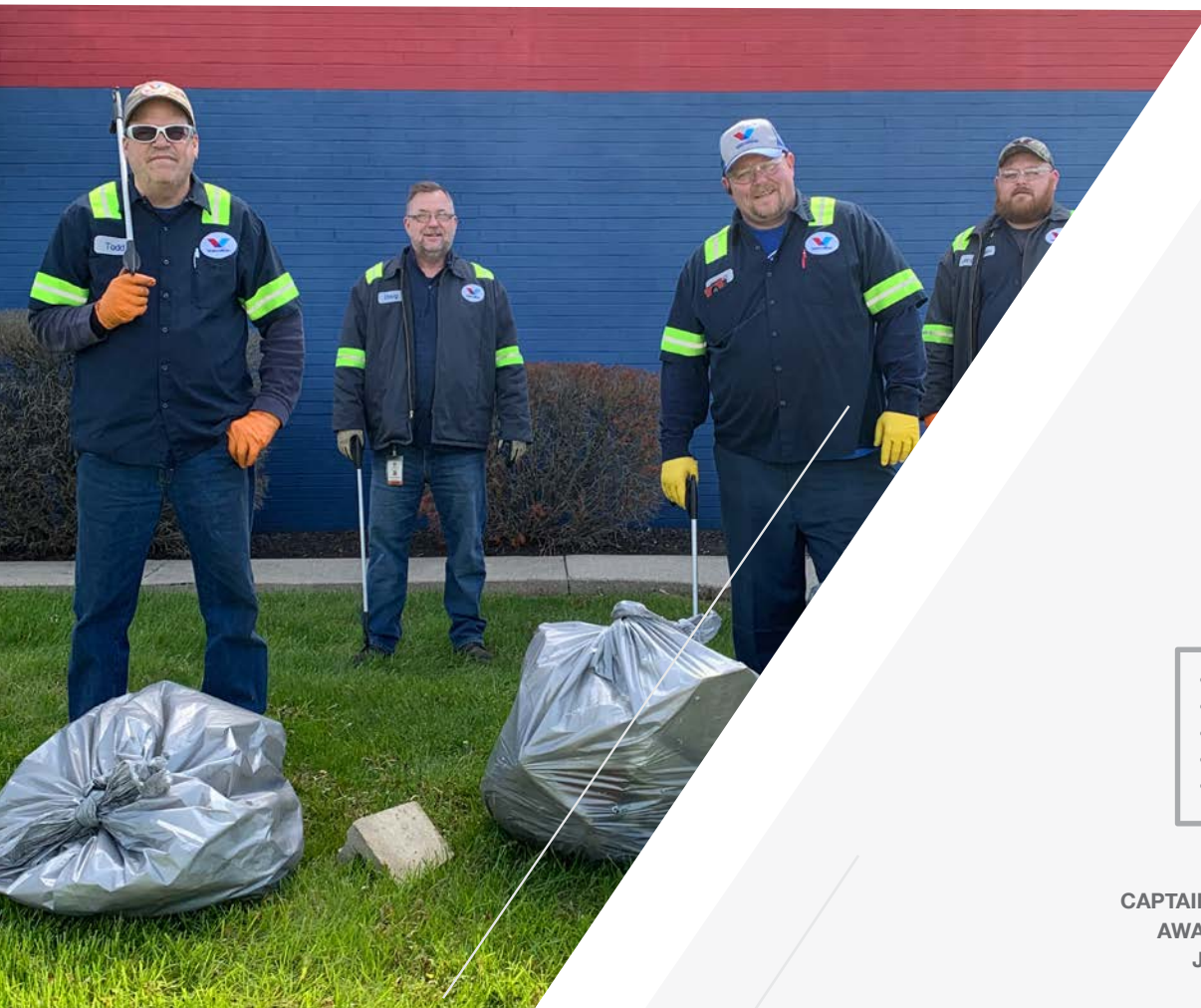
Valvoline’s Carbon Emission Program

Valvoline’s global corporate carbon reduction strategy focuses on avoiding carbon emissions, reducing emissions within our own operations, and then looking to mitigate the remaining emissions. Valvoline has implemented this by seeking out opportunities to reduce carbon emissions through operational efficiencies, product development, additive power purchase agreements (PPAs), and renewable energy credits (RECs). In 2020, we surpassed our goal to reduce Valvoline’s operation’s carbon emissions by five percent over five years from a 2016 baseline by achieving a 6.8 percent reduction. Moving forward, we’re establishing 2020 as our new baseline and setting even more aggressive operational goals. Our short-term Valvoline operation’s goal is a 10 percent reduction in carbon intensity by fiscal year 2022. We are engaging in longer term efforts to significantly reduce our emissions and will share those once the agreements are in place. In fiscal year 2020, Valvoline initiated our RECs program with the purchase of renewable energy credits as our electric purchase contract expired. In 2020, four percent of global Valvoline operation’s carbon emissions were addressed with the purchase of RECs. These purchases addressed load at our largest plant and our two largest distribution centers, all located in the U.S. Our short-term plan is to initiate a Scope 3 inventory, expand our REC purchases to our international and VIOC operations, target carbon reductions at sites identified with high carbon emitting electric sources, and execute a PPA. Based upon these efforts and strategies, Valvoline is well positioned to further reduce carbon emission.

ENVIRONMENT // VALVOLINE

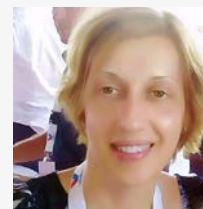
Earth Day

Each year Valvoline celebrates Earth Day with planned activities around the globe. In 2020, our usual company-wide celebration was postponed due to COVID-19, but we were able to carve out time later in the year for each facility to recognize the event at a local level. From community beautification to recycling efforts to environmental educational lessons, we still managed to make an impact during the pandemic.



Waste Management

Valvoline's Serbian operation continues to make strides in reducing waste within its own facilities and those of our industrial customers. While waste management efforts are still developing at the country-level, we're taking an active role in educating our customers on responsible product life cycle management and in helping them implement sustainable approaches in their operations. By connecting customers with waste management companies or third-party recyclers, we're helping to ensure our products are properly disposed of or re-refined.



Recognition Spotlight

In 2020, Valvoline's Jasmina Stanić won the Captain Misa Anastasijevic Award that is annually presented to individuals for outstanding results in business, creativity and social responsibility in Serbia. Stanić was recognized for her work in improving Valvoline's waste management efforts and for the environmental commitment she displayed.

"We're making a difference for our environment, and I'm proud of how far Serbia has come since recognizing this as a real issue," said Stanić.



CAPTAIN MISA ANASTASIJEVIC
AWARD PRESENTED TO
JASMINA STANIĆ

Product

Valvoline is committed to product innovation and product stewardship to ensure our customers' vehicles operate at peak performance levels. We combine technology, engineering, and manufacturing expertise to consistently deliver the highest-quality lubricants and fluids on the market today.

Product Stewardship

As a long-standing member of the Household & Commercial Products Association, Valvoline subscribes to Product Care®, a comprehensive product stewardship program. The values that drive this program are aligned with those of Valvoline as we strive to deliver products that maximize benefits to our customers and their vehicles, while minimizing impacts on the environment. We achieve this by, among other things, working to develop cutting-edge products to improve fuel efficiency and ICE engine life, and to service the growing number of hybrid and battery electric vehicles on the road.

We are always careful to consider the attributes and impacts of new and existing products and packaging, and where possible, choose components for product formulation based on “green” chemistry principles and the Environmental Protection Agency’s Safer Choice program. Valvoline has processes in place to assess and minimize the hazards of our products to ensure the safety of our consumers. These procedures involve the assessment of raw materials as well as product testing to ensure accurate classifications of our products. We consistently monitor regulatory agencies for updated chemical substances of concern and for updated legislation that may impact our products. In those instances, we determine the most appropriate course to address the issue and act accordingly.

The Product Care® Principles Include:



DESIGNING
RESPONSIBLE
PRODUCTS



UTILIZING SUSTAINABLE
MATERIALS AND
PACKAGING



OPERATING SAFE
MANUFACTURING
FACILITIES



PROMOTING SAFE
STORAGE AND
DISTRIBUTION



PROVIDING
USEFUL PRODUCT
INFORMATION



ANSWERING
CONSUMER
QUESTIONS



ANTICIPATING
PRODUCT DISPOSAL
NEEDS

PRODUCT // INNOVATIVE PRODUCTS TO DRIVE TOMORROW'S VEHICLES

Electric Vehicles

Valvoline is consistently developing new product formulations to meet the ever-changing needs of today's and tomorrow's engines and automobiles. The growth of electric vehicles (EV) continues to expand, and we're working in close collaboration with many original equipment manufacturer (OEM) partners to provide next-generation heat transfer and driveline fluids and lubricants to optimize performance.

Our dedicated EV testing lab provides a state-of-the-art resource to study and test battery technology to optimize formulations for our heavy-duty and passenger-car customers. EV batteries reach peak performance when operating within a specific temperature range, and Valvoline's coolants help maintain an ideal temperature to increase battery life. We are also exploring other applications for our EV products such as wind turbines and power storage markets.

"It's an exciting time in the automotive market with significant change on the horizon, and we are well-positioned to pioneer the fluid and lubricant advancements in gasoline engines, as well as more environmentally friendly power trains, in the coming years."

**DAVID TURCOTTE, VALVOLINE VP—
TECHNOLOGY & PRODUCT DEVELOPMENT**

FlexFill packaging makes changing gear oil in those hard to reach spots much easier.



62%

**WEIGHT REDUCTION IN
PLASTIC COMPARED TO
PREVIOUS CONTAINERS**

DIY Packaging Innovation

In 2020, Valvoline launched an exciting new packaging design with do-it-yourselfers and the environment squarely in mind. The aptly named FlexFill™ bag makes changing gear oil in those hard-to-reach spots much easier than the traditional, rigid hard-plastic containers on the market. By implementing flexible materials into the packaging design, the ability to reach tight spaces in the undercarriage of an automobile allows consumers to utilize every bit of gear oil in the package, ultimately reducing product waste. The new packaging also accounts for a 62 percent weight reduction in plastic when compared to previous containers.

"Every day, we work to create solutions for our users, whether those solutions create better protection for vehicles, greater fuel economy, enhance the lifespan of an automobile or provide time-saving, environmentally sound options for DIYers," said Roger England, Valvoline chief research and development officer.

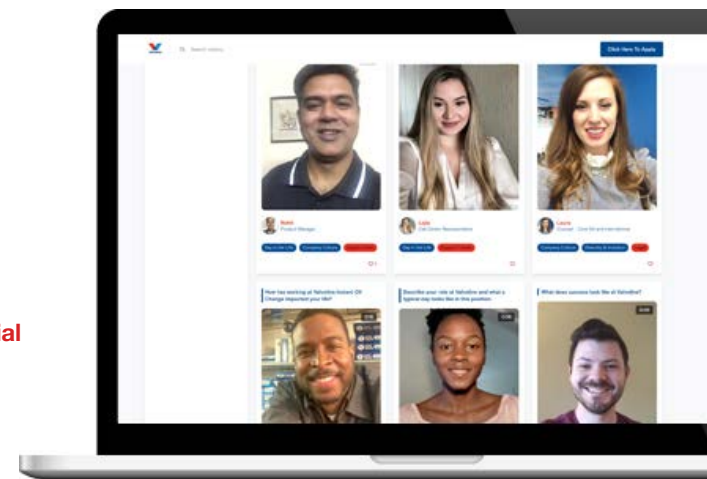
Diversity, Equity, & Inclusion

Creating a more diverse and inclusive workforce and supplier base is a critical component of Valvoline's ability to sustain a leading position in our markets. We're advancing those efforts by implementing new initiatives and continually exploring ways to make improvements.

"Candidates actively seek authenticity throughout their recruitment journey and the promise of a positive and inclusive culture from potential employers. Valvoline can deliver both."

**JON CALDWELL, VALVOLINE
SVP, CHIEF PEOPLE OFFICER**

DIVERSITY & INCLUSION // DIVERSITY RECRUITING



Recruiting videos that spotlight Valvoline's diverse workforce are an important feature on our careers website.

Joining the Valvoline Team

Valvoline's efforts to build a more diverse, equitable, and inclusive workplace continued to expand in 2020. Our recruiters utilize strategic sourcing tools and methods to help ensure a more inclusive candidate pipeline. Today's recruits actively seek environments that value a diverse and inclusive culture, and we let our recruits hear that directly from our team members by delivering improved authenticity with the addition of employee video storytelling technology. Creating a positive and inclusive culture is a company-wide commitment that's driven from the top down.



Recognition Spotlight



Brandie Dawson, Director Global Talent Acquisition was a finalist in 2020 for HRO Today's Talent Acquisition Leader of the Year Award. This award recognizes an individual leader for innovative practices and excellence in talent acquisition, including work within areas such as employer branding, technology, staff development, engagement and retention, and financial analysis.

"It was an honor to have been nominated for such a prestigious award and validates the efforts Valvoline is making to improve our candidate and new hire experience. I share this recognition with the entire Valvoline talent acquisition team."

DIVERSITY & INCLUSION // DIVERSITY, EQUITY & INCLUSION COUNCIL

Diversity, Equity & Inclusion Council

The unique characteristics that define each of our team members collectively shape our culture at Valvoline, and the innovative ideas that make our company great are born from an acceptance and appreciation of broad perspectives. To advance a wider range of thinking and approaches to business, Valvoline activated a Diversity, Equity & Inclusion (DEI) Council in 2020.

Our objective is to continue to cultivate an environment where each team member feels valued, engaged and inspired to give their best — and to create more opportunities for all employees to advance their careers. Specifically, the Council will formalize Valvoline's DEI mission and values, help to improve our diverse talent acquisition and onboarding programs, reinvigorate our Employee Resource Groups (ERGs), and expand our DEI efforts across Valvoline's international operations.

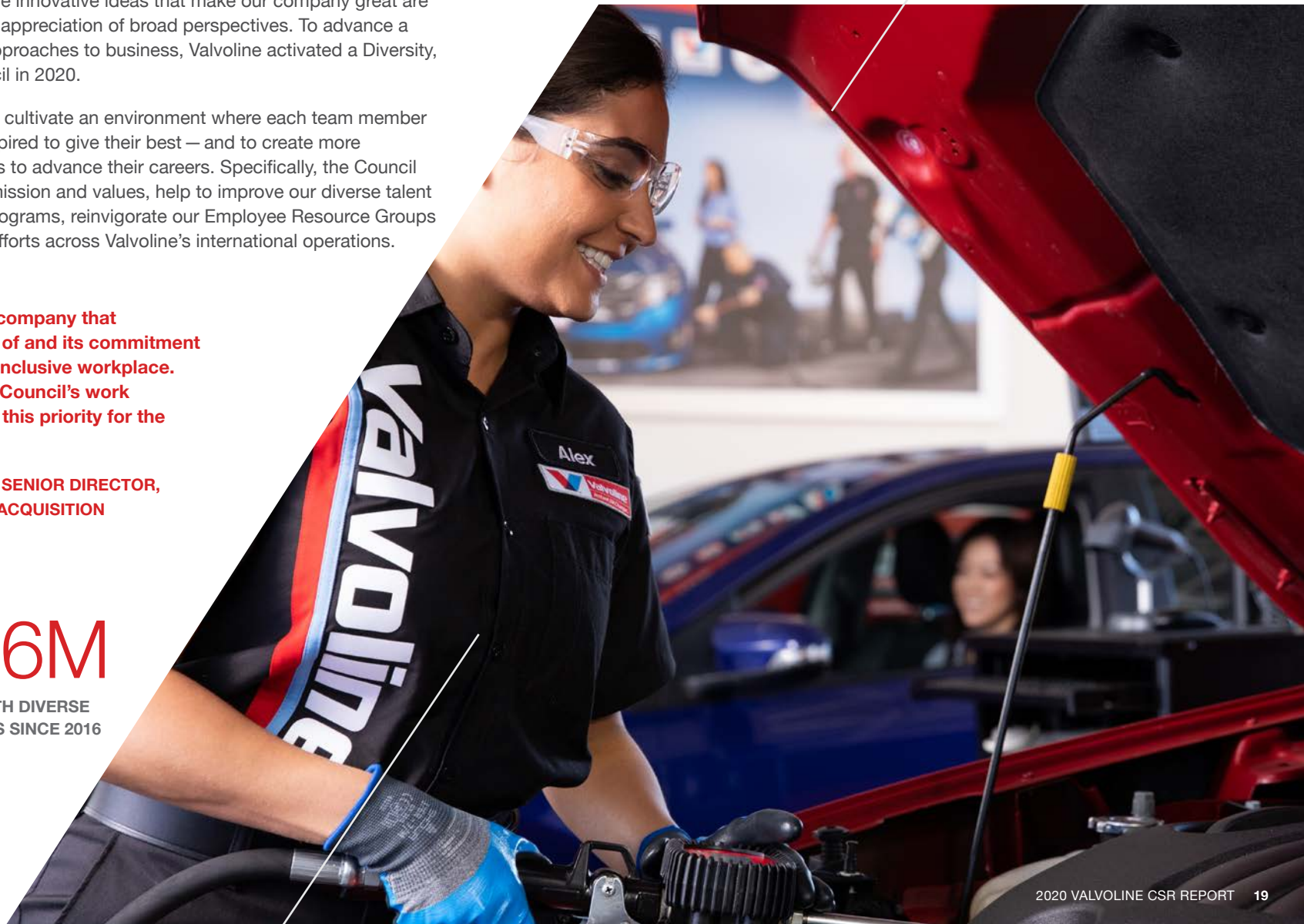
"I'm proud to be a part of a company that emphasizes the importance of and its commitment to a diverse, equitable, and inclusive workplace. I look forward to seeing the Council's work evolve to further strengthen this priority for the organization."

**MICHELE SPARKS, VALVOLINE SENIOR DIRECTOR,
COMMUNICATIONS & TALENT ACQUISITION**



\$96M

SPENT WITH DIVERSE
SUPPLIERS SINCE 2016



Workplace

Across Valvoline's global operations, we continue to develop workplaces that are conducive to collaborative, rewarding and inclusive atmospheres where team members can reach their fullest potential.

WORKPLACE // TALENT ACQUISITION



Talent Acquisition

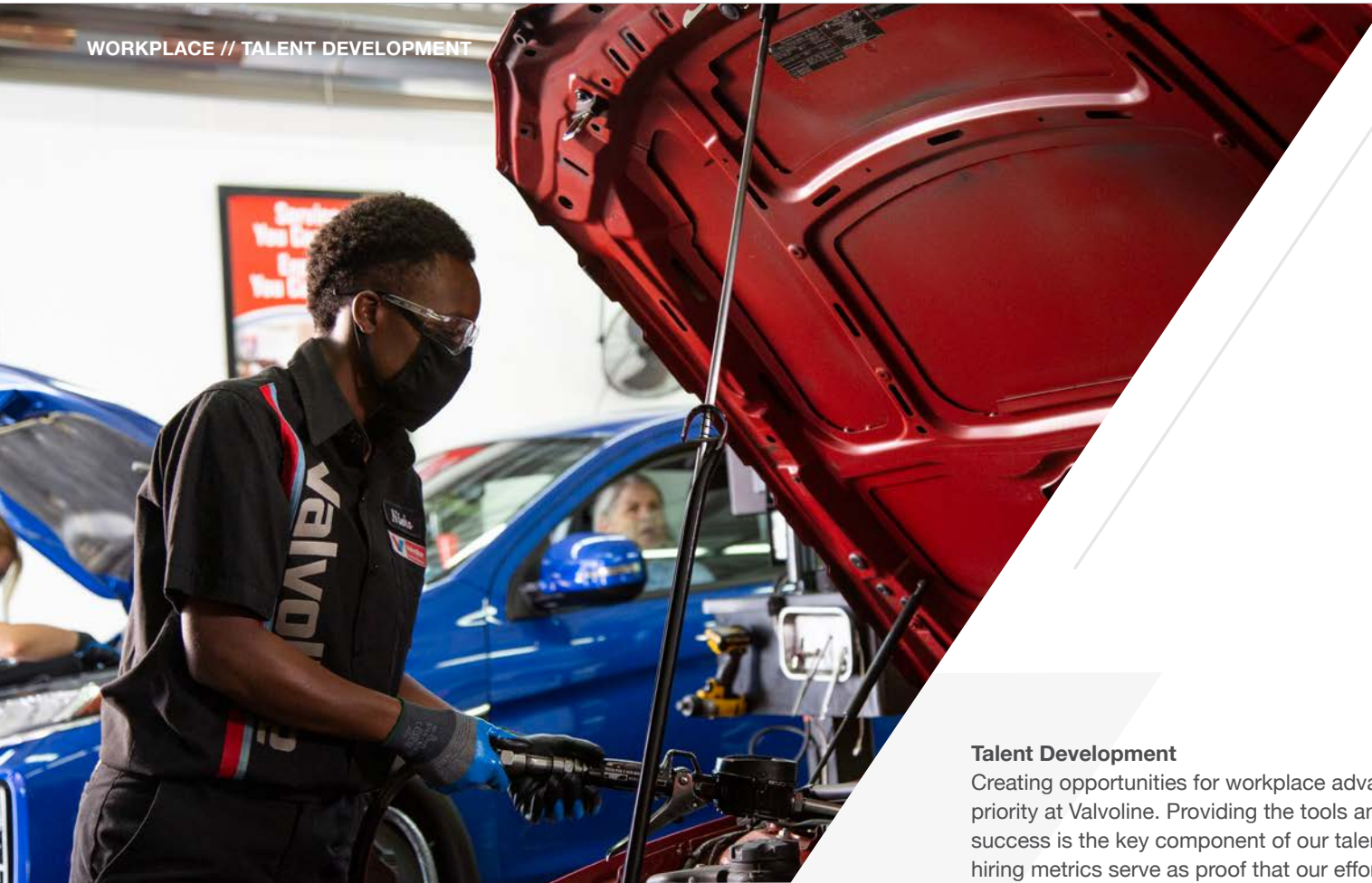
Valvoline's growth strategy resulted in a record number of new hires in 2020. Effectively recruiting and hiring new team members during the COVID-19 pandemic presented a number of challenges, but our talent acquisition team answered the call. With help from the Information Technology team, Valvoline made a seamless transition to video interviewing and virtual new hire orientation. While our hope is to soon return to a more "personal" recruiting approach, we will continue to support our growth in the safest manner possible.

Best Places to Work 2020

Valvoline has once again been recognized as one of the Best Places to Work in Kentucky in the large-size employer category by the Kentucky Chamber of Commerce. This marks the third consecutive year we have been recognized for this distinction. The experience our team members enjoy at work is pivotal to our success as a company. This recognition is awarded to companies based partly on employee surveys, and that vote of confidence from our team members serves as inspiration to maintain our focus on improving our workplace.



WORKPLACE // TALENT DEVELOPMENT



“Our team members have demonstrated remarkable resilience and continue to exceed our expectations.”

JAMIE HINELY, VALVOLINE DIRECTOR OF GLOBAL LEARNING SOLUTIONS

Talent Development

Creating opportunities for workplace advancement among our team members is a priority at Valvoline. Providing the tools and training to prepare our employees for success is the key component of our talent development approach. Valvoline’s internal hiring metrics serve as proof that our efforts are paying off — both for the company and for our team members. In 2020, 100 percent of our service center manager promotions, 100 percent of our area manager promotions, and 100 percent of our market manager promotions were attained by team members who started in hourly positions at VIOC.

The Association for Talent Development ranked VIOC #1 in the 2020 BEST Awards, a list in which Valvoline has been included for nine consecutive years. The BEST Awards feature organizations that demonstrate enterprise-wide success as a result of employee talent development, and we’re proud to find ourselves at the top of this year’s rankings. “In 2020, we were forced to adjust our approach due to the pandemic by moving courses to a virtual classroom format,” said Jamie Hinely, Valvoline’s director of global learning solutions. “Our team members have demonstrated remarkable resilience and continue to exceed our expectations.”



Recognition Spotlight

Valvoline Instant Oil Change topped the BEST Awards as the #1 ranked company for talent development.

Susan Fargus, Valvoline manager of training development, played an integral role in securing the top spot in 2020 and hopes to continue the success well into the future. “The recognition is validation of Valvoline’s culture,” said Fargus. “But what really motivates us is hearing from team members who express appreciation for having helped them progress in their careers.”

2020 Key Performance Indicators

Citizenship

\$694K

raised for charitable organizations during our annual U.S. Valvoline Employee Giving Campaign

[Charitable Giving Program →](#)

\$50K

raised for building Homes for Heroes

[Charitable Giving Program →](#)

Safety

7%

reduction in our injury rate over the prior year, company-wide

[Health and Safety →](#)

MANUFACTURING OPERATIONS

13%

below industry average injury rate

[Health and Safety →](#)

VIOLATIONS

24%

below industry average injury rate

[Health and Safety →](#)

Environment

67%

supply chain sites that are zero landfill

[Waste/Hazardous Waste Management Program →](#)

5.1M

pounds of recycled materials in 2020

[Waste/Hazardous Waste Management Program →](#)

6.8%

reduction in Valvoline Operations Scope 1 & 2 Greenhouse Gas emission intensity

[Energy Management Programs →](#)

9.2M

gallons (11% increase) in recycled automotive fluids

[Waste/Hazardous Waste Management Program →](#)

“B”

CDP Score Above Industry Average

[Energy Management Programs →](#)

2020 Key Performance Indicators

Product

218K

total safety data sheets generation rate

90%

of our safety data sheets
generated electronically, greatly
reducing paper use

Diversity, Equity & Inclusion

\$95.7M

in diverse spend since 2016

33%

of Valvoline's senior leadership
team are women

Workplace

100%

of our VIOC service center managers
promoted from within

[Workplace Profile →](#)

Environmental, Social and Governance (ESG) Reporting Index

ESG Reporting Cross Reference

GRI [*] DISCLOSURES	SASB ^{**}	CDP ^{***}	REFERENCE
Organization Profile			
Disclosure 102-1 Name of the organization			Valvoline Inc
Disclosure 102-2 Activities, brands, products, and services			10-K Valvoline's products and services Page 4
Disclosure 102-3 Location of headquarters			100 Valvoline Way, Lexington, KY 40509
Disclosure 102-4 Location of operations			10-K Overview (Page 4)
Disclosure 102-5 Ownership and legal form			10-K Overview (Page 4)
Disclosure 102-6 Markets served			10-K Reportable segments (Page 6)
Disclosure 102-7 Scale of the organization			10-K Raw material supply and prices page 10, Fiscal Overview 2020 (Page 36)
Disclosure 102-8 Information on employees and other workers			Workforce Profile
Disclosure 102-9 Supply chain			Supply Chain
Disclosure 102-10 Significant changes to the organization and its supply chain			10-K
Disclosure 102-11 Precautionary Principle or approach			Valvoline supports the intent of the Precautionary Principle with regard to risk management. We have established formal programs throughout our organization to identify potential impacts from risks and develop appropriate action plans to mitigate those risks. Our risk management program covers all aspects of our operations—from design of our operations and product development and production through the distribution of our products to our customers.

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Environmental, Social and Governance (ESG) Reporting Index

ESG Reporting Cross Reference

GRI [*] DISCLOSURES	SASB ^{**}	CDP ^{***}	REFERENCE
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Organization Profile (continued)

Disclosure 102-12 External initiatives			External Commitments
Disclosure 102-13 Membership of associations			External Commitments

Strategy

Disclosure 102-14 Statement from senior decision-maker			From Our CEO
Disclosure 102-15 Key impacts, risks, and opportunities			10K

Ethics and Integrity

Disclosure 102-16 Values, principles, standards, and norms of behavior			Our CSR Approach, Standards of Business Conduct
Disclosure 102-17 Mechanisms for advice and concerns about ethics			Our CSR Approach, Standards of Business Conduct

Governance

Disclosure 102-18 Governance structure			Proxy (pages 13-18)
Disclosure 102-19 Delegating authority			Proxy (pages 13-18)
Disclosure 102-20 Executive-level responsibility for economic, environmental, and social topics		C1	From Our CEO, Our CSR Approach
Disclosure 102-21 Consulting stakeholders on economic, environmental, and social topics			Proxy (pages 19-20)

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GRI // Global Reporting Initiative Content Index

ESG Reporting Cross Reference

GRI [*] DISCLOSURES	SASB ^{**}	CDP ^{***}	REFERENCE
Governance (continued)			
Disclosure 102-22 Composition of the highest governance body and its committees			Proxy (pages 13-14)
Disclosure 102-23 Chair of the highest governance body			Proxy (pages 13; 16)
Disclosure 102-24 Nominating and selecting the highest governance body			Proxy (pages 5-10; 19-20)
Disclosure 102-25 Conflicts of interest			Proxy (pages 13; 17-19)
Disclosure 102-26 Role of highest governance body in setting purpose, values, and strategy			Proxy (pages 14-17)
Disclosure 102-27 Collective knowledge of highest governance body			Proxy (pages 14-17)
Disclosure 102-28 Evaluating the highest governance body's performance			Proxy (page 17)
Disclosure 102-29 Identifying and managing economic, environmental, and social impacts			Proxy (pages 14-17)
Disclosure 102-30 Effectiveness of risk management processes			Proxy (pages 14-17)
Disclosure 102-31 Review of economic, environmental, and social topics			Proxy (pages 17)
Disclosure 102-32 Highest governance body's role in sustainability reporting		C1.1b; C1.2; C1.2a	Proxy (pages 17)
Disclosure 102-33 Communicating critical concerns			Proxy (pages 19-20)

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Environmental, Social and Governance (ESG) Reporting Index

ESG Reporting Cross Reference

GRI [*] DISCLOSURES	SASB ^{**}	CDP ^{***}	REFERENCE
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Governance (continued)

Disclosure 102-34 Nature and total number of critical concerns			Proxy (pages 19-20) , No critical concerns reported
Disclosure 102-35 Remuneration policies			Proxy (pages 21-59)
Disclosure 102-36 Process for determining remuneration			Proxy (pages 21-59)
Disclosure 102-37 Stakeholders' involvement in remuneration			Proxy (page 30)
Disclosure 102-38 Annual total compensation ratio			Proxy (page 57) , U.S. Only
Disclosure 102-39 Percentage increase in annual total compensation ratio			Year Over Year ratio of annual compensation is available by comparing Proxy Statements

Stakeholder Engagement

Disclosure 102-40 List of stakeholder groups			About this Report
Disclosure 102-41 Collective bargaining agreements			Workforce Profile (Page 5)
Disclosure 102-42 Identifying and selecting stakeholders			About this Report , Engaging Stakeholders
Disclosure 102-43 Approach to stakeholder engagement			About this Report , Engaging Stakeholders

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Environmental, Social and Governance (ESG) Reporting Index

ESG Reporting Cross Reference

GRI [*] DISCLOSURES	SASB ^{**}	CDP ^{***}	REFERENCE
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Stakeholder Engagement (continued)

Disclosure 102-44 Key topics and concerns raised			Valvoline has observed a significant increase in investor and ESG rating company interest in our CSR and ESG program. Based upon our transparency and recognition of investor interests in the CSR and ESG areas our ratings continue improve and have generally been above average within our sector. In response to stakeholder recommendations we are working on third-party verification and have expanded our GRI cross reference to include CDP and SASB references.
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Reporting Practices

Disclosure 102-45 Entities included in the consolidated financial statements			10K Schedule 1
Disclosure 102-46 Defining report content and topic Boundaries			About this Report
Disclosure 102-47 List of material topics			About this Report
Disclosure 102-48 Restatements of information			About this Report
Disclosure 102-49 Changes in reporting			About this Report
Disclosure 102-50 Reporting period			About this Report
Disclosure 102-51 Date of most recent report			About this Report
Disclosure 102-52 Reporting cycle			About this Report
Disclosure 102-53 Contact point for questions regarding the report			About this Report

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Environmental, Social and Governance (ESG) Reporting Index

ESG Reporting Cross Reference

GRI [*] DISCLOSURES	SASB ^{**}	CDP ^{***}	REFERENCE
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Reporting Practices (continued)

Disclosure 102-54 Claims of reporting in accordance with the GRI Standards			About this Report
Disclosure 102-55 GRI content index			ESG Index Content
Disclosure 102-56 External assurance			GHG emissions were externally verified by Apex Environmental consultants.

Management Approach

Disclosure 103-1 Explanation of the material topic and its Boundary			About this Report
Disclosure 103-2 The management approach and its components	RT-CH-530a.1	C2, C12.3	Materials Disclosures (from Our CEO and CSR Approach Pages 4—6), CDP Report Section C2 and 12.3
Disclosure 103-3 Evaluation of the management approach	RT-CH-530a.1	C2, C12.3	Management Systems (from Our CEO and CSR Approach Pages 4—6), CDP Report Section C2 and 12.3

Economic Performance

Disclosure 201-1 Direct economic value generated and distributed			10K Five-Year Selected Financial Information (pages 30-32)
Disclosure 201-2 Financial implications and other risks and opportunities due to climate change		C2.3	CDP Report Section C2.3
Disclosure 201-3 Defined benefit plan obligations and other retirement plans			10K (pages 53-55)
Disclosure 201-4 Financial assistance received from government			None

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Environmental, Social and Governance (ESG) Reporting Index

ESG Reporting Cross Reference

GRI [*] DISCLOSURES	SASB ^{**}	CDP ^{***}	REFERENCE
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Market Presence

Disclosure 202-1 Ratios of standard entry level wage by gender compared to local minimum wage			Not Tracked
Disclosure 202-2 Proportion of senior management hired from the local community			Not Tracked

Indirect Economic Impacts

Disclosure 203-1 Infrastructure investments and services supported			Not Tracked
Disclosure 203-2 Significant indirect economic impacts			Valvoline constructed a blending and packaging facility with annual capacity of 30M gallons in Zhangjiagang, China. 1.7 million on-site work hours were recorded without a safety incident. (CSR page 12)

Procurement Practices

Disclosure 204-1 Proportion of spending on local suppliers			Not Tracked
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Anti-corruption

Disclosure 205-1 Operations assessed for risks related to corruption			Not Reported
Disclosure 205-2 Communication and training about anti-corruption policies and procedures			Ethics and Compliance
Disclosure 205-3 Confirmed incidents of corruption and actions taken			No significant noncompliance incidents of corruption and actions taken

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Environmental, Social and Governance (ESG) Reporting Index

ESG Reporting Cross Reference

GRI [*] DISCLOSURES	SASB ^{**}	CDP ^{***}	REFERENCE
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Anti-competitive

Disclosure 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices			No significant noncompliance with anti-competitive behavior, anti-trust, and monopoly practices.
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Tax

Disclosure 207-1 Approach to tax			Valvoline complies with the tax laws of every taxing jurisdiction where it is required to report or pay taxes. FY20 10-K Page 55-56.
Disclosure 207-2 Tax governance, control, and risk management	RT-CH-530a.1		Valvoline is subject to Sarbanes-Oxley and other similar domestic and foreign laws and regulations and maintains a suite of internal controls and risk management practices and policies to comply with those. FY20 10-K Page 90-93.
Disclosure 207-3 Stakeholder engagement and management of concerns related to tax			Material tax matters, including tax planning and tax controversies, are escalated to the appropriate levels of management for consideration and authorization. Material tax matters are also raised to the Board of Directors for their information and advice if those tax matters involve material financial or reputational risk.
Disclosure 207-4 Country-by-country reporting	RT-CH-530a.1		Valvoline complies with the tax laws of each country in which it has tax residency. This includes compliance with all applicable transfer pricing reporting and documentation requirements.

Materials

Disclosure 301-1 Materials used by weight or volume	RT-CH-000.A		168 million gallons 10 K (page 30)
Disclosure 301-2 Recycled input materials used			344,000 metric tons
Disclosure 301-3 Reclaimed products and their packaging materials			Not tracked

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Environmental, Social and Governance (ESG) Reporting Index

ESG Reporting Cross Reference

GRI [*] DISCLOSURES	SASB ^{**}	CDP ^{***}	REFERENCE
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Energy

Disclosure 302-1 Energy consumption within the organization	RT-CH-130a.1	C8.2; C8.2a	Energy Management
Disclosure 302-2 Energy consumption outside of the organization			Valvoline is initiating work on collecting Scope 3 emissions
Disclosure 302-3 Energy intensity			Energy Management
Disclosure 302-4 Reduction of energy consumption			Energy Management
Disclosure 302-5 Reductions in energy requirements of products and services			Energy Management
Disclosure 207-4 Country-by-country reporting			Energy Management

Water and Effluent

Disclosure 303-1 Interactions with water as a shared resource			Water Management
Disclosure 303-2 Management of water discharge-related impacts			Water Management
Disclosure 303-3 Water withdrawal			Water Management
Disclosure 303-4 Water discharge			Water Management
Disclosure 303-5 Water consumption			Water Management

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Environmental, Social and Governance (ESG) Reporting Index

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GRI [*] DISCLOSURES	SASB ^{**}	CDP ^{***}	REFERENCE
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Biodiversity

Disclosure 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas			What we don't do in our operations and CSR efforts Our CSR Approach
Disclosure 304-2 Significant impacts of activities, products, and services on biodiversity			What we don't do in our operations and CSR efforts Our CSR Approach
Disclosure 304-3 Habitats protected or restored			What we don't do in our operations and CSR efforts Our CSR Approach
Disclosure 304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations			What we don't do in our operations and CSR efforts Our CSR Approach

Emissions

Disclosure 305-1 Direct (Scope 1) GHG emissions	RT-CH-110a.1	C6.1; C6.3; C7.3; C7.6; C7.9; C8.1-8.2f	SASB - Scope 1 emissions represent gross emission and do not include any emission credits or offsets. Valvoline GHG emissions are not covered under emissions-limiting regulation or programs
Disclosure 305-2 Energy indirect (Scope 2) GHG emissions			Energy Management
Disclosure 305-3 Other indirect (Scope 3) GHG emissions			Energy Management
Disclosure 305-4 GHG emissions intensity			Energy Management
Disclosure 305-5 Reduction of GHG emissions	RT-CH-110a.2	C3.1; C4.3	Energy Management
Disclosure 305-6 Emissions of ozone-depleting substances (ODS)			Energy Management
Disclosure 305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	RT-CH-120a.1		Energy Management

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GRI [*] DISCLOSURES	SASB ^{**}	CDP ^{***}	REFERENCE
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Waste

Disclosure 306-1 Waste generation and significant waste-related impacts			Waste Management
Disclosure 306-2 Management of significant waste-related impacts			Waste Management
Disclosure 306-3 Waste generated	RT-CH-150a.1		Waste Management
Disclosure 306-4 Waste diverted from disposal			Waste Management
Disclosure 306-5 Waste directed to disposal			Waste Management

Environmental Compliance

Disclosure 307-1 Non-compliance with environmental laws and regulations	RT-CH-140a.2		No significant fines
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Supplier Environmental Assurance

Disclosure 308-1 New suppliers that were screened using environmental criteria			All suppliers are screened using environmental criteria. Supplier Code of Conduct
Disclosure 308-2 Negative environmental impacts in the supply chain and actions taken			Valvoline impacts are considered de minimis in the areas we operate. See references to GRI disclosures 301 through 306.

Employment

Disclosure 401-1 New employee hires and employee turnover			Valvoline Global Turnover (excluding VIOC) 12% Valvoline New Hires (excluding VIOC) 625 VIOC Stores Overall Turnover was 84% VIOC Store New Hires 5,146
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Employment (continued)

Disclosure 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees			Not Tracked. Benefits Program. Workforce Profile
Disclosure 401-3 Parental leave			Not Tracked

Labor Management Relations

Disclosure 402-1 Minimum notice periods regarding operational changes			Notices issued in accordance with local requirements. Workplace Profile
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Occupational Health and Safety

Disclosure 403-1 Occupational health and safety management system			Health and Safety
Disclosure 403-2 Hazard identification, risk assessment, and incident investigation			Health and Safety
Disclosure 403-3 Occupational health services			Valvoline offers access to an organized, external clinic network for on the job injury care. Each Valvoline site is matched with a local clinic for collaborative care in the event of a work place injury as well as drug and alcohol screens. Health and Safety
Disclosure 403-4 Worker participation, consultation, and communication on occupational health and safety			Health and Safety
Disclosure 403-5 Worker training on occupational health and safety			Health and Safety
Disclosure 403-6 Promotion of worker health			Health and Safety
Disclosure 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships			Health and Safety

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Occupational Health and Safety Employment (continued)

Disclosure 403-8 Workers covered by an occupational health and safety management system			Health and Safety
Disclosure 403-9 Work-related injuries			Health and Safety
Disclosure 403-10 Work-related ill health			Health and Safety
Process Safety Incidents Counts (PSIC)	RT.CH.504a.1		Valvoline had no incidents that meet the definition of a Tier 1 Process Safety incidents per ANSI/API RP 754. Valvoline operations are not covered by Process Safety regulations.

Training and Education

Disclosure 404-1 Average hours of training per year per employee			non-VIOC employees 8.12 hours VIOC employees 146 hours Workplace Profile
Disclosure 404-2 Programs for upgrading employee skills and transition assistance programs			Workplace Profile
Disclosure 404-3 Percentage of employees receiving regular performance and career development reviews			93%

Diversity and Equal Opportunity

Disclosure 405-1 Diversity of governance bodies and employees			Diversity of Governance Body (Board) 22% Female, 78% Male Age group: under 30 years old 0%, 30-50 years old 0%, over 50 years old 100% 11% Minority Workplace Profile, Proxy
Disclosure 405-2 Ratio of basic salary and remuneration of women to men			Not Reported

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ESG Reporting Cross Reference

GRI [*] DISCLOSURES	SASB ^{**}	CDP ^{***}	REFERENCE
Non-Discrimination			
Disclosure 406-1 Incidents of discrimination and corrective actions taken			If an investigation confirms that harassment or discrimination has occurred, Valvoline will take prompt corrective action, including discipline up to and including termination. Decisions reached will be communicated to those involved.
Freedom of Association and Collective Bargaining			
Disclosure 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk			Not Tracked
Disclosure 408-1 Operations and suppliers at significant risk for incidents of child labor			Supplier Code of Conduct
Forced or Compulsory Labor Child Labor			
Disclosure 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor			Supplier Code of Conduct
Security Practices			
Disclosure 410-1 Security personnel trained in human rights policies or procedures			Not Tracked
Rights of Indigenous Peoples			
Disclosure 411-1 Incidents of violations involving rights of indigenous peoples			No sites involved in issues with or located in areas associated with rights of indigenous peoples
Human Rights Assessment			
Disclosure 412-1 Operations that have been subject to human rights reviews or impact assessments			No sites subject to human rights review

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GRI [*] DISCLOSURES	SASB ^{**}	CDP ^{***}	REFERENCE
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Human Rights Assessment

Disclosure 412-2 Employee training on human rights policies or procedures			Business Code of Conduct
Disclosure 412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening			Not Tracked

Local Communities

Disclosure 413-1 Operations with local community engagement, impact assessments, and development programs	RT-CH-210a.1		Community Relations
Disclosure 413-2 Operations with significant actual and potential negative impacts on local communities			No significant impacts on local communities

Supplier Social Assessment

Disclosure 414-1 New suppliers that were screened using social criteria			Supplier Code of Conduct
Disclosure 414-2 Negative social impacts in the supply chain and actions taken			Supplier Code of Conduct

Public Policy

Disclosure 415-1 Political contributions			None
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Customer Health and Safety

Disclosure 416-1 Assessment of the health and safety impacts of product and service categories	RT-CH-410b.1 RT-CH-410b.2		100% of Valvoline products have SDS and are evaluated for health, safety, environmental, sourcing and disposal.
Disclosure 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	RT-CH-410a.1		No significant non-compliance issues concerning health and safety impacts of products and services.

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ESG Cross Reference

GRI [*] DISCLOSURES	SASB ^{**}	CDP ^{***}	REFERENCE
Marketing and Labeling			
Disclosure 417-1 Requirements for product and service information and labeling			100% of Valvoline products have SDS and are evaluated for health, safety, environmental, sourcing and disposal.
Disclosure 417-2 Incidents of non-compliance concerning product and service information and labeling			No significant non-compliance issues concerning product and service information labeling
Disclosure 417-3 Incidents of non-compliance concerning marketing communications			No noncompliance associated marketing communications
Customer Privacy			
Disclosure 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data			No breaches or complaints of customer privacy or customer data losses
Socioeconomic Compliance			
Disclosure 419-1 Non-compliance with laws and regulations in the social and economic area			No noncompliance with social and economic areas
Additional SASB Disclosures			
Product Design for Use-phase Efficiency	RT-CH-410a.1		Not tracked
Number of transport incidents	RT-CH-540a.2		No transportation incidents in FY 20 as defined by SASB RT-CH-540a2

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GRI // Report Information

About This Report

We prepared this report 'prepared in accordance with the GRI Standards: Core option'. This report and its documents Oct. 1, 2019, through Sept. 30, 2020. We publish our reports online annually. Valvoline has not obtained external assurance for the development of this CSR report. However, Valvoline has rigorous internal policies and practices that provide assurance about the accuracy of the content of this report.

Report Scope and Boundaries

This report covers all of our operating units, 100 percent of our leased and owned facilities, and 100 percent of our workforce in the regions in which we operate, unless otherwise noted. It also covers joint ventures and subsidiaries that are part of our business segments.

Material Boundaries

How We Chose What to Include in Our Report

Valvoline's CSR Report contains information on the company's performance in the following areas: environmental stewardship, social, health and safety, product stewardship, community development and economic performance. This report includes information on our majority-owned operations where Valvoline operates. The company's stakeholders include employees, customers, suppliers, owners, contractors, business partners, governmental and non-governmental organizations, unions, industry colleagues and the communities where we operate.

Our stakeholders help shape our businesses and contribute to our overall success. We strive to be transparent with regard to our activities and operations, and we engage with our stakeholders on their issues of concern in a manner that is positive and constructive.

Throughout the year we respond to many direct requests from our stakeholders regarding the company's environment, health and safety and social responsibility policies, programs and performance.

Our primary audience for this report includes, but is not limited to, the following stakeholders:

- Current shareholders and prospective investors;
- Current and prospective employees seeking to work for a sustainability-minded company;
- Communities where we operate that want to understand how we manage and operate our business as a responsible corporate citizen;
- Suppliers with whom we partner, who are critical to our operations; and
- Governmental and non-governmental agencies that have an interest in our business and operations.

Materiality and Prioritization

Valvoline has identified key material ESG aspects that are important to Valvoline's performance and its stakeholders. These ESG priorities are based on many factors but not limited to financial impact on the organization.

In addition to reporting on these material aspects, we continue to provide relevant information on many other topics to meet the needs of our diverse stakeholders.

[Material Aspects table→](#)

Engaging Stakeholders

Stakeholder engagement at Valvoline is an ongoing activity, occurring at all levels of our organization. Valvoline seeks to establish and maintain productive relationships with all of its key stakeholders, encompassing employees, customers, suppliers, government officials, investors and residents of communities in which Valvoline operates.

Valvoline gathers specific feedback from internal sources to better understand how the company interacts with its key stakeholders. Feedback is obtained from departments such as sales and marketing within each business, corporate environmental, health and safety, procurement and logistics, investor relations, and corporate communications.

This analysis is conducted on an ongoing basis throughout the company. The table below summarizes some of the many stakeholder engagement practices. Although it is not inclusive of all stakeholder engagement practices, it summarizes the core elements of how Valvoline engages stakeholder groups on topics of interest.

[This table summarizes who we engage with and how→](#)

Your feedback is welcome and appreciated. Please address any questions or comments about our CSR report to csr@valvoline.com.

