



**Corporate
Social
Responsibility
Report**



FY '21 At-A-Glance

\$3.0B
in revenue

9,800
employees

140+
countries and
territories where
Valvoline products
are sold

Our products were sold to consumers through more than:

57,000
North America
retail outlets

23,000
North America
installers and
international
outlets

1,600
approximate number
of system-wide retail
service center stores

About Valvoline

Valvoline Inc. (NYSE: VVV) is a global leader in vehicle care powering the future of mobility through innovative services and products for vehicles with electric, hybrid and internal combustion powertrains. Established in 1866, the Company introduced the world's first branded motor oil and over the years developed strong brand recognition and customer satisfaction ratings across multiple service and product channels. The Company operates and franchises nearly 1,600 service center locations, and is the No. 2 and No. 3 largest chain in the U.S. and Canada respectively by number of stores. With sales in more than 140 countries and territories, Valvoline's solutions are available for every engine and drivetrain, including high-mileage and heavy-duty vehicles, and are offered at more than 80,000 locations worldwide. Creating the next generation of advanced automotive solutions, Valvoline has established itself as the world's No. 1 supplier of battery fluids to electric vehicle (EV) manufacturers, offering tailored products to help extend vehicle range and efficiency. To learn more, or to find a Valvoline service center near you, visit valvoline.com.



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To Our Stakeholders

Fiscal year 2021 marked a transformational moment in Valvoline’s 150+ year history as we continued to expand our Retail Services business and grow share and profitability in our Global Products business. We made significant progress in each of these areas, despite lingering COVID-19 challenges, to finish the year with record financial results. Yet, on our journey to become the world’s leading vehicle care business — driving the future of mobility for all powertrains — Valvoline’s foundational principles of Corporate Social Responsibility continued to lead our way. As one of Valvoline’s core values states, “We are committed to winning...the right way.”

In that spirit, I am proud to share our 2021 Corporate Social Responsibility (CSR) Report that highlights our efforts to create positive impacts on our team members and neighbors alike. From making our communities better places to live to minimizing the impacts our operations have on the planet, we emphasize this commitment in all that we do. Below are just a few examples of our progress in the four strategic areas of Valvoline’s CSR efforts — people, safety, environment and innovation:

- We reduced carbon intensity emissions in our manufacturing and warehouse operations by 14.5 percent.
- We established a long-term goal to reduce our Scope 1 and 2 Global Products carbon emissions by 50 percent by 2030.
- We bolstered our diverse recruiting and talent development initiatives.
- We continued to post remarkable talent development metrics.
- We celebrated another record year of active giving and volunteering by our employees.

These achievements are a testament to the commitment, hard work and compassion of our 9,800 employees worldwide. Their efforts continually serve as a great source of personal pride to me, and I am grateful to work alongside each of them. While we take time to celebrate our accomplishments, we recognize our journey is an ever-evolving one. With the “Hands-On” approach of the Valvoline team, I am certain we will continue to realize our CSR objectives and set new goals as they are met. I encourage you to explore this report and welcome any feedback as we progress along our journey.



Samuel J. Mitchell, Jr.
Chief Executive Officer

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 four main areas: *people*, *safety*, *environment*, and *innovation*.

People

Creating and supporting initiatives to realize better communities and a more empowering, inclusive, and diverse workplace. →

Safety

We design, build, and operate our facilities to consistently promote a safe and secure workplace. →

Environment

We remain committed to environmental stewardship through all aspects of our business, from our product offerings to the services we provide. →

Innovation

Our legacy of innovation extends back to our founding in 1866, and today we continue to explore new ways of thinking to positively impact our stakeholders. →

Valvoline'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 channel 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 and territories. 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 ICE (internal combustion engines).
- Produce products for use in hybrid and EVs.
- Operate and franchise approximately 1,600 retail service center stores in the U.S. and Canada.
- Operate low-emission blending and packaging facilities.
- Employ nearly 9,800 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, 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).

PEOPLE PEOPLE



At Valvoline, we strive for the betterment of humankind, from our team members who continuously drive our success to those who live in the neighborhoods in which we operate.



Valvoline Instant Oil Change

Valvoline Instant Oil Change (VIOC) service centers not only raised nearly \$900,000 for Children’s Miracle Network Hospitals in fiscal 2021 but gave and volunteered generously to other efforts as well. Our VIOC markets also support regional causes closer to their homes. Our Minneapolis market has an ongoing, annual commitment to Ronald McDonald House, Upper Midwest Chapter, and this year contributed over \$50,000 to the organization.

In our VIOC Midwest United Market, which includes metropolitan St. Louis and parts of Illinois, our associates sponsored 33 families by providing Christmas gifts to each. The 44 service centers in the market also collected four pickup truckloads of canned goods for a food bank for families in need.

Nearly
\$900K
 raised for
 Children’s
 Miracle Network
 Hospitals in 2021

\$57K+
 contributed to the
 Ronald McDonald
 House by VIOC
 Upper Midwest
 Chapter

Four pickup
 truckloads of
 canned goods for
 a food bank for
 families
 in need



Check presented to Ronald McDonald House by VIOC Upper Midwest Chapter

Valvoline Hands-On Assistance

VIOC created the Hands-On Assistance program in 2015 to help fellow associates facing financial hardship immediately after a natural disaster or an unforeseen personal hardship.

Hands On Assistance (HOA) relies primarily on individual donations from employees and support from Valvoline to fund this program. This past year, we initiated a \$.50 per \$1.00 matching campaign to ensure the long-term financial strength of the fund. Through the generosity of our associates, we were able to support 97 associates with \$190,000 in short-term financial assistance in 2021.



Tornado Relief

In late 2021, a violent tornado resulted in catastrophic damage to many cities and towns across western Kentucky, including loss of life and property.

Valvoline team members responded by establishing a three-day supply drive at our headquarters, filling three trailers with goods such as bottled water, power generators, coats, food, toys, and more. Team members helped deliver the goods to a centralized relief location in western Kentucky. In addition, our team members raised \$20,000 to support Red Cross chapters in the affected areas, and Valvoline made a \$50,000 donation to United Way of Kentucky Tornado Fund.



\$190K

in short-term financial assistance was given to 97 associates in 2021

\$50K

donation made to United Way of Kentucky Tornado Fund by Valvoline





Valvoline International Giving

Australia

Valvoline Australia donated \$5,000 to the Kids With Cancer Foundation Australia. The foundation supports cancer research projects that aim to eliminate children's cancer while ensuring children in hospitals have access to the best possible treatments.

Mexico

Valvoline donated \$15,000 to Fondo de Inversion Social Potosino, an organization that supports entrepreneurs in San Luis Potosi who collaborate by contributing economic resources and talent to transform social indifference into impact projects.

India

Through our joint venture, Valvoline Cummins Private Limited, we celebrated Valvoline Mechanics' Month in India by giving special thanks to mechanics' ongoing, everyday service, especially during the COVID-19 pandemic. As part of the campaign, a video was created to recognize International Women's Day featuring a female Indian mechanic, Mukesh Devi, who is part of a movement in India to bring women into roles traditionally filled by men.

\$700K

approximate amount raised for charities in 2021 through Valvoline's Global Giving Campaign

\$5K

donated to the Kids With Cancer Foundation Australia

\$15K

donated to Fondo de Inversion Social Potosino in Mexico

Global Giving

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.

While our event was again conducted virtually this year, the passion of our team members for giving didn't wane. In fact, our campaign resulted in a nearly \$700,000 raised for charities. Valvoline global team members participated in a virtual 5-K, and an in-person 5-K race was held at our headquarters in Lexington to celebrate the event.



Click play to learn more about Devi's journey

Diversity, Equity and Inclusion

Fostering a diverse and inclusive workforce and supplier base is an important component of Valvoline’s strategic mission, and the unique perspectives that shape each individual help inform our decisions as a company.

We believe those concepts are critical to advancing innovative thinking at Valvoline, so we continue to develop an environment where team members feel valued, engaged, and inspired to be their best. Our approach to diversity, equity, and inclusion (DEI) is not limited to Valvoline’s workplace, but also to how we focus our charitable giving and volunteer efforts.

Through our focus on diverse talent development and acquisition last year, we saw improvements in our female and non-white representation at “Director &

Up” levels. When compared to last year, our female representation increased to 26 percent (up from 25 percent) at this level and non-white representation increased to 13 percent (up from 10%). When combined, our overall diverse headcount at “Director & Up” levels sits at 36%, up from 34% the previous year.

Valvoline’s 2021 Employee Engagement Survey included topics that provided insights relative to our DEI efforts. From questions that explored the value of diverse perspectives and comfort with voicing opinions in the workplace, Valvoline achieved an overall DEI score of 84 percent, reflecting a positive trend in our culture.

As part of our mentoring program, we have established a specific DEI initiative called Inclusive Leadership. The program is designed to equip mentees with the conceptual frameworks and tools necessary to develop and practice inclusive leadership skills.

The nine-month program is based on three foundational principles, including growth and respect; value and belonging; and confidence, inspiration and perseverance. Of the participants in the 2021 mentoring program, 60 percent were female and 17 percent were non-white, demonstrating its broad appeal.



84%

Valvoline achieved an overall DEI score of 84 percent, reflecting a positive trend in our culture

\$127M

spent with diverse suppliers since 2016

\$31M

spent with diverse suppliers in 2021

2023 DEI Goals

43%

of Valvoline senior leadership team are women

30%

female at “Director & Up” level¹

15%

non-white at “Director & Up” level¹

¹Global employees

Talent Development

Creating opportunities for workplace advancement has always been a critical component of Valvoline’s talent development.

What is of greater importance, though, is properly training and preparing our associates for success when those opportunities arise. Our internal hiring metrics illustrate the positive, life-changing impact these initiatives can have on associates and the benefits the company is afforded by retaining long-term employees.

By strategically committing resources to our online-training programs, which include custom functionality that is unique in our industry, we are effectively able to get employees ready for their next roles at Valvoline. In 2021, we are proud to report that 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 have advanced in VIOC after starting in hourly positions.



100%

of our VIOC service center managers, area managers, and market managers promoted from within

#7

Association for Talent Development BEST Award Winner

SAFETY



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



COVID-19 Response

In 2021, our associates continued to effectively execute our established strategy for managing the ongoing pandemic through risk mitigation and business continuity plans. We monitored relevant country, state and local government guidelines, directives and regulations; followed our playbook for responding to positive cases at our facilities; implemented appropriate travel and return-to-work protocols for our facilities and team members; and advanced VIOC's stay-in-the-car experience to keep our customers safe. As always, we relied on our three "V"s—Values, Vow and Vision—to inform the decisions we made, including:



Help protect the safety and well-being of our global team



Execute an overall business continuity plan



Minimize customer impact



Maintain store and plant operations and deliveries



Preserve liquidity and minimize short-term financial losses



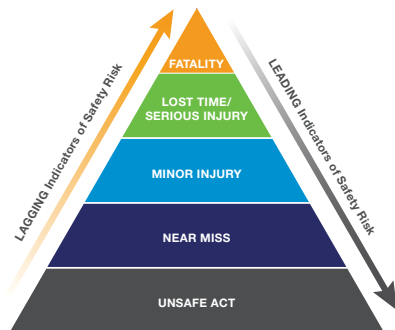
Ensure continued, timely and accessible internal and external communication

Near Miss Program

Safety is a top priority every day at Valvoline, and we remain committed to a zero-incident culture for our employees.

We have been tracking safety incident data for years and in 2021 we elevated our efforts specific to “near miss” reporting with a more intentional and programmatic approach. Valvoline’s near-miss program encourages reporting of events that have happened but, for any number of reasons, didn’t result in an actual injury or impact. In other words, fortunate circumstances or timing may have been the only factors that kept a team member safe. By focusing on leading indicators such as near misses, we can more proactively and effectively assess where improvements can be made and strategically implement safer procedures, thereby reducing the number of possible injuries in the future.

Our “Be Brave Enough To Interrupt” culture implores our team members to take action and avoid situations that may lead to, or result in, an accident. Our near miss program provides yet another reminder to our associates that it is important to point out and report unsafe acts or conditions to help ensure a safer work environment.



The “accident triangle” conveys a relationship between serious accidents, minor accidents and near misses



Valvoline Safety Metrics

Manufacturing Operations*

61%

below petroleum lubricating oil and grease manufacturing industry average injury rate

77%

below warehousing & storage industry average injury rate

VIOC*

3%

below industry average injury rate

*Based on 2020 Bureau of Labor Statistics data

Valvoline Serbia Fire Brigade

At Valvoline's Serbian operations, efforts to improve safety standards in the recently acquired facility progressed significantly in 2021 with the introduction of a fire-prevention program. As part of the initiative, we launched a fire brigade that boasts 15 Valvoline team members, a new fire truck, and personal protective equipment. We intend to add three new team members and a tank truck to the fire brigade in 2022, and we have plans to install a new fire-suppression system to meet NFPA standards.

These advancements were bolstered by reconfiguring the facility's inventory and evacuation routes to mitigate fire hazards and facilitate efforts to effectively suppress potential fire events.

Team members participated in training sessions such as evacuation procedures, fire-fighting exercises, and best practices for fire prevention. Our fire brigade is so well equipped that it also serves beyond our fence line by assisting the local Krusevac Fire Department when necessary.

“Valvoline really stepped it up this year. We take great pride in safety at our Krusevac site, and to have our own fire brigade is a testament to that commitment.”

Dragana Milosavljević
Safety and Fire Protection Specialist,
Valvoline–Serbia



India Safety Week

Valvoline Cummins Private Limited (VCPL), Valvoline's joint venture with Cummins Inc. in India, celebrated National Safety Week at its Ambernath facility.

This year, VCPL conducted a wide range of activities to reinforce safety processes and procedures among its employees and contractors. With over 120 team members in attendance, events and booths included safety poster, poem and slogan contests; recitation of Valvoline's safety pledge; forklift rodeo competitions; safety quiz contests; fire-fighting training; and PPE and fire protection equipment exhibits.



“I appreciated the active participation, and the assurance that we're helping to keep others safe in the workplace.”

Sanjay Awasthi
VP-Supply Chain,
Valvoline Cummins Private Limited



ENVIRONMENTAL RESPONSIBILITY



Valvoline's culture of sustainability and product stewardship helps ensure that we deliver our products and services with a commitment to environmental responsibility.



CDP Reporting

In our third year of participating in the Carbon Disclosure Project (CDP) Climate Change Survey, Valvoline received a “B” score which CDP identified as above Global and North America average. We attribute this score, in part, to Valvoline’s transparency, efficient operations, and our 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 carbon reduction and sustainability targets undergoing third-party verification and initiating the collection of supply chain scope 3 emissions. Learn more about our CDP reporting in our [GHG Summary](#) and on [cdp.net](#).



“B” CDP score—above Global and North America average



Valvoline's Carbon Reduction Strategy

Valvoline's global corporate carbon reduction strategy focuses on avoiding carbon emissions, reducing emissions within our own operations, and mitigating the remaining emissions. Valvoline seeks out opportunities to reduce carbon emissions through manufacturing and warehouse operational efficiencies, product development, additive power purchase agreements (PPAs), and purchase of renewable energy credits (RECs). In 2021, Valvoline's manufacturing and warehouse operations reduced carbon intensity emissions by 14.5 percent. Actual carbon emissions increased by 1.2 percent due to a significant increase in global sales volume and the startup of our plant in China.

In fiscal year 2021, Valvoline manufacturing and warehouse operations increased REC purchases by 507 percent over fiscal year 2020. Valvoline will continue to expand its RECs program with the purchase of renewable energy credits as our electric purchase contracts expire. In 2021, nine percent of global Valvoline manufacturing and warehousing energy usage was offset with the purchase of RECs. These purchases addressed load at our largest US plant and our two largest US distribution centers, as well as our largest plant in Europe. Our plan is to initiate a Scope 3 inventory, expand our REC purchases, target carbon reductions at sites identified with high carbon emitting electric sources, execute a PPA, and reduce energy intensity by participating in the US Department of Energy's Better Plant Program. With these efforts and strategies in place, Valvoline is well positioned to further reduce carbon emissions.

Based upon this progress, Valvoline is setting long term goals to reduce our Scope 1 and 2 Global Products, manufacturing and warehousing carbon emissions by 50 percent by 2030 and reduce US manufacturing, warehousing, and lab energy intensity by 20 percent by 2029.



Manufacturing and Warehousing Operations reduced carbon intensity emissions 14.5% in 2021

Environmental Goals

↓ 50%
reduction in our Scope 1 and 2 Global Products carbon emissions by 2030

↓ 20%
reduction in our US manufacturing and warehousing energy intensity by 2029

10% reduction in carbon intensity by 2022
(on track)

Certified Management System

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, laboratories and the headquarter campus in Lexington, Ky. VIOC operates under SuperPro™, a complementary management system designed to meet the unique needs of its business.

Valvoline continues to adhere to the Responsible Care 14001 (RC14001) standard as best-in-class for our Global Supply Chain's (plants and warehouses) 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 RC14001 Responsible Operations EHS&S Management System is externally group certified by ABS Quality Evaluations.



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's Responsible Operations EHS&S Management Systems is

**RC14001
Certified**



by ABS Quality Evaluations

Earth Day Poster Contest

To celebrate Earth Day in 2021, the Valvoline environmental, health and safety team hosted a poster contest for all global employees and their children to help raise awareness about plastic recycling.

Participants were segmented into three groups: ages 4-10, ages 11-18, and Valvoline employees. The inspiration for the contest was the effect plastics have on marine life, so our participants were challenged to create posters that reflect an ocean, lake, river, or stream free of plastics. Regional finalists were selected by managers, and category winners were chosen by global employee vote. A donation was then made to the charity of the winner's choice in each category.



Winner Ages 4-11 Years



Winner Ages 11-18 Years



Valvoline Employee Winner

Environmental Initiatives

Town Branch

Valvoline donated \$300,000 toward the environmental efforts associated with Town Branch Park, which aligns with one of our philanthropic priorities. Town Branch Park will transform acres of asphalt into an unprecedented signature park in the heart of downtown Lexington, Kentucky. By converting almost 10 acres of asphalt to natural green space and restoring the streambed of Town Branch, the park will improve air and water quality while providing a healthier environment for residents, local wildlife and plants.

“Valvoline’s corporate commitment to environmental stewardship will come alive in the park. Not only will the park serve an important role in supporting a healthy environment in the heart of the city, it also will be a living laboratory of ecology, providing learning opportunities for families and children,” said Allison Lankford, Executive Director at Town Branch Park.

Zero-Landfill

Valvoline’s Zero-landfill status continues to grow. We’re proud to report that 68 percent of our global plants and warehouses are zero-landfill sites. Our goal is to add one additional zero-landfill site per year through source reduction and improved recycling programs. All of our sites including those that have not reached zero landfill status, have

recycling and source reduction programs in place to assure our operations use natural resources and raw materials for their intended purpose. Our total 2021 hazardous waste generation at our manufacturing plants was less than 20 tons while our plants recycled over 2,500 tons of waste materials. Our performance is driven through our Waste Minimization Program and the Lean 5S program (sort, shine, straighten, standardize and sustain). Our company-owned Retail Services stores have also implemented similar practices by recycling 12.6 million gallons of motor oils, and coolants in fiscal year 2021.

Tree Nursery

Team members from Valvoline Cummins Private Limited (VCPL), our joint venture with Cummins Inc. in India, worked closely with local non-governmental organizations to promote the health of native plant species in Gurugram, a city just southwest of New Delhi. Through financial support and volunteering, collectively we helped purchase over 40,000 saplings that included more than 100 types of native species that had been displaced by significant development in the city. The nursery is helping to restore the region’s natural habitat as part of a sixty-hectare biodiversity park that is under development to help local wildlife thrive and provide much-needed beautification of the area.



\$300K

donated towards the environmental efforts with Town Branch Park

2,500

tons of waste materials recycled

68%

of our global plants and warehouses are zero-landfill sites



40K+

saplings including, 100 native species, were purchased through our India JV for beautification

INNOVATION



Innovation has been the lifeblood of Valvoline's success since our founding in 1866, and that spirit remains integral to each new initiative we undertake.



Recycling of Plastic Lubricant Containers

Valvoline is a founding member of the National Lubricant Container Recycling Coalition (NLCRC). NLCRC is an industry-led technical coalition, established by a committed group of industry leaders in lubricant and associated plastic packaging manufacturing, focused on establishing solutions for post-consumer recovery and recycling of plastic lubricant containers. The goal of the coalition is to establish a sustainable program in the United States that will encourage the recovery and recycling of plastic packaging used to transport lubricants for commercial and consumer use. The coalition's initial focus is to develop and initiate pilot projects to determine the best methods of collection, aggregation, and processing across the plastic lubricant container value chain.





Leading the Charge for the Future of Mobility

Valvoline continues to lead with innovation in an evolving automotive landscape that includes a growing demand for electrification. Today, we're meeting and exceeding the needs of our customers, regardless of powertrain. Our dedication to the EV market has resulted in our emergence as the world's leading supplier of battery fluids to EV manufacturers.

'XEV' – A New Suite of Hybrid and EV Products

Valvoline recently launched 'XEV', our brand's first China-based release of hybrid, plug-in hybrid and pure EV products. 'XEV' refers to a suite of hybrid and EV fluids including motor oil, battery protection fluid, and transmission and brake fluids. These products are designed to improve overall vehicle performance and reduce comprehensive maintenance costs.

Valvoline developed XEV new energy products and services in anticipation of the rapidly growing EV and hybrid market. According to the China Society of Automotive Engineering's Roadmap 2.0 for Energy Saving and New Energy Vehicles, by 2035, new energy vehicles will account for more than 50 percent of the car parc in China. Much like our EV Performance Fluids launched in North America in 2019, XEV product line innovation works to address needs specific to hybrid and EV, including battery temperature variations, powertrain performance, brake system corrosion and seal bearing failure.

“As we look to the future of automotive – not just domestically but abroad – we are committed to ensuring our products, services and science evolve, adapt and solve consumer issues accordingly.”

Chang Yu
Vice President, Valvoline Global Products



Valvoline launches XEV hybrid, plug-in hybrid and pure EV product suite in China

Arrival Partnership

Demonstrating our commitment to the EV market, Valvoline announced a service partnership in 2021 with Arrival, a company on a mission to make air cleaner by replacing light commercial vehicles with affordable electric solutions. With a unique production strategy to build more cost-effective EVs in the fast-growing passenger bus and delivery van market, Arrival aims to reimagine urban mobility.

Valvoline has been named one of four initial partners in Arrival’s Service Network Program in the United States to service their vehicles. This partnership further advances Valvoline’s strategy to extend its world-class preventive automotive maintenance service model to EVs and hybrids. The Arrival vehicles will have an on-board diagnostics system that, among other things, will help the user/fleet owner determine preventive maintenance and service requirements. The system will then alert the driver of the nearest partner locations that are able to perform the services, including Valvoline locations. Valvoline will also have access to the system, and will be able to determine when a vehicle is scheduled to arrive for service and if the vehicle needs on-site diagnosis. Valvoline’s vast service network across the U.S. will allow Arrival to quickly implement its Service Network Program while providing its customers with access to Valvoline’s best-in-class service. As a fleet partner for Arrival, Valvoline will leverage its experienced, skilled technicians to deliver quick, no-appointment-necessary services. Valvoline’s award-winning training programs combined with Arrival’s Service Platform will be a key differentiator in delivering exceptional customer service.



“Valvoline’s quick, easy, trusted approach to vehicle maintenance is the perfect complement to Arrival’s mission to reimagine urban mobility. Our roughly 1,600 service centers across North America offer exceptional service that will quickly and efficiently meet the needs of Arrival’s clients.”

Heidi Matheys

Chief Marketing & Transformation Officer, Valvoline

Workplace Innovation

Life Navigator

Life Navigator, Valvoline’s branded employee assistance program, was expanded last year to improve team member well-being through a broader offering of financial, legal, medical, and mental-health support systems. We recorded over 3,000 interactions in fiscal 2021, representing an approximate 30% utilization rate, demonstrating the positive effect the program has generated. We also launched a mobile app — supplementing web and call-in options — to expand team member access and deliver more streamlined interactivity.



Achieve the Degree!

Jessica Cole and Jennifer Cathey, instructional designers at Valvoline, are part of the creative team behind much of the learning materials Valvoline team members regularly use in their jobs. Both decided to utilize Valvoline’s Achieve the Degree Tuition Assistance Program to earn master’s degrees in Design Management & Communications and in Instructional Design, respectively.

Cole and Cathey were the perfect support system for each other as they made their ways toward finishing their programs while balancing both work and personal commitments.



“This program helped me develop myself as a better instructional designer.”

Jennifer Cathey



“Having a buddy doing the same thing at the same time was so helpful for me.”

Jessica Cole



Bright Horizons

Valvoline also partnered with Bright Horizons last year to offer team members access to child, adult and elder care. Given the difficulties facing working families during COVID-19, we were proud to provide trustworthy and safe back-up care, at high-quality centers and for in-home care needs, at a reduced price. All full-time employees of Valvoline are eligible for up to 10 uses of the back-up care services each year.

2021 Key Performance Indicators

People

\$700K

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

[Charitable Giving Program →](#)



\$127M

in diverse spend since 2016

\$880K

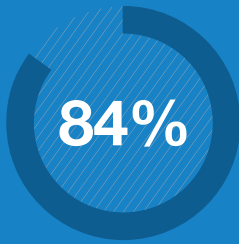
raised by VIOC for Children's Miracle Network Hospitals

[Charitable Giving Program →](#)

100%

of our VIOC managers promoted within

[Workplace Profile →](#)



Valvoline achieved an overall DEI score of 84 percent, reflecting a positive trend in our culture

43%

of Valvoline senior leadership team are women

Safety

Manufacturing Operations*

61%

below petroleum lubricating oil and grease manufacturing industry average injury rate

77%

below warehousing & storage industry average injury rate



VIOC*

3%

below industry average injury rate

[Health and Safety →](#)

**Based on 2020 Bureau of Labor Statistics data*

2021 Key Performance Indicators

Environment

68%

plant and warehouse sites that are zero-landfill

Waste/Hazardous Waste Management Program →

5M

pounds of recycled materials in 2021

Waste/Hazardous Waste Management Program →

14.5%

reduction in Valvoline plant and warehouse Scope 1 & 2 Greenhouse Gas emission intensity

Energy Management Programs →

12.6M

gallons (27% increase) in recycled automotive fluids

Waste/Hazardous Waste Management Program →

“B”

CDP score above Global and North America average

Energy Management Programs →



Innovation

XEV

product launch in China

1 of 4

technology partner with Arrival



World's leading supplier of EV battery fluids

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 5)
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
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 ¹ DISCLOSURES	SASB ²	CDP ³	REFERENCE
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			10-K
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 17-26)
Disclosure 102-19 Delegating authority			Proxy (pages 17-26)
Disclosure 102-20 Executive-level responsibility for economic, environmental, and social topics			From Our CEO, Our CSR Approach
Disclosure 102-21 Consulting stakeholders on economic, environmental, and social topics			Proxy (pages V, 22-23)

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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 17)
Disclosure 102-23 Chair of the highest governance body			Proxy (pages 17; 21)
Disclosure 102-24 Nominating and selecting the highest governance body			Proxy (pages 6; 19; 21)
Disclosure 102-25 Conflicts of interest			Proxy (pages 18; 33)
Disclosure 102-26 Role of highest governance body in setting purpose, values, and strategy			Proxy (pages 18-21)
Disclosure 102-27 Collective knowledge of highest governance body			Proxy (pages 18-21)
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 18-23)
Disclosure 102-30 Effectiveness of risk management processes			Proxy (pages 18-23)
Disclosure 102-31 Review of economic, environmental, and social topics			Proxy (pages V, 22-23)
Disclosure 102-32 Highest governance body's role in sustainability reporting		C1.1b; C1.2; C1.2a	Proxy (pages 22-23)
Disclosure 102-33 Communicating critical concerns			Proxy (pages 24-25)

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Environmental, Social and Governance (ESG) Reporting Index

ESG Reporting Cross Reference

GRI [*] DISCLOSURES	SASB ^{**}	CDP ^{***}	REFERENCE
Governance (continued)			
Disclosure 102-34 Nature and total number of critical concerns			Proxy (pages 24-25) . No critical concerns reported
Disclosure 102-35 Remuneration policies			Proxy (pages 27-66)
Disclosure 102-36 Process for determining remuneration			Proxy (pages 27-66)
Disclosure 102-37 Stakeholders' involvement in remuneration			Proxy (page 35)
Disclosure 102-38 Annual total compensation ratio			Proxy (page 64) 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			10-K Reportable Segments (page 6)
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/GRI Index
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			10-K Results of Operations (page 37)
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			10-K (pages 48-50)
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 ¹ DISCLOSURES	SASB ²	CDP ³	REFERENCE
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			The Retail Services system grew by nearly 50% over the last five years, the result of 285 net new openings and 241 acquired stores, which combined to add 526 net new stores from the beginning of 2017. Organic growth was driven by 108 net new company-operated service center store openings and franchisee expansion in key markets (10-K page 8)
Procurement Practices			
Disclosure 204-1 Proportion of spending on local suppliers			Not Tracked
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
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.
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. FY21 10-K Page 51.
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. FY21 10-K (page 83-87) .
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		160.9 million gallons 10-K (page 43)
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
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

ESG Reporting Cross Reference

GRI ¹ DISCLOSURES	SASB ²	CDP ³	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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Environmental, Social and Governance (ESG) Reporting Index

ESG Reporting Cross Reference

GRI ¹ DISCLOSURES	SASB ²	CDP ³	REFERENCE
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
Supplier Environmental Assurance			
Disclosure 308-1 New suppliers that were screened using environmental criteria			All suppliers are screen 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) 13% Valvoline New Hires (excluding VIOC) 663 VIOC Stores Overall Turnover was 113% VIOC Store New Hires 12,130

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Environmental, Social and Governance (ESG) Reporting Index

ESG Reporting Cross Reference

GRI [*] DISCLOSURES	SASB ^{**}	CDP ^{***}	REFERENCE
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
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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Environmental, Social and Governance (ESG) Reporting Index

ESG Reporting Cross Reference

GRI [*] DISCLOSURES	SASB ^{**}	CDP ^{***}	REFERENCE
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			VIOC employees 146 hours Workplace Profile, 10-K (page 13)
Disclosure 404-2 Programs for upgrading employee skills and transition assistance programs			Workplace Profile, 10-K (page 13)
Disclosure 404-3 Percentage of employees receiving regular performance and career development reviews			91%
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%
Disclosure 405-2 Ratio of basic salary and remuneration of women to men			Not Reported

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Environmental, Social and Governance (ESG) Reporting Index

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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Environmental, Social and Governance (ESG) Reporting Index

ESG Reporting Cross Reference

GRI [†] DISCLOSURES	SASB ^{**}	CDP ^{***}	REFERENCE
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
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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Environmental, Social and Governance (ESG) Reporting Index

ESG Cross Reference

GRI [*] DISCLOSURES	SASB ^{**}	CDP ^{***}	REFERENCE
Customer Health and Safety (continued)			
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.
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 21 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 is our fifth GRI report and it documents Oct. 1, 2020 through Sept. 30, 2021.

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.

