Sustainability Report
2019

Woodbridge Foam Corporation
Through our more than 40 years, sustainability has been ingrained in our company culture, corporate policies, standards, Code of Business Conducts and Ethics, the way we operate our business and interact with our communities. Woodbridge conducts business centered around economic prosperity, social responsibility, and environmental stewardship.

Our company’s efforts are guided by our leadership team, taking into consideration the respect and rights of stakeholders, shareholders, Teammates, customers, and the communities in which we operate. We strive to be a responsible corporate citizen in support of the United Nations Global Compact and back our promise with actions in the following five pillars.

<table>
<thead>
<tr>
<th>Environmental Sustainability</th>
<th>Community Involvement</th>
<th>People</th>
<th>Conduct &amp; Ethics</th>
<th>Supply Chain</th>
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</thead>
</table>

**ENVIRONMENTAL SUSTAINABILITY**

**Health, Safety and Environment Management System**

As stated in the company’s Health, Safety and Environment Policy, Woodbridge believes that the protection of the health and safety of our Teammates and the natural environment is of the utmost importance.

The full text of our HS&E Policy is located on our website (www.woodbridgegroup.com)

96% Implementation of global HS&E Standards in 2019

To this end, the company has a fully implemented and mature Health, Safety and Environmental (HS&E) Management System in place. The system is comprised of a Mission/Vision Statement, an umbrella HS&E Policy, 30 HS&E standards, toolboxes to support implementation of the standards, procedures, forms, and guidelines, and a HS&E audit system. Using this audit system, all Woodbridge operations are assessed at least on an annual basis, with required action plans tracked to completion to address any identified deficiencies. The management system is dynamic in nature and is continually reviewed (a formal annual management review is conducted) and revised to address ongoing risks, needs, demands, and changes. The global implementation goal (full compliance to all global standards) of the management system is 100% by the end of 2020, with the implementation measured at 96% at the conclusion of 2019.
Environmental Management System (EMS)

The company’s Environmental Management System (EMS) has been designed to reduce the environmental impacts of its operations and activities through the establishment and implementation of policies, standards, and procedures, with supporting goals and objectives to foster sustainability. Woodbridge’s EMS is also certified to ISO 14001 (2015), with 93% of the operating facilities where Woodbridge is the managing partner certified to the standard. Collectively, the company’s Environmental Standards strive to make efficient use of resource materials while minimizing wastes and emissions; promoting the recycling and reusing wastes by assigning annual improvement targets; examining and utilizing innovative and lean production methods in the manufacturing of our products; conducting an annual management review of the entire HS&E Management System with a goal of sustainable and continuous improvement; conducting ongoing training of Teammates in specific and general awareness of environmental management; and the development and issuance of regular formal performance reporting on a monthly basis to all operations and a quarterly basis to the Board of Directors.

Environmental Compliance

Due to the company’s global presence, there is a complicated range of environmental laws and regulations relating to waste management, emissions, and storage/disposal of hazardous substances. Facilities certified to ISO 14001 are required to undergo a routine third party external compliance audit and to appropriately correct any identified deficiencies. All Woodbridge operating facilities are also audited annually by its Corporate HS&E discipline for compliance to the company’s internal HS&E Standards. All identified non-conformances (NCRs) from those audits are required to have a specific action plan and target date assigned, and the closure of each NCR is tracked to completion.

Environmental Performance

The most significant of the environmental impacts from Woodbridge’s operations are from the generation of waste and emissions to air. All operating facilities are required to track and report all volumes of waste (solid and liquid wastes) generated on a monthly basis. The company established a corporate goal of 93.5% of that volume to be recycled and/or reused, versus disposal in 2019. The performance number against this goal at the conclusion of the year was 87.45%. The goal remains the same (93.5% Waste Recycled/Reused) for 2020.

Air emissions are closely monitored, while production and process limitations as well as controls are in place to reduce VOC emissions from the manufacturing processes. Application technologies and practices along with low-solvent release agents are employed in this regard. Regulatory air emission limitations are strictly adhered to. Company Standards “Air Pollution Control” and “Chemical Release Prevention” both play a large part in establishing workplace practices to address and control emissions to air.
The company also has a Standard that sets out requirements pertaining to Energy Management. Plants are required to complete baseline energy audits, report their monthly energy consumption, and share energy improvement projects with other Woodbridge operating facilities.
Woodbridge believes that each and every person can and should have a positive impact on the world.

WoodbridgeCARES is a global initiative aimed at inspiring our Teammates to contribute to the communities in which we operate through volunteerism and philanthropy. This global effort aims to empower individual Teammates, larger teams, entire locations, and all regions to develop initiatives that hold special meaning for them. WoodbridgeCARES looks to reach out at a grassroots level and inspire Teammates to get involved and feel good about contributing to their local communities.

WoodbridgeCARES Committee

The WoodbridgeCARES Committee has representation from the Board of Directors, senior executive management and regional management and is responsible to provide general guidance and oversight to the company for community involvement activities around the world.

The Committee has the following charter:

“To further our commitment to deliver products in a socially responsible way, we commit to look at ways we can continue to inspire and give back to the communities where we work and live. The committee will provide guidance and support to our teams regarding local community involvement, volunteerism, and philanthropy.”

WoodbridgeCARES has four main principles:

**Participation**

Improve the communities in which we operate through volunteerism and philanthropy.

- Start with our own Teammates and their families.
• Expand to our immediate local communities.
• Participate in worthwhile global initiatives.

**Empowerment**
Empower and support individual Teammates, groups of Teammates, locations, and regions to develop initiatives that hold special meaning for them.
• Adopt a grassroots / local approach.
• Engage corporate to provide support for those local initiatives.

**Inspiration**
Track, share, and recognize success stories in order to inspire others.
• Track dollars, volunteer hours, and impact.
• Communicate internally and externally.
• Recognize the accomplishments of individuals, Teammates, locations, and regions.

**Engagement**
Enhance the Teammate work experiences through community involvement.
• Feel good while doing rewarding work for the community.

**WoodbridgeCARES Founder’s Award**

In 2018, WoodbridgeCARES established the WoodbridgeCARES Founder’s Award which is named in honor of company founder, Bob Beamish. The award celebrates volunteerism and philanthropy and is presented to a plant, office or region in recognition of outstanding contributions to their community. $5,000 (or equivalent currency) is donated to the recipient’s charity of choice.

On September 27, 2019 the Caçapava, Brazil plant was presented with the WoodbridgeCARES Founder’s Award for their outstanding community involvement.
PEOPLE

At Woodbridge, Teammates matter, ingenuity is expected, and innovation is fostered.

Lead with originality: Our Teammates build and adapt technology through a creative lens to lead our industry. We’re always up for a good challenge – and we won’t stop until we’ve pushed the limits.

Unleash our full potential: We believe in our Teammates – and we’re committed to developing them for mutual success. By promoting from within, empowering entrepreneurship, and investing in our future, our people and our business continuously improve together.

Putting People First: Safety is #1 in everything we do – and our Teammates feel confident coming to work each day. Together, we’re dedicated to being environmentally responsible, giving back to our communities, and delivering the highest quality products to our customers.

Collaborate for lasting impact: We thrive in natural work teams to explore new ideas, have fun, and generate global opportunities. Our Teammates collectively have the answers – and when we combine brainpower and winning attitudes, we can master anything.

Occupational Health & Safety

Since the formation of the company, Teammate safety has unquestionably been Woodbridge’s top priority. This can be seen in our:

- Core value of Health, Safety, & Environment.
- World-class Health & Safety Management System.
- World-class performance.

The Health and Safety portion of the HS&E Management System, while not certified to an external standard, has been in place since the late 1980’s, and is managed, implemented, and improved to the same degree as the environmental portion of the system. The Health and Safety system includes Global Standards such as HS&E Leadership, prevention-based Workplace Inspection, Joint Health and Safety Committee, Fire Prevention and Hot Work, Risk Management, Control of Hazardous Energy (Lockout and Tag) and response Standards such as Accident/Incident Reporting and Investigation, Emergency Response Preparedness, and Early and Safe Return-To-Work. As with the company’s Environmental Standards, all operating facilities are also audited annually by its Corporate HS&E discipline for compliance to the company’s internal Health and Safety Standards. All identified non-conformances (NCRs) from
those audits are required to have a specific action plan and target date assigned, and the closure of each NCR is tracked to completion. The resulting Health and Safety performance is at world class levels.

**Performance is at World Class Levels**

**Fairness & Respect and Anti-Violence**

In addition, we are deeply committed to protecting our Teammates’ human rights—promoting and ensuring non-discrimination and diversity in the workplace, as evidenced by our:

- Core value of Respect People & Diversity.
- Workplace Fairness & Respect and Anti-Violence Policy which provides our Teammates with comprehensive protections relating to discrimination, various forms of harassment and workplace violence.
- Equal Employment Opportunities Policy Statement that says, in part, that: “It is the policy of Woodbridge to continue to provide equal employment opportunity to all applicants and employees without regard to race, color, religion, sex, national origin, sexual orientation, gender identity, age, disability, protected veteran status, or any other protected characteristic.”
- Open Door Policy, which allows all Teammates to take any concerns up the management chain until the issue is resolved.

**Our Commitment to Our Teammates**

Woodbridge is committed to maintaining global working conditions and standards that result in dignified and respectful treatment of all Woodbridge Teammates within all our operating locations. As such, we make the following commitments to our Woodbridge Teammates in our Code of Business Conduct and Ethics:

- Child labor shall not be utilized.
- Any form of forced or compulsory labor is prohibited.
- Woodbridge Teammates, without fear of reprisal, intimidation, or harassment, have the right to communicate openly with management regarding working conditions.
- Woodbridge Teammates also have the right to associate freely and join labor unions and workers’ councils in accordance with local laws.
- Woodbridge Teammates shall be protected against any form of harassment and discrimination in any form, including but not limited to gender, sex, age, religion, disability, and political beliefs.
• Woodbridge Teammates shall have a safe and healthy workplace that meets or exceeds all applicable standards for occupational health and safety.
• Woodbridge Teammates shall be compensated with wages and benefits that are competitive and comply with local laws, including minimum wages, overtime hours, and legally mandated benefits.
• Woodbridge will treat all Teammates with dignity and respect.
• Working hours shall comply with all applicable local laws regulating hours of work.
• Should any of our Teammates have a problem, or wish to raise an issue, we have a number of avenues for our Teammates to reach our senior leaders through our “Open Door” policy or to contact Woodbridge anonymously through our SpeakUP! Hotline program, a confidential and anonymous whistle-blower hotline for Teammates and other stakeholders that is overseen by our Compliance Officer.
• Fair Treatment – We offer equal opportunities based on an individual’s qualifications and performance, free from discrimination or favoritism.

Youth Employment

Woodbridge has been a leader in providing opportunities for continuous learning for students in the form of extensive engineering cooperative programs, internships, and partnering with the international student organization (aiesec.org).

Each semester Woodbridge provides opportunities to 16-18 students from various universities to join the organization and play a key role in upcoming projects and innovations. As a result of their positive experience, many students choose to return each year of their cooperative term.

Engineering Intern Rotational Program: The program has the following positions and is designed to retain students, provide exposure to various areas of engineering, and ideally build our pipeline:

- Comfort Lab Intern
- Design Intern
- Product Engineering Intern
- Product Development Intern
- Product Development Intern IP
- CAE Intern

Communication and Information

Through regular monthly meetings between our leaders and Teammates, we keep our Teammates informed through various publications (The Innovator) and videos. Our Teammates take part in continuous improvement teams (Natural Work teams) and directly impact the success of our organization in a meaningful way.

Woodbridge conducts a confidential Teammate engagement survey every 12-18 months with smaller pulse surveys in the alternate years. Woodbridge scores at or about the manufacturing norm as measured by Qualtrics. Teammates are encouraged to provide feedback and all the results are shared with each and every Teammate.

70% Employee Engagement score with an 86% Participation Rate
Leadership and Talent Development

Talent management and development is key to ensure the success of our business and is the foundation to our ability to attract, retain and continue to develop our Teammates. Woodbridge promotes a winning team through engagement and development.

Partnering with leading training and development firms, Woodbridge offers several Leadership courses aimed at individual contributor, first line leaders, middle management and senior executives.

Respecting Employee Rights

Woodbridge respects the rights of our Teammates to associate freely and to choose to be represented by labor unions or worker’ councils in accordance with applicable laws.

Diversity and Inclusion

Woodbridge strives to create an inclusive work environment. We provide training to all our Teammates in the following modules: “Workplace Fairness & Respect and Anti-violence” “Sexual Harassment & Gender Identity” and “Human Rights.”

This training is accompanied where possible with in class discussion encouraging Teammates to share experiences and answer any questions.

Woodbridge abides by all applicable labor and employment laws, including those prohibiting discrimination and harassment and those providing for reasonable accommodation of differences. We are committed to providing equal employment and career advancement opportunities for everyone, without discrimination based on sex, race, ethnic background, religion, disability or any other personal characteristic protected by law.

Women in STEM: Woodbridge is proud to be part of an initiative to provide scholarships to 20 financially disadvantaged female students enrolled in a STEM program.

WoodbridgeCARES has committed $27,500 to this initiative, which will support five students. Ontario Tech’s Board of Governors provides a 50% match on Company donations for a total sponsorship of $55,000. The initiative also involves a one-to-one mentorship program.
CONDUCT & ETHICS

In addition to complying with all laws, Woodbridge is firmly committed to consistently treating all of our Teammates, customers, suppliers, and the communities in which we operate with honesty, integrity, fairness, and respect.

The Code

Our Code of Business Conduct and Ethics, “The Woodbridge Way” (the “Code”), sets out clear standards of behavior that we expect of all of our Teammates and contains specific guidance with respect to each of the following:

- Compliance with Laws
- Health, Safety, and Environment
- Respect for People and Human Rights
- Teammates’ Rights
- Conducting Business with Honesty, Integrity, Fairness and Respect
- Open Door Policy
- Protection of Personal Information
- Financial Reporting
- Compliance with Antitrust and Competition laws
- Use of Confidential Information
- Company Records
- Bribery and Corruption
- Inside Information
- Conflict of Interest
- Reporting and Compliance Procedures

In 2019, we updated the Code to provide for the launch of the SpeakUP! Hotline (see below) and distributed hardcopy brochures of the Code to each of our locations in the applicable local languages.

Related Policies and Training

In addition, we have implemented comprehensive corporate policies and related standards and procedures that give more specific guidance, including the following:

- **Global Anti-Bribery and Corruption Policy** which provides clear direction regarding the need to avoid bribery and corruption globally;
- **Competition Law and Antitrust Compliance Policy** which requires that all Teammates strictly comply with the letter and spirit of all applicable competition laws; and
- **Conflict of Interest Policy** which requires that all Teammates disclose any potential conflict of interest in their workplace and their related role.

We require that new Teammates take mandatory e-WIL training modules for the Code and the above policies within 90 days of being hired and bi-annually thereafter. An in-person training session (Competition Law and Antitrust Compliance) was conducted at the Finance (People
2020) Conference in Atlanta, GA on April 16, 2019 and in-person training sessions (Code of Business Conduct and Ethics, and Anti-bribery and Corruption) were conducted at Woodbridge Services and Woodbridge Insurance Inc. on May 14, 2019. It is anticipated that revised electronic training will be implemented and rolled-out.

In addition, on May 14, 2019, the Compliance Officer conducted successful audits of Woodbridge Services Inc. and Woodbridge Insurance Inc. related to the Money Laundering and Financing of Terrorism (Prevention and Control) Act, 2011 (Barbados).

Global Corporate Compliance Committee

In support of the principles set out in the Code, we have established a Global Corporate Compliance Committee which is responsible for implementing and maintaining our global corporate compliance program, which includes the Code and the above policies. The Committee has corporate discipline and regional representation. The General Counsel and Compliance Officer is the chair of the Committee and reports quarterly to the Audit Committee of the Board of Directors and annually to the Board of Directors.

Whistleblower Hotline

On May 6, 2019, Woodbridge introduced a global whistleblower hotline utilizing the platform of one of the leading third-party hotline providers, NAVEX Global. The Woodbridge SpeakUp! Hotline is a phone and web-based reporting system that is available globally, 24 hours a day, 365 days a year. Teammates may report their concerns anonymously, if they wish.
To mark the launch of the *SpeakUP!* Hotline, posters were displayed at each of our locations.

We have assured Teammates that they may report violations of the Code, related policies and standards, or accounting or auditing concerns without fear of retaliation. All submissions, regardless of how they are received, will be handled in a responsible manner and in compliance with applicable law. Woodbridge does not permit retaliation of any kind against Teammates for good faith reports of violations of the Code, related policies and standards, or accounting or auditing concerns.

We encourage Teammates to first bring forward their concerns, questions and suggestions to their supervisor, manager or Human Resources representative. In the case where it may not be appropriate to discuss an issue with any of those individuals, we ask them to report the matter to Woodbridge’s General Counsel & Compliance Officer. For times when they don’t feel comfortable using that method, they can use the *SpeakUP!* Hotline confidentially and anonymously.

The web-based reporting system may be accessed directly at woodbridgegroup.ethicspoint.com or through links on Woodbridge’s intranet site, OneSOURCE, and the external website at www.woodbridgegroup.com and is available in English, Spanish, Portuguese, and Mandarin. Telephone access is through local toll-free numbers in Argentina, Australia, Brazil, Canada, China, India, Japan, Mexico, Taiwan, Thailand and the U.S.A., each with appropriate local language options.

There were 14 reports made to the *SpeakUP!* Hotline from the kick-off date through to the end of the year:

<table>
<thead>
<tr>
<th>Issue</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discrimination or Harassment</td>
<td>4</td>
<td>28.57%</td>
</tr>
<tr>
<td>Other</td>
<td>4</td>
<td>28.57%</td>
</tr>
<tr>
<td>Substance Abuse</td>
<td>2</td>
<td>14.29%</td>
</tr>
<tr>
<td>Bribery and Corruption</td>
<td>1</td>
<td>7.14%</td>
</tr>
<tr>
<td>Health, Safety and Environment</td>
<td>1</td>
<td>7.14%</td>
</tr>
<tr>
<td>Violation of Policy</td>
<td>1</td>
<td>7.14%</td>
</tr>
<tr>
<td>Violence or Threat</td>
<td>1</td>
<td>7.14%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>14</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

In addition, there were whistleblower reports received by means other than the hotline. A multi-disciplinary team meets regularly to ensure that each whistleblower report is investigated and dealt with in an appropriate manner and the Compliance Officer provides quarterly updates to the Audit Committee.

There were no legal actions against the company relating to business ethics during the year.
SUPPLY CHAIN

Woodbridge works closely with its supply base to ensure that its principles regarding working conditions, business conduct, and diversity sourcing is shared with its suppliers. All Woodbridge suppliers are required to comply with Woodbridge’s Code of Business Conduct and Ethics and its Global Anti-Bribery and Corruption Policy and all applicable federal, provincial, state, and local laws, ordinance, rules, codes, standards, and regulations. Details are provided in our Purchase Order Terms and Conditions.

Suppliers

Woodbridge is committed to maintaining global working conditions and standards that result in dignified and respectful treatment of all Teammates within all our global operating locations, as well as those of our supply chain. Our expectations of our suppliers are clearly laid out in our Standard Terms and Conditions and our Supplier Requirements Manual. In particular, we expect that our suppliers will have appropriate policies, procedures, and systems in place to support the standards outlined in our Code of Business Conduct and Ethics.

Diversity Sourcing

We are committed to the sourcing of goods and services from minority and women-owned businesses. We have established a Diversity Supplier Development Council responsibility for developing and administering the Diversity Supplier Development Program.

We also support diversity programs through sourcing and actively seeking opportunities with our suppliers. We report to Michigan Minority Supplier Development Council in addition to our OEMs.

Our Diversity Supplier Development Policy states that:

“It is the policy of Woodbridge to encourage opportunities for minority and women-owned business organizations in order to promote economic development. Woodbridge recognizes its responsibilities to the customers that it serves and the communities in which it conducts its business. The sourcing of goods and services from minority- and women-owned businesses must be a function of our routine purchasing practices at all levels of our organization. No potential supplier will be precluded from consideration on the basis of race, color, religion, sex, age, or national origin. Every Woodbridge Teammate who is delegated the responsibility of either directly or indirectly expending corporate funds for the purchase of goods or services is charged with the task of adhering to this policy.”
Global Working Conditions in Our Supply Chain

We expect that our supply chain will adhere to our Purchase Order Terms and Conditions regarding Working Conditions and our compliance with laws and Code of Business Conduct and Ethics, which prohibits the use of child, underage, slave or forced labor. A failure by any of our suppliers to comply with its terms can result in the termination by Woodbridge of the supply relationship.

Supplier Assessment

As part of our corporate mandate, our goal is to assess all new production suppliers to evaluate their overall quality systems, financial health, and corporate social responsibility. Woodbridge’s corporate social responsibility assessment includes: the environment, health and safety, human rights, social responsibility, business ethics and compliance.

The Supplier Scorecard allows for ongoing monitoring and assessment of suppliers that we have contracted with. Among other measures, our Supplier Scorecard tracks whether suppliers have industry-recognized environmental and health and safety certifications, such as ISO 14001 and ISO 18001.

Conflict Minerals Reporting

In alignment with the approach taken by our customers concerning conflict minerals, we are involved in an annual process or ‘as required’ in determining whether any products which we make or buy contains such conflict minerals. Our conflict minerals reporting is compliant to customer requirements and submitted to our customers via online portals. In a continuous effort, we engage our suppliers to increase awareness and accuracy of conflict minerals reporting requirements.
REFERENCE

1. United Nations Global Compact and the 17 Sustainable Development Goals (SDGs).
https://www.unglobalcompact.org/sdgs

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