

Regina A. Harm
President of Afton Chemical Corporation
Afton Chemical Corporation
500 Spring Street
Richmond, VA 23219
USA

March 31, 2023

RE: Afton Chemical Corporation's business operations in Russia

Dear Ms. Harm,

We write to you as <u>B4Ukraine</u>, a coalition of Ukrainian and international civil society organizations working to curtail the financial resources enabling the Russian invasion of Ukraine. In the spirit of respect for the fundamental rights of all people, the rules-based international order, and a prosperous global economy, we expect companies to demonstrate public support for the people, democracy, and territorial integrity of Ukraine, opposition to Russia's war of aggression, and alignment with the UN Guiding Principles on Business and Human Rights (UNGPs).

We understand that, after April 2022, Afton Chemical Corporation (Afton) has stopped the direct shipments of its products into Russia, including engine oil, fuel, driveline, and industrial additives and lubricant components. However, the company has not issued any statement regarding its operations with Russia nor their potential termination. We would therefore appreciate a clarification and a confirmation from the company on whether it has stopped all exports to Russia. As you understand, additives are critical to manufacturing machine oil used in the majority of engines and is a product that Russia does not produce, and therefore relies on imports from companies as your own.

Research shows that, while Afton curtailed its direct shipments to Russia, some imports of its products continue via 'parallel' routes, most notably by importers from China. We therefore request a dialog regarding Afton's efforts, policies, and measures taken to prevent the indirect shipments and parallel imports of its lubricants and additives into Russia.

It has been over one year since Russia invaded Ukraine and the devastating impacts continue to shock the global conscience and shake the global economy. Russia is violating international humanitarian law (IHL), including war crimes and crimes against humanity, through attacks on civilians and civilian infrastructure (e.g., mass executions, sexual violence, torture, forcible transfer of civilians). More than 22,000 Ukrainian civilians have been killed and injured and millions more have been forced to flee their homes, creating one of the largest humanitarian and refugee crises of modern times.

¹ Squeezing Putin, "Oil Additives Exports into Russia," March 27, 2023, https://squeezingputin.com/support.html#OilAdditives27Mar23 (accessed March 29, 2023); Customs data available to the B4Ukraine Coalition.

Any continuation of shipments to Russia risks enabling and financing Russia's violations of IHL and human rights law during the ongoing invasion and occupation of Ukraine and violating Afton's human rights commitments.

We seek to understand the status of Afton's exposure to Russia and how the company has conducted and continues to conduct heightened human rights due diligence, per its stated policy and the UNGPs concerning due diligence in conflict-affected areas, and how the findings of such a process have resulted in these continued business activities and relationships. As noted by the UNGPs:

...the more severe the abuse, the more quickly the enterprise will need to see change before it takes a decision on whether it should end the relationship. In any case, for as long as the abuse continues and the enterprise remains in the relationship, it should be able to demonstrate its own ongoing efforts to mitigate the impact and be prepared to accept any consequences – reputational, financial or legal – of the continuing connection.

In consideration of the above points and B4Ukraine's <u>Declaration</u>, we request an urgent dialogue with Afton's relevant senior management and staff to discuss the company's ongoing activities and relationships in Russia, associated risks to the people of Ukraine and the company, and potential steps to prevent/mitigate these risks. Please contact B4Ukraine at <u>contact@b4ukraine.org</u> to schedule a call. We kindly ask for your response by 5:00pm CET, April 14th, 2023.

Sincerely,

The B4Ukraine Coalition