



ESG Report

1Q24



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ABOUT THIS REPORT

In the quest to make its actions more transparent, Braskem discloses its **1Q24 ESG Report**, which traces the advances made by the Company in its sustainability pillar, as well as the key projects and initiatives on the issue.

ESG INITIATIVES

INTEGRATED REPORT 2023

Access Braskem's achievements within its sustainable development strategy in 2023, in accordance with the GRI, SASB and IIRC frameworks.

ESG DASHBOARD

Access all environmental, social, economic and governance indicators based on GRI and SASB standards.

'BRASKEM Day 2023

Access the complete presentation here, which includes advances in Braskem's business' and corporate strategy.

FAQ ESG

Frequently asked questions about Braskem's strategy, practices and performance in sustainable development

CORPORATE GOVERNANCE

[LEARN MORE](#) about the structure of our Board of Directors, Board of Executive Officers, and committees.

[CLICK HERE](#) to access Braskem's Bylaws and Policies

ESG RATING

ESG Agencies and Indexes	Rating	Last Update
ISS ESG	40,63 (out of 100)	June, 2023
MSCI	BBB (out of AAA)	June, 2023
Vigeo Eiris	51 (out of 100)	June, 2023
Sustainalytics	24 (out of 0)	November, 2023
CSA S&P	59 (out of 100)	March, 2024
ISE B3	79,5 (out of 100)	Deecember, 2023
CDP Water Security	B (out of A)	Deecember, 2023
CDP Clomate Change	B (out of A)	Deecember, 2023

1. Long-term Objectives to 2020–2030

Since its creation in 2002, Braskem has been committed to the principles of sustainable development. Through its strategy, Braskem strives to prevent and mitigate risks and to capture business opportunities associated with environmental, social and governance aspects, in order to improve people's lives and the planet by creating sustainable and innovative solutions working jointly with its entire value chain.

Approved by the Board of Directors in 2020, Braskem's long-term objectives¹ for 2025, 2030 and 2050 are aligned with the Sustainable Development Goals of the United Nations 2030 Agenda (SDG-UN) and are part of the strategy for its sustainable development pillar. These are:

1. **Health and safety:** safe operations is a permanent and nonnegotiable value for Braskem and is one of the foundations of its Corporate Strategy. Thus, the commitments established for 2030 are: (i) to reduce reportable and lost-time injury rate to 0.5 accidents per million hours worked; and (ii) to reduce accident rates in Tier 1+Tier 2 processes to 0.32 accidents per million hours worked.
2. **Economic and Financial results:** the Company strives to maintain its financial health and disciplined capital allocation in creating ESG value. In this regard, the commitments for 2030 in this dimension are: (i) be in the 1st quartile of shareholder returns in the petrochemical sector; (ii) be among the best companies in the DSI²; (iii) achieve corporate leverage of 2.0x; and (iv) achieve excellent reputation among clients.
3. **Elimination of plastic waste:** Braskem aims to be recognized as a company that develops the recycling value chain, for which its commitments are: (i) increase sales of products with recycled content to 300,000 tons/year by 2025 and 1 million tons/year by 2030; and (ii) prevent 1.5 million tons of plastic waste from being sent for incineration or to landfills or from being disposed of in the environment by 2030.
4. **Combating climate change:** Braskem aims to be a global leader in the chemical industry, with the best indicators in GHG³ emissions, and to the reference in the manufacture of products using renewable raw materials. As such, its commitments include reducing its absolute GHG emissions under scopes 1 and 2 by 15% by 2030 (in relation to its average emissions in 2018, 2019 and 2020) and achieving carbon neutrality by 2050.
5. **Operational Eco-Efficiency⁴:** the commitments are being defined.
6. **Social responsibility and human rights:** people are the foundation of the Company's Corporate Strategy and hence Braskem has the following commitments for 2030: (i) have 100% of human rights risks at the medium or high management level; (ii) increase the number of beneficiaries in local communities to 500,000; and (iii) increase to 40% the percentage of women in leadership positions in Brazil and to 37% the percentage of black team members.
7. **Sustainable innovation:** innovation is a strategic pillar for Braskem, which strives to deliver sustainable solutions with high added value to society through innovation. In this regard, Braskem is committed to making a positive impact from its Corporate Innovation & Technology (I&T) projects, with a Sustainability Index of over 90%.

By 2022, Braskem had achieved 31% of its sustainable development commitments.

¹ The achievement of the commitments for sustainable development disclosed by the company (within projected costs and expected deadlines) is also subject to risks that include, but are not limited to advancement, availability, development and accessibility of the technology necessary to achieve these commitments.

² Dow Jones Sustainability Index

³ Greenhouse Gases

⁴ The indicators of this dimension refer to the availability of water consumption, energy consumption, hazardous waste generation, air emissions and chemical and biochemical oxygen demand

2. Environmental

HIGHLIGHTS

- **Contract with Shell Chemicals (EUR):** in January, Braskem and Shell Chemicals Europe signed a contract to produce circular polypropylene from mixed plastic waste. Shell will supply circular propylene to Braskem for the production of circular polypropylene at its factories in Wesseling, Germany. This contract is part of Braskem's Wenew ecosystem.
- **Chemical Recycling (BRA):** in February, ANVISA⁵ authorized the use of products produced from chemical recycling by pyrolysis for food contact applications, contributing to the advancement of the circular economy in the country and assisting in the diversification of applications and the elimination of plastic waste. Together with Abiquim, Braskem actively participated in the training process of ANVISA and other Ministries.
- **Supply of bio-attributed and bio-circular propylene (EUA):** in March, Shell Chemicals began supplying third-party certified bio-attributed and bio-circular propylene to Braskem America, which will use this raw material to produce bio-attributed and bio-circular polypropylene.
- **Renewable energy (BRA):** in March, Braskem and Veolia announced an agreement aimed at researching and implementing high-impact solutions for decarbonization at the Triunfo petrochemical complex, in Rio Grande do Sul. The two companies will research and develop new initiatives that would enable the replacement of fossil fuels, currently used in steam production, by renewable energy solutions, with the potential to reduce 500 thousand tons of CO₂e per year.
- **New partnership with Lummus Technology:** in April, the Company entered into a new partnership with Lummus Technology to develop a study on the electrification of cracking furnaces. Expanding the use of electricity and renewable materials will allow Braskem to reduce its carbon footprint in the production of ethylene, propylene, and other chemical products.

ELIMINATION OF PLASTIC WASTE

In 1Q24, the sales volume of resins with recycled content from the Wenew brand in Brazil increased compared to 4Q23 (+6%) due to the stable growth in sales during the period and the development of new applications in partnership with brand-owners. Compared to 1Q23, sales volumes increased (+42%), due to the consolidation of sales made by Wise through the last year and the increase in demand for post-consumer recycled resin ("PCR").

In the United States and Europe, the sales volume of products with recycled content increased compared to 4Q23 (+30%) and 1Q23 (+96%), due to (i) the growth in the sales of bio-circular products; and (ii) the increased demand for PCR.

In Mexico, the sales volume of products with recycled content was lower when compared to 4Q23 (-36%) due to (i) the atypical movement in sales, with the volume of advance purchases made by customers in December, driving lower sales in January; and (ii) seasonality, explained by the longer project reactivation time during the first quarter of the year. Compared to 1Q23, there was an increase (+8%) in sales, due to the progress of the Company's projects.

Recycled Sales Volume (ton)	1Q24 (A)	4Q23 (B)	1Q23 (C)	Chg. (A)/(B)	Chg. (A)/(C)
Recycled	19,814	18,778	13,706	6%	45%
Brazil	10,268	10,102	8,141	2%	26%

⁵ The Brazilian Health Regulatory Agency ("Anvisa") is an autarchy linked to the Ministry of Health, part of the Brazilian National Health System (SUS) as the coordinator of the Brazilian Health Regulatory System (SNVS), present throughout the national territory.

Resins ¹	7,710	7,277	5,443	6%	42%
Chemicals ²	2,559	2,825	2,698	-9%	-5%
United States and Europe	7,877	6,073	4,019	30%	96%
Mexico	1,669	2,603	1,546	-36%	8%

1) Considers Wenew recycled resins sales

2) In 1Q22, 3Q22 and 4Q22 new products were added to the indicator

In the quarter, Braskem launched another grade with recycled content from the Wenew portfolio focusing on the raffia segment for agricultural packaging. This new product is obtained from reverse logistics and recycling of Braskem's big bags and has a high-quality end result that meets customer needs. It is estimated that the production of this grade will reduce CO2 emissions by 25% compared to the use of conventional (fossil) resin.

Finally, in February, Braskem's circularity ecosystem, Wenew, was recognized at the IF Design Awards 2024, known as the "Oscar" of Design. Among 10,800 entries from 72 countries, Wenew was one of the projects recognized, being the first award of its kind from Braskem, which reinforces the relevance of building this ecosystem.

3. Social

HEALTH AND SAFETY

- **People Safety:** the consolidated frequency rate of lost time injury + recordable injury in 1Q24 was 0.78 (events/1MM HHT), showing a decrease of (-30%) compared to the same period in 2023.
- **Process Safety:** TIER 1 rate⁶ was 0.9 (events/1MM HHT), representing an increase (+0.2%) compared to the same period in 2023. This rate keeps Braskem at the same level as the best-referenced companies in the global chemical sector for safety. TIER 2⁷ rate was 0.52 (events/1MM HHT), higher (+0.23%) than 4Q23.

SOCIAL RESPONSIBILITY AND HUMAN RIGHTS

- **Global Volunteer Program (BRA, USA and EUR):** in Brazil and the United States, a volunteering challenge was launched, with awards for institutions supported by teams with the highest average volunteering hours. In April, a solidarity race was held at the Rotterdam Marathon in the Netherlands, with 48 volunteer runners participating. For every kilometer covered, 1kg of food was donated to the local Food Bank. A total of 354.6kg was collected.
- **Emergency donation (BRA):** the state of Rio de Janeiro suffered from intense rains causing destruction of homes and roads, leaving people homeless and resulting in dozens of deaths. Braskem donated 1,000 kits (basic food/hygiene kit) to assist over 3,000 people affected by the heavy rains.

DIVERSITY, EQUITY AND INCLUSION

- **Women in Leadership (BRA):** until March, the Company recorded 34.3% of women in leadership, 0.6 percentage points above what was assessed at the beginning of the year. By 2030, the company aims to reach 40% of women in leadership in the region.

⁶ Incident with loss of containment of products above the limits established in the American Petroleum Institute (API) 754 for TIER 1, based on the product released, or any release that causes fatality or lost-time injury of an employee or third party, hospital damages or fatality of the external public, financial losses greater than US\$100,000, or evacuation of the community.

⁷ Incident with loss of containment of products above the limits established in the American Petroleum Institute (API) 754 for TIER 2, based on the product released, or any release that causes: reportable injury of own employee or third party and financial loss greater than US\$2,500.

- **"Elas Braskem" Program (BRA):** during the quarter, the 2nd Phase of the women's development and empowerment program "Elas Braskem" was completed. The journey resumed with an event featuring women executives from the market and Braskem itself, where they discussed challenges, shared experiences, and provided tips and guidance for the program's participants. In March, the training track resumed with a focus on skills and tools.
- **New Talents (BRA):** in Brazil, the national onboarding of interns took place between February and March. The main theme was Diversity, reflecting a significant increase in the number of women, Black individuals, and people with disabilities in our selection process. This year, there was an increase in the hiring of women for Technical Internships, from 43% in 2023 to 50% in 2024. In University Internships, there was an increase in the hiring of women (from 53% in 2023 to 65% in 2024), Black individuals (from 40% to 47%), and people with disabilities (from 1% to 4%).

4. Governance and compliance

- **Maintenance of ISO 37001:** in March, the Recertification Audit of ISO 37001 - Anti-Bribery Management System was completed, and the Company retained the certificate it has held since 2021. The adoption of the standard and the recertification process conducted this year demonstrate the consistency of our processes, the robustness of the Company's Compliance system, and reaffirm Braskem's commitment to ethical, integral, and transparent conduct.
- **ESG Monitoring by the BoD⁸:** periodically, the Board of Directors and its Advisory Committees assess the evolution of the Company's ESG practices. In 1Q24, the following topics were addressed:
 - Approval of the amendment to Braskem S.A.'s Global Compliance System Policy to maintain compliance with the best market practices and Corporate Governance requirements, as well as to comply with legal requirements;
 - Ongoing discussion and monitoring of Corporate Risk Management, including monitoring of the 2023 Risk Treatment Plan and presentation at the Risk Management, Crisis, and Business Continuity committee;
 - Analysis of market references regarding parameters and criteria for the remuneration of Administrators and the proposal for the global annual remuneration for 2024, to be submitted for approval by the General Shareholders' Meeting;
 - Assessment of the reasons for the classification according to the independence criteria of the candidates for members of the Board of Directors, to be voted on at the Ordinary General Meeting;
 - Convocation of the Company's Ordinary General Meeting for the year 2024;
 - Annual performance evaluation of the Chief Executive Officer (LN-Braskem), based on previously defined goals;
 - Presentation of action plans for the annual evaluation of the Board of Directors, Advisory Committees, and the Executive Secretariat of the Board to address the results and conclusions of said evaluation in the new cycle;
 - Discussion, approval, and launch of investments, in line with the Company's strategy.

⁸ Board of Directors