

ESG Report 4Q24 and 2024

Braskem 



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ABOUT THIS REPORT

In the quest to make its actions more transparent, Braskem discloses its **4Q24 and 2024 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 2024

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 | 40.85 (out of 100) | August, 2024 |
| MSCI | BBB (out of AAA) | August, 2024 |
| Vigeo Eiris | 51 (out of 100) | June, 2023 |
| Sustainalytics | 23.8 (out of 0) | October, 2024 |
| CSA S&P | 59 (out of 100) | March, 2024 |
| ISE B3 | 78.1 (out of 100) | December, 2024 |
| CDP Water Security | A- (out of A) | February, 2025 |
| CDP Climate Change | B (out of A) | February, 2025 |

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 are 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 DSJI²; (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 2023, Braskem has achieved 31% of its sustainable development goals. The 2024 results are still under evaluation.

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

- **Partnership with Shell (BRA):** in October, Braskem signed its first natural gas supply contract with Shell. Starting in January 2025, the Company's first unit, in São Paulo, will migrate to the Free Natural Gas Market through Voqen.
- **Post-Consumer Recycled Resins (PCR) Portfolio (BRA):** in November, Braskem presented its portfolio of post-consumer recycled (PCR) resins for flexible applications. With nine grades for various applications, this portfolio is the most complete on the market, covering both secondary and primary packaging. Braskem's PCR resins not only eliminate plastic waste but also reduce the carbon footprint. They can reduce CO₂ emissions by up to 15%, in addition to significantly contributing to plastic waste recovery. Flexible packaging with Wenew PCR is widely used in several segments, including home care, e-commerce and transportation films.
- **Cooperative Project (BRA):** in November, as one of the main programs aimed at strengthening the recycling chain, the SER+ Program connected all its companies to Wise's supplier portfolio. The project includes the development of a social impact indicator for Cazoolo, a diagnosis of low-circularity packaging, contributing to the analysis of the ICCA (International Council of Chemical Associations) decision tree, the proposal of a responsible supply model and the implementation of communication actions and events with stakeholders.
- **LCA study – I'm green™ bio-based PE (BRA):** in November, Braskem concluded the LCA study for the I'm green™ bio-based PE and adopts most recent data about bio-base ethylene produced by Braskem. The study covered 3 products variations. The bio-based PE grades have around 150% lower emissions than a fossil PE.

PLASTIC WASTE DISPOSAL

In 4Q24, the sales volume of Wenew's recycled content products in Brazil increased compared to 3Q24 (+3%) and 4Q23 (+1%), mainly due to the interest of customers and Brand Owners in sustainable solutions.

In the United States and Europe, the sales volume of products with recycled content decreased compared to 3Q24 (-35%) and 4Q23 (-6%), mainly due to (i) the seasonality of the period, with a reduction in inventory levels at the end of the year; (ii) the reprioritization of the mechanical recycling portfolio; (iii) the difficulty in obtaining material from WPU/Vitol; and (iv) delays in Shell's pyrolysis oil upgrade unit.

In Mexico, sales volume of products with recycled content was higher compared to 3Q24 (+5%) and 4Q23 (+11), due to the increase in Brand Owner projects and the development of strategic projects.

During the year, sales of the recycled portfolio increased (+31%) compared to 2023 due by (i) the consolidation of sales made by Wise; (ii) by the start of sales of new products from chemical recycling in Europe, (iii) by the growth in the commercialization of bio-circular products; and (iv) by the increase in demand for post-consumer recycled resin (PCR).

| Recycled Sales Volume (ton) | 4Q24 (A) | 3Q24 (B) | 4Q23 (C) | Chg. (A)/(B) | Chg. (A)/(C) | 2024 (D) | 2023 (E) | Chg. (D)/(E) |
|-----------------------------|---------------|---------------|---------------|-----------------|-----------------|---------------|---------------|-----------------|
| Recycled | 20,106 | 22,759 | 18,778 | -12% | 7% | 86,012 | 65,634 | 31% |
| Brazil | 11,512 | 11,206 | 10,102 | 3% | 14% | 45,410 | 39,830 | 14% |
| Resins ¹ | 8,842 | 8,727 | 7,277 | 1% | 22% | 35,722 | 29,079 | 23% |
| Chemicals | 2,670 | 2,479 | 2,825 | 8% | -5% | 9,688 | 10,751 | -10% |
| United States and Europe | 5,717 | 8,801 | 6,073 | -35% | -6% | 30,481 | 17,026 | 79% |
| Mexico | 2,878 | 2,753 | 2,603 | 5% | 11% | 10,121 | 8,777 | 15% |

1) Considers Wenew recycled resins sales

3. Social

HEALTH AND SAFETY

- **People Safety:** the average global CAF + SAF⁵ accident frequency rate in the 4Q24 was 0.96 (events/1MM HHT), showing a reduction (-5%) compared to the same period in 2023. In the year, this rate was 0.91 (events/1MM HHT), which indicates a decrease (-16%) compared to the previous year. This rate keeps Braskem at the same level as companies in the global chemical sector, considered the best safety references in the market.
- **Process Safety:** in the year, TIER 1⁶ rate was 0.12 (events/1MM HHT), an increase of (+9%) compared to 2023. The TIER 2⁷ rate was 0.28 (events/1MM HHT) during the same period. This rate keeps Braskem at the same level as companies in the global chemical sector, considered the best safety references in the market.

SOCIAL RESPONSIBILITY AND HUMAN RIGHTS

- **Childhood Recognition (BRA):** in November, Braskem received two recognitions from Childhood Brasil for its actions in combating the Sexual Exploitation of Children and Adolescents and for its continued support of the *Na Mão Certa* Program, which it has supported for 18 years. The Company's awareness campaigns and initiatives throughout 2024 reached 1,112 drivers, 2,845 customers, 2,258 suppliers and approximately 850 members.
- **Tacklings STEM (Science, Technology, Engineering and Math) Program (USA):** in November, Braskem and the Philadelphia Eagles launched the Tackling STEM program, which provides free, digital and interactive educational opportunities in science, technology, engineering and mathematics (STEM) to students in the Greater Philadelphia area in the United States. The program involves more than 20 schools and can reach up to 10,000 elementary school students. Since 2018, the program has impacted almost 15,000 elementary and high school students. In addition to hands-on and digital activities, the program includes professional development for teachers focused on STEM curriculum and STEM Field Trip opportunities for the local community to raise awareness about STEM and social-emotional education through interactive activities.
- **Braskem Entrepreneurs (BRA):** in December, the certification event for more than 40 women took place in the second edition of Braskem Entrepreneurs in Camaçari, Bahia. The event aimed to encourage and qualify women to undertake and generate income in their communities. Participants had access to essential concepts of entrepreneurship, including Human Resources, Finance, Marketing and Sales. The course had a workload of 60 hours distributed in 20 weekly meetings, including practical classes.

DIVERSITY, EQUITY AND INCLUSION

- **Respect is Non-negotiable Program:** in Brazil, the second phase of the program began for leaders of the São Paulo office and for the industrial units of Rio de Janeiro, ABC, in São Paulo, and Alagoas. The sessions aimed to strengthen the Ethics Line Channel and reinforce concepts such as moral harassment, sexual harassment, discrimination and microaggressions. The program was completed with 78% participation and a satisfaction score of 4.7 out of 5, highlighting the need to reinforce this type of training regularly. In the other regions, the first phase of the program was completed with over 80% participation and a satisfaction score of 4.6 out of 5.

⁵ Lost time injury + recordable injury.

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.

- **"Mulheres Operadoras" Program (BRA):** in 2024, in partnership with SENAI, training classes in Petrochemical Process Operations (Post-Technical) were offered exclusively for women, with 50% scholarships for selected candidates, to foster the pool of graduates for operator positions and encourage women to enter the technical operations market. Two classes have already been completed, one in Rio Grande do Sul, with 28 women, and one in Rio de Janeiro, with 19 women. Furthermore, Braskem remains focused on increasingly improving the environment for these members and, therefore, in 2024, the Voices of Women Operators initiative was promoted, with chat sessions to interact and share stories about experiences throughout their careers at Braskem.
- **Lactation Rooms (USA):** in September, in accordance with legislation passed in the United States that provides maternal protection for breastfeeding mothers (PUMP Act), requiring private spaces for milk extraction in the workplace, Braskem opened spaces at its plants in Seadrift, La Porte and Pittsburgh, with equipped, comfortable and private rooms for breastfeeding mothers.
- **Reverse Mentoring Program (BRA):** in December, the first edition of the Reverse Mentoring program was completed with the aim of creating connections and insights based on the sharing of experiences between members of minority groups in the pillars of gender, race and LGBTQIA+ and Braskem leaders, including Vice Presidents, Industrial Directors and Corporate Directors.

4. Governance and Compliance

- **Supplier Management:** in November, Braskem held the 4th edition of Supplier Sustainability Recognition, recognizing 31 suppliers for their sustainable and quality practices in the categories: Best ESG Performance; Labor and Human Rights; Environment; Ethics; Sustainable Purchasing and Quality (IDF⁸ Performance).
- **Boarding training on "Climate Change" (BRA):** in December, CCAE members received training on the company's strategy for mitigation/decarbonization, Life Cycle Assessment, carbon footprint, among other topics.
- **ESG Monitoring by the BoD⁹:** periodically, the Board of Directors and its Advisory Committees evaluate the evolution of the Company's ESG practices. In 4Q24, the following topics were addressed:
 - Monitoring of people-related issues by the People and Organization Committee, with emphasis on the results of the Well-Being Thermometer¹⁰;
 - Approval of the criteria for the annual assessment of the Board of Directors, its Advisory Committees and the Executive Secretariat of the Board of Directors, as well as the individual assessment of the members of the Board of Directors;
 - Monitoring compliance with the guidelines established in the Company's policies, with emphasis on the Financial Policy and Investment Policy by the Finance and Investment Committee;
 - Monitoring of action plans related to Socio-Environmental Risks and Process Safety;
 - Reporting on the improvement and implementation of Sustainable Development/ESG practices by the Company, including monitoring of goals related to the topic, as well as monitoring on the topic of Circular Economy;
 - Presentation and discussion on the Company's Strategic Direction;
 - Assessment of the reasons for compliance with the independence criteria of the candidates for members of the Board of Directors, who were elected at the Extraordinary General Meeting;
 - Calling of an Extraordinary General Meeting of the Company, held on 11/28/2024, with the election of new full members of the Board of Directors;
 - Election of new Statutory Directors of the Company and a new member of the Statutory Compliance and Audit Committee.

⁸ Corporate quality indicator on Supply suppliers selected according to pre-defined criteria, which may be materials or services and have 3 evaluation pillars: Questionnaire, Deviations and Delivery time.

⁹ Board of Directors

¹⁰ Research that assesses members' perceptions on issues related to career and development, psychological safety, general well-being, relationships and connections, purpose and engagement, and belonging.