



tomorrow starts
WITH ME



BAKELITE
SYNTHETICS

**20
24**

**Sustainability
Update**



Sustainability at Bakelite Synthetics

Message from our President and CEO, JP Aucoin

It is with great pride and a deep sense of responsibility that I present Bakelite's 2024 Sustainability Update. This report is a summary of our sustainability progress during 2024, as well as the first look at our baseline and first metrics toward our 2030 goals. As you will see, this report reflects our steadfast commitment to environmental stewardship, social responsibility, and sound governance. These principles are foundational to our long-term strategy and operational integrity.

In an era marked by global challenges and accelerating environmental concerns, we recognize that sustainable business practices are essential to enduring success. Over the past year, we have made significant strides in advancing our sustainability agenda. Notably, we have invested in on-site solar panel installations across key facilities, reducing our reliance on non-renewable energy sources. Furthermore, our recent acquisition of Sestec represents a strategic step forward in meeting the growing demand for bio-based resins, enabling us to expand our portfolio of sustainable materials and support the transition to a circular economy.

These milestones underscore our commitment to create a better tomorrow with sustainable and innovative chemistry today. They are made possible by the unwavering commitment of our employees, the trust of our partners, and the support of our communities. As we look ahead, we remain resolute in our pursuit of sustainable progress and in our role as a responsible corporate citizen.

Thank you for walking with us on this journey as we each put our fingerprint on making this world a better place today and for generations to come.



JP Aucoin
President
and CEO



2030 Goals and Metrics

As we measured baseline 2023 and improved 2024 performance across our 21 global plant sites, our energy, water and waste improvements did not come from a few large projects, but rather from modest, incremental improvements across most of our locations, demonstrating that sustainability is embedded in everything we do. In 2024 we saw the fruit of our efforts to drive disciplined and sustained continuous improvement. As we centralized metrics from our Sustainability Management System program, shared best practices across locations and celebrated wins, we strengthened our culture of sustainability by supporting our teams to find the benefits for both Bakelite and the planet.

In the area of safety, we again took both a cultural and programmatic approach to drive improvement (see our Social: Occupational Health & Safety section).

We are proud of our progress, with significant improvements this year across all five of our sustainability goals and 2030 targets.



2030 GOAL	2023 BASELINE	2024	IMPROVEMENT
Reduce energy intensity by 10% ¹	0.471	0.421	10.6% reduction
Reduce water intensity by 10% ²	2.893	2.203	23.8% reduction
Reduce waste intensity by 10% ³	0.0176	0.0163	7.3% reduction
OIIR < 0.5 ⁴	1.2	0.67	44% reduction
Implement a Sustainability Management System	- Scope 1-3 greenhouse gas inventories - 2030 Goals and targets - Annual Reporting	Centralized energy and water metrics for all sites	

1. Purchased electricity and natural gas (MWh per MT of production). 2. Fresh water (metered m3 per MT of production). 3. Disposed waste (MT per MT of production).

4. OIR = (Number of recordable injuries and illnesses x 200,000) / Total hours worked.

Bakelite Achieves Industry Recognition

Bakelite had much to celebrate in 2024. At the 2024 annual Association of Panel Producer's (APA) Engineered Wood Association event, we were honored to receive the coveted **2024 Engineered Wood Technology Association (EWTA) Supplier of the Year Award** for our outstanding support in the materials space. This award is a validation of our track record of customer service, product reliability and advanced technical support in our industry. "At Bakelite, we're committed to building trust and serving our customers," said Dirk Killen, Business Manager, Building & Construction. "We look forward to continuing to be a valued partner."



The Bakelite team accepts the prestigious EWTA Supplier of the Year Award.

Environmental sustainability is now at the heart of logistics strategies, with the aim of reducing the ecological impact of packaging materials. To support this transformation, the Carlo Cattaneo University of Castellanza, Italy, (LIUC) has developed the Green Logistics Radar: an updated repository of green solutions for sustainable logistics, designed for entrepreneurs and managers looking for innovative models for supply chain management. **We are honored to be included in LIUC's published case studies and also highlighted for our work in publications such as the Tecniche Nuove Green Logistic magazine in March 2025.** Learn more about Green Radar at greenlogisticsradar.com.

The Union Pacific Railroad named Bakelite a 2023 Pinnacle Award winner for the Albany, Oregon, USA site's dedication and commitment to safety. Presented in 2024, the Pinnacle Award honors companies that had zero Non-Accident Releases (NARs) for shipments of regulated hazardous material moving in tank cars, confirmed the use of safety best practices, and moved at least 100 rail cars in 2023. This is an outstanding achievement that demonstrates Bakelite's commitment to the safety of its employees and the communities where we live and work.



Environmental Impact



Greenhouse Gas Inventory

For the third straight year, we have taken an inventory of our Scope 1-3 Greenhouse Gas (GHG) emissions, with third party assurance by WAP Sustainability. While not required, Bakelite has pushed to include Scope 3. We believe that if we can measure it, then we can improve it.

For 2024, we are proud to share our overall GHG emissions decreased from 2023, our baseline year, and were the result of efficiencies in multiple areas. These reductions align with our 2030 Sustainability Goals and show Bakelite's commitment to making year over year improvements.

In the spirit of continuous improvement, our focus on developing a strong Sustainability Management System (SMS) was key in this year's inventory assessment. With several improvements to our methodology, we updated the 2023 GHG emissions in addition to calculating the 2024 GHG inventory. Our SMS methodology documentation and procedure enhancements will ensure a robust analysis for year over year data trends in GHG emissions.

Focus on Energy

In 2024, we were proud to commission a steam turbine on our Botlek site in the Netherlands. Capturing steam generated naturally as part of the manufacturing process, the excess energy is transformed via the turbine into electricity that supplies up to 70% of the site's energy needs.

2024 also saw the majority of work completed on our first two solar panel farm installations, at our Barry, UK and Lantaron, Spain sites. Commissioned in April 2025, solar energy is supplying ~20% of the sites energy needs, with a corresponding reduction in Scope 2 carbon emissions.

As noted in our 2030 goals, many small improvements across our plant sites led to an overall 10.6% reduction in energy for every metric ton of product we produce. Some projects focused on the replacement of aging equipment with higher efficiency motors. Others focused on how we run our existing assets with even greater economy, such as identifying time periods when equipment can be deenergized as opposed to idled between usage periods. In yet other instances, metering projects provide improved visibility to the highest sources of usage. Every project yields an added benefit, as our metrics indicate.



**REDUCTION IN
SCOPE 2 CARBON
EMISSIONS DUE TO
SOLAR PANEL FARM
INSTALLATIONS**

AT BAKELITE SITES IN BARRY, UK
AND LANTARON, SPAIN



**DECREASE IN
ELECTRICITY-
RELATED CARBON
EMISSIONS
THROUGH STEAM
TURBINE USE**

AT BAKELITE SITE IN BOTLEK,
THE NETHERLANDS

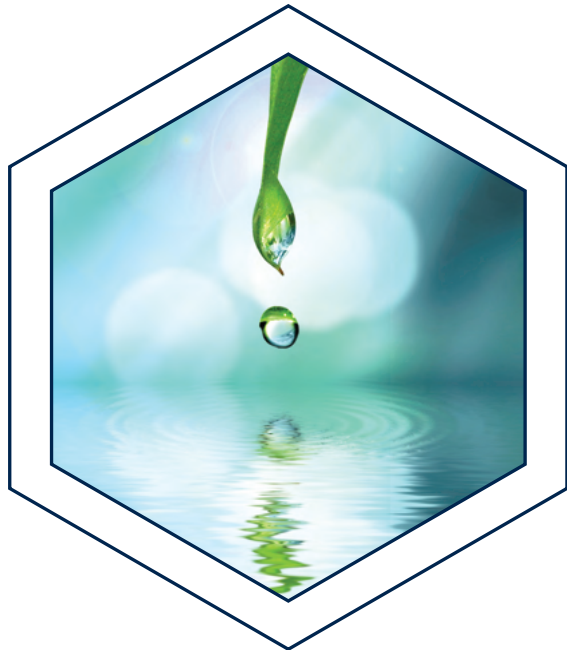
**Steam Turbine,
Botlek, The Netherlands**

Focus on Water and Waste

We raised awareness in 2024 across our sites on the importance of water conservation and responsible water consumption.

As the effects of water stress continue to be measured and felt in various geographies across the globe, we began using tools like the World Resources Institute's Aqueduct Water Risk Atlas to review the predictions of water stress at our exact plant locations in 2030 and beyond.

You can find their helpful and open-access tools at wri.org. Our sites did their part this year, collectively reducing water intensity by 23.8% compared to our 2023 baseline. Projects took on a variety of forms, from simple rate reductions, to rainwater collection and reuse, to water recycling. At our Kitee site in Finland, a targeted project resulted in the recycling of 550 MT of washwater.



23%

**REDUCED WATER
INTENSITY
compared to 2023**

Our teams drove innovation in 2024 in the handling of materials, resulting in a more than 7.3% reduction in waste intensity. Our Concordia, Argentina site found a way to recover and recycle 20 MT of catalyst. And in the U.S., the by-product from one site was able to be used in the production process of another site, saving 3 million pounds of molecule-rich by-product from going to waste. Our production and R&D teams are working hard to find creative solutions to responsibly manage materials, reduce our reliance on virgin raw materials, and provide products with reduced carbon footprint and superior performance for our customers.

Product Highlights

We continue to create innovative product solutions that support our customers' sustainability goals. One such product, launched in 2024, is a Bakelite resin used in glass wool insulation applications. These applications are required to provide superior thermal insulation properties to support energy savings in building and construction. Bakelite resin is a key constituent of the binder for the glass wool and meets the most challenging product standards, such as the Indoor Air Comfort Gold Standard (EN16516 A+ class). While meeting superior performance properties, **our resin also contains 30% biorenewable content, which in turn lowers the carbon footprint of the material by 30%** compared to equivalent technology based on fossil raw materials. Every day, thousands of square meters of glass wool produced with this Bakelite resin are placed into the market by a European manufacturer, with other customers in various stages of homologation globally.



Glass wool containing
Bakelite resin



Bakelite acquires Bio-based Adhesive Technology

Bakelite Synthetics recently completed the successful acquisition of Sestec, a Poland-based company renowned for its sustainable, protein-based adhesives for wood and composite products. This strategic move significantly enhances Bakelite's position as a sustainability leader in the adhesive industry.

The acquisition of Sestec, whose adhesives are 100% bio-based and designed to minimize environmental impact, aligns with Bakelite's commitment to sustainability and innovation. By integrating Sestec's technology, Bakelite expands its portfolio of environmentally-safe adhesive solutions on a global scale and continues to assist customers in achieving their sustainability commitments.

Sestec's adhesive systems, which include applications for MDF, HDF, particleboard, OSB, straw and fiberboard, and plywood, will now be part of Bakelite's extensive product portfolio. The acquisition includes, in addition to their innovative technology, Sestec's administration office in Krakow, and Laboratory & Production Facility in Trzebinia.





Social Impact

Occupational Health & Safety

At Bakelite, safety is a core value – nothing is more important than doing our work safely. We see improvements to safety when our organization is supported with the right culture, programs, training and policies. In 2024, we continued our efforts in these key areas, advancing our culture and the outcomes for occupational health and safety.

Under our umbrella “Safety Today for a Safer Tomorrow” platform, we focused on several programs, including Life Saving Rules. This program educates our workforce on the key, controllable actions to prevent serious injuries during higher-risk activities. In addition to Life Saving Rules, we also initiated a new safety leadership campaign, which included convening our site leaders globally for a dedicated in-person week on the topic of health and safety. At this event, leaders went through a variety of trainings and were able to share best practices from their sites.

Our safety culture is supported throughout the organization through our *How and Why I Stay Safe* program. These communications help each of us share why safety is personal, and connect us to why we practice safety 24x7, at home and at work.

In 2024, we also completed the implementation of our rigorous chemical safety standards in our U.S. and South American facilities.

We are seeing the many benefits of our focus on culture, training, programs and policies. In addition to the significant reduction in OIR, we celebrated safety milestones for years without a recordable injury at several of our facilities:

- **20 or more years:**
 - Beaver Creek, Michigan, USA
- **10 or more years:**
 - Botlek, The Netherlands
- **5 or more years:**
 - Acme, North Carolina, USA
 - Crossett, Arkansas, USA
 - Kitee, Finland
 - Lantaron, Spain
 - Cowie, UK

Our work to focus on health and safety is never done, and we're proud of the progress we made in 2024 to keep this topic at the heart of everything we do.

How and Why I Stay Safe



**Process and Quality Manager
Matteo Alessi, Solbiate, Italy**

What are your reasons for staying safe?

My main reason for staying safe is my son. Becoming a father has revolutionized my life in many ways – including in the way I think about safety. Having a child has made me much more aware about the responsibility that I have to him.

What is your top safety goal each day?

My personal daily “mission” is to work safely in order to come back home safely so that I can continue to try my best to be a good father. I don’t want to miss any step of my son’s growth.

What are the ways you stay safe?

I prioritize safety education at work and in my personal life. Last year, I took a course about pediatric airway de-obstruction – and it turned out to be crucial for me. Unfortunately, during the weaning phase, a piece of peach obstructed my son’s airway; it was only through the knowledge I gained during the course that I knew the right operations, and I was able to act immediately. Today I am thankful that my son is safe and healthy.

Community Engagement

Bakelite associates engage with their communities in deep and meaningful ways throughout the year, and in 2024 we emphasized this focus even more during the winter holidays. Across the globe, our sites coordinated holiday gift giving to families in need, disaster relief efforts, winter gear drives, support for families experiencing food insecurity, and support for local schools. In all, the holiday season supported more than 2000 individuals in our communities, by more than 200 associates.

In Acme, North Carolina, USA, associates collected and donated winter gear to families in need who were affected by Hurricane Helene. Acme collected more than 70 winter gear items, including coats, blankets, sweaters, sweatpants, sweatshirts, heavy jackets and children's items. All items were given directly to those in need.

In Lantaron, Spain, associates mobilized quickly to respond to support recovery efforts following devastating flash flooding in Valencia, Spain. The site's Human Resources and Environmental Health & Safety (EHS) teams collected various supplies, including gloves, masks, hydroalcoholic gel and safety glasses, to send to affected areas. Bakelite Operator Jorge García Martín personally transported Bakelite donations to Valencia.



Clothing drive, Acme, North Carolina, USA



Emergency response, Lantaron, Spain



Giving tree, Albany, Oregon, USA

Bakelite Women's Network

At Bakelite, we celebrate our diverse workforce and seek to remove any barriers that may exist in hiring and retaining top talent. 2024 marked the first full year of our Bakelite Women's Network, **in which 25 virtual and in-person events were held, attended by more than 500 Bakelite associates collectively**, a third of whom were male. Focus areas included professional development, discussion groups on work-life balance and inclusion and belonging, and events sponsored by our partner, Women in Chemicals.



"Confidence is fundamental to achieve personal and professional goals: through Bakelite Women's Network we aim to create the community support which allows our talented women to grow and develop."

Laura Boninsegni
VP Finance and
Bakelite Women's
Network President



Women In Chemicals Conference 2024

Bakelite was proud to sponsor and participate in the inaugural Women in Chemicals Conference, which took place September 9-11, 2024 in Houston, Texas.





Governance

Enhancements in Governance

Based on our 2024 efforts, **Bakelite is proud to have earned the American Chemistry Council's Responsible Care® certification for all our U.S. sites.** Responsible Care® is the global chemical manufacturing industry's leading safety and sustainability initiative. It drives continual improvement and supports innovative progress in operations and supply chains and is designed to help companies improve overall environmental, health, safety and security performance.



In addition, **Bakelite also completed the International Sustainability and Carbon Certification (ISCC Plus) for our Botlek site** in The Netherlands. The recognition marks a significant milestone as Bakelite now offers its customers a bio-circular formaldehyde solution. This option provides the same quality and performance as our standard offering, and reduces environmental impact by utilizing bio-based and renewable feedstock. We continue to be well-positioned to meet the growing demand for sustainable chemical solutions.

In Europe, we made enhancements to the audit program of our EHS standards. These enhancements include a program maturity check, as well as EHS managers auditing one another's sites and programs. The new protocol allows managers to share their own best practices, while being a fresh pair of eyes to look for improvement opportunities.

In 2024, **we also enhanced our crisis communications process**, which outlines protocols and procedures for effectively managing communication. It includes clear roles and responsibilities, communication channels, and message templates to ensure consistency and transparency. By integrating this plan into our governance framework, we emphasize accountability and ethical decision-making, ensuring that our response is swift, accurate, and aligned with our sustainability values and reinforces our dedication to responsible management and stakeholder trust.

Ethics and Code of Conduct

At Bakelite, our core values, policies and procedures are the foundation of our ethical approach to business practices. In keeping pace with the dynamic nature of our industry, we continuously review and seek improvement in our ethical and compliance measures.

DATA PRIVACY & COMPLIANCE:

We made significant progress in support of our ISO 27001 certification for Bakelite's Information Security Management System, including submission of all documentation and evidence, and completion of the external audit. Certification is expected to be completed in 2025.

ENGAGING WITH OUR ASSOCIATES:

2024 saw improvements in our associate engagement survey, including an increase by 14 percentage points in associates' view of our commitment to sustainability.

LABOR AND HUMAN RIGHTS:

We have built trust by upholding our commitment to ethical business practices and regulatory compliance, as demonstrated through adherence to our **Code of Conduct**.

ANTI-BRIBERY:

We ensure a comprehensive anti-bribery and corruption program aligned to both local and international laws, such as the U.S. Foreign Corrupt Practices Act, the UK Bribery Act, and similar anti-bribery laws and resolutions where Bakelite conducts business.

SUPPLIER RELATIONS:

We ask all stakeholders to abide by the highest ethical standards, as evidenced by our Code of Conduct for Suppliers and Third Parties.

RISK MANAGEMENT:

Bakelite's Enterprise Risk Management System provides our guiding framework for managing our identification and response to potential risks.

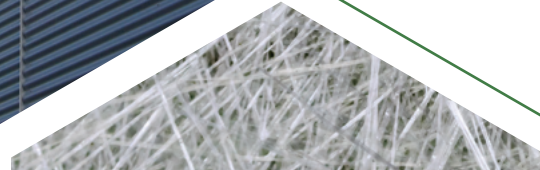
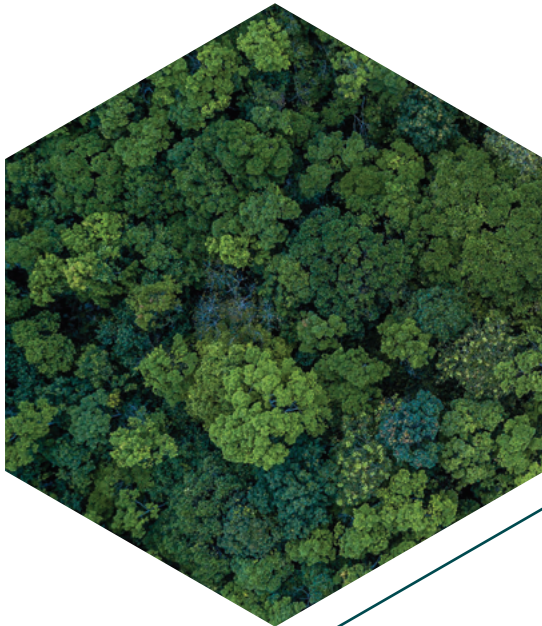
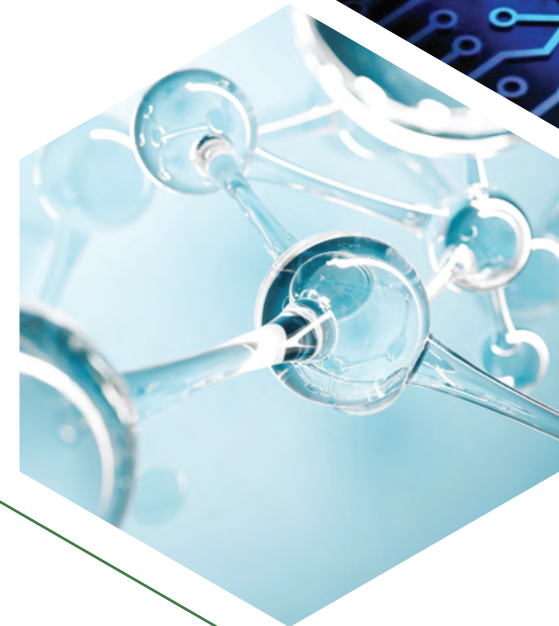
Message from our EVP of Business Process and Sustainability, Andrea Croslyn

Looking Ahead: Next Steps in 2025 and Beyond

We are incredibly proud of the organization and the future we are building at Bakelite. We have made significant progress toward each of our 2030 goals, and are challenging ourselves to do more. From environmental stewardship, to our product portfolio, our metrics and governance structures, and the health and safety of our associates, we are taking steps every day in our sustainability journey.

Together with our partners and stakeholders, thank you for being on this journey with us. We will share more as we continue to build a strong Bakelite and a healthy world.

Andrea Croslyn
EVP, Business Process
& Sustainability





With the GRI Universal Standards 2021 serving as a guide, this report includes disclosed indicators for the period spanning from January to December 2024. Our report or other public disclosures have fully or partially reported the indicators from our targeted SDGs in relation to GRI Standards. The GRI 1 used is GRI 1: Foundation 2021.

The following index lists these indicators for your reference.

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-5 External assurance	Please refer to page 7.
	2-15 Conflicts of interest	Please refer to page 13 of Bakelite's Code of Conduct (CoC).
	2-16 Communication of critical concerns	Please refer to pages 18-19 of Bakelite's CoC.
	2-22 Statement on sustainable development strategy	Please reference "Message from our President and CEO, JP Aucoin" on page 3 of our 2024 Sustainability Update.
	2-23 Policy commitments	Please refer to page 18.
	2-24 Embedding policy commitments	Please refer to pages 7-12 of Bakelite's CoC and page 18.
	2-26 Mechanisms for seeking advice and raising concerns	Please refer to pages 18-19 of Bakelite's CoC.
	2-27 Compliance with laws and regulations	Please refer to pages 7-12 of Bakelite's CoC.
	2-28 Membership associations	Please refer to pages 5 and 15 of our 2024 Sustainability Update.
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Please refer to pages 4, 8 and 22.
	302-2 Energy consumption outside of the organization	Please refer to pages 4, 8 and 22.
	302-3 Energy intensity	Please refer to pages 4, 8 and 22.
	302-4 Reduction of energy consumption	Please refer to page 8.
	302-5 Reductions in energy requirements of products and services	Please refer to page 8.
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Please refer to pages 4 and 9.
	303-2 Management of water discharge-related impacts	Please refer to pages 4 and 9.
	303-4 Water discharge	Please refer to pages 4 and 9.
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Please refer to pages 7 and 22.
	305-2 Energy indirect (Scope 2) GHG emissions	Please refer to pages 7 - 8 and 22.
	305-3 Other indirect (Scope 3) GHG emissions	Please refer to pages 7 and 22.
	305-4 GHG emissions intensity	Please refer to pages 7 and 22.
	305-5 Reduction of GHG emissions	Please refer to pages 7 and 22.
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Please refer to pages 4, 9 and 22.
	306-4 Waste diverted from disposal	Please refer to pages 4 and 9.
GRI 403: Occupational Health and Safety 2018	403-4 Worker participation, consultation, and communication on occupational health and safety	Please refer to pages 13 and 17.
	403-5 Worker training on occupational health and safety	Please refer to page 13.
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Please refer to page 15. Please also reference our CoC.
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Please refer to page 18. Please also reference Bakelite Synthetic's Code of Conduct for Suppliers and Other Third Parties.
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Please refer to page 14.

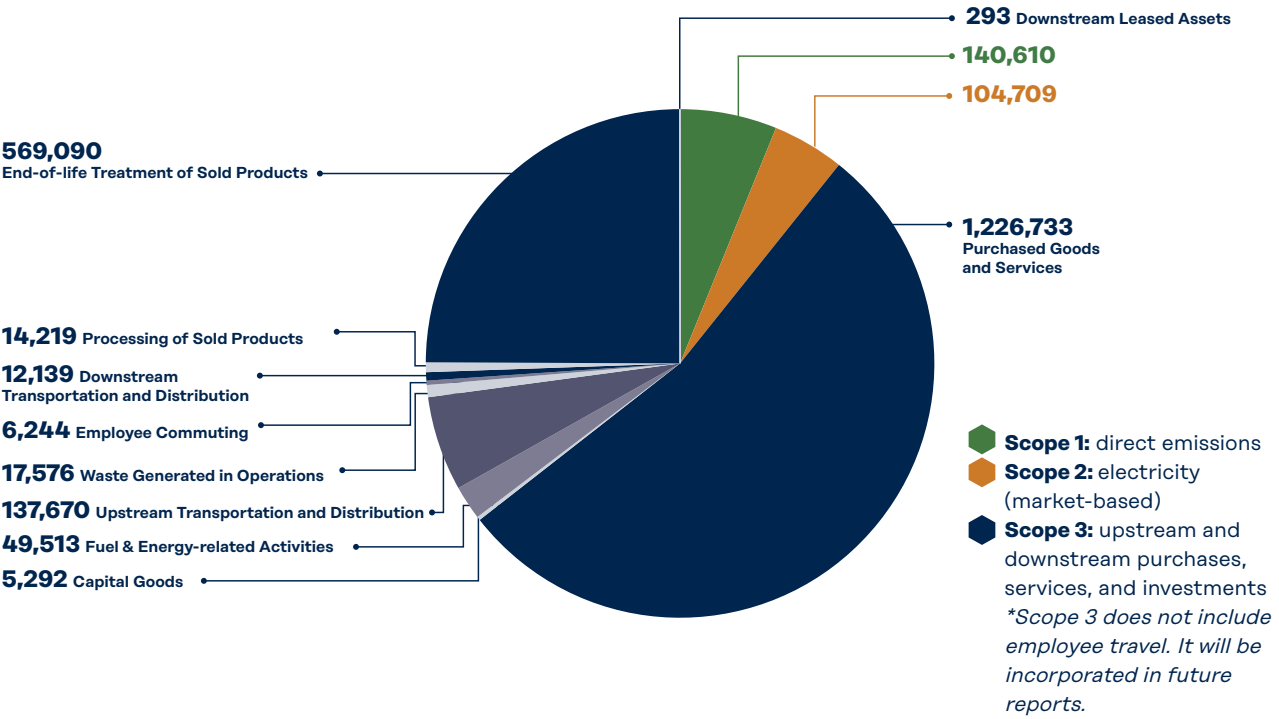
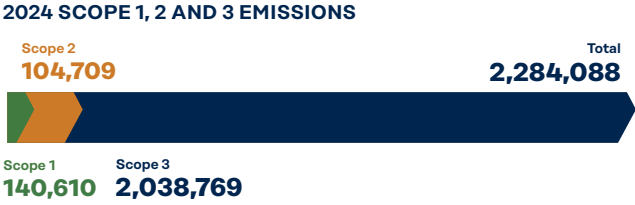
Forward-Looking Statements

This document contains forward-looking statements about Bakelite Synthetics' anticipated achievements in sustainability goals, enhancements in our Environmental, Social, and Governance practices, and other related ambitions. These statements are grounded in our current expectations and beliefs as of this report's date and are subject to various uncertainties, risks, and changes in conditions that could significantly alter the outcomes.

The risks involve our capacity to effectively execute sustainability initiatives, adapt to evolving market dynamics, and manage environmental and social challenges, among other considerations. We recognize that future events and developments might lead to a shift in our expectations and assumptions, and we do not commit to updating these forward-looking statements unless it becomes a legal requirement.

2024 GHG Inventory

In adherence with the GHG Protocol, we conducted a comprehensive evaluation of Bakelite Synthetics' assets, facilities, and operations to create our 2024 GHG inventory. This inventory will allow us to measure progress against our carbon emissions reduction goals.







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products, and history of
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