



Our Approach to Sustainability

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Steps to Sustainability

A message from the Vice President of Sustainability

While the industry navigates global challenges and uncertainty, CPChem continues to advance on its sustainability journey by holding focus on its commitments and purpose. Shaped over more than two decades, CPChem's resilience and business strategy delivers value to stakeholders and enriches global communities.

Our work in sustainability seeks to uplift communities and protect natural habitats. At CPChem, we translate these principles into actions aimed at generating positive impacts in three areas of focus: climate change, the sustainability and circularity of our products, and social responsibility.

Reflecting on 2024, I am proud to share progress and achievements made within each of our focus areas.



Benny Mermans
Vice President of Sustainability



Climate Change

In 2024, we saw an acceleration of momentum in companywide efforts to identify, measure and activate projects to lower the carbon intensity of our operations. Last year, CPChem's marginal abatement cost curve process selected 19 new projects for potential advancement, up from 14 in 2023.

Thanks to the ingenuity and commitment of CPChem employees working in this space, our MACC projects are designed with site-specific strategies and goals tailored to lower emissions intensity and enhance efficiencies. By year-end in 2024, CPChem completed MACC assessments covering 95% of its operated Scope 1 and Scope 2 emissions.



Product Sustainability and Circularity

CPChem remains strongly engaged in enabling circularity. Plastics do not belong in the environment, they belong in the economy, and we need to help unlock the value that plastic waste has as a commodity. Enabling product circularity is crucial to effectively managing plastic waste. In 2024, we strengthened our feedstock network used to produce circular products like CPChem's Marlex® Anew™ Circular Polyethylene and successfully renewed ISCC PLUS certification at five facilities.

Although the industry currently faces an absence of regulatory clarity, CPChem closely monitors and participates in Global Plastics Treaty discussions and similar international efforts aimed at addressing plastic pollution and promoting more sustainable practices.



Social Responsibility

Enhancing how CPChem connects with Social Responsibility has illuminated many new and promising pathways for positive change. In 2024, CPChem published the company's first [Human Rights Commitment Statement](#), reflecting our commitment to respect human rights. Within our walls, we championed health and quality of life, directing \$111 million toward wellness and well-being of employees across the globe.

Throughout the organization, we elevated awareness and advanced United Nations Sustainable Development Goals associated with our business. Going a step further, CPChem created and launched Goals for Good, an internal campaign spotlighting the SDG's positive influences within our company and communities.

These achievements, and the compelling stories featured in this report are a testament to the culture and caliber of my CPChem colleagues. Together, we remain committed to driving innovation, fostering sustainable growth, and delivering value to our stakeholders. Thank you for your continued support and trust in our vision.

A handwritten signature in black ink, appearing to read 'Benny Mermans', with a large, stylized flourish extending from the end.

Benny Mermans

Vice President of Sustainability

Sustainability at CPChem

At CPChem, sustainability is an important part of our company culture. As a global leader in petrochemicals and plastics production, we support efforts aimed at reducing plastic waste and lowering emissions through innovation and continuous improvement.

In 2024, CPChem continued to work toward achieving the following aspirational sustainability targets:

- **Lowering carbon intensity**

In 2022, we introduced a 2030 aspirational target to reduce our carbon intensity by 15% compared to a 2020 baseline, while implementing lower-carbon growth projects and optimizing our processes and operations. Our path to achieving this carbon intensity target relies on access to emerging technologies and lower carbon energy sources. These interdependencies in turn require an accommodative regulatory landscape to foster competitiveness. While we have progressed key areas such as efficiency improvements and flare reductions through our Marginal Abatement Cost Curve process, other enabling factors have been impacted as the regulatory backdrop has evolved. These impacts form part of our continuous evaluation of the pathway to achieving our carbon intensity goals.

- **Increasing circular product production**

In 2020, we introduced an aspirational target to produce 1 billion pounds of Marlex® Anew™ Circular Polyethylene annually by 2030, reflecting our drive to enable a circular economy and end plastic waste. In furtherance of this target, our 2024 efforts included research and technology development, exploration of processing capabilities, engagement in new strategic ventures and execution of feedstock agreements. However, developments in the legislative and regulatory environment are also needed to provide clarity on demand outlook and available production pathways. Supportive legislation and regulation help drive investments in emerging technologies and grow the circular value chain. These factors inform our ongoing assessment of the pathway to achieving our circularity goals.

Strategy and Focus Areas

Our sustainability strategy is grounded in three primary focus areas, each with unique challenges and opportunities for innovative change that can contribute to a more sustainable future.

CPCChem's Sustainability Focus Areas

Climate Change



Product Sustainability and Circularity



Social Responsibility





Climate Change

Climate change is a challenge of global scale and a core element of our sustainability strategy. Our workforce is active and aligned in pursuit of lower emissions, improving process efficiencies and exploring opportunities in renewable energy and emerging technologies.



Product Sustainability and Circularity

CPChem is dedicated to advancing product sustainability and circularity through circular products like CPChem's Marlex® Anew™ Circular Polyethylene. This product helps support the transition to a circular economy and exemplifies our efforts helping customers achieve their sustainability objectives. Additionally, we proudly participate in worldwide efforts and collaborative projects that work to protect the environment and curb plastic waste.



Social Responsibility

Above all else, CPChem prioritizes the safety of its people, operations and neighboring communities. We champion employee health and wellness and sponsor professional development opportunities to elevate our workforce. Guided by our Code of Conduct, we do our part to respect human rights and practice responsible sourcing. We support philanthropic initiatives to enrich the lives of employees, customers and stakeholders.



Advancing Sustainable Development and Global Goals

Adopted by all UN member states in 2015, the United Nations Sustainable Development Goals are a universal call to action to end poverty, protect the planet and ensure peace and prosperity. These goals encompass three key dimensions: economic, social and environmental sustainability. CPChem has identified 11 SDGs that closely align with its business. We aim to harness our product portfolio, value chain and industry leadership to help mitigate negative impacts and advance the global objectives of each SDG.

Embedding SDGs within CPChem

We believe embedding SDGs into our organization promotes creative opportunities for sustainable development and helps employees and stakeholders connect more deeply to these important initiatives.



SDG #2 – Zero Hunger

Through our products and philanthropy, we look to support more sustainable food production and an increase in the stability of food supplies around the world.



SDG #3 – Good Health and Well-being

We aim to improve quality of life and elevate our global communities. CPChem products are critical building blocks for many items used in the healthcare industry. Through the principles of *Our Journey to Zero*, we prioritize health, safety and reliable operations, allowing us to offer valuable, life-enriching solutions around the world.



SDG #4 – Quality Education

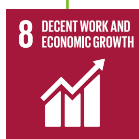
Providing equitable access to quality education helps in the development of our employees, creating a strong culture of safety and Caring by Choice. We are committed to providing our employees with the education needed to drive their growth and our strategy. We invest in enrichment programs that build awareness, knowledge and help provide equitable access to Science, Technology, Engineering and Math training to prepare tomorrow's workforce.

**SDG #6 – Clean Water and Sanitation**

We believe that access to clean water and sanitation is a human right, and the scarcity of potable water is a global issue. We promote water stewardship and make efforts to use water responsibly at our sites around the world. Our high-density polyethylene pipes are a major contributor to accessing clean drinking water. HDPE pipe systems significantly limit leaks, require minimal maintenance and boast longer service lives than competing materials for critical infrastructure we need every day.

**SDG #7 – Affordable and Clean Energy**

We are working to advance renewable energy solutions, optimize energy consumption and minimize energy intensities. CPChem products can help save energy. Polyalphaolefins used in immersion cooling and lightweight HDPE found in many vehicles are just two examples of how our products are increasing efficiencies and contributing to a lower carbon future.

**SDG #8 – Decent Work and Economic Growth**

Our tagline, Performance by design. Caring by choice.™, speaks to how we prioritize and approach high standards for operational excellence, ethics and human rights, and employee development and growth. Acting on these concepts is critical for economic growth and enhancing the quality of life of our employees and communities. We recognize the choices we make for our material and service providers must also reflect these standards, which are outlined in our [Supplier Principles of Conduct](#).

**SDG #9 – Industry, Innovation and Infrastructure**

We champion research and ingenuity, advancing innovative ideas aimed at reducing our environmental footprint, optimizing efficiencies, promoting circularity and creating new opportunities for collaboration. We work jointly with diverse organizations to address global issues and promote sustainable growth.

**SDG #12 – Responsible Consumption and Production**

We are enhancing our business and pursuing solutions that seek to use resources more responsibly. CPChem belongs to several industry associations and participates in many initiatives exploring ways to address global issues like plastic waste while promoting more sustainable operations.

**SDG #13 – Climate Action**

We are taking action for the climate by furthering efforts to reduce our carbon intensity, explore opportunities in renewable energy and improve our resilience to climate risks.

**SDG #14 – Life Below Water**

We support efforts to eliminate plastic waste on land and water. Mismanaged plastics can have negative impacts on the environment, which is why we are working to advance a circular economy and protect Life Below Water.

**SDG #17 – Partnerships**

We collaborate with strategic stakeholders like community groups, NGOs, industry associations and others to find opportunities to accelerate sustainable change locally and abroad.

**Goals for Good**

In 2024, CPChem introduced its #GoalsForGood campaign, which highlighted employees engaging with SDGs and the positive impacts carrying into the business and employee communities. On internal platforms, employees posted about their connections to the SDGs and motivated colleagues to share how they were making a difference using stories, photos and more.