Our Approach to Sustainability

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Strategic Direction

Remarks from the Director of Sustainability

Sustainability at CPChem is closely connected to our business strategy and long-term outlook. This report is our 15th edition, recording our continuous improvement journey toward a resilient future. With strong fundamentals in place we remain focused on building resilience, supporting responsible growth and delivering value for our owner companies, customers, employees and communities. Ongoing engagement with stakeholders continues to guide our priorities and sharpen our focus on where we can have the greatest impact. This report is grounded in that dialogue.

Our work is concentrated on three focus areas: Climate Change, Product Sustainability & Circularity, and Social Responsibility. Together, these areas reflect where CPChem can drive meaningful progress while reinforcing the foundation of our business. By advancing solutions that support responsible operations, product innovation and people-centered practices, we aim to deliver outcomes that are measurable, practical and enduring.

As industry conditions and external expectations continue to evolve, we have taken a thoughtful look at our sustainability aspirations. Recently, CPChem updated its aspirational targets to reflect current realities, stakeholder input and the importance of clear, achievable outcomes. This adjustment was intentional. It reinforces our commitment to setting aspirations supported with action, resources and sustained follow-through in pursuit of lasting positive impact.

Continuous improvement remains integral to our strategy. In 2025, we demonstrated progress in Social Responsibility by earning the company's best-ever health and safety performance at our facilities. Additionally, we continued to advance Human Performance and build capability through our new Career Framework Job Architecture. Our focus on Climate Change supports profitable growth through efficient, lower-carbon intensity initiatives, MACC projects and deploying innovative technologies while strengthening resilience through climate, water stress and biodiversity risk analyses. In Product Circularity & Sustainability, we are building circular growth through life cycle assessments, targeted R&D and strategic investments. Together, these actions reflect a disciplined approach to sustainability that fuels business performance and positions CPChem to lead in a lower-carbon future.

We continue to advance sustainability because it adds value. By moving what matters and following through with intention, we drive operational efficiency, strengthen stakeholder relationships and reinforce long-term business performance.

As a stakeholder reading this report, I encourage you to join the conversation across social media and online and reach out directly to share your thoughts on our sustainability journey.

Rick Wagner
Director, Sustainability

Advancing with Purpose

At CPChem, sustainability is woven into our business, and it inspires continuous improvement and innovation across the company. As a global leader in the production of chemicals and plastics, we recognize the importance of reducing plastic waste and lowering the carbon intensity of our operations.

Climate Intensity Aspirational Target

In 2022, CPChem announced an aspirational target for 2030 that aimed to reduce the company's operated Scope 1 and Scope 2 carbon intensity by 15% compared to a 2020 baseline. The company is updating its aspirational target to remove the 2030 timeline. This adjustment reflects strategic assessments of changing policy and regulatory conditions and the significant economic realities that make large-scale carbon intensity reductions challenging.

CPChem's approach is grounded in disciplined business practices that safeguard long-term resilience while recognizing that meaningful progress depends on supportive market signals and enabling policy and regulatory frameworks. Industry-wide headwinds, evolving technologies, and volatile market dynamics require flexibility to ensure CPChem's targets remain aspirational and achievable.

This update reinforces CPChem's commitment to advancing carbon intensity reduction initiatives that align with operational feasibility and strategic objectives, while acknowledging that sustained progress will require collaboration across industry, investment and regulatory ecosystems. CPChem remains confident in its sustainability strategy and will continue efforts to reduce carbon intensity, maintain sustainable growth and contribute to a lower-carbon future.

Circularity Aspirational Target

In 2020, CPChem introduced an aspirational target to produce 1 billion pounds of Marlex® Anew™ Circular Polyethylene annually by 2030, reflecting a focus on supporting the development of a circular economy for plastics. Evolving alongside shifting global market and regulatory conditions, CPChem's sustainability strategy will continue to prioritize and support circularity without maintaining an aspirational target.

This adjustment follows a strategic evaluation of market dynamics, including uncertainty in demand growth, fragmented regulations, feedstock sourcing challenges and technology scale-up timelines; factors that underscore the need for flexibility and disciplined decision-making. CPChem's approach remains rooted in feasibility and long-term resilience, recognizing that meaningful progress will require enabling policy to guide laws and regulations, clear market signals and collaboration across the entire value chain.

CPChem remains committed to innovation, advocacy and collaboration, driving progress to unlock a circular economy and help keep plastics out of the environment.

Sustainability 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.

Climate Change

Climate change is a global challenge and a central focus within CPChem's sustainability strategy. Employees are aligned in efforts to reduce emissions intensity, improve process efficiencies, and evaluate emerging technologies, while assessing physical climate risks to strengthen the reliability and resilience of our assets and supply chains. Guided by innovation and industry expertise, CPChem continues progressing toward its goal of a 15% reduction in carbon intensity from a 2020 baseline. Our focus also includes water stewardship and waste management efforts.

Product Sustainability and Circularity

CPChem is focused on advancing product sustainability and circularity through solutions such as Marlex® Anew™ Circular Polyethylene. These circular products support the transition to a more circular economy and reflect our commitment to helping customers meet their sustainability objectives. These efforts are supported by lifecycle assessments and evaluation of product attributes such as reduced carbon footprint. CPChem also participates in global initiatives and collaborative efforts aimed at environmental stewardship and the reduction and reuse of plastic waste.

Social Responsibility

CPChem places the highest priority on the safety of its people, operations and neighboring communities. Our culture values diversity and inclusion and supports respect for human rights throughout our value chain. We promote employee health and wellness and invest in professional development opportunities to strengthen and grow our workforce. Guided by our Code of Conduct, CPChem practices responsible sourcing and supports philanthropic initiatives that benefit employees, customers and communities.

Supporting Global Goals

Adopted in 2015, the United Nations Sustainable Development Goals (SDG) provide a globally recognized framework for managing long-term risks and identifying opportunities for sustainable growth. CPChem has identified 11 SDGs that align most closely with our business model, value chain and areas of operational influence. By connecting these goals to our operations and business practices, we seek to build resilience, help mitigate adverse impacts and apply our product portfolio and industry leadership to areas that support stakeholder priorities and long-term enterprise value.

Discover how we connect with the SDGs:

Zero Hunger – SDG #2

Supporting sustainable food production and more stable food supplies worldwide through our products and philanthropy.

Good Health and Well-being – SDG #3

Delivering essential materials for healthcare applications while prioritizing worker health and safety, and reliable operations.

Quality Education – SDG #4

Expanding access to sustainability education and STEM programs to support employee development and future talent.

Clean Water and Sanitation – SDG #6

Promoting water stewardship and enabling access to clean drinking water through durable HDPE pipe infrastructure.

Affordable and Clean Energy – SDG #7

Improving energy efficiency and advancing solutions that contribute to a lower carbon future.

Decent Work and Economic Growth – SDG #8

Upholding high standards for ethics, human rights and inclusion across our workforce and supply chain.

Industry, Innovation and Infrastructure – SDG #9

Advancing innovation and collaboration to reduce impacts, improve efficiency and promote circularity.

Responsible Consumption and Production – SDG #12

Developing solutions that use resources responsibly and support more sustainable operations.

Climate Action – SDG #13

Reducing carbon intensity, strengthening climate resilience and advancing low carbon product opportunities.

Life Below Water – SDG #14

Advancing circular economy solutions to help reduce plastic waste and protect marine environments.

Partnerships – SDG #17

Collaborating with communities, NGOs and industry partners to accelerate sustainable progress.