



2024

# Sustainability Report

Published June 2025





# A Note from our CEO

At Hexion, transformation isn't a theme—it's how we lead, and our commitment to help shape the future of our industries. Over the past year, we've taken bold steps to modernize our business, accelerate sustainable innovation, and expand our impact. This year's Sustainability Report is a reflection of that work and the momentum we're building for the future.

We're operating at a moment in time that demands more from all of us. Climate volatility, resource constraints, and shifting global expectations are forcing every industry to think differently. For us, that means moving beyond incremental changes to deliver real solutions. We leverage our chemistry, technology, and talent to help customers operate smarter, cleaner, and more efficiently.

One exciting milestone this year was our acquisition of Smartech, which added AI and automation capabilities that help reduce emissions, improve resource use, and increase efficiency. But more importantly, it pushed us to think bigger about how intelligent systems and smart science can be aligned to drive sustainability in ways that traditional methods never could.

As we continue to transform Hexion into a future-ready company, our commitment to ESG remains core to our strategy. Sustainability isn't a program—it's embedded in how we design, operate, and lead. That includes product development, supply chain, governance, and how we engage with our communities. The stories and metrics in this report show how we're turning that commitment into action.

Thank you to our associates, customers, and partners for pushing us to move faster, think bolder, and lead with purpose.

We're not just responding to change—we're helping shape what comes next.

Sincerely,

**Michael Lefenfeld**



# Hexion at a Glance



Global Headquarters

C O L U M B U S , O H I O

WITH

25



Manufacturing

FACILITIES WORLDWIDE

&

11

R&D sites

168 years in business

Manufacturing & Research Facilities

- |                       |                        |
|-----------------------|------------------------|
| Hope, AR, USA         | Brisbane, Australia    |
| Columbus, GA, USA     | Brimbank, Australia    |
| Alexandria, LA, USA   | Curitiba, Brazil       |
| Geismar, LA, USA      | Montenegro, Brazil     |
| Gonzales, LA, USA     | Edmonton AB, Canada    |
| Luling, LA, USA       | St. Romuald QC, Canada |
| Missoula, MT, USA     | Tel Aviv, Israel       |
| Morganton, NC, USA    | Pernis, Netherlands    |
| Fayetteville, NC, USA | Moerdijk, Netherlands  |
| Moreau, NY, USA       | Hornby, New Zealand    |
| La Grande, OR, USA    | Mountview, New Zealand |
| Portland, OR, USA     | Onsan, South Korea     |
| Springfield, OR, USA  | Tacuarembó, Uruguay    |
| Diboll, TX, USA       |                        |
| Baytown, TX, USA      |                        |
| Sheboygan, WI, USA    |                        |

1,289

dedicated associates



MORE THAN  
\$445,000

in charitable contributions



4,100  
hours of  
volunteer  
service

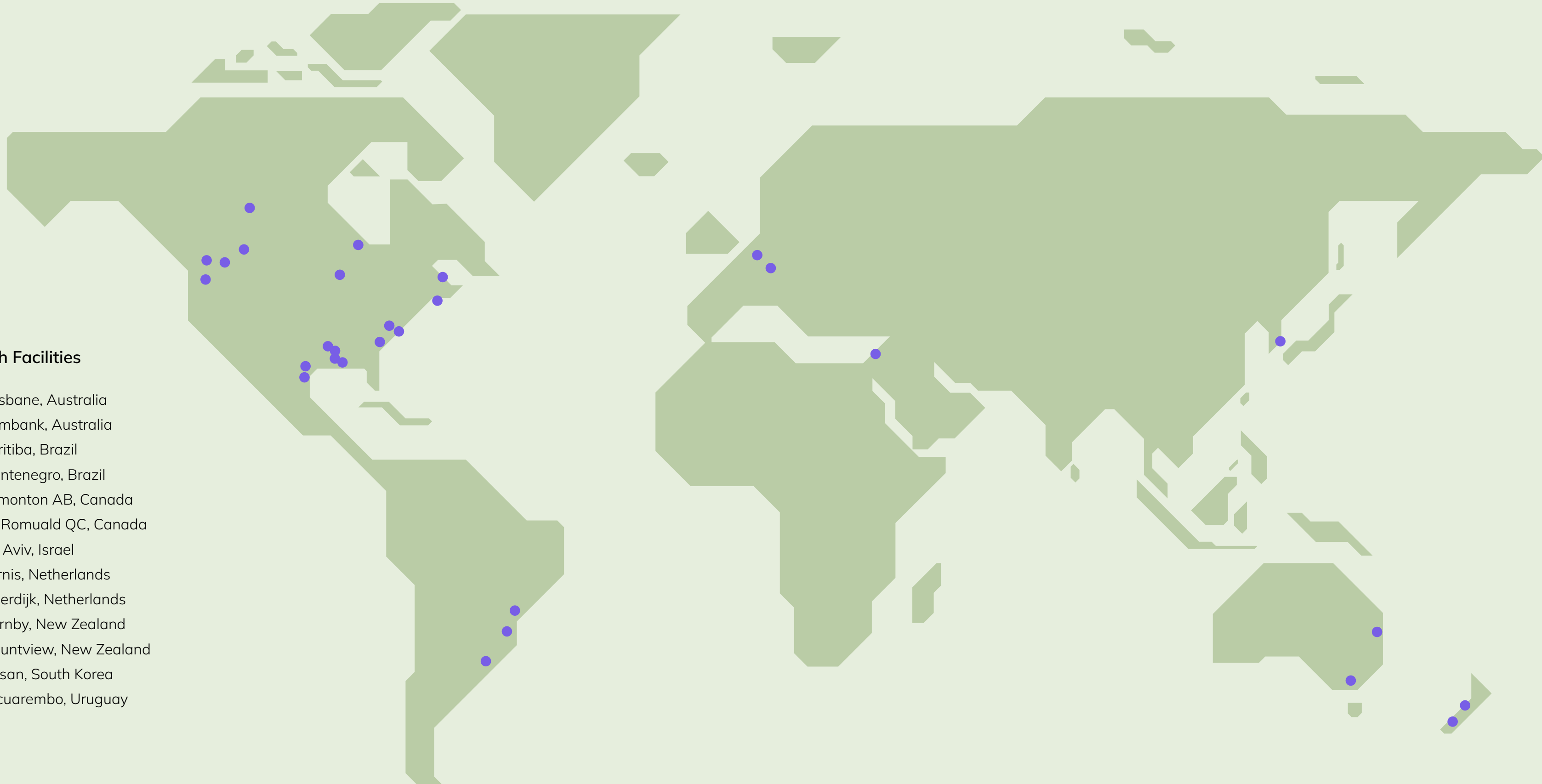


3.77M  
miles saved &  
15,232  
loads eliminated



10.6MM GHG reduction

\$27.9MM in sustainable spend = 3% of total spend







# Sustainable Innovation

## Turning Vision into Impact

Hexion turns complex challenges into opportunities through a powerful blend of science, technology, and forward-thinking execution. Our global R&D centers collaborate directly with customers to design solutions that support ambitious sustainability goals—starting at the molecular level.

In 2024, we expanded that capability with the acquisition of Smartech, a leader in AI-driven autonomous manufacturing. Combining their intelligent automation with our expertise in resins and wood processing creates production intelligence that is fast, adaptive, and aligned with the planet’s needs.



**Bob Lawton**

VICE PRESIDENT, INNOVATION  
& TECHNOLOGY

*“We ensure that our efforts not only address immediate needs but also contribute to a larger vision of a sustainable future. It’s about seeing the forest, not just the trees, and understanding how each advancement plays a crucial role in the bigger picture of environmental stewardship.”*





## Innovation from Everyone, Everywhere

At Hexion, innovation doesn't exist in a silo—it lives everywhere. In 2024, we launched HexionNEXT, a company-wide transformation program that empowers employees, accelerates ideas, and turns bottom-up thinking into breakthrough progress.

Led by our Transformation Office, HexionNEXT replaces traditional top-down planning with dynamic, sprint-based innovation. Early-stage ideas are rapidly evaluated and shaped into strategic initiatives. The result? Speed, scale, and impact.

In less than a year, HexionNEXT is already delivering bold results:

2,000+ unique ideas activated 

But this isn't just about numbers. It's about culture. HexionNEXT gives every associate a seat at the innovation table.

**Innovation now belongs to everyone.**



## Digital Intelligence at Work

Hexion uses digital transformation to drive real, practical results. Our Twin Thread and Digital Dashboard projects transform manufacturing intelligence into action—bridging the gap between data and real-world impact.

### Pilot Program Breakthrough

The Fayetteville plant pilot shattered expectations. Digital dashboards reclaimed 60 minutes of daily operating time within the first week alone—turning invisible inefficiencies into measurable productivity gains.

Morning meetings transformed from problem-hunting sessions to action centers. Teams now pinpoint operational issues instantly, focusing their expertise on improvements that drive both efficiency and sustainability.

### Expanding the Impact

This successful pilot powers a broader transformation. The strategic rollout across our manufacturing network multiplies these efficiency gains, creating an interconnected system where operational excellence and resource optimization become standard practice.

### Intelligence-Driven Future

Dashboard data establishes the foundation for AI tools that push boundaries further. These predictive systems will anticipate production opportunities while identifying ways to minimize energy use, reduce waste, and mitigate risks.

As capabilities advance, the system will forecast precisely how changes in product mix reshape resource utilization and plant efficiency. This intelligence enables decisions that balance business performance with environmental responsibility—a hallmark of our approach to sustainability.



### Performance Meets Responsibility

The Twin Thread and Digital Dashboard projects exemplify Hexion's commitment to reimagining what's possible. By harnessing the power of data and predictive intelligence, we're building manufacturing systems that deliver exceptional performance while maximizing every resource.

These initiatives forge a new standard for operational excellence, creating meaningful progress for our business, our customers, and the planet.







## Pioneering Tomorrow's Solutions



Hexion's acquisition of Smartech delivered breakthrough results in sustainable innovation. Their AI-driven technology integration achieves up to 15% reductions in raw material usage, lower VOC emissions, and higher product quality through smarter, data-guided production. This is more than efficiency. It's a new era of possibility.

### For our customers, this unlocks:

- Less waste and higher throughput
- Automated insights and optimization
- A streamlined path to ESG targets

This acquisition expands Hexion's reach across new markets while proving that performance and responsibility aren't competing priorities—they're engineered together, creating measurable environmental benefits through smarter chemistry.

## Scaling Solutions from Lab to Landscape

In 2024, we launched a globally focused Natural Resource solutions team spanning seven time zones, bringing fresh perspective to fuel innovation that meets the moment.

Our in-house R&D capabilities accelerate progress by developing safer, smarter chemistry that reduces chemical consumption, lowers transport emissions, and eliminates hazardous substances without compromising performance. Direct feedback from this year's Mining Conference helped refine new product offerings aligned with evolving sector needs.

We also achieved key milestones in Australia's lithium extraction market, reinforcing Hexion's growing role in helping natural resource sectors operate more efficiently and sustainably.

## Progress through Smarter Chemistry

Our commitment to sustainability starts early and runs deep. Through comprehensive life cycle analyses, we help customers understand our products' environmental impact across industries. Progress is built layer by layer through years of formulation, refinement, and collaboration.

In the coatings industry, we've developed a toolbox based on VeoVa Monomers for intumescent paints. It supports passive fire protection that expands under extreme heat to form insulating char, slowing fire spread and preserving structural integrity. We are committed to preparing ourselves and supporting our customers throughout the energy transition. We are investigating Versatics-based low-energy UV cure technologies and optimizing our manufacturing and supply chain processes.

## Certified Excellence

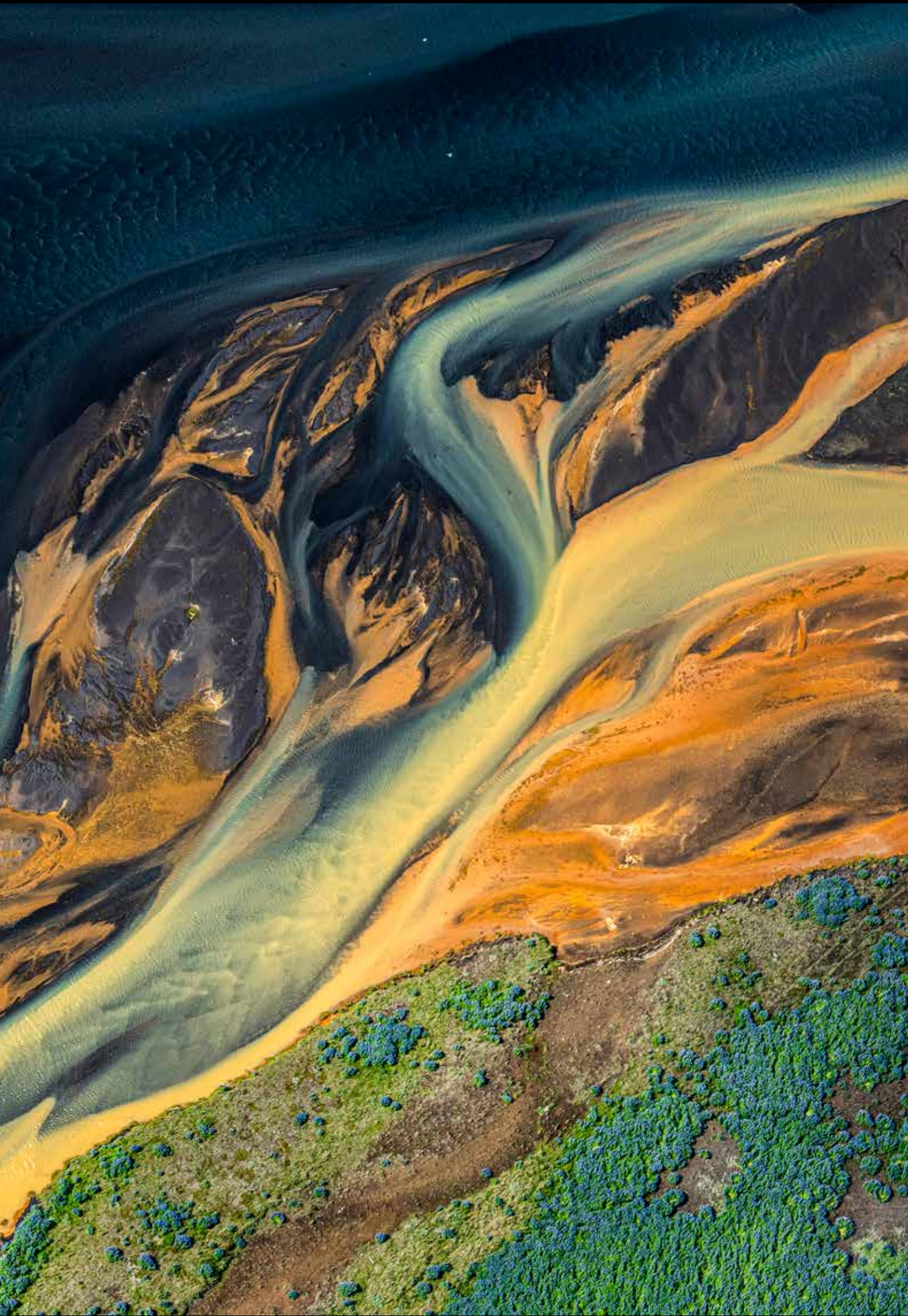
Hexion VAD B.V. earned International Sustainability and Carbon Certification (ISCC) PLUS for our Versatic™ Acids and VeoVa™ vinyl esters, and Cardura™ glycidyl ester sites in the Netherlands, highlighting our work with bio-based and renewable raw materials.



In December, EcoVadis awarded Hexion VAD B.V. another gold rating, reflecting our ongoing commitment to advancing sustainability practices across environmental stewardship, labor and human rights, ethics, and sustainable procurement.







# Environmental

## Making Every Action Count

The world doesn't need more promises. It needs results. At Hexion, we transform chemistry into environmental action, rejecting outdated approaches and demanding measurable progress. Sustainability is embedded in every part of how we think, build, and lead—from product design to production.

We go beyond compliance to drive bold, meaningful progress. We reduce energy consumption, lower greenhouse gas emissions, boost water efficiency, and eliminate waste. This isn't gradual improvement—it's transformation that delivers clear business value and substantial environmental benefits. Fueled by relentless innovation, we're building solutions that meet today's demands and power the world ahead.



### Chet Brandon

SENIOR DIRECTOR,  
GLOBAL EH&S OPERATIONS

*"Our commitment to developing environmentally responsible products and technologies is driven by the fact that our actions today shape the world of tomorrow. Every process we improve helps us meet the real needs of our communities—not just the challenges of our industry."*







# Transforming Energy Management

HexionNEXT is transforming the way we innovate across the company, and nowhere is that more evident than in our sustainability efforts.

Hexion embedded energy and environmental performance into its innovation playbook, using the HexionNEXT process to identify and accelerate hundreds of site-level energy projects. Through cross-functional sprints and structured ideation sessions, teams identified more than 100 energy-focused initiatives in the program’s first year alone.

These efforts include site assessments and treasure hunts across all Hexion locations, surfacing opportunities for reduced energy use, smarter utility management, and system upgrades. From boiler optimization to cooling tower consolidation, teams are putting ideas into action—with measurable impact.



Nearly 20 associates  
More than 130 improvement ideas

At our Australia and New Zealand sites, teams identified high-impact opportunities such as consolidating cooling towers, optimizing inputs, and downsizing pumps, delivering measurable environmental and operational gains.



# Decarbonization that Delivers

We’re driving innovation with bio-sourced methanol and nonene, reducing both Scope 1 and Scope 3 emissions while delivering measurable value for Hexion and our customers.



Our teams are pioneering new life-cycle assessment methods, reducing embodied carbon in construction materials, and exploring carbon capture solutions.

Our Baytown site earned ISCC PLUS recertification after rigorous audit. The result proves our approach: decarbonization doesn’t just benefit the environment—it creates performance advantages that redefine what’s possible.



# Resources Reimagined

Our mission is to maximize the impact of every natural resource we use. By designing products that help materials go further, last longer, and withstand the elements, we turn sustainability into performance with real, measurable results.

**39,861** METRIC TONS  
of **sustainable raw materials\*** utilized  
equivalent to **1,898 total truckloads**  
or **5.2 truckloads daily \***



**3%** of  
**total volume**  
derived from  
sustainable  
raw materials\*

**\$27.9** million in sustainable spend\*,  
representing 3% of total procurement

 **61** different material codes\*\* for sustainable raw materials managed efficiently

These numbers demonstrate our commitment to weaving sustainability into every part of our operations, ensuring our products deliver both exceptional performance and environmental responsibility.

\* ‘Sustainable raw materials’ and “spend” refer to materials purchased that, based on supplier data and internal criteria, are natural or waste streams. They exhibit one or more of the following attributes: lower environmental impact during production (e.g., reduced VOC emissions), renewable or bio-based sourcing, recyclability, or improved lifecycle efficiency.

\*\* These codes correspond to internal classifications used to track raw materials exhibiting one or more sustainable attributes, such as reduced VOC levels, energy-efficient manufacturing, renewable content, or circular economy potential.

Each metric represents a deliberate choice in our resource strategy. We’re scaling these practices across operations, targeting a 50% increase in sustainable material usage within five years. This increase is calculated against the prior reporting period and is based on usage volumes of raw materials categorized under Hexion’s sustainable material codes.

## Beyond the Plant

Our environmental impact goes well beyond what we make or where we make it. Logistics plays a major role. We cut 15,232 truck shipments and reduced road travel by 3.7 million miles. The result? A reduction of 10,600 metric tons of greenhouse gas emissions.

Smarter routes, fuller loads, and tighter supplier partnerships have made our logistics network faster, leaner, and greener. Powered by real-time data and event-driven tech, our global supply chain keeps evolving to deliver maximum efficiency and sustainability at every step.

## Charting our Climate Course

To future-proof our business, Hexion conducted a climate risk and opportunity analysis aligned with TCFD recommendations, positioning us for long-term success in a low-carbon economy.

As we look towards the future, we’re determined to break new ground, challenge the status quo, and lead the transformation toward a more sustainable future. No compromises. No excuses. Our commitment extends beyond our industry to the world we all share.



## Climate Change Policy

Hexion strives to protect against climate change throughout the business lifecycle by efficiently using natural resources, optimizing existing processes, and enhancing products through continuous innovation.

### This focus increases stakeholder value by:

- improving resource utilization
- reducing greenhouse gas emissions
- engaging associates
- decreasing operating costs
- supporting our customers’ sustainability goals





# People

## The Culture Behind the Chemistry

Our people are the driving force behind every breakthrough, every solution, and every success. They fuel innovation, elevate performance, and drive meaningful change at every level. We don't just talk about valuing people—we invest, empower, and act.

From attracting high-impact talent to developing leaders and advancing equity, our culture is designed for long-term success. We back our belief in people with the same rigor we bring to our products: measurable outcomes, continuous improvement, and relentless momentum.

Through continuous learning, meaningful engagement, and a culture that champions bold thinking, we empower our diverse team to imagine everything—and make it real.



### Janet Berg

VICE PRESIDENT, HUMAN RESOURCES

*"We believe that it truly takes a village to foster a thriving and innovative workplace. Our associates are at the heart of everything we do, and by working together, we create an environment where everyone can grow, develop, and succeed. Our collective efforts drive our success and shape a better future."*





# Where Talent Meets Transformation

We cultivate leaders and changemakers. Hexion turns associate feedback into forward-thinking benefits that enable people to thrive. From health coverage to career development, we create systems that scale with evolving needs and empower teams to deliver at their best.

And we don't take our talent for granted. Every person who chooses Hexion fuels our mission and our momentum. We invest in people the way we invest in innovation—strategically, boldly, and with an eye on what's next.



# Retention that Speaks for Itself

Our people stay, and that says a lot.

From development opportunities and real-time feedback loops to meaningful benefits and a culture of belonging, our approach to people isn't performative. It's personal.

The result? Associates who grow with us, lead with us, and stick with us. Whether it's a 40-year veteran or someone finding new ways to make an impact, their stories show that when you create an environment where people can thrive, they do.

*"Over the past four decades, I witnessed significant advancements in manufacturing—from pneumatically driven and fully manual charging systems to the implementation of advanced automated processes that enhance accuracy and safety. I value working with a supportive team, and Hexion has treated me well along the way."*

**Ken Ballhagen**  
Chemical Operator  
Brisbane, Australia | 40 years with Hexion



*"The inspiring thing about working here is the way the company supports the communities and the associates who volunteer in the communities. The BRG's provide opportunities for people to think about things in a different way by educating associates and highlighting accomplishments."*

**Joni Nickoley**  
Senior Manager, Global Business Services – Procure to Pay  
South Carolina, US | 30 years with Hexion

*"Over the years, I've seen the company grow and evolve, and I've had the opportunity to work with many great colleagues throughout those changes. While I have learned from many, I have also been able to be a mentor to others. The challenges have kept me engaged, and the successes are something that I'll always be proud of."*

**Mark Moses**  
Operations Supervisor  
Geismar, Louisiana | 35 years with Hexion



## Inclusion that Drives Impact

Diversity drives innovation by challenging assumptions and fueling bold thinking. Our Business Resource Groups (BRGs) are associate-led communities that foster connection, education, and professional growth.

The momentum is building. One-third of BRG members engage with multiple groups. In 2024, we launched Gen2Gen, our fifth BRG focused on cross-generational mentorship. Other BRGs include:

- **AfricanDiaspora@Hexion** championing associates of African descent.
- **Pride@Hexion** creating an inclusive environment for LGBTQIA+ employees.
- **Women@Hexion** empowering women through thought leadership and advocacy.
- **Heroes@Hexion** honoring and supporting veterans, active-duty military, and their families.

## Strategic Equity in Action

Partnering with the W.K. Kellogg Foundation's Expanding Equity program helps us grow how we attract, develop, and keep diverse talent, because real change happens when every background is represented. We're focused on building more than a workplace where people belong. We're creating a culture where every voice shapes the future.

## Benefits that Work Harder

We actively work to be an employer of choice by investing in our associate priorities. By turning real feedback from our annual Gallup "Voice of the Associate" survey into tangible improvements, we're creating benefits that deliver more value and address actual needs.

### In 2024, we added practical support for U.S. associates

- Biometric screenings onsite across U.S. locations
- Livongo, a disease management program providing free diabetic supplies to those enrolled in our medical plan
- LYRA, a new comprehensive employee assistance program



» **Expanded incentive programs** ensuring every associate participates in a variable compensation plan, from our Annual Incentive Compensation Plan (ICP) to the Performance & Safety Incentive Plan (PSIP) for hourly associates to our HexionNEXT bonus plan that rewards value-creating initiatives led by our own people.

» **Enhanced core benefits** that evolve with our people's needs, including significant improvements to our U.S. medical plan and a holiday schedule that supports working caregivers. We continuously evaluate and strengthen our offerings across all locations to stay ahead of what matters most to our global team.

» **Learning opportunities that build real skills**, from specialized software courses with Capital University to Project Management cohorts that accelerate career growth. In 2025, we're pushing even further.

## Recognition Spotlight

Our President & CEO, Michael Lefenfeld, was honored with the Culture Shaper Award at the Ohio Chamber of Commerce DEI Summit. This award reflects our belief that diversity fuels creativity and opens the door to endless innovation.





## Career Growth that Fuels Progress

Hexion sharpens skills and expands capabilities, empowering associates to drive their careers forward while sparking creativity, productivity, and long-term growth across the organization.

### Learning that Leads

Our commitment to development is grounded in action. From mentorship to leadership development, we provide tools and experiences that translate into real impact. Our monthly **Elevating Leadership** podcast delivers sharp, practical insights for people leaders, from CEO perspectives to navigating change and bringing safety and inclusivity to life.

### Aligned Around Ambition

**100% of performance-eligible associates** engaged in our goal-setting process—clarifying priorities, aligning teams, and setting the pace for personal and organizational progress.

### On-Demand, High-Impact Learning

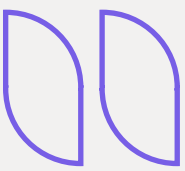
LinkedIn Learning® is a core part of our development strategy. This year, associates dedicated significant time to these online courses, with Leadership Foundations leading the way.

**1,751** hours and  
**33,937** videos of content

**Up 17%**  
over last year

## Project Management that Makes a Difference

We ran a seven-week Project Management cohort—a mix of curated LinkedIn Learning, group discussions, and practical application. Associates didn’t just learn the theory—they shared takeaways, applied them to real projects, and experienced results. On average, beginner participants boosted their confidence by 28%.

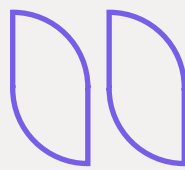


*“I am currently working on a project that requires a quick turnaround. The training helped me prioritize and make a plan to identify risks and bottlenecks.”*

**Sara Frojen**

Senior Product Steward and Regulatory Affairs Specialist  
Underwood, Washington

Our Continuous Improvement team was fully engaged, attending every session to share real-world advice and offer support.



*“I have been running projects for over 30 years and still learned more from this class and the interaction with the students.”*

**Craig Pryzgoda**

Continuous Improvement Manager  
Fayetteville, North Carolina



## Safeguarding our Team

Associate health and safety isn't just a priority—it's a relentless pursuit demanding vigilance, engagement, and dedication in every moment. In 2024, we took every opportunity to apply these three principles:

### Engage Fully: QUESTION EVERYTHING!

Safety is more than a policy or procedure; it's a mindset. Every one of us plays a critical role in making our workplaces secure. Active participation transforms good intentions into world-class performance.

### Apply Lessons

We've invested in hazard recognition and control training through the Hazard Recognition Plus process. Now it's time to put those tools into action—on every task, every time. We use stop triggers with courage, holding work until the safest methods are identified and applied.

### Stay Vigilant

We look out for one another, speak up when we see risks, and challenge the status quo. When we hold ourselves and each other accountable, we make every task safer than the last.

### Safety Success Metrics

**6,519** were entered, tracked, and monitored  
**ROCS**  
(RECOGNITION, OBSERVATION, CONCERNS)

**PSIP 92.6%**  
improvement of walk the line

## American Chemistry Council Responsible Care® Awards

The American Chemistry Council (ACC) Responsible Care® Awards recognized twelve Hexion sites for their overall health and safety performance. Nine plants received Certificates of Excellence for meeting the most stringent safety criteria, and three plants received an Honor Award for Safety.

**Certificate of Excellence awardees:** Alexandria, Louisiana | Baytown, Texas | Columbus, Georgia | Diboll, Texas | Hope, Arkansas | La Grande, Oregon | Luling, Louisiana | Moreau, New York | Morganton, North Carolina

**Achievement awardees:** Fayetteville, North Carolina | Geismar, Louisiana | Sheboygan, Wisconsin

Responsible Care helps ACC member and partner companies significantly enhance and improve the health and safety performance of their employees and the communities where they operate.

U.S. companies participating in the Responsible Care program have a worker safety incident rate nearly five times better than the U.S. manufacturing sector and almost three times better than the overall business of chemistry.



## Hazard Recognition Plus

We launched Hazard Recognition Plus™ (HRP), a systematic approach focused on energy sources that's already delivering fewer incidents and stronger operational performance. We're continuously refining HRP with cutting-edge technology and workforce feedback to set new standards in safety and performance.

### ANZ Safety Day – HRP in Action

This year's Safety Day marked the regional launch of HRP, with associates learning to recognize energy-related hazards, identify critical controls, and plan work more effectively. Activities were designed not only to reinforce our safety goals but also to build a deeper sense of community and teamwork. The incredible energy and engagement reinforced our core value: looking out for one another is at the heart of everything we do.



*"HRP isn't just a tool—it's a transformative, proactive approach that empowers everyone, from seasoned veterans to new team members."*

**Craig Whittaker**

Manufacturing Director ANZ  
Brisbane, Australia





# Respect Is Non-negotiable

Respect for human rights is personal. We believe everyone deserves fair treatment, safe workplaces, and the dignity to live and work freely.

We earned an “Advanced Performance” rating in Labor and Human Rights from the EcoVadis sustainability assessment. But recognition isn’t the goal. Doing the right thing is. That’s why we hold ourselves and our suppliers to high standards, requiring compliance with labor laws and ethical practices as part of doing business with us.



# Shaping Tomorrow’s Innovators

## Learning Meets Doing

Our internship program builds tomorrow’s leaders. We focus on teamwork, creative problem-solving, and project leadership. Through hands-on work on cross-functional projects, especially those focused on sustainability, interns gain practical insights they can’t get from textbooks. They’re doing meaningful work that makes an impact, developing skills that will power their careers long after summer ends.

### During summer 2024, our 11 interns:

- Collaborated with the Mid-Ohio Food Collective through volunteer work, food drives, and fundraising events
- Results: 95 volunteer hours, 1,500 lives impacted, \$3,200 raised, 250+ goods collected

MORE  
THAN

1,300

intern applicants

A

17%

increase from 2023

“During my time here, I have been fortunate to work on impactful and challenging projects, collaborate with incredible individuals who have become valuable mentors, and have significantly developed my skills and confidence as a professional.”

– **Kylie Bell,**  
Strategic Marketing Intern  
Columbus, Ohio



## Fast-track to Impact

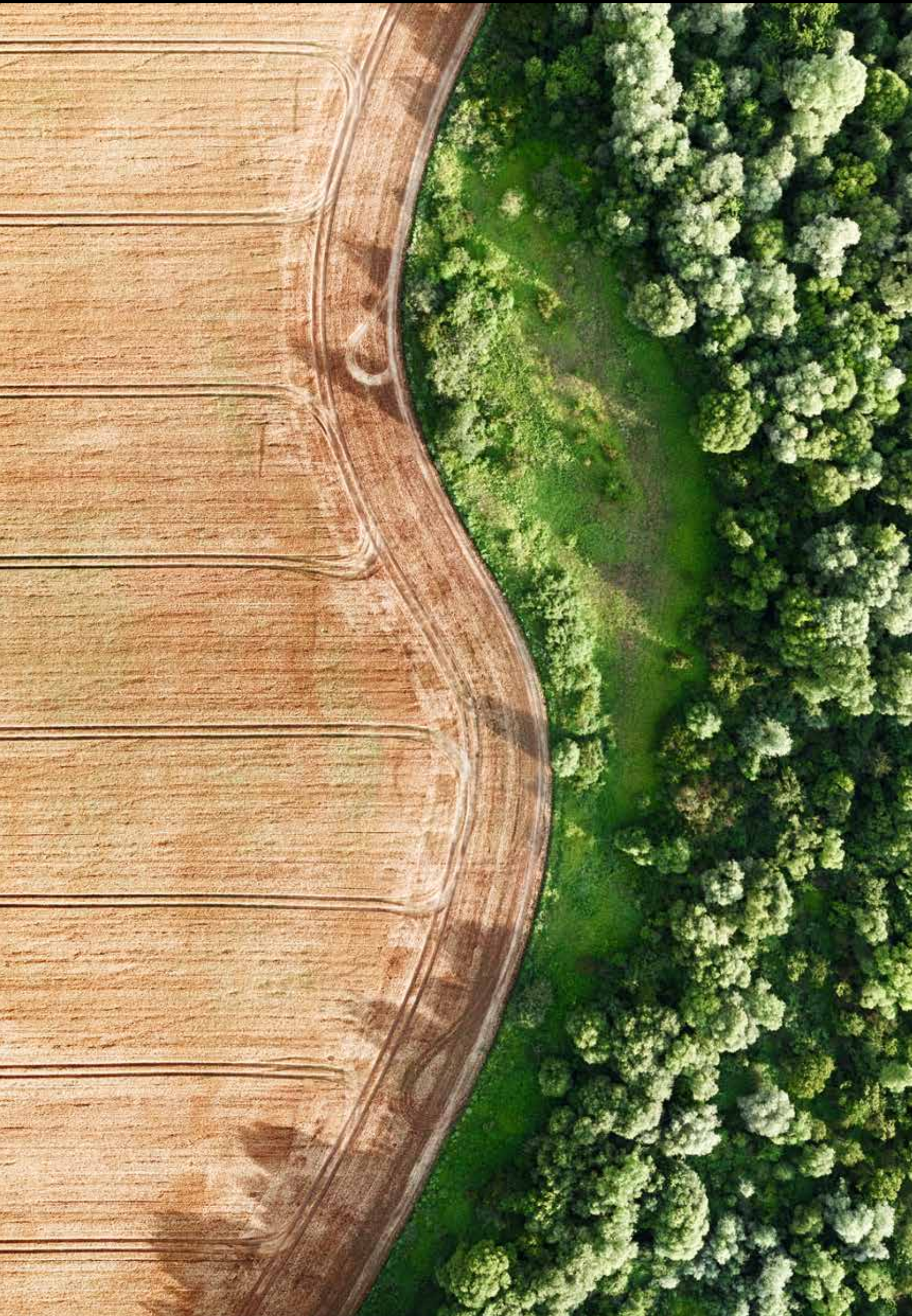
Our Pipeline Development Program shapes recent graduates into real-world problem solvers. Through four hands-on, six-month projects, participants explore different corners of our business.

Unlike traditional rotational programs, PDP participants develop technical expertise and leadership skills while working alongside seasoned experts. They drive improvements in safety, sustainability, and operations that create lasting value.

“I am grateful to the PDP and Hexion for giving me an avenue to support my family after college! I have been able to work on several process engineering tests such as an energy savings project by lowering overall system pressure in a HCHO plant. The PDP has given me valuable engineering experience including PHAs, MOCs, catalyst changes, and SAP.”

– **Noah Beeson,**  
PDP Chemical Engineer  
Geismar, Louisiana





# Communities

## Doing Good Is Good Business

Community isn't a side project—it's part of how we do business. Through Hexion Cares, we partner with mission-driven organizations to make a real difference in people's lives. From advancing STEM education to addressing basic needs, supporting public health, and promoting social justice, our goal is simple: invest in what matters today to help build the world we want tomorrow.



**Shelly Sturdevant**

**ASSOCIATE ENGAGEMENT &  
SOCIAL IMPACT LEADER**

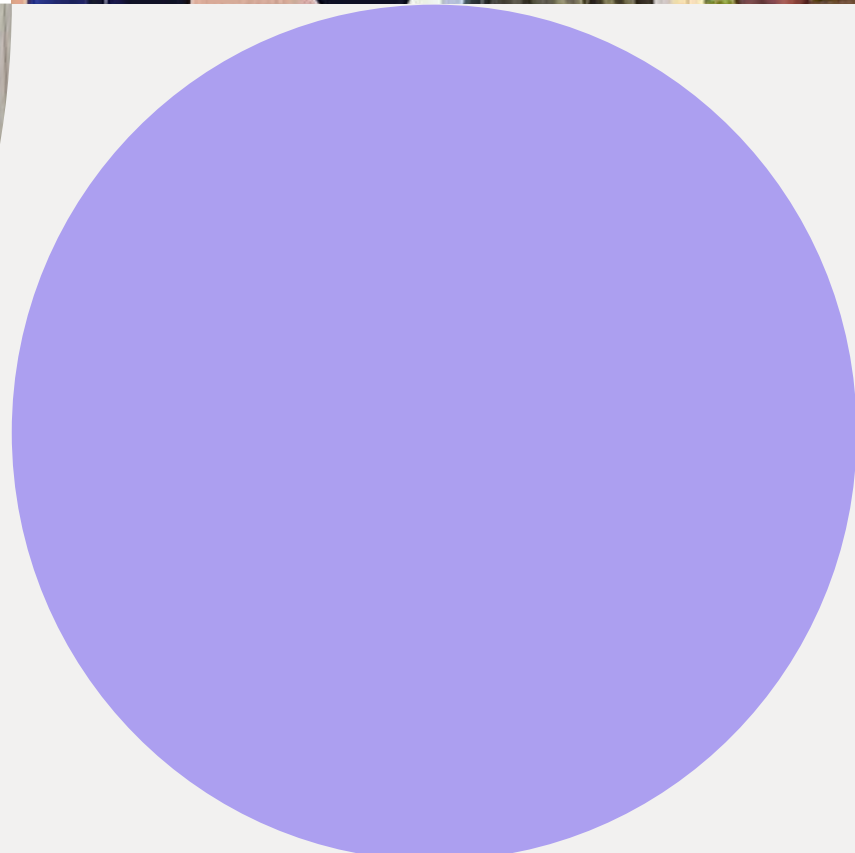


*“Our associates are eager to be involved in our communities. By investing in STEM education, we empower future innovators. Addressing basic needs provides the foundation for people to thrive. Promoting health supports the well-being of our communities, and advocating for social justice fosters equality and fairness. Together, these efforts create a holistic approach that supports our company mission, vision, and purpose—making a meaningful impact.”*



## Community Excellence Recognized

For the third year in a row, Columbus Business First named Hexion a “Corporate Citizenship Award” winner in the large company category.



## Driving Change through Partnership

Our commitment to social justice lives in the communities we support and the partners we work alongside. By backing organizations that are creating real change, we help strengthen the systems and voices that make equity possible.

### FOSSI Scholarship Program

2024 marks our fourth year supporting FOSSI, a national effort to open doors for underrepresented students in STEM. Hexion’s sponsorship of two scholars represents nearly \$100,000 in support—and a long-term commitment to inclusion in the chemical industry.

### Girl Scouts of Ohio’s Heartland STEM Center

Girl Scouts of Ohio’s Heartland celebrated the ribbon-cutting of the AEP Foundation STEM Leadership Center and CK Construction Maker Space at Camp Ken-Jockey. As the largest Girl Scout STEM facility in the U.S., it offers girls the chance to explore careers in STEM and trades. Hexion sponsors the Tool Center, providing an inspiring space for hands-on experience.

### Columbus Urban League

We sponsored the Columbus Urban League’s 49th Annual Empowerment Day, championing economic inclusivity and social justice in Central Ohio.



### Stonewall Columbus

In 2024, Hexion became a corporate sponsor of the Columbus Pride March, deepening our commitment after three years of participation through our PRIDE@Hexion BRG.



### Boys & Girls Club of Columbus

In 2024, we began supporting the Boys & Girls Club of Columbus, providing safe spaces and development opportunities for local youth.





## Core Support Where It Matters Most

We're committed to helping communities meet life's most fundamental needs—food, housing, and stability.

### Mid-Ohio Food Collective

Associates assisted shoppers and stocked shelves at several volunteer events, while interns organized a donation drive to benefit the Mid-Ohio Food Collective.

### Children's Hunger Alliance

Associates volunteered with CHA to package weekend meals for at-risk students in need across Ohio. Hexion also sponsored the "Menu of Hope" event.

### Homes for Families

As Signature Sponsor for the Not One Child: Not One Night Community Walk, we helped match donations up to \$50,000 and contributed to a toy drive supporting over 1,000 families.



### Habitat for Humanity

Team Hexion continued to provide both funding and hands-on support to build new homes for the community. In 2024, associates also participated in the "HFH Playhouse Blitz Project," designing, building, and decorating playhouses for local children, creating safe and welcoming spaces for play.

### United Way – Stuff the Backpack

Hexion associates helped pack 20,000 backpacks with school supplies for students in Franklin, Licking, Union, and Fairfield counties, ensuring they start the school year with the tools they need to succeed.



## Championing Community Health

We're all in, showing up, speaking out, and making a real difference where it counts for community well-being.

### American Heart Association – "Second Century Supporter" Award

Since 2009, Hexion has partnered with the American Heart Association (AHA) to fight heart disease and stroke. We continued sponsoring the Start Line at the Central Ohio Heart Walk in 2024, rallying over 125 associates and family members.

To celebrate the AHA's 100th anniversary, Hexion was honored as a Second Century Supporter, one of six companies to receive the distinction. The AHA highlighted our contributions in raising awareness, funding research, increasing AED placements in schools, and teaching Hands-Only CPR in our community.

### Pelotonia

Since 2012, more than 200 Hexion associates have raised over \$713,000 for cancer research through Pelotonia. Each rider shares a deep commitment to Pelotonia's mission: "One Goal: End Cancer."





# Associates Lead the Way

Associates take the lead in supporting causes that matter to them, volunteering, fundraising, and collecting donations. U.S.-based associates are empowered to use two scheduled workdays each year to volunteer at a registered nonprofit or United Way agency.

## Powering Positive Change

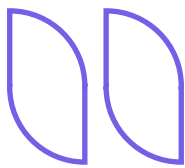
Our U.S. Associate Grant Program recognizes associates' personal commitment to a cause, providing a \$250 donation in their name to a 501(c)(3) nonprofit after they volunteer 25 hours in a calendar year. If an associate volunteers 50 hours, the donation increases to \$500.

# Global Reach, Local Results

Our annual Hexion Cares event supports initiatives worldwide. Hexion's teams have been making waves with their dedicated community efforts. It's clear that Hexion and our associates are deeply committed to the places we live and work. Some of the organizations our teams support include:

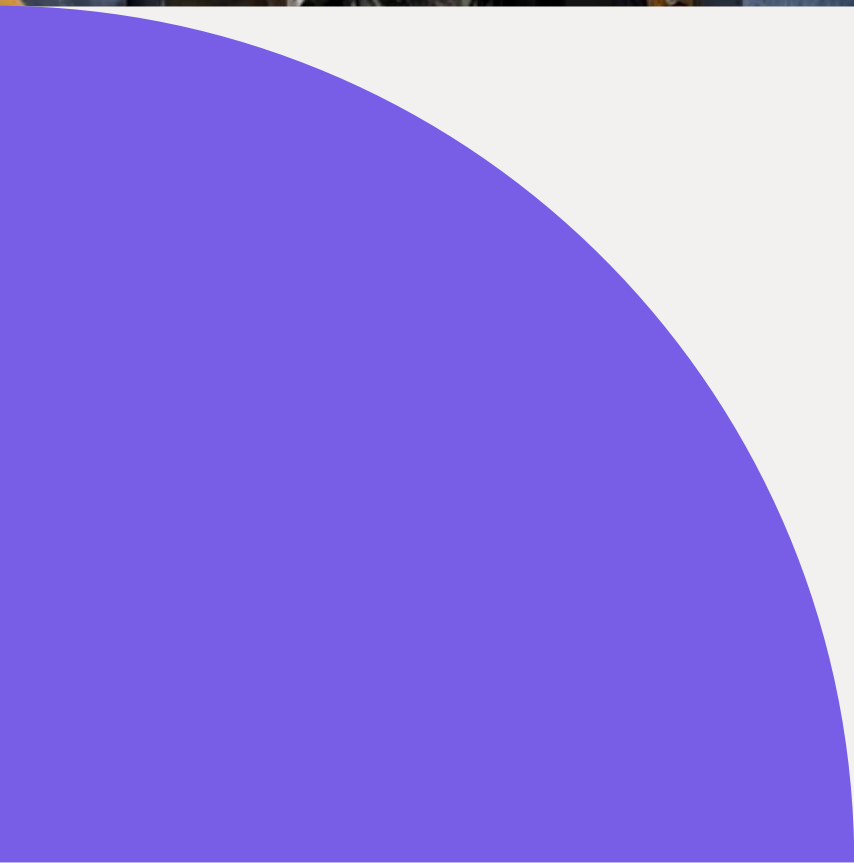
- Habitat for Humanity – MidOhio
- LifeCare Alliance
- YWCA
- Columbus Homeless Families Center
- Home for Families
- Columbus Early Learning Center
- Bags of Love
- Springfield VFW
- Houston Food Bank
- Sandhills Veterans Cemetery
- Foothills Service Project
- Hornby Community Center
- Cidade Refugio – Curitiba, Brazil
- Operation Clean Sweep – Diboll, Texas

Through these efforts and more, Hexion shows that sustainability means more than environmental stewardship. It's about building thriving, resilient communities where everyone has the chance to succeed.

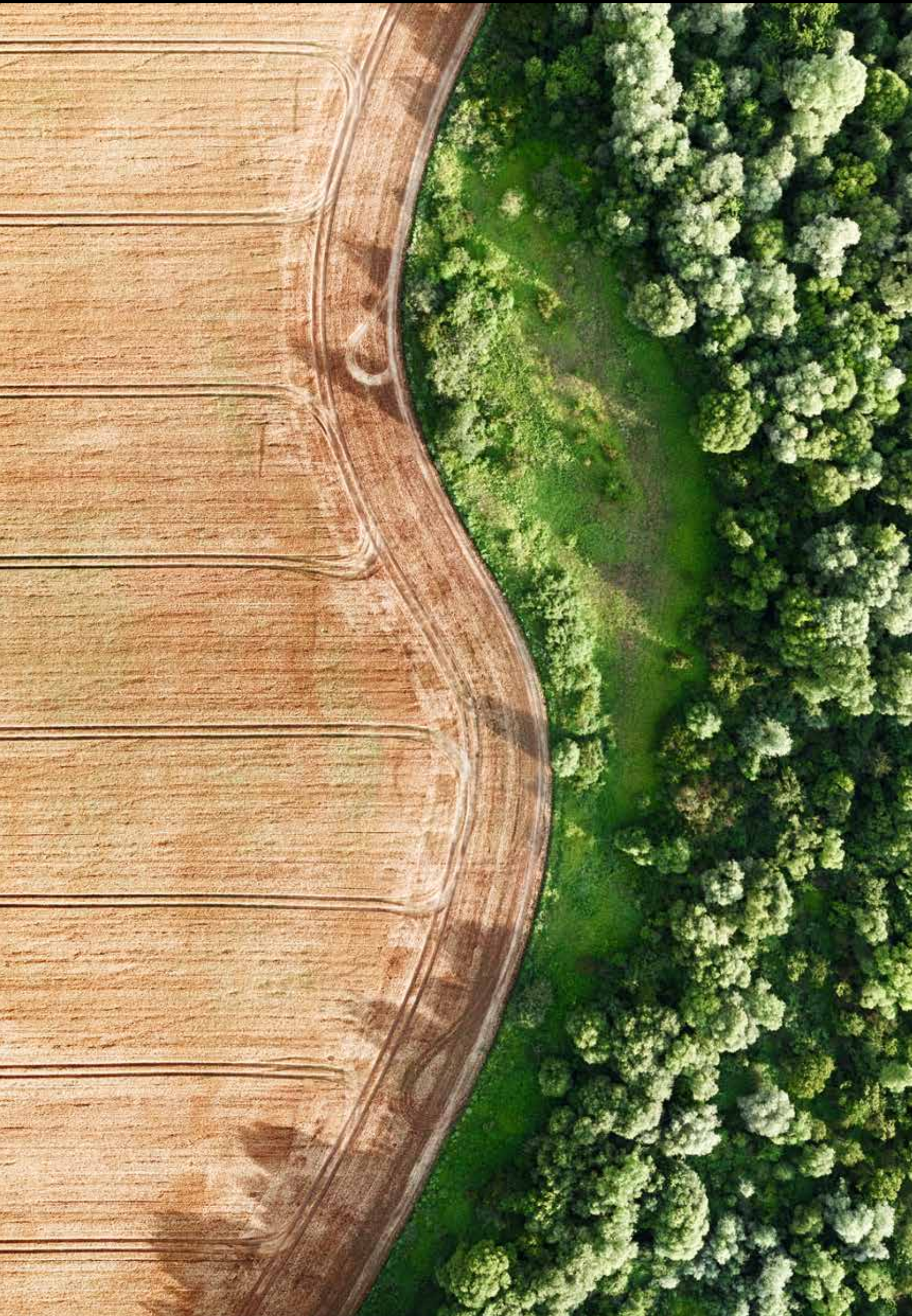


*“Volunteering at Columbus Pet Rescue has been an incredibly rewarding experience for me. I love being able to make a difference in the lives of these animals and see them find their forever homes. Until I volunteered, I did not realize how much time and money it takes, and Hexion gave both of those resources. It’s wonderful to work for a company that values community involvement and supports its employees in giving back.”*

**Laura Kavanagh**  
Payroll Specialist  
Columbus, Ohio  
Volunteered more than 100 hours in 2024 with Columbus Pet Rescue.







# Governance

## Shaping Tomorrow

For us, ESG principles are the engine of transformation, turning complex challenges into meaningful impact by reducing emissions, fostering inclusion, and strengthening supply chain integrity. We’ve built a governance structure that brings together diverse perspectives and fuels bold thinking. When people with different experiences tackle shared challenges, they disrupt the status quo and develop smarter, more effective solutions.



**Sergio Vanalli**

SENIOR COE LEADER, GOVERNANCE

*“Our governance approach is what enables responsible transformation—by embedding transparency, collaboration, and action into everything we do. It ensures that sustainability isn’t treated as a side initiative, but as a dynamic, inclusive force that drives measurable impact for our customers, our communities, and our planet.”*





# Maximum Impact, Minimal Footprint

Building on over a century of experience, our dedicated team works every day to push boundaries and advance solutions that preserve the planet’s resources, meet the needs of growing populations, and adapt to a changing climate.

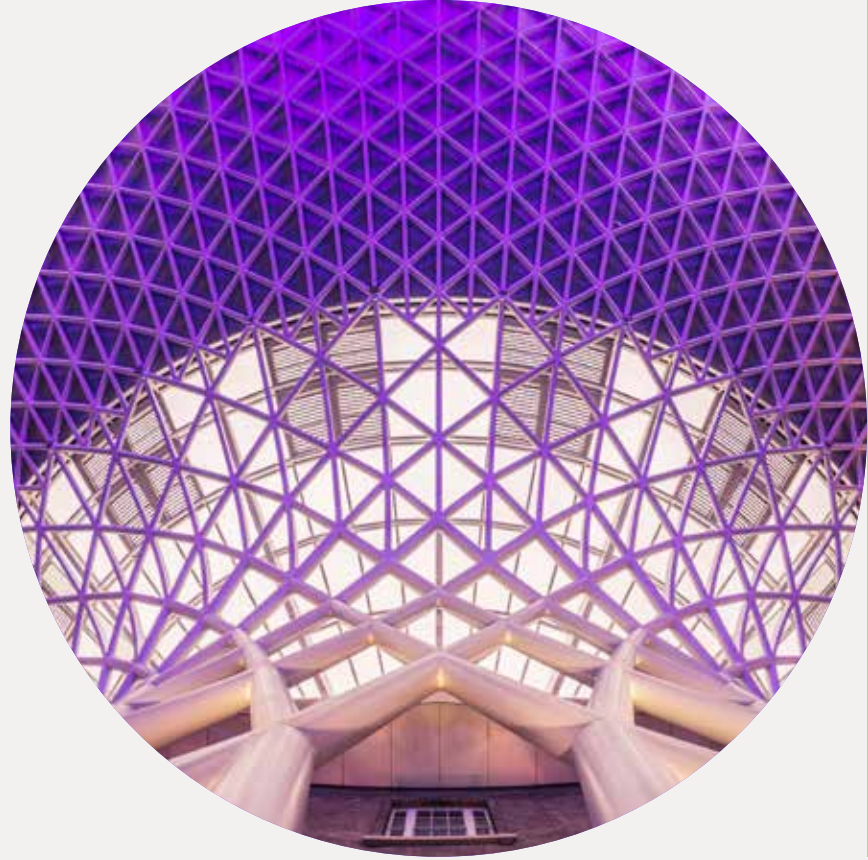
We structure our responsible sourcing program around three main pillars: Our Suppliers, Our Materials, and Our Operations. Above all, we are focused on improving the quality of life for everyone and securing a safer, cleaner world for future generations.

[Read Hexion’s full Responsible Sourcing statement here.](#)

## Working with Suppliers

We partner with environmentally conscious suppliers who share our values to make real progress toward sustainability goals and create lasting impact throughout our value chain.

Our suppliers help us acquire and retire verified carbon offsets from high-integrity projects, directly offsetting transportation emissions while supporting environmental programs. This allows us to take meaningful action now while the industry scales low-carbon technologies and fuels. We also work alongside partners to address Scope 3 emissions across the entire value chain.



## Our Commitment to Supplier Diversity

Hexion uses Supplier.io, the largest database for diverse and small businesses, to track our diverse suppliers and spending. This platform helps us find, cultivate, and expand relationships with suppliers, ensuring our vendor pool is inclusive and varied.

Our supplier diversity program expands our network with purpose, bringing in businesses that reflect the world we serve. Our commitment to supplier diversity reflects our ongoing effort to create a more equitable and sustainable business landscape.

## Recognition that Matters

Hexion earned bronze-medal status from EcoVadis, placing us in the 71st percentile and top 35% of rated companies worldwide. This recognition isn’t just a badge—it’s proof of impact. EcoVadis assesses against 21 rigorous criteria across Environment, Labor & Human Rights, Ethics, and Sustainable Procurement. Their findings confirmed what our customers and partners already know: We shape the path to sustainability and we deliver on our promises.

# Innovation with Purpose

Hexion’s sustainability strategy guides our production through modern technology adoption, strategic right-sizing, and data-driven improvement. We’re committed to addressing climate change through efficient resource management, including energy and water consumption, and taking decisive measures to minimize waste. We’re building resilient supply chains that safeguard our operations and empower our customers, whatever the climate brings.

## Global Commitments in Action

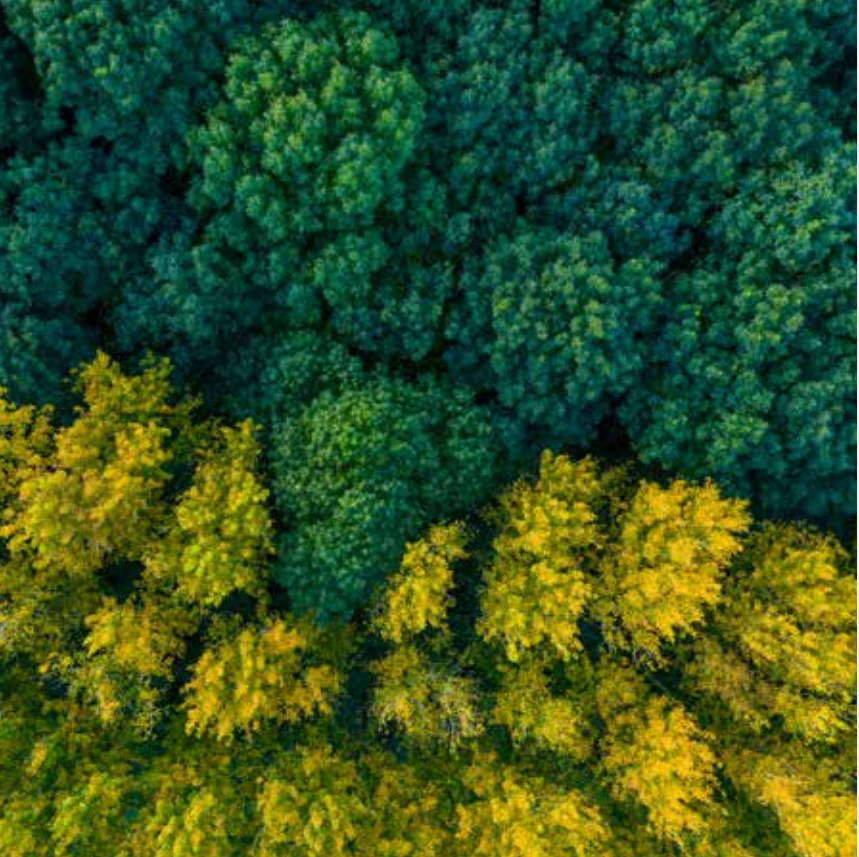
Since 2021, Hexion has been dedicated to the United Nations Global Compact Corporate Responsibility Initiative. We report annually on our progress in upholding the Compact’s principles related to human rights, labor, the environment, and anti-corruption ([Hexion Inc. | UN Global Compact](#)).

We’ve also aligned our sustainability strategy with the United Nations’ Sustainable Development Goals (SDGs). We use the SDGs not as a checklist, but as a compass—aligning global impact with bold, measurable action that tackles the planet’s most urgent challenges head-on. [Learn more here.](#)



*\*The content of this publication has not been approved by the United Nations and does not reflect the views of the United Nations or its officials or Member States.*





## Performance Without Compromise

Product stewardship drives us to deliver smarter solutions that elevate both performance and responsibility. This mindset shapes every customer partnership: built on expertise, driven by impact, and proven by results.

Consistent with the [Responsible Care Product Safety Code](#), our product stewardship efforts include:

- Support business development with comprehensive compliance, risk management, and safety protocols
- Educate associates and customers on safe product design, manufacturing, transport, use and disposal
- Engage with organizations to anticipate regulatory, industry, and value chain trends
- Drive science-based regulation adoption
- Guide R&D teams in selecting lower hazard, sustainable raw materials during design
- Review product safety regularly based on our Risk Assessment Process
- Promote regulatory compliance, product enhancements, and lower emissions

Our global expertise ensures we meet complex regulatory requirements while maintaining consistent quality and safety. Key commitments include:

- Conflict minerals policy detailed in our [Policy Statement on Responsible Sourcing](#) of Minerals and [Supplier Code of Conduct](#)
- No intentional addition of PFAS, including PFOA and PFOS
- No intentional addition of EPA-designated persistent, bioaccumulative and toxic (PBT) chemicals under section 6(h) of the Toxic Substances Control Act (TSCA)
- Proactive sharing of [combustible dust](#) hazard information

Our resins enable our customers' products to meet stringent standards like CARB Phase II and EPA Formaldehyde Emission Standards, with many contributing to LEED credits. Our amino/phenolic resins qualify as [Non-Hazardous Air Pollutants](#) while enabling [95%+ tree utilization rates, improving efficiency](#) and reducing [deforestation](#).

We've significantly reduced emissions from wood products using improved formulas, manufacturing processes, application methods, and specialized scavengers. Want to learn more? Check out our [stewardship summary](#).





# Beyond the Checkbox

Each year, we challenge ourselves to reimagine what’s possible by designing decision-making systems where sustainability is more than an add-on. It’s a catalyst—a driver of innovation and long-term value.

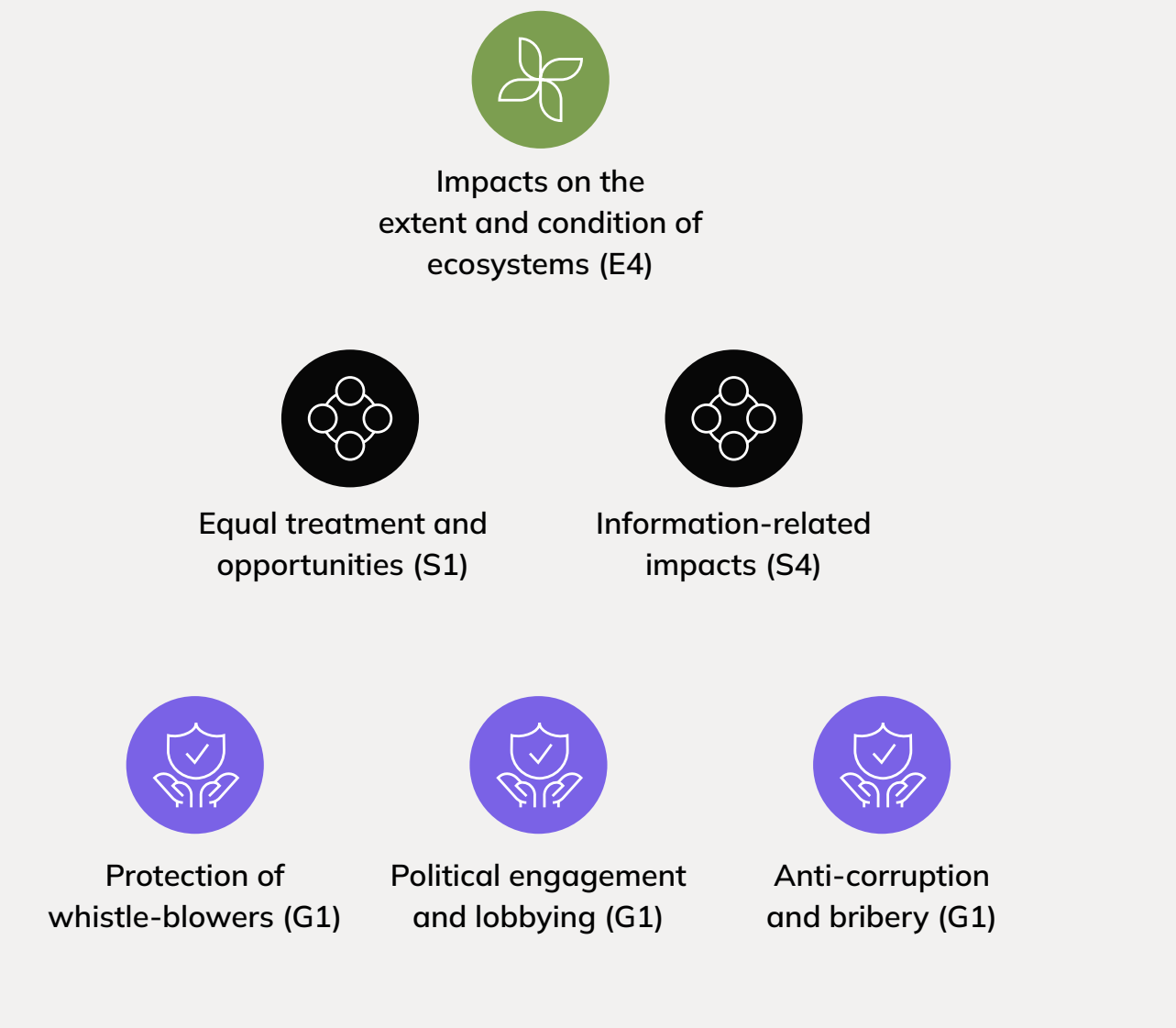
We don’t choose between business growth and environmental responsibility. We use each to strengthen the other. That’s transformation through action. That’s how tomorrow gets built today.

# Precision Focus

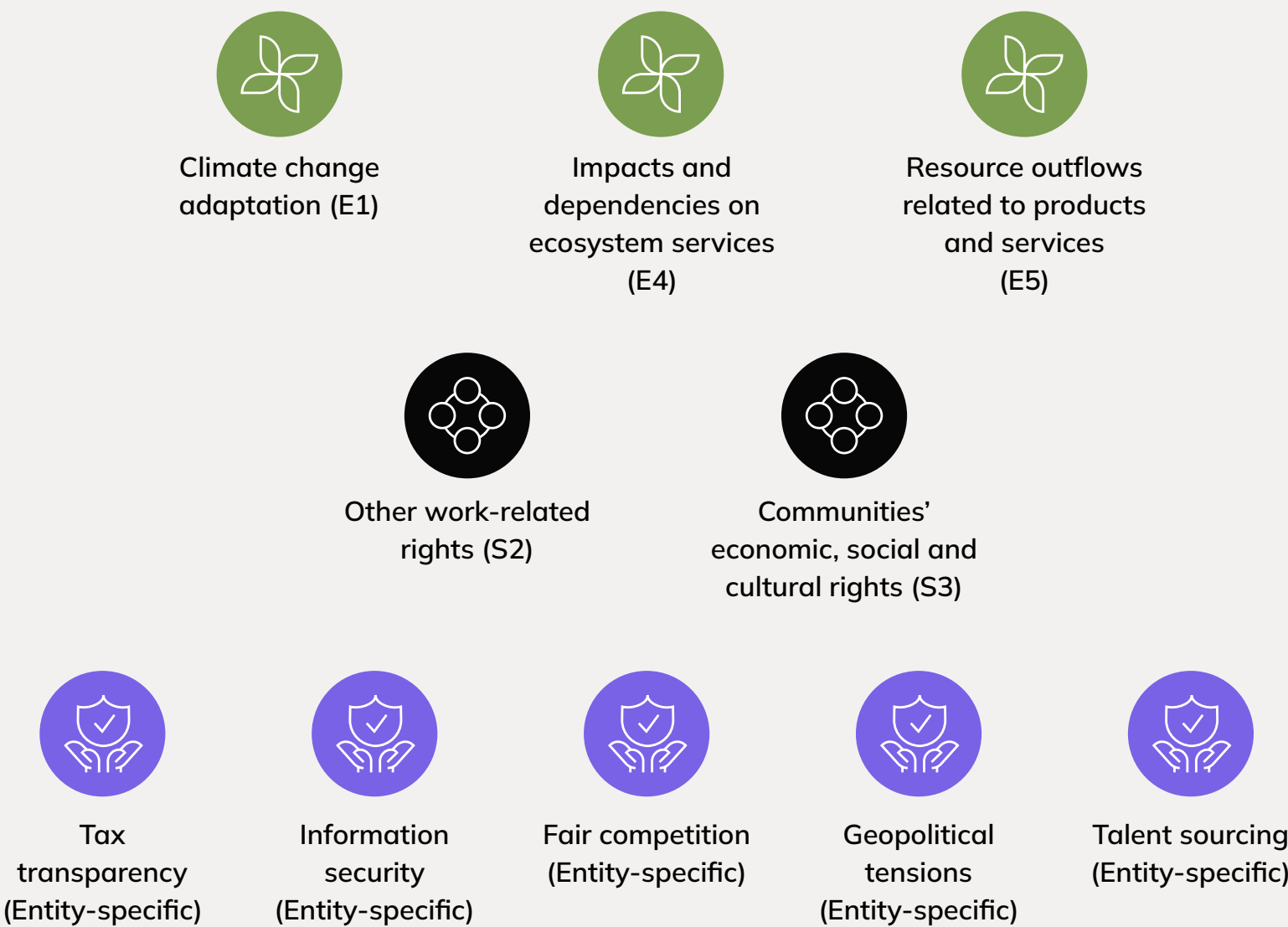
In 2024, Hexion refreshed its materiality assessment to increase awareness of our key impacts, risks, and ESG opportunities. This assessment process is our first double materiality assessment to account for both impact and financial materiality, aligning Hexion’s values with the expectations of associates, suppliers, customers, investors, and communities.



## Impact Material



## Financial Material



## Safety by Design

Hexion’s EHS Management System standards drive comprehensive risk analysis across our operations, while continuously identifying opportunities to reduce potential hazards to people, the environment, and assets.

Every step we take aims to reduce risk and protect what matters most. We follow these standards across our operations, with strict protocols for high-risk activities like Confined Space Entry, Lock Out Tag Out, Work at Height, and High-Pressure Water Cleaning. Standardized work instructions and a mechanical integrity program help prevent environmental releases. Non-routine work undergoes permit reviews, hazard assessments, and risk mitigation before it begins.





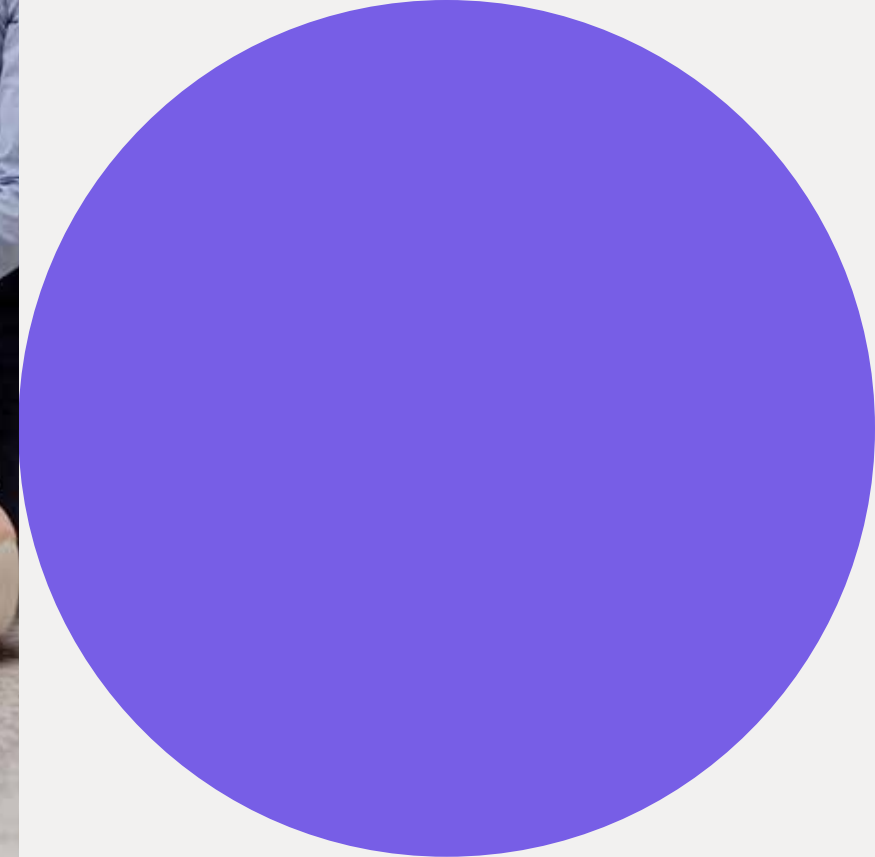
Setting the Standard

Hexion successfully completed the re-certification process for Responsible Care 14001® (RC14001) across all its North and Latin American sites, reinforcing our commitment to excellence in environmental, health, safety, and security (EHS&S). The Pernis facility in the Netherlands holds certifications for ISO 14001 and ISO 45001. Additionally, 24 sites within Hexion’s network have achieved ISO 9001 certification.

The American Chemistry Council’s (ACC) safety and security initiative, Responsible Care® is a voluntary program where companies commit to aligning their operations with Responsible Care Guiding Principles and undergo annual audits by accredited third-party auditors. Responsible Care serves as a framework for companies to:

- Identify and establish appropriate safety, sustainability, and security measures
- Implement world-class management systems verified through independent audits
- Track, report, and improve performance using established environment, health, safety, and security metrics

U.S. companies participating in the Responsible Care program have a worker safety incident rate at:



Our most recent certification audits examined four key facilities, including our headquarters and manufacturing sites in Geismar and Luling, Louisiana, and Fayetteville, North Carolina. These rigorous third-party reviews validated our approach across the full spectrum of responsible operations—from environmental stewardship and safety protocols to product integrity, security systems, emergency preparedness, and community engagement.

Principles in Practice

Our [EHS \(Environment, Health, and Safety\) Policy](#) frames our approach to workplace conditions, security, environmental safeguards, health management and safety implementation. It reflects executive leadership’s commitment to EHS and clearly outlines expectations for both associates and contractors.

Ready for Anything

Prepared is our default. Every site has a comprehensive emergency plan, regularly tested through drills and training, ensuring that when seconds count, we act quickly and effectively. Some locations team up with local emergency services for joint response exercises so we’re prepared and in sync. Our corporate crisis plan adds another layer of support, quickly bringing in extra help, resources, or communication when needed most.

Strategic Foresight

Our Enterprise Risk Management Process follows a structured three-tiered approach. All risks identified are reported to the Board of Directors. Each risk is assigned to a senior management member for oversight, and the Risk Committee monitors risk management activities throughout the year.



# Ethics in Action

From everyday decisions to long-term strategy, doing the right thing is built into our culture through clear, actionable standards including our Code of Conduct, Supplier Code of Conduct, Global EHS Policy, and Antitrust and Global Competition Policy.

Our compliance program is rigorous and relevant, helping ethical behavior become second nature while strengthening trust with partners, customers, and communities.

Ethics education reaches every corner of our organization. Associates are required to complete required training every six months, while over 200 professional-level team members participated in specialized sessions covering antitrust compliance, anti-bribery practices, responsible gifting, and modern slavery awareness. Our standards start at the top and extend throughout everything we do.

## Direct Accountability

We hold ourselves to the highest standards of accountability. It's not just expected, it's essential. Our culture prioritizes integrity and respect, where speaking up is welcomed and taken seriously. Associates can confidentially report concerns anytime via the Global Hexion Hotline or Hexion Connect—a secure, 24/7 platform available in local languages for named and anonymous submissions.



In 2024, Hexion earned an “Advanced” ranking from an external Security Rating Service for our policies, practices, and overall security effectiveness.

In 2024, 21 reports were submitted through the Hotline. Each concern received immediate attention, with most resolved within days. We treat accountability as a critical business priority, with approximately 80% of reports leading to meaningful action like policy updates, targeted coaching, and additional training. We consistently exceed our goal of resolving concerns within 30 days, underscoring our commitment to swift, effective action when our people speak up.

# Strengthening Our Digital Safeguards

Hexion continuously strengthens cybersecurity measures in response to growing threats, strategically investing in IT infrastructure to protect associates and partners while fostering a culture that prioritizes cyber risk management.

Our people are our strongest firewall. Every associate plays a role in spotting threats and stopping them cold. In 2024, highlights included:

- Cybersecurity Awareness Month focused on identifying vulnerabilities and detecting phishing attempts
- Simulated Phishing Assessments tested and improved global associate awareness
- Quarterly Training covered ransomware protection, remote work security, and insider threat recognition

Our Security Operations Center monitors systems 24/7, analyzing and responding to emerging risks. Key milestones include no material security breaches, response exercises, and disaster recovery drills that strengthen our resilience.



## Beyond Compliance

We exceed data privacy law requirements. Transparency, control, and respect are embedded in every aspect of our data handling, fully aligned with General Data Protection Regulation (GDPR) requirements.

We've implemented strong safeguards to protect personal data, track collection purposes, and regularly reassess security measures. Hexion processes data fairly and transparently, providing clear explanations and ensuring prompt responses to data requests. Individuals can easily correct inaccurate data or request erasure through straightforward, accessible processes.

Through rigorous governance, bold accountability, and unwavering ethics, we're building a foundation that redefines how business creates value for customers, communities, and the planet we all share.





# Looking Forward

## What's Next at Hexion

We believe that ***anything is possible, when you imagine everything.*** This belief drives how we think, how we lead, and how we act. As we look to the future, it's not just about meeting expectations—it's about reshaping them.

Our journey forward is rooted in **wonder**—the curiosity to explore new frontiers in chemistry and sustainable innovation. We are reimagining what advanced materials can do, from enabling cleaner energy and smarter infrastructure to reducing carbon footprints across industries.

We are unafraid to **disrupt**. In a world facing urgent environmental and societal challenges, incremental change is no longer enough. That's why we're challenging traditional models and embracing transformative technologies like those brought to us through the Smartech acquisition—pushing the boundaries of what's possible in digital manufacturing and process efficiency.

And we are committed to **build**—building stronger partnerships, smarter solutions, and a more sustainable enterprise. Our work doesn't end with product performance; it extends to climate action, circularity, and community impact. Every action we take is part of a broader vision to create a better tomorrow.

Looking ahead, we know the pace of change will only accelerate. But we are ready. Grounded in our purpose, Hexion is poised to lead with bold vision, meaningful collaboration, and unwavering resolve.

The future isn't something we wait for—it's something we create. Together.

