Braskem CLIMATE Transition PLAN

2024 – 2025 REPORT

Braskem

Disclaimer about forward-looking statements

This document may contain forward-looking statements. These statements are not historical facts but are based on the current views and estimates of the company's management regarding future economic circumstances, industry conditions, performance, and financial results, including any potential or projected impact of the geological event in Alagoas and related legal proceedings on the company's business, financial condition, and operational results. The words "foresees," "believes," "estimates," "expects," "plans," "aims," and other similar expressions, when referring to the company, are intended to identify forward-looking statements.

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The achievement of the objectives released by the company (within the projected costs and expected deadlines) and cited in this document are also subject to uncertainties and risks that include, but are not limited to: advance, availability, development, and financial accessibility of the technology needed to achieve these objectives.

Climate change is considered one of the most probable and impactful global risks in the coming years (Global Risks Report 2024). Regulatory agents, market players, governments, and international entities have been responding to the evidence of climate change by establishing emission reduction objectives, adaptation initiatives, new laws and regulations, and investments in new technologies, among other instruments.

In the coming decades, the world is expected to undergo one of the most important economic transformations in history, transitioning toward a low greenhouse gas (GHG) emission economy that is resilient to the impacts of climate change: the low-carbon economy.

In this context, through its corporate strategy, the company aims for a transition into a low-carbon economy, also integrating the perspective of circularity through recycling, to prepare its business to mitigate potential risks and capture opportunities associated with a fair and resilient transition.

In line with key international standards and future legal requirements, ***Braskem presents its***

Climate Transition Plan.

Developed based on the guidelines of the Transition Plan Taskforce (UK TPT[1]) and the Task Force on Climate-Related Financial Disclosures ("TCFD"), aiming to provide transparency to all stakeholders about its strategy, objectives to address climate challenges, its short, medium, and long-term actions to achieve these objectives, and the governance structure and tools for implementation.

Additional details on Braskem's climate change mitigation and adaptation management:

Click here to access the **CDP Climate** and **CDP Water questionnaires**, available on **Braskem's investors relation website**.

For further details on Braskem's strategy and overall performance for sustainable development:

Click here to access the **Integrated Reports** and the **Indicators Center**.

Questions, feedback, and suggestions can be sent to:

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1. For further information, refer to Exhibit II.

Objectives

SHORT- AND MEDIUM-TERM 2030

Reduce
Scopes 1 and 2[2] **GHG emissions** *by **15%***.

Expand
bioproducts and bio-attributed products ***production capacity*** to **1 million tons**.

Reduce ***exposure*** **to high climate risks**.

Increase ***1 million*** **tons** of sold products with **recycled content**[3].

*Acquire **85%** of electricity from renewable sources*
regarding the total electricity purchased for all **industrial operations**.

Increase
the internal **water safety** index *to **100%***.

LONG-TERM 2050

Achieve
Carbon Neutrality
by 2050 (scopes 1 and 2).

Initiatives

Industrial Decarbonization *Program*

- ***Through gains in competitiveness, we have achieved a potential reduction of approximately 1.1 million tons of CO_2e with the initiatives currently in operation.***

Carbon Neutrality *Program*

Roadmap **2030-50**

- ***US$ 20 million invested** in the development of the Lexington Innovation Center (USA), focused on research in chemicals and renewable materials.*

*Value Chain and **Renewable Products***

- ***Completion of a 30% expansion** in Bio Ethylene production capacity in Triunfo, Brazil.*

Climate *Adaptation*

- ***Largest industrial water reuse plant** in Latin America (AQUAPOLO);*
- ***Water security project for supplying water with reuse "ReAqua", for the industrial unit in Rio de Janeiro** (RJ), in partnership with Aegea, with operations expected to begin in 2028.*

Governance

Since 2021, the **Executive Committee, led by the CEO, has directly overseen sustainable development topics**. The Committee reports progress to the Board of Directors as needed.

The **Strategy, Communication, and ESG Committee**, composed of **Board of Directors** members, monitors and evaluates Braskem's initiatives regarding corporate sustainability and ESG criteria.

2. The base year is the average of 2018, 2019, and 2020, measured using a 3-year moving average.
3. To simplify things, we have incorporated the goal of recovering plastic waste into the goal of the volume of products with recycled content sold, as these are directly related.
We reinforce our commitment to transparency and will continue to monitor and disclose annually the volume of plastic waste recovered, along with the volume of products with recycled content sold.

BRASKEM and CLIMATE CHANGE

- *Braskem*
- *Corporate Strategy and connection with Climate Change*
- *Strategic Direction*
- *Climate Strategy and its Pillars*
- *GHG Emissions Profile*
- *Climate Impact*

Braskem

*A global company in the chemical and petrochemical sector, **a leader in the production of biopolymers made from sugarcane ethanol on an industrial scale**, and the largest producer of thermoplastic resins in the Americas.*

Braskem is a global chemical and petrochemical company that aims to improve people's lives by creating sustainable solutions through chemicals and plastics. The company is currently the seventh-largest petrochemical producer in the world in terms of capacity for producing PE, PP, and PVC, with 40 industrial units located in Brazil, the United States, Germany, and Mexico, and customers in more than 70 countries.

Also, Braskem is a leader and pioneer in the production of biopolymers made from sugarcane ethanol at an industrial scale and is the only integrated petrochemical company in Brazil and Mexico.

Using **fossil, renewable, and circular feedstocks**, Braskem produces a broad portfolio of chemicals and plastics that are transformed by its customers into applications that meet various essential needs for everyday life, such as food packaging, medical materials, industrial and automotive components, paints, and coatings, among others.

LEARN MORE — *About Braskem's products in the **Integrated Report**.*

Since its foundation in 2002, Braskem has made a **public commitment** to contribute to sustainable development, seeking to address the industry challenges, capturing business opportunities, and mitigating potential risks related to its operations and value chain.

LEARN MORE — *Explore the **Public Commitment** to sustainable action published in 2002.*

In 2009, the company published a manifesto on climate change titled **"It is necessary to mature to be green"**, understanding that this is a global agenda and that Braskem is part of the solution and transition into a low-carbon economy.

LEARN MORE — *Read Braskem's 2009 **Climate Change Manifesto**.*

SINCE THEN, SEVERAL INITIATIVES HAVE BEEN IMPLEMENTED

2009 Definition of sustainable development objectives for 2020, including indicators related to fighting climate change.

2009 First greenhouse gas emissions inventory Scopes 1 and 2 (based on 2008 data), according to the GHG Protocol (Greenhouse Gas Protocol) and externally verified.

2010 Start of the bioethanol plant, a renewable feedstock used in the production of I'm green™ bio-based polyethylene (PE), with an annual capacity of 200,000 tons.

LEARN MORE — *About I'm green™ **bio-based PE**.*

2011 First greenhouse gas emissions inventory, including Scope 3, following the GHG Protocol.

2012 Adhesion to CDP Supply Chain to strengthen stakeholder engagement efforts across the entire chain, aiming to raise awareness and evolve on issues related to climate change.

2015 The company conducted the first study on climate risks, including physical risks and opportunities, covering 100% of its operations, and developed the Adaptation Plan.

2017 First Brazilian company to integrate the CDP Supply Chain supplier engagement ranking.

2020 Achievement of 85% of the objectives set for 2020 and definition of long-term objectives for 2030 and 2050, aiming for a transition into a carbon-neutral circular economy.

2021 Definition of the Industrial Decarbonization Program.

2022 Update of the climate risk assessment considering physical risks and including transition risks and opportunities, aligned with TCFD recommendations.

2023 Conclusion of increase in the bioethanol production capacity at the Triunfo Petrochemical Complex in Rio Grande do Sul, from 200,000 to 275,000 tons per year[4].

2024 Achievement of a potential reduction of approximately 1.1 MMt CO_2e through the ongoing initiatives of Braskem's Industrial Decarbonization Program.

4. Industrial tests have proven a nominal production capacity 15 kt/year above the projected 60 kt/year for the expansion project, which was completed in 2023.

Corporate Strategy and connection with Climate Change

Braskem's purpose is to improve people's lives by creating sustainable solutions through chemicals and plastics.

To achieve this, it aims to promote the circular economy and achieve carbon neutrality (Scopes 1 and 2) in global operations by 2050.

The company's corporate strategy review, carried out in 2022, integrated long-term sustainable development objectives, defining the focus of the company's growth in the next few years across three growth avenues: **traditional business, bio-based, and recycling**.

LEARN MORE — *About Braskem's **Corporate Strategy**.*

STRATEGIC PILLARS

Productivity & Competitiveness

Drive toward top quartile focusing on decarbonization initiatives and high value investments.

Sustainability

Be a reference in the global chemical and plastics sector in sustainable development.

Growth & Diversification

Increase diversification in bio-based and circular raw materials and products.

Innovation

Deliver high value sustainable solutions through chemical and plastic innovation.

GROWTH AVENUES

Traditional Business

- Grow through high-value investments;
- Decarbonize current assets.

OBJECTIVE

Achieve carbon neutrality by 2050 and reduce scope 1 and 2 emissions by 15% by 2030.

Bio-Based

- Grow bio-based resins and chemicals products;
- Expand the use of renewable raw materials.

OBJECTIVE

Expand bioproducts and bio-attributed products production capacity to 1 million tons by 2030.

Recycling

- Grow in circular products (mechanical recycling);
- Expand the use of circular raw materials (advanced recycling).

OBJECTIVE

Expand the portfolio of resins and chemicals with recycled content to 1 million tons by 2030.

FOUNDATIONS

Safety

Safe operations as a **permanent and non-negotiable value**.

People & Culture

A **human-centered** company that promotes diversity, inclusion and human rights with a culture that believes in people, values relationships and focuses on results.

Governance

Governance and compliance in line with the **best market practices**.

Shareholders value creation

Continue to balance our capital allocation, returning value to shareholders throughout the cycle while investing in our business and growth opportunities, generating positive impact for all stakeholders.

To ensure Braskem's transition to a low-carbon economy, complementary objectives were established within the sustainability pillar, aligned with the Paris Agreement and the UN Sustainable Development Goals, and related to Braskem's growth avenues. The results have been achieved thanks to several actions that have already been implemented:

	OBJECTIVES	EXAMPLES OF IMPLEMENTED ACTIONS
Traditional Business To continue leveraging the traditional petrochemical business, composed of fossil-based products, aiming to enhance its profitability through selective, high-value-added investments, including productivity and competitiveness improvement projects, as well as continue implementing the decarbonization of existing assets. These combined actions will contribute to enable the achievement of the ojective[5] of reducing emissions by 15% by 2030[6] and achieving carbon neutrality by 2050 (Scopes 1 and 2).	***15%*** *reduction* **in Scopes 1 and 2 emissions** by 2030. *Achievement of* ***carbon neutrality*** by **2050**.	▸ **43 out of 70 emission reduction initiatives prioritized in the Roadmap 2030 have already been implemented or are in the execution stage.** Together, they account for over 59% of the mapped GHG emission reduction potential. ▸ **Modernization of the electrical system at the ABC region's petrochemical complex** in partnership with Siemens. After the electrification of the motors is completed in 2024, the project has the potential to reduce CO_2e emissions by approximately 100,000 tons per year. ▸ In 2025, Braskem, in partnership with Veolia, completed the **energy transition project at its PVC plant in Alagoas**, generating 100% of its steam from renewable eucalyptus biomass, with the potential to reduce approximately 150,000 tons of CO_2e per year.
Bio-Based Continue to strengthen the company's global leadership position by developing new renewable solutions. The strategy seeks to increase the production capacity of bio-based chemicals and resins to expand the capacity for bioproducts and bioetributed products to 1 million tons by 2030, including the use of renewable feedstocks.	*Expansion of* ***bioproducts and bio-attributed products production capacity*** **to 1 million tons by 2030**, including the use of renewable raw materials.	▸ Completion of **the green ethylene capacity expansion at the petrochemical hub in Triunfo**, Rio Grande do Sul (Brazil), from 200,000 tons to 275,000 tons. ▸ **Inauguration of a new innovation center for renewables in the United States**, with an investment of approximately US$20 million to accelerate research in chemicals and renewable materials, expanding capacity in the biotechnology, catalyst, and process engineering area.
Recycling (CIRCULAR ECONOMY) Expand the portfolio with circular products (through mechanical recycling) and increase the use of circular feedstocks (through chemical recycling), with the objective of reaching 1 million tons of products with recycled content by 2030.	*Expand the* ***portfolio of products*** **with recycled content** to 1 MMt/year by 2030.	▸ **Consolidation of the acquisition of 61.1% of the share capital of Wise**, a Brazilian company in the mechanical recycling sector, with expected investments of R$ 121 million to expand production capacity to 50,000 tons of recycled materials by 2026.

5. These objectives are subjected to uncertainties and risks that include, but are not limited to: advance, availability, development and financial accessibility of the technology needed to achieve these objectives.
6. The base year considered is the average of 2018, 2019, and 2020.

*Strategy **direction***

The petrochemical industry, in recent years, has undergone profound structural changes **due to three main supply shocks**: the new gas-based capacity entries, the new capacity entries in China, and the rationalization and reconfiguration of refineries.

Faced with this challenging scenario, and aligned with the Corporate Strategy 2030, Braskem has defined **areas of action for the 2025–2027 cycle**. During this period, we will implement initiatives to mitigate cash burn, while accelerating Braskem's transformation. These integrated initiatives aim to ensure the sustainability and resilience of Braskem's profitability in the face of structural changes in the industry.

*Pillars of **action**:*

2 RESILIENCE AND FINANCIAL HEALTH

Implement **tactical initiatives to mitigate the impacts** of the industry's downturn.

- **Strategic** initiatives.
- Initiatives to **support the Brazilian chemical industry**.
- **Commercial and Feedstock** Initiatives.

1 FOUNDATIONS

- **Safety**
- **People & Culture**
- **Governance**

3 TRANSFORMATION

Implement **actions to support the current business**.

- **Reduction of the naphtha base**
  Implementation of **the asset strategy focused on cash Generation**.
- **Increase in the gas base**
  Feasibility of **projects to increase capacity in gas-based assests**.
- **Migration to greens**
  Development of new **bio-based projects**.

Climate Strategy and its Pillars

Braskem's Climate Strategy focuses on three pillars: ***reduction, removal, and carbon capture.***

The complementarity between all these pillars is essential for achieving the objectives set for 2030 and 2050. This approach is directly connected to the company's business strategy: the ***"SWITCH TO GAS"*** contributes to reducing emissions by prioritizing feedstocks with lower carbon intensity, with natural gas streams replacing current production using naphtha.; while the ***"FLY UP TO GREEN"*** boosts removal by expanding the use of renewable feedstocks in the production of bio-based products.

INITIATIVES IN THE DEVELOPMENT AND IMPLEMENTATION STAGES:

Emission Reduction

Reduction of CO_2e direct emissions with a focus on **energy efficiency and increased use of renewable energies**.

- *Improve **energy efficiency** in existing operations;*
- *Increase the use of **low-carbon and renewable energies** in current operations;*
- ***Explore and invest in low-carbon intensity** process technologies.*

Carbon Removal

To enable the climate transition, it is essential to invest in the **production of renewable materials**. Products made from renewable feedstocks can contribute to carbon uptake or removal depending on their application and destination:

- ***Uptake** occurs in the short term, through single-use or short-lived products, which, even without a guarantee of destination, are able to prevent the release of fossil carbon into the atmosphere, since their origin is renewable;*
- ***Removal** occurs when biogenic carbon that is absorbed from the atmosphere becomes part of the product or material's structure, remaining in the system for longer, whether through durable products, recycling, reuse, or other strategies that prevent its release into the atmosphere. Although it is under discussion, this type of carbon removal is not currently recognized by current emissions accounting methodologies, but Braskem understands that its contribution, along with its entire value chain, is objective and has environmental merit and, therefore, should be considered as a form of carbon removal in corporate inventories.*

The way the product is used and managed throughout its life cycle directly influences its climate impact and will be considered in Braskem's decarbonization strategy.

BREAKDOWN INTO INVESTMENTS IF REDUCTION AND REMOVAL INITIATIVES ARE NOT SUFFICIENT TO ACHIEVE BRASKEM'S OBJECTIVES:

Carbon Capture

Investment in carbon capture technologies to **store carbon as raw material for chemical production**.

- *Monitor **Carbon Capture and the Carbon Sequestration Scenario**;*
- *Increase **R&D efforts and investments in new technologies to convert CO_2** into added-value chemical products.*

Climate Strategy and its Pillars

Braskem's Climate Strategy focuses on three pillars: ***reduction, removal, and carbon capture.***

Carbon Removal

Biomass plays an essential role as a renewable feedstock in the chemical industry. From CO_2 absorption through photosynthesis to the generation of bio-based products and energy, its life cycle is marked by minimal emissions and strong alignment with the principles of the circular economy.

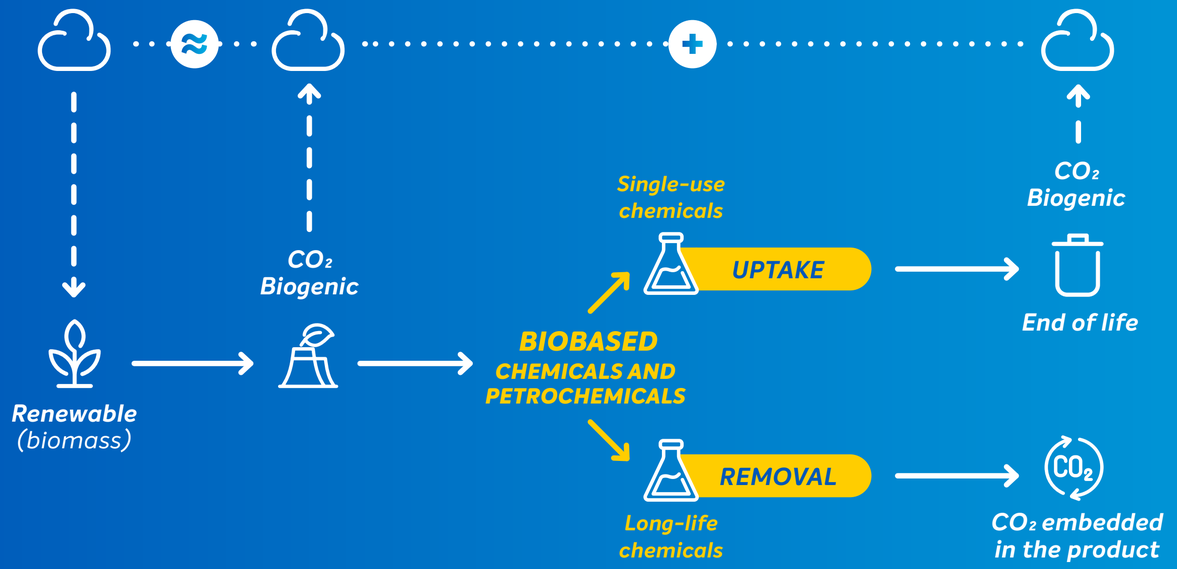


Image adapted from the study "Pathways for the global chemical industry to Climate neutrality", developed by por ICIS and Carbon Minds, funded by ICCA (International Council of Chemical Associations).

Braskem's bio-based products are an important solution[7] for the petrochemical industry on its path to ***carbon neutrality by 2050****.*

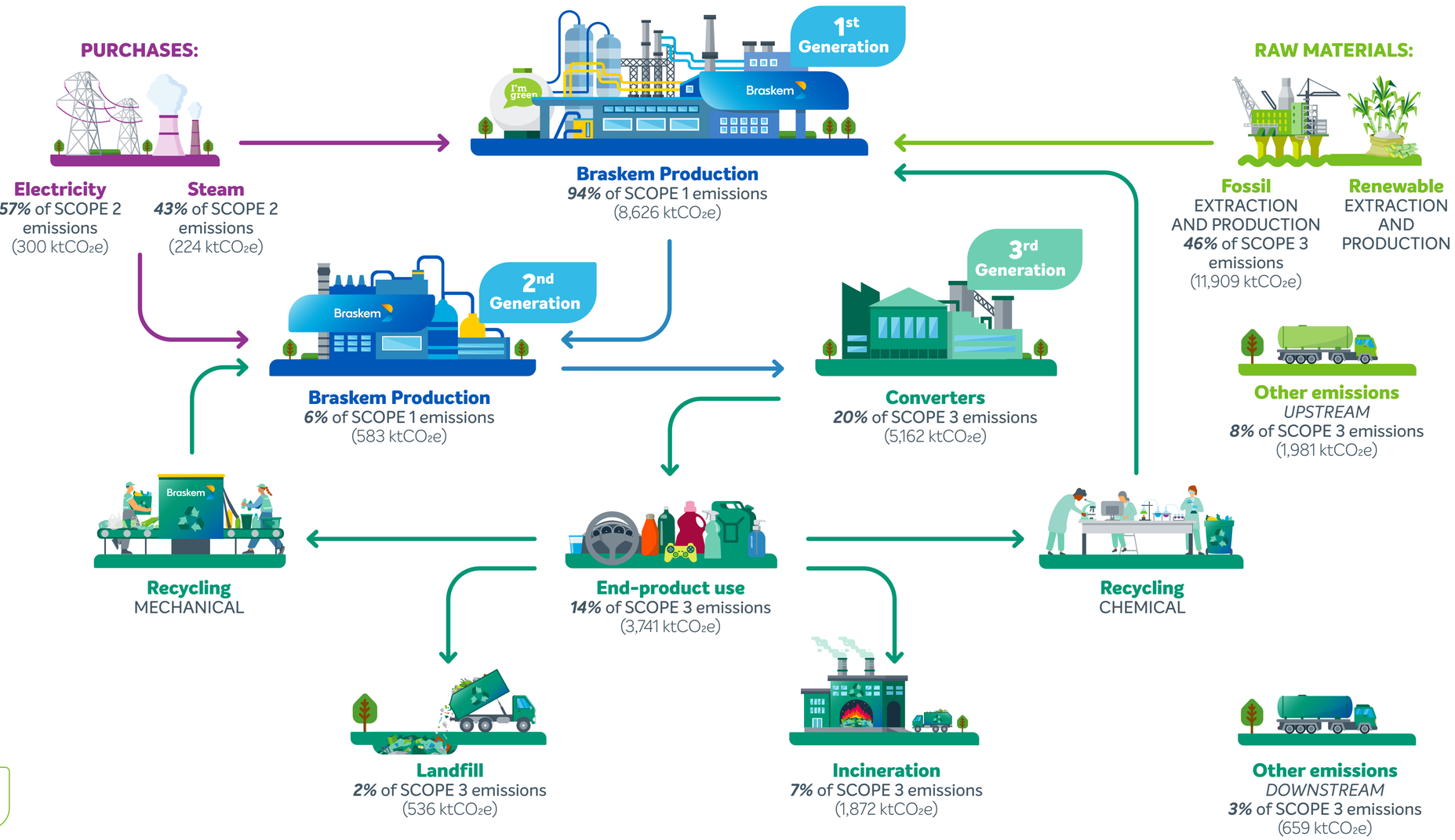
This is because these products serve as a reservoir of biogenic carbon (carbon pool) removed from the atmosphere (in the form of CO_2) during the photosynthesis process of the plants that give rise to the feedstock we use.

Ethanol produced from sugarcane and used as a feedstock to produce Braskem's I'm green™ bio-based polyethylene is a practical example of this impact. Ethanol is a hydrocarbon of plant origin and, therefore, is composed of biogenic carbon molecules. The most common use of ethanol is as fuel, which, when burned to generate energy, releases this carbon back into the atmosphere in the form of CO_2. In Braskem's process, however, the ethanol is not burned but rather used as a ***feedstock to produce I'm green™ bio-based polyethylene***. In this way, biogenic carbon can remain stored in this product, thus contributing to the mitigation of global climate change.

7. According to the ICCA study "Pathways for the global chemical industry to climate neutrality," the development of bio-based products is an important solution for achieving climate neutrality in the chemical industry.

2024 GHG Emission Profile

Value Chain



SCOPE 1
Direct Emissions

SCOPE 2
Indirect Emissions from purchased energy

SCOPE 3
Other Indirect Emissions:
Upstream ***Downstream***

Climate ***Impact***

Braskem annually publishes its Greenhouse Gas (GHG) emissions inventory covering Scopes 1, 2, and 3, following the guidelines of the GHG Protocol – developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) – and the Specifications of the Brazilian GHG Protocol Program (PBGHG). The inventory has been audited by an independent third party since 2008 and consolidated using an operational control approach, considering all its operations and applicable emission sources[8] in Brazil, Mexico, the United States, and Germany.

Considering the entire value chain, the highest volume of emissions is allocated to the extraction and production of feedstocks, mainly naphtha (Scope 3 – category 1), followed by direct emissions from the production process (Scope 1), where the feedstocks is transformed into chemicals and thermoplastic resins (1st and 2nd generations). In third and fourth places are the emissions from resin transformers (3rd generation) and the direct use of some petrochemical products (Scope 3 – categories 10 and 11, respectively).

PER SCOPE
tCO_2e emissions

	SCOPE 1 Direct Emissions	SCOPE 2 Indirect Emissions from purchased energy	SCOPE 3 Other Indirect Emissions: *Upstream*	SCOPE 3 Other Indirect Emissions: *Downstream*
2021	9,987,076	881,089	30,120,000	
2022	10,104,170	607,634	27,281,767	
2023	9,323,773	553,004	27,813,251	
2024	9,208,346	523,530	25,859,359	

PER REGION
% of SCOPES 1 + 2 emissions

	Brazil	Mexico	USA + EU
2021	83.6	10.9	5.5
2022	84.4	11.4	4.2
2023	83.6	12.3	4.1
2024	83.2	13.2	3.6

SCOPE 1
Direct Emissions

Most of Braskem's Scope 1 emissions originate from the operation of petrochemical complexes (first generation), where feedstocks (from fossil and/or renewable sources) are transformed into intermediate products to produce thermoplastic resins, chemicals, and other specialty products. This process includes the cracking stage, which is energy intensive. As a result, stationary combustion is the most significant emission category within this scope, accounting for more than 98%[9] of Braskem's total direct emissions, due to the burning of fossil fuels to generate the energy required for the cracking process.

SCOPE 2
Indirect Emissions from purchased energy

Braskem's Scope 2 emissions account for 5% of the corporate inventory and arise from two sources of purchased energy: electricity and steam. Regarding electricity, Braskem applies the market-based approach for reporting emissions, which allows us to account for all electricity sourced from clean and/or renewable sources through direct contracts with power generators (PPAs – Power Purchase Agreements). In 2024, the share of renewable electricity reached 83% of the total electricity purchased across global operations.

SCOPE 3
Other Indirect Emissions

Braskem's Scope 3 indirect emissions account for approximately 73% of the inventory and are primarily concentrated in four categories: (i) purchase of goods and services (category 1 - upstream); (ii) processing of products sold (category 10 - downstream); (iii) use of products sold (category 11 - downstream); and (iv) end-of-life treatment of products

8. Scope 1: stationary combustion, mobile combustion, industrial processes, fugitive emissions, and waste and effluents. Scope 2: electricity and steam purchased (market-based approach). Scope 3: categories 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 15.
9. Consider inventory related to operations in the year 2024.

sold (category 12 – downstream). These categories are intrinsically linked to the company's business activities and account for more than 90% of the indirect emissions within the value chain.

Category 1 represents the largest share of emissions from the upstream chain and is predominantly impacted by emissions related to oil extraction, production, and transportation of naphtha (approximately 46% of category 1), the main feedstock currently used in the cracking process.

After Braskem's products are sold, emissions from the downstream chain begin. First, emissions related to the processing of thermoplastic resins sold by Braskem (category 10) occur. Currently, based on the available accounting methods, these emissions account for approximately 20% of Scope 3 emissions. These emissions result from the processes each resin undergoes to be transformed into its final application, with the main ones being extrusion, injection, blow molding, thermoforming, and rotational molding.

In addition to resins, Braskem sells products that are directly used by end consumers, primarily fuels such as gasoline. In this case, the emissions from the combustion of these fuels are accounted for in category 11 and account for slightly more than 14% of Scope 3 emissions.

After the use of products sold, the final stage of the downstream chain is the disposal and end-of-life treatment of waste generated (category 12), which accounts for approximately 9% of Scope 3 emissions. In this case, waste may be sent to landfills (or improperly disposed of), incinerated, or reintroduced into the production chain through recycling processes.

In addition to these four most representative categories, the remaining Scope 3 categories cover emissions related to the lifecycle of consumed fuels and electricity (category 3), transportation of feedstocks and final products (categories 4 and 9), treatment of waste generated in operations (category 5), business travel (category 6), employee commuting (category 7), emissions from leased assets (category 8), and emissions related to the company's investments (category 15).

These emissions account for less than 10% of the GHG emissions inventory. Braskem includes all applicable Scope 3 categories in its annual GHG emissions inventory.

It is worth noting that the main objective of the emissions assessment presented is to ***quantify and categorize Braskem's GHG emissions, serving as the strategic starting point*** *for setting decarbonization objectives and prioritizing reduction and mitigation actions, such as those that will be presented in the following section.*

ACTION FRONTS

In its quest to achieve carbon neutrality by 2050, Braskem remains focused on mitigating GHG emissions by reducing emissions from its operations, removing CO_2 from renewable products, and capturing CO_2 from stationary sources such as boilers and pyrolysis furnaces.

To achieve this, we have an integrated process composed of three action fronts:

- ***Industrial Decarbonization Program*** *ROADMAP* ***2030***[10]
- ***Carbon Neutrality Program*** *ROADMAP* ***2030-50***
- ***Value Chain***

10. The roadmap is dynamic and may change over time, as initiatives in the study phase may be discarded, and new initiatives may be included.

Industrial Decarbonization Program

ROADMAP **2030**

Braskem's Industrial Decarbonization Program was established to develop the strategy and subsequent action plans to achieve a 15% reduction in absolute GHG emissions (Scopes 1 and 2) by 2030, based on the average emissions from the years 2018, 2019, and 2020[11].

THE PROGRAM IS BASED ON TWO FRONTS:

Culture, process, and governance

Development of an industrial mindset focused on GHG reduction, strengthening of governance and alignment of processes to support decision-making and the implementation of initiatives that consider potential emissions, and development of partnerships for the implementation of structuring solutions and differentiated business models.

Lines of action

Continuous Improvement

Operational initiatives for continuous improvement with low or no investment, aiming at emission reductions.

Energy Efficiency

Optimization and energy integration initiatives for industrial processes with investments.

Electrification

Electrification of equipment intensive in energy consumption, replacing the use of fossil fuels with renewable electricity.

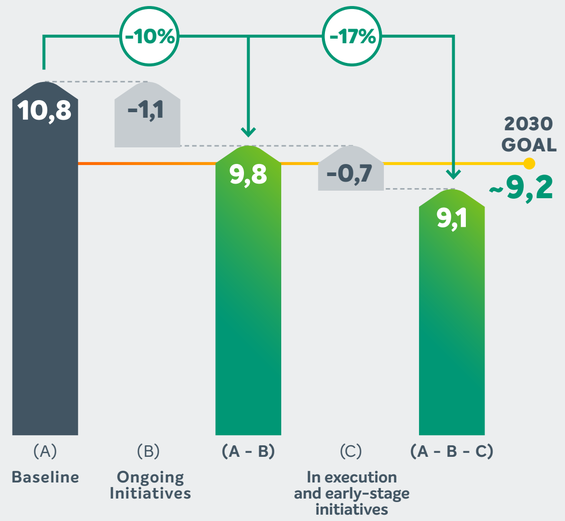
Energy Matrix

Increase the share of renewable energy and low-carbon fuels in Braskem's energy matrix.

SCOPES 1 AND 2 EMISSION REDUCTION POTENTIAL AFTER ROADMAP IMPLEMENTATION

STATUS OF EMISSION REDUCTION FOR 2030

Thousands of CO_2e, Scopes 1 and 2



11. Braskem's production process is subject to volatilities not directly related to the operational efficiency of its assets, such as scheduled maintenance shutdowns and market supply and demand patterns. As a result, GHG emissions may experience significant variations from one year to another. Therefore, the baseline was defined based on the average GHG emissions from Scopes 1 and 2 for the years 2018, 2019, and 2020, thus avoiding the selection of an atypical year as the base year.

Industrial Decarbonization Program

ROADMAP **2030**

The Decarbonization Program began in 2021, and its management is based on the 2030 roadmap for GHG emissions, which focuses on Braskem's currently operating assets, and uses the MACC[12] – Marginal Abatement Cost Curve for GHG emissions as its central management tool.

It is a dynamic portfolio that is periodically reviewed to reflect the most up-to-date initiatives mapped and the quality of information that forms the GHG emission reduction estimates.

This is a dynamic portfolio that is periodically reviewed to reflect the most up-to-date mapped initiatives and information accuracy.

Internal carbon pricing is used in the investment decision-making process, with all projects being evaluated to identify those that positively or negatively impact GHG emissions. To determine the price, a MACC curve was considered with all real and potential projects to achieve the objectives of Braskem's mitigation strategy.

Braskem has an internally developed tool to calculate Greenhouse Gas (GHG) emissions associated with the company's projects and initiatives. It is a fundamental part of the company's sustainability strategy, allowing it to quantify the environmental impact of actions and support decision-making based on climate and financial criteria. In this context, the integration between the calculation of emissions through C-Tool and the technical-economic feasibility analysis (EVTE) of projects is essential to ensure that investments are aligned with the company's strategic direction. The relationship between the C-Tool results (in CO_2e) and the NPV of the projects allows the construction of Braskem's Marginal Abatement Cost Curve (MACC) (see the conceptual explanation of MACC on the side).

The MACC analysis, combined with other prioritization criteria, made it possible to define Braskem's Industrial Decarbonization Plan, where more than 50 initiatives were selected to have specific governance monitoring, with the aim of ensuring the execution and constant reassessment of the projects.

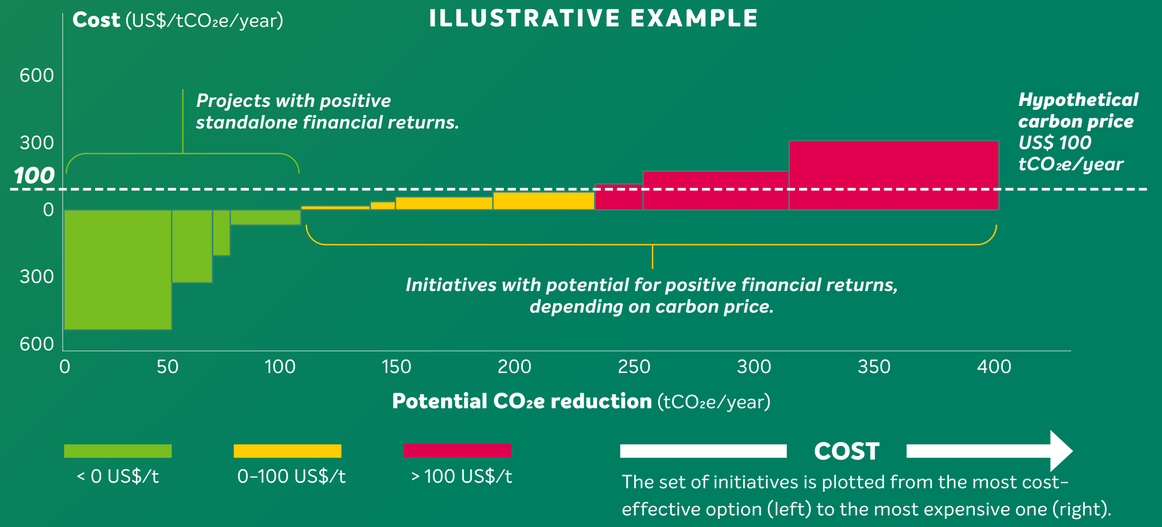
*What is **MACC** and how to interpret it?*

The Marginal Abatement Cost Curve, or MACC, is a simple and effective way to visualize the cost per ton of avoided carbon equivalent and the total amount of CO_2e carbon a given initiative can mitigate.

By integrating financial feasibility analysis with initiatives' emissions reduction potential, it becomes a powerful tool in the development of a corporate climate emissions mitigation strategy, based on concrete actions that will drive the feasibility of achieving reduction goals.

The width (x-axis) of each block (which represents a specific initiative) corresponds to its CO_2e reduction potential per year.

The height (y-axis) denotes the implementation cost per unit of emission reduction, based on the NPV calculation method.



In the chart, the initiatives highlighted in **YELLOW** are below the hypothetical carbon price of 100 US$/tCO₂e/year, indicating that they could generate positive financial returns if carbon pricing is set at this level. On the other hand, the initiatives in **RED** do not show positive returns, as their costs are above the hypothetical carbon price.

12. Marginal Abatement Cost Curve (MACC or MAC Curve).

Industrial Decarbonization Program

ROADMAP **2030**

Through its Decarbonization Program, Braskem has been implementing initiatives focused on energy flexibility, operational efficiency, and the renewability of its energy matrix, with an emphasis on reducing emissions, strengthening competitiveness, and the sustainable transformation of its business. These actions, aligned with the Company's Strategic Direction, have generated positive financial returns by prioritizing solutions with low or no capital investment (Capex), reinforcing Braskem's commitment to innovation and sustainability.

Braskem has already achieved a reduction potential of more than 1.1 million tCO_2e/year with initiatives in operation. The Roadmap 2030 currently includes 70 prioritized initiatives with a potential reduction of 1.8 million tCO_2e/year by 2030 – which represents a reduction potential of around 17% of emissions compared to the baseline period, not yet accounting for any potential emission increases due to the company's organic and inorganic growth.

More than half of the initiatives in Roadmap 2030 are already in operation or in the execution phase after a final decision to proceed following a final investment decision. Furthermore, there are significant gains in competitiveness and a reduction in operational costs. These initiatives involved estimated investments, either by Braskem or its partner companies, of around R$ 4.6 billion. The remaining initiatives in development, with an estimated potential reduction of 0.7 million tons of CO_2e, depend on factors such as technical and economic viability, as well as the development of partnerships.

The following diagram presents, in a simplified way, the necessary steps to reach the 2030 Roadmap:

7 STEPS OF THE 2030 DECARBONIZATION ROADMAP PROJECT

1 Development and new portfolio potential
- Technical presentation
- Regional workshops
- Consolidation of potential initiatives

2 1st filter and detailing of initiatives
- List refinement
- Estimate of CO_2e reduction and NPV per initiative

3 Construction of macro-objectives
- Regional strategic route
- Integration and interdependence of initiatives

4 MACC for each scenario
- MACC for each regional scenario

5 Definition of the baseline scenario
- Definition of the strategic route for each region

6 Braskem MACC
- Global MACC with all baseline scenarios

7 Prioritization and Roadmap
- Definition of criteria for initial prioritization
- Roadmap discussion

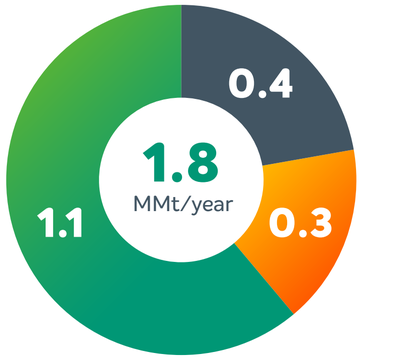
Industrial Decarbonization Program

ROADMAP **2030**

Most of the initiatives in Roadmap 2030 focus on energy efficiency and shifting the energy matrix. An example of an initiative in operation is the Vesta Project, at the ABC plant in São Paulo. The project replaced the high-performance electric motor steam turbines (equipment electrification), supported by a new power cogeneration center, fed by high hydrogen residual gas. The completion of the project occurred in 2024, with the end of the engine electrification process, with the reduction of approximately 100,000 tons of CO_2e per year, energy efficiency gains (-7.3%), and water consumption (-11%) in this plant.

CO_2e – 2030 REDUCTION ROADMAP

Maturity Stage



Another relevant initiative is the biomass project at the PVC plant in Alagoas, completed in 2025 in partnership with Veolia. The project completely replaced the use of natural gas with steam generated from eucalyptus biomass, guaranteeing 100% of steam generation from a renewable source. This change represents a milestone in the company's energy transition, with the potential to reduce approximately 150,000 tons of CO_2e per year, in addition to promoting socioeconomic impacts in the region, such as job creation and strengthening the biomass supply chain as a competitive alternative.

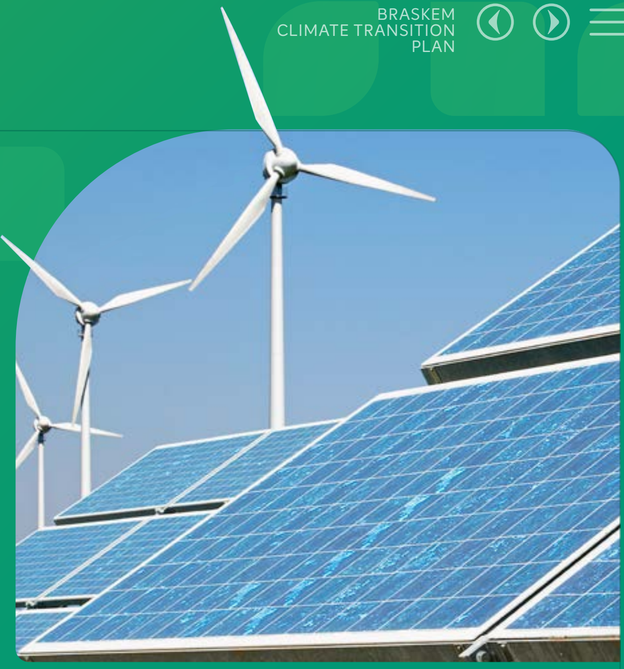
***Renewable** electricity*

Braskem also aims to achieve 85% of electricity purchased from renewable sources in all its industrial operations. To achieve this, the company has been working on signing long-term contracts for the purchase of renewable and/or clean energy through PPAs (Power Purchase Agreements). Such contracts have already been signed in Germany, Brazil, and the United States.

In Brazil, the contracts total more than 220 MW on average, enabling the construction of new facilities that contribute to the expansion of the electrical system and the development of the country, in addition to contributing to a grid with a higher share of clean and renewable energies.

In the United States, Braskem signed a 10-year renewable electricity purchase agreement for its Neal plant, in West Virginia, starting in 2025, and acquired Renewable Energy Certificates (RECs) for its Texas plants.

Braskem has been purchasing electricity with renewable energy certificates for its operations in Germany to cover 100% of its consumption. Additionally, Braskem signed a PPA for the period between 2025 and 2029.



*The impacts of these initiatives, along with the higher renewability of the energy matrix in the countries where we operate, resulted in **Braskem achieving 83% renewable and/or clean electricity purchased in 2024**.*

The supply of electricity at Braskem is sourced through PPAs, complemented by electricity from the grid. Thus, the percentage of renewable electricity purchased takes both supply forms into account.

Carbon Neutrality Program

ROADMAP **2030-50**

Braskem has an Innovation and Technology Development (I&T) team whose primary mission is to identify sustainable and innovative technological solutions that contribute to the company's corporate strategy and growth avenues.

To seek carbon neutrality by 2050, Braskem recognizes that there is no single pathway or technology to reduce its GHG emissions and that a combination of approaches will likely be required for the same industrial unit. Factors such as location, adjacent units, feedstocks availability, installed capacity, as well as external factors like government incentives and participation and strategic partnerships, influence the definition of the optimal set of solutions for each location.

Braskem's **Roadmap 2030-2050** consists of projects within four complementary technological pathways, with the potential to nearly eliminate its CO_2 emissions by 2050.

GROWTH AVENUES

Traditional Business | **Bio-Based** | **Recycling**

Pathway + Avenues	Objectives	Technologies	Opportunities	Risks
Electrification	Replace direct energy generated by burning fossil hydrocarbons with renewable electricity in generators, boilers, and furnaces.	• RotoDynamic Reactor (RDR) • Electric Furnace • Preheating of combustion air from furnaces and electrification of large machines	**Increased energy efficiency.** **Reduction of emissions of other atmospheric pollutants: NOx and SOx**	Cost and availability of electricity from renewable sources. Costs of redirecting internally produced methane for non-combustion purposes.
Bio-Feedstocks and Biochemicals	Partially or fully replace fossil-based feedstocks with renewable biological feedstocks for the production of chemicals and plastic resins.	• **HVO** (Hydrated vegetable oil) • Bio-naphtha • Ethanol • Biomethane • Biomass	**Lower carbon footprint of the product.**	Cost and availability of **biomass** (competition with food and deforestation).
Energy Efficiency	Intensify processes aiming at energy efficiency and emission reduction.	• Membrane for hydrocarbon separation • Intensified reactors	**Higher efficiency leading to reduced energy consumption.**	Low technology readiness level (TRL), with technical and commercial uncertainties.
Carbon Capture and Storage (CCS)	To capture GHG emissions from Braskem's main emitting assets for carbon use or storage, with the possibility of converting the captured CO_2 into chemicals.	• Significant reduction in direct CO_2 emissions • Possibility of generating carbon credits and ESG valuation	**Post-combustion capture** **Pre-combustion capture** **Direct air capture** **Geological storage** **CO_2 utilization** (CCU)	High CAPEX and OPEX costs. Need for infrastructure for secure transportation and storage. Regulatory risks and social acceptance.

Carbon Neutrality Program

ROADMAP **2030-50**

It is important to note that many of the technologies mentioned in the table above still have low technological maturity, lack of infrastructure, and regulatory aspects that are still in their early stages. Even in cases where technology already shows a higher level of technological maturity, the marginal costs of emission reductions from these projects pose challenges for their implementation in the short term, especially considering that most emissions occur in Brazil, where there is still no regulated mechanism for greenhouse gas (GHG) emission pricing in effect.

Therefore, in the current context of development and maturity of technologies, it's necessary to consider that there is still great uncertainty in quantifying the GHG reduction potential arising from the implementation of projects under development. To support the strategic direction of the business and decision-making, some scenarios are being developed with the purpose of obtaining MACC 2050. It is important to emphasize that this is a long-term effort, the results of which will be refined over the years, and that updates to the MACC 2050 will not necessarily occur annually. These updates will take into account technological options most likely to be successful, as well as updated estimates of the cost and potential volume of CO_2e abatement.

With the successful implementation of the identified solutions, as well as the company's proposed transformation to *"switch to gas and fly up to green"*, with the development of new renewable businesses, replication across industrial assets is expected, as well as an increase in capacity and scaling for the entire industrial park, achieving emission reduction to near neutrality.

*Below are some **ongoing projects and investments already made** by pathway:*

Electrification

In partnership with Coolbrook, Braskem implemented a pilot project to test the use of Roto Dynamic Reactor (RDR) technology on an industrial scale. In this project, the current energy source used for pyrolysis reaction (derived from fossil material combustion) is replaced with renewable and clean electricity.

With electricity, the fluid is accelerated to supersonic speed and decelerated so that kinetic energy is transformed into thermal energy, raising the temperature necessary for the pyrolysis reaction. As the project progresses, we will be able to implement this technology in Braskem's cracking units in operation in Brazil or Mexico.

Renewable feedstocks and biochemicals

Braskem opened, in 2024, a new research and development laboratory in Lexington, Massachusetts, USA, focused on developing catalytic and biocatalytic technologies that enable the use of renewable feedstocks and the production of bioproducts. With over 3,250 square meters and an investment of about US$20 million, the unit is complementary to the biotechnology laboratory in Campinas, São Paulo, Brazil. One of the laboratory's main research focuses will be early-stage science and engineering related to the conversion of biomass-based feedstocks (sugars, cellulose, vegetable oils, and lignin) into chemicals and sustainable materials.

Energy efficiency

In partnership with Ardent, (former Compact Membrane System), pioneer in membrane systems for energy transition applications, Braskem is in the demonstration phase of Optiperm™ technology for the separation of olefins and light paraffins at its facilities. The technology increases the efficiency of olefin production while reducing waste streams, lowering total energy consumption, and consequently reducing GHG emissions. The modular nature of the membranes allows the recovery of olefins from both small and large process flows, eliminating process bottlenecks, and using existing infrastructure more energy efficiently.

Carbon Neutrality Program

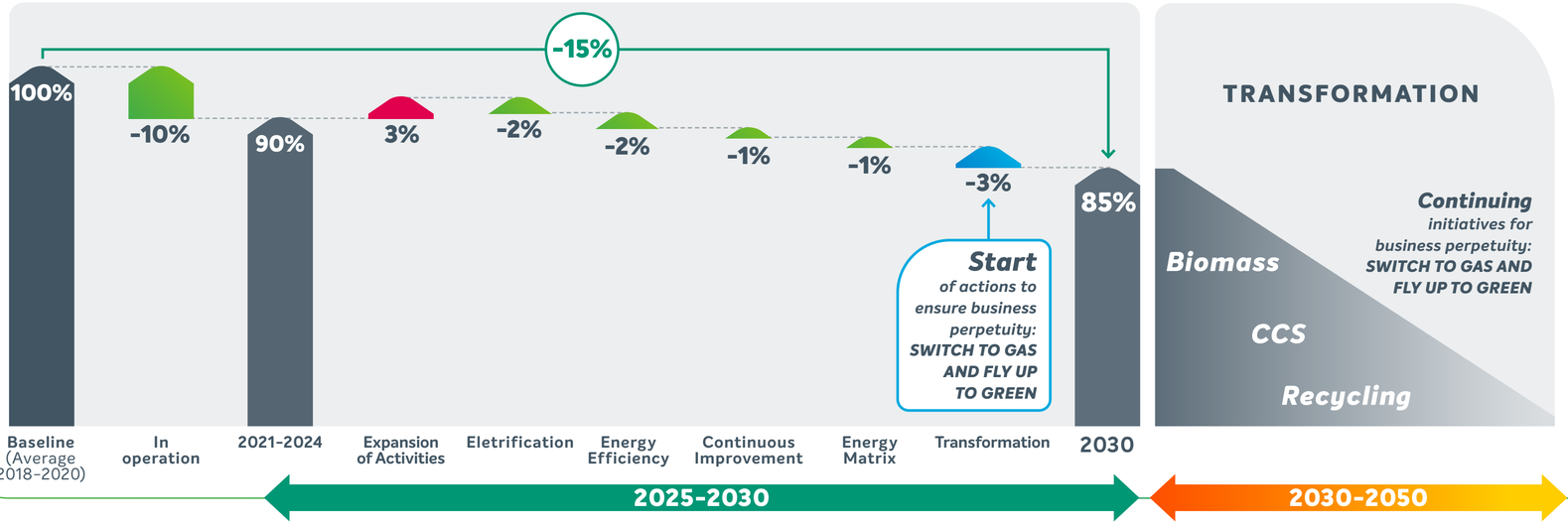
ROADMAP **2030-50**

The chart below presents the potential greenhouse gas emission reductions that Braskem aims to achieve by 2030, structured around the four pillars of the decarbonization program: **continuous improvement, energy efficiency, electrification, and energy matrix**. These pillars reflect initiatives already in operation or under study, aligned with the pillars of our climate strategy: **reduction, removal, and capture**.

The reduction potential achieved by initiatives currently in operation stands out mainly due to continuous improvement actions, which do not require capital investments (Capex). These initiatives represent more than half of the total reduction potential already underway, demonstrating the effectiveness of operational and management solutions in mitigating emissions.

For the **2050** horizon, the year in which Braskem aims to achieve emissions neutrality, projections are under development due to the complexity of the long-term transition and the uncertainties surrounding it — such as the development of public policies and infrastructure, the evolution of emissions accounting methodologies, regulation, and the economic viability of emerging technologies. As the scenario evolves, this horizon will be supplemented, reflecting the progress of initiatives and viability conditions.

In addition, Braskem's 2050 strategy is **aligned with the Brazilian vocation highlighted in the study developed by Carbon Minds in partnership with ABIQUIM** (Brazilian Chemical Industry Association), which explores different possible paths towards climate neutrality for the Brazilian chemical industry.



*The study identifies **three essential strategic** factors to enable this transition:*

***Biomass** as a renewable source of carbon;*

***CCS** as a solution for the permanent storage of residual emissions;*

***Recycling** as a means of closing material cycles and reducing the use of virgin fossil inputs.*

These elements, combined with technologies such as **electrification and CCU**, make up multiple possible trajectories, with no single exclusive path. The choice of the most appropriate composition will depend on the availability of national resources, the maturity of the infrastructure, and a favorable political and regulatory environment.

Braskem understands that Brazil has unique strategic advantages, such as a predominantly renewable energy matrix, ample availability of biomass, and the potential to lead solutions in bioeconomy, carbon capture (e.g., CCS/BECCS, CCU/BECCU), and circularity. Recognizing this potential, Braskem remains committed to monitoring technological and regulatory developments, studies, and strategic opportunities related to the petrochemical industry, actively contributing to an efficient and responsible climate transition, aligned with global neutrality commitments.

Value Chain

*In addition to reducing emissions within operational boundaries (scopes 1 and 2), Braskem is also developing actions and projects aimed at **reducing the impact on the value chain**, i.e., scope 3 emissions, which account for more than 70% of Braskem's total emissions.*

***Approximately 90% of these emissions are concentrated in four categories,** of which one upstream and three downstream.*

REPRESENTATIVENESS OF EACH CATEGORY IN THE TOTAL SCOPE 3 EMISSIONS
(%)

CATEGORIES		
1	**Purchase of goods and services**	**46,05**
10	**Processing of products sold**	**19,96**
11	**Use of good sold**	**14,47**
12	**End-of-life treatment of products sold**	**9,31**
4	**Transport and distribuition** (*UPSTREAM*)	**5,44**
3	**Activities related to fuel and energy**	**2,04**
9	**Transport and distribuition** (*DOWNSTREAM*)	**0,73**
+	**Other categories**	**2,06**

*The planned investments in **bio-based growth avenue** could have positive impacts on emissions throughout the chain.*

SCOPE 3
Other Indirect Emissions:
Upstream ***Downstream***

Value Chain

CATEGORY

1 Purchase of goods and services

Approximately 46% of scope 3 emissions occur during the extraction, processing, and transportation of feedstocks used in the petrochemical process. Naphtha (the main feedstock used to produce ethylene, one of the most important inputs in the petrochemical industry) accounts for approximately 38% of this total, almost 7 million tons of CO_2e (base: 2024). However, Braskem has the technology to produce ethylene from sugarcane ethanol, a renewable and biogenic resource, which, considering the emission factors currently used by Braskem, has the potential to reduce tCO_2e emissions by 95% for each ton of ethylene produced. This significant reduction is related to both ethanol's lower emission factor and the smaller amount of feedstock required – to produce 1 ton of ethylene, 3 tons of naphtha or 1.8 tons of ethanol are required – reinforcing the strategic role of bio ethylene as an important alternative for reducing Category 1 emissions.

However, Braskem has the technology to produce ethylene from sugarcane ethanol, a renewable and biogenic resource, which, considering the emission factors currently used by Braskem, has the potential to reduce tCO_2e emissions by 95% for each ton of ethylene produced. This significant reduction is related to both ethanol's lower emission factor and the smaller amount of feedstock required – to produce 1 ton of ethylene, 3 tons of naphtha or 1.8 tons of ethanol are required – reinforcing the strategic role of green ethylene as an important alternative for reducing Category 1 emissions.

In 2023, Braskem also developed a methodology for assessing sustainability risks of renewable feedstocks. One of the risks assessed concerns GHG emissions and energy use, considering indicators such as the use of regenerative agriculture practices, pesticides, prohibition of burning, circularity in the process, such as the reuse of waste, among others. This study guides new projects in the search for feedstocks that have a smaller carbon footprint.

Beyond feedstock selection, Braskem is strongly committed to engaging its suppliers in the climate and sustainability agenda, fostering a more sustainable and low-carbon value chain. For over a decade, Braskem has been part of the CDP Supply Chain, encouraging suppliers to transparently report on their environmental performance. This enables the identification, quantification, and monitoring of climate risks within our supply chain. As part of the program, an action plan is developed, if necessary, to improve supplier indicators and mitigate and/or manage identified risks. The partnership with suppliers has been highly successful, with Braskem achieving engagement levels significantly above the CDP Supply Chain's general average.

As part of its efforts to contribute to a more sustainable value chain, in 2020, Braskem also joined the Ecovadis Supply Chain program, engaging more than 680 suppliers in 2024. Additionally, Ecovadis has been used for selecting new suppliers, making it part of the company's sustainable procurement strategy. Both programs—CDP and Ecovadis Supply Chain—include training and capacity-building initiatives for suppliers, as well as Braskem's procurement and sustainability teams, to continuously enhance expertise in the matter and improve climate risk reporting and management.

To recognize outstanding suppliers in sustainability management and encourage sustainable practices in the upstream chain, since 2020, the results from Ecovadis and CDP have been used as a basis for the Supplier Sustainability Recognition, which includes five different categories: Environment, Sustainable Procurement, Best Socio-Environmental Performance, Labor and Human Rights, and Quality through the Supplier Performance Index (IDF). This last category evaluates the corporate performance of suppliers regarding the provision of products/services to Braskem.

To reinforce its ESG performance strategy and reduce Scope 3 category 1 emissions, Braskem has established the Responsible Ethanol Procurement Program (RESP). Aligned with the standards of the International and Social Environmental Accreditation and Labeling Alliance (Iseal) and Bonsucro, RESP is a robust tool that ensures the integrity and sustainability practices of the chain through annual reporting and audits. The program aims to promote continuous supplier improvement in reducing greenhouse gas emissions, preserving resources, mitigating climate impact, and ensuring ethical and responsible sourcing.

Value Chain

CATEGORY

10 Processing of products sold

This category currently accounts for about 20% of the chain's emissions, equivalent to about 5 million tons of CO_2e (base: 2024). The emissions estimate is based on the following information:

- ***Total resin sales per type:*** *PE, PP, PVC and UTEC;*
- ***The type of transformation process each resin will undergo:*** *extrusion, injection, blow molding, thermoforming, rotational molding and others;*
- ***Percentage of each type of resin sent for each type of processing:*** *estimated based on market analyses conducted by Braskem's marketing and process engineering teams;*
- ***Average global emissions factors*** *by type of transformation process (Ecoinvent 3.11 database).*

Due to the emission factors used, the results do not capture regional specificities and actions implemented by customers during the resin transformation processes, and, therefore, emissions are likely being overestimated.

As an example of regional specificities, considering that the main source of emissions for resin processing is electricity consumption, one can mention the energy matrix of the grids in which customers operate. In Brazil, the share of renewable/clean sources in 2024[13] was over 88%, a benefit that is not currently accounted for in the emission factors we use.

Another example is the energy efficiency benefits that Braskem's developed products provide. Since 2019, we have launched the Maxio® resin line, which, according to studies conducted between Braskem and its customers, enables a 30% increase in production without increasing energy consumption. In addition, there are individual initiatives by each customer to reduce their emissions, which are also not considered.

Based on the above, this is the scope 3 category where Braskem has the greatest opportunity for refinement of GHG emissions. This is a fundamental step toward defining a quantifiable reduction strategy.

To achieve this, an analysis of key customers in terms of sales is being implemented, followed by the structuring of an action plan for the joint management of these emissions, minimizing dependence on standard literature-based emission factors.

13. According to the Ministry of Mines and Energy

Value Chain

CATEGORY

12 End-of-life treatment of products sold

At the end of its life, plastic waste can be sent to landfills, incinerated, or sent for recycling. While landfilling and incineration result in irreversible carbon loss, recycling processes cause the carbon[14] content of plastics to return to the value chain.

Mechanical recycling has the potential to reduce greenhouse gas emissions (which would otherwise arise from incineration), in addition to directly transforming plastic waste into feedstock for new products, without altering the chemical structure of the material, thus keeping the carbon trapped within the product.

Through its recycling growth avenue, Braskem is committed to strengthening and achieving the circular economy of its products, which will have a direct positive impact on the emissions in this category, accounting for almost 9% of scope 3.

In addition to the reductions and removals expected from the Bio-based and Recycling growth avenues, Braskem is committed to continuously improving the calculation of results and primary data for Scope 3 emissions.

To address this,
***three main work fronts** are in place:*

- ***Improving the quality of standard emission factors, considering geographic and technological specificities;***
- ***Developing an internal platform, where part of the Scope 3 emission calculations is already automated, thus increasing data reliability and traceability;***
- ***Engaging with suppliers and customers to obtain GHG emissions data from their processes linked to Braskem.***

Therefore, the main expectation is to have increasingly accurate emissions data that better reflect real-world conditions, allowing for continuous improvement in management capabilities over the next few years.

*Innovation and sustainability are **fundamental strategic pillars** for the Company's development in the development of sustainable products.*

14. According to the study *'Pathways for the Global Chemical Industry to Climate Neutrality'*, developed by ICIS and Carbon Minds and funded by the ICCA (International Council of Chemical Associations), available in the ICIS & Carbon Minds Climate Neutrality Report | ICIS.

MANAGEMENT & ADAPTATION to CLIMATE RISKS

- *Risks and opportunity assessment*
- *Assessmente of identified and opportunities*
- *Climate Change and Water Security Adaption Plan — 2030*

Braskem

Risks and opportunity assessment

*At Braskem, corporate risk management is a **cyclical and continuous process used to identify, understand, and respond** to risks that may impact the achievement of the objectives established by the company.*

Through a bi-annual process based on international references (using ISO 31000 and COSO – Enterprise Risk Management), business risks are identified and assessed, considering all locations where Braskem operates. These risks are then classified into four categories—strategic, operational, financial, and regulatory—and are evaluated based on their potential impacts and likelihood of occurrence.

Based on this assessment, risks are discussed and prioritized, ultimately involving the Board of Directors (BoD), which approves the global corporate risk map. Accordingly, treatment plans are developed and monitored by executives, BoD advisory committees, and the BoD itself, as applicable. These plans aim to mitigate the most relevant risks and minimize potential impacts that could compromise the achievement of the medium- and long-term strategy.

LEARN MORE — *About Braskem's **Global Risk Management Policy**.*

Climate change is a material aspect for Braskem and has been a corporate risk monitored by the Board of Directors and the Executive Board since 2018.

LEARN MORE — *About Braskem's **Materiality Matrix**.*

The assessment of climate-related opportunities and risks (both physical and transition), aligned with the company's strategy, ensures that appropriate risk management measures can be implemented, and opportunities can be capitalized.

Braskem has been continuously improving its risk management and internal control processes. Recognizing that this is a cyclical process subject to feedback, in 2022, the assessment of physical and transition climate risks[15] was updated, considering a medium-term (2030) and long-term (2050) horizon under different scenarios of additional increases in the global average temperature. The study also included mapping existing control measures for the identified risks and updating the climate change adaptation plan.

The scope covered all operations in the countries where the company operates, identifying potential physical risks associated with 10 types of climate threats, which vary by region in Brazil, Mexico, the United States, and Germany.

*After the climate risk classification process, **27 high-risk scenarios were identified for the 2030 horizon**, for which potential action plans were defined.*

15. Included for the first time in the study conducted in 2022.

*Climate risks **scenarios***[16]

Physical and transition climate risks were analyzed based on four scenarios, differentiated mainly by the projected temperature increase by the end of the century, providing a broad range of plausible outcomes and aligning with the best practices for climate risk studies established by the ***Task Force on Climate-related Financial Disclosure*** **(“TCFD”)**[17]:

SSP1-1.9
NETZERO 2050

A scenario with very low GHG emissions, keeping global warming around 1.5°C above those of 1850-1900 by 2100, with net-zero CO_2 emissions by mid-century.

EXPECTATION FOR 2050:
Low challenges for mitigation (resource efficiency) and adaptation (rapid development).

SSP1-2.6
BELOW 2°C

A low-GHG emissions scenario that keeps global warming below 2.0°C compared to 1850-1900, achieving net-zero CO_2 emissions after 2050.

EXPECTATION FOR 2050:
Low challenges for mitigation (resource efficiency) and adaptation (rapid development).

SSP2-4.5
NDCs

An intermediate GHG emissions scenario aligned with the upper limit of aggregated NDC emission levels until 2030.

EXPECTATION FOR 2050:
CO_2 emissions remain at current levels until mid-century.
The best estimate for projected temperature increase is around 2.7°C by 2100.

SSP3-7.0
CURRENT POLICIES

An intermediate to high GHG emissions scenario resulting from no additional climate policies within the current socioeconomic development narrative. CO_2 emissions nearly double from current levels by the end of the century, potentially reaching up to 4.0°C.

EXPECTATION FOR 2050:
High challenges for mitigation (regionalized energy and land-use policies) and adaptation (slow development).

For transition risks and opportunities, the analysis was based on four scenarios (SSP1-1.9, SSP1-2.6, SSP2-4.5, and SSP3-7.0), using variables from the Network for Greening the Financial System (NGFS, 2021) and the International Energy Agency (IEA, 2021), with a medium- and long-term horizon (2030 and 2050). Following TCFD recommendations, transition risks were grouped into four categories, considering the regulatory, technological, reputational, and market aspects, through sectoral studies and an assessment of Braskem’s business model and production chain.

For physical risks (chronic and acute) potential impacts were identified based on the operational characteristics of each industrial unit, historical damage events, and Braskem’s existing control procedures. The risks related to the likelihood of occurrence of 10 climate threats were assessed: hurricanes, meteorological droughts, sea level rise, epidemics, floods, storms, landslides, heat waves, cold waves, and strong winds. The analysis used three scenarios (SSP1-2.6, SSP2-4.5, and SSP3-7.0) and considered both short-term (2030) and long-term (2050) horizons.

LEARN MORE — *About the details of the physical and transition risk analysis in **Exhibit I**.*

16. Source: AR6, SSPs (IPCC, 2021).
17. According to the TCFD (Strategy Pillar: c – Disclosure), it is recommended that companies "describe the resilience of the organization's strategy, considering different climate change scenarios, including a 2°C or lower scenario”.

*Main **risks and opportunities identified***

For the preparation of the **Adaptation Plan**, which includes actions to mitigate the most relevant risks, the following horizon and scenarios were selected:

TIME HORIZON

2030

SCENARIO FOR TRANSITION RISK

SSP2-4.5 ***"Declared Policies (NDC)"***

This scenario was chosen as it is the most likely scenario for the 2030 horizon compared to the others, as it considers the deliveries of government plans, NDCs, and the fact that some committed targets are already known not to be achieved.

SCENARIO FOR PHYSICAL RISK

SSP3-7.0 ***"Current policies"***

This scenario was chosen because it is the most pessimistic scenario, which better prepares the company for risk mitigation planning across the other scenarios.

*Below are some **examples of risks that were identified and assessed** in the study:*

	CLIMATE RISKS	POTENTIAL FINANCIAL IMPACT
TRANSITION RISKS		
Policy and Legal	• Carbon pricing (creation of a new economic instrument) • Climate change litigations • International market restrictions or taxation of products from countries with insufficient climate policies	• Increase in operating costs • Damage to the company's image • Reduced revenue due to decreased demand for goods/services
Technology	• Replacement of existing products and services with less carbon-intensive options • Unsuccessful investment in new technologies • Diversity of alternatives – new competitors	• Early write-off of existing assets • Market or revenue loss
Market	• Availability of low-carbon emission feedstocks • Increase in electricity costs • Market diversification	• Impact on the growth strategy of the bio-based avenue (renewable source products) • Increase in production costs due to changes in prices or pricing methods of inputs (e.g., energy and water) • Sudden and unexpected changes in energy costs • Change in the mix and revenue sources, resulting in lower revenue for the company
Reputation	• Stigmatization of the sector • Greater concern from stakeholders or negative feedback from stakeholders	• Impact on the company's image • Reduction in capital availability • Difficulty in obtaining insurance or increase in insurance premiums • Increase in capital costs
PHYSICAL RISKS		
Acute	• Greater severity of extreme weather events, such as storms, gales, hurricanes, floods, and landslides	• Reduced revenue due to decreased production capacity • Reduced revenue and higher costs due to negative impacts on the workforce • Increase in operating costs • Increase in capital costs • Potential for reduced availability of insurance for assets in 'high-risk' locations
Chronic	• Changes in precipitation patterns and extreme variability in weather patterns, with severe droughts, epidemics, etc • Variation in average temperatures (cold waves and heat waves) • Sea level rise	
	CLIMATE-RELATED OPPORTUNITIES	**POTENTIAL FINANCIAL IMPACT**
	• Availability and cost of energy – new business models aimed at diversifying the feedstock and product portfolio • Development and/or expansion of low-emission goods and services (bio-based growth avenue) • Development of low-emission products and circularity attributes • Portfolio diversification	• Increase in revenue through the demand for low-emission products and services • Increase in revenue through new climate change adaptation solutions • Increase in revenue through access to new and emerging markets • Higher diversification of financial assets

All climate-related opportunities and risks were identified and classified as low, moderate, or high. For each risk or opportunity classified as high, an action was recommended to mitigate the risks or enhance the opportunity.

CLIMATE RISK 2030

Impact X Probability

Threats	HIGH	MODERATE	LOW	TOTAL
Drought	**6**	8	6	**20**
Flood	**3**	3	7	**13**
Heat Waves	**1**	12	3	**16**
Storms	**7**	5	5	**17**
Sea Level Rise	**4**	3	7	**14**
Epidemics	**1**	4	3	**8**
Cold Waves	**0**	0	7	**7**
Strong Winds	**4**	4	0	**8**
Hurricanes	**1**	4	1	**6**
Landslide	**0**	1	1	**2**
TOTAL	*Adaptation Plan* **27**	**44**	**40**	**111**

The management of the implementation of the Adaptation Plan is measured by the percentage of completion of the planned action plan in the period and the effectiveness indicator of reducing the number of climate risks classified as high. These climate risks are considered in the **Company's Corporate Risk Matrix** and are periodically monitored by the executive committee, with annual reports on progress provided to the Board of Directors.

Regarding the value chain, Braskem uses the CDP Supply Chain to identify and manage risks and opportunities related to its critical suppliers. Additionally, the matter is also considered in Braskem's relationships with its suppliers through the Ecovadis platform, in the dimension of assessing climate change management.

LEARN MORE — *About **Braskem and its suppliers** in the Integrated Report.*

Below are some examples of actions recommended to mitigate risks or enhance opportunities. Once defined and validated by leadership, the actions are monitored through a Sustainable Development process, via a system with designated responsibilities and deadlines, and are continuously tracked until completion by the corporate risk management system (ERM). The percentage of completion of the action plan is annually calculated to ensure the reduction of high risks to ZERO by 2030.

	THREAT/RISK VECTOR	RECOMMENDED ACTION
TRANSITION RISKS	**Carbon pricing**	Define a medium- and long-term decarbonization strategy for current and potential assets, considering, for example, the gradual replacement of fossil fuels with lower-emission sources, adoption of less energy-intensive technologies, improvements in management systems, and loss monitoring.
	Export restrictions	Consider diversifying export markets in the market development strategy to reduce dependence on markets that may later impose restrictive measures due to climate policies.
	Increased ESG concerns: insurance companies	Implement a strategy for engaging with the market in general, reinforcing transparency through the disclosure of action plans and progress in meeting climate objectives.
PHYSICAL RISKS	**Severe droughts**	Identify and implement a new secure water supply source.
	Flooding	Technically assess and implement drainage measures to prevent flooding, focusing on the most critical areas identified in the climate risk analysis.
	Storms	Prepare a risk analysis study to update the Lightning Protection System (SPDA) and implement the study's recommendations.
	Strong winds	Prepare a study on vessel mooring capacity at terminals in response to extreme winds, reassessing wind limits for operation and hose disconnection, and implement the recommendations.
	Landslides	Develop geotechnical studies to assess slope stability around pipelines, focusing on the most critical sections, and implement the study's recommendations.
	OPPORTUNITIES	**RECOMMENDED ACTION**
	Development of new product portfolio	• Define and validate an internal strategy for the development of bio-based products. • Establish a partnership strategy with Research and Development institutions. • Define an internal training strategy and partnerships with universities.

*Climate change and water security **adaption plan** — 2030*

*The climate risk study identifies all **potential future climate risks**, both transitional and physical, i.e. the types of extreme events and where they may occur, eventually impacting Braskem's operations.*

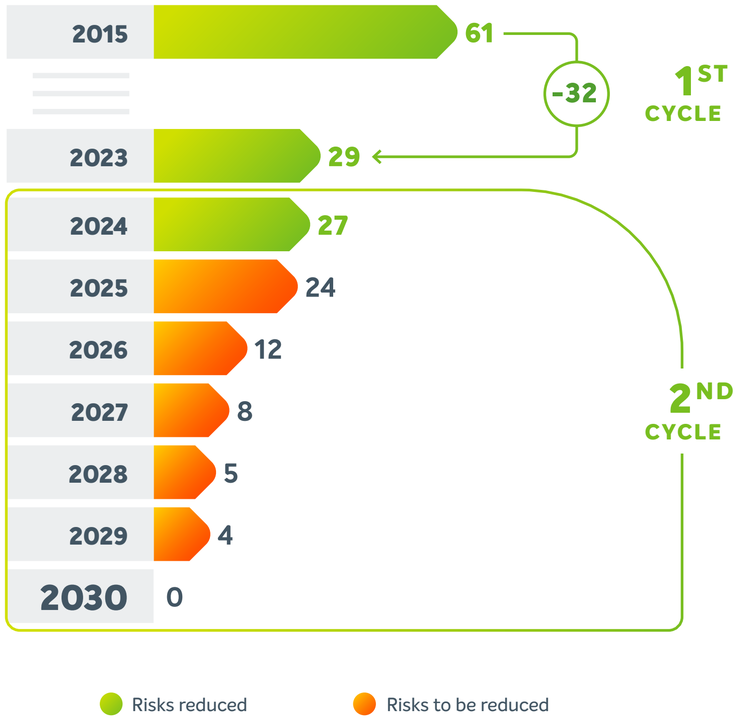
Braskem's climate change **Adaptation Plan** includes all actions defined to mitigate the most relevant climate risks. These actions are defined based on technical and financial analysis. The first evaluates the effectiveness of the action, i.e. identifying whether, once implemented, it will provide the expected resilience, reducing the potential impact of the risk. The second compares the potential economic impacts of climate threats and the proposed actions.

After these evaluations and internal approvals, the actions are incorporated into the planning of the units involved, and the deadlines and progress of implementation of the defined measures are monitored within the company's risk management process.

Since 2015, when the first cycle of the climate change adaptation plan started (2015–2023), the company has been monitoring physical risks, reducing the number of high risks from 61 to 23 during this period. Additionally, in line with our medium-term objectives, the chart below presents a projection of the reduction in high physical climate risks through 2023.

Physical climate risks

Plan to Reduce the Number of High Risks



Water security

Among the physical risks analyzed and identified as "high" during the review process conducted in 2022, the threat of **droughts**[18] had the highest potential impact on Braskem, particularly in operational units in the Northeast and Southeast regions of Brazil.

Water is an essential resource for petrochemical production, being used in cooling and steam generation processes, and is also incorporated into certain products. Water scarcity, exacerbated by climate change, could negatively impact Braskem's business and operational continuity. Thus, based on the climate risk study and watershed risk assessment studies in the most potentially affected regions, actions were defined for all units aiming to seek new secure sources of water supply, enhancing the water security of the industrial operations.

To select new secure water sources, using the CEO Water Mandate requirements and the company's sustainable development strategy as references, and with the technical support of a specialized consulting firm, a tool, which considers technical, social, environmental, economic, and risk aspects in the decision-making process for new water sources, was developed.

*The action aligns with Braskem's objective of **achieving 100% water security by 2030**.*

18. Meteorological droughts are characterized by the lack of water caused by an abnormal imbalance between precipitation and evaporation. They also depend on other climatic elements such as wind speed, temperature, air humidity, and sunlight.

An example of an already implemented water security action is the **Aquapolo project**, the largest industrial water reuse plant in operation in Latin America, with a capacity of 1,000 liters/s, supplying part of Braskem's plants in São Paulo. Through Aquapolo, **100% of the units located in the ABC region of São Paulo use reused water**, ensuring operational continuity even during the 2014–2015 drought, while other companies had to halt operations due to water shortages.

New actions include initiatives solely dependent on the company, such as (i) evaluation and revision of project criteria to enhance resilience to extreme weather events; (ii) process improvements; and (iii) conduction of technical studies and diagnostics.

In addition to these actions, other initiatives require collaboration with public and private entities. A key example is addressing the risk of sea level rise, which could have a potential impact on all those exposed, and which requires public sector intervention. This makes the adaptation plan more challenging, necessitating engagement and partnerships aligned with SDG 17 of the UN 2030 Agenda.

In Rio de Janeiro, the proposed action was the identification and implementation of a new sustainable water source, avoiding dependence on a watershed with high water risk and reducing the potential risk of conflict with the community/society. Therefore, we partnered with the concessionaire Águas do Rio (Aegea Group) to execute the project to supply water to Braskem's industrial units in the Rio de Janeiro region, using reclaimed wastewater and enabling the implementation and provision of basic sanitation for approximately 266,000 people in the region. This 30-year contract will reinforce water security in the operations of this region, with an estimated 100% water security index, ending the extraction of surface water from the Guandu watershed.

Braskem's efforts for efficient water resource management have earned high scores for six consecutive years in the CDP Water program:

2017 to 2021	2022	2023	2024
A	A-	B	A-

Additionally, since 2019, we have been a member of the CEO Water Mandate, a UN Global Compact platform bringing together over 150 companies committed to advancing water resource management.

*Braskem practices continuous improvement in water management and has the long-term objective of **achieving 100% water security** in all its operations.*

GOVERNANCE and MANAGEMENT

Braskem is committed to aligning the interests and expectations of all stakeholders through a transparent, ethical, safe, and predictable business environment, ensuring value generation today and in the future. Climate change is a material topic and a corporate risk, and the company has established a governance structure and management tools to support and strengthen decision-making for the transition into a low-carbon economy, in line with the Global Sustainable Development Policy.

- ***Climate Governance***
- ***Management tools***

Climate ***Governance***

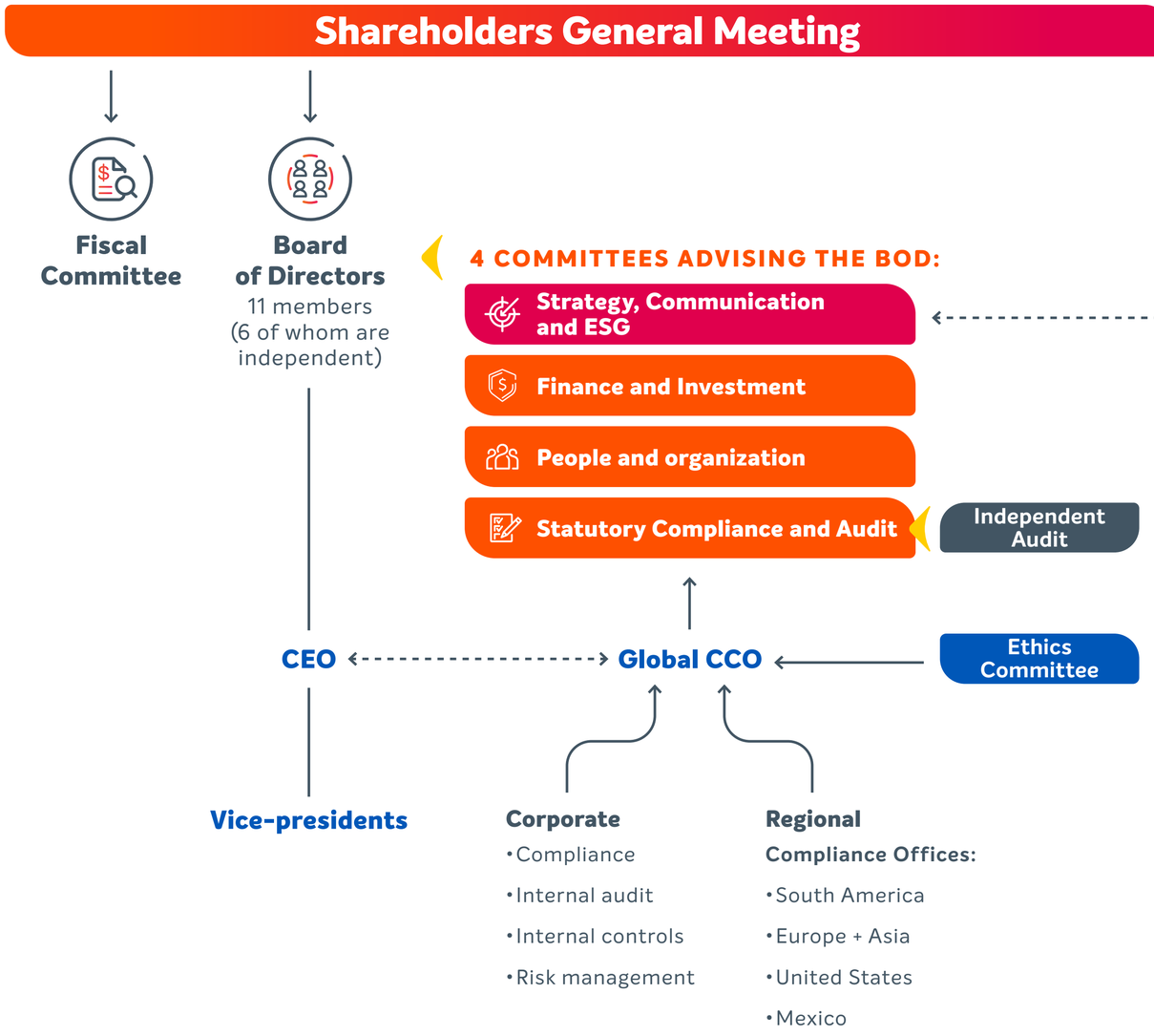
The ***Board of Directors*** *(BoD) is the highest authority responsible for monitoring and discussing environmental, social, and governance initiatives.*

It regularly reviews climate-related matters, either directly or through its advisory committees, particularly the **Strategy, Communication, and ESG Committee** ("CECESG"). CECESG supports the BoD in discussions on sustainable development, ensuring the implementation of the Global Sustainable Development Policy.

LEARN MORE — *About Braskem's* ***Global Sustainable Development Policy and Global Health, Safety, and Environmental Policy****.*

In 2020, long-term objectives, including those related to climate change, were proposed by the company's management. Since then, the business leader (CEO) and Vice Presidents periodically discuss the progress of **key objectives**, as well as associated risks and opportunities, within the **Executive Committee**.

Corporate Governance Organizational Chart:



SUSTAINABILITY GOVERNANCE STRUCTURE

Global Sustainability Committee
CEO + Vice-presidents

- Tools & Concepts
- Governance
- Comunication

Climate-based compensation

Braskem has an annual performance evaluation process based on an Action Plan (PA) that includes corporate and individual objectives, as well as behavioral competencies aligned with the company's culture. All employees—including the business leader—have an annual PA in progress, and performance in the PA (scored from 0 to 100) determines variable compensation (profit-sharing) based on a predefined maximum bonus amount.

LEARN MORE — *About the **Action Program** and the company's culture.*

To instill a climate-conscious mindset across the organization and contribute to Braskem's emission reduction of 15% by 2030, a corporate, shared target was established to map and implement decarbonization levers throughout the year to achieve a predetermined annual reduction in greenhouse gas (GHG) emissions (Scopes 1 and 2) across Braskem's global operations. This target was included in the annual PA of the Business Leader (CEO), the Vice President of Industrial Operations at Braskem, the Sustainability and Energy Executive Officers, and several other leaders and team members. In 2023, the goal was exceeded by 11% (PA of 300 $ktCO_2e$/year vs. Actual of 333 $ktCO_2e$/year). The committed target for 2024 is 300 $ktCO_2e$/year.

Culture

Since the creation of its decarbonization program in 2021, Braskem has invested heavily in organizational culture and structured processes as fundamental pillars to enable the energy transition within the Company.

One of the main advances has been the strengthening of governance and internal processes, focusing on the management of key GHG emission indicators for each asset.

Some ***examples*** are:

***C-Platform**, a single platform for monitoring and managing decarbonization initiatives, ensuring transparency, integration, and a focus on results;*

***Global Industrial Decarbonization Conference:** held annually since 2022, the event will reach its fourth edition in 2025, consolidating itself as a space for exchange between teams and leaders, with the objective of promoting acculturation around the concept of "competitive decarbonization";*

***Internal forums** in Brazil and Mexico on development, career, and decarbonization.*

Skills, competencies, and training

The development of skills and competencies related to climate change is essential for the successful implementation of the transition plan. Therefore, training sessions are conducted to address the teams' needs and the challenges of the climate transition.

Among the initiatives carried out to promote essential conceptual and methodological alignments to support the company's transition into a low-carbon economy, the following stand out:

***Industrial decarbonization training program**, focused on preparing industrial teams to implement and operate more sustainable technologies and processes;*

***Inclusion of a specific climate change training module in the CCAE** (Compliance and Statutory Audit Committee) **Capacity Building Plan**.*

Management ***tools***

To ensure a ***standardized approach to the accounting and monitoring*** *of the climate change strategy, Braskem uses several management tools, among which we can highlight:*

MARGINAL ABATEMENT COST CURVE (MAC)

As one of the tools for analyzing the financial feasibility, cost, and volume of CO_2 abatement from emission reduction initiatives, Braskem uses the MAC Curve. The MAC Curve is prepared based on the total cost of each project (CAPEX and OPEX), including any expected savings or revenue, discounted to present value using the company's discount rate (WACC), and the impact of CO_2e emissions throughout the life of the project.

GHG EMISSIONS INVENTORY

The GHG Inventory is the primary tool used to monitor qualitative progress toward the reduction of objectives of the climate change strategy. The inventory follows the GHG Protocol guidelines, and since 2008, Braskem has been publishing its GHG emissions results, considering the operational control approach and global emissions from Scopes 1, 2, and all applicable categories of Scope 3. Additionally, since 2008, Scopes 1 and 2 inventories have been verified by an independent third party, while Scope 3 inventory has been verified since 2011.

C-TOOL

C-Tool is an internal tool at Braskem, based on the GHG Protocol methodology, used to account for the GHG emissions of a specific project. By using this tool, it is possible to assess the emissions or the potential for emission reductions of the initiatives and projects being analyzed by Braskem.

LIFE CYCLE ASSESSMENT (ACV) OF PRODUCTS

ACV is a tool used by Braskem since 2005 to measure the environmental impacts of products and support decision-making on what and how to improve processes. Sixteen environmental impact categories are evaluated, including GHG emissions (carbon footprint) and water footprint. By the end of 2024, Braskem had completed over 180 ACV studies, many in partnership with its customers.

PRODUCT CARBON FOOTPRINT (PCF)

The carbon footprint calculation accounts for the GHG emissions and removals over the lifecycle of a product, according to its defined function. It is also possible to compare different products regarding their impact on climate change.

INTERNAL CO_2 PRICING

Braskem has an internal carbon pricing strategy focusing on two main objectives: encouraging the approval of projects that reduce emissions and evaluating risks and opportunities associated with mandatory pricing scenarios in the regions where we operate. Since 2020, internal carbon pricing for projects has been mandatory globally. We currently have two distinct internal prices, one for investment projects in industrial units and another for technological development projects, both of which must be included in the Net Present Value (NPV) of all projects.

CDP SUPPLY CHAIN

To manage risks and opportunities related to climate change in the value chain, Braskem invites its key suppliers to annually respond to the CDP Supply Chain – Climate and Water questionnaire.

The results of the questionnaires are used for recognition in the "Braskem Supplier Sustainability Recognition" award, which highlights suppliers' good ESG practices and encourages the value chain to adopt actions based on socio-environmental performance criteria. To be recognized in the Program, suppliers must achieve a minimum "B" rating in the CDP Climate and/or Water.

KEY PERFORMANCE INDICATOR (KPI) AND FORECAST

In addition to monitoring absolute emissions to track objectives, Braskem monitors performance using a KPI in tCO_2e per ton produced. The goal is to compare the performance of operations by technology type and with other industry players, as well as to monthly monitor plant emissions to understand the impact of decision-making in "real time".

We work with future forecasts (forecast), based on the expansion portfolio and performance estimates of current assets. This forecast also helps us to monitor the objective of emissions.

ENGAGEMENT with STAKEHOLDERS

Braskem actively works, whether through partnerships with associations and trade entities or directly with public agents and decision-makers, to contribute to discussions and the development of public policies for the sustainable development of the petrochemical industry in all regions where we operate.

Braskem has institutional relations teams dedicated to each of the regions where it operates industrially, in addition to a Global Advocacy team, responsible for ensuring alignment between regional teams, the sustainable development team, and the business team, with a focus on the development of the global position on climate change and disposal of plastic waste.

We understand that public policies and other instruments are necessary to encourage the transition into a low-carbon economy to enable the fair execution of the carbon neutrality objective by 2050.

*Specifically for the climate change agenda, **we work on five fronts**:*

- ***Carbon pricing and carbon market;***
- ***Incentives for the bio-based products industry;***
- ***Carbon capture and storage for use CO_2 as feedstock;***
- ***Incentives for biofuels;***
- ***Incentives for low-carbon hydrogen.***

Decarbonization has had significant prominence in our advocacy work in the National Congress. Together with the main sector representative entities, Braskem worked for the approval of Bill 182/2024, which creates the Brazilian Emissions Trading System based on a cap-and-trade system. This was an important step in encouraging investments in decarbonization, which can result in competitive advantages and also contribute to meeting international environmental targets.

Also, in decarbonization, we worked for the sanctioning of the Future Fuel Law (14,993/2024) which aims to promote sustainable low-carbon mobility, and the sanctioning of Laws 14,948/2024 and 14,990/2024, which establish the legal framework for low-carbon hydrogen, setting the National Low-Carbon Hydrogen Policy and the creation of incentives for the production and use of hydrogen.

LEARN MORE — *About the **National Low-Carbon Hydrogen Policy and the creation of incentives for the production and use of hydrogen.***

*In 2024, we invested approximately **R$54 million in trade associations** in the main regions where we operate – Brazil, the United States, Europe, and Asia.*

FOR THE CLIMATE CHANGE THEME, THE MAIN ONES INCLUDE:

BRAZILIAN CHEMICAL INDUSTRY ASSOCIATION (ABIQUIM)

TECHNICAL CHAMBER ON CLIMATE CHANGE OF THE NATIONAL CONFEDERATION OF INDUSTRY (CNI)

BRAZILIAN BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT (CEBDS)

BRAZILIAN INSTITUTE OF OIL AND GAS (IBP)

BRAZILIAN BIO-INNOVATION ASSOCIATION (ABBI)

INTERNATIONAL CHAMBER OF COMMERCE (ICC)

AMERICAN CHEMISTRY COUNCIL (ACC)

INTERNATIONAL COUNCIL OF CHEMICAL ASSOCIATIONS (ICCA)

Other entities and programs we are part of:

Brazilian GHG Protocol Program and Public Emissions Registry

For the 12th consecutive year, Braskem's Greenhouse Gas (GHG) Emissions Inventory received the Gold Seal from the Brazilian GHG Protocol Program (PBGHG).

The Gold Seal of PBGHG certifies the corporate inventory for reaching the highest level of qualification, meaning that Scopes 1, 2, and 3 have been audited by an independent third party.

CDP Climate, CDP Water, and CDP Supply Chain

In 2020, we were part of the select 'A list' group in all three questionnaires, demonstrating Braskem's commitment to these agendas.

THE LATEST RESULTS WERE:

CDP Supply Chain	CDP Water	CDP Climate
A	A-	B

UN Global Compact

We have implemented the 10 Principles of the Global Compact, related to human rights, labor rights, environmental protection, and the fight against corruption.

CEO Water Mandate

Platform of the UN Global Compact that brings together a community of more than 150 companies from around the world committed to advancing water management.

SECTORAL COALITIONS

Alliance to End the Plastic Waste

We also work through sectoral organizations to seek joint solutions to the challenges of plastics. We are part of the Alliance to End the Plastic Waste, whose objective is to improve the infrastructure for collection, separation, processing, and recycling of waste, through individual and collective investments among participating companies.

Braskem is part of the Alliance's Steering Committee and has already invested R$ 118 million in 12 initiatives since 2019. We also work through The Recycling Partnership and Polypropylene Recycling Coalition in the United States, and Plastics Europe in Europe, stimulating the recycling chain in these regions.

*Institutional actions follow **all the company's ethical and integrity guidelines**, governed by Braskem's Code of Conduct.*

Vision for the Future and Continued Engagement

Braskem will continue to strengthen its institutional and advocacy activities as an essential part of its climate transition strategy. To this end, it intends to expand dialogue with public and private stakeholders, contributing to the improvement of public policies that enable the decarbonization of industry, in addition to maintaining its active participation in national and international forums.

This material presented the **Transition Plan**, considering Braskem's current moment, describing how the corporate strategy is directed towards asset valuation and the entire business model towards the transition into a low-carbon economy.

It is a dynamic plan that will be updated as the strategy evolves and as actions are implemented.

Braskem is confident that its programs for emission reduction and climate adaptation, investments in technologies, and engagement with the value chain will contribute to achieving a ***circular and carbon-neutral economy by 2050****.*

References cited in the document:

Global Risks Report 2024

Transition Plan Taskforce *(UK TPT)*

Task Force on Climate-Related Financial Disclosure *(TCFD)*

Greenhouse Gas Protocol *(GHG Protocol)*

"Pathways for the global chemical industry to climate neutrality", developed by ICIS and Carbon Minds, funded by ICCA *(International Council of Chemical Associations)*

World Business Council for Sustainable Development *(WBCSD)*

Programa Brasileiro GHG Protocol *(PBGHG)*

International and Social Enviromental Accreditation and Labelling Aliance *(Iseal)*

Bonsucro

Network for Greening the Financial System *(NGFS, 2021)*

International Energy Agency *(IEA, 2021)*

CEO Water Mandate

Braskem CLIMATE Transition PLAN

2024 - 2025 REPORT

Braskem

Risk analysis ***methodology***

In the climate risk diagnosis phase, both physical and transition risks, as well as climate-related opportunities, that could impact Braskem's operations and business were studied.

Regarding **physical risks,** the process involved analyzing climate variable trends that could influence the likelihood of the climate threats considered in the study, such as meteorological droughts, floods, epidemics, heatwaves, storms, sea level rise, hurricanes, tornadoes, cold waves, and landslides. Additionally, the potential impacts of the occurrence of these climate threats by Braskem's industrial units were assessed.

The results of the trend analysis of temperature and precipitation reflect the behavior of the extreme weather events that make up the climate threats analyzed.

For instance, an increase in the trend of surface temperature could lead to more heatwaves and, consequently, an increase in the occurrence of this threat.

The assessment of the impacts resulting from the potential realization of these threats began with a literature review, considering the operational characteristics of each analyzed industrial unit. After this review, meetings with Braskem's industrial area specialists were conducted to validate the impacts associated with the occurrence of these climate threats and gather information regarding historical events and existing control procedures to mitigate or prevent the climate risks to which Braskem's assets are exposed.

Transition risks and opportunities were identified through sectoral analyses and studies of Braskem's business model and production chain, aimed at understanding the company's main feedstocks, processes, and products, as well as their primary market applications.

In terms of the study's time horizons, the reference dates for addressing climate change were considered according to the IPCC Special Report on Global Warming of 1.5°C, as follows: 2030 and 2050. To limit global warming to 1.5°C, global carbon dioxide emissions would need to be reduced by about 45% by 2030, compared to 2010 levels, and carbon neutrality would need to be achieved by 2050 (IPCC, 2019).

For all climate risks classified as high, an action is identified to reduce or eliminate the risk, while for opportunities, actions are identified to enhance the potential positive impact. The magnitude of the potential impact is evaluated based on criteria such as impacts on people, the environment, operations, finances, and reputation.

Physical *Risks*

The physical risk matrix was created based on the probability and impact analysis of the mapped risks, following Braskem's risk management model. Potential impacts were analyzed across multiple vectors, including people, environment, economy, reputation, infrastructure, and operations, among others.

The probability of physical risks was classified using MOVE® *(Model for Vulnerability Evaluation)****, a computational tool by the WayCarbon consultancy based on the IPCC's*** *(2014)* ***risk methodology.***

Using this tool, it is possible to model the studied climate threats and assess the probability of physical risk occurrence.

The results of the modeling are categorized according to the probability scale established by Braskem, which includes five levels:

1	2	3	4	5
UNLIKELY	REMOTE	OCCASIONAL	LIKELY	FREQUENT

The modeling includes the analysis of different climatic, geomorphological, and vegetation variables, considering the SSP1-2.6, SSP2-4.5, and SSP3-7.0 scenarios, and short- and medium-term horizons (2030 and 2050), as previously mentioned.

The geomorphological variables used were extracted from the digital elevation model, based on data from the Shuttle Radar Topography Mission (SRTM), and the vegetation data came from MapBiomas. Climatic variables were derived from simulations of four global climate models from the Coupled Model Intercomparison Project Phase 6 (CMIP6), which was recently updated and is included in the results of the Sixth Assessment Report (AR6) of the Intergovernmental Panel on Climate Change (2021). The minimum analysis unit for the climate assessment covers an area of approximately 30 km².

The impact analysis of physical risks was developed based on the impact vectors determined by the risk methodology adopted by Braskem's Sustainable Development area and the corresponding consequence scale used by the company:

1	2	3	4
LOW	MODERATE	CRITICAL	MAJOR

THE ANALYZED VECTORS WERE:

- *Financial*
- *Healthcare and Security*
- *Image and Reputation*
- *Social Context*
- *Infrastructure*
- *Environmental Impact*

For each vector, the degree of impact was determined based on the description of possible effects resulting from the materialization of the risks. The final impact of a risk is represented by the highest value assigned across the different vectors analyzed. For example, if a particular risk reaches the "Moderate" category in the "Financial" vector and "Critical" in the "Infrastructure" vector, its impact will be categorized as "Critical" in the matrix.

Transition Risks

The assessment of transition risks takes into account a combination of impact and probability analyses for each identified event, resulting in a risk matrix.

According to the methodology used by Braskem's **Risk Management** area, the probability analysis considers five classification levels:

RARE	REMOTE	POSSIBLE	LIKELY	FREQUENT

This probability analysis seeks to answer how different transition risks and opportunities might behave in various future emission scenarios and mitigation pathways, considering the characteristics of the petrochemical sector and the specificities of Braskem.

THE IMPACT ANALYSIS, ON THE OTHER HAND, CONSIDERS NINE VECTORS:

- *Financial*
- *Environment*
- *Social Context*
- *Image and Reputation*
- *Regulatory*
- *External Audit*
- *Production Process Disruption*
- *Industrial Process Safety*
- *Organizational Climate*

THESE VECTORS ARE ANALYZED USING FIVE CLASSIFICATION LEVELS:

VERY LOW	LOW	MEDIUM	HIGH	VERY HIGH

Thus, the probability analysis of transition risks was conducted by interpreting the evolution trajectories of different variables related to the transition to a low-carbon economy, represented in the selected climate scenarios, with reference to the probability scale used by Braskem. The greater the deviation in the trajectory of a variable in the transition scenarios compared to the current situation, the higher the probability of the event occurring.

The scenarios and variables used for analysis are provided by the Network for Greening the Financial System (NGFS, 2021) and the International Energy Agency (IEA, 2021), references cited by TCFD for studies on transition climate risks. The selection of the variables analyzed was based on the Climate Risk Diagnosis.

The impact analysis of transition climate risks was developed based on the impact vectors determined by Braskem's Risk Management methodology and the corresponding consequence scale adopted by the company. For transition risks, the impact evaluation was conducted based on assumptions about the future values of the variables used for different climate scenarios. These assumptions were applied to Braskem's current results to estimate the potential financial impacts in the 2030 horizon.

TPT ***Methodology***

Braskem's Climate Transition Plan was developed based on the main methodology on the subject, the ***Transition Plan Taskforce*** *(TPT).*

BELOW IS A MAP HIGHLIGHTING THE MAIN CONNECTIONS BETWEEN THIS PLAN AND THE TPT REQUIREMENTS

Fundamentals	Implementation Strategy	Metrics and Goals	Engagement Strategy	Governance
Strategic ambition p. 8 - 12	***Business operations*** p. 7	***Governance, engagement, metrics, and operational and business goals*** p. 9, 37 - 39	***Engagement with the value chain*** p. 26 - 27	***Oversight and report to the Board*** p. 37
Business model and value chain p. 7 - 13	***Products and services*** p. 7	***GHG metrics and goals*** p. 14 - 15	***Engagement with the industry*** p. 41	***Culture*** p. 38
External factors and key assumptions p. 3	***Policies and conditions*** p. 7, 29 and 37		***Engagement with the government, public sector, communities, and society*** p. 41 - 42	***Incentives and remuneration*** p. 38
				Skills, competencies, and training p. 38