

# 2024 Element Solutions Sustainability Report

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# A Message from our President & CEO

At Element Solutions, we are fortunate to operate at the intersection of sustainability and profitability. Delivering better sustainability outcomes for our customers also drives better outcomes for our company. To that end, our sustainability efforts are well aligned with our vision to be the best in our markets in terms of the value we provide our customers, the opportunities we create for our employees, and the value we create for our shareholders. To do so, we focus on building capabilities that support long-term success without sacrificing short-term results. We have been successful thus far in balancing that tension and delivering on both short- and long-term commitments. Our 2024 results are no exception. More than 34% of our revenues were from sustainable products, while we built a pipeline of additional sustainability opportunities through breakthrough innovation—broadening our portfolio and enabling a lower-impact supply chain. These efforts have not only strengthened our organization but have also enhanced our performance against our sustainability goals. We have identified and executed on win-win opportunities for the breadth of our

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stakeholders, advancing our progress toward meeting our sustainability commitments.

Revenue from sustainable products is just one of many positive sustainability achievements in 2024:

- **Renewable Electricity:** In line with our climate strategy, we continue to transition toward cleaner energy sources, with 50% of our total electricity consumption now powered by renewable electricity.
- **Water Reduction:** This year, we achieved an 11% reduction in water withdrawal intensity across select water-stressed regions reinforcing our dedication to responsible water stewardship and resource conservation.
- **Charitable Donations:** Through our global ESI Cares program, our employees and the ESI Foundation combined have donated over \$1 million to more than 1,000 qualified charities that support the communities where we live and work. These investments drive meaningful initiatives that create social impact worldwide.
- **Greenhouse Gas Emissions Avoidance & Reduction:** By advancing sustainable operations and process efficiencies, we successfully avoided 7,525 metric tons of greenhouse gas emissions, underscoring our commitment to a lower-carbon future.

The Elements of Our Culture inspire us to embrace challenges and deliver on our commitments. In 2024, we made meaningful progress across our sustainable development priorities. With active oversight from our leadership team, we remain accountable and focused on advancing our Sustainability Goals.





Our Sustainability Goals reflect the principles of the United Nations Sustainable Development Goals (UN SDGs), reinforcing our commitment to responsible growth and long-term impact:

- **Sustainable Chemistry:** We reached a new record in 2024 with sustainable chemistry sales totaling over \$820 million, a significant increase from our \$450 million baseline in 2020. We believe this progress keeps us well on track to achieve our \$1 billion target by 2030.
- **Energy Use & Emissions:** In 2024, we made meaningful progress toward our emissions intensity reduction goal, adding green energy in 18 new locations. We remain on track to achieve a 25% reduction in emissions intensity by 2030, with our current levels already standing at 21% below our 2020 baseline.
- **Occupational Health & Safety:** We hosted another successful Global Safety Day in 2024, reinforcing our commitment to safety through enhanced training and increased observation rates worldwide. However, our Total Recordable Incident Rate (TRIR) was 11% higher than in 2023, due to small increases across various areas rather than a single root cause. While this result does not align with our goal of year-over-year TRIR improvement, we remain focused on strengthening our health & safety program. To drive progress, we introduced new standards that establish consistent practices across our facilities and deployed a comprehensive health & safety software system to improve incident management, training, compliance, and engagement. Encouragingly, our Lost Time Injury Rate (LTIR) showed significant improvement of 8% year-over-year, demonstrating that our safety initiatives are making a positive impact. Moving forward, we will continue refining our safety programs, reinforcing accountability, and fostering a culture of continuous improvement to ensure a safer workplace for all.

- **Inclusion:** In 2024, we introduced a new Sustainability Goal to increase gender diversity at the management-level and above to over 25% globally by 2027, and we have already made progress in 2024. As of December 31, 23% of management positions are held by women, reflecting our heightened focus on developing future female leaders around the business.

While we are motivated by the responsibility entrusted to us by our stakeholders and the satisfaction of accomplishing ambitious goals, it is rewarding to see our efforts and assessments validated by third parties. For our 2024 performance, we earned a silver medal from EcoVadis and were once again named in Newsweek’s Most Responsible Companies list. These recognitions reflect our success and underscore our commitment to transparency and leadership in sustainability.

The positive strides we are making together contribute to an increasingly engaged and satisfied workforce. We track employee engagement by conducting a broad-based internal survey every two years. In 2024, we conducted our fourth since the founding of ESI in 2019 which was translated into 14 languages. In addition, we drove a month-long campaign to ensure we heard from the broadest sample size of our team. Over 90% of our workforce completed it, and the results reflected improvements in 80% of the questions in our survey compared to two years ago. This is tangible evidence of the way we are improving our colleagues’ daily lives – together with our improved safety statistics – are amongst the most fulfilling data points I receive. The supportive, inclusive ‘5Cs’ culture we are fostering—a culture based on high-performance, people-centric behaviors and shared purpose—is a leading indicator for our success. We care about and invest in our people and their communities. Since launching the ESI Foundation in 2020, we have donated over \$4 million to more than 1,000 charitable organizations with the ESI Foundation either matching employee donations or giving directly to causes they support. Our people are our most critical input. Therefore,

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our overall strategy—not just our sustainability strategy—demands that we attract, develop, and nurture a diverse, high-performing team.

As we look to 2025 and beyond, we are excited to continue to engage with our customers, employees, and other stakeholders on our sustainability journey. There are challenges posed by evolving regulatory requirements and shifts in market demand; however, through proactive and nimble management, we have proven our ability to convert challenges and complexity into opportunities for long-term growth and value creation. Along the way, we are committed to delivering progress against our ambitious Sustainability Goals every year and adapting to the ever-evolving technology needs of our industry. We invite you to read the exciting details of our progress and initiatives in this new report.

**BENJAMIN H. GLIKLICH**  
PRESIDENT & CEO



# 1

## About ESI



# Who We Are

Element Solutions is a people-centric, customer-oriented company focused on innovation, high-quality products, and critical technical service. Aligned with our core value of “Enabling Sustainability,” our vision is for our chemical technology to transform the markets we serve by driving environmentally and socially conscious innovation to expand our offering of sustainable solutions to our customers.

We provide a broad range of chemical technology that enhances the performance of products used in everyday life. We prioritize our customers' success, which creates opportunities for our employees and value for our stockholders. Our approach to value creation starts with our passion for innovation, paired with an unrelenting focus on operational excellence. Unlike traditional chemical manufacturers focused on molecular synthesis, our formulation-based operations lead to lower energy consumption and a nimble, asset-efficient business model. Applying this model to drive organic growth and prudently allocating capital is our formula to drive sustainable value creation.

We strive to embody the five “Elements of Our Culture,” our “5Cs”: Challenge, Commit, Collaborate, Choose, and Care. These core values are the foundation of our organization which our employees embrace in their interactions with customers, colleagues, and other stakeholders to drive financial performance and create a rewarding work environment. Our executive offices are located in Fort Lauderdale, Florida, USA.

To learn more about our business, including our key markets and history, please visit our [Overview](#) and [Our History](#) webpages.



Colleagues in Langenfeld, Germany

## +80%

In our 2024 employee engagement survey, 80% of the questions that were also asked in 2022 received higher ratings, reflecting positive progress in employee experience and workplace culture.

## \$2.46B

Net sales in 2024

## 5,334

Total employees

## 50+

Countries

### Businesses & Brands





### Enabling the Products of Everyday Life

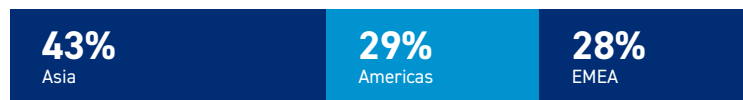
The capabilities and outcomes that Element Solutions enables are present in countless moments every day—from using a smartphone to driving a car. In many cases, we offer a full suite of technologies with complementary capabilities that provide a complete functional solution to our customers.

We regularly innovate new products and processes while leveraging our existing technologies and global presence to expand into new markets and grow our market share profitably. We also strategically focus our R&D resources on developing more sustainable solutions that retain performance attributes and technology leadership while reducing hazardous content.

#### 2024 Segment Net Sales



#### 2024 Regional Net Sales



R&D Lab in Woking, UK

We deliver our chemical solutions through two business segments:

### Electronics

Our Electronics segment researches, formulates and sells material process technologies across all electronics hardware, from complex printed circuit board designs to advanced semiconductor packaging. In mobile communications, computers, automobiles, and aerospace equipment, its products are an integral part of the electronics manufacturing process and the functionality of end products.

### Industrial & Specialty

Our Industrial & Specialty segment researches, formulates, and sells specialty chemicals and process technologies that enhance surfaces or improve industrial processes in diverse industrial sectors from automotive trim to transcontinental infrastructure and from luxury handbags to high-design faucets.



# Sustainability Within Our End Markets

We deliver high-performance solutions, with a focus on sustainability, that are integral to products across a breadth of industries:



## Mobility

We are an industry leader in silver sintering technology that enables inverter efficiency, a critical component for electric vehicle charging and energy management.



## Consumer Goods

Our proprietary evolve™ and evolve BOND™ pre-treatment solutions enable REACH-compliant decorative plating without the use of hexavalent chromium in automotive and other consumer goods categories.



## Water Treatment & Waste Reduction Solutions

Our EnvioTECH water and materials recycling systems help customers recover over 90%\* of materials, such as nickel or copper, from waste streams for reuse in the manufacturing process.



## Mobile & Wearables

Our wide variety of lead-free, VOC-free, halogen-free solder, and technologies for printed circuit board assembly allow our customers to comply with increasingly stringent environmental regulatory standards.



## Computing & Telecom

Our ShadowZD direct metallization technology, which offers printed circuit board manufacturers a sustainable alternative to traditional electroless copper plating, eliminates the need for precious metals and toxic chemicals while utilizing 99% less water and up to 57% less power consumption.\*



## Energy & Resources

Our Oceanic Environmental Control Fluid (ECF) is a leading product in its industry, formulated to meet design-life requirements for a broad range of temperatures within subsea systems.

\*Management estimates



# ESI at a Glance

Our employees embody the 5Cs of our culture in their interactions with customers, colleagues, and other counterparties to drive sustainable financial performance and create a rewarding environment.

## People

5,334

Total employees

29%

Female representation across our workforce

\$1.0M+

Donated to charities in 2024

51,822

Hours of employee training in 2024

## Operations

55

Manufacturing facilities around the world

98%

Of manufacturing facilities are ISO-9001 and/or IATF 16949 certified

87%

Of global locations are ISO 14001 certified

346%

Increase in total energy used from renewable sources since 2020

## Financials

\$2.46B

Net sales in 2024

\$60M+

Spent on R&D in 2024

\$820M+

Net sales from sustainable products in 2024

22%

Adjusted EBITDA margin in 2024

# The Elements of Our Culture: The 5Cs

## Challenge

We establish ambitious goals, take calculated risks, maintain high standards, and seek to exceed expectations.

## Collaborate

We value teamwork, with our customers and our colleagues, in pursuit of excellence and improvement in everything we do.

## Commit

We make commitments and hold ourselves accountable, individually and as teams, to deliver on them.

## Choose

We empower our employees to make choices and take calculated risks. We choose to hire, recognize, and reward people who demonstrate good judgment and choose to have good attitudes and strong work ethics.

## Care

We care about our customers, our colleagues, our environment, and our place in the world at large.



# 2

## Vision & Strategy



# Chemical Technology Enabling Sustainability

Our vision is for our chemical technology to enable sustainability in the markets we serve through environmentally and socially conscious innovation. We view sustainability as the correct path for both the planet and for the success of our businesses. Environmental, Social & Governance (ESG) factors impact our ability to support customers, create opportunities for our people, mitigate risks, enhance our resilience and reputation, and contribute to long-term value creation.



Quality Control Lab in Waterbury, USA

## Our Sustainability Journey

- In **2020**, we began our official ESG journey with our first multi-stakeholder materiality assessment. We developed a list of relevant ESG topics, engaged our key stakeholders, including our leadership team, internal subject matter experts, employees, investors, suppliers, and customers to understand their ESG priorities, benchmarked ESG trends across our industry, and aligned on the ESG topics most material for our business and our stakeholders.
- In early **2021**, we published our inaugural 2020 ESG Report, presenting the results of our assessment, detailing key sustainability initiatives, and outlining four ESG focus areas.
- In early **2022**, we expanded on our first report by updating our ESG data and setting ambitious Sustainability Goals for each of the four focus areas identified in 2021, aimed at aligning with multiple UN SDGs.
- Our **2022** ESG Report added further disclosures on material topics with an increased focus on social issues such as occupational health & safety and inclusion alongside environmental priorities like greenhouse gas (GHG) emissions and climate change.
- Since then, we have focused on advancing our Sustainability Goals and further embedding ESG into our corporate strategy. In our **2023** ESG Data & Resources publication, we provided updated ESG Performance Data and introduced a new inclusion goal focused on gender representation in management.
- In this **2024** Sustainability Report, we expand transparency around previously identified ESG priorities that remain relevant. We are also pleased to share that our 2024 GHG emissions data has received limited assurance, further demonstrating our commitment to ESG principles and transparency.



# Sustainability Goals

Our Sustainability Goals are representative of relevant topics and opportunities for ESI. These are within short- and longer timeframes, focused on continuous improvement:

On Track Focus Area

Focus Area	Goals	Progress to Date	2024 Progress	Read More
<b>Sustainable Chemistry</b>	Reach sustainable chemistry sales of \$1 billion by 2030		We achieved over \$820 million of net sales from sustainable products, which represent ~34% of our 2024 total net sales.	<a href="#">Page 19</a>
<b>Energy Use &amp; Emissions</b>	Reduce our combined Scope 1 and Scope 2* GHG emissions intensity by 25% per metric ton of production by 2030 from a 2020 base of 0.162 MT CO2e/MT of production**		In 2024, our emissions intensity was 0.128 MT CO2e/MT of production—a meaningful year-over-year improvement of 23% and a 21% reduction compared to our 2020 baseline. This progress reflects the impact of our continued investment in decarbonization initiatives across many of our sites.	<a href="#">Page 33</a>
<b>Occupational Health &amp; Safety</b>	Reduce our total recordable incident rate (TRIR) every year as we strive toward achieving zero significant safety incidents		Our TRIR was 1.02 or an increase of 11% as compared to 2023 driven by small increases across various areas rather than a single root cause. While this result does not align with our goal of year-over-year TRIR improvement, we remain focused on strengthening our health & safety program.	<a href="#">Page 40</a>
<b>Inclusion in Management</b>	Increase gender diversity at management-level and above to over 25% globally***		23% of our management-level colleagues were female in 2024, a 1% increase from our 2023 baseline.	<a href="#">Page 44</a>

\*Market-based Scope 2

\*\*We refined our production definition and have made an immaterial change to our 2020 emissions intensity baseline to 0.162 MT CO2e/MT of Production.

\*\*\*"Management-level" refers to positions with an internal job classification of internal grade 16 and above, which generally encompasses positions that supervise other employees.



Facility Tour in Shanghai, China

# Sustainability Approach and Strategy

At ESI, we consider ESG a business imperative, an extension of our growth strategy, and a reflection of our values. ESG is embedded in our DNA and reflected in the pillars of our strategy and the elements of our culture. It is demonstrated in our innovation process, manufacturing efficiency, inclusive culture, adherence to strong safety and governance principles, and our initiatives to give back to the communities where we live and operate.

Our ESG progress is rooted in assessing our sustainability profile and tracking key performance indicators (KPIs) for improvement. Our CEO is accountable to our Board for our sustainability initiatives and sets ESG objectives for our CFO and our Senior Director of ESG Strategy related to our Sustainability Goals and other key sustainability initiatives across our operations. Our Sustainability Council members and site and business unit leaders also have sustainability-related performance objectives, which are factored into their performance reviews and career development.

Introducing more green capabilities through innovative R&D is a growing focus for us and the industries we serve. Our sustainable solutions help our customers achieve ambitious business and environmental goals. As responsible stewards, we prioritize human health, safety, and environmental protection from raw material sourcing and product manufacturing to customer use.





In our Mergers & Acquisitions (M&A) process, we take the environmental impact of target companies seriously. Our acquisition of the Coventya Holding group in September 2021, for example, reduced our GHG emissions intensity and we continue to pursue the acquisition of businesses with innovative and sustainable chemistry portfolios.

Organically, ~11% of our 2024 capital expenditures were dedicated to ESG action items, including decarbonization, energy efficiency, health & safety, and other sustainability-related improvements. In 2024, we also established new cross-functional and regional teams to further integrate ESG into daily operations and drive our strategy forward.



## Our ESG Strategy and Disclosure Framework

Our ESG strategy and disclosure framework centers on four strategic sustainability pillars and areas of action: Sustainable Chemistry; Environmental Stewardship; Social Impact; and Governance & Compliance. These areas reflect how we are working as a team to deliver solutions to global challenges and align with multiple UN SDGs:

Our Purpose		Chemical Technology Enabling Sustainability			
Our Sustainability Pillars		Sustainable Chemistry	Environmental Stewardship	Social Impact	Governance & Compliance
		Improve environmental footprints through innovation	Protect the environment & our planet	Promote equity & well-being	Increase accountability & transparency
Our Focus		<ul style="list-style-type: none"> <li>Growth through sustainable chemistry solutions</li> </ul>	<ul style="list-style-type: none"> <li>Address climate change</li> <li>Reduce our energy use and emissions</li> <li>Reduce our operational footprint</li> </ul>	<ul style="list-style-type: none"> <li>Improve occupational health &amp; safety performance</li> <li>Promote inclusion</li> </ul>	<ul style="list-style-type: none"> <li>High standards of business conduct and ethics</li> <li>Accountability</li> <li>Commitment to transparency</li> </ul>
Material ESG Topics	High materiality	<ul style="list-style-type: none"> <li>Innovation for sustainable products</li> <li>Green chemistry</li> <li>Circular economy</li> <li>Product safety and transparency</li> </ul>	<ul style="list-style-type: none"> <li>Climate change</li> <li>Energy and emissions</li> <li>Sustainable chemistry</li> <li>Environmental compliance</li> </ul>	<ul style="list-style-type: none"> <li>Employee health and safety</li> <li>Diversity, equity, and inclusion</li> <li>Talent attraction and development</li> <li>Product stewardship</li> <li>Volunteerism and charitable giving</li> </ul>	<ul style="list-style-type: none"> <li>Governance and accountability</li> <li>Ethics and compliance</li> <li>Reporting approach</li> <li>Commitment to quality</li> <li>Sustainable supply chain</li> </ul>
	Moderate materiality		<ul style="list-style-type: none"> <li>Water management</li> <li>Waste management</li> </ul>	<ul style="list-style-type: none"> <li>Labor practices</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholder engagement</li> <li>Data security and privacy</li> </ul>
Our Sustainability Focus Areas		<ul style="list-style-type: none"> <li>Increasing growth through sustainable chemistry solutions</li> </ul> 	<ul style="list-style-type: none"> <li>Reducing our energy and emissions</li> </ul> 	<ul style="list-style-type: none"> <li>Improving occupational health &amp; safety performance</li> <li>Promoting inclusion</li> </ul> 	<ul style="list-style-type: none"> <li>Increasing transparency with improved ESG disclosures</li> </ul> 



# Stakeholder Engagement

We engage with our stakeholders, employees, investors, customers, suppliers, public policy makers, communities, and trade organizations through various channels for their input on relevant issues, such as ESG matters.

## How we engage with...

### Employees

- Culture surveys, ESG-focused surveys, interactive company intranet, and physical and virtual displays of our “5Cs”
- Quarterly global townhalls with Q&As, on-site town halls, annual Global Safety and Quality Days, company-wide announcements (in multiple languages), and newsletters focused on sustainability, community service, environmental compliance, health & safety, and employee wellness
- Anonymous grievance mechanism via our whistleblower compliance hotline
- Engagement of employee labor unions and collective bargaining groups
- Dedicated training on various ESG topics, online or in person
- Engagement through our ESI Cares volunteering and philanthropy program
- Supporting employee health and work-life balance

### Investors

- Regulatory filings, disclosures, and press releases
- Annual stockholder meetings
- 3rd party investor events (sell-side conferences)
- Conference calls and meetings, including Investor Days and non-deal ESG roadshows
- Investor Relations website and phone line
- Investor feedback shared with the Board of Directors on a regular basis

### Customers

- Industry events, on-site visits, trainings, meetings, and environmental reviews focused on ESG actions and product offerings
- Key customer engagement on material ESG issues, including meetings, presentations, technology roadmap exchanges, VOC (voice-of-customer) surveys, and responses to customers’ ESG requests
- Scorecard sharing via the CDP and EcoVadis platforms
- Responsible Business Alliance audits at our facilities
- Dedicated support teams (by phone and email)
- Partnerships with customers for technical certifications

### Suppliers

- Ongoing interaction with procurement and compliance teams
- New supplier due diligence process screening for ESG criteria
- Review and acknowledgment of our Supplier Code of Conduct
- Periodic supplier audits
- Coupa Risk Assess (CRA) screening
- Annual ESG questionnaires, including conflict minerals and other minerals of concern

### Government/Regulators

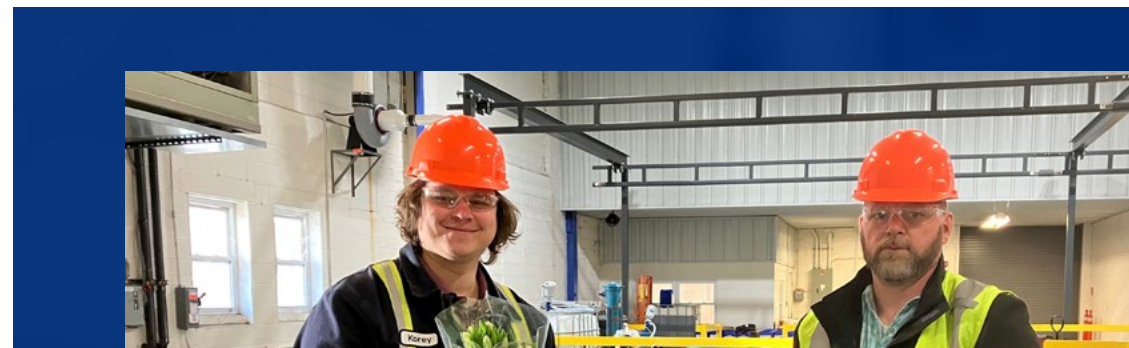
- Interaction with government and intergovernmental bodies on evolving regulations, reporting obligations, and necessary filings and licenses
- Regular responses to inquiries and audits
- Commitment to the OECD’s Due Diligence Guidance for Responsible Supply Chains where applicable
- Support industry groups through association memberships

### Communities

- Global volunteering activities through ESI Cares
- Community investments and donations to charities through local charitable committees with support from the ESI Foundation
- Collaboration with academic research institutions
- Conflict minerals management and sustainable sourcing practices

### Trade Organizations

- Engagement through trade association events, advisory panels, issue-specific forums, and informal best practices sharing



Daffodil Days in Altoona, USA



## Strategic Research Partnerships

### Purdue University, Indiana

In 2024, we continued our two-year project partnership on solder joint microstructure evolution and aging under thermal stress. This initiative follows a five-year research program with Purdue focused on low temperature solder materials.



# 新质生产力赋能表面工程行业高质量发展

## ESG Awards and Recognition

ESI operates with a strong commitment to integrity, innovation, sustainability, and social responsibility. We were recognized by leading organizations for our commitment to operating responsibly and sustainably in 2024:



### EcoVadis

ESI received a Silver Medal from EcoVadis for our sustainability efforts. This is the third year in a row that we have been awarded a medal. This latest achievement places ESI among the top 15% of companies assessed by EcoVadis, who provides valuable information to customers about environmental, social, ethical, and supply chain sustainability practices.



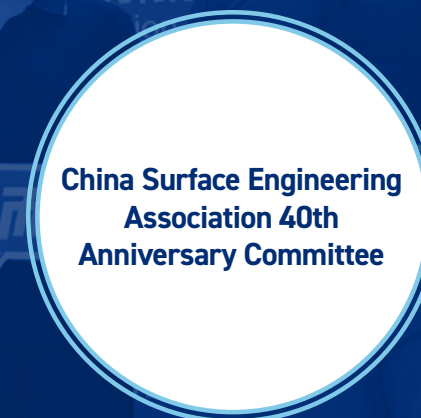
### Newsweek — America's Most Responsible Companies List

For the fourth consecutive year, ESI has been recognized as one of "America's Most Responsible Companies" by Newsweek Magazine. In its assessment, Newsweek considered the publicly available ESG data of 2,000 of the largest U.S. headquartered public companies across 14 industries and a survey of 26,000 participants related to these companies' ESG performance. ESI ranked in the top 62% of all companies surveyed.



### MSCI

In 2024, ESI received an A-rating from MSCI. The analysts highlighted that ESI has a strong carbon mitigation and risk management strategy with an aggressive target and a low baseline. In addition, ESI is present in clean tech markets with high growth potential.\*



### Sustainable Development Enterprise Award

MacDermid Enthone Industrial Solutions, an ESI business unit, was honored with the Sustainable Development Enterprise Award by the 40th Anniversary Committee of the China Surface Engineering Association. This award spotlights the organization's dedication to innovation, social responsibility, and environmental stewardship.

\*The use by Element Solutions Inc of any MSCI ESG Research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Element Solutions Inc by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.



# About This Report

Unless otherwise noted, this 2024 Sustainability Report ("Report") covers the period of January 1, 2024 to December 31, 2024, and provides updated data and information on our latest ESG performance.

## Updated Boundaries

In this 2024 Sustainability Report, the terms "Element Solutions," "we," "us," "our," "ESI," and the "company" refer to Element Solutions Inc, a Delaware corporation, and its consolidated subsidiaries, taken as a whole, unless the context indicates otherwise.

The environmental data covers 47 of our 55 manufacturing facilities that were operational in 2024. We excluded de minimis locations and standalone on-site labs, offices, and warehouses per our materiality guidelines. These sites in scope, representing 98% of ESI's 2024 net sales revenue, were selected based on quantitative factors, such as manufacturing production, sales volumes, energy consumption, waste generation, and personnel on-site. We are evaluating other facilities within the ESI group and may expand the scope of our reporting in the future.

We rationalized three manufacturing facilities in 2024 that were previously in scope for environmental data reporting; however, since their production volumes were transferred to other sites, we have not removed them from our historical data. We also announced the sale of our MacDermid Graphics business unit in the third quarter of 2024, which closed in early 2025. Our ESG Performance Data reflects the inclusion of these facilities since they were fully operational in 2024.

Historical data and baselines are recalculated and restated if they meet certain internal thresholds. In this Report, we updated our production definition which we think more accurately captures our operations activities.

As a result of this update, our 2020 emissions intensity goal baseline is now 0.162 MT CO<sub>2</sub>e/MT of production and our historical emissions intensity figures for the 2022 and 2023 years are also updated. In this 2024 Sustainability Report and in future publications, we use and intend to use the latest available emission factors for calculating and reporting our emissions data. Unless otherwise noted, "MT" refers to the Metric Ton unit of measure.

Our combined Scope 1 and 2 emissions includes both Scope 1 GHG emissions as well as Scope 2 emissions which include all purchased power and steam. Scope 2 emissions are calculated using both the market-based and location-based methodology outlined in the World Resource Institute's GHG Protocol. References to Scope 2 emissions in this report assume the market-based methodology, unless stated otherwise. Market-based emissions are calculated using IEA and eGrid emissions factors and include renewable energy credits. Location-based emissions are calculated using IEA and eGrid emissions factors and do not account for renewable energy.

Additional updates to our data and reporting methodology are noted throughout this Report. We identified minor discrepancies in certain KPIs reported historically but they did not meet our internal thresholds for updating.

## Assurance and Data Quality

**Internal Assurance and Validation:** We collect monthly environmental data from each of our sites in scope for reporting, following our internal reporting guidelines. The data is validated throughout the year both locally and centrally as part of our internal data validation process, including automated comparative analytics, internal site benchmarking, and support sampling to mitigate the risk of manual errors. Our Corporate Audit Team also validates our ESG data and data collection process independently following the same approach as in our broader internal audit plan. Our controls framework includes first line

site-based controls designed to ensure adherence to our policies and procedures. We maintain multiple IATF 16949, ISO 9001, ISO 45001, and ISO 14001 certifications, with second-line functions including Corporate Environmental Health and Safety (EH&S) and Regulatory that oversee risk control and compliance, and a third-line internal audit that provides independent risk assurance and oversight.

**Third-Party Limited Assurance:** In 2024, we engaged a third party to review our global GHG emissions data. As part of this process, the independent party reviewed our data collection, calculation methods, and controls to ensure the accuracy and reliability of our reported emissions. This assessment aligns with best practices for transparency in environmental reporting. For more details on the scope, standards, and methodologies used, please refer to the [Basis of Reporting](#) section of this report.

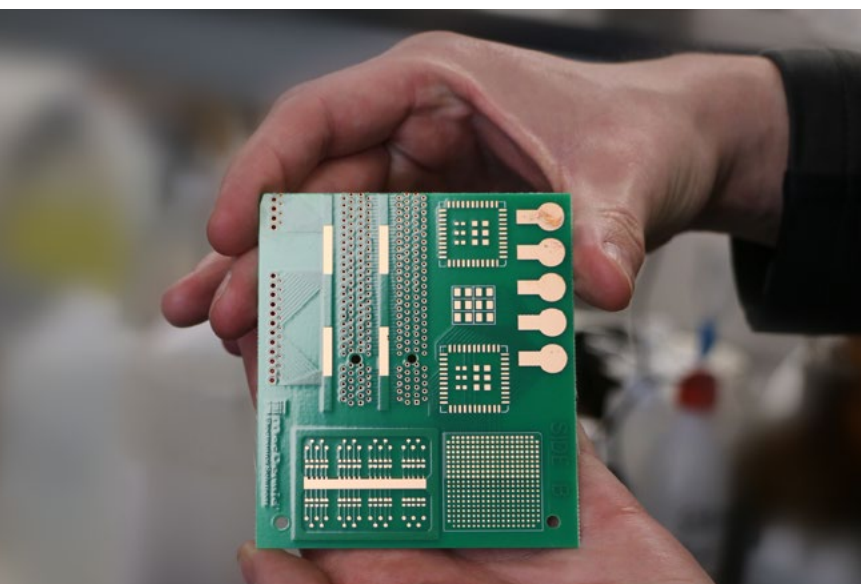
## Reporting Guidelines and Content

We prepared this Report in accordance with the GRI Standards (using the 2021 version where applicable) and the SASB Chemical Sector Disclosures. Our 2024 ESG Performance Data tables, GRI, and SASB indexes can be found in the Appendix of this Report.

We are currently assessing our new reporting requirements under the EU's Corporate Sustainability Reporting Directive (CSRD) and other recent climate-related disclosure regimes. Considering today's rapidly evolving ESG disclosure context, our future reporting structure may change as further guidance is provided by relevant disclosure authorities.

## Reporting Uncertainties

Non-financial information is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different, but acceptable measurement techniques can result in different measurements. The precision of different measurement techniques may also vary.



The term "material" is used to refer to key sustainability topics relevant to ESI and should not be read as equating to any use of this word in the company's filings with the Securities and Exchange Commission. Our ESG disclosure may contain data from third party sources, which are not controlled by ESI and cannot be fully verified.

Unless the context otherwise indicates or requires, all our product names, trade names, trademarks, service marks or logos used or referenced in this Report are part of the company's intellectual property, although the "©" and "TM" trademark designations may have been omitted. All rights to such intellectual property are reserved.

## Special Note Regarding Forward-Looking Statements

This Report includes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 relating to, without limitation, ESI's Sustainability Goals and other sustainability topics that are not historical facts or information. These forward-looking statements will often contain words such as "expect," "anticipate," "project," "will," "should," "believe," "intend," "plan," "assume," "estimate," "predict," "seek," "continue," "outlook," "may," "might," "aim," "can have," "likely," "potential," "target," "hope," "goal," "priority," "guidance," "confident," "committed," "designed," or "strive," and variations of such words and similar expressions. These statements should be evaluated with caution considering the many risks and uncertainties inherent in sustainability reporting and the company's business. These statements are based on expectations, assumptions, estimates, and other projections about the company, only speak as of the time of such statements, and are not guarantees of future results or performance. The company does not undertake or plan to update or revise them, whether as a result of new or more information becoming available, changes in expectations, assumptions, estimates or results, future events, or otherwise. Actual results of the company may differ materially from any future results expressed or implied in the forward-looking statements if one or more of the underlying projections prove to be inaccurate or are unrealized.

There can be no assurance that such forward-looking statements will prove to be correct. Any public statements or disclosures by the company following this Report that modify or impact any of the forward-looking statements contained in or accompanying this Report will be deemed to modify or supersede such outlook or other forward-looking statements contained in or accompanying this Report.

## External Links, Policies, Reports & Disclosures Referenced

### Latest Reports

- [2023 ESG Data & Resources](#)
- [2024 10-K Annual Report](#)
- [2025 Proxy Statement](#)

### Ethics and Compliance

- [Animal Testing Statement](#)
- [Board of Directors Governance Principles and Code of Conduct](#)
- [Business Conduct and Ethics Policy](#)
- [California Transparency Act](#)
- [Canadian Forced Labour Supply Chains Act](#)
- [2023 Conflict Minerals Report](#)
- [Conflict of Interest Policy](#)
- [Fair Employment Policy](#)
- [Foreign Corrupt Practices Act/Anti-Corruption Policy](#)
- [Rules of Conduct](#)
- [UK Modern Slavery Act](#)
- [Website Privacy Policy](#)

### Human Rights and Responsible Sourcing

- [Anti-slavery and Human Trafficking Policy](#)
- [Supplier Code of Conduct](#)
- [Supply Chain Conflict Minerals Policy](#)

### Governance and Accountability

- [Audit Committee Charter](#)
- [Compensation Committee Charter](#)
- [Nominating and Policies Committee Charter](#)

### ESI Website Resources and Certificates

- [ESI Career Website](#)
- [ESI Facilities Certificates](#)
- [ESI Sustainability Website](#)

### Environmental, Health & Safety

- [Global Environmental, Health & Safety Policy](#)

### Quality

- [Global Quality Policy](#)



# 3

## Sustainable Chemistry

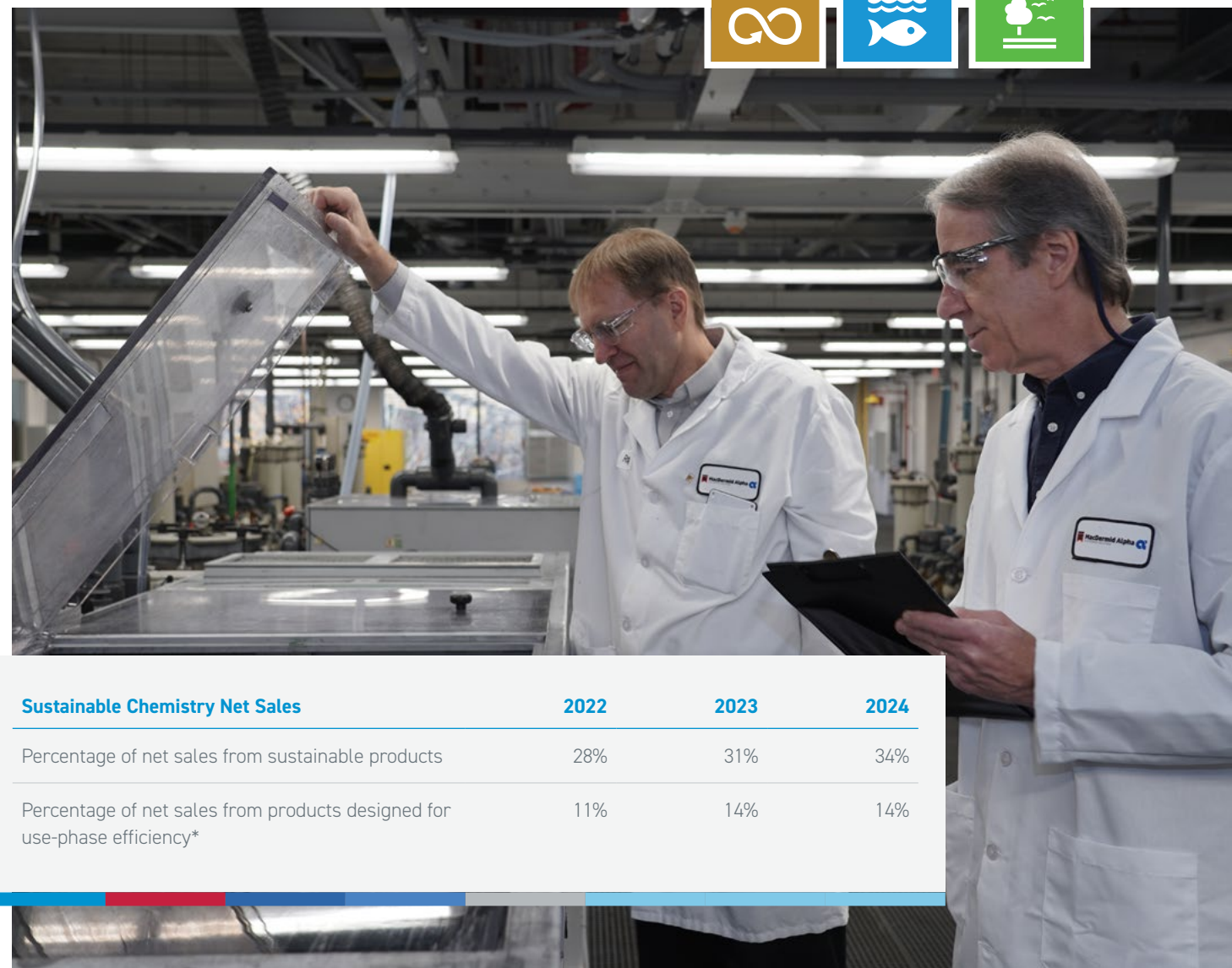


# Laying the Foundation for Sustainable Chemistry

Enabling sustainability is one of the pillars of ESI’s strategy. It is both good business and good for the world in the context of global environmental protection and the UN SDGs. The market leading and innovative solutions we offer reduce our health & safety and environmental impacts while supporting our sustainability and profitability goals as well as those of our customers. We are also aware and commercially mindful of the increasing expectations relating to sustainability from our employees, our customers, our end-users, and the communities in which we live and work. We view our sustainable offerings not only as our responsibility as a corporate citizen, but also as a strategic opportunity to drive new revenue streams and create long-term value.

We focus on sustainable chemistry in three key opportunity areas:

- **Removing hazardous chemicals or substances of concern** in new products, or products in which they are currently used, through green chemistry while retaining the functionality of incumbent processes
- **Reducing environmental impact with innovation** that reduces energy usage, water withdrawal, and yield loss through our value chain
- **Enabling the circular economy** through the use of bio-based and recyclable materials as well as direct participation in reclaim and/or water or waste treatment processes



Sustainable Chemistry Net Sales	2022	2023	2024
Percentage of net sales from sustainable products	28%	31%	34%
Percentage of net sales from products designed for use-phase efficiency*	11%	14%	14%

\*Use-phase efficiency as defined by SASB RT-CH-410a.1.

Pilot Lab in Waterbury, USA



Quality Control Lab in Suzhou, China

# From Idea to Sustainable Solution: How We Innovate

Our R&D teams collaborate with our product marketing, regulatory, and safety teams to lead the development of our sustainable chemistry and processes. When designing new products, we consider many features and functions, usually beginning with specifications from our customers and original equipment manufacturers (OEMs). We are also mindful of regulatory requirements in the markets we serve while always aiming for best-in-class quality and safety. In many cases, we go beyond meeting legislative requirements and industry standards using a “sustainability scorecard” methodology. In this R&D process, we consider the use of bio-based materials, the reduction of hazardous materials, and the full lifecycle impact of our new solutions (including disposal and recycling).

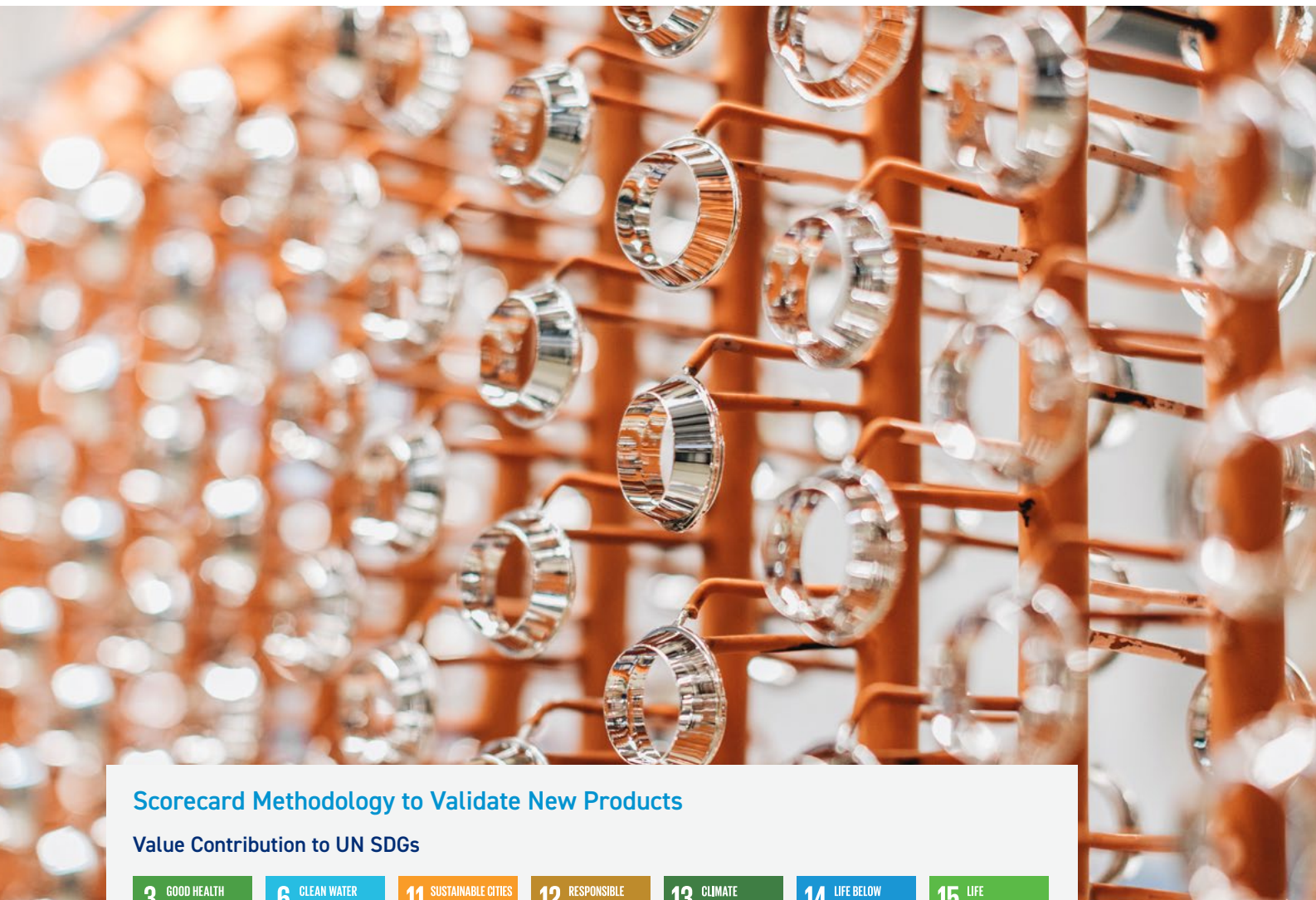
## Design and Implementation Process

Sustainability is a critical aspect of our supply chains and an increasing focus for our business and the business of our customers. We view the active management of environmental challenges as an opportunity for revenue growth while reducing risk for our company and for our customers. Our sustainable chemistry is inspired by:

**Customer & Market Needs:** We are constantly working on new product innovation and enhancements to existing technologies. Our innovation process includes:

- Actively engaging customers and OEMs to understand their evolving expectations and concerns
- Regular R&D meetings to set strategic priorities and roadmaps for our own operations as well as those of our customers
- Conducting regular market analysis and benchmarking

**Regulatory Changes:** We consistently monitor and assess the international, national, and local regulatory landscape to anticipate changes that might impact our business or create opportunities for innovation. Our aim is to remain proactive, adjusting our products and processes as needed, to comply with and in anticipation of upcoming regulatory changes impacting the chemicals we use.



### Scorecard Methodology to Validate New Products

#### Value Contribution to UN SDGs



### Our Scorecard Approach

We design and develop new products through a stage-gate process, which allows us to evaluate their sustainability potential and understand their environmental impact relative to existing processes. This stage-gate process includes a sustainability scorecard, which consists of a systematic review and analysis of product attributes over a wide range of environmental, health & safety, and social criteria.

Elements of our scorecard methodology include:

- **Raw Materials Impact:** We aim, where possible, to prioritize raw materials that are biodegradable. We also aim to include bio-based precursors, or materials sourced from recycled, local, and/or conflict-free sources.
- **Energy Use:** We focus on initiatives designed to reduce the GHG emissions of our company, customers, and value chain, including lowering operating temperatures or increasing process and/or material performance efficiency with chemistry and equipment solutions.
- **Waste Reduction:** We strive to eliminate or minimize the use of Substances of Very High Concern (SVHCs) or similar materials. Where possible, we reclaim materials and re-use them. We also develop specialized equipment that enables recovery and re-use of materials, such as copper, nickel, and chromium.
- **Water Use Reduction:** We aim to reduce water used in our supply chains by streamlining processes and/or reducing or eliminating process complexity.
- **Recyclability:** We aim to aid recyclability of our products through the elimination of materials that limit recycling options.
- **Social Impact:** We work on improving the safety of manufacturing processes in both our internal and our end-user production facilities by focusing on the health & safety of our employees and our customers.



# Chemical Technology Enabling Sustainability: Our Approach

Our commitment to innovation, product sustainability, and technical expertise enables us to address customer challenges and meet the increasing demand for sustainable solutions in our end markets. By collaborating with employees, customers, and OEMs, we are able to unlock new revenue opportunities for sustainable outcomes, grounded in science and high performance. To underscore our commitment to innovation, we set an ambitious goal in 2022 to achieve \$1 billion in sustainable chemistry sales by 2030.

Active dialogue and collaboration between our product safety and R&D teams and our customers allow us to understand their priorities and shape our value proposition based on sustainable solutions designed to address these priorities. We monitor regulatory changes to stay ahead of emerging trends and focus on advancing our product innovation processes. To complement our internal R&D objectives, we may consider acquisitions of businesses with innovative and sustainable chemistry portfolios.

In addition, our sales teams support our sustainability initiatives by promoting our sustainable chemistry offerings while our strategic account management and OEM teams ensure our products align with our customers' sustainability needs.


## 2024 Progress

In 2024, we achieved over \$820 million of net sales from sustainable products, which represents ~34% of our 2024 net sales and a compound annual growth rate of 36%\* from our 2020 baseline.

Based on these results, we are on track to achieve our 2030 goal. This increase underscores our innovation capabilities and the success of our sustainable solutions with our customers, who recognize the benefits of our products and our value proposition.

\*Adjusted to exclude the impact of currency changes and certain pass-through metal prices.





### Our Sustainable Chemistry Goal

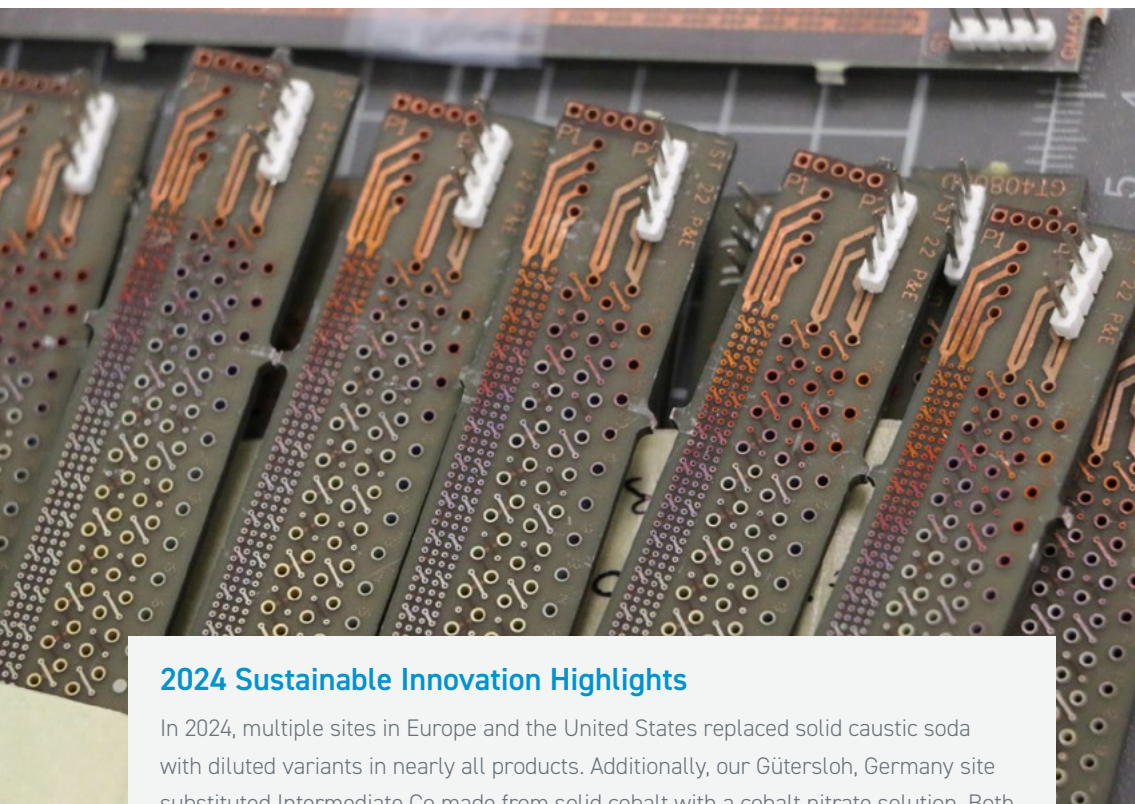
Our goal is to reach sustainable chemistry sales of \$1 billion by 2030.

Quality Control Lab in Suzhou, China



# Our Sustainable Solutions

We consider products to be sustainable when their intrinsic purpose and/or significant results contribute to one or more of our three key opportunity areas: **removing hazardous chemicals, reducing environmental impact with innovation, and/or enabling the circular economy.** Our efforts to enhance the safety and sustainability aspects of our products are aligned with the principles of many of the UN SDGs, some of which are highlighted below.



## 2024 Sustainable Innovation Highlights

In 2024, multiple sites in Europe and the United States replaced solid caustic soda with diluted variants in nearly all products. Additionally, our Gütersloh, Germany site substituted Intermediate Co made from solid cobalt with a cobalt nitrate solution. Both measures enhance health and safety for our employees by reducing the health hazards associated with dust generation during production.

## Removing Hazardous Chemicals Through Green Chemistry

We are committed to ensuring the safety of our workers and the safe use of our chemical solutions throughout our value chain—meaning our employees, our customers, our OEMs, the end markets we serve, and the communities in which we operate. As such, we strive to reduce, or, where feasible, eliminate materials classified as SVHCs in our products. Examples of these solutions include:

**Chromium and PFAS-Free Pre-Treatment for Plating on Plastics** – eliminates a hazardous material for plating on plastic for consumers



**Biodegradable Oceanic Hydraulic Fluid** – Ocean-Safe Solutions – consumable, environmentally-friendly, biodegradable chemicals



**Safer Solder** – Lead-Free Solder and Halogen-Free Fluxes – allows our customers to comply with various regulatory standards while maintaining high standards of performance and functionality



### Recent Innovations

**CircuEtch 300** – differential etch for use in integrated circuit (IC) substrates which does not contain solvents or flammable additives and is safer for operators



**Multiflex Copper** – supports a formaldehyde-free copper metallization process, eliminating carcinogens (formaldehyde) and poisons (cyanide)



**MicroFab EVF NiBar** – effective green alternative to nickel plating in semiconductor applications which retains the performance attributes of the traditional boric acid approach without the environmental, health, and regulatory concerns





## Reducing Environmental Impact with Innovation

We design and develop sustainable, innovative solutions that enable our customers and end-users to reduce their water consumption and waste generation while optimizing their energy usage. Many of our innovative products are sold to end markets that support cleantech industries, such as electric vehicles (EVs) and solar panels. Examples of these solutions include:

**Sintered Silver** – supports the demand for efficient and high throughput of electric current designed to make EVs more powerful, reliable, and durable



**Blackhole, Eclipse, Shadow for Direct Metallization** – requires less electricity during fabrication, which reduces carbon footprint and helps offset carbon costs associated with manufacturing. This process also reduces water consumption, chemical usage, and waste generation



**Soldering and Metal Coating Processes** – improves energy generation in photovoltaics, LEDs, and energy storage



### Recent Innovations

**Argomax 2148** – sintered silver technology, which enables higher power density soldering for increased power, range, and reliability of EVs



**Shadow Plus** – next generation direct metallization process which further reduces power, water, and chemical consumption needed for printed circuit board manufacturing



**3S Membrane Systems for ZnNi Plating Processes** – minimizes cyanide formation and reduces total energy required while maintaining plating performance



**Oceanic Subsea Production Control Fluid (ECF) & Subsea Barrier Fluid (SBF)** – water-based, biodegradable product, which supports the preservation of marine environments. SBF includes products that enable carbon capture



**OM565 & OM372** – innovative solder pastes which enable the use of lower temperatures and the manufacturing of higher density circuit boards



\*Management estimates

## Enabling the Circular Economy

When we design new products, we consider their entire lifecycle in our value chain. Supporting the circular economy is important for our business, driving us to create products and services that help our customers recover, reuse, and safely utilize chemical products, water, metals, and energy. Many of our solutions also prolong the life of our customers' resources and equipment. Examples of these products include:

**Recycled Tin & Metals Reclaim** – allows for metals to be reused multiple times within the supply chain



**Plastic Recycling Chemistry** – allows food-grade plastics to be separated and reused to make new plastic bottles



**Environmentally and RMI-Compliant Solder Recycling** – offers high reliability and high throughput while removing lead and volatile organic compounds



**MacDermid Envio** – a division of ESI specifically created to treat industrial wastewater. We offer EnvioTECH, EnvioCARE and other water chemistry required for water treatment and metals reclaim.



### Recent Innovations

**ShadowZD** – allows reuse of nearly 99%\* of the process water used in direct metallization systems



## Recent Sustainable Innovation

**Oceanic SBF 70** – This biodegradable subsea barrier fluid, suitable for booster pumps, offers corrosion protection, lubricity, heat transfer properties, and broad compatibility. SBF 70 can be used for reinjecting carbon dioxide (carbon capture), minimizing release of carbon dioxide during production.

**3S Membrane Systems** – This innovative 3S technology replaces conventional anodes with a ceramic membrane, allowing only the required plating products to pass between the two solutions. This reduces environmental impact by preventing cyanide formation in zinc-nickel plating baths, minimizing the generation of hazardous chemicals, and lowering energy usage.



# Driving Performance and Sustainability with Direct Metallization

MacDermid Alpha Electronics Solutions supports PCB manufacturers as they navigate growing demands for both high performance and reduced environmental impact.

Our Direct Metallization (DM) technology provides an alternative to traditional electroless copper plating, meeting performance expectations while advancing sustainability goals. With more than 30 years of manufacturing success, DM enables robust reliability in the most critical applications.

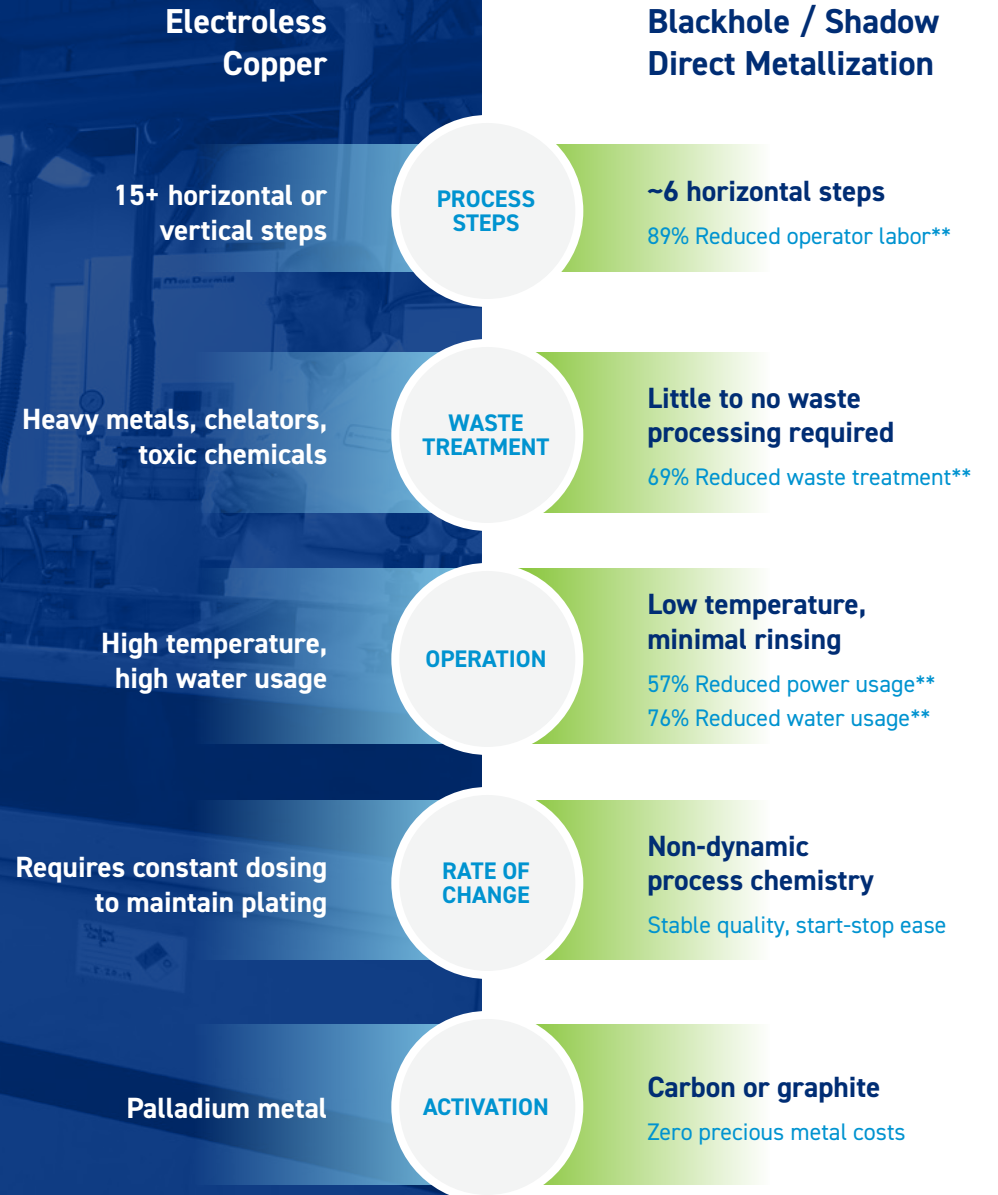
Compared to conventional electroless copper processes, DM offers several environmental advantages:

- Lower carbon emissions\*
- Reduced power and water consumption
- Elimination of hazardous chemicals like formaldehyde

By helping customers reduce their environmental footprint without compromising quality or reliability, DM demonstrates how innovation can support both operational excellence and environmental responsibility.

\*Carbon emissions are reduced during the manufacturing and use phases of our direct metallization technologies. Product carbon footprints are calculated using the methodology outlined in ISO 14067 and are subject to measurement uncertainties resulting from limitations inherent in the nature and methods used for determining such data.

\*\* Management estimates





# Product Stewardship

We take responsibility for minimizing the environmental and social impacts, including health & safety risks, of our products throughout their lifecycle.

We have various policies and guidelines designed to ensure our customers receive safe, high-quality products, and relevant product safety training and information. We also prioritize effective and compliant product labeling to help our customers use our products safely.

Our multi-faceted approach to product stewardship focuses on:

- Carefully selecting raw materials that provide the best product performance while minimizing risks to human health and the environment
- Providing accurate information to maximize the safe use, handling, storage, and distribution of our products
- Designing innovative products that minimize environmental and social impacts
- Reformulating existing products with green chemistry where possible
- Creating products that enable the recovery and/or reuse of chemicals, water, metals, and energy
- Monitoring, anticipating, and responding to regulatory developments

## Manufacturing Safe Products

We aim to protect our employees, customers, communities, and the environment from potential risks and to comply with applicable laws, such as the European regulation for Registration, Evaluation, Authorization and Restriction of Chemicals (EU REACH), REACH-like regimes, and other chemicals management regulations.

Our Product Regulatory group assesses our products' potential safety hazards and monitors any regulatory changes related to the materials we use for new and existing products. For new products, risk assessments are conducted on chemical safety and component materials. This information is recorded in our Safety Data Sheet (SDS) compliance tool and is validated against publicly available data to initially classify new products. SDSs include information such as the properties of hazardous chemicals included in those products. Based on this initial classification, our Product Regulatory group liaises with our R&D and marketing teams to resolve any areas of concern. Resolutions can include formulation changes or additional tests to confirm that regulatory, employee, and customer safety standards are met or exceeded. In the manufacturing process of our products, especially those intended for the EU market, we strive to avoid the inclusion of SVHCs in new product formulations, where possible.

Our active product formulations are stored in our product compliance software systems, which help us assess hazards and monitor regulatory changes and their impact on existing products. If changes occur, they are quickly communicated to our customers and



Scanning Electron Microscopy Analysis in Waterbury, USA



Barcoding System in Trecate, Italy

our Product Regulatory group provides education consultations when requested. Our Product Regulatory and R&D teams also work closely to promptly address new requirements resulting from any classification changes.

### Product Stewardship Councils

Product Stewardship Councils advance our sustainable chemistry initiatives. Their responsibilities include anticipating and proactively responding to government guidelines on the use or elimination of certain raw materials, as well as ensuring the appropriate selection of raw materials for new products.

### Product Safety Policies and Initiatives

Product safety is embedded in each stage of our product development process, from sourcing raw materials to full-scale production, and from new product launch to customer satisfaction. We have several checks and balances, including policies, manuals, and material checklists as well as customer feedback mechanisms, designed to ensure safety and legal compliance. Our key policies and guidelines governing our product health & safety principles include:

- [Global Quality Policy](#)
- Product Regulatory Pre-Launch Assessment Form
- SDS Authoring Policy
- Intelligent Authoring SDS Software
- Sustainability Scorecards

### Product Safety Training and Labeling

We use SDS software programs to ensure our product labeling complies with applicable laws and regulations. Our systems generate relevant and accurate data and data labels, customized by jurisdiction to meet local regulations, which are then communicated to our customers. We follow the Global Harmonized System (GHS) criteria for classifying chemical ingredients and products and communicating product safety information. Our Product Regulatory group maintains a direct phone line, the SDS Consultation Line, which allows our customers to connect with our specialists on various regulatory, safety, and product-specific matters.

Our product safety protocols promote product safety by:

- Ensuring a proactive R&D approach to anticipated regulatory development
- Providing accurate hazard identification and classification in our SDSs and on product labels to ensure safe storage, handling, and transportation of our products
- Educating our customers on existing or new regulatory requirements related to product usage, storage, and handling
- Notifying commercial teams and customers of changes in formulations, initiated by us or our suppliers
- Utilizing a barcoding system to track raw materials from delivery to finished goods in real time

While detailed and accurate labeling is critical for safe handling and transport of our products, we go further by providing training to our customers and OEMs. Training formats include on-site sessions with our technical services team, online courses, or classroom settings.

### Product Safety Communication

We are committed to ensuring robust product safety communication across our businesses. Each quarter, our Product Regulatory team engages business stakeholders to share key updates, summarize takeaways, and address any regulatory changes related to product safety. In compliance with the European Chemicals Agency (ECHA) Poison Center Notifications (PCNs) requirements, we maintain and update the composition and hazard information of our products as required. When changes occur to product hazards or SDSs, our commercial teams reach out to customers and other stakeholders, offering training and any other assistance needed to promote safe and compliant product handling.



### Safe Handling & Transportation

It is imperative to responsibly manage, monitor, and address any safety concerns in the transportation of raw materials to our manufacturing facilities and the shipment of our finished products to our customers. To ensure that our employees, contractors, and customers safely handle and use our products, we provide SDSs, which include disposal considerations and other product safety information. When applicable, we also offer technical support and training.

### EU REACH

Raw materials are assigned unique identification numbers by the Chemical Abstracts Service (CAS) and the ECHA. CAS and ECHA numbers allow us to confirm whether these materials are compliant with applicable regulatory requirements, in particular with respect to EU REACH. When CAS or ECHA numbers are not available, we either request that our suppliers certify compliance, or we certify compliance ourselves. Where required, SDSs are updated and communicated to our customers in accordance with the EU REACH requirements.

# Integration of Product Regulatory in the Business





Quality Management in Mexico City, Mexico

### Commitment to Quality

We are committed to the highest levels of product quality across all of our businesses. At every level, from product development to customer service, our dedication to excellence drives our decisions and shapes our strategies.

### Quality Management System

Our Quality Management System (QMS) includes our [Global Quality Policy](#) and other standards, guidelines, and processes for achieving and processes for achieving robust quality management in our value chain. Our approach is risk-based, process-oriented, and focused on customer satisfaction with its mandatory elements set at the Corporate level. ESI has established efficient manufacturing practices and product safety programs to safeguard our employees, products, and facilities. Our business units develop new products according to a multi-faceted stage-gate process following ESI's guidelines, know-how, and high-quality standards. This robust and consistent R&D process provides confidence that products reach our customers effectively and reliably.

To maintain our high standards, we regularly review and enhance our quality protocols. Our customer-focused quality infrastructure plays a critical role in understanding and adapting to our customers' evolving needs. Through periodic surveys and direct feedback sessions, we transform insights into enhancements that reflect customers' expectations. This closed-loop engagement provides valuable insights into application needs and requirements, driving improvements across our operations.

### Measuring Quality

Our QMS software is used by most of our manufacturing facilities to manage quality activities, such as document control, change control, customer complaints, corrective actions, and internal audits.

Quality professionals are also deployed at each of our sites with regional and global oversight to establish and maintain quality standards and robust systems of control.

### Quality Certifications

- 98% of our manufacturing facilities maintain ISO 9001 or IATF 16949 certified QMSs
- Our facilities seek other quality system certifications or accreditations as the need or opportunity arises. For more information, see [ESI Facilities Certificates](#) on our website.



# 4

## Environmental Stewardship



# Our Approach

Actively managing environmental issues is not only our responsibility but also an opportunity to create new revenue streams from sustainable chemistry while reducing risk for our company, our customers, and the environment. Environmental topics are integrated into our internal audit team’s risk assessment matrix, ensuring these critical areas are reviewed and addressed within our broader risk management framework.

Our customer-centric and market-driven approach seeks to protect people, the environment, and one of the world’s most precious resources, water. Our commitment to innovation and product sustainability help solve global environmental challenges while meeting our customers’ increasing demand for sustainable solutions and more stringent regulatory requirements in our end markets.

We are committed to protecting our planet by combating climate change, including contributing to a lower-carbon future, both in our operations and value chains. In this section, we highlight significant progress toward our [Energy Use & Emission Goal](#) and several of our energy and emissions reduction initiatives. To track and validate our actions and environmental compliance, we maintain external certification systems, including ISO 14001, a globally recognized environmental management system.

## 2024 Overview

**\$820M+**

Net sales from sustainable products in 2024

**346%**

Increase in total energy used from renewable sources since 2020

**10%**

Reduction in total water withdrawal since 2020\*

**48%**

Increase in recycled waste since 2020\*

**87%**

Of global sites are ISO 14001 certified

**8%**

Of total workforce received training on environmental topics

\*See [Water and Waste](#) for more information on water and waste reduction initiatives



Elemental Analysis in Waterbury, USA



# Climate Change

Addressing climate change requires a collective global effort to effectively prepare for and mitigate its impacts. At the heart of our operations is a commitment to responsible manufacturing—reducing GHG emissions, conserving water, and minimizing and responsibly disposing of waste. We strive not only to meet but to exceed regulatory requirements where possible and support our customers to do the same.

To support our commitment, we have set an ambitious company-wide goal to reduce our combined Scope 1 and Scope 2 GHG emissions intensity by 2030, and we hold ourselves accountable through sustainable initiatives across our sites. We integrate environmental objectives into employee performance goals where relevant, ensuring that our commitment to reducing emissions and enhancing sustainability is shared broadly. By aligning individual and facility-wide objectives with our broader environmental targets, we create a culture of accountability and empower employees at all levels to contribute.

In addition, we are in the preliminary stages of assessing our Scope 3 emissions and plan to incorporate this data into future disclosures as we advance our understanding of our broader impact. For more information, see [Energy and Emissions](#).



Earth Day in Apex, USA

## ESI's Climate-Related Management Strategies and Initiatives

- Recurring meetings and discussions with our sustainability champions to discuss environmental initiatives and best practices
- Decarbonization training provided to our colleagues to increase awareness and knowledge
- Dedicated capital expenditure funds for energy efficiency projects that help us manage our environmental footprint
- Indicating a strong preference for sourcing green energy where possible
- Entering into energy efficiency and renewable energy transactions and partnerships
- Publishing sustainability resources, initiatives, and achievements on our Intranet page with an inbox to solicit feedback and recommendations for improvements
- Proactively monitoring environmental compliance requirements as they develop
- Implementing and upholding ISO 14001 Environmental Management Systems across our facilities
- Maintaining business disruption insurance to mitigate the impact of disruptive events

- Conducting internal environmental compliance audits
- Periodic newsletters to inform colleagues of key updates to our sustainability progress, initiatives, and strategies
- Implementing internal environmental standards to reduce our footprint

## Sustainable Energy Management Solutions

9

Locations with on-site solar solutions

21

Locations with green tariffs

7,525

Annual metric tons of carbon avoided or reduced through sustainable operations and process efficiencies



# Energy and Emissions

Addressing our climate impact begins with understanding and managing our broader environmental footprint. As part of our climate strategy, we actively pursue opportunities to reduce energy consumption and emissions across our value chains—minimizing our own impact while limiting the risks that climate change may pose to our business. In support of our strategy, we have set a company-wide goal to reduce our combined Scope 1 and Scope 2 GHG emissions intensity by 25% per metric ton of production by 2030, from a 2020 baseline of 0.162 MT CO<sub>2</sub>e/MT of production.

As of 2024, our emissions intensity was 0.128 MT CO<sub>2</sub>e/MT of production, representing a 21% decrease from our 2020 baseline. We believe we are on track to achieve our 2030 goal and are continually working toward it through targeted initiatives to reduce overall energy use and emissions.

We are actively implementing initiatives designed to reduce our overall energy use and GHG emissions, including:


- Conducting site audits to identify our main energy consumers and reduce consumption where feasible
- Tracking various emissions KPIs on a monthly basis
- Investing in technology improvements, including replacing outdated and inefficient equipment and high-energy consuming lighting
- Shifting to renewable electricity
- Cascading energy and emissions reduction goals into our supply chain and R&D objectives to align our teams behind innovative solutions for our own operations and our customers'
- Engaging with third-party energy and emission experts as new opportunities arise
- Conducting training for employees on energy related topics including reduction strategies and initiatives



## Managing Our Impact

Managing our environmental impact is an ongoing process. We continuously evaluate our operations and invest in initiatives that help us reduce resource use, lower emissions, and operate more sustainably. With respect to our energy use and GHG emissions, at least 80% of our sites have replaced traditional lighting with LEDs, and we are evaluating additional replacements where feasible. For more information, see [Energy and Emissions Reduction Initiatives](#). We also routinely analyze our environmental policies and procedures to comply with, and exceed where possible, requirements under applicable laws, regulations, and industry standards.

Our sites track various sustainability and efficiency metrics and are committed to driving environmental performance improvements. This process is digitized to allow for real-time feedback. Our sites report environmental performance monthly as well as report actions designed to further reduce our GHG emissions to our Sustainability Council, ESG Executive Steering Committee (ESG Committee), global procurement organization, and Supply Chain VPs of each of our business units. This ongoing dialogue supports our continuous effort to reduce our GHG emissions and our impact on the climate. For more information on our ESG Committee, see [Governance & Compliance](#).



### Our Energy Use & Emission Goal

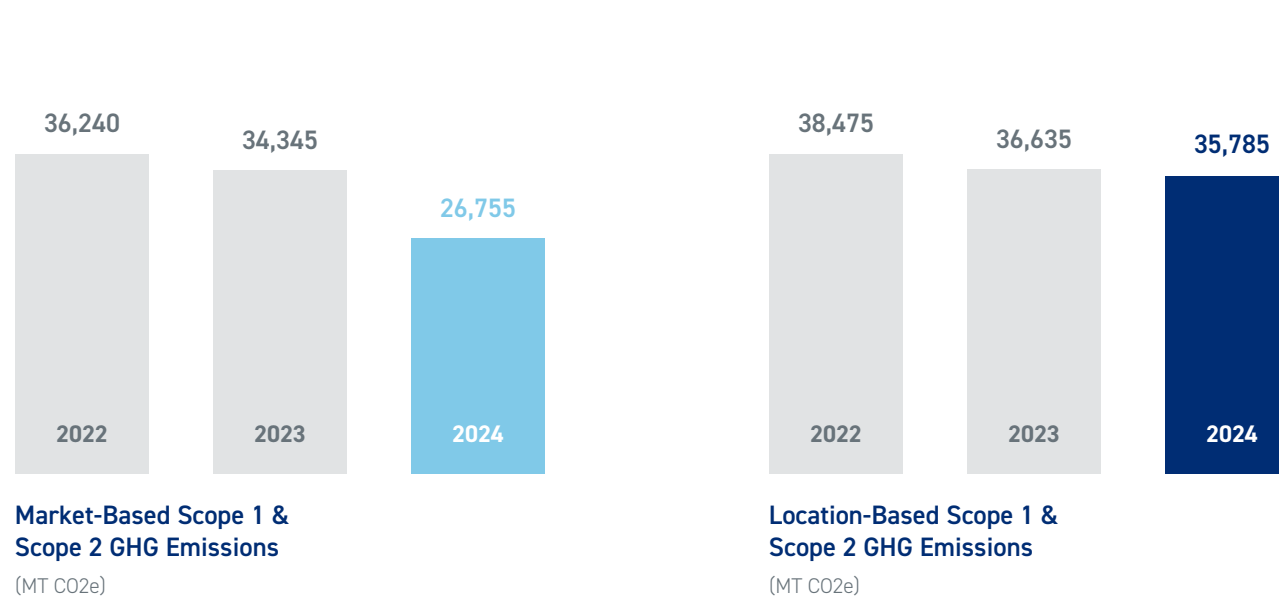
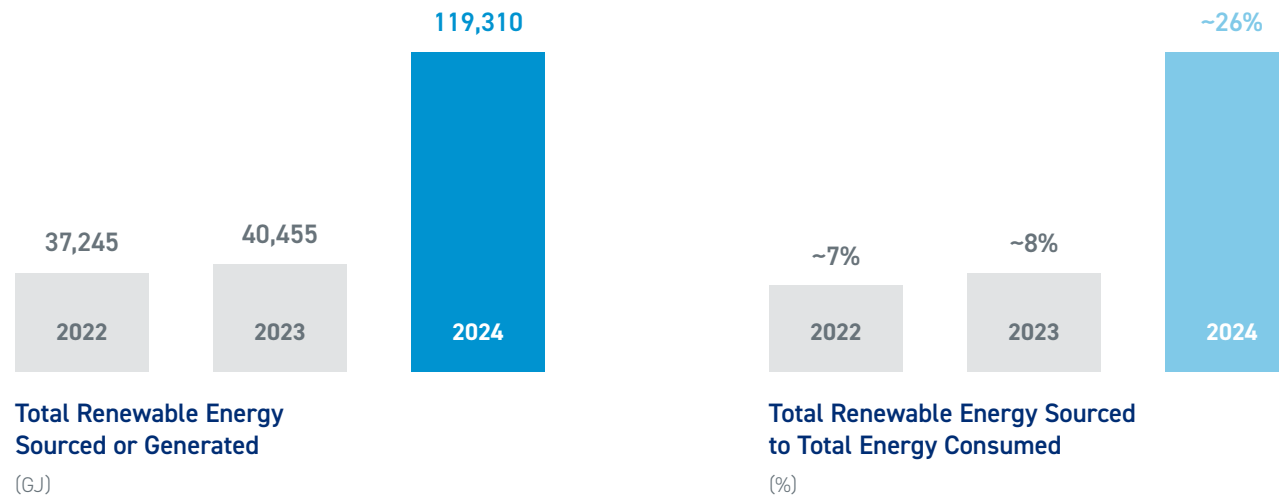
Reduce ESI's combined Scope 1 and Scope 2 GHG emissions intensity by 25% per metric ton of production by 2030 from a 2020 base of 0.162 MT CO<sub>2</sub>e/MT of production.



## Measuring Our Footprint

Due to the formulation-based nature of our operations, our energy consumption is lower than that of more traditional chemical manufacturers who focus on molecular synthesis. Regardless, we actively monitor our electricity and energy consumption to help drive reductions. We regularly assess and measure the Scope 1 and Scope 2 GHG emissions\* generated by our organization using the market-based and location-based methodology outlined in the World Resource Institute’s GHG protocol.

In 2024, electricity usage accounted for approximately 50% of our total energy consumption and ~57% of our total (Scope 1 and Scope 2) GHG emissions, a 9% reduction from 2020. In addition, renewable energy contributed ~26% of our overall energy use, which was 195% higher than the renewable energy we consumed in 2023.



\*GHG emissions include Scope 1 emissions from the combustion of natural gas, diesel, fuel oil, and liquefied petroleum gas (LPG) used for heating and backup generators, and Scope 2 emissions from purchased electricity and steam. Beginning in 2024, we report Scope 2 emissions using both location-based and market-based methods. All GHG emissions figures are management estimates and have been rounded to the nearest five units.

### Energy and Emissions Reduction Initiatives

In 2024, we implemented various projects to increase renewable energy use and improve energy efficiency, contributing to cleaner air and reduced emissions. Key initiatives include:

- Global Renewable Energy Transition** - In 2024, we transitioned 15 of our facilities to 100% renewable electricity through green tariffs. This shift in 2024 enabled us avoid approximately 4,654 MT of CO2e emissions throughout the year, in addition to our previously existing green solutions.
- Solar Panel Projects** - In 2024, six of our facilities installed solar panels. These locations now utilize solar energy through direct ownership or Power Purchase Agreements (PPAs). These panels help us avoid 212 MT of CO2e annually.
- Dunaharaszti, Hungary** - Our facility upgraded their metal melting process by installing an induction heater for the buffer pot. This reduced annual gas consumption by 150,000 kWh (4% of the site’s total). The site also improved their boiler room energy efficiency by insulating pipes, saving 369 GJ of gas for the year.



# Environmental Compliance

As a global specialty chemicals company, maintaining environmental compliance is critical to our business, our customers and communities. Our customers rely on us to proactively manage environmental risks across our supply chain, foster good relationships with our local stakeholders, and deliver our products in a timely and safe manner. We fulfill these expectations through prudent environmental risk management based on Board-approved policies informed by global industry standards.

Our Corporate EH&S group, regional EH&S managers, and local EH&S teams dedicate their time to managing environmental compliance. Our ESG Committee retains ultimate responsibility for environmental compliance, acting as a liaison between our Board of Directors and our global EH&S organization.

## Managing Risks

Our Corporate EH&S group leads our environmental management efforts, including compliance and audit management while staying abreast of regulatory changes. EH&S managers are responsible for securing and maintaining the environmental permits and licenses required to operate as well as resolving

risks. Our Sustainability Council, which includes global EH&S representatives, also fosters dialogue and shares best practices to promote the operation of our manufacturing facilities, laboratories, and offices in an economically, environmentally sustainable, and socially responsible manner. For more information on our Sustainability Council, see [Governance and Accountability](#).

Our facilities set site-specific environmental improvement goals and targets, which depend on the site's operations and applicable requirements, and often relate to energy use, waste, or water reduction. See [Water and Waste](#) for more information.

## Evaluation and Monitoring

We monitor and report on our company's performance related to environmental compliance and other environmental topics. 87% of our in-scope sites globally are ISO 14001 certified and our sites are required to have an equivalent Environmental Management System (EMS) in place. This approach promotes operational excellence across our operations and is consistent with our global EH&S Standards. Following ISO 14001 standards, a globally recognized environmental management system, we aim to improve resource efficiency, support waste reduction strategies, manage costs, and underscore our commitment to continuous improvement. For more information, see our [Certificates](#).

As part of our environmental compliance management process, our Corporate EH&S team conducts regular internal environmental compliance audits at our production sites, complemented by audits from local and regional EH&S managers. Additionally, third-party audits are locally conducted in response to customer requests, insurance requirements, and to support ISO and other certifications. Where relevant, we implement specific control measures to enhance environmental compliance, including programs to prevent groundwater contamination, a noise preventative maintenance plan to replace equipment parts, and a leak detection and repair (LDAR) program to reduce fugitive emissions. In 2024, we experienced no material cases of non-compliance with environmental laws and regulations.

## Waste Reclassification

In 2024, we reviewed our waste classification practices to better understand the types of waste generated at several of our highest footprint sites. As a result, we reclassified certain types of waste, enabling us to switch to non-hazardous wastes that were previously classified as hazardous. This effort reduced the amount of regulated waste by approximately 900 metric tons in aggregate.



Operator at Production Facility in Mexico City, Mexico



# Water and Waste

Our commitment to reducing our environmental impact includes being a responsible water and waste steward. As water availability and scarcity vary considerably from region to region, we evaluate opportunities to minimize water consumption on a local basis.

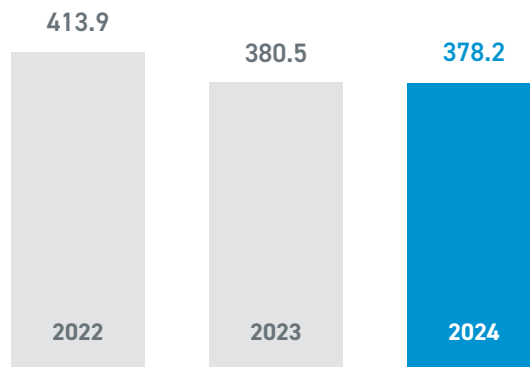
Our Sustainability Council oversees our water and waste footprints and related sustainability efforts. They share best practices, sponsor sustainability initiatives, and engage with facility managers to reduce our environmental footprint across water, waste, and energy.

## Water Usage Management

In 2024, we reduced our global water use by 2.3 million liters, mainly through projects carried out at our sites in Italy, China, and Mexico. These efforts included new equipment, employee training, and targeted process improvements.

## Monitoring and Reducing Water

Water is a material input and output of our production process given the nature of our products. It is a significant input for the preparation



### Total Water Withdrawal

(Millions of Liters)

of our chemical solutions, and is used to support production as well as cooling and cleaning. A significant portion of our water withdrawn is included in our finished good products.

We regularly monitor our water use and pursue opportunities to minimize both consumption and contamination. Initiatives include reusing rinse waters from previous manufacturing batches, increasing efficiency of our deionized (DI) water generation plants, the use of high-pressure, low volume devices, and other water-conserving equipment for cleaning production vessels. Twenty-five of our manufacturing facilities treat their own wastewater before disposal. We also use closed-loop water chillers instead of single pass, non-contact cooling water systems in many locations. We have experienced no material incidents associated with water quality permits, standards, and regulations in the last three years.

## Reducing Water Use in Water Stressed Areas

In addition to water reduction initiatives, we focus our reduction efforts in areas of our operations with potential water stress as classified by the Aqueduct Water Risk Atlas. Fourteen of our sites in scope operate in high or extremely high water stressed areas, which represented ~29% of our total water withdrawal in 2024. To better understand and manage our impact, we have undertaken targeted efforts to assess water balance more closely at these locations. As of 2024, we have quantitative water reduction goals at three of our water stressed sites.

In these communities and across our operations, we aim to drive collective action for water stewardship by reducing our, and our customers', water use and consumption through increased efficiency and other water management strategies.

## Water Stressed Areas

**India:** Our sites have focused on increasing their consumption of greywater since 2020 — Chennai by 382%, and Pune by 71%.



Water Treatment Equipment Installation at a Customer's Facility in Mexico



## Measuring and Reducing Waste

We monitor and aim to reduce general and hazardous waste within our production operations. Our waste management practices are structured around a hierarchy that emphasizes prevention, reduction, reuse, recycling, recover (and reclaim), and disposal in accordance with applicable local laws and regulations. We are committed to be fully compliant and proactively anticipate, monitor, and adapt to evolving environmental legislation and compliance requirements.

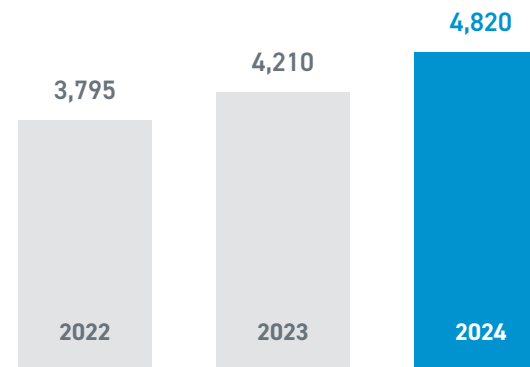
Many of our facilities have set specific goals related to managing hazardous waste as part of their broader ISO 14001 certified Environmental Management Systems (EMS). Sites that do not have ISO certification follow similar management systems.

As part of our EH&S standards and in keeping with our EMS, we set waste reduction goals at our manufacturing facilities, both shorter- and longer-term in nature. Our facilities are expected to have formal plans to pursue, measure, monitor, and report against these goals. Initiatives include capturing “heels” (leftovers) of batches, sharing slow moving materials with subsidiaries to use in subsequent batches, and reusing first water rinse from a tank in the production process of a similar product, maximizing resource efficiency.

Our commitment to waste management is further supported by internal sorting and disposal of waste according to distinct waste streams, which improve tracking and treatment outcomes. Additionally, we’ve implemented actions to restrict the transboundary movement of hazardous waste, designed to ensure that such materials are processed responsibly and in compliance with regulations. For hazardous substances, we prioritize specialized treatment and safe disposal practices to minimize environmental impact and safeguard public health.

In our ongoing commitment to environmental stewardship and robust waste management, we recognize the vital role that education and continuous improvement play in achieving our sustainability objectives. To ensure our team members are equipped with the necessary skills and knowledge, we provide targeted training programs and awareness initiatives.

We believe our efficient use and management of materials and waste mitigate our impact on the environment while reducing our operational costs. In 2024, our renewed focus on materials management led to a 14.5% increase in recycled waste compared to 2023. While total waste rose by 8.8% due to inventory clean-ups and site closures, we reclassified approximately 900 metric tons of hazardous waste as non-hazardous, reflecting improvements in our waste characterization practices.



### Recycled Waste

(Metric Tons)

We also support the waste reduction capabilities of our customers. Our MacDermid Envio Solutions business has been on the forefront of designing, building, and implementing water and material recycle systems, positively impacting customers’ environmental footprint by combining advanced chemistry knowledge with specialized engineering solutions. MacDermid Envio’s water recycling and reuse systems are designed to be a practical approach to the capture and reuse of industrial wastewater. For more information, see [MacDermid Envio](#).

## Managing Air Pollution

Although our operations are low in air pollution, we aim to minimize these emissions and mitigate our environmental impact using our Air Pollution Prevention & Control standard, which guides our facilities to eliminate or reduce the release of air pollutants to the environment. In 2024, our NOx emissions were 43.12 MT, SOx 8.05 MT, VOCs 64.57 MT, and HAPs 5.72 MT totaling 121.47 metric tons.\*

### MacDermid Enthone Industrial Solutions

#### WaterCARE Chemistry

Due to strict governmental and permit limits, the surface finishing industry has always presented a unique set of challenges for wastewater treatment. MacDermid Enthone Industrial Solutions offers chemical treatment expertise to help meet our customers’ environmental needs for wastewater treatment and address their regulatory constraints. Its WaterCARE range of chemical products are designed as part of our complete wastewater management portfolio.

\*Information regarding Particulate Matter (PM) emissions is not available.



São João Celebrations in Manaus, Brazil

# 5 Social Impact



# Social Impact

At ESI, the success of our business is fundamentally connected to the well-being of our highly-skilled employees. We recognize our responsibility to create a healthy and safe work environment. We believe that a team with diverse perspectives and backgrounds drives innovation, allowing us to compete more effectively. We also believe that building connections among our employees, their families, and our communities creates a more meaningful, fulfilling, and enjoyable workplace. We strive to support the communities in which we operate, which in turn support our most important assets, our people.



Lunar New Year Celebration in Suzhou, China

## Our Approach

We are committed to fostering an environment where employees can make meaningful contributions. Through engaging experiences, mutual respect, and a supportive workplace, we encourage our employees to reach their full potential.

At the heart of our organization lies our culture, shaped by our "5Cs" -- Challenge, Collaborate, Commit, Choose, and Care. These principles guide our interactions with customers, colleagues, and other stakeholders. By embracing these values, we actively engage our employees, empower our leaders, and strengthen internal relationships through open communication and mentorship.

In a highly competitive talent market, we prioritize offering opportunities that support both professional growth and personal well-being. Our initiatives include learning and development programs, career advancement opportunities, robust health & safety measures, and avenues for community engagement through volunteering and donations.

We conduct regular employee surveys and use the feedback to drive action and measure progress. This input helps us understand the resources and support our employees need to succeed, measure progress, and refine our initiatives.

## 2024 Employee Survey

Our regular employee engagement surveys help us understand our strengths and areas for improvement. In 2024, 90% of our employees participated in our survey and 80% of the questions received a better score as compared to 2022.

## 2024 Performance Highlights

**100%**

Of eligible employees received performance reviews

**51,822**

Hours of employee training

**\$1.0M+**

Donated to charity



# Occupational Health & Safety

Occupational health & safety is foundational to the success of our business. We nurture a safety-first culture and emphasize safe practices in our everyday operations and across our organization from the most senior level of the company to each facility floor.

As a global company, our operations are subject to extensive laws and regulations relating to product safety, occupational health & safety, and environmental protection matters. To promote worker health & safety around the world, we monitor legal and regulatory requirements locally and use comprehensive management tools, including policies, training requirements, best practice processes, audits, and various other product quality and safety measures. Strong safety standards and programs help us maintain our reputation as an industry leader and responsible employer while reducing our legal and financial exposure.

We benchmark our health & safety performance against statistics obtained from the U.S. Bureau of Labor and Statistics (BLS). Specifically, we review our Total Recordable Incident Rate (TRIR) and Lost Time

Injury Rate (LTIR) performance against the BLS's benchmarks for General Manufacturing, Chemical Manufacturing, and Metals Manufacturing. Our health & safety metrics are tracked locally and consolidated at the Corporate level on a monthly basis. These metrics are reviewed by our Nominating and Policies Committee or Board of Directors, as needed, at least on a quarterly basis. In 2022, we set a public goal for improving our health & safety performance which demonstrates our commitment to health & safety and maintaining a safe work environment.

In 2024, our TRIR was 1.02, reflecting an 11% increase compared to 2023. This uptick was driven by minor fluctuations across various areas rather than a single root cause. Despite this, we remain firmly committed to continuous year-over-year improvement. Notably, we made meaningful progress in several other key safety metrics: our LTIR improved by 8%, our Lost Time Severity Rate declined by 39%, and safety observations rose by 38%, signaling stronger employee engagement and proactive risk identification. While our TRIR increased slightly this year, it remains significantly lower than industry benchmarks published by the BLS, and has improved overall since 2020. Looking ahead, we plan to further refine and strengthen our health and safety program to drive continued progress.

Health & safety performance is a continuous improvement journey, and each of our facilities strives to improve each year. Our approach to achieve our health & safety goal includes plans to:

- Continue to host annual Global Safety Days at our primary manufacturing and R&D sites to strengthen our culture of safety and manage top site-specific risks
- Continue to track relevant data related to safety observations, near misses, and incidents, taking action as appropriate
- Increase audit frequency against a range of health & safety and environmental topics
- Act swiftly to remediate any material issues identified in safety observations or audits and provide management support and capital to do so when and where necessary
- Improve learning from incidents through in-depth training and on-going coaching of site EHS managers in investigation techniques and root cause analysis
- Host off-site safety summits for EHS managers to collaborate, share best practices, and cross-train
- Track training hours at each manufacturing site and ensure each of our colleagues receives adequate health & safety training each year


In Fall 2024, we held our Global Safety Day events at sites around the world. Sites were allowed to choose activities relevant to their specific facility, country, or region, increasing worker impact. Events were hosted around topics such as accident prevention at work

and at home, manual handling techniques, hazard awareness, incident reporting, and wellness topics such as healthy eating and the benefits of exercise and sports.

Our Corporate EHS team, which is responsible for policy development and site audits, also maintains an Environment, Health & Safety page on the Company intranet. This page is a central repository for health & safety policies and general EHS information which are translated into the various languages spoken by our employees. Our global EHS standards can also be found on our environmental, health & safety intranet page, which cover global minimum standards for safe behaviors in the workplace. We also regularly post Fact Sheets on the Company's health & safety intranet page which provide guidelines on important health & safety topics, such as Back Safety, Chemical Safety, Ergonomics, and more. In line with our culture of "Care," our Corporate EHS team also issues a quarterly newsletter, which provides, in multiple languages, material guidance and best practices on various health and safety topics, including occupational health & safety hazards as well as required occupational health & safety programs, risk assessments, and industrial hygiene.

We implement processes designed to minimize health & safety risks for our employees. For more information, see [Ensuring Safe Processes](#).

Our [Supplier Code of Conduct](#) also provides minimum standards to promote ethical and responsible conduct related to, among other topics, health & safety. For more information, see [Third-Party Risk](#).



## Our Health & Safety Goal

Continuous annual reductions in our Total Recordable Incident Rate (TRIR) as we strive toward achieving zero significant safety incidents.



## Managing Health & Safety

Our [Global Environmental, Health & Safety Policy](#), which is translated into multiple languages and available on our website and on our Corporate EHS Team’s intranet page, demonstrates our commitment to manufacturing products and providing services in a safe work environment.

In support of this Policy and our health & safety governance, the Global EHS Council, comprised of cross-functional leaders from Supply Chain, Operations, Legal, and EHS functions, meets regularly to review our health & safety strategy against recent performance, and to set the health & safety direction for the company. At a local level, site managers and first line supervisors are responsible for enforcing safety procedures at their facility and are accountable for meeting local safety objectives. Onsite EHS personnel and Health & Safety Committees support management by actively encouraging employee involvement in health & safety improvement initiatives. These committees regularly examine safety performance, ensure policies are followed, and when necessary, assess root cause for safety observations and incidents. Our onsite EHS personnel work closely with Regional EHS Managers to align local efforts with broader company objectives as well as solicit input from local stakeholders on how to make improvements to safety performance. Regional EHS Managers report to the Operational EHS Director and provide expertise across facilities, including training and improvement activities. To further strengthen accountability of our sites, our CEO, CFO, Corporate EHS group, General Counsel, Head of Human Resources (HR), and our Business Unit leaders regularly review the health &

safety performance of our facilities. Progress toward our EH&S goal is also reviewed on a quarterly basis with the ESG Committee.

To promote and maintain a healthy and safe workplace, all of our sites operate health and safety management systems, with more than one-third certified to the ISO 45001 standard. For sites not using ISO 45001 (formerly OHSAS 18001), alternative and equivalent health & safety management systems are in place, which include risk assessments. Our software platforms play a critical role in supporting health & safety efforts by enabling sites to report key information—such as incident reporting and job hazard analyses—and monitor health & safety performance.

In 2024, we enhanced these capabilities by introducing a new software solution for incident management, including near miss reporting and safety observations. This data helps identify trends and address potential risks proactively, reducing the likelihood of incidents. Further enhancements are planned for 2025.

Employees and other personnel working at our facilities are trained and briefed on occupational health & safety principles as well as work procedures specific to their individual tasks prior to starting a new role or activity. In 2024, we conducted a total of 29,121 hours of health & safety training. Topics covered included safe handling of hazardous chemicals, suitable waste disposal, emergency response, and incident management.



Health & Safety Audit in Pasadena, USA

### Expecting the Unexpected

While we cannot predict when an emergency may occur, our organization is well-prepared with the strategic, operational, and financial resiliency to react and recover from emerging global risks. Our manufacturing facilities have comprehensive crisis protocols in place, including escalation procedures to our Regional or Corporate teams during major events. These emergency plans are designed to ensure that situations are handled quickly and effectively, minimizing potential impacts to our personnel and business. This approach helps us keep our employees safe and maintain continuity of operations.

In addition, we are prepared for incidents involving our products outside our business. We partner with a vendor that provides 24/7/365 access to an emergency response team. In the event of an incident during transit or on customer premises, calls can be made in any language and the callers be connected

to chemical emergency response experts within minutes. This allows expert advice to be given at the point of the incident, whether the caller is an employee, a member of the emergency services, a customer, or a member of the public. The sooner actionable advice is provided, the lower the risk to the health and well-being of those on the scene. This is an integral part of our chemical safety strategy to mitigate chemical incidents involving our products anywhere in the world.

### Health & Safety Policies and Initiatives

Our workplace health & safety policies and initiatives include, but are not limited to:

- [Global Environmental, Health, & Safety Policy](#)
- Safety Days held at various sites around the world on an annual or more frequent basis
- Safety observations: up 38% vs 2023
- Health & safety standards, fact sheets, and newsletters
- Health & safety training
- Health & safety performance tracking
- Site meetings and interactive discussions on health & safety matters
- ISO 45001 certifications at over a third of our sites across the globe



Europe-Based Health & Safety Manager Summit in Trecate, Italy

## Ensuring Effective Health & Safety Management

Identifying and controlling health & safety hazards in our workplace and day-to-day processes are fundamental to the prevention of injuries and illnesses. Our software systems capture observations, incidents, and responses, and guide our EHS teams in performing the following procedures:

- Site risk assessments on existing operations
  - Job hazard analysis (JHA) prior to the commencement of any positions
  - Engineering controls, administrative controls, and personal protective equipment (PPE)
  - Employee training to mitigate potential hazards
  - Regular industrial hygiene and medical check-ups for employees who handle hazardous chemicals
  - Emergency response mock drills
  - Health & safety training and potential hazard identification exercises
  - Root cause analysis following incidents and safety observations using various tools (Fishbone Diagram, 5 Why, Fault Tree) and reviews of response effectiveness to prevent recurrence
- Implementation of safety ideas submitted through the Idea Chest or shared with our site-level Safety Committees
  - Compliance with our global health & safety standards that define the accepted level of health & safety protection required for a range of high-consequence, low-likelihood events, such as fire and explosion, contact with moving machinery, and handling toxic chemicals

Many of our facilities implement medical surveillance programs as a best practice to monitor potential exposure to various hazardous chemicals. Certain facilities also perform noise surveys to assess whether noise exposure is above regulated threshold values. Job stress is handled by our local HR teams on a case-by-case basis in addition to other resources available to our employees through our benefits programs, including mindfulness training.

When pursuing acquisitions, assessing the management of health & safety programs during our due diligence process plays a key role in the overall assessment of the targeted business or company, including with respect to potential liabilities or necessary remediation.

# 39%

Year-over-year decrease in Lost Time Severity Rate

# 8%

Year-over-year decrease in Lost Time Injury Rate



### Health & Safety Highlights

1,000+

Days without a lost-time injury at over 34% of our manufacturing sites around the world

241%

Increase in safety observations since 2020

0.56

Lost Time Injury Rate in 2024

29,121

Health & safety training hours in 2024

Quality Control Lab in Manaus, Brazil

### Ensuring Safe Processes

We implement processes designed to minimize health & safety risks for our employees. Our Hazardous Waste Management Awareness Fact Sheet outlines regulatory requirements and best practices for all our units in terms of waste identification, labeling, shipping, transportation, disposal, storage, emergency preparedness, prevention, and minimization.

Our internal policy requires these risks be managed through a "Hierarchy of Controls," which prioritizes eliminating hazards or substituting less hazardous materials or processes to mitigate worker exposure to hazards. Once workplace hazards are identified, the hierarchy of controls is followed with the goal of first trying to engineer hazards out, then using administrative controls and PPE.

### Hazard Identification & Communication

Through our [Global Environmental Health & Safety Policy](#) and [Rules of Conduct](#), we empower our employees to report work-related hazards and conditions. Our global [Business Conduct and Ethics Policy](#) establishes personal responsibility for maintaining a safe and healthy working environment using good common sense and following health & safety laws and ESI's policies. It also requires employees to promptly report any instance in which an ESI business may be at risk of complying with health & safety laws or policies by contacting their supervisor or business unit leader. We also deploy web-based tools and policies throughout our global

operations, such as our Significant Incident Reporting Policy, to assist all employees and other personnel in reporting incidents, near miss events, and general hazards.

Safety observations are a critical component of our safety-first culture, and we ask everyone to remain aware of potentially unsafe situations or behaviors. In 2024, 9,254 safety observations were reported, up 38% from 2023, which demonstrates the effectiveness of our safety campaign and our employees' increased awareness.

Our proactive approach to risk identification enhances our comprehensive safety program and improves results. We continue to enhance company-wide programs for common activities while evolving specific practices to target key safety risks unique to each of our sites. To ensure the quality of our processes, we have developed targeted training programs and guidance documents.

### Measuring Health & Safety Performance

Safety performance at our facilities is supported by the strong leadership of our site managers, our safety-first culture, and our continuous improvement mindset. Our sites understand the importance of safety, tracking leading indicators, and using safety management tools as well as root cause analysis in the event of an incident. For more information, see [ESG Performance Data](#).



# Inclusion

We believe that creativity and problem-solving thrive when people with different perspectives and experiences work together. We support a culture rooted in empathy and respect, where employees feel empowered to bring their authentic selves to work. We believe this approach drives strong innovation, responsive customer service, and high-quality products that enable our profitable growth.

In 2024, we set a new goal: **to increase female representation at management-level\* to 25% globally by 2027**. This goal supports our broader inclusion strategy by advancing sustainable and equitable representation within our organization. We are on track with this goal as we ended 2024 with 23% females in management-level roles.



International Women's Day Celebrations in Monterrey, Mexico

Key inclusion initiatives:

- Increase gender representation in our High Potential ("HiPo") Leadership Program
- Increase participation in our global mentorship program for new hires
- Track and improve inclusion-focused questions in our employee engagement survey
- Conduct annual compensation review and benchmarking
- Support our Employee Resource Groups (ERGs) in their efforts to facilitate connection, networking, mentoring, and sponsorship opportunities
- Train managers and other employees on inclusivity in the workplace

## Promoting and Supporting Inclusion

We have Board-approved policies designed to ensure fair hiring practices, actions in place to prevent unlawful discrimination and harassment, and maintain a work environment free of inappropriate and disrespectful behavior that violates those policies. We train our employees on inclusion topics and support the activities of our various employee-led ERGs. We hold ourselves accountable to our employees and solicit feedback through regular global employee culture surveys with inclusion-specific questions, the results of which we aim to improve over time.

\*"Management-level" refers to positions with an internal job classification of grade 16 and above, which generally encompasses positions that supervise other employees



International Women's Day Celebrations in Manaus, Brazil

## Policies


Our [Business Conduct and Ethics Policy](#), [Fair Employment Policy](#), and [Rules of Conduct](#) outline the standards for acceptable behavior, prohibited discrimination, and inappropriate conduct. They also define roles, responsibilities, grievance mechanisms, and reporting procedures. These policies are shared with employees in multiple languages.

All full-time employees are required to sign the Business Conduct and Ethics Policy upon joining, which serves as the company's ethical guide. To reinforce compliance, we provide periodic training and refreshers where employees certify their

understanding and commitment to the Policy. Key topics include anti-bribery, labor and human rights, anti-discrimination, and anti-harassment.

## Training

To support a culture where everyone feels valued and respected, we provide learning opportunities that help employees worldwide understand different perspectives and work more effectively together. These programs promote understanding across the organization, encourage inclusive practices, and strengthen our ability to collaborate seamlessly across cultures.



### Our Inclusion Goal

Increase female representation at management-level\* to 25% globally



## Recruiting Approach

We strive to hire candidates from different backgrounds and ethnicities. We consider qualified candidates regardless of background, gender, religion, or race, and do not ask about prior misdemeanor convictions on our job applications so as not to exclude qualified candidates. Overall, approximately 28% of our current employees worldwide do not have a college degree.

The chemical industry is an industry where the number of women has been and continues to be comparatively low. Despite the difficulties we face to recruit a more diversified employee population based on gender and race/ethnicity, we see the benefits of hiring and developing women and minorities at every level of our organization. We also recruit through veteran recruiting organizations, including the U.S. Department of Labor's Veterans Employment Services.

## Labor Rights

As an innovation and service-based company, our workforce is our most vital asset. True customer satisfaction, business growth, and longevity can only be achieved through healthy relationships between the company and its people— including labor unions. As such, ESI supports freedom of association and values effective communication and productive collaboration with our labor unions across the globe. Approximately 13.7% of our employees are represented by Collective Bargaining Agreements, primarily across the Americas and Europe. Most of the 42 Collective Bargaining Agreements entered into over the last three years are negotiated at industry level and while ESI does not participate directly in the negotiations, these agreements set the standard terms and conditions of employment for our employees.

# Employee Resource Groups

Our employee-led, company-wide Employee Resource Groups (ERGs) support our workforce and foster opportunities for networking, career development, community engagement, and alignment with ESI's inclusion strategy. Each ERG is supported by a steering committee of cross-functional leaders and sponsored by at least one ESI executive.



### Asian Employee Network

The **Asian Employee Network (AEN)** supports the interests of people from different Asian backgrounds. The AEN's mission is to connect, educate, and support its members by raising cultural awareness and celebrating Asian cultures and traditions. The AEN also provides networking events, motivational talks from senior leaders, and training opportunities for professional development. These activities aim to further inform our leaders regarding cultural nuances to promote and improve cross-cultural collaboration and relationship building.



### Element Career Network

The **Element Career Network (ECN)** provides a range of networking and professional development opportunities, including "ESI Talks," a speaker series featuring both internal and external experts, and "ESI Connects," a program designed to onboard new hires with insights into ESI's operations and global strategy. The ECN also organizes in-person and virtual events that connect colleagues across functions and regions, fostering personal networks, engagement with senior leaders, and mentoring opportunities. In 2024, the ECN launched its first book club, engaging over 200 participants in discussions on business leadership, strategy, and management.



### Women's Resource Group

The **Women's Resource Group (WRG)** supports our female employees by fostering collaboration, building networks, and organizing events and development opportunities designed to advance their careers. In addition, the WRG supports charitable organizations benefiting women in the communities where we live and work. Global initiatives include empowering speaker events and a mentorship program launched in 2024. The WRG extends its impact through local chapters, engaging colleagues at manufacturing sites with personal and professional development workshops, networking opportunities, and tailored events.



2024 HiPo Summit in Italy

### Mentorship Programs

We facilitate and enable mentorship at various levels of our organization, fostering connections that support professional growth and skill development. Our mentorship programs span departments, business units, and regions, offering both formal and informal opportunities to encourage diverse perspectives and knowledge-sharing across functions.

Participants in our ESI High Potential (HiPo) Program receive comprehensive support through mentorship, during and after the program, which is focused on career development, skill enhancement, and project-specific guidance. Each member of the HiPo program is strategically paired with a senior leader from the organization who provides valuable insights, personalized coaching, and opportunities to develop a robust professional network. This mentorship is designed to foster growth and accelerate career progression while allowing participants to gain the knowledge and experience needed to excel in their roles.

In 2024, the WRG launched a dedicated mentorship program, which is designed to elevate women within our organization by providing guidance, resources, and career development opportunities tailored to their unique experiences and career paths. Mentors and mentees are matched based on professional goals, experiences, and interests, ensuring meaningful connections that drive personal and professional growth.

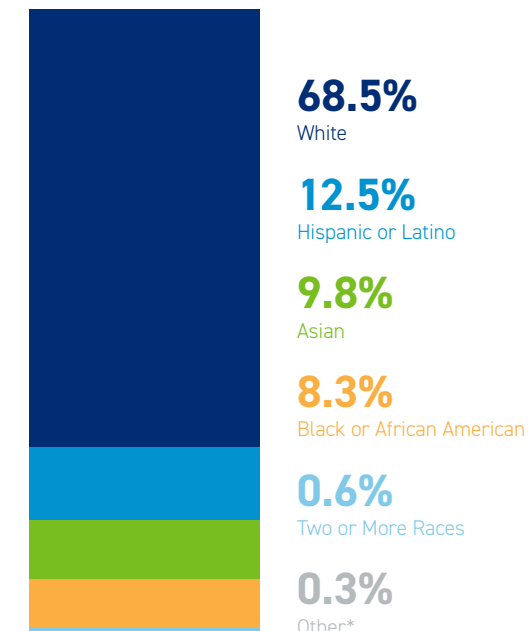
### Snapshot of Our People

Category	2024*
Total full-time employees	5,276
Female employees	29%
Ethnic minority employees (U.S.)	31%
Part-time employees	1%
Board of Directors diversity (women and minorities)	25%

\*For more information, see [ESG Performance Data](#).

### U.S. Employee Chart

(% of employees)



\*Other includes American Indian, Alaska Native, Native Hawaiian or Other Pacific Islander and unknown ethnicities



# Workforce Prosperity

Our human capital strategy is centered on attracting, acquiring, and engaging highly-skilled talent. We are dedicated to fostering a meritocratic culture that prioritizes employee development, retention, and satisfaction, supported by competitive benefits and meaningful career opportunities.

Our investment in talent development programs is designed to cultivate current and future leaders internally while enhancing the quality of teams that engage with our customers daily. At the heart of our approach are the “5Cs” of our culture: Challenge, Commit, Collaborate, Choose, and Care—principles that guide our interactions with customers, colleagues, and stakeholders, driving positive outcomes at every level.

To continuously refine our employee experience, we use culture surveys to gather valuable feedback on development initiatives, compensation programs, and workplace dynamics. Additionally, we emphasize learning resources and strategies that support well-being and work-life balance, ensuring our employees have the tools they need to excel both professionally and personally.

## Talent Attraction and Retention

Our executive leaders, Head of HR, Director of Talent Acquisition and Senior Manager of Learning & Development spearhead our efforts to attract, develop, and retain our employees. Supporting this mission, our Global Talent Acquisition team drives inclusive recruiting practices to attract exceptional candidates while looking for opportunities to streamline our hiring process. Central to our focus on internal career mobility is our Global Applicant System, part of MyESI (SuccessFactors) which empowers employees by capturing insights into their prior experience, career aspirations, and personal interests. This platform enhances visibility into internal opportunities, enabling employees to take charge of their career growth within ESI.

We offer challenging opportunities with competitive compensation that help us attract diverse talent and foster a more creative, innovative, and successful company. In addition, we provide our employees with comprehensive benefits to meet their specific needs. From healthcare to flexible hours to tuition assistance, we are committed to supporting our employees in achieving happy and healthy lifestyles while maintaining an appropriate work-life balance. Recognizing that different employees have different needs and priorities, we offer a range of programs in the U.S. and several other geographies to help and encourage employees to pursue personal health goals and make proactive improvements to avoid future health problems. We also provide options that support flexibility and work-life balance, including paid sick leave and parental leave.



Sharing Baked Goods in Naarden, Netherlands

In 2022, we conducted an U.S. gender pay gap review. In alignment with our inclusive yet meritocratic culture, this insight helped us understand gender representation and pay practices at different job levels.

## Supporting Employee Health & Work Life Balance

To create a healthier workforce, increase employee morale, and foster employee engagement, we provide a robust suite of health and wellness benefits. In our U.S. locations for example, we offer:

- Paid parental leave
- Education tuition assistance
- Commuter reimbursement program and car allowances
- Medical and dental plans
- Short- and long-term disability
- Accidental and critical illness coverage
- 401(k) plan with company matching contributions
- Flexible and remote work program
- ESI Wellness Program



## Training and Development

We are committed to investing in talent development. Our talent programs, performance management practices, and diverse training and leadership offerings ensure that employees are supported in their career growth and empowered to succeed. To keep our programs relevant and impactful, we regularly evaluate them for updates.

We use MyESI (SuccessFactors) to conduct employee performance reviews and aggregate employee self-assessments and manager feedback on an annual basis. In 2024, 100% of eligible employees received performance reviews. Talent development and succession plans for each of our functions and segments are built on this information and are reviewed regularly to secure a pipeline of talent able to maintain business operations. Throughout this review and our professional development and promotion process, we have check points in place designed to prevent discrimination as outlined in our [Fair Employment Policy](#).

We view internal mobility as a key indicator of our commitment to employee development. With an internal fill rate of 76.5% for open positions, we prioritize promoting from within and recognize the importance of retaining and nurturing our talent. This high rate of internal hires underscores our dedication to providing employees with meaningful career paths and growth opportunities within the company.

In 2024, we launched the Global Learning Hub ("Hub") —an inclusive, centralized platform designed to deliver curated learning content across key focus areas, including leadership, core workplace skills, personal development, well-being, internal knowledge sharing, and more. Powered by Skillsoft, our primary learning tool, the Hub provides access to an extensive library of digital learning resources, e-books, and skill assessments to support continuous growth and development. The Hub also houses our Knowledge, Insights, & Training Series ("KITS") content, which is a virtual library curated specifically for ESI colleagues on topics such as Leadership, Culture, Strategy, and more.

We use Skillsoft for certain compliance training, such as our annual training related to our [Business Conduct and Ethics Policy](#). We also offer focused training tailored to specific positions and topics of general importance to the company, such as Responsible Sourcing and Human Rights. In 2024, over 93% of our employees participated in career and skill-specific trainings, and our total employee training reached 51,822 hours.

### Dedicated Sales Training

In 2024, our sales force and sales managers each received ~10 days of sales training, coaching, and development.

Our hallmark leadership initiative, the ESI High Potential (HiPo) Program, is specifically designed for high-performing employees around the globe that show potential for future leadership roles in the company. This program encompasses leadership training, individual development, teamwork, mentorship, and networking opportunities. Each HiPo participant is assigned a project that has the potential to be transformational for ESI. As indicated previously, each participant is also paired with a mentor who helps on the project, and supports career development. Since the program's inception in 2019, we have welcomed 145 participants, with an impressive 91% retention rate and 70% of participants promoted.

### 2024 Progress

51,822

Hours of employee training

76.5%

Internal fill rate



Celebrating 40 Years of Service in Waterbury, USA

## Employee Engagement

Employees receive regular updates on the company's business performance and other topics of interest, through quarterly global townhalls with live Q&A sessions with our CEO, on-site townhalls when senior leaders visit locations, company gatherings, company-wide announcements, and updates in multiple languages. Our CEO circulates a quarterly memo to employees on critical business updates, and our business leaders also engage with their relevant organizations on a recurring basis. In addition, we regularly publish global newsletters, including our Sustainability Newsletter, which updates employees on our sustainability initiatives, and our EHS Newsletter, which highlights environmental compliance, health & safety, and employee wellness matters.



# Employee Recognition

We recognize employees who set outstanding examples for effort, leadership, collaboration, and effectiveness. All nominations for our employee awards are peer-driven as we believe this approach reinforces collaboration among colleagues and fosters collegiality. "Elements of Excellence," is our recognition framework which consists of three levels:

## Level 1 5Cs Role Model

These are real-time spot awards for actions that embody our culture. Those actions must be specific and linked to one or more of the 5Cs.

### Who is eligible?

Everyone

### Achievements

Recognizes demonstration of our 5Cs in the workplace in real-time

### Awards Role Models

Recognizes individuals and teams who go above and beyond in exemplifying one or more of the 5Cs in the workplace



## Level 2 Functional Excellence

These awards recognize outstanding individuals across all our business functions, from innovation and sales to technical service, and from supply chain to Finance, IT, and HR. The awards honor high performers who have demonstrated excellence over the course of the year in their respective areas. Each award is based on specific criteria aligned with our 5Cs. Additionally, we have a special award for the ESI Cares program, which acknowledges those who have made significant contributions to serving their communities.

### Who is eligible?

Everyone, according to their function

### Achievements

Recognizes extraordinary and needle-moving improvements for the business from each of our functions that are connected to the Pillars of our Strategy and our culture



## Level 3 Chairman's Award

This is our highest and most prestigious award for a small group of individuals who deliver exceptional results that transform our business while behaving in accordance with our culture and values.

### Who is eligible?

Everyone

### Achievements

Recognizes and shows appreciation to a small handful of colleagues who delivered exceptional results in accordance with our culture and values in the past year





# Volunteering and Charitable Giving

Giving back to our communities is central to our business purpose. This is reflected in our company value of “Care,” one of the 5Cs of our culture, which promotes caring, not just about our own people, but also our communities, and our place in the world at large. We believe we have a social responsibility, and our employees value the time and resources we collectively give to their local communities.

Our Senior Director of ESG Strategy leads our volunteer initiatives with our team of Local Champions around the world and partners with numerous



Flower Planting in Waterbury, USA

non-profit organizations in the communities where we live and work to give back to meaningful causes. Our ESI Cares program, which is digitally enabled through our ESI Cares platform, includes a grant solicitation process for employee donations while our ESI Foundation serves as our charitable giving and employee donation matching entity.

## Employee Volunteering

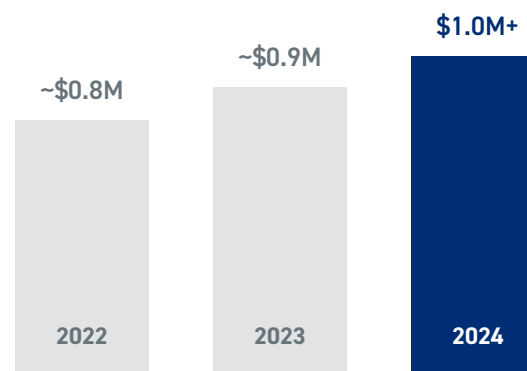
We encourage our employees to play active roles in the growth and development of the communities in which they live and work. Our ESI Cares program allows them to participate in volunteering and giving opportunities with nearly two million charities around the world. We have funds dedicated to sponsoring our employees’ participation in global volunteering events and further encourage community engagement and volunteering by providing employees with a paid workday to volunteer with organizations they are passionate about.

To further encourage giving back, employees are eligible for up to eight hours of Volunteer Time Off, allowing them to engage in volunteering activities during working hours. Through our volunteer rewards program, employees can also earn donation rewards funds for each hour volunteered, which can be donated to their charity of choice through our digital program. Some of our volunteering initiatives across the company have included working with vulnerable or at-risk children, cleaning up local beaches and parks, tree planting, setting bird feeders to encourage biodiversity, and collecting and serving food at local homeless shelters.

## Charitable Giving

Many of our facilities have Charitable Committees who work with not-for-profit organizations to raise funds and awareness for important, relevant causes. In 2024, we once again partnered with United Way of Greater Waterbury to be the city-wide host site for their annual “Stock the Pantry” event, which helps local food pantries stock their shelves for people in need. At this event, approximately 16,000 pounds of food were collected from local organizations and community members in the greater Waterbury, Connecticut area—where ESI and its legacy businesses have long maintained a strong presence.

Many other locations around the world participated in hunger awareness initiatives this year and delivered significant amounts of aliment to food banks and homeless shelters in their communities.



**Total Donations**  
(\$ amount donated)

## ESI Foundation

The ESI Foundation is our charitable giving entity. Funded through contributions made by ESI, it provides grants to qualified charitable organizations in the communities where our employees live and work and funds to match employee donations at 100%. With the support of the ESI Foundation, our ESI Cares program has allowed our employees to give back to their communities in a meaningful way, benefiting over 1,000 charitable organizations in 2024 alone.

The ESI Foundation focuses on causes important to the environmental and social well-being of our communities, such as the EARTHDAY.ORG’s The Canopy Project®, which plants trees around the world as well as Equality Now, which protects and promotes the human rights of women.

Our Foundation also makes meaningful donations and grants to local charities selected by our employees as well as to global organizations, such as Doctors Without Borders USA, UNICEF USA, The Everglades Foundation, and The Rainforest Alliance.





# ESI Cares Initiatives Around the World

## Earth Day

Earth Day remains one of our most popular global community events, with over 50 locations participating annually. Activities include tree and wildflower planting, litter clean-ups, environmental education sessions, installing birdhouses and insect hotels, and hosting fun competitions to inspire innovation and environmentally conscious thinking.

## Men’s Health and Prostate Cancer Awareness

In 2024, we highlighted the importance of physical and mental health through a global prostate cancer awareness campaign. Activities included a global art and photo competition, with winning submissions showcased to emphasize wellness. Many locations hosted teaching and educational sessions on mental and physical health, fostering awareness and engagement among employees.

## “Art for Heart” in China

Our colleagues in China organized the “Art for Heart” initiative, collecting art and photography submissions from colleagues around the world to auction in support of children’s heart surgeries. The event was a tremendous success, receiving over 60 submissions and raising critical funds for life-saving operations.

## Career Day in China

The 2024 ESI China “Career Experience Day” event took place during the last two weeks of August at our plants in Suzhou, Shanghai, Guangzhou, and Shenzhen. Nearly 100 children from five sites across China enthusiastically participated in the event, joining their parents to explore and experience life at ESI China. It was a meaningful opportunity to engage families and showcase our workplace culture.

## São João Celebration in Brazil

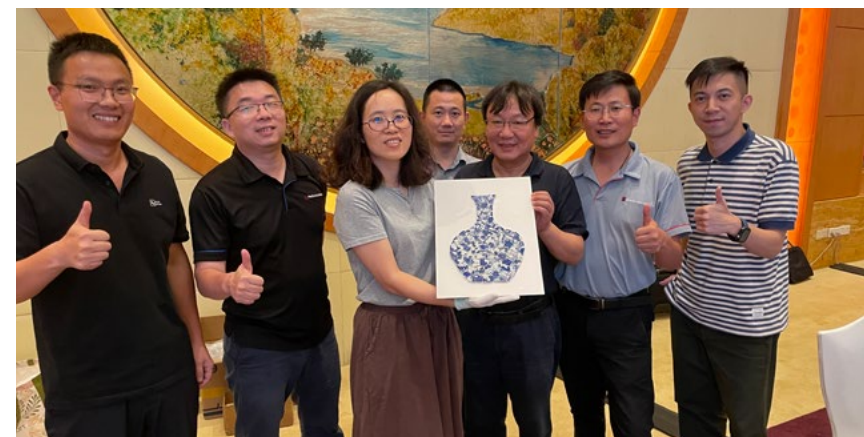
Our colleagues at the Manaus facility in Brazil celebrated São João with vibrant festivities to welcome the summer solstice. The event provided an opportunity to honor cultural traditions and strengthen connections between office and shop floor employees, creating a joyful and inclusive experience.

## Shop with a Hero in New Hudson

In partnership with South Lyon Area Youth Assistance, the Oakland County Sheriff’s Office, Lyon Township Firefighters, and Meijer, we participated in the annual “Shop with a Hero” event. This initiative pairs underprivileged children with local heroes—such as police officers and firefighters—to shop for gifts for themselves and their families, fostering community connections and spreading holiday cheer.



Earth Day in Ashby Park, UK



Art for Heart Fundraiser in Suzhou, China



Career Experience Day in Shenzhen, China



# 6

## Governance & Compliance



# Governance & Compliance

Achieving our value creation objectives requires a strong governance foundation. We are committed to operating responsibly and holding ourselves accountable for our actions and decisions. This includes clear management directives, disciplined Board oversight, a robust risk assessment program, and uncompromising standards of business conduct and ethics—which we also require of our counterparties—as well as proactive security practices to safeguard confidential information and data privacy.

## Our Approach

Our governance frameworks and business policies are designed to create accountability. We are committed to consistently meeting or exceeding applicable laws and regulations to best support the interests of our company, employees, stockholders, customers, supply chain, and other stakeholders. We also strive to support and respect the rights



of all people. Compliance with applicable laws and internationally proclaimed ethics and human rights principles is a common thread connecting our businesses, operations, employees, and counterparties. This approach is firmly grounded and supported in our corporate policies.

## Our Governance Structure

ESI's commitment to strong corporate governance, including ESG governance, begins with our Board of Directors. The Board is responsible for overseeing the company's risk management program and overall company performance and compliance. The Board delegates areas of responsibility to various committees with the Nominating and Policies

Committee overseeing ESI's sustainability and social responsibility efforts. Each of our three standing Board Committees oversees components of our ESG efforts. See [Overseeing ESG Strategy and Performance](#).

The ESG Executive Steering Committee provides direction on our ESG initiatives and charitable activities throughout the company. Its members, who include senior leaders, such as our CEO, CFO, General Counsel, Head of HR, and Senior Director of ESG Strategy, meet on a quarterly basis. Our executive leadership team and our ESG Executive Steering Committee provide periodic updates to our Board on ESG matters, risks, and opportunities. They also keep the Nominating and Policies Committee apprised periodically or on an as-needed basis.

Our Sustainability Council is composed of a cross-functional team which includes EH&S, Sourcing, R&D, and ESG Strategy representatives. The Council's responsibilities are to oversee the implementation of the ESG Executive Steering Committee's sustainability strategy and track performance against our Sustainability Goals and other ESG initiatives. The Sustainability Council meets weekly and reports to the ESG Executive Steering Committee quarterly to provide quantitative and qualitative updates and receive their input on important ESG focus areas.



# Governance and Accountability

Our corporate governance framework defines our approach to oversight and accountability to ensure that our operations align with the interests of our employees and other stakeholders. Effective corporate governance is critical to the appropriate management of risks specific to our businesses and the creation of sustainable value over the long-term.

## Board Oversight

Our Board of Directors, which provides the highest level of oversight for the company’s strategy and performance, adheres to the [Board of Directors Governance Principles and Code of Conduct](#) and the Amended and Restated By-laws of the company which cover Board composition, performance evaluation, conflicts of interest, and Board duties and responsibilities, among other topics.

## Performance Through a Diverse and Independent Board

Professional experience and racial, ethnic, age, and gender diversity are among the key factors that the Nominating and Policies Committee considers when identifying and selecting directors. We believe that diverse viewpoints foster a more constructive and effective decision-making process and higher level of success for the company.

Our businesses cover broad end-markets and geographies. For that reason, we recognize the importance of having a blend of longer-serving directors with a deep understanding of our operations and the markets we serve, and more recent additions who provide fresh perspectives.

## Overseeing ESG Strategy and Performance

The Board and its committees oversee and engage with our executive team on progress against corporate and business plans, short- and long-term strategic objectives, and ESG priorities. These ESG priorities include the tracking and achievement of our Sustainability Goals and other ESG initiatives.

Collectively, our Board brings a balance of relevant skills, professional experience, and diversity of backgrounds and perspectives to the oversight of ESI’s business risks and strategies. All of our directors have relevant expertise, such as chemical industry expertise, executive management, risk management, accounting, M&A, global tax planning, and internal audit, along with critical qualifications that align with the current needs of the company.

In addition, each Committee oversees specific strategic and ESG areas relevant to their respective charters:

## ESG Governance Framework

Our ESG Executive Steering Committee is responsible for providing guidance related to the company’s ESG efforts and embedding a culture of

sustainability across our businesses. Specifically, its responsibilities include:

- Reporting progress toward our Sustainability Goals and sustainability challenges to the Board and the Nominating and Policies Committee
- Recommending the company’s strategic ESG priorities and goals to the Board
- Steering various sustainability efforts around the company, including operational efficiencies, responsible sourcing, sustainable brand marketing, and sustainable innovation efforts
- Leading various global health & safety initiatives
- Overseeing our community impact efforts, including charitable donations and volunteering through our ESI Cares campaigns and the ESI Foundation

## Internal Audit Oversight and ESG Alignment

Our Internal Audit team plays a pivotal role in identifying and managing risks that intersect with ESG oversight. By maintaining a comprehensive risk assessment process, they evaluate key areas such as geopolitical tensions, environmental health & safety, regulatory compliance, and cybersecurity. Using tools like data analytics and insights from strategic initiatives, internal audits ensure alignment with the company’s goals and uncover areas requiring focused attention. This process not only supports business continuity but also reinforces our commitment to transparency and responsible governance, integrating ESG principles into risk management and operational strategy.

Committees	Area(s) of Strategic and ESG Responsibility
<b>Audit Committee</b>	Oversees accounting and financial reporting, internal audit, compliance complaints, and policies and procedures relating to risk assessment and risk management.
<b>Compensation Committee</b>	Oversees CEO and executive compensation, including short- and long-term objectives and related incentives; Reviews Board remuneration.
<b>Nominating and Policies Committee</b>	Identifies and evaluates Board candidates; Reviews Board structure and corporate governance guidelines; Oversees self-evaluation of the Board and its committees; Reviews succession plans; Reviews sustainability and social responsibility efforts and related policies.

For more information about our corporate governance framework and directors, please refer to the [Governance](#) page of our website and our [2025 Proxy Statement](#).



# Board of Directors



**Sir Martin E. Franklin**  
Executive Chairman of the Board  
Founder & CEO  
Mariposa Capital, LLC



**Benjamin H. Gliklich**  
President & CEO  
Element Solutions Inc



**Ian G. H. Ashken<sup>(2)(3)</sup>**  
Former Vice Chairman & President  
Jarden Corporation



**Elyse Filon<sup>(1)</sup>**  
Former VP – Finance  
W.R. Grace & Co.



**Christopher T. Fraser<sup>(1)(3)</sup>**  
Former Chairman & CEO  
KMG Chemicals Inc.



**Michael F. Goss<sup>(1)(2)</sup>**  
Independent Lead Director  
Partner  
Art Intelligence Global



**E. Stanley O'Neal<sup>(3)</sup>**  
Former Chairman & CEO  
Merrill Lynch & Co., Inc.



**Susan W. Sofronas<sup>(2)</sup>**  
Partner  
Manchester Capital Management LLC

## Independent Oversight

- 75% independent Board
- 100% independent Board Committees
- Only one Board member is a Company executive
- Separation of CEO and Chairman roles
- Independent Lead Director
- Regular executive sessions of independent directors at Board meetings (chaired by the independent Lead Director) and Committee meetings (chaired by independent Committee chairs)

## Board & Committee Composition

- Demonstrated Board refreshment with the most recent independent director elected in 2024
- 25% of our directors are women with one serving as Chair of the Audit Committee
- Executive and Board succession planning process
- Balance of new and experienced directors
- Annual Board and Committee assessments
- Retirement age policy (age 73)

<sup>(1)</sup>Member of the Audit Committee

<sup>(2)</sup>Member of the Compensation Committee

<sup>(3)</sup>Member of the Nominating and Policies Committee



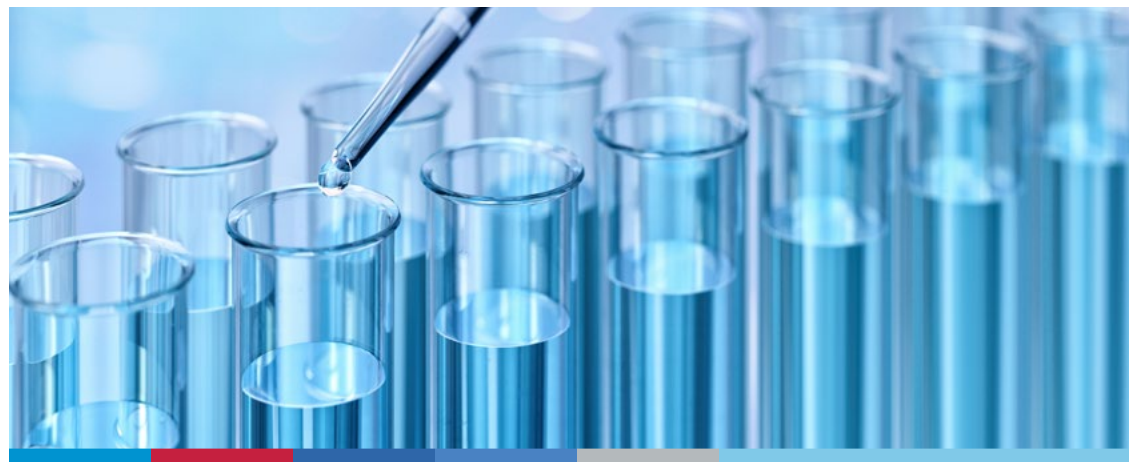
# Ethics and Compliance

We understand the importance of having and maintaining an effective compliance and ethics program. Providing clarity on what our expectations are with respect to ethical and compliant behavior also promotes trust, transparency, and reliability among our stakeholders.

We set and communicate high compliance standards to promote ethical behavior throughout our organization. Our [Business Conduct and Ethics Policy](#), which applies to all ESI directors, officers, and employees as well as our contractors and consultants, is the foundation of our integrity and ethics principles and serves as the ethical compass of the company. Each year, all full-time employees, including our executive officers, are assigned a global business ethics refresher course during which they are required to certify that they have read, understand, and will comply with this Policy.

Our Business Conduct and Ethics Policy and other core policies are translated into multiple languages in order to be accessible to employees around the globe and made available centrally on our intranet.

In addition to our Business Conduct and Ethics Policy, we have adopted other specific policies, and procedures to support our high legal and ethical standards. For more information on our policies, see [Policies](#).



## Human Rights

We are committed to supporting and protecting internationally proclaimed human rights in our operations and do not tolerate violations of any laws or regulations pertaining to immigration, wages, hours, benefits, and working conditions, or prohibiting discrimination, forced or compulsory labor, human trafficking, slavery, and child labor. As part of our contracting processes, we request a representation that our counterparty will comply with our [Supplier Code of Conduct](#), which is available in multiple languages and requires suppliers to abide by fair and humane employment practices and uphold human rights. For more information, see [Managing a Sustainable Supply Chain](#).

## Bribery and Corruption

Our [Foreign Corrupt Practices Act/Anti-Corruption Policy](#) supports our commitment to integrity and ethical business dealings. It also explains the specific requirements and prohibitions applicable to our

operations under the provisions of the U.S. Foreign Corrupt Practices Act (FCPA) and similar global anti-corruption legislations including but not limited to the U.K. Bribery Act, the Canadian Corruption of Foreign Public Officials Act, Brazil’s Clean Company Act, the Anti-Unfair Competition Law in China, French Sapin II Law, and criminal codes in Europe.

## Conflicts of Interest

As stated in our [Conflicts of Interest Policy](#), we expect that every employee, director, and officer conduct business with high ethical standards to avoid a conflict of interest with the company or its stockholders. The policy defines conflicts of interest broadly. The policy also explains situations in which personal interests may not be consistent with the company’s and in which divided loyalties may affect the ability to make impartial decisions on behalf of the company. Most importantly, the policy describes how to identify potential conflicts of interest and respond appropriately to them.

## Anti-Trust

It is our longstanding policy to observe and comply with both the spirit and the letter of antitrust laws—both domestic and foreign. Unlawful anti-competitive behaviors with competitors or customers are prohibited, including price fixing, agreements to limit production, markets divisions, and illegal boycotts. Our Business Conduct and Ethics Policy and Supplier Code of Conduct outline ESI’s strict expectations of all employees, officers and directors as well as third parties doing business with us.

### Policies & Statements Supporting Human Rights

- [Business Conduct and Ethics Policy – Employees/Directors](#)
- [Business Conduct and Ethics Policy – Contractors/Consultants](#)
- [Anti-slavery and Human Trafficking Policy](#)
- [UK Modern Slavery Act Statement](#)
- [California Transparency Act Statement](#)
- [Canadian Forced Labour Supply Chains Act Statement](#)
- [Fair Employment Policy](#)
- [Supplier Code of Conduct](#)
- [Supply Chain Conflict Minerals Policy](#)



# Managing Risks

Our commitment to ethics and compliance begins at the top of our organization. Our Board of Directors, CEO, CFO, and General Counsel oversee our compliance program and communication of ethical conduct, highlighting the importance of maintaining strict compliance with all laws and regulations governing our operations.

Our [Business Conduct and Ethics Policy](#) and other related policies are shared with all employees, initially during their onboarding process. All new employees are required to acknowledge, in writing, their agreement to comply with these policies. To reinforce the principles outlined within our policies, we provide regular training that is made available for all employees globally.

We expect any third-party doing business with ESI, including contractors and sales representatives, to act in a manner consistent with our core values while adhering to the principles outlined in our Business Conduct and Ethics Policy. We also expect our suppliers around the world and their subcontractors to fully comply with our [Supplier Code of Conduct](#) as well as applicable laws and industry standards.

## Training and Monitoring

We require training on our Business Conduct and Ethics Policy and other key corporate policies. Topics covered generally include ethical business conduct, anti-bribery, labor & human rights, anti-harassment,

and discrimination. Our employees receive mandatory assigned training at least annually. Additional training sessions and refresher courses are also provided as needed. In addition, we offer targeted ethical and compliance training for employees in certain locations or functions, either online or in person. In 2024, we introduced global supply chain compliance training sessions for our procurement teams dedicated to environmentally responsible sourcing.

Ultimately, our goal is to ensure that all employees and business partners know what is expected when it comes to ethical conduct. Our policies and related training set our standards and allow us to prevent, manage, and mitigate ethics and compliance risks within the walls of our facilities and beyond.

## Third-Party Risk

We have policies and procedures in place to identify current and potential business partners who may pose a regulatory or reputational risk to our company. Our comprehensive due diligence process and industry leading risk assessment applications allow us to preemptively screen counterparties and manage that risk. For more information, see [Third-Party Monitoring and Screening](#).

Our Supplier Code of Conduct provides minimum standards to deter improper actions and promote ethical and responsible conduct related to human rights, labor, health & safety, the environment, and others. Where appropriate, we require suppliers to review and acknowledge our Supplier Code of Conduct before any transaction with us. We

also encourage them to share their own supplier requirements and principles as this helps us align common values and provides mutual transparency across our broad supply chain.

We monitor the performance of our suppliers and manage third-party risk using a variety of due diligence and preemptive screening tools. These tools also allow us to provide compliance-sensitive third parties with periodic targeted training. Training may include an online compliance course specifically related to our [Foreign Corrupt Practices Act/Anti-Corruption Policy](#) designed to emphasize our expectations with respect to their full adherence to our ethical standards. Third parties in high-risk jurisdictions or countries under regulatory scrutiny are required to provide signed certificates acknowledging compliance with applicable trade laws and regulations.

## Required Employee Training

100% of full-time employees are trained on:

- Business Conduct and Ethics
- Anti-Bribery Awareness
- Conflicts of Interest

## Managing a Sustainable Supply Chain

We strive to maintain a supply chain that is responsible, reliable, resilient, flexible, and most importantly, ethical. We have established supply chain

# 100%

Of our employees are trained on Business Ethics and our Business Conduct and Ethics Policy covering topics such as anti-bribery, labor and human rights, anti-harassment, and discrimination.

risk management policies, guidelines, and systems designed to ensure responsible supply chain practices. These include guidance and due diligence with respect to the materials we purchase for use in our products and the suppliers with whom we choose to partner. We aim to diversify our suppliers and source our materials locally, where possible or as needed.

Our Supplier Code of Conduct applies to all our suppliers around the world. This Code reinforces the principles of our Business Conduct and Ethics Policy by providing examples of actual or potential non-compliance and good management practices. Both our Code and Policy, aligned with our [Anti-slavery and Human Trafficking Policy](#), strictly prohibit the use of slavery and human trafficking in our operations and supply-chain. We expect our suppliers to hold themselves and their own suppliers to these same high-ethical standards.



## Supply Chain Risk Management

Our General Counsel and broader legal and compliance organization work closely with our supply chain teams to maintain responsible sourcing practices that are compliant with applicable local laws and regulations. Our Sourcing leaders along with the supply chain VPs of each of our business units lead our responsible sourcing practices according to Corporate guidance. In addition, our Sourcing and Compliance teams develop goals and lead our facilities and suppliers in the implementation of responsible sourcing initiatives.

We conduct periodic supplier audits, which help assess a supplier's compliance infrastructure. As indicated in our Supplier Code of Conduct, issues such as human trafficking, slavery, forced/prison labor, and child labor are zero tolerance violations. When and where necessary, our supply chain teams receive training on conflict minerals and/or human rights issues to raise and maintain internal awareness with respect to ESG-related risks.

Supply chain risk management efforts and challenges are reported to our ESG Executive Steering Committee, which takes an active role in enforcing the execution of our policies and measuring our ESG performance.

## Third-Party Monitoring and Screening

As part of our third-party due diligence process, we have vetted ~4,500 of our suppliers and screened around 11,000+ business counterparties. Our comprehensive compliance vetting program uses industry leading platforms, such as Coupa Risk Assess

(CRA) and Dow Jones. We preemptively screen and evaluate any known ethical and compliance risks associated with counterparties around the world. These platforms help our businesses identify risk and mitigation opportunities throughout our supply chain by utilizing a multi-level risk model covering multiple risk domains. Our tools also compare processed counterparties against a worldwide database of information. This database includes comprehensive and up-to-date solutions for risk management and corporate governance in specific areas such as anti-money laundering, anti-corruption, sanctions, counter-terrorism financing, and international trade compliance. We conduct targeted screening against global sanctions lists, including the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) Specially Designated Nationals and Blocked Persons List, as well as for politically exposed persons, questionable beneficial or state ownership, and official government exclusion lists. The system is also able to report adverse media feeds flagging known human rights abuses or environmental violations.

Counterparties identified as higher risk are subject to enhanced due diligence and additional information requests. They are also required to complete more in-depth online compliance and ethical training based on our Business Conduct and Ethics Policy and Supplier Code of Conduct. If the additional required information requested is not promptly provided, is considered unsatisfactory, or if the training is not completed, we take action, including but not limited to discontinuing that particular business relationship.



### Coupa Risk Assess (CRA)

In 2024, 3,378 business counterparties were screened through our vetting program designed to identify, assess, and mitigate certain compliance risks, including risks related to bribery and corruption. Additional screenings may also be completed for any red flags relating to trade concerns, human rights or child labor abuses, and other ESG matters.

R&D Lab in Langenfeld, Germany



## Responsible Sourcing Policies and Commitments

Our Supplier Code of Conduct and other policies establish minimum requirements of conduct for our suppliers and practices for their factories. These policies reinforce our commitment to human rights and enhance supplier awareness on actual or potential non-compliance matters. Listed below are some of our policies and certificates for responsible sourcing:

- [Business Conduct and Ethics Policy – Employees/Directors](#)
- [Business Conduct and Ethics Policy – Contractors/Consultants](#)
- [Anti-slavery and Human Trafficking Policy](#)
- [UK Modern Slavery Act Statement](#)
- [California Transparency Act Statement](#)
- [Supplier Code of Conduct](#)
- [Supply Chain Conflict Minerals Policy](#)
- [Responsible Minerals Assurance Certificate](#)
- [Conflict Minerals Report](#)

We also formally support the [Responsible Minerals Initiative \(RMI\)](#).

## Responsible Business Alliance (RBA) Membership

ESI is a member of the [Responsible Business Alliance \(RBA\)](#), a major industry coalition dedicated to corporate social responsibility in global supply chains. Membership was granted upon review by the RBA of ESI’s practices relating to labor and human rights, safety, ethics, and environmental topics as well as completion of third-party audits. This accomplishment further highlights our commitment to ethical conduct, transparency, and continuous improvement throughout our supply chain.

### MacDermid Alpha in Good Standing with the Responsible Minerals Initiative (RMI)

In 2022, after two consecutive successful RMI audits, our MacDermid Alpha tin smelting facility in the U.S. qualified for an extended conformance term of three years (vs. one year initially) between on-site RMI assessments. This further demonstrates the alignment of our due diligence procedures with the RMI Responsible Minerals Assurance Process (RMAP) standards based on the Organization for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. In an effort to maintain its longstanding conformant status, MacDermid Alpha is actively engaged with the RMI for its next scheduled re-assessment.



**100%**

Of employees in global sourcing, logistics, purchasing, and procurement roles were provided training specific to responsible sourcing and supply chain compliance.

\*Conflict minerals training conducted at our Altoona, PA facility



# Handling Data Security and Privacy

For ESI, information security and privacy are more than just administrative and compliance functions—they serve to protect our data and to enable responsible innovation. We have established robust policies and procedures to manage cybersecurity defenses, controls, and programs to safeguard our company, our business counterparties, and our people.

## Managing Security Risks

Our Chief Information Security Officer (CISO) is responsible for the development and oversight of our information security program. Senior leadership and our Board receive updates throughout the year from our CISO regarding cybersecurity and information security risks, including the nature of threats, the state of our defense and detection capabilities, incident response plans, and employee training activities. Our CISO leads a global information security team with full responsibility for preventing and managing threats as well as governance, risk, and compliance (GRC). The team works within the organization as well as with expert cybersecurity firms and resources to identify, classify, prioritize, remediate, and mitigate cyber-related risks to our business.

We are committed to continually improving our IT security systems. At the beginning of 2024, we implemented a new company-wide Artificial Intelligence Acceptable Use Policy presenting AI security best practices and designed to ensure the responsible and secure use of AI technologies, while safeguarding data security and privacy as required by applicable law. Additionally, we introduced a new simulated phishing and security awareness training platform to enhance our employees' ability to identify and respond to potential threats. With the assistance of a leading 24/7 managed detection and response (MDR) provider, we also continued to enhance our cybersecurity program. Finally, we enhanced our focus on visibility and control over our organization's confidential data. All of these activities, coupled with periodic information security training for our employees, continue to enhance the security and reliability of our IT environment.

## ISO/IEC 27001:2022 Certification

In October 2024, our information security management system became recertified as ISO/IEC 27001:2022 compliant. ISO/IEC 27001:2022 is an international security standard that lays out best practices for data protection and security management systems and includes additional controls that cover emerging areas, such as Artificial Intelligence. ESI's ability to achieve this certification demonstrates our commitment to maintaining a mature information security program. See our [certificate](#).



## In-Depth Defense

To protect our business against today’s increasing cybersecurity threats, we have developed a rigorous, multi-layered information security infrastructure to defend our data, network, and employees. Overseen by our CISO, our infrastructure is built with multiple enforcement mechanisms to guard against simple and complex attacks. These mechanisms include anti-malware, intrusion detection and prevention, multi-factor authentication, data loss prevention, security incident event management (SIEM), application and network layer vulnerability management, application control, advanced email security, integrity monitoring, and privileged access management, among others. These protections are tested by external Penetration Testing on an ongoing basis to assure their continued effectiveness.

Similarly, our Disaster Recovery (DR) program is regularly evaluated with input from our business and executive leadership teams. Our DR program, which is part of our company’s overall business continuity plans, is designed to allow business continuity and stable IT operations in the event of a major outage caused by unplanned activity, such as a natural disaster or a material cyber incident.

To uphold privacy rights, our [Website Privacy Policy](#) and Data Protection and Privacy Policy are designed to ensure compliance with applicable privacy and data protection laws, including, the General Data Protection Regulation (GDPR) in the E.U. and the

California Consumer Protection Act (CCPA) in the U.S. These policies, which are applicable globally, protect the privacy of the personal data of our employees, customers, and other business counterparties from whom we collect personal information. Other data security policies address our data security procedures related, without limitation, to computer security incidents, human resources, use of mobile devices, technology disasters, and third-party security.

## Placing Our Colleagues at the Center of Data Security

Information security is a shared responsibility. We educate our employees about the critical role they play in data security with a comprehensive Security Awareness Program designed to help them recognize potential threats and provide helpful guidance to incorporate into their day-to-day tasks. Our employees play a pivotal role in data protection which complements the IT security mechanisms and controls we have in place.

Our employees participate in training and simulated phishing campaigns to help them identify and report fraudulent emails. If one of our employees succumbs to a simulated phishing email, they are presented a “learning opportunity” notification, comprised of additional tips and information on spotting fraudulent emails or websites.

## ESI’s Security Awareness Program

Our Security Awareness Program consists of:

- Annual online Security Awareness training
- Periodic cybersecurity newsletters and advisory communications
- Periodic instructor-led cyber security training
- Simulated phishing campaigns with “learning opportunities”
- Outlook plugin for easy reporting to our Information Security team of any phishing attempts or security concerns
- Annual acknowledgment of the Information Security Acceptable Use Policy





# 7

# Appendices



# External Memberships, Associations and Certificates

We are proud members of several organizations and associations within our industry and the markets we serve, including but not limited to the following:

- [3D Incites](#)
- [American Chamber of Commerce India](#)
- [Anti-corrosion and Aging Branch of China Society of Automotive Engineering](#)
- [BEAMA](#)
- [Chemicals Northwest](#)
- [Chinese Society of Surface Treatment Engineering \(China\)](#)
- [Deutscher Schraubenverband](#)
- [Global Association for Electronics Manufacturing](#)
- [Heat Pump Association](#)
- [Heating & Hotwater Industry Council](#)
- [IMAPS International Microelectronics Assembly & Packaging Society \(IMAPS\)](#)
- [India Energy Storage Alliance](#)
- [International Electronics Manufacturing Initiative](#)
- [Power Supply Manufacturers Association PSMA](#)

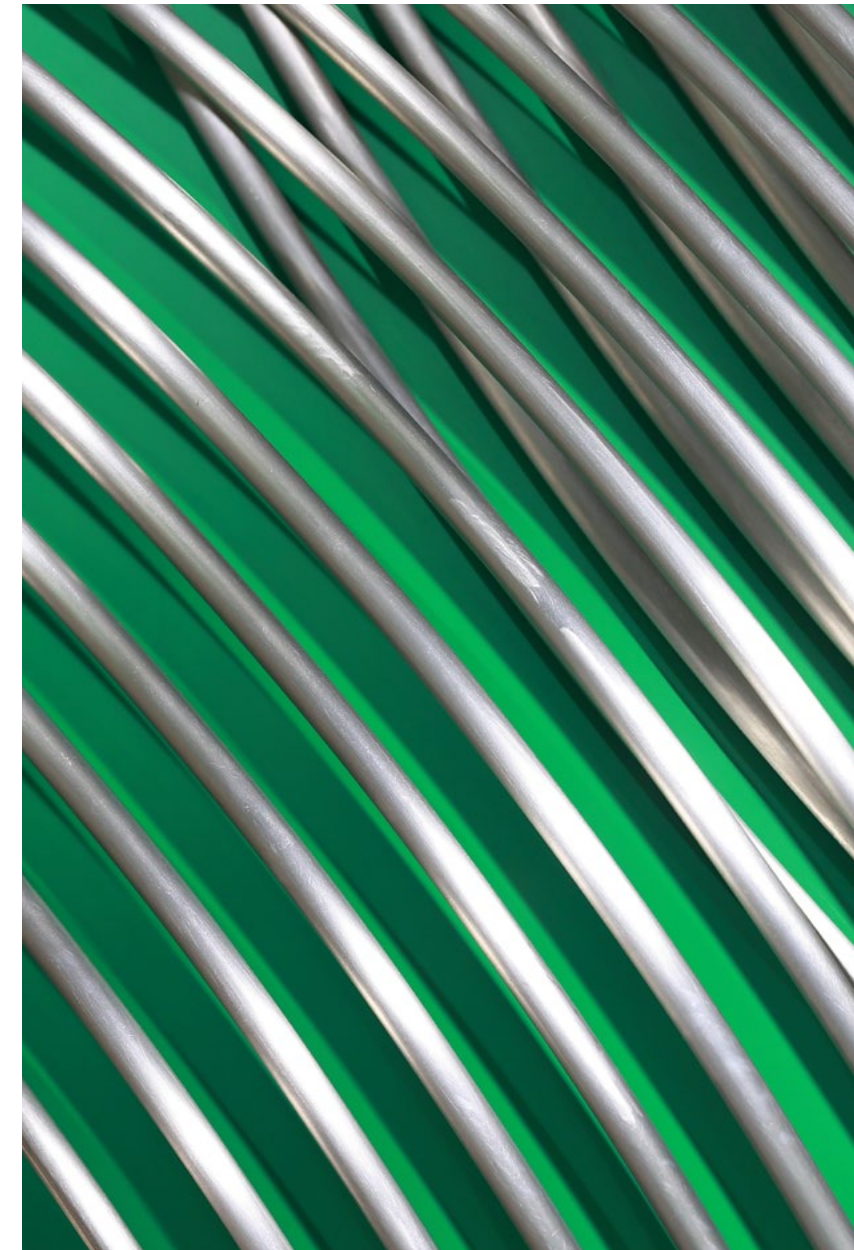
- [Society for Underwater Technology](#)
- [Surface Mount Technology Association](#)
- [VDA \(Verband der Automobilindustrie e.V.\)](#)
- [ZVO Zentralverband der Oberflächentechnik](#)

We also engage in the following sustainability-focused organizations and partnerships:

- [American National Standards Institute \(North America\)](#)
- [EcoVadis \(North America\)](#)
- [Haryana Environmental Management Society \(India\)](#)
- [Industrial Waste Management Association \(India\)](#)
- [Responsible Business Alliance](#)
- [Responsible Minerals Initiative](#)
- [Shanghai Environmental Protection Association \(China\)](#)
- [Shanghai Society for Health, Safety and Environment \(China\)](#)
- [Confederation of Indian Industry](#)
- [Rospa \(UK\)](#)

Our various business and facilities are certified and accredited under the following standards:

- [ISO 9001:2015 - Quality Management System](#)
- [ISO 14001:2015 - Environmental Management System](#)
- [ISO/IEC 17025:2017 - Testing and Calibration Laboratories](#)
- [IATF 16949:2016 - Automotive Quality Management System](#)
- [ISO 45001:2018 - Occupational Health & Safety Management System](#)
- [ISO 27001: 2013 - Information Security Management System](#)





# Policies, Reports, and Internal Standards

## Latest Reports

- [2023 ESG Data & Resources](#)
- [2024 10-K Annual Report](#)
- [2025 Proxy Statement](#)

## Ethics and Compliance

- [Animal Testing Statement](#)
- [Board of Directors Governance Principles and Code of Conduct](#)
- [Business Conduct and Ethics Policy](#)
- [California Transparency Act](#)
- [Canadian Forced Labour Supply Chains Act](#)
- [2023 Conflict Minerals Report](#)
- [Conflict of Interest Policy](#)
- [Fair Employment Policy](#)
- [Foreign Corrupt Practices Act/Anti-Corruption Policy](#)
- [Rules of Conduct](#)
- [UK Modern Slavery Act](#)
- [Website Privacy Policy](#)

## Human Rights and Responsible Sourcing

- [Anti-slavery and Human Trafficking Policy](#)
- [Supplier Code of Conduct](#)
- [Supply Chain Conflict Minerals Policy](#)

## Governance and Accountability

- [Audit Committee Charter](#)
- [Compensation Committee Charter](#)
- [Nominating and Policies Committee Charter](#)
- [UK Tax Strategy](#)

## ESI Website Resources and Certificates

- [ESI Career Website](#)
- [ESI Facilities Certificates](#)
- [ESI Sustainability Website](#)

## Environmental, Health & Safety

- [Global Environmental, Health & Safety Policy](#)
- EHS Standards
  - Safety Absolutes
  - EH&S Audit and Assessment
  - Contractor Safety Management
  - Work at Height
  - Control of Hazardous Energy
  - Machine/Equipment Safeguarding
  - Confined Space Entry (CSE)

- Hot Work
- Air Pollution Prevention & Control
- Water Pollution Prevention & Control
- Waste Management & Control
- Ignitable Liquid Operations
- Ignitable Liquid Storage in Portable Containers
- Line/Equipment Opening (LEO)
- Powered Industrial Trucks (PIT)

## Quality

- [Global Quality Policy](#)



# ESG Performance Data

Unless otherwise noted, this ESG Performance Data relates to the period of January 1, 2024 to December 31, 2024 and covers ESG topics that are material to our company. Certain figures and ESG disclosures include management estimates and assumptions that are subject to inherent measurement uncertainty. Please refer to [About This Report](#) for more information. For prior sustainability publications and additional ESG information, please see our [Sustainability Website](#). The use of "MT" refers to Metric Tons which is equivalent to 1,000 kilograms.

ECONOMIC PERFORMANCE			
	2022	2023	2024
<b>Segment Net Sales</b>			
Electronic Solutions (%)	63	61	64
Industrial Solutions (%)	37	39	36
<b>Regional Net Sales</b>			
Americas (%)	30	31	29
EMEA (%)	28	30	28
Asia (%)	42	39	43
<b>Business</b>			
Total Sales Revenue	\$2.549B	\$2.33B	\$2.46B
Amount Spent on R&D	\$48.8m	\$67.8m	\$60.2m
Percentage of Sales Spent on R&D (%)	1.9	2.9	2.5
Percentage of Capital Expenditures Spent on Sustainability Projects (%)	7	6.7	11.4
Total Net Sales from Sustainable Products	\$700m+	\$720m+	\$820m+
Percentage of Net Sales from Sustainable Products (%)	~28	~31	~34
Total Net Sales from Products Designed for Use-Phase Efficiency	\$260m+	\$330m+	\$340m+
Percentage of Net Sales from Products Designed for Use-Phase Efficiency (%)	~11	~14	~14
<b>Operations</b>			
Manufacturing Facilities	59	58	55
Number of Countries We Operate in and Service	50+	50+	50+



**GLOBAL WORKFORCE REPRESENTATION**

<b>Overall Headcount</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Total	5,381	5,316	5,334
Male	3,827	3,768	3,763
Female	1,554	1,548	1,571
Employment Work Type: Full Time	5,322	5,274	5,276
Employment Work Type: Part Time	59	42	58
Headcount by Rank: Management - Male	328	329	329
Headcount by Rank: Management - Female	59	60	66
Headcount by Rank: Team Leaders - Male	1,157	1,158	1,194
Headcount by Rank: Team Leaders - Female	348	357	388
Headcount by Rank: Professionals - Male	1,132	1,139	1,138
Headcount by Rank: Professionals - Female	715	727	720
Headcount by Rank: Individual Contributors - Male	1,210	1,142	1,102
Headcount by Rank: Individual Contributors - Female	432	404	397
New Hires	853	658	634
Turnover Rate	14.90%	14.30%	12.40%

**EMPLOYEE COUNT BY ETHNICITY**

<b>United States</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Asian	89	97	106
Black or African American	85	86	90
Hispanic or Latino	126	126	135
Two or More Races	4	9	7
Other*	14	1	3
White	762	765	743

\*Includes American Indian, Alaska Native, Native Hawaiian or Other Pacific Islander and undisclosed ethnicities.

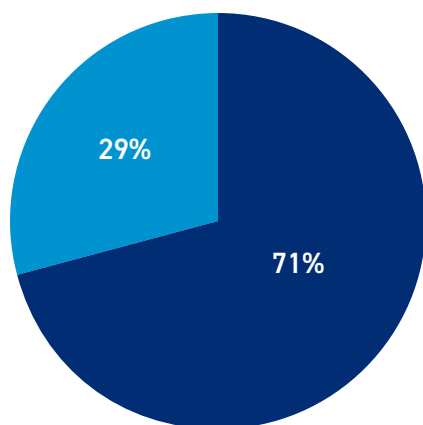


### EMPLOYEE COUNT BY REGION

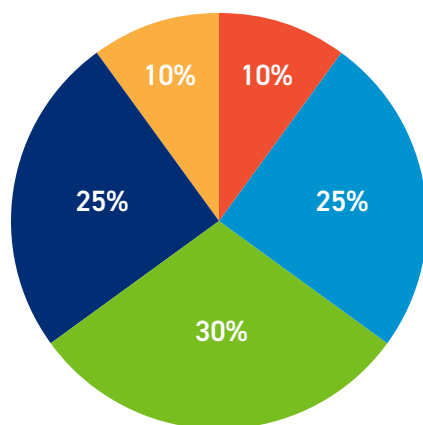
	2022	2023	2024
Americas	1,452	1,435	1,433
Europe, Middle East and Africa (EMEA)	1,853	1,816	1,829
Asia-Pacific (APAC)	2,076	2,065	2,072

### SNAPSHOT OF OUR PEOPLE

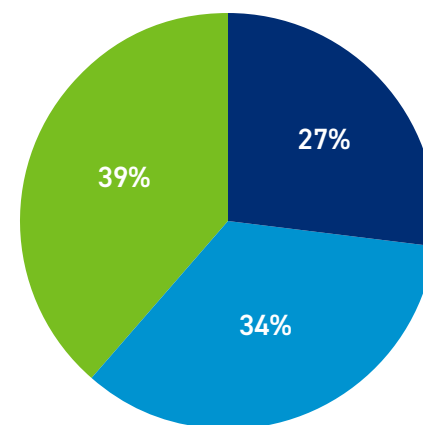
Category	2022	2023	2024
Female Employees (%)	29	29	29
Ethnic Minority Employees (U.S.) (%)	29	30	31
Part Time Employees (%)	1	1	1
Total Full-Time Employees	5,322	5,274	5,276
Board of Directors - Female Members (%)	25	25	25



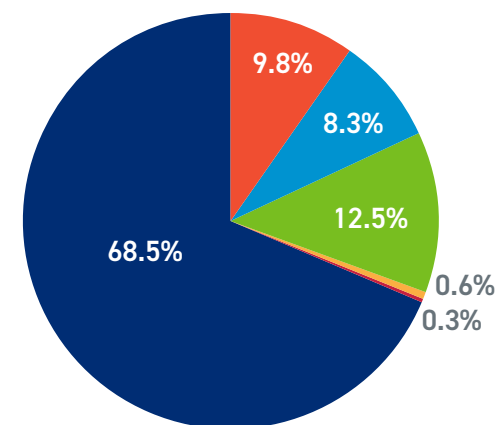
**Global Employees**  
by Gender  
● Female ● Male



**Overall Headcount**  
by Age Range  
● Under 30 ● 30-40 years ● 40-50 years  
● 50-60 years ● 60+ years



**Employee Location**  
by Region  
● Americas ● Europe, Middle East and Africa ● Asia-Pacific



**U.S. Race/Ethnicity**  
% of Employees  
● Asian ● Black or African American ● Hispanic or Latino  
● White ● Two or More Races ● Other



**OVERALL HEADCOUNT BY AGE RANGE**

	2022	2023	2024
Under 30	594	531	536
30-40 years	1,379	1,355	1,336
40-50 years	1,608	1,604	1,625
50-60 years	1,308	1,315	1,320
60+ years	492	511	517

**SOCIAL IMPACT**

	2022	2023	2024
Internal Fill Rate (%)	43	52	76.5
Total Employee Training Hours	56,786	60,897	51,822
Average Training Hours / Employee	10.6	11.5	9.7
Percentage of Employees Who Participated in Career and Skill-Specific Training (%)	92	83	93
Percentage of Eligible Employees Who Received Development Focused Performance Reviews (%)	98	99	100
Percentage of Employees Who are Member of Labor Unions and Collective Bargaining Agreements (%)	10	13	14

**CHARITABLE GIVING**

	2022	2023	2024
Donations (\$ million)	~\$0.8	~\$0.9	\$1.0+
Number of Charities Donated To	~500	550	1,000+



**ENVIRONMENTAL HEALTH & SAFETY\***

	2022	2023	2024
Total Hours Worked	8,610,566	8,478,224	8,207,804
Total Recordable Injuries & Illnesses	41	39	42
Total Lost Time Injuries & Illnesses**	30	26	23
Total Days Away From Work - Injuries & Illnesses	856	526	309
Lost Time Severity Rate	19.88	12.41	7.53
Total First Aid-Only Cases	78	57	75
Total Safety Observations	7,085	6,704	9,254
Total Recordable Incident Rate (TRIR)	0.95	0.92	1.02
Lost Time Injury Rate (LTIR)***	0.70	0.61	0.56
Process Safety Incidents Count (PSIC)-PSE1	0	3	3
Process Safety Incidents Count (PSIC)-PSE2	0	1	2
EH&S Employee Training Hours Completed****	23,579	27,738	29,121

\*Environmental Health & Safety performance does not include contractors.  
 \*\*We define lost time as any work-related incident that results in days away from work.  
 \*\*\*LTIR is calculated as (number of lost time incidents \* 200,000) / total employee hours.  
 \*\*\*\*2022 was the first year we started tracking EH&S training hours for reporting purposes.



**ENERGY AND EMISSIONS**

	2022	2023	2024
<b>Fuel and Energy Consumption (Gigajoules)</b>			
Natural Gas	220,845	217,680	203,020
Diesel*	14,445	12,685	4,520
Fuel Oil	-	-	8,460
Liquefied Petroleum Gas (LPG)	9,355	9,240	9,790
Purchased Steam	7,335	6,335	5,915
Purchased Non-Renewable Electricity	216,435	192,535	118,610
Total Energy Consumed	505,665	478,935	469,625
Total Energy Intensity (GJ/MT Production)	2.16	2.19	2.24
Total Renewable Energy Sourced or Generated	37,245	40,455	119,310
Total Renewable Energy Sourced to Total Energy Consumed (%)	7.4%	8.4%	25.4%
<b>Greenhouse Gas Emissions (Metric Tons CO2e)**</b>			
Total Scope 1	12,510	12,125	11,115
Scope 2 Emissions (Market-Based Method)	23,735	22,220	15,640
Scope 2 Emissions (Location-Based Method)	25,935	24,510	24,670
Total Scope 1 & Market-Based Scope 2 Emissions	36,240	34,345	26,755
Total Emissions Intensity (MT CO2e/MT Production)	0.163	0.166	0.128

\*From 2020 to 2023, we combined fuel oil and diesel. 2024 is the first year in which we will report both energy sources separately.

\*\*For 2024 emissions data, we use the 2024 IEA & 2024 eGrid Emission Factors to calculate our footprint.



**WATER (Liters)**

	2022	2023	2024
Total Water Withdrawal	413,991,365	380,502,830	378,195,370
Total Water Discharged*	205,358,965	181,537,275	173,368,090
Total Water Consumption**	208,632,400	198,965,550	204,827,280
Water Recycled and Reused***	6,133,870	5,123,815	5,425,650
Water Withdrawn from Recycled Sources (%)	1.48%	1.35%	1.43%

**WASTE (Metric Tons - MT)**

	2022	2023	2024
Non-Hazardous Waste	3,005	2,630	3,675
Hazardous Waste	15,210	14,725	14,960
Recycled Waste****	3,795	4,210	4,820
Total	22,010	21,565	23,455
Recycled Waste as a % of Total Waste (%)	17	20	21

**PRODUCTION (Metric Tons - MT)**

	2022	2023	2024
Americas	55,731	54,256	50,387
Asia-Pacific (APAC)	89,195	79,188	88,077
Europe, Middle East and Africa (EMEA)	77,824	72,597	71,028
Total*****	222,750	206,041	209,492

**CERTIFICATIONS**

	2022	2023	2024
Percentage of Sites with ISO 45001 Certificates (%)	33+	34	38
Percentage of Sites with ISO 9001 and/or IATF 16949 Certificates (%)	98	98	98
Percentage of Sites with ISO 14001 Certificates (%)	73	80	87

\*In some cases, our wastewater is containerized and sent offsite for disposal. This wastewater is captured under Hazardous Waste.  
 \*\*Total Water Consumption calculated using the water balance formula: Water Consumption = Total Water Withdrawal - Total Water Discharged.  
 \*\*\*Alternative water includes repurposed or recycled water.

\*\*\*\*Recycled waste may include certain materials that are recovered and reclaimed.  
 \*\*\*\*\*In 2024, we refined our production definition and restated prior data to be consistent and comparable over time. Production data includes approximate converted quantities as Metric Ton is a standard measure across most, but not all, our businesses. Due to the diversity of our portfolio, mass and product value are not necessarily correlated.



# Global Reporting Initiative (GRI) Index

Number	Disclosure	Cross-References or Answers
<b>GRI 1: FOUNDATION 2021</b>		
	Statement of use	Element Solutions Inc ("ESI," "we," "our" or "us") has prepared this 2024 GRI Index in accordance with the Global Reporting Initiative (GRI) Standards for the period January 1, 2024 – December 31, 2024. We apply the 2021 version of the GRI 2: General Disclosures and GRI 3: Material Topics. We apply the 2018 version of the GRI Standards for GRI 303 and GRI 403; the 2020 version of the GRI Standards for GRI 306; and the 2016 version of the GRI Standards for all other disclosures in this Index. The "2016," "2018," "2020," and "2021" labels refer to the respective GRI Standards issue dates, not the date of information presented in the report. This index links to relevant information in this 2024 Sustainability Report, sustainability website, 2024 10-K Annual Report, and latest Proxy Statement, among others.
<b>GRI 2: GENERAL DISCLOSURES 2021</b>		
<b>THE ORGANIZATION AND ITS REPORTING PRACTICES</b>		
2-1	Organizational details	<p>Element Solutions Inc                      Incorporated in the State of Delaware on January 22, 2014                      Our common stock is publicly traded on the New York Stock Exchange under the ticker symbol "ESI."                      ESI's headquarters are located at:                      500 East Broward Boulevard, Suite 1860                      Fort Lauderdale, Florida 33394, USA.</p> <p>As of December 31, 2024, we had operations and serviced customers in more than 50 countries.</p> <p>For more information, refer to:                      2024 Sustainability Report (About ESI, pages 4-8)                      2024 10-K Annual Report (Corporate Information, page 9; Properties, page 22; Business, page 1 and Market for our Common Stock, page 24)                      2025 Proxy Statement (Security Ownership, pages 56-57)                      ESI Website (Overview)</p> <p>As of December 31, 2024, our physical presence included 51 manufacturing sites, of which 12 included research facilities, and 9 stand-alone research centers. Of our manufacturing facilities, 8 were located in the U.S. with the remaining international facilities located primarily in Asia and Europe. Major manufacturing operations are in Brazil, China, Germany, India, Italy, Malaysia, Mexico, Singapore, South Korea, Turkey, the United Kingdom, and the United States. We have direct operations in over 30 countries and can service customers through distribution relationships in an additional 20 countries. In 2024, we rationalized four locations that were still operational during the year, and therefore were in scope for our sustainability reporting. We also closed three manufacturing facilities in 2023 that were previously in scope for ESG reporting; however, since their production volumes were transferred to other sites, we have not removed them from our historical data. In this report, 47 of our 55 manufacturing facilities that were operational in 2024 are represented in our environmental data. We excluded the other locations that were de minimis in footprint.</p>



Number	Disclosure	Cross-References or Answers
2-2	Entities included in the organization's sustainability reporting	2024 Sustainability Report (Vision & Strategy, pages 9-15; About this Report, pages 16-17) 2024 10-K Annual Report (Business, page 1)
2-3	Reporting period, frequency, and contact point	January 1, 2024 to December 31, 2024.  We publish Sustainability Reports or updated sustainability performance data annually which is aligned with ESI's financial reporting period.  ESI's 2024 Sustainability Report: May 30, 2025 sustainability@elementsolutionsinc.com
2-4	Restatements of information	2024 Sustainability Report (Vision & Strategy, pages 9-15; About this Report, pages 16-17)  We refined our production definition and therefore have restated our 2020 emissions intensity baseline from 0.158 MT CO2e/MT of Production to 0.162 MT CO2e/MT of Production.
2-5	External assurance	2024 Sustainability Report (Vision & Strategy, pages 9-15; About this Report, pages 16-17)

**ACTIVITIES AND WORKERS**

2-6	Activities, value chain, and other business relationships	ESI is a global diversified specialty chemicals company focused on providing innovative solutions across several large and growing end-markets that enhance the products of everyday life.  For a description of ESI's value chain, including its activities, products, markets served, and supply chain, refer to:  2024 Sustainability Report (About ESI, pages 4-8) 2024 Sustainability Report (Vision & Strategy, pages 9-15; About this Report, pages 16-17) 2024 Sustainability Report (Managing a Sustainable Supply Chain, page 57) 2024 Sustainability Report (External Memberships, Associations, and Certificates, page 63) 2024 Sustainability Report (Stakeholder Engagement, page 14) 2024 10-K Annual Report (Business, pages 1, 2-4; Customers, page 6) ESI Website (About; Our History; Our Businesses and Key Markets) Supply Chain Conflict Minerals Policy Supplier Code of Conduct
2-7	Employees	ESG Performance Data (Snapshot of Our People; Global Workforce Representation; Employee Count by Ethnicity; Employee Count by Region; Overall Headcount by Age Range)  2024 10-K Annual Report (Human Capital Management, pages 6-7; Selling & Marketing, page 6)  There were no significant fluctuations in the number of employees during and between reporting periods.



Number	Disclosure	Cross-References or Answers
<b>GOVERNANCE</b>		
2-9	Governance structure and composition	We maintain gender and ethnic diversity on our Board. For more information on Governance structure and composition, refer to: 2024 Sustainability Report (Our Governance Structure, page 53) 2024 Sustainability Report (Governance and Accountability, page 54) ESG Performance Data (Snapshot of Our People) Board of Directors Governance Principles and Code of Conduct ESI Website (Corporate Governance; Board of Directors; Board Committees)
2-10	Nomination and selection of the highest governance body	2025 Proxy Statement (Director Nominees, pages 4-7; Corporate Governance, pages 8-20; Election of Directors, pages 1-3; Nominating and Policies Committee, pages 16-17) Board of Directors Governance Principles and Code of Conduct Nominating and Policies Committee Charter
2-11	Chair of the highest governance body	2025 Proxy Statement (Directors Nominees, pages 4-7; Board Leadership Structure, pages 11-12) ESI Website (Board of Directors)
2-12	Role of highest governance body in overseeing the management of impacts	2024 Sustainability Report (Vision & Strategy, pages 9-17) 2024 Sustainability Report (Governance and Accountability - Board Oversight, page 54) Audit Committee Charter Nominating and Policies Committee Charter Compensation Committee Charter 2025 Proxy Statement (Board of Directors, pages 11-12; Risk Management and Oversight, page 12-13)
2-13	Delegation of responsibility for managing impacts	2024 Sustainability Report (Vision & Strategy, pages 9-17) 2024 Sustainability Report (Governance & Compliance - Our Approach, page 53) 2024 Sustainability Report (Governance and Accountability - Overseeing ESG Strategy and Performance, page 54) Nominating and Policies Committee Charter 2025 Proxy Statement (Risk Management and Oversight, page 12-13; Corporate Responsibility and Sustainability, pages 17)



Number	Disclosure	Cross-References or Answers
2-14	Role of the highest governance body in sustainability reporting	<p>ESI's ESG &amp; Sustainability Reports and updates are led by our Senior Director of ESG Strategy in conjunction with other functions for the review of ESI's management before being presented to our CEO and the Board for final approval.</p> <p>2024 Sustainability Report (Our Governance Structure, page 53)                      2024 Sustainability Report (Vision &amp; Strategy, pages 9-15; About this Report, pages 16-17)                      2024 Sustainability Report (Governance and Accountability - Board Oversight, page 54)                      Nominating and Policies Committee Charter</p>
2-15	Conflicts of interest	<p>2024 Sustainability Report (Governance and Accountability - Board Oversight, page 54; Ethics and Compliance - Conflicts of Interest, page 56)                      Board of Directors Governance Principles and Code of Conduct, page 2                      Conflict of Interest Policy                      2025 Proxy Statement (Certain Relationships and Related Transactions, pages 19-20)                      Audit Committee Charter                      Information related to material conflicts of interest would be disclosed to stakeholders in ESI's annual Proxy Statement.</p>
2-16	Communication of critical concerns	<p>2025 Proxy Statement (Communication with the Board of Directors, page 70)                      Business Conduct and Ethics Policy (Corporate Compliance Hotline, page 16)</p>
2-17	Collective knowledge of highest governance body	<p>2024 Sustainability Report (Vision &amp; Strategy, pages 9-15; About this Report, pages 16-17)                      2024 Sustainability Report (Governance and Accountability - Overseeing ESG Strategy and Performance, page 54)                      ESI Website (Board Of Directors)                      2025 Proxy Statement (Directors Nominees - Business experience and qualifications, pages 4-8)</p>
2-18	Evaluation of the performance of the highest governance body	<p>Board of Directors Governance Principles and Code of Conduct pages 4, 6                      2025 Proxy Statement (Board and Committee Assessment Process, page 18)</p>
2-19	Remuneration policies	<p>Compensation Committee Charter                      2025 Proxy Statement (Executive Compensation - Compensation Discussion and Analysis, pages 23-41; Director Compensation, pages 21-22; Corporate Responsibility and Sustainability, page 17)                      2024 Sustainability Report (Vision &amp; Strategy, page 9; Sustainability Approach and Strategy, page 12)</p>



Number	Disclosure	Cross-References or Answers
2-20	Process for determining remuneration	Compensation Committee Charter 2025 Proxy Statement (Executive Compensation - Compensation Discussion and Analysis, pages 23-41; Stockholder Engagement, pages 9-10; Director Compensation, pages 21-22)
2-21	Annual compensation ratio	2025 Proxy Statement (Pay Ratio, pages 51-52)
<b>STRATEGY, POLICIES AND PRACTICES</b>		
2-22	Statement on sustainable development strategy	2024 Sustainability Report (CEO Message, pages 2-3)
2-23	Policy commitments	2024 Sustainability Report (Ethics and Compliance, page 56) 2024 Sustainability Report (Policies, Reports and Disclosures, page 64) Sustainability Website (Policies) Global Quality Policy (Promoting a Culture of Sustainability) 2025 Proxy Statement (Corporate Governance Guidelines, page 9) Global Environmental, Health & Safety Policy
3-3		
2-24	Embedding policy commitments	<p>ESI's Business Conduct and Ethics Policy presents the Company's core values and high ethical standards across many topics. All ESI employees and contractors are expected to act at all times in strong compliance with the law, the guidelines set forth in the Business Conduct and Ethics Policy, and other ESI policy statements. ESI's managers are responsible for assuring that this policy and others, which are translated in many relevant languages, are understood and followed. Compliance is taken into account in reviewing the performance of all employees.</p> <p>2024 Sustainability Report (Governance and Accountability, page 54) 2024 Sustainability Report (Ethics and Compliance, page 56) 2024 Sustainability Report (Workforce Prosperity - Training and Development, page 48) Business Conduct and Ethics Policy (page 1) 2024 Sustainability Report (Governance &amp; Compliance - Managing Risks, page 57-59)</p>
2-25	Processes to remediate negative impacts	2024 Sustainability Report (Governance & Compliance - Managing Risks, page 57-59) Business Conduct and Ethics Policy (Corporate Compliance Hotline page 16) 2025 Proxy Statement (Risk Management and Oversight, page 12-13)



Number	Disclosure	Cross-References or Answers
2-26	Mechanisms for seeking advice and raising concerns	Business Conduct and Ethics Policy (Corporate Compliance Hotline, page 16) Foreign Corrupt Practices Act/Anti-Corruption Policy (6.4 Notice; Reporting) 2024 Sustainability Report (Stakeholder Engagement, page 14)
2-27	Compliance with laws and regulations	In 2024, we experienced no material cases of non-compliance with environmental laws and regulations. 2024 10-K Annual Report
2-28	Membership of associations	2024 Sustainability Report (External Memberships, Associations, and Certificates, page 63)
<b>STAKEHOLDER ENGAGEMENT</b>		
2-29	Approach to stakeholder engagement	2024 Sustainability Report (Our Sustainability Journey page 10) 2024 Sustainability Report (Vision & Strategy - Sustainability Goals, page 11) 2024 Sustainability Report (Stakeholder Engagement, page 14) Sustainability Website
2-30	Collective bargaining agreements	2024 Sustainability Report (Inclusion - Labor Rights, page 45) Sustainability Website (Labor Rights) ~14% of our employees belonged to unions/collective bargaining agreements in 2024.
<b>GRI 3: MATERIAL TOPICS 2021</b>		
3-1	Process to determine material topics	2024 Sustainability Report (Our Sustainability Journey, page 10) 2024 Sustainability Report (Vision & Strategy - Sustainability Goals, page 11) 2024 Sustainability Report (Our ESG Strategy and Disclosure Framework, page 13) 2024 Sustainability Report (Stakeholder Engagement, page 14)
3-2	List of material topics	2024 Sustainability Report (Our Sustainability Journey, page 10) 2024 Sustainability Report (Our ESG Strategy and Disclosure Framework, page 13) 2024 Sustainability Report (Vision & Strategy - Sustainability Goals, page 11) There are no material changes to the list of material topics for 2024 as compared to 2023.



Number	Disclosure	Cross-References or Answers
<b>ECONOMIC</b>		
<b>ECONOMIC PERFORMANCE</b>		
<b>Relevant ESI Material Topic(s): Climate Change; Talent Attraction and Development; Stakeholder Engagement; Volunteerism and Charitable Giving</b>		
GRI 3: Material Topics 2021	3-3	Management of material topics
		ESI Website (Vision & Strategy) 2024 Sustainability Report (Stakeholder Engagement, page 14) 2024 Sustainability Report (Our ESG Strategy and Disclosure Framework, page 13) About This Update 2024 10-K Annual Report (Business, page 1)
GRI 2021: Economic Performance 2016	201-1	Direct economic value generated and distributed
		2024 Sustainability Report (Talent Attraction and Retention, page 47) 2024 Sustainability Report (Volunteering and Charitable Giving, page 50) ESG Performance Data (Economic Performance) 2024 10-K Annual Report (Business, page 1; Revenue Recognition, F-15) 2025 Proxy Statement (Executive Compensation - Compensation Discussion and Analysis, pages 23-41)
		201-2 Financial implications and other risks and opportunities due to climate change
		2024 Sustainability Report (Climate Change, page 32) 2024 10-K Annual Report (Risk Factors, pages 10-23)
		201-3 Defined benefit plan obligations and other retirement plans
		2024 Sustainability Report (Talent Attraction and Retention, page 47) 2024 10-K Annual Report (Pensions Plans, page 36; Pension, Post-Retirement and Post-Employment Plans, pages F-22-F-26); 2025 Proxy Statement (Benefits and Other Perquisites, page 35-36)
<b>INDIRECT ECONOMIC IMPACT</b>		
<b>Relevant ESI Material Topic(s): Stakeholder Engagement; Governance and Accountability; Volunteerism and Charitable Giving</b>		
GRI 3: Material Topics 2021	3-3	Management of material topics
		2024 Sustainability Report (Vision & Strategy, pages 9-17) 2024 Sustainability Report (Sustainability Approach and Strategy, page 12) 2024 Sustainability Report (Our ESG Strategy and Disclosure Framework, page 13) 2024 Sustainability Report (Expecting the Unexpected, page 41) 2024 Sustainability Report (Governance & Compliance - Managing Risks, pages 57-59)



Number	Disclosure	Cross-References or Answers
GRI 203: Indirect Economic Impact 2016	203-1 Infrastructure investments and services supported	2024 Sustainability Report (Vision & Strategy, pages 9-17) 2024 Sustainability Report (Sustainability Approach and Strategy, page 12) 2024 Sustainability Report (Expecting the Unexpected, page 41) 2024 Sustainability Report (Environmental Compliance - Managing Risks, page 35) 2024 Sustainability Report (Governance & Compliance - Managing Risks, pages 57-59) 2024 Sustainability Report (Sustainable Chemistry, pages 18-29) 2024 Sustainability Report (Managing a Sustainable Supply Chain, page 57) 2024 Sustainability Report (Volunteering and Charitable Giving, page 50)
<b>ANTI-CORRUPTION</b>		
<b>Relevant ESI Material Topic(s): Ethics and Compliance; Governance and Accountability</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	2024 Sustainability Report (Ethics and Compliance, page 56) 2024 Sustainability Report (Governance & Compliance - Managing Risks, pages 57-59) Business Conduct and Ethics Policy (pages 7, 8, 14) Foreign Corrupt Practices Act/Anti-Corruption Policy 2024 10-K Annual Report (Risk Factors, pages 10-23)
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	2024 Sustainability Report (Governance & Compliance - Managing Risks, pages 57-59) 2024 Sustainability Report (Governance & Compliance - Training and Monitoring, page 57) 2024 Sustainability Report (Third-Party Monitoring and Screening, page 58) Business Conduct and Ethics Policy (pages 7, 8, 14) Foreign Corrupt Practices Act/Anti-Corruption Policy 2024 10-K Annual Report (Risk Factors, pages 10-23)
	205-2 Communication and training about anti-corruption policies and procedures	2024 Sustainability Report (Governance & Compliance - Managing Risks, pages 57-59) 2024 Sustainability Report (Governance & Compliance - Training and Monitoring, page 57)



Number	Disclosure	Cross-References or Answers		
<b>ENVIRONMENTAL</b>				
<b>MATERIALS</b>				
<b>Relevant ESI Material Topic(s): Sustainable Chemistry; Managing a Sustainable Supply Chain</b>				
GRI 3: Material Topics 2021	3-3	Management of material topics	2024 Sustainability Report (Sustainable Chemistry, pages 18-29)	
	301-2	Recycled input materials used	2024 Sustainability Report (Sustainable Chemistry, pages 18-29)  In 2024, our MacDermid Alpha business used approximately 4,274 metric tons of recycled tin in the production of its solder technologies, representing 51.4% of all tin and tin alloys sold by the Company that year. In addition to purchasing recycled tin, we recycle tin and other metals in our own in-house smelting and refining facility in the U.S. In 2024, our reclaim facility recycled 2,389 metric tons of in-house and third-party customers' scrap metals, reducing the burden of pollution and energy and water demand that comes from metals mining.	
<b>ENERGY</b>				
<b>Relevant ESI Material Topic(s): Climate Change; Energy and Emissions</b>				
GRI 3: Material Topics 2021	3-3	Management of material topics	2024 Sustainability Report (Vision & Strategy - Sustainability Goals, page 11) 2024 Sustainability Report (Energy and Emissions, pages 33-34) 2024 Sustainability Report (Climate Change, page 32) 2024 Sustainability Report (Energy and Emissions - Managing Our Impact, page 33) 2024 Sustainability Report (Environmental Compliance - Managing Risks, page 35)	
	GRI 302: Energy 2016	302-1	Energy consumption within the organization	2024 Sustainability Report (Energy and Emissions - Measuring Our Footprint, page 34) 2024 Sustainability Report (Energy and Emissions, pages 33-34)
		302-3	Energy intensity	2024 Sustainability Report (Energy and Emissions - Measuring Our Footprint, page 34) 2024 Sustainability Report (Energy and Emissions, pages 33-34)
	302-4	Reduction of energy consumption	2024 Sustainability Report (Energy and Emissions Reduction Initiatives, page 34)	



Number	Disclosure	Cross-References or Answers
<b>WATER AND EFFLUENTS</b>		
<b>Relevant ESI Material Topic(s): Water Management</b>		
GRI 3: Material Topics 2021	3-3	Management of material topics
		Global Environmental, Health & Safety Policy 2024 Sustainability Report (Environmental Compliance - Managing Risks, page 35) 2024 Sustainability Report (Environmental Compliance - Water and Waste, pages 36-37) Sustainability Website (Water and Waste)
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource
		2024 Sustainability Report (Environmental Compliance - Water and Waste, pages 36-37) 2024 Sustainability Report (Water and Waste - Monitoring and Reducing Water, page 36)
	303-2	Management of water discharge-related impacts
		2024 Sustainability Report (Water and Waste - Monitoring and Reducing Water, page 36) ESG Performance Data (Water)  We discharge water in compliance with local regulatory requirements.
	303-3	Water withdrawal
		2024 Sustainability Report (Water and Waste - Monitoring and Reducing Water, page 36) ESG Performance Data (Water)
	303-4	Water discharge
		2024 Sustainability Report (Water and Waste - Monitoring and Reducing Water, page 36) ESG Performance Data (Water)
	303-5	Water consumption
		2024 Sustainability Report (Water and Waste - Monitoring and Reducing Water, page 36) Total Water Consumption = Total Water Withdrawal - Total Water Discharged. See our ESG Performance Data (Water) for more information.
<b>EMISSIONS</b>		
<b>Relevant ESI Material Topic(s): Climate Change; Energy and Emissions</b>		
GRI 3: Material Topics 2021	3-3	Management of material topics
		Global Environmental, Health & Safety Policy 2024 Sustainability Report (Vision & Strategy - Sustainability Goals, page 11) 2024 Sustainability Report (Environmental Compliance - Managing Risks, page 35) 2024 Sustainability Report (Energy and Emissions, pages 33-34) 2024 Sustainability Report (Climate Change, page 32) 2024 Sustainability Report (Energy and Emissions - Managing Our Impact, page 33) 2025 Proxy Statement (Sustainability Initiatives, page 10)
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions
		2024 Sustainability Report (Energy and Emissions - Measuring Our Footprint, page 34)
	305-2	Energy indirect (Scope 2) GHG emissions
		2024 Sustainability Report (Energy and Emissions - Measuring Our Footprint, page 34)



Number	Disclosure	Cross-References or Answers
305-4	GHG emissions intensity	2024 Sustainability Report (Energy and Emissions - Measuring Our Footprint, page 34) ESG Performance Data (Energy and Emissions)
305-5	Reduction of GHG emissions	2024 Sustainability Report (Energy and Emissions, pages 33-34) 2024 Sustainability Report (Climate Change, page 32) 2024 Sustainability Report (Energy and Emissions - Measuring Our Footprint, page 34)

**WASTE**

**Relevant ESI Material Topic(s): Waste Management**

GRI 3: Material Topics 2021	3-3	Management of material topics	Global Environmental, Health & Safety Policy 2024 Sustainability Report (Environmental Compliance - Managing Risks, page 35) 2024 Sustainability Report (Sustainable Chemistry, pages 18-29) 2024 Sustainability Report (Environmental Compliance - Water and Waste, pages 36-37) Sustainability Website (Water and Waste)
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	2024 Sustainability Report (Water and Waste - Measuring and Reducing Waste, page 36) ESG Performance Data (Waste)  We dispose of our waste in compliance with local regulatory requirements.
	306-2	Management of significant waste-related impacts	2024 Sustainability Report (Sustainable Chemistry, pages 18-29) 2024 Sustainability Report (Environmental Compliance - Water and Waste, pages 36-37) Sustainability Website (Water and Waste)  Where applicable and in accordance with local laws, we train employees to recycle waste and have various recycling initiatives in place at our manufacturing facilities.
	306-3	Waste generated	2024 Sustainability Report (Water and Waste - Measuring and Reducing Waste, page 36)
	306-4	Waste diverted from disposal	2024 Sustainability Report (Water and Waste - Measuring and Reducing Waste, page 36)
	306-5	Waste directed from disposal	2024 Sustainability Report (Water and Waste - Measuring and Reducing Waste, page 36)



Number	Disclosure	Cross-References or Answers
<b>SUPPLIER ENVIRONMENTAL ASSESSMENT</b>		
<b>Relevant ESI Material Topic(s): Managing a Sustainable Supply Chain</b>		
GRI 3: Material Topics 2021	3-3	Management of material topics
		Global Environmental, Health & Safety Policy Supplier Code of Conduct Supply Chain Conflict Minerals Policy 2024 Sustainability Report (Managing a Sustainable Supply Chain, page 57)
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria
		2024 Sustainability Report (Managing a Sustainable Supply Chain, page 57)
	308-2	Negative environmental impacts in the supply chain and actions taken
		2024 Sustainability Report (Managing a Sustainable Supply Chain, page 57)
<b>SOCIAL</b>		
<b>EMPLOYMENT</b>		
<b>Relevant ESI Material Topic(s): Talent Attraction and Development</b>		
GRI 3: Material Topics 2021	3-3	Management of material topics
		Fair Employment Policy 2024 Sustainability Report (Workforce Prosperity, pages 47-48) ESI Career Website
GRI 401: Employment 2016	401-1	New employee hires and employee turnover
		2024 Sustainability Report (Talent Attraction and Retention, page 47) ESG Performance Data (Global Workforce Representation)
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees
		2024 Sustainability Report (Talent Attraction and Retention, page 47)  We provide a variety of benefits to our full-time employees from parental leave, healthcare, life insurance, disability coverage, retirement provision, and stock ownership. The benefits we provide vary depending on location and are based on local human resources laws and regulations with which we comply.



Number	Disclosure	Cross-References or Answers
<b>LABOR/MANAGEMENT RELATIONS</b>		
<b>Relevant ESI Material Topic(s): Human Rights; Talent Attraction and Development; Labor Rights</b>		
GRI 3: Material Topics 2021	3-3	Management of material topics
		2024 10-K Annual Report (Human Capital Management, pages 6-7) Sustainability Website (Labor Rights) 2024 Sustainability Report (Stakeholder Engagement, page 14) 2024 Sustainability Report (Human Rights, page 56) Business Conduct and Ethics Policy (Labor & Human Rights, page 9) Fair Employment Policy Anti-slavery and Human Trafficking Policy
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes
		Sustainability Website (Labor Rights) 2024 Sustainability Report (Labor Rights, page 45) 2024 Sustainability Report (Stakeholder Engagement, page 14)  We comply with notice periods (as defined by collective bargaining agreements in place or by local laws or regulations) prior to the implementation of any changes that could potentially involve our employees.
<b>OCCUPATIONAL HEALTH AND SAFETY</b>		
<b>Relevant ESI Material Topic(s): Occupational Health and Safety; Manufacturing Safe Products</b>		
GRI 3: Material Topics 2021	3-3	Management of material topics
		Global Environmental, Health & Safety Policy 2024 10-K Annual Report (Human Capital Management, pages 6-7) 2024 Sustainability Report (Vision & Strategy - Sustainability Goals, page 11) 2024 Sustainability Report (Manufacturing Safe Products, page 26) 2024 Sustainability Report (Occupational Health & Safety, pages 40-43) 2024 Sustainability Report (Managing Health & Safety, page 41) 2024 Sustainability Report (Ensuring Effective Health & Safety Management, page 42)
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system
	403-2	Hazard identification, risk assessment, and incident investigation
	403-4	Worker participation, consultation, and communication on occupational health and safety
		2024 Sustainability Report (Occupational Health & Safety, pages 40-43)  2024 Sustainability Report (Ensuring Effective Health & Safety Management, page 42)  2024 Sustainability Report (Managing Health & Safety, page 41) 2024 Sustainability Report (Ensuring Effective Health & Safety Management, page 42) 2024 Sustainability Report (Manufacturing Safe Products, page 26)



Number	Disclosure	Cross-References or Answers
403-5	Worker training on occupational health and safety	2024 Sustainability Report (Managing Health & Safety, page 41) 2024 Sustainability Report (Ensuring Effective Health & Safety Management, page 42) 2024 Sustainability Report (Manufacturing Safe Products, page 26)
403-6	Promotion of worker health	Global Environmental, Health & Safety Policy 2024 Sustainability Report (Ensuring Effective Health & Safety Management, page 42) 2024 Sustainability Report (Employee Benefits & Talent Attraction and Retention, page 47) ESG Performance Data (Global Workforce Representation)
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	2024 Sustainability Report (Managing Health & Safety, page 41) 2024 Sustainability Report (Ensuring Effective Health & Safety Management, page 42) 2024 Sustainability Report (Manufacturing Safe Products, page 26)
403-8	Workers covered by an occupational health and safety management system	2024 Sustainability Report (Managing Health & Safety, page 41) ESG Performance Data (Global Workforce Representation) ESI's safety data is submitted by our facilities and consolidated in our global safety management system for tracking and monitoring purposes.
403-9	Work-related injuries	2024 Sustainability Report (Measuring Health & Safety Performance, page 43) 2024 Sustainability Report (Ensuring Effective Health & Safety Management, page 42) ESG Performance Data (Environmental Health & Safety)  In 2024, we have experienced one injury of a worker who is not an employee but whose work we control.  Lost time injury rates (LTIR) are calculated based on 200,000 hours worked. LTIR figures cover all employees.
403-10	Work-related ill health	2024 Sustainability Report (Measuring Health & Safety Performance, page 43) 2024 Sustainability Report (Ensuring Effective Health & Safety Management, page 42) ESG Performance Data (Environmental Health & Safety) In 2024, we experienced no work related employee fatalities.



Number	Disclosure	Cross-References or Answers
<b>TRAINING AND EDUCATION</b>		
<b>Relevant ESI Material Topic(s): Talent Attraction and Development; Human Rights; Inclusion; Occupational Health and Safety; Ethics and Compliance</b>		
GRI 3: Material Topics 2021	3-3	Management of material topics
		2024 Sustainability Report (About ESI, pages 4-8) 2024 Sustainability Report (Workforce Prosperity, pages 47-48) 2024 Sustainability Report (Talent Attraction and Retention, page 47) Business Conduct and Ethics Policy (Training, page 17) 2024 10-K Annual Report (Human Capital Management, pages 6-7)
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee
		2024 Sustainability Report (Workforce Prosperity, pages 47-48) ESG Performance Data (Global Workforce Representation) 2024 Sustainability Report (Ethics and Compliance - Training and Monitoring, page 57)
	404-2	Program for upgrading employee skills and transition assistance programs
		2024 Sustainability Report (Workforce Prosperity, pages 47-48)  In connection with retirement or termination of employment, we may offer severance pay and/or transition assistance depending on circumstances.
	404-3	Percentage of employees receiving regular performance and career development reviews
		2024 Sustainability Report (Workforce Prosperity - Training and Development, page 48) ESG Performance Data (Social Impact)
<b>DIVERSITY AND EQUAL OPPORTUNITY</b>		
<b>Relevant ESI Material Topic(s): Inclusion; Governance and Accountability</b>		
GRI 3: Material Topics 2021	3-3	Management of material topics
		2024 Sustainability Report (Inclusion, pages 44-46) Business Conduct and Ethics Policy (Training, page 17) 2024 10-K Annual Report (Human Capital Management, pages 6-7) 2025 Proxy Statement (Sustainability Initiatives, page 10)
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees
		2024 Sustainability Report (Performance Through a Diverse and Independent Board, page 54) ESG Performance Data (Snapshot of Our People) 2025 Proxy Statement (Board Diversity and Tenure, pages 2-3) ESI Website (Board of Directors)



Number	Disclosure	Cross-References or Answers
<b>NON-DISCRIMINATION</b>		
<b>Relevant ESI Material Topic(s): Inclusion; Governance and Accountability</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	2024 Sustainability Report (Inclusion, pages 44-46) Business Conduct and Ethics Policy (Training, page 17) 2024 10-K Annual Report (Human Capital Management, pages 6-7)
GRI 406: Non-Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	2024 Sustainability Report (Inclusion, pages 44-46)
<b>FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING</b>		
<b>Relevant ESI Material Topic(s): Human Rights; Talent Attraction and Development; Labor Rights</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	2024 Sustainability Report (Inclusion, pages 44-46) 2024 Sustainability Report (Labor Rights, page 45) 2024 Sustainability Report (Human Rights, page 56) Anti-slavery and Human Trafficking Policy Supplier Code of Conduct
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	We respect the rights of our employees to freely associate and bargain collectively in a legal, ethical, and safe way.  2024 Sustainability Report (Labor Rights, page 45) 2024 Sustainability Report (Human Rights, page 56) Sustainability Website (Labor Rights) Supplier Code of Conduct
<b>CHILD LABOR</b>		
<b>Relevant ESI Material Topic(s): Human Rights</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	2024 Sustainability Report (Human Rights, page 56) 2024 Sustainability Report (Policies, Reports and Disclosures, page 64) 2024 Sustainability Report (Managing a Sustainable Supply Chain, page 57) 2024 Sustainability Report (Third-Party Monitoring and Screening, page 58) Anti-Slavery and Human Trafficking Policy Supplier Code of Conduct Business Conduct and Ethics Policy 2025 Proxy Statement (Sustainability Initiatives, page 10)



Number	Disclosure	Cross-References or Answers
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor
2024 Sustainability Report (Human Rights, page 56) 2024 Sustainability Report (Policies, Reports, and Disclosures, page 64) 2024 Sustainability Report (Managing a Sustainable Supply Chain, page 57) 2024 Sustainability Report (Third-Party Monitoring and Screening, page 58) Anti-Slavery and Human Trafficking Policy Supplier Code of Conduct Business Conduct and Ethics Policy		
<b>FORCED AND COMPULSORY LABOR</b>		
<b>Relevant ESI Material Topic(s): Human Rights</b>		
GRI 3: Material Topics 2021	3-3	Management of material topics
2024 Sustainability Report (Human Rights, page 56) 2024 Sustainability Report (Policies, Reports, and Disclosures, page 64) 2024 Sustainability Report (Managing a Sustainable Supply Chain, page 57) 2024 Sustainability Report (Third-Party Monitoring and Screening, page 58) Anti-Slavery and Human Trafficking Policy Supplier Code of Conduct Business Conduct and Ethics Policy 2025 Proxy Statement (Sustainability Initiatives, page 10)		
GRI 409: Forced and Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced and compulsory labor
2024 Sustainability Report (Human Rights, page 56) 2024 Sustainability Report (Policies, Reports, and Disclosures, page 64) 2024 Sustainability Report (Managing a Sustainable Supply Chain, page 57) 2024 Sustainability Report (Third-Party Monitoring and Screening, page 58) Anti-Slavery and Human Trafficking Policy Supplier Code of Conduct Business Conduct and Ethics Policy		
<b>LOCAL COMMUNITIES</b>		
<b>Relevant ESI Material Topic(s): Volunteering and Charitable Giving; Managing a Sustainable Supply Chain</b>		
GRI 3: Material Topics 2021	3-3	Management of material topics
2024 Sustainability Report (Volunteering and Charitable Giving, page 50) 2024 10-K Annual Report (Human Capital Management, pages 6-7) 2025 Proxy Statement (Sustainability Initiatives, page 10)		



Number		Disclosure	Cross-References or Answers
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	2024 Sustainability Report (Sustainable Chemistry, pages 18-29) 2024 Sustainability Report (Water and Waste - Monitoring and Reducing Water, page 36) 2024 Sustainability Report (Water and Waste - Measuring and Reducing Waste, page 36) ESG Performance Data (Water; Waste; Certifications) 2024 Sustainability Report (Volunteering and Charitable Giving, page 50) 2024 Sustainability Report (Stakeholder Engagement, page 14) ESI Facilities Certificates Sustainability Website (Community Impact)
<b>SUPPLIER SOCIAL ASSESSMENT 2016</b>			
<b>Relevant ESI Material Topic(s): Managing a Sustainable Supply Chain</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Global Environmental, Health & Safety Policy 2024 Sustainability Report (Human Rights, page 56) 2024 Sustainability Report (Managing a Sustainable Supply Chain, page 57) 2024 Sustainability Report (Supply Chain Risk Management, page 58) 2024 Sustainability Report (Third-Party Monitoring and Screening, page 58) Anti-Slavery and Human Trafficking Policy Supply Chain Conflict Minerals Policy Conflict Minerals Report Supplier Code of Conduct
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	2024 Sustainability Report (Third-Party Monitoring and Screening, page 58) Conflict Minerals Report
<b>PUBLIC POLICY</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Business Conduct and Ethics Policy (Political Contributions)
GRI 415: Public Policy 2016	415-1	Political contributions	Business Conduct and Ethics Policy (Political Contributions)



Number	Disclosure	Cross-References or Answers
<b>CUSTOMER HEALTH AND SAFETY</b>		
GRI 3: Material Topics 2021	416	Management of material topics
		2024 Sustainability Report (Removing Hazardous Chemicals Through Green Chemistry, page 23) 2024 Sustainability Report (Product Stewardship, pages 26-29)
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services
		2024 Sustainability Report (Manufacturing Safe Products, page 26) Global Quality Policy Global Environmental, Health & Safety Policy  We had no material incidents of noncompliance with respect to the health and safety impacts of products and services in 2024. A material non-compliance incident is one that results in a significant adverse impact to our business, condition (financial or otherwise), assets, or results.
<b>MARKETING AND LABELING</b>		
GRI 3: Material Topics 2021	3-3	Management of material topics
		2024 Sustainability Report (Product Safety Training and Labeling, page 27) Animal Testing Statement
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling
	417-2	Incidents of non-compliance concerning products and service information and labeling
		2024 Sustainability Report (Product Safety Training and Labeling, page 27) Animal Testing Statement  We had no material incidents of noncompliance with respect to product and service information and labeling in 2024. A material non-compliance incident is one that results in a significant adverse impact to our business, condition (financial or otherwise), assets, or results.
<b>CUSTOMER PRIVACY</b>		
GRI 3: Material Topics 2021	3-3	Management of material topics
		2024 Sustainability Report (Handling Data Security and Privacy, pages 60-61) Website Privacy Policy
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data
		We had no material complaints concerning breaches of customer privacy and losses of customer data in 2024.



Number	Disclosure	Cross-References or Answers
<b>ESI MATERIAL TOPIC: SUSTAINABLE CHEMISTRY (GREEN CHEMISTRY, INNOVATION FOR SUSTAINABLE PRODUCTS, CIRCULAR ECONOMY)</b>		
GRI 3: Material Topics 2021	3-3	Management of material topics
		2024 Sustainability Report (CEO Message, pages 2-3) 2024 Sustainability Report (Sustainable Chemistry, pages 18-29) 2024 Sustainability Report (From Idea to Sustainable Solution: How We Innovate, page 20) 2024 Sustainability Report (Product Stewardship, pages 26-29) Global Quality Policy (Promoting a Culture of Sustainability)
		Revenue generated from sustainable chemistry products  ESI Website (Sustainable Chemistry) 2024 Sustainability Report (Chemical Technology Enabling Sustainability, page 22)
<b>ESI MATERIAL TOPIC: SOCIETAL &amp; GEOPOLITICAL CONDITIONS</b>		
GRI 3: Material Topics 2021	3-3	Management of material topics
		2024 Sustainability Report (CEO Message, pages 2-3) 2024 Sustainability Report (Environmental Compliance - Managing Risks, page 35) 2024 Sustainability Report (Governance and Compliance - Managing Risks, pages 57-59) 2024 Sustainability Report (Expecting the Unexpected, page 41)
		Safeguarding business continuity against risks  ESI Website (Sustainable Chemistry) 2024 Sustainability Report (Expecting the Unexpected, page 41)



# Sustainability Accounting Standards Board (SASB) Index

## CHEMICALS INDUSTRY DISCLOSURES

Disclosure Topic	Disclosure Number	Disclosure Accounting Metric	Location and Answer
Greenhouse Gas Emissions	RT-CH-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	2024 Sustainability Report (Energy and Emissions, pages 33-34) 2024 Sustainability Report (Energy and Emissions - Measuring Our Footprint, page 34) ESG Performance Data (Energy and Emissions)
	RT-CH-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets.	2024 Sustainability Report (Energy and Emissions - Managing Our Impact, page 33) 2024 Sustainability Report (Energy and Emissions - Measuring Our Footprint, page 34) 2024 Sustainability Report (Energy and Emissions Reduction Initiatives, page 34)
Air Quality	RT-CH-120a.1	Air emissions of the following pollutants: (1) NOX (excluding N2O), (2) SOX, (3) volatile organic compounds (VOCs) and (4) hazardous air pollutants (HAPs)	Our operations are low emissions. In 2024, our NOx emissions were 43.12 MT, SOx 8.05 MT, VOCs 64.57 MT, and HAPs 5.72 MT totaling 121.47 Metric Tons
Energy Management	RT-CH-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, and (4) total self-generated energy	2024 Sustainability Report (Energy and Emissions, pages 33-34) 2024 Sustainability Report (Energy and Emissions - Measuring Our Footprint, page 34) ESG Performance Data (Energy and Emissions)
Water Management	RT-CH-140a.1	(1) Total water withdrawn, (2) total water consumed and percentage of each in regions with High or Extremely High Baseline Water Stress	2024 Sustainability Report (Water and Waste - Monitoring and Reducing Water, page 36) ESG Performance Data (Water)
	RT-CH-140a.2	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	2024 Sustainability Report (Water and Waste - Monitoring and Reducing Water, page 36)  We have experienced no material incidents associated with water quality permits, standards, and regulations in the last three years.
	RT-CH-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	2024 Sustainability Report (Water and Waste - Monitoring and Reducing Water, page 36) ESG Performance Data (Water)
Hazardous Waste Management	RT-CH-150a.1	Amount of hazardous waste generated and percentage recycled	2024 Sustainability Report (Water and Waste - Measuring and Reducing Waste, page 36) ESG Performance Data (Waste)
Community Relations	RT-CH-210a.1	Discussion of engagement processes to manage risks and opportunities associated with community interests	2024 Sustainability Report (Volunteering and Charitable Giving, page 50) 2024 10-K Annual Report (Human Capital Management, pages 6-7) Sustainability Website



Disclosure Topic	Disclosure Number	Disclosure Accounting Metric	Location and Answer
Workforce Health & Safety	RT-CH-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	2024 Sustainability Report (Measuring Health & Safety Performance, page 43) 2024 Sustainability Report (Occupational Health & Safety, pages 40-43) ESG Performance Data (Environmental Health & Safety) Global Environmental, Health & Safety Policy
	RT-CH-320a.2	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	2024 Sustainability Report (Manufacturing Safe Products, page 26) 2024 Sustainability Report (Managing Health & Safety, page 41) 2024 Sustainability Report (Ensuring Effective Health & Safety Management, page 42)
Product Design for Use-Phase Efficiency	RT-CH-410a.1	Revenue from products designed for use-phase resource efficiency	ESI Website (Sustainable Chemistry) 2024 Sustainability Report (Sustainable Chemistry, pages 18-29)
Safety & Environmental Stewardship of Chemicals	RT-CH-410b.1	(1) Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances and (2) percentage of such products that have undergone a hazard assessment	Certain of our products contain chemicals categorized as GHS Category 1 and 2 Health and Environmental Hazardous Substances. Our products are evaluated for hazard and assigned hazard classifications as required by law.  2024 Sustainability Report (Sustainable Chemistry, pages 18-29) 2024 Sustainability Report (Manufacturing Safe Products, page 26) 2024 Sustainability Report (From Idea to Sustainable Solution: How We Innovate, page 20)
	RT-CH-410b.2	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact	2024 Sustainability Report (Sustainable Chemistry, pages 18-29) 2024 Sustainability Report (From Idea to Sustainable Solution: How We Innovate, page 20) Supply Chain Conflict Minerals Policy Conflict Minerals Report Supplier Code of Conduct
Genetically Modified Organisms	RT-CH-410c.1	Percentage of products by revenue that contain genetically modified organisms (GMOs)	We have no revenues from GMOs or genetic engineering.



Disclosure Topic	Disclosure Number	Disclosure Accounting Metric	Location and Answer
Management of the Legal & Regulatory Environment	RT-CH-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	2024 Sustainability Report (Design and Implementation Process - Regulatory Changes, page 20) 2024 Sustainability Report (Energy and Emissions, pages 33-34) 2024 Sustainability Report (Climate Change, page 32) 2024 Sustainability Report (Inclusion, pages 44-46) 2024 Sustainability Report (Stakeholder Engagement, page 14)
Operational Safety, Emergency Preparedness & Response	RT-CH-540a.1	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR) and Process Safety Incident Severity Rate (PSISR)	2024 Sustainability Report (Water and Waste - Measuring and Reducing Waste, page 36) 2024 Sustainability Report (Occupational Health & Safety, pages 40-43) Global Environmental, Health & Safety Policy
	RT-CH-540a.2	Number of transport incidents	We had no significant transport incidents over the last three years.
Production	RT-CH-000.A	Production by reportable segment	2024 Sustainability Report (Who We Are, page 5) 2024 Sustainability Report (Enabling the Products of Everyday Life, page 6) 2024 Sustainability Report (Sustainability Within Our End Markets, page 7) 2024 Sustainability Report (Sustainability Approach and Strategy, pages 12-13) 2024 10-K Annual Report (Business, page 1) ESI Website (Overview) ESI Website (Key Markets)



# Basis of Reporting

## ENERGY AND GREENHOUSE GAS EMISSIONS — BASIS OF REPORTING

<p>Guidance and Boundary</p>	<p>The environmental data included in this report relates to 47 out of our 55 manufacturing facilities that were operational in 2024. De minimis manufacturing and non-manufacturing locations, standalone on-site labs, offices and warehouses were excluded per our materiality guidelines. These in-scope locations represent 98% of ESI's 2024 net sales revenue. The data covered in this report spans the period from January 1, 2024 to December 31, 2024.</p> <p>The company's environmental data as well as its Scope 1 and Scope 2 Greenhouse Gas (GHG) emissions are measured and disclosed consistent with the following standard and guidance:</p> <ul style="list-style-type: none"> <li>• Global Reporting Initiative (GRI)</li> <li>• Sustainability Accounting Standards Board (SASB)</li> <li>• World Resource Institute (WRI) / World Business Council for Sustainable Development's (WBCSD) Greenhouse Gas Protocol (GHG Protocol)</li> </ul> <p>When facilities are acquired or divested and the scope of our sustainability reporting changes, we recalculate and restate any relevant data and goal baselines, where possible. This applies if the inclusion or removal of facilities' data results in more than a 5% difference compared to previously disclosed figures. These adjustments help ensure a more current goal baseline and enable a meaningful comparison of data and trends over time. We intend to explain any adjustments and resulting differences in future sustainability publications.</p>
<p>GHG Emissions – Basis of Reporting</p>	<p>Our reported carbon dioxide equivalent (CO<sub>2</sub>e) emissions include carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), and nitrous oxide (N<sub>2</sub>O). Other GHGs—such as hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF<sub>6</sub>) are not currently covered. Process and fugitive emissions are also excluded from our sustainability reporting as they have been deemed immaterial to our total emissions. Emissions related to equipment use are infrequent, and given the nature of our operations, any such emissions—if present—are expected to represent an immaterial portion of our overall GHG emission footprint, and therefore also excluded from our sustainability reporting. We regularly assess all potential emission sources to ensure our reporting remains accurate, transparent, and aligned with our materiality principles.</p>
<p>Scope 1 Emissions</p>	<ul style="list-style-type: none"> <li>• Scope 1 GHG emissions were calculated using the latest emission factors available from the International Energy Agency (IEA), and for U.S. operations, the eGrid emission factors published by the U.S. Environmental Protection Agency (EPA) as of December 31, 2024. This reporting methodology is consistent with the GHG Protocol.</li> <li>• Scope 1 GHG emissions include emissions associated with natural gas, diesel, fuel oil, and liquefied petroleum (LPG) utilized for heating our buildings, heating used in production, powering forklifts, and backup generators.</li> <li>• ESI does not disaggregate Scope 1 emissions by individual greenhouse gases. All values are therefore reported in metric tons (MT) of CO<sub>2</sub>e using applicable emission factors. Given the composition of our emissions and the nature of our operations, CO<sub>2</sub> represents the vast majority of our Scope 1 emissions, and further disaggregation is not considered material to understanding our emissions profile.</li> <li>• ESI does not cause direct emissions from the combustion of biomass/biofuels.</li> </ul>



## ENERGY AND GREENHOUSE GAS EMISSIONS — BASIS OF REPORTING

Scope 2 Emissions	<p>Starting in 2024, we expanded our Scope 2 reporting to include both location-based and market-based emissions. All reported Scope 2 emissions reference the market-based methodology, unless otherwise stated.</p> <ul style="list-style-type: none"> <li>• Market-based emissions were calculated using IEA and eGrid emissions factors and incorporated the impact of renewable energy purchases, including renewable energy certificates (RECs).</li> <li>• Location-based emissions were calculated using IEA and eGrid emissions factors and did not account for renewable energy purchases.</li> <li>• Scope 2 GHG emissions include emissions associated with the electricity and steam purchased to power our operations.</li> <li>• ESI does not disaggregate Scope 2 emissions as the vast majority of these emissions result from the combustion of fossil fuels in third-party power generation, where CO2 is the predominant greenhouse gas. CH4 and N2O emissions from electricity generation are typically minimal and already reflected through their CO2e values using the applicable emission factors. As such, further disaggregation is not considered material to our emissions profile or necessary for decision-useful disclosure. All values are therefore reported in MT CO2e.</li> <li>• ESI reviews the ability to account for renewable energy when new projects (such as solar installations or green power purchase agreements) or green utility contracts are proposed. This process helps us ensure that our Scope 2 market-based reporting is valid and in alignment the GHG Protocol.</li> <li>• At ESI, we do not sell our self-produced energy directly to end users.</li> </ul>
Environmental Data Collection and Validation	<p>ESI gathers environmental data, including GHG emission data, from all sites within the scope of our sustainability reporting.</p> <ul style="list-style-type: none"> <li>• Each month, local Sustainability Champions compile and report the latest environmental data.</li> <li>• Data collected includes, but is not limited to the consumption of diesel, fuel oil, electricity, natural gas, steam, and water and waste generation. Where applicable, primary data is captured from invoices supplied by utility providers. Additional data is measured and collected directly on site.</li> <li>• After the data is submitted, it is routed to the Site Manager for approval, providing an added layer of validation and verification.</li> <li>• The data is initially collected using the relevant local Units of Measure (UOM). Once gathered and submitted in our data collection tool, the data is programmatically converted into a single, standardized UOM.</li> <li>• On a quarterly basis, the ESG Strategy team reviews the data for completeness and accuracy and liaises directly with Sustainability Champions and Site Managers on any trends where there is a significant change in data (10% or more YoY) and any other data or site-related questions that may arise.</li> <li>• This process helps us identify and address potential errors, while enabling meaningful comparisons across sites within the same business sector, regardless of their geographic location. It also fosters dialogue with the sites, enhancing transparency around our methodology and deepening our understanding of the company’s overall emissions footprint and environmental impact.</li> </ul>



# Independent Limited Assurance Report

ERM Certification & Verification Services Incorporated (“ERM CVS”) was engaged by Element Solutions Inc (“Element Solutions”) to provide limited assurance in relation to the Selected Information set out below and presented in the Element Solutions 2024 Sustainability Report (the “Report”).

## ENGAGEMENT SUMMARY

<p>Scope of our assurance engagement</p>	<p>Whether the following Selected Information for 2024, as indicated in the ESG Performance Data tables, are fairly presented in the Report, in all material respects, in accordance with the reporting criteria.</p> <p>Our assurance engagement does not extend to information in respect of earlier periods or to any other information included in the Report.</p>
<p>Selected Information</p>	<ul style="list-style-type: none"> <li>• Total Direct GHG Emissions (Scope 1) [metric tons CO2e]</li> <li>• Total Indirect GHG Emissions (Scope 2 location-based) [metric tons CO2e]</li> <li>• Total Indirect GHG Emissions (Scope 2 market-based) [metric tons CO2e]</li> </ul>
<p>Reporting period</p>	<p>January 1, 2024 to December 31, 2024</p>
<p>Reporting criteria</p>	<ul style="list-style-type: none"> <li>• Element Solutions’ Basis of Reporting</li> <li>• The GHG Protocol Corporate Accounting and Reporting Standard (WBCSD/WRI Revised Edition 2015) for Scope 1 and Scope 2 GHG emissions</li> <li>• GHG Protocol Scope 2 Guidance (An amendment to the GHG Protocol Corporate Standard (WRI 2015) for Scope 2 GHG emissions</li> </ul>
<p>Assurance standard and level of assurance</p>	<p>We performed a limited assurance engagement, in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) ‘Assurance Engagements other than Audits or Reviews of Historical Financial Information’.</p> <p>The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.</p>
<p>Respective responsibilities</p>	<p>Element Solutions is responsible for preparing the Report and for the collection and presentation of the information within it, and for the designing, implementing and maintaining of internal controls relevant to the preparation and presentation of the Selected Information.</p> <p>ERM CVS’ responsibility is to provide a conclusion to Element Solutions on the agreed assurance scope based on our engagement terms with Element Solutions, the assurance activities performed and exercising our professional judgement.</p>



## Our Conclusion

Based on our activities, as described below, nothing has come to our attention to indicate that the Selected Information for 2024 is not fairly presented in the Report, in all material respects, in accordance with the reporting criteria.

## Our Assurance Activities

Considering the level of assurance and our assessment of the risk of material misstatement of the Selected Information a multi-disciplinary team of sustainability and assurance specialists performed a range of procedures that included, but was not restricted to, the following:

- Evaluating the appropriateness of the reporting criteria for the Selected Information;
- Interviewing management representatives responsible for managing the Selected Information;
- Interviewing relevant staff to understand and evaluate the management systems and processes (including internal review and control processes) used for collecting and reporting the Selected Information;
- Reviewing of a sample of qualitative and quantitative evidence supporting the Selected Information at a corporate level;
- Performing an analytical review of the year-end data submitted by all locations included in the consolidated 2024 group data for the Selected Information which included testing the completeness and mathematical accuracy of conversions and calculations, and consolidation in line with the stated reporting boundary;
- Conducting visits, virtually and in-person, to three Element Solutions production sites in USA, Hungary, and Germany to review source data and local reporting systems and controls;
- Evaluating the conversion and emission factors and assumptions used;
- Reviewing the presentation of information relevant to the assurance scope in the Report to ensure consistency with our findings.

## The Limitations of Our Engagement

The reliability of the Selected Information is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusions in this context.

## Our Independence, Integrity And Quality Control

ERM CVS is an independent certification and verification body accredited by UKAS to ISO 17021:2015. Accordingly, we maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our quality management system is at least as demanding as the relevant sections of ISQM-1 and ISQM-2 (2022).

ERM CVS applies a Code of Conduct and related policies to ensure that its employees maintain integrity, objectivity, professional competence and high ethical standards in their work. Our processes are designed and implemented to ensure that the work we undertake is objective, impartial and free from bias and conflict of interest. Our certified management system covers independence and ethical requirements that are at least as demanding as the relevant sections of the IESBA Code relating to assurance engagements.

ERM CVS has extensive experience in conducting assurance on environmental, social, ethical and health and safety information, systems and processes, and provides no consultancy related services to Element Solutions in any respect.



May 8, 2025  
Malvern, PA

ERM Certification & Verification Services Incorporated  
[www.ermcvs.com](http://www.ermcvs.com) [post@ermcvs.com](mailto:post@ermcvs.com)



500 East Broward Boulevard, Suite 1860  
Fort Lauderdale, FL 33394  
(561) 207-9600

[sustainability@elementsolutionsinc.com](mailto:sustainability@elementsolutionsinc.com)

[elementsolutionsinc.com/sustainability](https://elementsolutionsinc.com/sustainability)