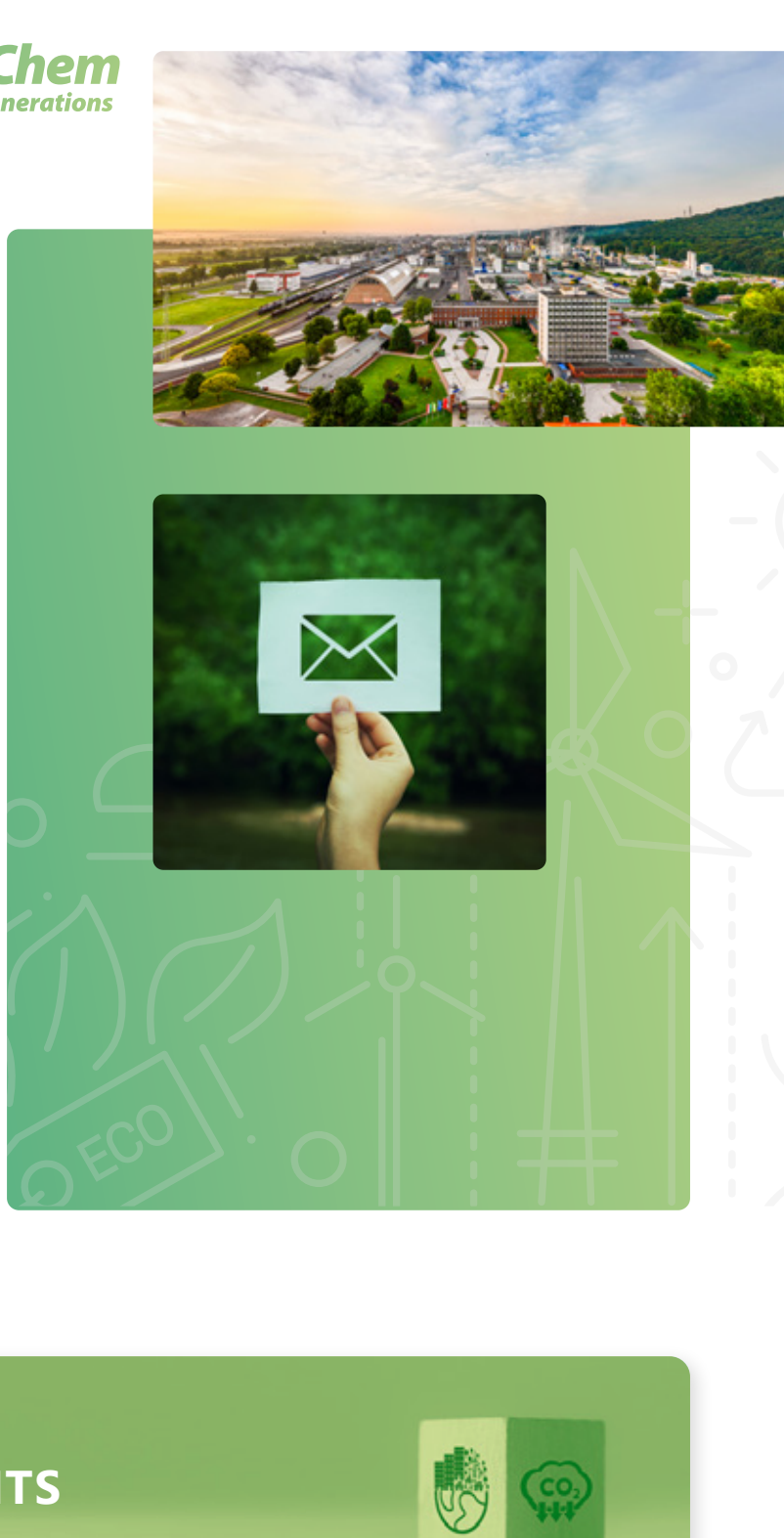


Dear Reader, Dear Partner,

We are pleased to publish the 5th issue of semi-annual Sustainability Newsletter of BorsodChem, in which we report on our sustainability activities implemented and results achieved in the first half of 2025, thus ensuring transparency of our Company's operations for our stakeholders.

As a leading chemical company, we consider it a prior task of ours to ensure long-term sustainable operations as well as to have a positive impact on people, society and the environment by our activities through responsible corporate governance. We apply the ESG approach in all areas of our Company, including **reducing greenhouse gas emissions, developing a sustainable product portfolio, responsible purchasing practices, water and environmental protection, occupational health and safety**, and activities in the field of **social responsibility**.



OUR MAIN ACHIEVEMENTS



The Sustainability Policy, Strategy and Objectives of BorsodChem have been renewed

We are pleased to announce that our Company has renewed its [Sustainability Policy, Objectives](#) and [Strategy](#) to support our commitment to environmental, social and economic responsibility more effectively.

The new documents have been developed along seven key themes, contributing the reflection on current global challenges and market trends, along with setting a more ambitious sustainability agenda. Our aim is to promote the reduction of our environmental footprint, strengthen social responsibility and achieve sustainable growth at all levels of our operations.

Innovation, transparency and the active involvement of our employees are at the centre of our strategy to achieve our sustainability goals together. With this move, our Company strengthens forward its commitment to a sustainable future and aims to set an example for our industry.

The new Sustainability Policy, Objectives and Strategy are also available on our [corporate website](#).



BorsodChem has renewed the ISCC Plus certification

We are proud to announce that BorsodChem has once again – for the third time – obtained the ISCC Plus certificate for the production and sales of sustainable products based on mass balance principle. Our certification – valid until June 2025 – has been extended to our MDI prepolymers in addition to our sustainable MDI, TDI and TPU. The growth in our range of certified products is a further evidence of our ongoing commitment to sustainability and responsible procurement.

We offer our customers our sustainable isocyanate products under the ONGRONAT® NEO brand.

Our products marketed via the ISCC Plus system can be made from ISCC Plus certified raw materials from different sources:

- ONGRONAT® NEO B – Derived from primary bio raw materials, which are also subject to strict certification requirements.
- ONGRONAT® NEO C – Derived from bio-circular feedstock, such as bio-waste materials from agriculture, forestry and related industries.

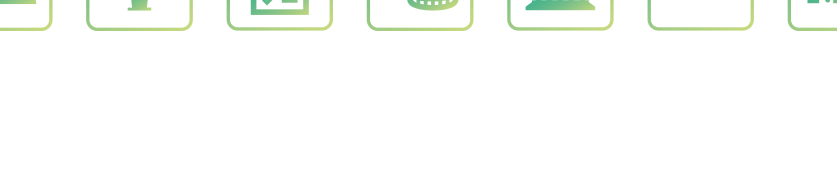
Our sustainable raw material products also meet the same high quality requirements as conventional ONGRONAT® products, which allows us to guarantee our customers a seamless integration into existing applications.

ISCC Plus is a globally recognized certification system that ensures the traceability of sustainable materials throughout the entire supply chain.

BorsodChem applies the mass balance approach, thus following strict rules in our accounting for the use of sustainable raw materials and the production and sale of sustainable products throughout our entire production process.

During the annual certification audit, the auditors verify in detail that we operate our ISCC Plus system in compliance with the relevant standards.

In April 2025, the auditors were satisfied with our policies and practices for implementing the ISCC Plus system. Our certification, extended now being valid to further products, offers us the opportunity to broaden the range of companies willing to act for sustainability by involving new customers.



BorsodChem has compiled its GHG inventory for 2024

For our Company recording our greenhouse gas emissions is of high importance. Compiling our GHG Inventory allows us to map our environmental impacts and identify areas where we can reduce our Corporate Carbon Footprint.

We are proud to announce that our Company has completed its GHG inventory for 2024. The inventory has been compiled in accordance with relevant international industry standards such as the GHG Protocol, the TFS Guidelines and ISO 14064. The document was also verified through an independent, third-party verification process, which confirmed that the report meets professional and environmental standards.

Our aim is to continuously improve our environmental performance and contribute to a carbon-free economy, and with this, encouraging others to take similar actions. By continuously monitoring and managing our GHG emissions, we can make well-founded decisions, mitigate our impact on climate change and evoke positive changes for our Company and our environment.



End-of-life treatment of our products

Our Company has been carrying out annual greenhouse gas emission assessments since 2021, to determine the significance of each emission category and the opportunities for reduction as well. Based on our analysis of greenhouse gas emissions in the recent years, we have found that Scope 3 emissions are the most significant for our Company when comparing the three main emission categories (Scope 1-3). Within that, one of the largest shares can be attributed to end-of-life treatment of the sold products. The recycling of polyurethane products made from the raw materials partly produced by our Company is a complex task, as they exist in many different forms and has different compositions, and other materials and impurities in them make it difficult to recycle them back into production.

In order to facilitate the mechanical recyclability of products made from so-called soft foams (mattresses, sponges), we have developed a special adhesive which can be used to glue together different types of foam residue and then moulded into the desired shape by pressing. This process not only avoids waste generation, but also provides the raw materials needed to replace them by using the remaining soft foams. The products obtained in this way have good vibration-reducing, so they can be used in a wide range of applications.

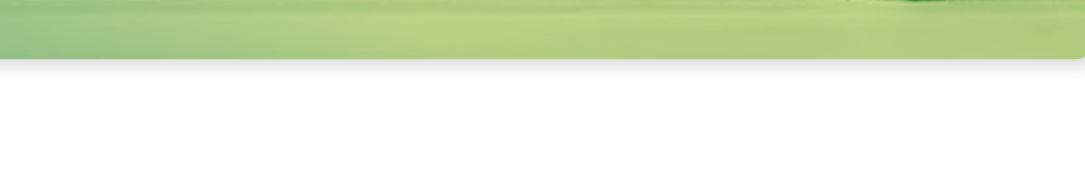


ARIZO project

Our Company is constantly looking for collaboration opportunities to improve its sustainability activities. As a result, the so-called 'ARIZO' project is currently underway in cooperation between BorsodChem and the University of Miskolc, with the aim of developing a flexible, intelligent hydrogenation catalyst system that can be adapted to industrial production, which meets market needs and environmental regulations and improves the efficiency of catalytic processes.

The main focus of the project is to optimise the noble metal composition of the smart catalyst to ensure the proper quality and quantity of raw materials for the production of isocyanates in a cost-effective way. Other important aspects include improving catalyst production, minimising losses and recycling spent catalyst.

The project, which will come to an end in September 2025, will develop a unique, complete catalyst development chain, from laboratory testing to plant-level optimisation. By optimising and recovering catalysts and increasing energy efficiency, the programme will contribute to sustainable chemical production, reducing CO₂ emissions and water consumption.

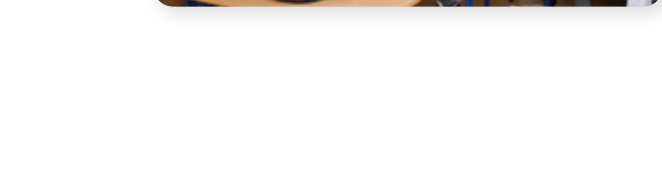


SOCIAL RESPONSIBILITY



Sustainability Thematic Week at school

The Sustainability Thematic Week is an annual educational programme in the Carpathian Basin, which aims to present the complexity of sustainability and to educate students' attitudes towards sustainability. This year, the sustainability week took place between 7th and 11th April, and the focus was on issues of environmental, social and economic sustainability, including soil and its biodiversity, artificial intelligence and green energy sources, as well as sustainable consumption, consumer protection and waste-selective waste collection, as a complex topic covering all three aspects of sustainability. As it was requested by the Pollack Mihály Primary School in Kazincbarcika, this year our Company participated in this event and presented an interactive lecture to the students on the benefits of a sustainable approach, the conscious use of energy, children's rights and the tasks of the future. Although, these topics are often complex even for an adult, the children really enjoyed the discussions and proved that you cannot start early enough to develop a sustainable mindset.



Family day and sports events - active moments spent together

Family Day

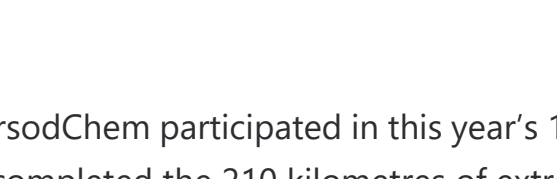
The 15th BorsodChem Family Day took place in Kazincbarcika on 31st May. Nearly 3000 employees and their families gathered to enjoy the day and other cultural activities together. Thanks to the organizers, there were many exciting activities available not only for adults, but also for children, including spectacular chemical experiments, laser combat, mini go-kart track, factory visit, tents for handicraft programmes, face painting, eco-maze and bouncy castles. Like in every year, the highlight of each family day, a cookout, also took place there, which brought the teams closer together again. This year's event combined the joys of Children's Day with the traditions of the Chinese Duanwu Day, while retaining the spirit of Family Day. This event perfectly reflected the Company's culture of mixing East and West, embracing diversity and moving with the times.

Tour de Tisza-tó

BorsodChem is committed to supporting health-conscious lifestyles and local communities, and as part of this, has become a name sponsor of one of the most popular sporting events in Eastern Hungary, the Tour de Tisza-tó. The support fits in with the Company's corporate social responsibility strategy, a key element of which is the promotion of sport and a health-conscious lifestyle.

The venue of the tour, as the name of the programme suggests, is Lake Tisza, the second largest lake of our country, which attracts nature lovers and sports enthusiasts with its rich wildlife and unique natural features.

This year, the 18th BorsodChem Tour de Tisza-tó, which took place on 10th May 2025, offered three different distances to be selected: 100 km, 65 km and 28 km. The BorsodChem Isocycle Riders team completed the individual distances for the 3rd time with nearly 140 participants.



Ultrabalaton

A team of 10 people from BorsodChem participated in this year's 19th Ultrabalaton event. The group completed the 210 kilometres of extremely burdensome distance in 15 hours 51 minutes, achieving the very respectable 5th place in their category out of the 761 participating company teams.

The team members proved that determination and unity can work wonders. This remarkable achievement is not only a success at a sports event, but also an inspiring story for the local community, showing that with unity and tenacity, even the highest goals can be achieved. It is also proof that every BorsodChem meeting reflects the determination with which we focus on achieving our mutual goals.

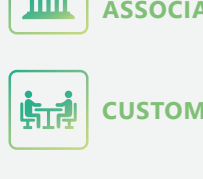


If you have any further questions or suggestions regarding the topics of our newsletter, please contact us at:

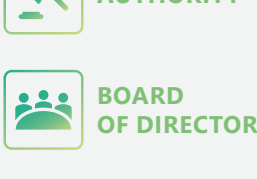
sustainability@borsodchem.eu

We look forward to your kind feedback!

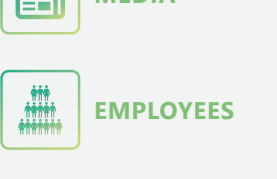
STAKEHOLDER ICONS - LEGEND



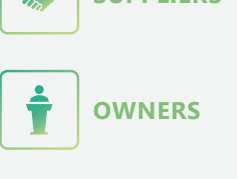
BANKS



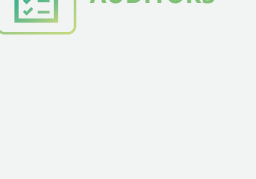
FUTURE GENERATION



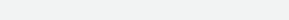
EDUCATIONAL INSTITUTIONS



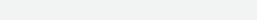
LOCAL RESIDENTS



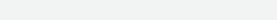
SUBSIDIARIES



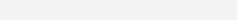
PROFESSIONAL ASSOCIATIONS



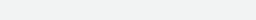
AUTHORITY



MEDIA



SUPPLIERS



AUDITORS

CUSTOMERS

BOARD OF DIRECTORS

EMPLOYEES

OWNERS