

Second-Party Opinion Braskem Idesa Sustainability Linked Bond Framework



Evaluation Summary

Sustainability-Linked Instruments

Sustainability-Linked Bond Principles 2020

Sustainalytics is of the opinion that Braskem Idesa's Sustainability Linked Bond Framework aligns with the Sustainability-Linked Bond Principles 2020.

Overview of KPI and SPT:

KPI	SPT	Strength of the KPI	Ambitiousness of SPT
Reduction in Scope 1 and 2 GHG emissions (tCO _{2e})	Reduction in Scope 1 and 2 emissions by 15% by 2028 from a 2017 baseline	Strong	Ambitious

Climate Transition Finance Handbook

Sustainalytics has evaluated Braskem Idesa's transition governance, strategy, decarbonization targets, and intentions to report on transition progress and finds the Company to be aligned with the recommendations of the Climate Transition Finance Handbook 2020.

Evaluation Date	September 30, 2021
Issuer Location	Veracruz, Mexico

The SPTs contribute to the following SDGs:



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Scope of Work and Limitations

Sustainalytics' Second-Party Opinion reflects Sustainalytics' independent¹ opinion on the alignment of the Braskem Idesa's Sustainability Linked Bond Framework with current market standards. As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework's alignment with the Sustainability-Linked Bond Principles 2020²;
- The credibility and anticipated positive impacts of the use of proceeds and SPT;
- The issuer's sustainability strategy, performance and sustainability risk management; and
- The alignment with the recommendations of the Climate Transition Finance (CTF) Handbook 2020³;

As part of this engagement, Sustainalytics held conversations with various members of Braskem Idesa's management team to understand the sustainability impact of their business processes and the core components of the Framework. Braskem Idesa's representatives have confirmed that:

- (1) They understand it is the sole responsibility of Braskem Idesa to ensure that the information provided is complete, accurate or up to date;
- (2) They have provided Sustainalytics with all relevant information; and
- (3) Any provided material information has been duly disclosed in a timely manner.

Sustainalytics also reviewed relevant public documents and non-public information. This document contains Sustainalytics' opinion of the Framework and should be read in conjunction with that Framework. Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and Braskem Idesa.

Sustainalytics' Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. The Second-Party Opinion is valid for issuances aligned with the respective Framework for which the Second-Party Opinion was written up to 24 months or until one of the following occurs: (1) A material change to the external benchmarks⁴ against which targets were set; (2) A material corporate action (such as material M&A or change in business activity) which has a bearing on the achievement of the SLB or the materiality of the KPI.

For use of proceeds instruments, the Second-Party Opinion:

- addresses the anticipated impacts of eligible projects expected to be financed with bond proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.
- opines on the potential allocation of proceeds but does not guarantee the realised allocation of the bond proceeds towards eligible activities
- Sustainalytics relied on its internal taxonomy, version 1.10 which is informed by market practice and Sustainalytics' expertise as an ESG research provider

For sustainability-linked instruments, the Second-Party Opinion:

- addresses the anticipated SPT of the KPI but does not measure the KPIs' performance. The measurement and reporting of the KPI is the responsibility of the Bond issuer.

¹ When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics' hallmarks is integrity, another is transparency.

² The bond Principles, Guidelines and Handbooks are administered by the International Capital Market Association and are available at: <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/>

³ The Climate Transition Finance Handbook is administered by the International Capital Market Association and is available at: <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/Climate-Transition-Finance-Handbook-December-2020-091220.pdf>

⁴ Benchmarks refers to science-based benchmarks

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that Braskem Idesa has made available to Sustainalytics for the purpose of this Second-Party Opinion.

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Introduction

Braskem Idesa S.A.P.I. (“Braskem Idesa”, the “Company”, or the “Issuer”) is an association created in 2010 by Brazil-based Braskem (with 75% of the shares), and Mexico-based Grupo Idesa (with 25% of the shares). Headquartered in Veracruz, Mexico, the company is focused on the production of polyethylene.

Braskem Idesa has developed the Sustainability Linked Bond Framework (the “Framework”) under which it intends to issue sustainability-linked bonds. Braskem Idesa engaged Sustainalytics to review the Framework, dated September 2021, and provide a Second-Party Opinion on the Framework’s alignment with the Sustainability-Linked Bond Principles 2020, and the recommendations of the Climate Transition Finance (CTF) Handbook 2020. This Framework has been published in a separate document.⁵

Under sustainability-linked instruments, the coupon/interest rate of the bond is tied to the achievement of the Sustainability Performance Target (SPT) for one Key Performance Indicator (KPI), to reduce Scope 1 and 2 GHG emission from Braskem Idesa’s own operations.

The KPI and SPT used by Braskem Idesa are defined in Tables 1 and 2 below.

Table 1: KPI Definition

KPI	Definition
Absolute Scope 1 and 2 GHG emissions (tCO ₂ e)	<p>This KPI is a measure of absolute net CO₂e emissions (Scope 1 and 2) expressed in ktCO₂e.</p> <ul style="list-style-type: none"> Scope 1 emissions are defined as those from fixed and mobile fuel combustion gases (CO₂, CH₄, N₂O, HFC). Scope 2 emissions are defined as those from the Company’s use of electricity (CO₂, CH₄, N₂O, HFC). <p>The data reported was compiled in compliance with the requirements stipulated by the Mexican Department of the Environment and Natural Resources and the Mexican Department of Energy (in the Matter and Energy Balance Methodology).⁶</p>

Table 2: SPT and Past Performance

KPI	2017 (baseline) ⁷	2018	2019	2020	SPT 2028
Scope 1 and 2 GHG emissions (ktCO ₂ e)	1,854	1,820	1,835	1,841	15% GHG emissions reduction Scope 1 and 2 to reach 1,548 ktCO ₂ e

⁵ The Sustainability Linked Bond Framework is available on Braskem Idesa’s website at:

<http://inversionistasbraskemidesa.com.mx/indexen.html>

⁶ SEMARNAT, “Guía del Usuario del Registro Nacional de Emisiones (RENE)”, at: <https://www.gob.mx/semarnat/documentos/guia-del-usuario-del-registro-nacional-de-emisiones-rene>

⁷ Braskem Idesa is using 2017 as the baseline because in that year the Company reached the operation rate production efficiency considering nominal capacity per year.

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the Alignment of the Framework with Relevant Market Standards

Alignment with Sustainability-Linked Principles

Sustainalytics is of the opinion that the Braskem Idesa's Sustainability Linked Bond Framework aligns with the Sustainability-Linked Bond Principles 2020. For detailed information please refer to Appendix 1: Sustainability Linked Bond External Review Form. Sustainalytics highlights the following elements Braskem Idesa's Sustainability Linked Bond Framework:



Selection of Key Performance Indicator (KPI)

Relevance and Materiality of KPI

In its assessment of materiality and relevance, Sustainalytics considers i) whether an indicator speaks to a material impact of the issuer's business on environmental or social issues, and ii) to what portion of impact the KPI is applicable.

Sustainalytics considers the KPI, Scope 1 and 2 GHG emissions, to be relevant given that it speaks to a material environmental issue for petrochemical producers as it relates to "Carbon Own-Operations."⁸ Sustainalytics' ESG risk rating has identified "Carbon Own-Operations" as a high-risk category for companies in the commodity chemicals subindustry and an area of focus for risk mitigation due to its large consumption of fossil fuel energy. Further, the Sustainability Accounting Standards Board (SASB), identifies GHG emissions (Scope 1) from the combustion of fossil fuels in manufacturing and cogeneration processes, as well as process emissions from the chemical transformation of feedstocks as relevant topics to track and disclose by the commodity chemicals subindustry.⁹ Sustainalytics also notes that Braskem Idesa's sustainability strategy aims to determine relevant and material issues; in 2018, Braskem Idesa updated its Materiality Matrix, among which it identified "Energy" as a material topic, and the Company has been implementing and streamlining energy efficiency within its operations to reduce energy consumption in its facilities.¹⁰

In assessing scope of applicability, Sustainalytics analyzes the scope of impact of each KPI to the Company's overall operations. The KPI, absolute Scope 1 and 2 emissions, related to polyethylene and ethylene production and generation of electrical energy, represents approximately 33% of total (all scopes) GHG emissions. Sustainalytics considers this to represent a moderate-to-high degree of applicability.

Sustainalytics considers the KPI to be relevant and material as it addresses a material environmental issue for the subindustry with a significant scope of applicability to the Company's overall operations.

KPI Characteristics

In its assessment of the KPI characteristics, Sustainalytics considers i) whether a clear and consistent methodology is used, ii) whether the issuer/borrower follows an externally recognized definition, iii) whether the KPIs are a direct measure of the performance of the issuer/borrower on a material environmental or social issue, and, if applicable, iv) whether the methodology can be benchmarked to an external, contextual benchmark.¹¹

⁸ "Carbon – Operations" refers to a company's management of risks related to its own operational energy use and GHG emissions (Scope 1 and 2).

⁹ SASB, "Chemicals: Sustainability Accounting standard", (2018), at: https://www.sasb.org/wp-content/uploads/2018/11/Chemicals_Standard_2018.pdf

¹⁰ Braskem Idesa, "Sustainability Annual Report 2020", at:

https://www.braskem.com.br/Portal/Idesa/arquivos/Catalogos/Sustainability%20%20Annual%20Report%20ESG%202020%20_BI_ENG.pdf

¹¹ External contextual benchmarks provide guidance on the alignment with ecological system boundaries. This criterion is not applied to social KPIs or impact areas for which such contextual benchmarks are not available.

Sustainalytics considers Braskem Idesa’s definition and methodology to calculate KPI performance to be clear and consistent based on measuring Scope 1 and 2 emissions as per the requirements stipulated by the Mexican Department of the Environment and Natural Resources and the Mexican Department of Energy in the National Emissions Registry (Spanish acronym: RENE). The RENE was established to have an official GHG emissions registry to allow companies and industries to identify the source of their emissions to reduce their carbon footprint. This externally recognized methodology allows the KPI to be benchmarked based on a consistent and recognized methodology.

The Company has been disclosing Scope 1 and 2 emissions since 2016, allowing for a clear assessment of historical performance over recent years.

Sustainalytics considers the KPIs to be a direct measure of performance on the material environmental issue of carbon emissions.

GHG emissions are considered to be a metric which supports the benchmarking of Braskem Idesa to science-based trajectories and other contextual indicators.

Overall Assessment

Sustainalytics considers the KPI: Absolute Scope 1 and 2 GHG emissions (ktCO₂e) to be strong given that it speaks to a relevant and material environmental issue for the commodity’s chemical subindustry. Additionally, the KPI follows a clear and consistent methodology, lending itself to benchmarking against external contextual benchmarks and has a high scope of applicability.

Scope 1 and 2 GHG emissions (ktCO₂e)	Not Aligned	Adequate	Strong	Very strong
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Calibration of Sustainability Performance Targets (SPT)

Alignment with Issuer’s/Borrower’s Sustainability Strategy

Braskem Idesa has set the following SPT for its KPI:

- To reduce absolute GHG emission Scope 1 and 2 by 15% from a 2017 baseline by year-end 2028 from 1,854 ktCO₂e to 1,548 ktCO₂e.

In assessing alignment of the SPT to the Issuer’s overall strategy, Sustainalytics analyzed Braskem Idesa’s sustainability strategy and notes that the Company’s Sustainability Committee, in charge of implementing and coordinating the “Circular Economy” strategy of the Company reports directly to the Board of Directors. Furthermore, Braskem Idesa’s sustainability strategy is in line with that of Braskem, which has set a target of reducing absolute Scope 1 and 2 GHG emissions by 15%, by 2030, from its global operations (USA, Brazil, Europe, and Mexico) and to achieve carbon neutrality by 2050.¹² Sustainalytics considers the SPT to be aligned with Braskem Idesa’s sustainability strategy (please refer to Section 2 for analysis of the credibility of Braskem Idesa’s sustainability strategy).

Strategy to Achieve the SPT

Braskem Idesa intends to achieve the SPT through the following strategy:

- Braskem Idesa intends to improve its energy efficiency by increasing the use of low carbon and renewable energy in its operations. The Company continues to develop efficiency at its industrial plants to ensure an optimal production of ethylene and polyethylene and it intends to continue investing in low carbon intensity process technologies.

¹² Braskem, “Combating Climate Change”, at: <https://www.braskem.com.br/combatingclimatechange>

- The Company intends to further grow its renewable feedstock-based chemicals, polymers and PCR polymers. The Company currently has in place the “I’m Green” program which uses recycled postconsumer waste to create polyethylene resin.
- To address unabated emissions, the Company also intends to evaluate and implement carbon offsets through natural solutions and reforestation.
- In addition, the Company will invest in research and development for carbon capture and sequestration, as well as carbon capture and utilization to value-added chemicals.

Ambitiousness, Baseline and Benchmarks

To determine the ambitiousness of the SPTs, Sustainalytics considers whether the SPTs go beyond business-as-usual trajectory, ii) how the SPTs compare to targets set by peers, iii) and how the SPTs compare with science.¹³

Braskem Idesa has set the baseline for the SPT at 2017, with the rationale being that this year represents the date at which they reached the anticipated production efficiency considering the nominal capacity per year of the production facility.

Sustainalytics was able to use the following benchmarks to assess ambitiousness: past performance, peer performance, science-based targets.

Sustainalytics considers the SPT to go beyond a business-as-usual trajectory for GHG emissions reduction. In addition, the targets exceed those set by peers in the respective sub-industry, and the SPT aligns with the IEA’s.

To assess the Company’s GHG emission trajectory, Sustainalytics considered the percentage change in historical emissions from 2017-2020, which showed a cumulative reduction of 1.58% or an average annual reduction of 0.53% for the three-year period. Sustainalytics notes that the implied annual rate of reduction from the present to the 2028 SPT date is significantly higher than the historically attained rate of reduction, marking a continued improvement on historical performance.

Regarding performance against peers, Sustainalytics analysed targets set by peers in the plastics production sector. Based on its review of comparable industry participants, Sustainalytics identified only one other company which has established Scope 1 and 2 GHG emissions reduction targets; this entity is in the process of verifying its targets with the Science Based Targets initiative (SBTi) for alignment with the “Below 2 degrees” scenario. Sustainalytics therefore, highlights Braskem Idesa’s public commitments to absolute emissions reduction as surpassing those of its peer group. For this reason, it considers the Company’s targets to be above market practice.

Sustainalytics evaluated current modelling by the International Energy Agency (IEA) to assess alignment with science-based trajectories, which estimates that global primary chemical production will continue to rise until 2050 with GHG emissions rising until 2030 without significant investment in technology performance improvements. The IEA estimates that a 30-40% GHG reduction can be achieved towards the Sustainable Development Scenario¹⁴ relative to the Stated Policies Scenario.¹⁵ In addition, the SBTi considers that the least expensive energy and climate modelling for the chemicals sector to achieve a GHG emission reduction that supports a well-below 2°C (WB2D) scenario should reduce emissions by more than 50% between 2014 and 2050.¹⁶ The Issuer’s absolute reductions over the 2021-2028 period are therefore considered to be in alignment with the IEA Sustainable Development Scenario (SDS) over the medium term, and consequently are viewed as aligned with science-based trajectories. Furthermore, Sustainalytics notes that the linear annual reduction rate required over the period from 2021 to 2028 to achieve the SPT falls within the bracket which SBTi recognises as being aligned with a two-degree scenario.

¹³ We refer here to contextual benchmarks, that indicate the alignment of targets with ecosystem boundaries.

¹⁴ The IEA’s Sustainable Development Scenario is a roadmap for reaching global net-zero emissions by 2070, by 2070, incorporating aspects of behavioral change alongside a profound transformation in energy system technology and infrastructure. At: <https://www.iea.org/reports/energy-technology-perspectives-2020>

¹⁵ “The Stated Policies Scenario takes into account energy- and climate-related policy commitments already made or announced by countries, including the Nationally Determined Contributions under the Paris Agreement. The Stated Policies Scenario provides a baseline from which we assess the additional policy actions and measures needed to achieve the key energy and environmental objectives incorporated in the Sustainable Development Scenario.” At: <https://www.iea.org/reports/energy-technology-perspectives-2020>

¹⁶ SBTi, “Barriers, Challenges, and Opportunities for Chemical Companies to Set Science-Based Targets”, (2020), at: <https://sciencebasedtargets.org/resources/files/SBTi-Chemicals-Scoping-Document-12.2020.pdf>

Sustainalytics also notes positively that the SPT is based on absolute emissions, even considering that Braskem Idesa intends for production to increase over the term of the target. Currently, the Company’s production facilities are not operating at nominal capacity; the anticipated increase in output will not affect the SPT and the Framework defines that the calculation of the KPI will only be adjusted in the result of material acquisitions or investments which increase the installed capacity over 5%. Considering this, Sustainalytics recognizes that the 15% absolute target represents an even greater target on an emissions intensity basis.

Overall Assessment

Sustainalytics considers the SPT, a 15% GHG emissions reduction of Scope 1 and 2 GHG emissions, to align with Braskem Idesa’s sustainability strategy and considers the SPT to be ambitious compared to sub-industry peers, its target reduction representing a material improvement compared to past performance, and the alignment with the WB2D.

15% GHG emissions reduction Scope 1 and 2 by 2028	Not Aligned	Moderately Ambitious	Ambitious	Highly Ambitious
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Bond Characteristics

Braskem Idesa has disclosed that the financial and/or structural characteristics of any sustainability-linked bond (SLB) issued under the Framework will be linked to the achievement of the SPT, and may include a coupon adjustment such as a rate step-up or step-down. In addition to achievement of the KPI, the structural adjustments will be triggered if i) the verification of the SPT has not been provided and made public by the time of the notification date, as defined in the instrument documentation; or ii) the Company fails to provide satisfaction notice as of the notification date related to achieving the SPT. The step-up or step-down adjustment and details related to the observation date will be specified in the relevant documentation of the specific transaction. Sustainalytics considers these levels of disclosure to be aligned with the SLBP, noting that it does not opine on the adequacy of the magnitude of financial penalty.



Reporting

Braskem Idesa commits to report on an annual basis on its performance on the KPI, and expects to include the relevant figures on its Investor Relations website,¹⁷ which is aligned with the SLBP. Braskem Idesa further commits to disclose relevant information that enables investors to monitor the level of ambition of the SPT including: i) up-to-date information on the performance of the KPI; ii) a verification assurance report relative to the SPT outlining the performance against the SPT; and iii) any relevant information that will enable investors to monitor the progress of the SPT such as qualitative or quantitative explanation of the main factors behind the evolution of the performance of the KPI, performance improvements, and any re-assessments of the KPI, and/or restatement of the SPT including adjustments of baselines or KPI scope.

¹⁷ Braskem Idesa’s Investor Relations website accessible at: <http://inversionistasbraskemidesa.com.mx/indexen.html>



Verification

Braskem Idesa commits to having an independent and limited assurance report by an external verifier with relevant expertise on the performance level against the SPT for the KPI. The verification will be done annually, and at any relevant date for assessing the SPT performance leading to a potential adjustment in the SLB and will be made available on its Investor Relations website. In addition, the Company will obtain a verification assurance certificate to confirm whether the performance of the KPI meets the relevant SPT following the target observation date and published on its Investor Relations website which is in line with the SLBP on verification.

Alignment against the Climate Transition Finance Handbook 2020

Sustainalytics has assessed Braskem Idesa’s alignment with the recommendations of the Climate Transition Finance (CTF) Handbook and considers the Company’s transition strategy to be aligned overall. Sustainalytics highlights the following key elements of the assessment:

Key Elements	ICMA Recommendation	Sustainalytics’ Assessment	
Issuer’s climate transition strategy and governance	<ul style="list-style-type: none"> - Transition strategy to address climate-related risks and contribute to alignment with the goals of the Paris Agreement - Relevant interim targets on the trajectory towards long-term goal - Governance of transition strategy 	<ul style="list-style-type: none"> - Braskem Idesa’s sustainability strategy is guided by its Sustainability ESG Steering Committee, Climate Change Steering Committee, and Working Group Projects reduction GHG Emissions, as well as Braskem’s Global Policy for Sustainable Development. Braskem Idesa’s sustainability strategy is overseen by its Sustainability ESG Steering Committee, which reports periodically to the high-level Global Board and CEO of Braskem. A Director is assigned to each commitment of the strategy to supervise the implementation and KPI reporting. - Braskem Idesa is developing six sustainability programs, and committed to plastic waste elimination and GHG emissions reduction targets to achieve carbon neutrality by 2050.¹⁸ - Sustainalytics recognizes the strategic focus the Issuer intends to place on GHG emissions and the reduction of fossil fuels with alternatives, while noting that some policies and projects are still in development, and that uncertainty exists around the implementation of some specific technologies (such as CCS and the substitution of hydrogen for natural gas) that will be required to achieve these objectives. In particular, Sustainalytics notes the current reliance of the plastics manufacturing process on fossil fuels and that while the Issuer has stated intentions around recycled and biobased materials that these areas require further technological development in order to scale. - See detailed assessment in Section 2. 	Aligned
Business model environmental materiality	<ul style="list-style-type: none"> - Transition trajectory should be relevant to the environmentally-material parts of the issuer’s business model 	<ul style="list-style-type: none"> - Braskem Idesa’s transition strategy directly addresses the environmental impact of core parts of its business. 	Aligned
Climate transition strategy to be ‘science-based’	<ul style="list-style-type: none"> - Transition strategy should reference science-based targets and transition pathways 	<ul style="list-style-type: none"> - Braskem Idesa and Braskem aim to achieve net-zero by 2050 by eliminating plastic waste and combating climate change. The Company has established medium-term targets to (i) sell 300 	Aligned

<p>including targets and pathways</p>		<p>thousand tons of products with recycled content per year by 2025, and (ii) reduce Scope 1 and 2 GHG emissions by 15% by 2030.</p> <ul style="list-style-type: none"> - Sustainalytics recognizes the compatibility of the Issuer’s medium-term targets and long-term goals with science-based trajectories such as the IEA Sustainable Development Scenario. - See detailed assessment in Section 2. 	
<p>Implementation transparency</p>	<ul style="list-style-type: none"> - Disclosure of CAPEX and OPEX plans - Climate-related outcomes and impacts that expenditures are intended to result in 	<ul style="list-style-type: none"> - Braskem Idesa intends to report on the progress of its transition strategy through its Sustainability Annual Report and investors relations website. Information may include updates on emissions reductions against the 2018 baseline. - The Company has provided, within its Framework, an overview of projects which it will undertake over the medium term and the anticipated magnitude of emissions savings achieved, as well as a description of its intentions over the longer term. Braskem Idesa intends to disclose annually specific investments and CAPEX that it has undertaken in order to align with its transition objectives, with details published on its “Investors Relations” website, and has disclosed to Sustainalytics the projected share and amounts of its overall CAPEX that relate to its climate transition. 	<p>Aligned</p>

Section 2: Assessment of Braskem Idesa’s Sustainability Strategy

Credibility of Climate Transition Strategy

Sustainalytics recognizes that proceeds from debt issuance under this Framework would be for general corporate purpose use, which includes support of the Company’s initiatives for transitioning towards low-carbon operations. Within this context, Sustainalytics has assessed Braskem Idesa’s climate transition strategy below:

Emission-Reduction Targets

In the long-term, Braskem Idesa, and Braskem as a global company, aims to achieve net-zero by 2050 by eliminating plastic waste, reducing GHG emissions, and substituting fossils fuel inputs with alternatives. In 2020, the Company and Braskem established a medium-term climate change target to reduce absolute GHG emissions (Scope 1 and 2) by 15% by 2030.

Sustainalytics recognizes the compatibility of Braskem Idesa’s medium-term target with science-based trajectories such as the IEA Sustainable Development Scenario and considers the set target to have a positive impact on the Company’s transition towards a well-below 2°C scenario decarbonization pathway.

Decarbonization Pathway and Implementation Plan

In 2020, Braskem, as a global company, established a new cycle of Macro-Objectives for the period of 2020-2030 to reinforce its commitment to sustainable development, including decarbonization as a new strategic pillar in its corporate sustainability strategy. Braskem Idesa is developing six sustainability programs and is committed to plastic waste elimination and GHG emissions reduction targets to achieve carbon neutrality by 2050.¹⁹

The action plan identified by the Company to reduce its GHG emissions includes: (i) the reduction of emissions focusing on energy efficiency, increasing the use of renewable energy in current operations, and establishing partnerships focused on innovation and technology; (ii) offsetting emissions with potential investments in the production of chemicals and polymers from renewable sources; and (iii) capturing carbon emissions through research and development for the use of carbon emissions as a raw material. As of September 2021, Braskem Idesa has identified a set of GHG reduction projects, along with a first quantification

¹⁹ Braskem Idesa, “ESG Sustainability Annual Report 2020”, (2020), at: https://www.braskem.com.br/Portal/Idesa/arquivos/Catalogos/Sustainability%20%20Annual%20Report%20ESG%202020%20_BI_ENG.pdf



exercise equivalent to 215 ktons CO₂e. Furthermore, the Company aims to deliver a strategy to reduce fossil fuels with alternatives, including the supply of renewable energy for operations, green hydrogen to replace fossil fuels, and CO₂ capture.

To implement a circular model and eliminate plastic waste, Braskem Idesa defined eight pillars, namely: (i) working with clients and value chains to drive the recycling, efficiency and reuse of plastics; (ii) investing in the development of new renewable products; (iii) developing technologies and business models to improve plastic recovery; (iv) promoting educational programs focusing on responsible consumption; (v) using and supporting the use of Life Cycle Analysis tools; (vi) measuring and communicating recycling indices; (vii) supporting public and private sector alliances to better tackle the problem of marine debris; and (viii) supporting public policies to improve solid waste management. In 2019, the Company launched “I’m Green Recycled” and its first High-Density Polyethylene resin (HDPE) to incorporate recycled materials into its products.

Sustainalytics recognizes the strategic focus the Issuer intends to place on GHG emissions and the supply of renewable energy for operations, while noting that some policies and projects are still in development. In particular, Sustainalytics notes the current reliance of the plastics manufacturing process on fossil fuels and that while the Issuer has stated intentions around recycled and biobased materials, as well as renewable energy, that these areas require further technological development in order to scale. Furthermore, the issuer’s long-term net-zero ambitions rely on further development and commercialization of technologies related to green hydrogen substitution and carbon capture.

Braskem Idesa’s Environmental and Social Risk Management

According to Sustainalytics’ ESG Risk Assessment, Braskem Idesa has a medium-risk exposure in line with the subindustry benchmark where the management of material ESG issues are generally strong while the Company’s overall management of material ESG issues is assessed as average.²⁰ Sustainalytics also recognizes that while Braskem Idesa’s defined targets are impactful, it is acknowledged that achieving the SPT bears environmental and social risks. Sustainalytics’ ESG risk rating methodologies identifies (i) carbon – own operations (ii) health and safety, and (iii) product sustainability as material ESG issues for Braskem Idesa.²¹

In the following section Sustainalytics comments on Braskem Idesa’s ability to mitigate such potential risks.

- Regarding carbon – own operations, Braskem Idesa has developed a Global Sustainable Development Strategy (GSDS) based on its Global Sustainable Development Policy which outlines its goals and actions toward low-carbon operations.²² Braskem Idesa’s Compliance Committee is responsible for ensuring compliance with its internal control mechanisms and risk monitoring processes, guided by its Global Corporate Risk Management Policy which includes management of ESG risks. Braskem Idesa’s GSDS strategy encompasses seven macro sustainability goals, including climate change and operational efficiency which sets forth actions and goals to help mitigate, reduce or capture GHG emissions from its operations.²⁴ Braskem Idesa’s Environmental Risk Matrix accounts for identification of risks and implementation of preventive measures including in the areas of climate change and GHG emissions. Braskem Idesa’s GSDS and Green House Gas Legal Framework ensures its compliance with GHG-related regulations stipulated by Mexico’s Secretariat of Environment and Natural Resources²⁵ and the Secretariat of Energy²⁶ to further align its strategy with the GHG emissions reduction goals of Mexico and related GHG emission disclosures. Moreover, Braskem Idesa’s Carbon Disclosure Project incentivizes its business partners to identify opportunities to decrease costs, emissions and energy use through periodic assessments and campaigns to mitigate its environmental footprint.
- Braskem Idesa’s Health, Safety, Environment (“HSE”) and Social Responsibility Policy outlines the principles that govern and guide the preventative measures for industrial health and safety. Braskem Idesa has developed an integrated management system called Intellius that assess HSE factors, industrial excellence and quality based on domestic and

²⁰ This assessment has been derived from Sustainalytics’ ESG Risk Rating.

²¹ Sustainalytics defines: (i) Carbon – own operations as risks related to its own operational energy use and GHG emissions (scope 1 and 2, as well as parts of Scope 3); (ii) health and safety, also known as occupational health and safety, as management of workplace hazards affecting a company’s own employees and on-site contractors; (iii) product sustainability, also known as E&S Impact of Products and Services, refers to the management of the inherent characteristics of input materials, and the impacts during use, disposal and recycling (excluding Carbon).

²² Braskem Idesa, “Sustainability Annual Report 2020”, at:

https://www.braskem.com.br/Portal/Idesa/arquivos/Catalogos/Sustainability%20%20Annual%20Report%20ESG%202020%20_BI_ENG.pdf

²³ Braskem Idesa, “CORPORATE POLICY: PE 1120-00003-EN-GLOBAL SUSTAINABLE DEVELOPMENT GLOBAL POLICY”, at:

https://www.braskem.com/portal/Principal/arquivos/imagens/PE%201120-00003-EN_Reap.pdf

²⁴ Braskem Idesa, “Sustainability Annual Report 2020”, at:

https://www.braskem.com.br/Portal/Idesa/arquivos/Catalogos/Sustainability%20%20Annual%20Report%20ESG%202020%20_BI_ENG.pdf

²⁵ Secretariat of Environment and Natural Resources is Mexico’s Environment Ministry.

²⁶ Secretariat of Energy is Mexico government department which is in charge of production and regulation of energy.



international parameters to promote risk prevention related to industrial safety. Braskem Idesa's Environmental Risk Matrix helps identify and prevent potential risks including those related to health and safety. Furthermore, Braskem Idesa has developed and implemented a range of HSE programs, systems and campaigns regarding risk prevention for its members and contractors. Moreover, its Work Permit Audit system includes Job Safety Analysis (JSA) and Preliminary Hazard Analysis (PHA) for Services in compliance with Mexico's Labour Ministry's (STPS) standards.²⁷

- To ensure sustainability of products and services, both Braskem Idesa and Braskem are committed to ensure (i) 100% of its plastic packaging is reused, recycled or recovered by 2040; (ii) 100% of its industrial units adopt best practices for pellet control for zero pellet loss by 2040 through the Zero Pellet Loss Program (CPP); (iii) increase portfolio of products manufactured using recycled material by 300,000 tons by 2025; and (iv) avoid and recover 1.5 million tons of plastic waste by 2030. To achieve these commitments Braskem Idesa has adopted a circular economy model whose strategy has seven fundamental pillars including investment in the development of new renewable products and technologies to improve plastic recovery by incorporating recycled material in its products.²⁸ As part of its circular economy strategy Braskem Idesa has initiated its "I'm Green Recycled" programme. The programme advances innovative and sustainable solutions to incorporate and gradually expand post-consumer recycled (PCR) resin in its products.²² Consequently, the programme helps mitigate risks related to GHG emissions by reducing carbon emission intensity.²² To monitor, analyze and mitigate environmental impacts related to its products' lifecycle, Braskem Idesa performs a life cycle analysis to assess its products and disclose its results. Furthermore, Braskem Idesa is a signatory to the voluntary commitments of the initiatives of the National Association of the Chemical Industry (ANIQ) and the National Association of Plastics Industries (ANIPAC).²⁹

Overall, Sustainalytics considers that Braskem Idesa has adequate and appropriate management programs and policies to mitigate risks that could arise in achieving the SPTs. Sustainalytics notes that Braskem Idesa is presently in the process of further strengthening its programs and policies to mitigate environmental and social risks, and over the past year has improved its risk management processes and reporting. Sustainalytics encourages Braskem Idesa to continue to improve its due diligence on sustainable products and health and safety measures, and provide robust reporting in these areas. Furthermore, Sustainalytics notes that Braskem Idesa has not been implicated in any significant ESG-related controversy.

Section 3: Impact of the SPTs Selected

The chemical sector accounted for the largest global oil and gas demand (14%) and was the third largest direct CO₂ emitter in 2018.³⁰ In addition, the chemical sector accounted for 18% of all industrial-sector CO₂ emissions.³¹ Overall, fossil fuel is used as a feedstock for energy, but in the chemicals sector hydrocarbons are used in chemical products which leads to high potential end-of-life (EOL)-related emissions.³² Furthermore, it has been estimated that EOL of plastics accounts for 9% of total life cycle emissions.³³ In 2018, the packaging sector was leading the end-use of plastic consumption globally accounting for 36% global plastic demand.³⁴ Mexico's plastics market is driven by the packaging and construction sectors, with the former accounting for 47% of total market demand plastics.³⁵ Recycling thermoplastics can reduce demand for primary chemicals and, thus, save energy

²⁷ Braskem Idesa, "Sustainability Annual Report 2020", at:

https://www.braskem.com.br/Portal/Idesa/arquivos/Catalogos/Sustainability%20%20Annual%20Report%20ESG%202020%20_BI_ENG.pdf

²⁸ Braskem Idesa, "Positioning of Braskem Idesa in Circular Economy", at: <http://www.braskemidesa.com.mx/posicionamientoeconomicircular>

²⁹ Braskem Idesa, "Sustainability Annual Report 2020", at:

https://www.braskem.com.br/Portal/Idesa/arquivos/Catalogos/Sustainability%20%20Annual%20Report%20ESG%202020%20_BI_ENG.pdf

³⁰ IEA, "Chemicals", at: <https://www.iea.org/fuels-and-technologies/chemicals>

³¹ OECD/IEA (2018), "The Future of Petrochemicals: Towards more sustainable plastics and fertilisers", at:

https://iea.blob.core.windows.net/assets/bee4ef3a-8876-4566-98cf-7a130c013805/The_Future_of_Petrochemicals.pdf

³² Science Based Targets (2020), "Barriers, Challenges, and Opportunities for Chemical Companies to Set Science-Based Targets", at:

<https://sciencebasedtargets.org/resources/files/SBTi-Chemicals-Scoping-Documents-12.2020.pdf>

³³ Zheng, Jiajia, and Sangwon Suh. (2019). "Strategies to Reduce the Global Carbon Footprint of Plastics." *Nature Climate Change* 9, no. 5., at:

<https://doi.org/10.1038/s41558-019-0459-z>

³⁴ OECD/IEA (2018), "The Future of Petrochemicals: Towards more sustainable plastics and fertilisers", at:

https://iea.blob.core.windows.net/assets/bee4ef3a-8876-4566-98cf-7a130c013805/The_Future_of_Petrochemicals.pdf

³⁵ USA International Trade Administration (2021), "Mexico - Country Commercial Guide: Plastics and Resins", at: <https://www.trade.gov/country-commercial-guides/mexico-plastics-and-resins>

and reduce CO₂ emissions. Moreover, for each tonne of polyethylene recycled (the most common plastic used in packaging), more than 1 tonne of ethylene demand can be eliminated, saving at least 1.5 tonnes of oil-equivalent.³⁶

In Mexico’s latest Nationally Determined Contributions (NDCs) submitted to the IPCC in 2020, it committed to reduce 22% of GHG emissions and 51% of black carbon emissions by 2030.³⁷ Mexico’s General Law on Climate Change (GLCC) stipulates the goal of 5% of GHG emissions reduction specifically for the industrial sector, and thus for the chemical and petrochemical industry in order to achieve Mexico’s overall commitment of 22% of GHG emissions reduction by 2030.^{38,39} The GLCC of Mexico established various policies and instruments including the National Emissions Registry (RENE) and its Regulations which compiles GHG emissions from various sectors.⁴⁰ “The Regulation of the GLCC regarding the National Emissions Registry” mandates that different sectors, including the sub-sector of petrochemicals, report direct and indirect GHG emissions from all facilities when they exceed 25,000 tCO₂e.⁴¹

Braskem Idesa is the largest thermoplastic resins producers in the Americas and is one of the leading petrochemical groups in Mexico.⁴² Therefore, Braskem Idesa’s goal to reduce Scope 1 and 2 GHG emissions can positively contribute to the reduction of GHG emissions of the chemical sector. In addition, Braskem Idesa is committed to reduce GHG emissions through the implementation of different programs and the adoption of a circular economy to advance sustainability in its products and services. Sustainalytics is of the opinion that Braskem Idesa’s efforts to reduce its Scope 1 and 2 GHG emissions will positively contribute to Mexico’s NDCs and support the goals of the Paris Agreement.

Alignment with/contribution to SDGs

The Sustainable Development Goals (SDGs) were set in September 2015 and form an agenda for achieving sustainable development by the year 2030. The Braskem Idesa Sustainability Linked Bond Framework advances the following SDG goals and targets:

KPI	SDG	SDG Target
Reduction in Scope 1 and 2 GHG emissions (tCO ₂ e)	9. Industry, innovation and infrastructure	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.
	11. Sustainable Cities and Communities	11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management
	12. Responsible Consumption and Production	12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment

³⁶ USA International Trade Administration (2021), “Mexico - Country Commercial Guide: Plastics and Resins”, at: <https://www.trade.gov/country-commercial-guides/mexico-plastics-and-resins>

³⁷ UNFCCC (2020), “Nationally Determined Contributions 2020 Update – Mexico”, <https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Mexico%20First/NDC-Eng-Dec30.pdf>

³⁸ Federal government of Mexico (2018), “LEY GENERAL DE CAMBIO CLIMÁTICO (General Law of Climate Change)” at: http://www.diputados.gob.mx/LeyesBiblio/pdf/LGCC_061120.pdf

³⁹ National Association of the Chemical Industry (Mexico),

⁴⁰ Government of Mexico – Ministry of Environment and Natural Resources (2021), “National Emissions Registry (RENE)” at: <https://www.gob.mx/semarnat/acciones-y-programas/registro-nacional-de-emisiones-rene>

⁴¹ Government of Mexico (2014), “REGLAMENTO de la Ley General de Cambio Climático en Materia del Registro Nacional de Emisiones”, at: <https://biblioteca.semarnat.gob.mx/janium/Documentos/Ciga/agenda/DOFsr/DO3452.pdf>

⁴² HIS Markit, “Braskem Idesa”, at: <https://ihsmarkit.com/Custom/braskem-idesa-chem-excellence-award.html#:~:text=Braskem%2C%20the%20largest%20thermoplastic%20resins%20producer%20in%20the,petrochemical%20plant%20in%20the%20state%20of%20Veracruz.%201>

Conclusion

Braskem Idesa has developed the Sustainability Linked Bond Framework under which it may issue sustainability-linked bonds.

Through its issuance of sustainability-linked bonds, Braskem Idesa intends to tie the coupon rate to the achievements of the following SPT:

- To reduce Scope 1 and 2 GHG emissions by 15% by 2028 compared to a 2017 baseline.

Sustainalytics considers the KPI strong given that it speaks to a relevant and material environmental issue for the commodity's chemical subindustry. Additionally, the KPI follows a clear and consistent methodology, lending itself to benchmarking against external contextual benchmarks and has a high scope of applicability. Furthermore, Sustainalytics considers the SPT to be ambitious compared to sub industry peers, with its target reduction representing a material improvement compared to past performance, and the alignment with the WB2D. Sustainalytics considers reporting and verification commitments to be aligned with market expectations.

Sustainalytics is of the opinion that the Sustainability Linked Bond Framework aligns with the Sustainability-Linked Bond Principles 2020. Sustainalytics has also assessed Braskem Idesa's alignment with the recommendations of the Climate Transition Finance Handbook and considers the Company's transition strategy to be aligned overall. Based on the above, Sustainalytics is confident that Braskem Idesa is well-positioned to issue sustainability-linked bonds.

Appendix 1: Sustainability-Linked Bonds - External Review Form

Section 1. Basic Information

Issuer name: Braskem Idesa

Sustainability-Linked Bond ISIN:

Independent External Review provider's name for second party opinion pre-issuance (sections 2 & 3): Sustainalytics

Completion date of second party opinion pre-issuance: September 30, 2021

Independent External Review provider's name for post-issuance verification (section 4):

Completion date of post issuance verification:

At the launch of the bond, the structure is:

- a step-up structure a variable redemption structure

Section 2. Pre-Issuance Review

2-1 SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarise the scope of the review.

The review:

- assessed all the following elements (complete review) only some of them (partial review):
- | | |
|--|--|
| <input checked="" type="checkbox"/> Selection of Key Performance Indicators (KPIs) | <input checked="" type="checkbox"/> Bond characteristics (acknowledgment of) |
| <input checked="" type="checkbox"/> Calibration of Sustainability Performance Targets (SPTs) | <input checked="" type="checkbox"/> Reporting |
| <input checked="" type="checkbox"/> Verification | |
- and confirmed their alignment with the SLBP.

2-2 ROLE(S) OF INDEPENDENT EXTERNAL REVIEW PROVIDER

- | | |
|--|---|
| <input checked="" type="checkbox"/> Second Party Opinion | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification | <input type="checkbox"/> Scoring/Rating |

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

2-3 EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW (if applicable)

Braskem Idesa has developed the Sustainability Linked Bond Framework under which it may issue sustainability-linked bonds. By issuing sustainability-linked bonds, Braskem Idesa intends to tie the coupon rate to the achievement of the following SPT:

- To reduce Scope 1 and 2 GHG emissions by 15% by 2028 compared to a 2017 baseline.

Sustainalytics considers the KPI strong given that it speaks to a relevant and material environmental issue for the commodity’s chemical subindustry. Additionally, the KPI follows a clear and consistent methodology, lending itself to benchmarking against external contextual benchmarks and has a high scope of applicability. Furthermore, Sustainalytics considers the SPT to be ambitious compared to sub industry peers, its target reduction representing a material improvement compared to past performance, and the alignment with the WB2D. Sustainalytics considers reporting and verification commitments to be aligned with market expectations.

Sustainalytics is of the opinion that the Sustainability Linked Bond Framework aligns with the Sustainability-Linked Bond Principles 2020. Sustainalytics has also assessed Braskem Idesa’s alignment with the recommendations of the Climate Transition Finance Handbook and considers the Company’s transition strategy to be partially aligned overall. Based on the above, Sustainalytics is confident that Braskem Idesa is well-positioned to issue sustainability-linked bonds.

Section 3. Detailed pre-issuance review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

3-1 SELECTION OF KEY PERFORMANCE INDICATORS (KPIs)

Overall comment on the section (if applicable): Sustainalytics considers the KPI: Absolute Scope 1 and 2 GHG emissions (ktCO₂e), to be strong given that it speaks to a relevant and material environmental issue for the commodity’s chemical subindustry. Additionally, the KPI follows a clear and consistent methodology, lending itself to benchmarking against external contextual benchmarks and has a high scope of applicability.

List of selected KPIs:

- Scope 1 and 2 GHG emissions

Definition, Scope, and parameters

- | | |
|--|---|
| <input checked="" type="checkbox"/> Clear definition of each selected KPIs | <input checked="" type="checkbox"/> Clear calculation methodology |
| <input type="checkbox"/> Other (please specify): | |

Relevance, robustness, and reliability of the selected KPIs

- | | |
|--|--|
| <input checked="" type="checkbox"/> Credentials that the selected KPIs are relevant, core and material to the issuer’s sustainability and business strategy. | <input checked="" type="checkbox"/> Evidence that the KPIs are externally verifiable |
| <input checked="" type="checkbox"/> Credentials that the KPIs are measurable or quantifiable on a consistent methodological basis | <input checked="" type="checkbox"/> Evidence that the KPIs can be benchmarked |
| <input type="checkbox"/> Other (please specify): | |

3-2 CALIBRATION OF SUSTAINABILITY PERFORMANCE TARGETS (SPTs)

Overall comment on the section (if applicable): Sustainalytics considers the SPT, a 15% GHG emissions reduction Scope 1 and 2, to align with Braskem Idesa’s sustainability strategy and considers the SPT to be ambitious given its target goal setting compared to sub industry peers, its target reduction representing a material improvement compared to past performance, and the alignment with the WB2D.

Rationale and level of ambition

- Evidence that the SPTs represent a material improvement
- Evidence that SPTs are consistent with the issuer’s sustainability and business strategy
- Credentials on the relevance and reliability of selected benchmarks and baselines
- Credentials that the SPTs are determined on a predefined timeline
- Other (please specify):

Benchmarking approach

- Issuer own performance
- reference to the science
- Issuer’s peers
- Other (please specify):

Additional disclosure

- potential recalculations or adjustments description
- identification of key factors that may affect the achievement of the SPTs
- issuer’s strategy to achieve description
- Other (please specify):

3-3 BOND CHARACTERISTICS

Overall comment on the section (if applicable): Braskem Idesa has disclosed that the financial and/or structural characteristics of any sustainability-linked bond (SLB) issued under the Framework will be linked to the achievement of the SPT, and may include a coupon adjustment such as a rate step-up or step-down. In addition to achievement of the KPI, the structural adjustments will be triggered if i) the verification of the SPT has not been provided and made public by the time of the notification date, as defined in the instrument documentation; or ii) the Company fails to provide satisfactory notice as of the notification date related to achieving the SPT. The step-up or step-down adjustment and details related to the observation date will be specified in the relevant documentation of the specific transaction. Sustainalytics considers these levels of disclosure to be aligned with the SLBP, noting that it does not opine on the adequacy of the magnitude of financial penalty.

Financial impact:

- variation of the coupon

Structural characteristic:

- Other (please specify):

3-4 REPORTING

Overall comment on the section (if applicable): Braskem Idesa commits to report on an annual basis on its performance on the KPI, and expects to include the relevant figures on its Investor Relations website, which is aligned with the SLBP. Braskem Idesa further commits to disclose relevant information that enables investors to monitor the level of ambition of the SPT including: i) up-to-date information on the performance of the KPI; ii) a verification assurance report relative to the SPT outing the performance against the SPT; and iii) any relevant information that will enable investors to monitor the progress of the SPT such as qualitative or quantitative explanation of the main factors behind the evolution of the performance of the KPI, performance

improvements, and any re-assessments of the KPI, and/or restatement of the SPT including adjustments of baselines or KPI scope.

Information reported:

- | | |
|--|---|
| <input checked="" type="checkbox"/> performance of the selected KPIs | <input checked="" type="checkbox"/> verification assurance report |
| <input type="checkbox"/> level of ambition of the SPTs | <input type="checkbox"/> Other (<i>please specify</i>): |

Frequency:

- | | |
|---|--------------------------------------|
| <input checked="" type="checkbox"/> Annual | <input type="checkbox"/> Semi-annual |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

Means of Disclosure

- | | |
|--|--|
| <input type="checkbox"/> Information published in financial report | <input type="checkbox"/> Information published in sustainability report |
| <input type="checkbox"/> Information published in ad hoc documents | <input checked="" type="checkbox"/> Other (<i>please specify</i>): Information published on the Company's Investor Relations website |
| <input type="checkbox"/> Reporting reviewed (<i>if yes, please specify which parts of the reporting are subject to external review</i>): | |

Where appropriate, please specify name and date of publication in the "useful links" section.

Level of Assurance on Reporting

- | | |
|---|---|
| <input checked="" type="checkbox"/> limited assurance | <input type="checkbox"/> reasonable assurance |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

USEFUL LINKS (*e.g. to review provider methodology or credentials, to issuer's documentation, etc.*)

<http://inversionistasbraskemidesa.com.mx/indexen.html>

Section 4. Post-issuance verification

Overall comment on the section (*if applicable*):

Information reported:

- | | |
|--|---|
| <input type="checkbox"/> limited assurance | <input type="checkbox"/> reasonable assurance |
|--|---|



Other (please specify):

Frequency:

Annual

Semi-annual

Other (please specify):

Material change:

Perimeter

KPI methodology

SPTs calibration

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The issuer is fully responsible for certifying and ensuring the compliance with its commitments, for their implementation and monitoring.

In case of discrepancies between the English language and translated versions, the English language version shall prevail.

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For more information, visit www.sustainalytics.com

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