



Trusted ingredients *for new ideas*

2025 SUSTAINABILITY REPORT

Building a Sustainable
Future Together



ENVIRONMENTAL
STEWARDSHIP



SOCIAL
RESPONSIBILITY



OPERATIONAL
EXCELLENCE



CONTINUOUS
IMPROVEMENT



TRUSTED
PARTNERSHIPS



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About This Report

Executive Summary & Sustainability Approach

Kraft Chemical is a family-owned company based in Illinois. This report summarizes selected sustainability performance for the period January 1, 2025 through December 31, 2025. In 2025, the company continued tracking environmental indicators across operations while supporting customers through responsible distribution practices.

This report focuses on core operational data currently available and reflects Kraft Chemical's commitment to continuous improvement, responsible resource management, and transparent communication.



Our Priorities



Energy & Emissions

Improving energy efficiency and reducing emissions across our operations.



Water Stewardship

Managing water responsibly to support healthy ecosystems and resilient communities.



Waste Reduction

Minimizing waste generation and advancing circular solutions.



Transportation Efficiency

Optimizing logistics to lower emissions and improve supply chain performance.



Operational Excellence

Driving safe, reliable, and efficient operations with a culture of continuous improvement.



What this report covers

- ✓ Environmental performance indicators
- ✓ Operational efficiency tracking
- ✓ Selected governance and management practices
- ✓ A roadmap for stronger future disclosures



2024–2025

SUSTAINABILITY

DASHBOARD

Key operational indicators at a glance



OPERATIONAL INDICATORS (2025)



GREENHOUSE GAS EMISSIONS (tCO₂e)

	2024	2025	CHANGE
 Scope 1 (Direct Emissions)	345.54 tCO ₂ e	385.23 tCO ₂ e	↗ +11.5%
 Scope 2 (Purchased Electricity Emissions)	158.00 tCO ₂ e	152.00 tCO ₂ e	↘ -3.8%
 Total Scope 1 + 2	503.54 tCO ₂ e	537.23 tCO ₂ e	↗ +6.7%

WHAT IT MEANS

Purchased electricity emissions declined slightly in 2025, while direct emissions increased, resulting in a moderate rise in total Scope 1 and Scope 2 emissions. Continued tracking will help identify future reduction opportunities.



These indicators reflect our commitment to transparency, continuous improvement, and measurable sustainability performance.

Climate, Energy & Emissions

Understanding the company’s operational energy profile

We carefully monitor and manage the energy resources that power our operations. By understanding how we use energy and the emissions we generate, we can make smarter decisions, drive efficiency, and reduce our impact on the environment.



Electricity Consumption



Annual Electricity Consumption: 365,855 kWh



Monthly Average: 30,488 kWh



Highest Month: December (37,269 kWh)



Lowest Month: April (26,055 kWh)



Electricity usage remained relatively stable through the year, with seasonal variation associated with facility operations. Ongoing monitoring supports efforts to improve efficiency over time.



Natural Gas Consumption



Total Consumption: 55,132 Therms



Highest Month: February



Lowest Month: October



Natural gas use reflected expected seasonal heating demand. Consumption patterns were highest in colder months and lower during warmer periods.



Emissions Breakout

- ✓ Scope 1 emissions are associated with direct fuel use, including natural gas and fleet fuel.
- ✓ Scope 2 emissions reflect purchased electricity.

Scope 1
(tCO₂e)

2024

345.54 tCO₂e

Scope 2
(tCO₂e)

158.00 tCO₂e

2024



2025

385.23 tCO₂e

152.00 tCO₂e



Improving emissions performance will require continued attention to facility energy use and transportation-related fuel consumption.



Water, Waste & Operational Efficiency

Tracking resource use and disposal performance

Efficient management of water and waste is essential to minimizing environmental impact and supporting continuous improvement across our operations.



Water Stewardship

Total Water Usage
225,300
Gallons

Water conservation remains an important part of Kraft Chemical's environmental management approach. Monthly usage was generally stable during 2025, with one higher-consumption period in June identified for further evaluation and continuous improvement.



Waste Management

Waste Disposal by Quarter (Tons)



Waste generation varied by quarter, with the lowest disposal volumes reported in Q3. Continued monitoring helps identify opportunities to reduce landfill waste and improve material management practices.



Total Waste Disposal
38.50 Tons



Operational Efficiency

- ✓ Monitor significant resource-use variances
- ✓ Improve operational controls where practical
- ✓ Support ongoing reduction of waste and water intensity
- ✓ Strengthen performance tracking over time



Transportation, Safety & People

Operational reliability and stronger
future workforce disclosures



Transportation

Fleet Fuel Economy

6.2–7.5
MPG

- ✓ Reduce fuel consumption
- ✓ Improve routing efficiency
- ✓ Support reliable customer delivery
- ✓ Evaluate lower-emission transportation opportunities



Transportation remains an essential component of Kraft Chemical's operations. Monitoring fleet performance helps inform logistics planning, operating efficiency, and emissions management.



Workplace & Safety Disclosure Roadmap



Employee retention
& tenure

COMING SOON



Safety
performance

COMING SOON



Training &
certifications

COMING SOON



Compliance &
audits

COMING SOON



Current focus areas

- ✓ Safe operations
- ✓ Employee development
- ✓ Reliable compliance practices
- ✓ Continuous improvement culture



Kraft Chemical plans to strengthen public reporting on social and workplace performance indicators as additional data are validated for future reports.



Reporting Period: January 1, 2025 – December 31, 2025

Governance, Methodology & 2026 Priorities



Governance

Environmental performance is reviewed regularly as part of Kraft Chemical's operational management approach. Management uses key performance indicators to identify trends, evaluate opportunities for improvement, and help shape future sustainability priorities.



Tracked indicators

- ✓ Electricity usage
- ✓ Natural gas consumption
- ✓ Water usage
- ✓ Waste generation
- ✓ Fleet fuel efficiency
- ✓ Scope 1 emissions
- ✓ Scope 2 emissions



Methodology & scope

- ✓ Reporting period: January 1, 2025 – December 31, 2025
- ✓ Metrics reflect selected operational data currently available
- ✓ Greenhouse gas emissions are reported in metric tons of carbon dioxide equivalent (tCO₂e)
- ✓ Scope 3 emissions are not included in this report
- ✓ This report is intended as a public-facing summary rather than a full standards-aligned ESG disclosure



2026 Priorities



1. Energy

- ✓ Improve facility efficiency
- ✓ Evaluate additional LED lighting
- ✓ Continue monthly performance monitoring



2. Water

- ✓ Investigate unusual usage
- ✓ Improve conservation practices



3. Waste

- ✓ Continue reducing landfill waste
- ✓ Expand recycling where practical



4. Transportation

- ✓ Improve routing efficiency
- ✓ Reduce fuel consumption
- ✓ Evaluate lower-emission options



5. Reporting

- ✓ Expand environmental and workplace performance tracking
- ✓ Improve future sustainability disclosures

