Sustainability Report 2024





About AGCCA Sustainability

AGC Chemicals Americas, Inc., a subsidiary of AGC Inc., is a leading manufacturer and supplier of high-performance fluorochemicals and specialty materials, serving a diverse range of industries, including automotive, electronics, energy, healthcare, and construction. Headquartered in Exton, Pennsylvania, AGC Chemicals Americas operates state-of-the-art manufacturing and R&D facilities that drive innovation and ensure the highest quality standards. The company offers a broad portfolio of products, including fluoropolymers, fluoroelastomers, fluorinated fluids, and fine silica products—integral to applications requiring extreme durability, chemical resistance, and thermal stability.

As part of the global AGC Group, one of the world's largest producers of glass, chemicals, and high-tech materials, AGC Chemicals Americas benefits from a robust global network of resources and expertise. The company is recognized for its customer-focused solutions, technical expertise, and commitment to sustainability. By leveraging advanced technologies, efficient manufacturing processes, and stringent quality control, AGC Chemicals Americas ensures that its products meet the evolving needs of its customers while maintaining a strong focus on environmental responsibility.

Sustainability is at the core of AGC Chemicals Americas' business strategy. The company actively reduces its environmental footprint through energy-efficient manufacturing and waste reduction. AGC Chemicals adheres to ISO 9001 and ISO 14001 standards, ensuring the highest levels of safety, quality, and environmental compliance. Additionally, through continuous investment in research and development, the company is at the forefront of creating innovative materials that support sustainable solutions for the future.

AGC Chemicals Americas is also committed to responsible corporate citizenship, engaging with local communities through outreach programs, supporting STEM education, and promoting environmental stewardship. Looking ahead, the company will continue to drive innovation and expand its portfolio of highperformance materials to meet the needs of its customers and society at large.

Governance and Management

Policies and Ethics

At AGC Chemicals Americas, we prioritize ethical business practices and corporate integrity across all our operations. Our corporate ethics are defined by a strong Code of Conduct, which guides our employees and management in maintaining the highest standards of professionalism and responsibility. We enforce a zero-tolerance policy for corruption through robust anti-corruption measures, ensuring that all business transactions are conducted fairly and transparently. We are committed to upholding transparency at all levels of the company, providing clear, honest communication with our stakeholders about our operations, financial performance, and sustainability goals.

Stakeholder Engagement

Engaging with our stakeholders is key to driving meaningful and sustainable change. We actively engage with employees, customers, and communities to align our sustainability initiatives with their expectations and needs. Internally, we empower our employees through continuous training and open dialogue, fostering a culture of environmental stewardship and ethical responsibility. We collaborate with our customers to ensure that our products meet the highest sustainability standards, while also addressing their environmental challenges.

In the communities where we operate, we contribute to local sustainability efforts through outreach and partnerships, ensuring our environmental impact is minimized and that we play a positive role in the areas we serve. Our holistic approach to stakeholder engagement reflects our belief that sustainability is a shared responsibility, and we aim to create positive, lasting outcomes for all.

"Sustainability is that which meets the needs of the present without compromising the ability of future generations to meet their own needs"

- Gro Harlem Brundtland, Prime Minister of Norway.

Policy and Pillars

We at AGC Chemicals Americas, Inc. pledge to embrace a Culture of Sustainability.

We will create sustainable solutions to support the longterm health of our employees, our communities, and our surrounding environment, and ultimately the enduring success of our business. We recognize that our contributions support the overall AGC Vision of Chemistry for a Blue Planet and commit to action at a local level.

In pursuit of Sustainability, we are guided by three main pillars:



Environment: AGC Chemicals Americas pledges to constantly assess our impact on both people and the natural environment to create more efficient and greener manufacturing practices. (SDGs 6, 7, 13, 14)



People and Communities: AGC Chemicals Americas pledges to support our current employees by providing a safe and healthy work environment with opportunities for growth and development; and to support local communities through charitable and educational programs. (SDGs 2, 3, 8)



Technology: AGC Chemicals Americas pledges to focus on innovative material science solutions in support of the long-term success for our customers and us. (SDGs 9, 11, 12)





Chemistry for a Blue Planet AGC Chemicals AGC

Environmental Impact

At AGC Chemicals Americas, we are deeply committed to reducing our environmental footprint through energy efficiency, emissions reduction, waste management, water conservation, and resource optimization. Our focus on sustainability permeates all aspects of our operations, from production to product development, as we strive to deliver high-quality solutions that help both our customers and the planet.



Energy efficiency is a critical aspect of our environmental strategy. At AGC Chemicals Americas, we continuously monitor and improve energy use across our Production Site and Business & Technical Center. We are exploring renewable energy sources to reduce our reliance on non-renewable energy, aligning with our broader goal to minimize environmental impact while maintaining superior product quality.



Our commitment to reducing greenhouse gas (GHG) emissions is a core component of our sustainability mission. AGC Chemicals Americas tracks and reports GHG emissions annually, focusing on identifying and targeting key areas for reduction. By adopting cleaner technologies and optimizing our processes, we are steadily cutting emissions. In alignment with AGC Group's global sustainability targets, we are actively working towards reducing our Scope 1 and Scope 2 emissions—those directly from operations and purchased energy—by 30% by 2030. Additionally, we are developing initiatives to address Scope 3 emissions, which cover indirect emissions from our value chain, with the aim of achieving carbon neutrality by 2050.



Effective waste management is integral to our operational efficiency. We prioritize waste reduction, reuse, and recycling across all operations. AGC Chemicals Americas has implemented programs designed to minimize hazardous and non-hazardous waste. We continuously optimize our waste disposal methods, ensuring compliance with environmental regulations, and use certified programs to recycle materials that would otherwise go to landfills.



Water is one of the most valuable resources, and at AGC Chemicals Americas, we are dedicated to responsible water usage. We implement water conservation practices that include water recycling within our processes and advanced treatment technologies to minimize withdrawal from local sources. Our goal is to reduce our water footprint, safeguard local ecosystems, and ensure sustainable water use for both our operations and the surrounding communities.



Resource efficiency is at the heart of our sustainability efforts. By continually optimizing the use of raw materials, AGC Chemicals Americas reduces waste and improves process efficiencies. Our efforts in recycling and incorporating sustainable materials into production not only minimize our environmental footprint but also support the transition towards a circular economy.

Product Stewardship

Sustainable Products

AGC Chemicals Americas is committed to developing and promoting products that contribute to a more sustainable future. We prioritize the creation of solutions that help our customers reduce their environmental impact while maintaining high performance. From advanced coatings to fluoropolymers, our sustainable product portfolio is designed to meet the growing demand for greener alternatives across multiple industries. We actively engage with customers to develop tailored solutions that meet their sustainability goals while reducing the overall environmental footprint.

Safety and Compliance

Ensuring the safety and regulatory compliance of our products is paramount at AGC Chemicals Americas. We adhere to strict safety standards throughout the entire product lifecycle, from development to production and distribution. Our products are tested rigorously to ensure they meet or exceed industry safety requirements and comply with all relevant local, national, and international regulations. n addition, we maintain robust product stewardship programs, providing customers with clear safety data and guidance on proper use, handling, and disposal. Our dedication to safety and compliance not only protects our customers and the environment but also strengthens the trust and confidence placed in our products.

Environmental Performance Metrics

In 2024, we introduced Key Performance Indicators (KPIs) aligned with our sustainability goals, structured around our three core sustainability pillars. These metrics are designed to track year-on-year progress, allowing us to measure performance against defined targets. By setting clear, quantifiable objectives, we aim to foster continuous improvement in our sustainability initiatives.

In 2025 we will use the KPI data from previous years to set comprehensive targets to drive our program.

Metric	Targeted Trend
Percentage of Energy Consumption Fueled by Renewable Energy	1
CO2-e generated per amount of material produced at our Production Site	↓ ↓
Direct GHG Emissions (Scope 1) for AGC Chemicals Americas	Ļ
Indirect GHG Emissions (Scope 2) for AGC Chemicals Americas	Ļ
Landfill Waste Volume Intensity	Ļ
Consumption of Water per amount of material produced in Thorndale	\downarrow

Social Responsibility



At AGC Chemicals Americas, the health, safety, and well-being of our employees are top priorities. We have implemented a comprehensive range of programs designed to ensure a safe and inclusive workplace for everyone. Our Health and Safety Management System follows industry best practices and is regularly updated to minimize risks, prevent accidents, and promote employee well-being. We also offer wellness programs that focus on physical and mental health, recognizing the importance of work-life balance.

In addition, our commitment to diversity and inclusion is embedded in our corporate culture. We believe that diverse perspectives drive innovation and creativity, and we are dedicated to fostering a workplace where all employees feel valued and respected, regardless of their background, gender, ethnicity, or identity. Regular training programs and initiatives promote inclusivity, ensuring that everyone has equal opportunities to thrive and contribute to our company's success.

Community Engagement

AGC Chemicals Americas is deeply committed to making a positive impact on the communities where we operate.

We actively contribute to local communities through a variety of charitable activities, volunteer initiatives, and social impact projects. Our employees frequently engage in volunteer opportunities that support education, environmental conservation, and local economic development. We also provide financial support to nonprofit organizations that align with our values, helping to drive positive change in areas such as sustainability, education, and health. By supporting local initiatives, we aim to build stronger, more resilient communities and foster long-term relationships based on trust and shared values.



Upholding human rights is a fundamental principle at AGC Chemicals Americas, and we are committed to protecting the dignity and rights of individuals both within our organization and throughout our supply chain.

We adhere to all international human rights standards, ensuring that our employees work in safe and fair conditions. This commitment extends to our suppliers, as we require them to comply with ethical labor practices and uphold the rights of workers. We regularly evaluate our supply chain to prevent any forms of exploitation, forced labor, or child labor, and we are committed to taking swift action should any violations occur. Through transparency and accountability, we strive to ensure that human rights are respected at every stage of our operations.



People and Communities Performance Metrics

Metric	Targeted Trend
Number of Code of Conduct Violations	Monitor
Percentage of employees trained on ethics, safety, and environmental practices	1
Lost Time Incident Rate- Business & Technical Center	Ļ
Lost Time Incident Rate- Production Site	\downarrow
Total Case Incident Rate- Business & Technical Center	Ļ
Total Case Incident Rate- Production Site	Ļ
Investment (time) in our communities to improve lives by increasing access to STEM skills, safety initiatives, and sustainable environment programs	Monitor
Investment (\$) in our communities to improve lives by increasing access to STEM skills, safety initiatives, and sustainable environment programs	Monitor

Innovation and R&D



At AGC Chemicals Americas, innovation is at the heart of our sustainability strategy. We are committed to investing in research and development to advance sustainable technologies and processes that reduce environmental impact. Our R&D teams are focused on creating more energy-efficient production methods, developing materials with lower carbon footprints, and improving recyclability in our products. By exploring breakthroughs in areas such as green chemistry and cleaner manufacturing processes, we aim to deliver solutions that meet the evolving needs of our customers while promoting environmental stewardship. These innovations not only enhance our products' sustainability but also contribute to global efforts to reduce industry-wide emissions and resource consumption.

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Collaboration is critical to achieving our sustainability goals. AGC Chemicals Americas actively partners with academia, industry peers, and government bodies to drive innovation and address shared sustainability challenges. Through these collaborations, we exchange knowledge, access cutting-edge research, and contribute to the development of industry-wide best practices. Our partnerships with academic institutions enable us to tap into emerging research on sustainable materials and processes, while our engagement with government agencies ensures that we remain aligned with evolving environmental regulations. Additionally, by working closely with industry partners, we strive to create collaborative solutions that benefit not only our company but also the broader community and the environment.

Supply Chain Responsibility

Supplier Standards

At AGC Chemicals Americas, we hold our suppliers to the same high standards of sustainability that we apply to our own operations. Our Supplier Code of Conduct outlines clear expectations in terms of environmental stewardship, ethical labor practices, and compliance with all relevant laws and regulations. We partner with suppliers who share our commitment to reducing environmental impact and who demonstrate continuous improvement in their sustainability practices. This includes minimizing waste, conserving energy, and actively seeking out innovative solutions to mitigate their ecological footprint. We routinely evaluate our suppliers against these criteria to ensure alignment with our sustainability goals and to foster long-term, responsible partnerships.

Sourcing Practices

Responsible sourcing is a core value at AGC Chemicals Americas. We are dedicated to sourcing raw materials in a way that minimizes environmental harm and supports ethical practices throughout the supply chain. Whenever possible, we prioritize suppliers that adhere to sustainable sourcing standards, including the use of renewable resources and materials with lower environmental impacts. We also ensure that our suppliers operate under fair labor conditions, preventing exploitation and ensuring workers' rights are protected. By establishing long-term relationships with responsible suppliers, we can strengthen the sustainability of our products and processes while contributing to the development of a more ethical supply chain.

Logistics and Distribution

Reducing the environmental impact of logistics and distribution is a key focus for AGC Chemicals Americas. We have implemented several strategies to optimize transportation efficiency, including route optimization, consolidation of shipments, and reducing overall fuel consumption. Whenever possible, we work with logistics partners who use energy-efficient fleets and incorporate alternative fuels, reducing greenhouse gas emissions associated with transportation. We are also exploring the potential of reducing packaging waste in our distribution channels by adopting reusable or more sustainable packaging materials. These efforts help lower our carbon footprint while ensuring our products reach customers in an environmentally responsible manner.

Technology Performance Metrics

Metric	Targeted Trend
CO2-e generated by AGC Chemicals Americas Controlled Transport	\downarrow
Percentage of revenue that comes from products that Support the United Nations Sustainable Development Goals	1
% of Suppliers who signed the Supplier Code of Conduct	1
% of Buyers Trained on Sustainable Procurement	1



Compliance and Certifications

At AGC Chemicals Americas, Inc., we are committed to maintaining the highest standards in environmental, health, and safety practices. We adhere to all relevant regulations and ensure full compliance with both local and federal guidelines.

Our certifications include ISO 14001 for our effective environmental management system and ISO 9001 for our consistent quality management processes. These certifications reflect our dedication to sustainability, continual improvement, and operational excellence. We take pride in fostering a safe and sustainable workplace that aligns with the best global practices.

Acknowledgements

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Lastly, we recognize the support of our leadership, whose vision for a sustainable future drives our company forward. This report would not have been possible without the input and dedication of everyone involved.

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