

2023

CORPORATE SOCIAL RESPONSIBILITY UPDATE



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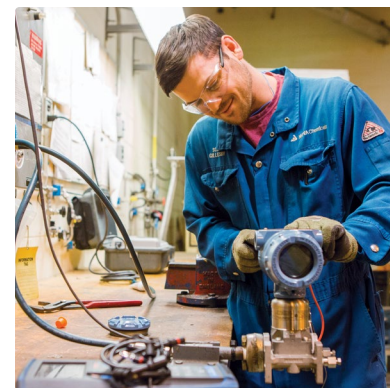
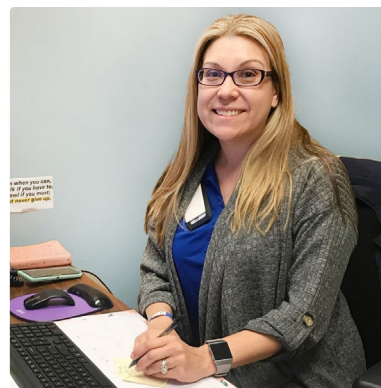
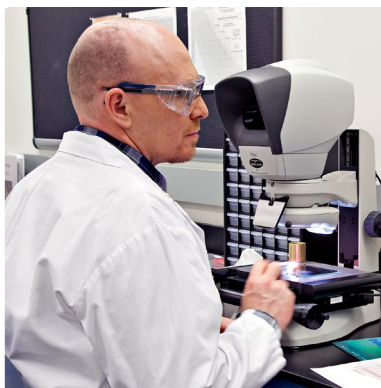
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Note

This Sustainability Update primarily covers 2023 activities with select additions, where noted, that were announced in 2024.



About NOVA Chemicals

Our driving purpose is to reshape plastics to be our customers' first and best choice by delivering unique and innovative solutions. With a focus on outstanding research and development, our diverse portfolio enables our customers and their brands to create products and packaging to advance the circular economy for plastic.

Our company is headquartered in Calgary, Alberta, Canada, and has manufacturing operations in Alberta and Ontario, Canada and Louisiana, United States. By 2026 we expect to have an estimated 110-million-pound mechanical polyethylene (PE) recycling operation in Indiana, United States. We are supported by our Operating and Sales Teams in Canada, the United States, Switzerland, and Singapore.

NOVA Chemicals is wholly owned by Mubadala Investment Company PJSC of the Emirate of Abu Dhabi, United Arab Emirates. Our global workforce is made up of approximately 2,600 employees.

Plastic products continue to play an important role in our daily lives, and we share in the collective responsibility to support best practices for plastic production, use and re-use follow best practices and enable the circular economy. Flexible applications for both PE and recycled polyethylene (rPE) include food and beverage packaging, heavy duty sacks, hygiene films, shrink and stretch wrap, e-commerce protective packaging, and recreational equipment.



Our Foundation is Responsible Care



Our Responsible Care® program and codes of practice are based on the Chemistry Industry Association of Canada's (CIAC) Responsible Care Ethic, Principles, and Codes. Responsible Care is core to our sustainability and Environmental, Social and Governance (ESG) efforts, and our employees work to advance health, safety, security, and environmental stewardship throughout every facet of our operations.

OUR PURPOSE

Reshaping plastics to be our customers' first and best choice.

OUR VALUES

Responsible **Passionate** **Innovative** **Collaborative**



Company Changes and Updates

- Our second Advanced SCLAIRTECH™ technology facility continues to make great progress, increasing rates and advancing the product qualifications.
- To see the most current members of our Executive Leadership Team and the Board of Directors, [visit our website](#).

CEO Message



ROGER KEARNS,
President and CEO

Dear Stakeholders,

As a proud and founding member of Responsible Care, our Sustainability efforts are grounded in a shared responsibility to promote responsible plastics production, use and management while protecting people and the environment. Our work in 2023 built upon our commitment to developing innovative solutions for our customers, creating value for our shareholder, and emphasizing care for people and the world around us.

Our driving purpose at NOVA is to *"reshape plastics to be our customers' first and best choice,"* and we are proud to stand by this mission. In this update, we highlight how our people are working every day to develop and promote the building blocks that are critical to a circular economy for plastics.

Despite continued challenges for our sector in 2023, we kept our focus on becoming a leading North American PE producer that works to further the circular economy and strives to reduce our environmental impacts. We continued

to progress the market adoption of rPE through the launch of our SYNDIGO™ rPE resins and announced our investment in our first North American mechanical recycling facility in Connersville, Indiana, USA. We also signed two long-term Virtual Power Purchase Agreements (VPPAs) to purchase renewable power and their associated emissions offsets.

Safety continues to underpin everything we do at NOVA Chemicals. In the last five years, we have reduced our combined lost time injury rates and achieved ZERO lost time injuries for the second year in a row. We also achieved our best ever combined recordable injury rate of 0.13 and hit a Responsible Care industry milestone of 10 years zero Non-Accident Releases (NARs) during rail transport across all of our manufacturing regions. We received additional recognition for our transportation safety practices in the form of a CN Safe Handling Award and Union Pacific Chemical Transportation Safety Pinnacle Award. I am also proud to share that NOVA Chemicals holds an EcoVadis® Silver rating and is a participant in the United Nations Global Compact® (UNGC),

the world's largest voluntary, business-led sustainability initiative. Recently, we also received recognition as a Top Employer in Alberta by Canada's Top 100 Employers (2024).

These accomplishments would not have been possible without the dedication and hard work of our over 2,600 employees. To continue building an agile, high-performing, and engaged team of people who are passionate about our purpose, we held our first ever Inclusion at NOVA Day in 2023 and launched a new framework for Employee Resource Groups (ERGs).

In closing, I am incredibly proud of our work in 2023 and the progress we have made toward leading in circularity. I look forward to continuing to share more on our efforts in making this ambition a reality.

A handwritten signature in dark ink, appearing to read 'Roger Kearns', with a long horizontal line extending to the right.

2023 Highlights



Improving our Strong Safety Performance

We continued to make significant strides in our safety performance by achieving our second consecutive year of zero lost time injuries, best ever combined recordable injury rate of 0.13, and a 65% reduction in overall total recordable injury rate compared to 2019, highlighting our dedication to enhancing our safety performance. We also made strides in improving our Process Safety performance by achieving a new record low of 12 Flammable Loss of Containment Events in 2023.*

For the 10th year in a row, we maintained our record of zero NARs during rail transport across all our manufacturing regions. This achievement marks not only the longest streak in NOVA's history, but also stands as our overall longest running Responsible Care zero metric performance.



Driving Innovative Solutions

We continued to progress the market adoption of NOVA's rPE offerings. Through the launch of our new [Circular Solutions Business](#), including our innovative SYNDIGO rPE resins, we are promoting the increased use of rPE and developing essential building blocks that can be used in a variety of all-polyethylene packaging to promote circular opportunities.

In 2023, we saw growth in our rPE sales. We also announced a Memorandum of Understanding (MOU) with Amcor, a leader in responsible packaging, which enables Amcor to procure our SYNDIGO rPE resin from our Indiana rPE facility for use in flexible packaging films.



Fostering Inclusion and Diversity

We held our first ever Inclusion at NOVA Day to honor Inclusion & Diversity within our company, and we launched a new framework for Employee Resource Groups (ERGs), intended to support employees and foster an inclusive and supportive environment.



Investing in our First Mechanical Recycling Facility

We announced an investment in our first mechanical recycling facility in Connersville, Indiana, USA. This facility will process post-consumer plastic films to produce SYNDIGO rPE at commercial scale in 2025, delivering an estimated 110 million pounds of rPE per year to the market by 2026.

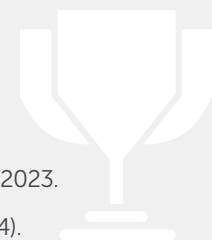


Advancing Renewable Power Purchases

We announced two long-term VPPAs to purchase renewable power and associated emissions offsets.

Awards and Recognition

- We hold an **EcoVadis Silver rating**.
- NOVA Chemicals was awarded the **CN Safe Handling Award** and **Union Pacific Chemical Transportation Safety Pinnacle Award** for our ZERO NARs performance in 2023.
- We were recognized as a **Top Employer in Alberta** by Canada's Top 100 Employers (2024).



**Our Tier 3 Flammable Loss of Containment Event metric includes all releases involving flammable materials exceeding 10% of the API RP 754 Tier 2 Threshold. Through including smaller events in our key metrics, we go beyond industry norms by looking at much more minor events, so as to gain further learning opportunities and to embrace a strong Process Safety focus. In 2023 we experienced 5 Tier 2 events and 1 Tier 1 event.*

Our Sustainability Journey Began in 1985



1985

- Founding member of Responsible Care®



1994

- GHG Reporting



2015

- Community Nature Trail



2017

- Innovation: Recyclable Stand Up Pouch



2018

- Global Engagement to end plastic waste



2020

- Entered the PCR market



2021

- 1st ESG Rating: EcoVadis-Silver



2022

- Joined United Nations Global Compact
- Supplier Code of Conduct
- Business Partner Due Diligence Program



2023

- NOVA Circular Solutions launched
- First mechanical recycling PE facility investment
- Virtual Power Purchase Agreements
- Anti-Modern Slavery Policy



2024

- rPE Food Contact Applications
- Centre of Excellence for Plastics Circularity

Reshaping Plastics to be our Customers' First and Best Choice

SELECT BUSINESS ACTIVITIES



Circularity



Mechanical Recycling



Innovation

INPUTS

Economic

- \$415 million in capital expenditures
- 2 innovation centers
- 5 manufacturing sites in operation
- 4 commercial and sales centers
- 8,600 leased/owned railcars
- 580 kilometers (km) of pipelines

Environmental

- 112 million GJ energy
- 45 million GJ natural gas
- 38 million cubic meters (m³) of water withdrawal

Social

- ~2,600 employees
- >2,700 suppliers
- >360 customers

OUTPUTS

Economic

- \$3.4 billion in revenue
- 4.2 million tonnes ethylene annual nameplate capacity
- 2.6 million tonnes polyethylene annual nameplate capacity
- rPE and ready-to-recycle resins

Environmental

- Announced an investment into developing our first mechanical recycling facility in Connersville, Indiana
- Collaborating in global and regional efforts to prevent plastic waste and build circularity
- 4.8 million tonnes of CO₂e Scope 1 and 2 emissions*
- 12.7 million tonnes of CO₂e Scope 3 emissions*

Social

- \$457 million paid in salaries and benefits
- Providing competitive and meaningful opportunities for employment
- Programs to enhance employee well-being
- \$2.1 million invested in communities and 582 employees volunteered almost 2,300 hours through company-sponsored volunteer events
- Maintaining safe operations
- Enabling safer and better plastic resins

*These values represent NOVA's annual emissions in 2023.

PLASTIC CIRCULAR ECONOMY & ENVIRONMENT

Plastic Circular Economy

At NOVA Chemicals, we are working to advance the plastic circular economy transforming the lifecycle of plastic, helping to eliminate plastic waste and reducing resource use.

2023 Activities

FIRST MECHANICAL RECYCLING PLANT

- Expanded our Circular Solutions business by investing in our first mechanical recycling facility in Connersville, IN to be operated by Novolex Holdings, LLC and expected to employ about 125 people.
- Chose Connersville location, which will produce SYNDIGO rPE, to leverage access to post-consumer film supply and rail service.

RECYCLED POLYETHYLENE (rPE) PRODUCTS

- Experienced growth in SYNDIGO rPE sales enabling customer solutions that prioritize use of recycled content and recyclability in food and non-food contact applications.

CUSTOMERS SOLUTIONS

- Announced a Memorandum of Understanding (MOU) with Amcor, a global leader in packaging solutions, to procure SYNDIGO rPE from NOVA's Connersville facility for their use in making film-grade rPE and support brand owners' recycled content goals.

- Collaborated with Pregis, a leading manufacturer of flexible and protective packaging, to develop packaging solutions for food applications in stand-up pouches (SUPs) using our SYNDIGO rPE-0860-FC resin focusing on high-quality, food-safe recycled content.

GLOBAL COLLABORATION

- Continued providing expertise and financial investment to the Alliance to End Plastic Waste®, Great Lakes Plastic Cleanup, Closed Loop Circular Plastics Fund and the Canada Plastics Pact™ whose efforts aim to reduce plastic waste in the environment and drive circular plastic solutions.

2024 Activities of Note

rPE FOOD CONTACT APPLICATIONS

- Received US Food and Drug Administration (FDA) Letter of Non Objection (LNO) confirming the capability of the Connersville, IN mechanical recycling process to produce post-consumer recycled linear, low-density polyethylene (rLLDPE) material that is suitable for broad food-contact applications.

INNOVATION FOR PLASTICS CIRCULARITY

- Launched the [Canadian Centre of Excellence for Plastics Circularity](#) to foster research and development collaboration and to integrate value chain solutions to advance the circular economy of plastics.



Climate Care

NOVA Chemicals continues to investigate its roadmap for decarbonization to prioritize pathways that will reduce GHG emissions from operations and bring products to the market that are lower carbon than NOVA Chemicals' products are today.

2023 Activities

RENEWABLE POWER PURCHASES

- Announced a long-term Virtual Power Purchase Agreement (VPPA) with Shell Energy North America (Canada), Inc. to purchase 20 MW nameplate of renewable power and associated emissions offsets beginning in spring 2023.
- Issued a second announcement on a VPPA to purchase 20 MW nameplate of solar power and associated emissions offsets produced at TC Energy Corporation's [Saddlebrook Solar + Storage Project](#).

PRODUCT CARBON FOOTPRINT

- Worked toward a Product Carbon Footprint (PCF) methodology to support growing customer interest and subject to continuing improvements.

OPERATIONAL IMPROVEMENTS

- Engaged frontline manufacturing employees in identifying and implementing emission reduction opportunities.



Air, Water, and Waste

We recognize our role and responsibility to preserve natural resources like air and water as an employer and a neighbor. We champion pellet loss prevention at our sites and in our supply chain along with other measures to prevent, manage and reuse waste in our operations.

2023 Activities

AIR EMISSIONS

- Installed two new ethylene heaters with a higher efficiency and smaller emissions footprint than earlier designs at the Ontario, CA facility, to meet growing needs. Process improvements at the Alberta, CA site included a phased cooling tower rebuild that will help to reduce particulate matter.

DIGITALIZATION

- Improved furnace performance at the Louisiana, US site through digitalization efforts leading to new performance dashboards which aid in optimizing operational efficiency and reducing unplanned furnace downtime and resulting in improvements in energy consumption and reduced air emissions.

WATER RISK ASSESSMENT

- Monitored water consumption risks during severe drought conditions in the Alberta, CA region. Risks like high water stress, seasonal variability, eutrophication and floods are identified in our Water Body Risk Assessment.

EMERGING REGULATIONS

- Reviewed emerging policies, regulations and disclosure standards for North America and Europe with a focus on mapping water-related risks and opportunities to assess probable timing and to address related risks and opportunities for our operations.

ENVIRONMENTAL PROGRAM MANUAL

- Launched NOVA's Corporate Environmental Program as a step to migrate our existing environmental management system to align with the Responsible Care 14001 Management System. The Environment Program outlines strategies and practices for meeting regulatory and Responsible Care standards, emphasizing environmental impact reduction through goal setting, risk-based prioritization, science-based solutions, and ongoing improvement efforts.

OPERATION CLEAN SWEEP® (OCS)

- Leveraged OCS experience to proactively install parachute skimmers in effluent ditches which no longer rely only on downstream control devices to remove pellets for the new Advanced SCLAIRTECH™ technology facility.

E-WASTE RECYCLING

- Standardized e-waste recycling practices for NOVA Information Technology (IT) in collaboration with Canadian e-recycler Quantum Lifecycle resulting in nearly 13,000 kg of resources recovered through recycling with another 440kg of e-waste recycled through an employee collection drive.



PEOPLE

Safety and Well-Being

We are building and sustaining a Responsible Care and safety culture where we learn from successes and failures and build capacity into our design and work processes. We foster a workplace culture that supports each person's physical, mental, financial and social well-being.

2023 Activities

RESPONSIBLE CARE INFORMATION MANAGEMENT SYSTEM (RCiMS)

- Launched the new RCiMS electronic management system which provides RC risk-management capabilities and real time safety information enabling access to data, trends and risk-based decision tools that encourage a learning culture and which support performance improvement.

HAZARD RECOGNITION TOOLS

- Created the new **CP 1005 Hazard Recognition and Control** RC procedure which consolidates our

Am I Ready, Toolbox Talks, and WHAT-IF procedures into a single guidance document with updated instructions to enable improved safe work planning and execution effectiveness.

CONTRACTOR SAFETY MANAGEMENT

- Completed the second phase of our Contractor Safety Management Program assurance process to gain stakeholder feedback on areas for improvement to deliver on increased efficiency and effectiveness.

REFRAME FAILURE LEADER TOOLKIT

- Introduced a new "*Reframe Failure Leader Toolkit*" to assist leaders in

promoting a culture that embraces learning from setbacks to drive continuous improvement and foster psychological safety, resilience and innovation among teams and individuals.

RESPECTFUL WORKPLACE AND VIOLENCE PREVENTION POLICY

- Updated the Respectful Workplace and Violence Prevention Policy to emphasize desired behaviors in addition to prohibited ones along with updated guidance for reporting and investigating incidents, supported by mandatory annual computer-based training for leaders and employees.

EMPLOYEE BENEFITS

- Enhanced our Employee Assistance Program (EAP) by introducing a new platform offering employees resources, assessments, and tools and by expanding behavioral/mental health services in the Canadian region.



Inclusion and Diversity

We strive to build engagement, improve team performance, and enhance recruitment practices to support and promote Diversity, Equity, Inclusion and Belonging (DEIB).

2023 Activities

OUR I&D STRATEGY

- Building an inclusive culture, attracting and retaining diverse talent, differentiating the employee experience, gathering I&D information, launching a new ERG framework and engaging with the community and external organizations are all pillars of our I&D Strategy.

DIVERSITY EVENTS

- Launched our first Inclusion at NOVA Day to celebrate and demonstrate our commitment to our I&D strategy. We held our first Pride event, and events to acknowledge the National Day for Truth and Reconciliation and International Women's Day.

I&D TRAINING AND RESOURCES

- Launched the final two installments of our three-part Belonging at NOVA workshop series for all employees. We also launched workshops for leaders, designed to help them through the neuroscience and practices of inclusion and belonging.
- Provided additional resources on inclusion that can be used for individual learning throughout the year and encouraged employees to share their own personal inclusion moments.

I&D BENEFIT ENHANCEMENTS

- Reviewed benefits coverage to ensure that we are addressing the diverse needs of our employees and remaining competitive by adding paid parental leave, unpaid job protected leave, additional holidays, and included pregnancy loss in our Bereavement Leave policy.

PRESIDENT'S IMMIGRATION TASK FORCE

- NOVA Chemicals is a founding member and participates by providing input, making connections with local organizations, and representing the hiring needs of our business in Ontario CA.

OUR INCLUSION AND DIVERSITY COUNCIL

- Took on greater accountability to create awareness for holidays and heritage moments, develop metrics and dashboards, employee engagement and connection opportunities and reviewing I&D related policies and programs.



Talent Management

We empower our employees through meaningful work and robust development opportunities.

RECRUITMENT PROCESS

- Reduced the time to fill safety sensitive roles by 34 days and non-safety roles by 29 days through a value stream mapping initiative to enhance recruitment and onboarding.

ORGANIZATIONAL HEALTH

- Conducted our second organizational health survey to assess our organizational culture, effectiveness, and employee satisfaction. Despite a modest improvement in overall scores, remaining in the bottom quartile underscores the need for ongoing efforts.

LEADERSHIP AND ORGANIZATIONAL CAPABILITIES

- Rolled out the People Leader Toolkit and Forging the Future Program to support skills development and resources to enhance leadership capabilities. Improved People Leader Role Profile to provide clarity on expectations and strategies to achieve them.
- Launched the Ability to Execute (A2E) Essentials learning programs for all employees focused on nine core skills with tools that are easy to apply to improve individual, team and company outcomes.
- Made strides in building organizational capabilities identifying priority areas for development. Individual development plans were established for over 80% of our workforce and we refined our succession planning strategy ensuring our organization can meet future leadership needs.



Community and Indigenous Relations

We aim to be a good neighbor and a sought-after local employer through collaborating and investing in projects that address our communities' unique needs and concerns. We also seek to establish and sustain long-lasting, positive relationships with our Indigenous neighbors.

2023 Activities

EMPLOYEE VOLUNTEERISM

- Introduced an Enhanced Volunteer Program that expands the scope of our community engagement efforts and offers employees a variety of ways to volunteer their time to initiatives that are most meaningful to them.
- Enabled our employees to volunteer almost 2,300 hours on company-sponsored volunteerism activities.

CAMPAIGNS FOR UNITED WAY®

- Raised nearly \$1.4 million for our charity of choice, United Way, through various regional campaigns including pledges from employees and retirees, fundraising events, and dollar matching.

COMMUNITY OUTREACH

- Provided 7,500 meals to individuals in need through a CAD \$50,000 donation to The Inn of the Good Shepherd in Sarnia, Ontario and participation in an employee "soup kitchen takeover" event.
- Prepared and delivered meal kits throughout the month of June, and launched a LinkedIn campaign to donate an extra meal to The Inn of the Good Shepherd for every employee who used our #NOVAGivesBack hashtag.

MENTAL HEALTH AWARENESS

- Donated nearly USD \$500,000 for essential funding to agencies offering mental health supports for youth and adults in our communities, offering vital care and hope to those in need.

INDIGENOUS RELATIONS

- Attended Clean Air Sarnia and Area meetings alongside representatives from our nearest Indigenous communities.
- Lead sponsor of Western University's Engineering summer camps that introduce Indigenous youth to the world of engineering.
- Provided financial support for Indigenous students at Lambton College, Western University, and Red Deer Polytechnic through scholarship and bursary programs.
- Hosted a virtual blanket exercise and conversation of over 650 employees in honor of National Day of Truth and Reconciliation, led by a member of the Dene people from Treaty 8.



PRACTICES

Ethics

At NOVA Chemicals, we are committed to conducting our business with honesty and integrity. To ensure we live up to these values, we have robust systems and policies in place to guide employee conduct.

2023 Activities

ANTI-MODERN SLAVERY

- Developed an anti-forced labor and anti-child labor due diligence program, launched our [Anti-Modern Slavery Policy](#) and began preparing the [Modern Slavery Report](#) filed with the Government of Canada in 2024.

ETHICS AND COMPLIANCE

- Updated our Code of Conduct to emphasize “Ethics” and hosted a company-wide learning opportunity with Mubadala Ethics and Compliance leaders to talk about acting with integrity above and beyond complying with law.

ANTI-BRIBERY REPORTING

- Automated the employee experience to make it easier for employees to report information on anti-bribery or corruption.



Responsible Supply Chain & Transportation Safety

We work with suppliers, customers, agents and distributors who are aligned with our efforts to uphold ethical business practices and who meet our commitments for environmental responsibility, human rights, and health and safety of employees and communities which also includes the safe transportation of our materials and products.

2023 Activities

SUSTAINABILITY SCORECARD

- Developed a Sustainability Scorecard using a third-party platform so that Technical and Corporate Procurement can score and grade our supply base on their sustainability related practices and objectives.

SUPPLIER DIVERSITY

- Added Inclusion and Diversity to Suppliers screening and selection, specifically registration with the Canadian Council for Aboriginal Business (in Canada) and Minority, Women and Native Owned Business Certification (MWBE, MBE) in the USA.

OPERATION CLEAN SWEEP (OCS)

- Assessed our polyethylene sites quarterly to ensure readiness to support OCS's mission on pellet loss prevention during manufacturing and transportation. Promoted OCS awareness with customers and transportation providers.

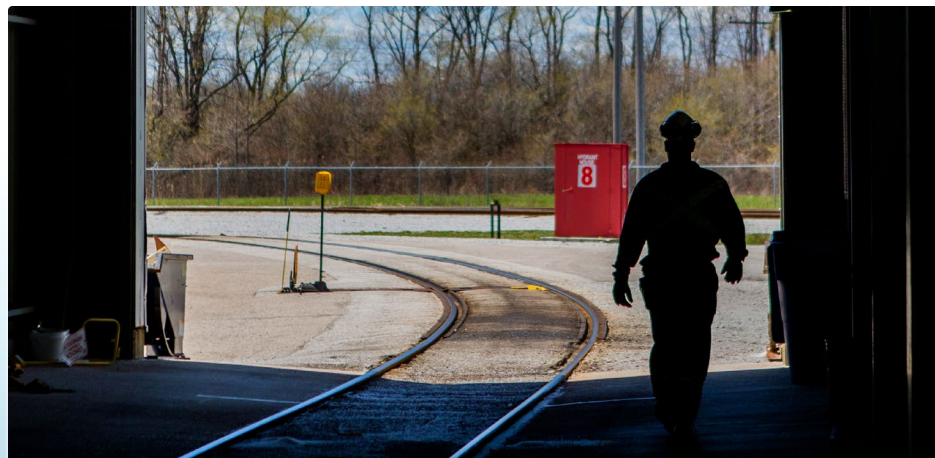
RAILCAR INSPECTION AND MAINTENANCE

- Updated rail car inspection program with a new corporate procedure, CP 1301 Rail Car Inspection, new digital tools and updated inspection training aligned to safety protocols and zero NARS and OCS priorities.

ZERO NON-ACCIDENT RELEASES (NARS)

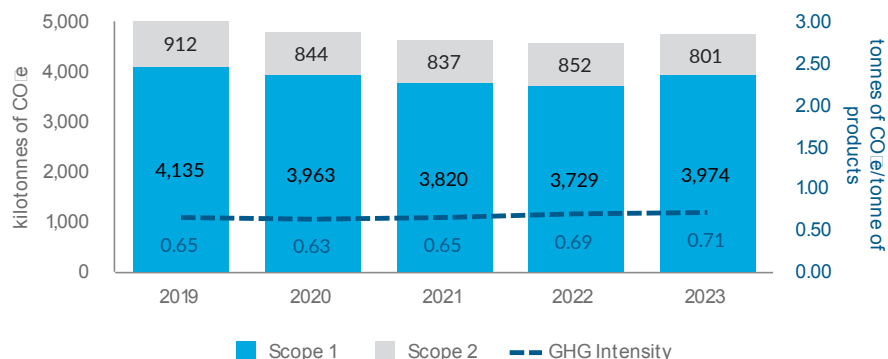
- Achieved our tenth consecutive year of zero Non-Accident Releases (NARs) across all manufacturing regions, marking the longest run in NOVA's history and its overall longest running Responsible Care zero metric performance.

We achieved our tenth consecutive year of zero Non-Accident Releases.



PERFORMANCE

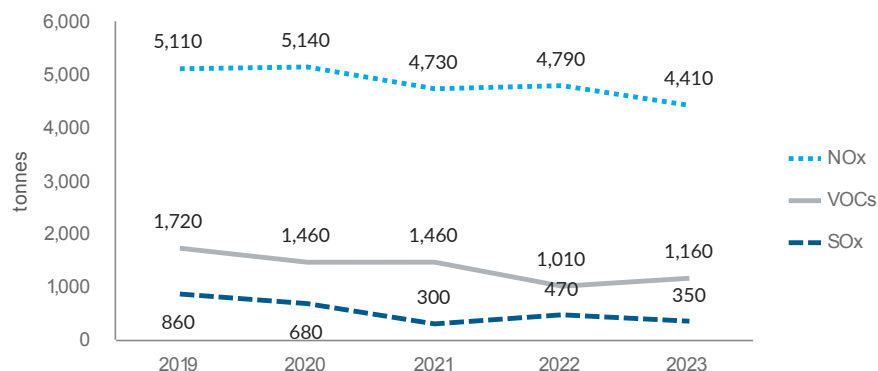
GHG Emissions (operational control)*



Our total absolute Scope 1 and 2 GHG emissions from operations have decreased by approximately 5% since 2019, as a result of reduced production. Due to lower production, our emissions intensity has increased by approximately 9% during the same time period. In general, as NOVA Chemicals increases production, there is a corresponding increase in GHG emissions. Our assets are most efficient when running at full capacity, and high emitting years often demonstrate efficient performance in terms of GHG emission intensity. In 2023, we experienced challenging operating conditions which resulted in higher absolute emissions and higher intensity than in previous years.

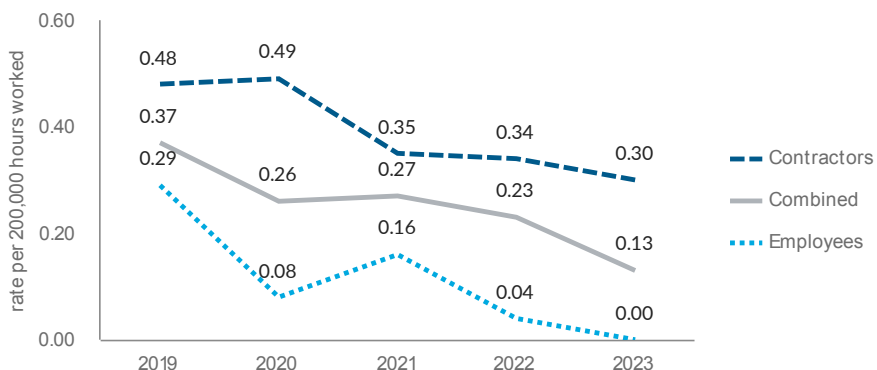
**We report our GHG emissions, using an operational control approach. This means we report 100 percent of gross GHG emissions from facilities that we operate regardless of financial ownership, including operated ethylene and polyethylene assets and associated site-based infrastructure. The sum of our reportable direct emissions in any given year to the federal regulatory body (for example 5,091 kilotonnes in 2023) is different than our Scope 1 emissions noted above for the same year (for example 3,974 kilotonnes in 2023). This is primarily due to the regulatory requirements/boundary based on site environmental permits which includes assets within NOVA's boundary but are not owned nor controlled by NOVA. Our GHG Emissions reflected above excludes Scope 3.*

Air Emissions



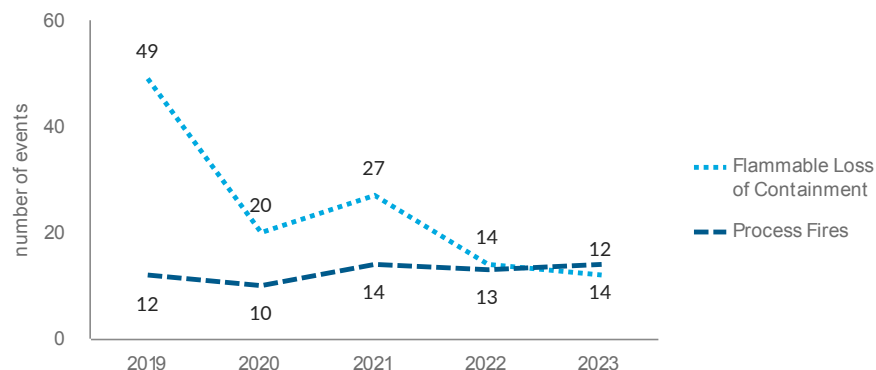
Our annual air emissions variations are primarily due to facility operating rates, annual source emission test results, refinements in the estimation methodology and changes in fuel composition to support plant start ups. NOVA's scope of SO_x reporting includes only SO₂.

Recordable Injury Rates



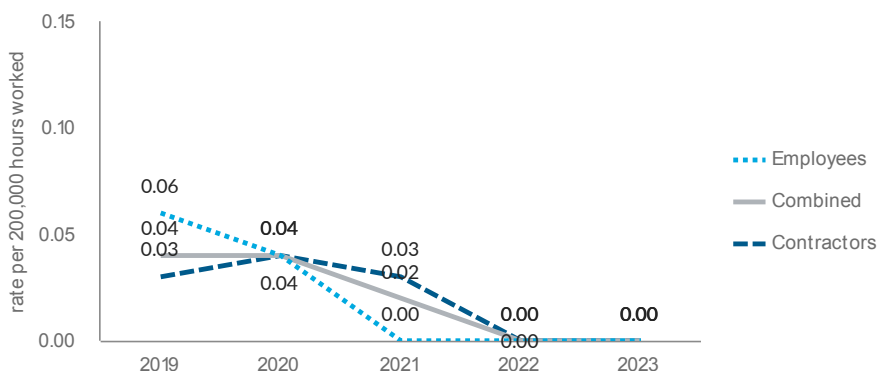
In 2023, our combined recordable injury rate was 0.13 representing our best-ever performance and a 65% reduction in overall Total Recordable Injury Rate (TRIR) compared to 2019, emphasizing a sustained commitment to safety. NOVA is on a journey to top quartile safety performance and is developing systems and a safety culture to achieve this goal. Our year on year safety performance improvements are trending positively to support these objectives as we work closely with all NOVA employees and our service providers to advance our strong NOVA safety culture.

Process Safety Events



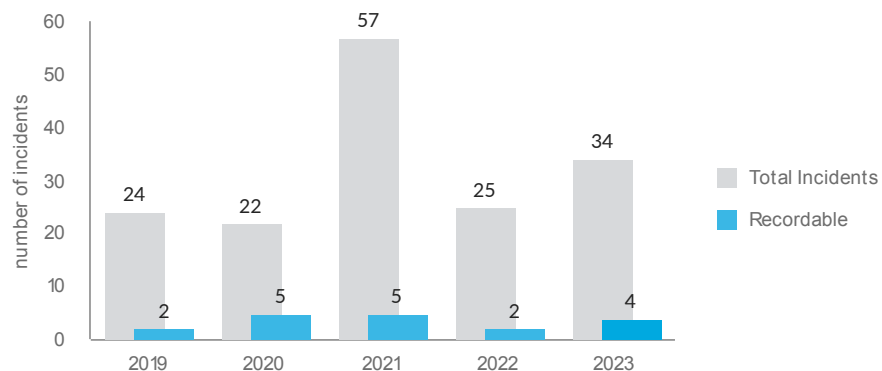
Flammable loss of containment events (FLOCs) are incidents that typically involve an unplanned release of flammable materials exceeding 10% of the Tier 2 threshold in the American Petroleum Institute (API) RP 754 from 2021. In 2023, we made strides in improving our process safety performance by achieving a new record-low of 12 FLOCs. Process fires are any unplanned fire involving process materials.

Lost Time Injury Rates



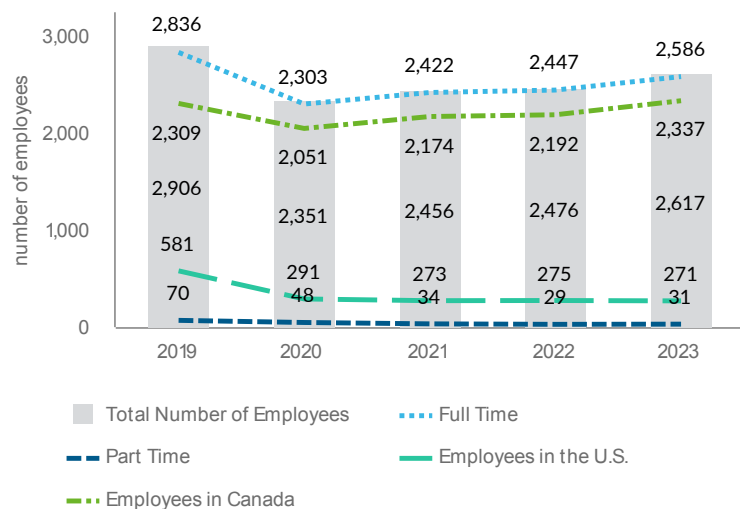
In the last five years, we have reduced our combined lost time injury rates and achieved ZERO lost time injuries in 2023 for the second year in a row. We are proud of this accomplishment and aspire to sustain our Goal ZERO commitment through continuous improvement.

Transportation Safety Incidents



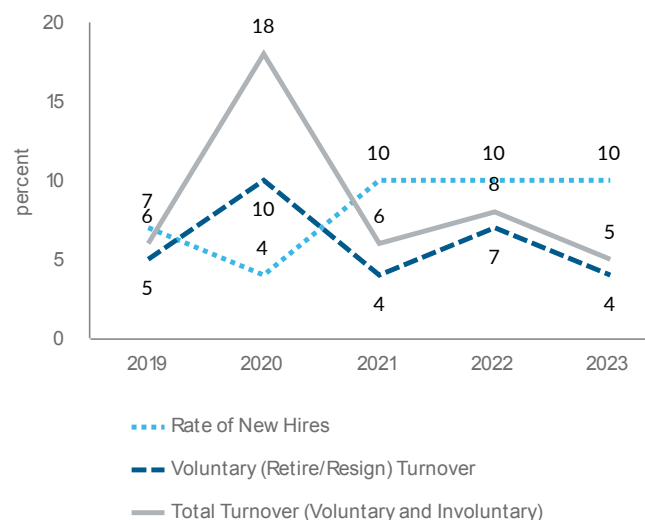
Transportation incidents scope of disclosure includes incidents of all modes of product transport for which we have direct oversight including those contracted to third party. Recordable incidents are consistent with the International Council of Chemical Associations (ICCA) Guidance for Reporting Performance. The significant increase in total incidents in 2021 was due to increased recognition and reporting of minor transportation incidents and near hits by our carriers and our employees. Note that our Total Incidents includes near hits.

Employee Data



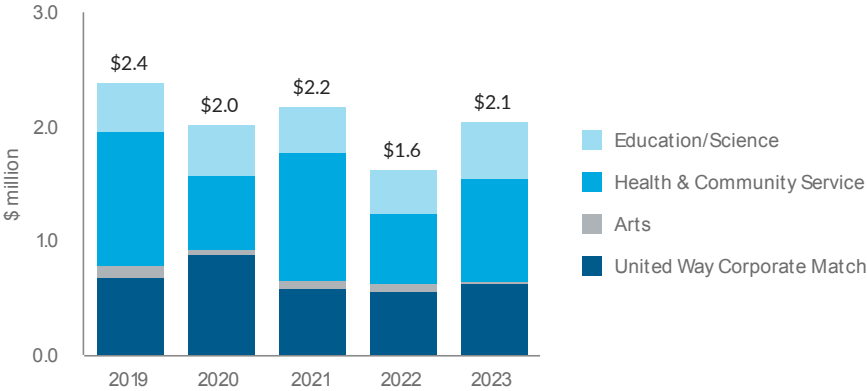
Following business restructuring, the divestiture of two manufacturing facilities in the U.S. and the voluntary departure of 117 retirement eligible employees in Q4 2020, NOVA has backfilled or created new positions to address key growth areas such as digitalization and circular solutions and to prepare for future retirements, specifically in Operations. The 2020 retirements were driven by the December 1, 2020 change in the standards for calculating commuted values (CV) from Defined Benefit plans issued by the Canadian Institute of Actuaries impacting the interest rates and the assumed pension commencement age used in the calculations, generally resulting in lower CVs. Eligible employees chose to terminate employment or retire prior to December 1, 2020 in order to receive the higher CV under the prior standards.

Employee Turnover



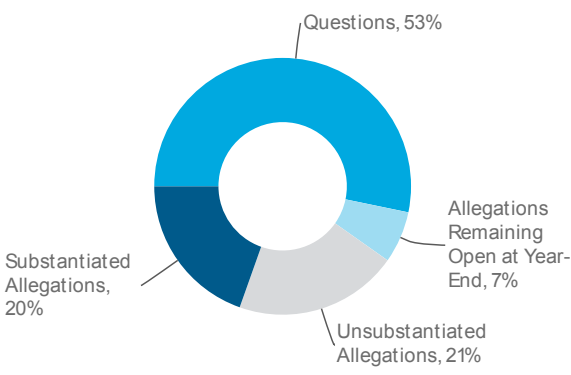
NOVA Chemicals is consistently below the industry average in voluntary turnover when benchmarked against data provided by global consulting firms. We experienced a higher than usual turnover rate in 2020 as a result of business restructuring and the voluntary departure of 117 retirement eligible employees in Canada. Retirements were driven by the December 1, 2020 change in the standards for calculating commuted values (CV) from Defined Benefit plans issued by the Canadian Institute of Actuaries impacting the interest rates and the assumed pension commencement age used in the calculations, generally resulting in lower CVs. Eligible employees chose to terminate employment or retire prior to December 1, 2020 in order to receive the higher CV under the prior standards.

Community Investment



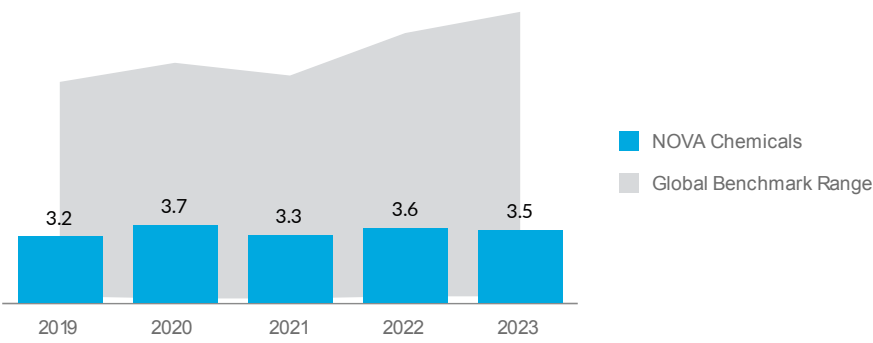
We continue to invest in organizations that improve quality of life, including United Way, Carnegie Science Center®, and Let's Talk Science®.

Ethics-Related Matters Received in 2023



We investigate all matters received. A substantiated allegation might result in employee education, coaching, discipline, or termination, where permitted by local law.

Ethics-Related Reports per 100 Employees



We compare the number of reports received through our ethics line to the NAVEX Global® benchmark. NAVEX Global has a database of 3,430 organizations that collectively received more than 1.5 million individual reports in 2023. Although there is wide range of call volumes between organizations, NAVEX Global notes that organizations with higher reporting rates (calls per 100 employees) may be experiencing the positive business outcomes discussed in the George Washington University study Evidence on the Use and Efficacy of Internal Whistleblowing Systems, which shows that higher report volumes are associated with fewer and lower amounts of government fines and material lawsuits.



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Advisory

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