

## Renewable Energy as a Core Element of Balchem's Strategy

As we advance our carbon reduction efforts, we recognize the crucial role renewable energy plays in meeting our sustainability goals. However, the complexity of this transition varies by region, as some of our operating areas face energy grid supply challenges that must be considered when evaluating green energy purchases or reducing fossil fuel-based on-site generation. To develop a climate strategy that effectively supports our business, we need a deeper understanding of the potential risks climate change poses to our supply chain. While we have conducted a preliminary assessment, we plan to begin a more thorough evaluation in 2025. Our goal is to ensure that our sustainability roadmap addresses and prioritizes the most critical factors.

In 2023, we continued to execute our renewable energy strategy to reduce our Scope 2 emissions by purchasing renewable energy credits ("RECs") that offset approximately 36,000 megawatt hours ("MWh") of our electrical use. These RECs were used to support wind farms in Big Lake, Texas, and Frankfort, Kansas. In addition to these efforts, our corporate office in Montvale has been equipped with solar panels, further contributing to our carbon reduction goals by harnessing clean, renewable energy. Similarly, our manufacturing facility in Belgium also features solar panels, highlighting our commitment to sustainability on a global scale.

In the future, we plan to continue leveraging green energy as we implement our other reduction strategies, ensuring that our operations worldwide align with our sustainability objectives.



*Solar panels at our Montvale, New Jersey headquarters*