



Hexion to Expand R&D Facility in Edmonton, Alberta to Develop Bio-Based Resins for Wood Panels

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COLUMBUS, Ohio - (May 22, 2017) - Hexion Inc. ("Hexion" or the "Company") announced an expansion of its technology center at its forest products complex in Edmonton, Alberta. The expanded research and development facility will focus on developing next generation resin chemistry for panel production that will complement the Company's existing EcoBind™ lower emitting resin technology and build on the inherent flame, smoke and toxicity (FST) properties of our current resin systems.

The expanded lab is focused on emerging phenolic resin technology that substitutes phenol with bio-based raw materials, such as lignin. An abundant, natural polymer, lignin is an organic material that has significant potential as an adhesive substitute in wood panel production.

"Hexion is committed to innovation that improves the sustainability of engineered panel products," says Mark Alness, Senior Vice President, Americas Forest Products. "The substitution of lignin and other bio-based raw materials for phenol will result in greater use of these renewable raw materials in the coming decade. This investment is in line with Hexion's ongoing commitment to develop low emitting EcoBind technology products."

The technology center expansion is set to be complete by the third quarter of 2017. In addition to state-of-the-art analytical equipment, Hexion has also invested in new panelboard press technology at the Edmonton lab to test the bio-based resins in an actual production environment due to the difficulty in working with natural feedstocks. The "pilot plant" is meant to mimic commercial production in a typical Alberta facility and demonstrate that the new resins and press, working in concert, can deliver the same or better panel properties as traditional materials. The new lab also leverages an investment in lignin production announced by Alberta Innovates (AI), a program designed to help diversify the Alberta economy by accelerating growth of the bio-industrial sector.

In addition to the investments in Edmonton, Hexion remains committed to providing independent emissions testing as well as consulting on wood product development at its Advanced Testing Services (ATS) laboratory in Springfield, Oregon.

About the Company

Based in Columbus, Ohio, Hexion Inc. is a global leader in thermoset resins. Hexion Inc. serves the global wood and industrial markets through a broad range of thermoset technologies, specialty products and technical support for customers in a diverse range of applications and industries. Hexion Inc. is controlled by investment funds affiliated with Apollo Global Management, LLC. Additional information about Hexion Inc. and its products is available at www.hexion.com.

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