WE ARE EXPLORERS

Annual Integrated Report 2025

SYENSQO
ADVANCING HUMANITY

CONTENT

About this report

Syensqo's 2025 Annual Integrated Report provides material information on Syensqo for the financial year ending December 31, 2025.

It includes a management report, as required by article 12 of the Royal Decree of November 14, 2007 relating to the obligations of issuers of financial instruments admitted for trading on a regulated market. The information required by articles 3:6 and 3:32 of the Belgian Code of Companies and Associations can be found in various chapters of the report. They include our corporate governance statement, remuneration report, risk management report, business performance review, sustainability statements and financial statements.

The Annual Integrated Report has been prepared in accordance with the European Union Corporate Sustainability Reporting Directive. It has been approved by Syensqo's Executive Leadership Team and Board of Directors.

The future is rich with unexplored possibilities.

WE ARE EXPLORERS.

People from many horizons who dream the impossible,
solve the unsolvable, partnering to pioneer
the future of science.

Because a sustainable future starts with our commitment,
our solutions and innovations are the catalysts
that open new frontiers for the planet and its people.

WE ARE SYENSQO,

EXPLORERS CREATING BREAKTHROUGHS THAT ADVANCE HUMANITY.

FROM SEPARATION TO STRENGTH: POSITIONING SYENSQO FOR SUSTAINABLE, PROFITABLE GROWTH

Rosemary Thorne, Chair of the Board of Directors

2025 was Syensqo's second full year as an independent, publicly traded company and an important milestone in its development as a pure-play specialty chemicals leader. The year unfolded in a challenging demand environment marked by significant macroeconomic uncertainty. While our financial results may appear disappointing in some respects, they reflect the economic reality in which we operate.

Despite these headwinds, 2025 allowed us to consolidate and strengthen the foundations of the transformation initiated by Dr. Ilham Kadri and her management team since 2019. We identified clear levers to accelerate volume growth and enhance cash generation. Under her leadership, the successful separation from Solvay was completed with no penalties for the Company or its shareholders, a fully independent infrastructure was established, the portfolio was refocused, and our One Planet commitments were firmly embedded at the heart of our strategy.

Entering the next phase from a position of strength

Syensqo is thus approaching the next phase of its development from a position of strength, despite the challenging operating environment. The company is more resilient and better positioned to deliver sustainable, profitable growth. At the same time, our environmental and social ambitions have been translated into tangible outcomes, supported by external recognition that confirms Syensqo as a credible leader in safer and more sustainable chemistry. In our view, 2025 marks the end of the "start-up" phase of independence and establishes a solid foundation for the future.

Transition in leadership with strategic continuity

With this in mind, we extend our sincere gratitude to Dr. Ilham Kadri for her outstanding contribution and welcome our new Chief Executive Officer, Mike Radossich. With more than three decades of experience within Syensqo and its predecessor companies, Mike brings deep knowledge of our portfolio, customers, and teams. The Board is confident that his leadership will ensure strategic continuity while strengthening disciplined execution and long-term value creation. The Board is fully engaged in supporting management while exercising its responsibility to uphold strong governance, strategic discipline, and sustained long-term value creation. We are confident that, under Mike's leadership, Syensqo will continue to build on the progress achieved since the demerger and pursue its growth ambitions. We wish Mike every success and offer him our full support.

Appreciation for our people and stakeholders

I would also like to express the Board's gratitude to all Syensqo employees for their engagement and resilience in a period of intense change. Their professionalism and commitment are key to the Company's progress. And I thank our shareholders, customers, partners and all other stakeholders for their trust and constructive dialogue.

Board transition and reflections from the Chair

As this is my final message as Chair of Syensqo's Board of Directors, I would like to reflect briefly on the transition underway at the Board level. It has been a privilege to serve as Chair during the Company's first years as an independent company. I am confident that Heike van de Kerkhof, the Board's new Chair, will continue to support management with the same commitment to strong governance, long-term value creation, and the interests of all stakeholders. I wish Heike every success in leading the Board through the next phase of Syensqo's development.

Along with all the other Board members, I am confident in Syensqo's strategy, leadership and long-term prospects. The progress achieved since the demerger provides a solid platform from which Syensqo will continue to pursue its growth ambitions while creating sustainable value for its shareholders and stakeholders.

WE ARE EXPLORERS: 2025, A YEAR OF TRANSFORMATION AND ENGAGEMENT

Dr. Ilham Kadri, Former Chief Executive Officer, Syensqo

Mike Radossich, Chief Executive Officer, Syensqo

2025 marked Syensqo's second year as an independent, publicly traded company and a pivotal moment in its leadership journey. This joint interview between former CEO, Dr. Ilham Kadri and CEO Mike Radossich, who assumed the CEO position January 1, 2026, explores Syensqo's 2025 performance and transformation to become a leading pure-play specialty company.

The theme for this year's Annual Integrated Report is "We Are Explorers." What does that mean for each of you?

Ilham Kadri "We are explorers" is much more than a tagline; it captures the identity most fitting for Syensqo when we defined our purpose, values and best behaviors following the demerger two years ago. For me, it means having the courage to venture into uncharted territories, whether that is new chemistries like new non-fluorosurfactants (NFS) technologies, new business models led by AI, or new ways of working, while staying grounded in safety, responsibility and our One Planet commitments.

Mike Radossich To me, "We are explorers" means combining scientific curiosity with commercial ambition and accountability. It's about daring to think differently, daring to take bold steps and asking 'what if' and 'why not'. It's about each of our nearly 13,000 Syensqo explorers, in every function and region, thinking global, acting local, using innovation and data to push the boundaries of what our materials and chemicals can do, and turning those breakthroughs into sustainable value for customers, shareholders and society.

In 2025, the operating environment was marked by significant macroeconomic and geopolitical headwinds. How did you navigate these challenges and ensure Syensqo remained resilient and focused on strategic priorities?

I.K 2025 was another transformational year for Syensqo. It was the year we truly stood on our own feet as a pure-play chemicals company under some of the most challenging macroeconomic and geopolitical conditions seen in my 30-year career. It was also a year marked by weaker-than-expected demand across the chemicals sector, yet, also a year of disciplined execution for Syensqo during which we further derisked the company from any tax penalties post demerger, completed our operational separation from Solvay ahead of schedule, and demonstrated the resilience of our businesses in a difficult operating environment.

As a result, we delivered underlying pro-forma EBITDA of €1.2 billion, close to market estimate (-3%), while free cash flow of €356 million exceeded them and we maintained our strong balance sheet. We redeemed €500 million of hybrid bonds, simplifying our capital structure while preserving the fundamentals of our investment-grade profile, and increased shareholder returns by 22 percent through share buybacks and a dividend of €1.62 per share, with a payout ratio of 44 percent. Since January 2024, we have paid €346 million to shareholders.

Despite the challenges we faced in 2025, we reinforced our conviction that our strategic decisions made regarding our portfolio, capital allocation and culture were the right ones, and that Syensqo is now structurally more resilient and better positioned to deliver attractive, profitable growth over the long term. Additionally, I would like to thank our team of explorers for their commitment to our customers and their disciplined execution, which were critical in navigating this challenging year and laying the foundations for our future success.

M.R From my perspective, the year was about strengthening our foundation. The groundwork Ilham and the team laid in portfolio focus, cost discipline, sustainability and innovation means that our company is now leaner, more agile and better positioned to capture the next phase of growth. We'll continue to sharpen our value proposition with customers, ensuring we focus on differentiated technologies and solutions, even in a complex and volatile environment, and executing relentlessly on the levers that are within our control.

You accomplished a great deal in a challenging operating environment, including materially derisking the company. What are the key achievements you would highlight?

I.K Completing the separation efficiently and ahead of plan was non-negotiable for myself and the Board, because it is fundamental to our ability to control our own destiny and to financially derisk the Company. I call it the "plumbing" - essential tasks that the external world doesn't see, but need to be managed flawlessly. We successfully exited 100 percent of the Transition Service Agreements with Solvay approximately seven months ahead of schedule, not only generating savings that can now be reinvested in growth and innovation initiatives, but avoiding tax penalties for the Company and shareholders. At the same time, we stood up our independent Global Business Services and onboarded around 750 employees in fewer than 700 days. This was a highly complex transformation executed at pace, and it significantly reduced operational and IT risk, giving us many of the key foundations to support future growth.

M.R Having the TSAs behind us is a significant milestone, because it positions us with a very strong foundation for our next chapter, which I am working at pace to define. We begin 2026 with greater agility to accelerate innovation and more scope to become leaner and more agile. Together, our balance sheet strength and capital allocation optionality, provide tremendous opportunities for us to create value for our stakeholders. I am really excited to work with our teams to realize this.

During the year, you prioritized the levers within your control. Please describe the specific actions you took, how they strengthened Syensqo's pure-play specialty profile, and the ways in which they enabled you to unlock value for stakeholders.

I.K Our ambition was always to build a focused, high-quality specialty portfolio. In 2025, we continued to demonstrate our ability to take bold steps to advance our pure-play strategy. One of my priorities for the year was to create and unlock value by reshaping the portfolio. To that end, we divested our Oil & Gas business for an attractive multiple, enabling us to focus on structurally higher growth, higher return specialty businesses where our technology leadership, application expertise and customer relationships really differentiate us.

Another priority was to become more efficient and agile. With our digital architecture in place, we are leaner and better positioned to adapt to today's operating environment and to move closer to our customers. And, at the same time, we continued to develop groundbreaking innovations such as our NFS technologies to meet customers' evolving needs and help them achieve their sustainability goals. Our innovation pipeline is a key driver of future growth, and our best-in-class vitality index of 20% shows that sales of our products less than five years old represent a meaningful share of our sales and contributes to our high specialty margins.

We are explorers, so we are constantly looking at new opportunities in advanced materials and composite technologies while making a positive impact through science and collaboration. A good example is our Tecnoflon® FFKM NFS, a high-performance sealing solution manufactured without the use of fluorosurfactants, which has been selected by a premier sealing solutions provider for use in semiconductor manufacturing processes. This further demonstrates how we are bringing innovation to the industry while partnering with customers seeking both performance, sustainability and responsible manufacturing in their supply chains.

M.R A high-performance culture and disciplined execution are core to unlocking our full value potential. A culture grounded in accountability, agility and customer focus helps ensure that our strategic priorities translate into concrete measurable outcomes. When your team has clear expectations, aligned incentives and the empowerment to make decisions closer to the customer, you naturally increase speed, ownership and quality of delivery.

Execution excellence then becomes the mechanism that converts our high-performance culture into results. By reducing complexity and removing inefficiencies, we can more reliably deliver sustainable, profitable growth. For example, as we continue to embed AI tools into our everyday workflows, data and advanced analytics become engines of productivity, customer centricity and differentiated solutions. This is just one example of how we will scale the benefits of our transformation and translate our pure-play profile into higher value creation.

Syensqo's One Planet commitments are ambitious. How would you assess your progress against them?

I.K As a reminder, through our One Planet strategy we are operating more efficiently while lowering our physical risks at manufacturing sites, as well as those of suppliers and customers across the value chain. One Planet is deeply embedded in our operations, not an add-on. We're already halfway to our 2030 climate targets, ahead of schedule. By year-end 2025, we had structurally reduced Scope 1 and 2 greenhouse gas emissions by about 25 percent, as well as structurally reduced Scope 3 (on 5 focus areas) emissions by around 13 percent versus 2021, while also achieving a 26 percent reduction in freshwater withdrawal at sites exposed to water scarcity, effectively reaching our 2030 water target early. In 2024, our 2030 greenhouse gas reduction targets were validated by the Science Based Targets initiative, and we achieved our highest ever CDP rating of "A" for Climate Action, joining the CDP A List, which represents roughly the top 4 percent of companies assessed globally. We were also honored with the 2025 Bosch Global Supplier Award in the Materials and Components category, recognizing our contribution to resilient supply chains through innovation in material science, operational excellence and partnership. These results show that decarbonization and resource efficiency can go hand-in-hand with competitiveness when you integrate them into everyday decision making.

M.R On the portfolio side, we achieved 17 percent circular sales and roughly 65 percent of group sales from sustainable solutions, while ensuring that 100 percent of employees in scope are paid a living wage by the end of 2025. Looking ahead, we will expand our water stewardship plans, further reduce hazardous emissions and waste, and grow both circular and sustainable solutions year-on-year, keeping climate and social targets fully integrated with our business decisions. Our progress is reflected in external benchmarks: ChemSec's Chemscore moved Syensqo into the global top ten, improving from 28th in 2020 and 25th in 2024 to 9th in 2025, and we reached leadership levels across all World Business Council for Sustainable Development membership criteria, including the new category on sustainability related financial information. These recognitions confirm that our disclosures, risk management and product portfolio align with investors' expectations for safer and more sustainable chemistry.

In closing, Ilham, this is your final CEO message at Syensqo. How do you reflect on your tenure and the transformation the Company has undergone under your leadership?

I.K I reflect on my tenure with a deep sense of purpose and gratitude, because from day one my goal was to unlock the power of our people and technologies to give the Company a new and sharper identity, a clearer pure-play strategy and the financial and cultural foundations to grow and prosper. The journey to becoming an independent, pure-play specialty company required bold decisions, but it also allowed us to align our innovation, our people and our resources behind the markets where we can make the biggest impact. Regardless of the challenges faced, we have been thriving to do better than our peers, especially the formidable ones. My greatest pride is not a single metric, but the legacy of a company that knows who it is, what it stands for and where it is going, especially in difficult times. None of this would have been possible without the engagement and resilience of our people, our customers, our Board and our shareholders, and I want to thank them all for their trust and partnership on this journey.

Mike, as you step into your new role as CEO, what is your vision for Syensqo, and how do you intend to build on its strong foundations to deliver long-term value for stakeholders?

M.R I am both humbled and honored to be CEO and with more than three decades of experience at Syensqo and its predecessor companies, I have a first-hand view of our strengths, our portfolio, our team and the opportunities we have to become even stronger.

My vision is to build on those strengths and transform Syensqo into a consistently higher-performing, higher-returning company that creates long-term value for all stakeholders. Our next phase as a Company, and my mandate, is to accelerate the trajectory of value creation by sharpening our strategic focus, raising our performance bar and translating our technologies and market strengths into sustainable, profitable growth, cash generation and shareholder returns.

With that as backdrop, I'm anchoring the Company on four key actions. First, we are focused on driving higher levels of commercial and operational excellence to better capture the full value we create for customers, deepening existing relationships and winning new business. Second, we are embracing a high performance culture that has clear expectations and empowered teams. Third, we are deploying capital with discipline to ensure that every investment generates attractive returns. Finally, we are continuing to shape our portfolio so that it sustains clear differentiation and robust growth opportunities. We are combining a disciplined, long-term strategic approach with decisive near-term actions, and by executing with urgency and focus, I am confident that we will unlock Sysenqo's full potential.

01

STRATEGY

1 STRATEGY

1.1 Syensqo in 2025

Syensqo is a global science company developing groundbreaking solutions to enhance the way we live, work, travel and play. The company is driven by a clear ambition to work together with customers to advance science, enable progress and contribute to a more sustainable future through innovation, collaboration and responsible operations. Inspired by our scientific heritage, rooted in the Solvay Conferences initiated in 1911, Syensqo's diverse and global team of almost 13,000 employees in 30 countries brings great minds together to push the limits of science and innovation for the benefit of its customers, employees, investors, partners and the communities in which it operates.

1.1.1 Syensqo around the world[1]

[SBM-1 - 40aiii]

€5.76bn Net sales	**41%** Americas	**25%** Europe	**34%** Asia-Pacific and rest of the world
12,943 Employees	**40%** Americas	**39%** Europe	**21%** Asia-Pacific and rest of the world
54 Industrial sites	**29** Americas	**14** Europe	**11** Asia-Pacific and rest of the world
12 Major R&I centers	**4** Americas	**5** Europe	**3** Asia-Pacific and rest of the world

(1) On December 31, 2025, these figures exclude Oil & Gas, reported as "discontinued operations"

1.1.2 Research and innovation

1,830 Employees	**€291M** R&I effort	**19.5%** Vitality Index *% of products/applications < 5 years*[1]

(1) Based on 2025 sales

1.1.3 Financial indicators[1]

2025 vs. 2024

€1.85bn Gross profit **32.1%** Gross Profit Margin	**€1.19bn** Underlying EBITDA[2] **-12%** organic basis[3]	**€356M** Free cash flow[4] to Syensqo shareholders **-6.4%**
6.2% ROCE[5] **-160**bps	**€1.62**[6] Dividend per share	Continued share buyback program up to **€300 million**

(1) Except for the Free cash flow, these figures exclude Oil & Gas, reported as "discontinued operations".
(2) Underlying EBITDA is a key performance indicator followed by management (see Business Review section for further details).
(3) Organic growth excludes forex conversion and scope effects.
(4) Free cash flow to Syensqo shareholders is the free cash flow after payment of net interests, coupons of perpetual hybrid bonds and dividends to non-controlling interests. This represents the cash flow available to Syensqo shareholders, to pay their dividend and/or to reduce the net financial debt.
(5) Return on capital employed.
(6) Subject to shareholders' approval at the Shareholders' meeting on May 5, 2026.

1.2 Syensqo's strategy

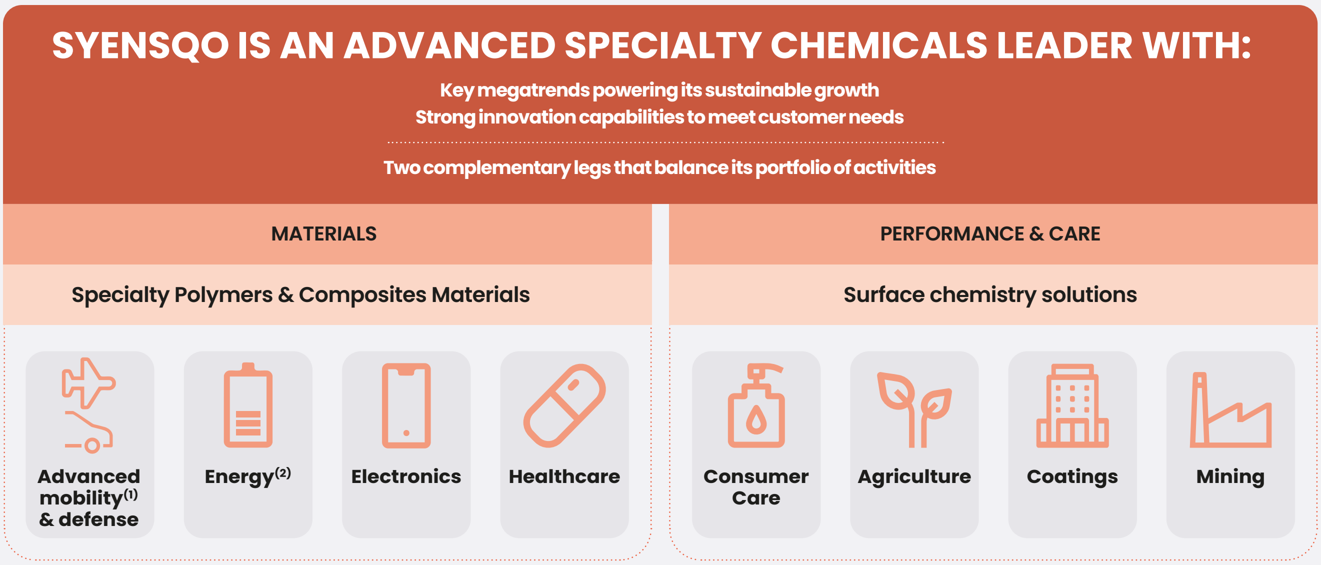
1.2.1 Group purpose and strategy

Syensqo's purpose is to create breakthroughs that advance humanity. The company innovates to meet the needs of its customers and society today and in the future.

Over the last decade, Syensqo has streamlined, simplified and reinforced its portfolio through mergers, acquisitions and divestitures, which culminated in the creation of Syensqo in December 2023. Syensqo has further sharpened its focus as an advanced specialty chemicals company with the agreement to divest its Oil & Gas business unit, and the intent to divest Aroma Performance. In 2025, Syensqo also changed the name of its Consumer & Resources segment to Performance & Care to better reflect its customer value proposition and refocus, enhancing performance, improving efficiency and optimizing resource utilization in applications with an emphasis on natural, renewable and biodegradable solutions. Together, these actions firmly position Syensqo as a specialty chemicals and materials leader driving growth through innovation across eight core markets, and supported by key industry megatrends.

For Syensqo, being a specialty business means focusing on innovation, customer collaboration and deep application understanding, as well as value-driven solutions. Syensqo differentiates itself through the quality of its teams, its proprietary processes and its intellectual property assets, which allow the company to stay competitive, and to identify and meet its customers' most demanding requirements. Syensqo creates value by serving its customers with high-performance, innovative solutions aligned with key market trends, pursuing profitable and sustainable growth.

Syensqo offers two complementary specialty businesses: Materials (specialty polymers and composite materials) and Performance & Care (surface chemistry solutions). This balanced, stable, and flexible portfolio minimizes the company's exposure to risks and end-market volatility, while enabling it to be the prime innovation partner for its customers and to realize superior returns.



(1) *Advanced mobility includes automotive and aerospace*

(2) *Energy includes batteries, green hydrogen (H2), piping*

1.2.2 Sustainable growth propelled by key megatrends

Global megatrends and technology shifts create significant opportunities for Syensqo. The company aligns its businesses, innovation priorities and product portfolio to address these structural forces through sustainable innovation, positioning the Group to support long-term value creation while contributing to a healthier planet.

In the near term, the pace of adoption of certain trends has moderated due to macroeconomic and regulatory factors. This is particularly visible in electrification, where EV uptake has been delayed by reduced public incentives, infrastructure roll-out constraints and rising costs, and in sustainable and low-carbon solutions, where regulatory delays and affordability pressures have slowed the implementation of sustainable practices. Despite these headwinds, Syensqo expects megatrends to remain durable demand drivers over the mid to long term, underpinned by the ongoing need for decarbonization, resource efficiency and improved performance.

KEY MEGATRENDS

ELECTRIFICATION[1]

Electrification is a critical lever to achieving carbon neutrality, enabling the transition from fossil fuels and coal.

Syensqo provides solutions for applications such as e-motors, battery cells and modules, charging infrastructure, and green hydrogen.

LIGHTWEIGHTING[1]

Lightweighting enhances sustainability by improving fuel efficiency, reducing CO_2 emissions, and boosting energy efficiency.

Syensqo offers a broad portfolio of advanced materials, catering to the needs of the aviation[2], automotive, and energy sectors.

ADVANCED CONNECTIVITY[1]

As technology evolves, there is increased demand for hyperconnectivity, miniaturization, and exponential data growth.

Syensqo provides advanced materials for semiconductors and smart devices that fulfill the electronics industry's precision and sustainability needs.

RESOURCE EFFICIENCY[1]

The urgency to limit the use of natural resources demands optimization of resource use, waste reduction, and innovation of sustainable materials.

Syensqo develops solutions to improve resource efficiency, and support a circular economy.

IMPROVING QUALITY OF LIFE[1]

The impacts of demographic change, climate change, and a rise in chronic diseases are adding pressure to health and food systems around the world

Syensqo provides solutions which support human health and well-being and food and water security.

NATURAL AND LOW-CARBON SOLUTIONS[1]

Rising consumer interest in wellness is boosting demand for organic, natural, and sustainable products, driven by awareness of health and environmental impacts.

Syensqo focuses on renewable materials and biotechnology to promote renewable carbon and biodegradable solutions.

(1) Electrification, lightweighting and advanced connectivity megatrends mainly drive growth in Specialty Polymers and Composites portfolios; resource efficiency, improving quality of life and natural low-carbon solutions megatrends mainly drive growth in surface chemistry portfolio.

(2) Composite materials enable CO2 emissions of -5% in modern aircrafts.

1.2.3 Eight core markets across two pillars

[SBM-1 - 40ai / 40aii / 40e / 40f]

Syensqo's portfolio is balanced by two distinct but complementary specialty business activities, where the company sees the greatest opportunities for long-term value creation: Materials, encompassing Specialty Polymers and Composite Materials; and Performance & Care, harboring surface chemistry solutions.

At the center of its strategy, Syensqo has identified eight core markets (four in Materials and four in Performance & Care) aligned with global megatrends that drive its innovation, product development and commercial efforts. By concentrating its resources and expertise in these areas, Syensqo ensures that its solutions are tailored, impactful, and aligned with global megatrends and the evolving needs of its customers.

Customer centricity is a crucial pillar of Syensqo's strategy across its core markets. As the company expands its advanced-materials and specialty chemistry offering globally, it consistently engages with customers early in their design and development processes to co-develop tailored solutions that meet their evolving needs in electrification, digitalization, and sustainable consumer applications. This collaboration translates into real market value — enabling faster application qualification, stronger product performance and long-term partnerships that drive growth across all eight core markets.

1.2.3.1 Materials

Syensqo is an industry leader in advanced materials, providing customers with solutions that address critical performance and environmental challenges. These solutions include its portfolio of high-performance polymers in its Specialty Polymers GBU[(1)] and its portfolio of thermoset and thermoplastic materials, adhesives and ablatives in its Composite Materials GBU.

MATERIALS

Specialty Polymers & Composites

	ADVANCED MOBILITY & DEFENSE	ENERGY	ELECTRONICS	HEALTHCARE
MARKET NEEDS	Commercial and defense aircraft, Advanced Air Mobility Solutions and automotive markets require lightweight, durable materials to improve efficiency and performance.	Electrification and resource efficiency drive demand for materials enabling renewable energy expansion and reduced emissions.	Advanced connectivity, miniaturization, hyperconnectivity, and circularity require high-purity, reliable materials for semiconductors and devices.	Aging population and increasing global access to healthcare drive demand for reliable, high-performance materials for medical devices.
SYENSQO OFFERING	**Syensqo**[1] offers solutions such as lightweight composites for aviation and automotive applications, and specialty polymers for battery and other automotive applications.	**Syensqo**[2] offers thermoplastic composites used in the current energy market, and to transport green hydrogen in the future. Specialty polymers increase electrification in industrial applications.	**Syensqo**[3] offers solutions for semiconductors and smartphones that meet the market's need for increasingly small, robust and sustainable components.	**Syensqo** supplies dialysis equipment manufacturers with a sulfone polymer, working closely with them to continually improve our offering.

(1) Tecnoflon FKM, Fomblin PFPE, Amodel PPA, Ryton PPS, KetaSpire PEEK, Torlon PAI, enable powertrain efficiency in internal combustion engine cars. This improves fuel efficiency, which reduces emissions. Radel, Ajedium, Veradel, Solef Suspension PVDF, Torlon, Ketaspire and Galden provide high performance, durability and safety across aerospace applications. They also contribute to lightweighting, which improves fuel efficiency, lowering emissions.

(2) Solef PVDF increases power density in battery cell binders, which improves the drive range of electric vehicles. Fomblin, Amodel, Tecnoflon, Ryton and IXEF enhance the performance, safety and efficiency of batteries powered by energy sources that are not fossil fuels. These include batteries used in EVs, energy storage systems and other renewable energy technologies. Aquivion ionomers improve system durability, efficiency and total cost of ownership, helping customers improve the viability and scalability of green hydrogen technologies, such as electrolyzers, fuel cells and other facets of hydrogen systems.

(3) ECHO portfolio provides sustainable, eco-friendly and circular materials for premium smart devices and electric components, designed to reduce environmental impact while maintaining high performance and durability.

(1) Global Business Unit.

1.2.3.2 Performance & Care

Syensqo's Performance & Care activities cover its surface chemistry solutions - specialty ingredients and formulations that improve how products and processes perform - which deliver product and process performance to customers in consumer care, agriculture, coatings and mining. Syensqo leverages its core technology platforms, such as surfactants, monomers, natural polymers and green solvents, together with its unique formulation and application capabilities, to create specialty ingredients and reagents, and to help its customers achieve the best performance in their products and processes. Syensqo delivers value by developing new sustainable and higher performance solutions, anticipating rapidly evolving regulatory and customer needs.

PERFORMANCE & CARE

Surface chemistry solutions

	CONSUMER CARE	AGRO	COATINGS	MINING
MARKET NEEDS	Demand for natural and low-carbon solutions in beauty, home care and nutrition, with high-performance products that cater to consumer preferences & comply with regulations.	Increasing quality of life, growing pest resistance, and the need to meet regulatory requirements are shaping the shift to more sustainable agro practices and addressing food availability issues.	Customers are looking for safe, durable and sustainable coatings for applications across industries such as building and construction, automotive, and electronics.	Electrification and connectivity require critical metal, while, mining companies are searching for sustainable operational solutions to optimize yields & comply with regulations.
SYENSQO OFFERING	**Syensqo's**[1] beauty care portfolio includes hair care ingredients developed using sulfate-free and guar cleansers, and ingredients for skincare products.	**Syensqo**[2] offers crop protection solutions, green solvents and seed care solutions to improve crop yields & facilitate the transition to more sustainable practices.	**Syensqo**[3] is a leader in waterborne coatings solutions. Our solutions are used in water-based paints, to enhance coating durability, and help drive the switch to waterborne industrial coatings, particularly in China.	**Syensqo's**[4] solutions in mineral processing, extraction processing and industrial minerals help optimize yields, recycling of metals, reduced cost of ownership & regulatory compliance.

(1) Naternal® line offers readily biodegradable, non ecotoxic conditioning polymers for hair care. Polycare® Products are a range of active ingredients for hair care that offer split-end cure, no-frizz therapy and heat protection. Mirasoft® line offers 100% naturally-derived biosurfactants for skin, hair and scalp.

(2) Crop Protection solutions include industry-leading dispersion, emulsification and wetting technologies and innovative solutions for biopesticides. range of Rhodiasolv® Green Solvents offer eco-friendly, high-solvency solvents for versatile formulation applications. Peridiam® Quality range offers microplastic-free, crop-specific seed coatings that protect seed germination, increase production yield and reduce environmental impact.

(3) Coatings solutions include APE-free and low-VOC surfactants, durability-enhancement additives for corrosion resistance, scrub resistance, and low carbon, biodegradable emulsion polymers for conversion to water-based formulations.

(4) SolvExtract digital solution is a first-of-its-kind digital platform. It gives mine operators access to previously unattainable data, allowing them to make informed operational decisions more quickly, increasing productivity and maximizing resource efficiency.

1.2.3.3 Other solutions

In addition to its core Materials and Performance & Care activities, Syensqo also operates Aroma under Other Solutions.

Aroma Performance serves food, flavor and fragrance end-markets with high-purity vanillin and related aroma ingredients. Its portfolio is used in applications such as bakery, confectionery, dairy, beverages and perfumery applications, among others, where consistent sensory quality and regulatory compliance are essential. With a long-standing reputation for reliability, product quality and supply security, the business provides customers globally with ingredients that enhance taste, aroma and formulation stability.

Syensqo's **Oil & Gas** business, which provided production chemicals and flow-assurance solutions for the energy sector, was divested in January 2026, following the agreement announced in November 2025, and is no longer part of Syensqo's portfolio as of the publication of this annual report.

1.3 How Syensqo creates value

[SBM-1 - 40b / 40c / 40d / 42a / 42 b / 42c]

Syensqo focuses on high-value specialty activities, leveraging its scientific expertise, innovation capabilities and disciplined execution to deliver differentiated solutions for its customers and create long-term value for shareholders and broader stakeholders.

Syensqo's value chain describes how we transform upstream inputs into differentiated specialty solutions through research and innovation, manufacturing excellence and close customer collaboration. Across the value chain, Syensqo focuses on resilience, supply reliability and sustainability while managing risks and capturing growth opportunities in its targeted end-markets.

STRATEGY

SYENSQO'S VALUE CHAIN

Syensqo is a multinational chemical company, focused on the research, development and production of advanced materials for both industrial and consumer applications. The company primarily operates business-to-business (B2B), providing products and services to other businesses rather than directly to consumers. Syensqo's sourcing from suppliers includes review of sustainability performance, supply disruptions and other factors, and for some critical suppliers, a key account management program further strengthens collaboration.

UPSTREAM (INPUTS) | OWN OPERATIONS | DOWNSTREAM (OUTPUTS)

Transportation and distribution → Distribution channels →

Raw materials

Main raw material value chains

- Petrochemicals are obtained from petroleum through refining processes
- Mineral chemicals come from inorganic solid substances
- Bio-based chemicals are derived from materials of biological origin
- Other raw materials include additional types, e.g. composites and recycled resins

Indirect materials & services

Main indirect materials & services

- Water
- Energy
- Logistics
- Technical services
- Packaging
- General expenses

Own production

- Energy (e.g. biomass)

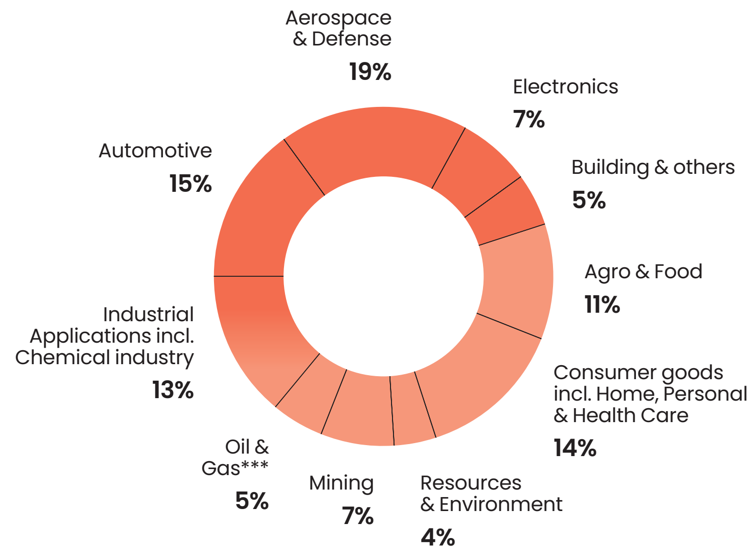
Research & Innovation | Manufacturing of solutions | Enabling functions

Materials Businesses	Intermediate products	Production of ingredients	Production of materials	Processing/ formulation
Specialty Polymers	Partially involved	Fully involved	Core activity of the business	Partially involved
Composite Materials	Partially involved	Fully involved	Core activity of the business	Partially involved
Performance & Care Businesses				
Novecare*		Fully involved		Core activity of the business
Technology Solutions		Fully involved		Core activity of the business
Other Solutions				
Aroma Performance		Fully involved		Core activity of the business
Discontinued Operations				
Oil & Gas Solutions**		Fully involved		Core activity of the business

Involvement of businesses in production steps

- Core activity of the business
- Fully involved
- Partially involved

Customers | Consumers & end-users | Disposal of products



- Materials
- Performance & Care

Contributing to a circular economy

- Designed to increase the lifespan of end-products
- Made of renewable, recycled or CO_2-captured carbon based raw materials or by-products, or produced with renewable energy
- Designed to increase the recycling yield (quantity & quality) of customer's products

GLOBAL FOOTPRINT ACROSS OUR VALUE CHAIN

** Syensqo only considered the following activities in 40 d ii: "manufacturing of pesticides, and other agrochemical products". As for Oil & Gas, Syensqo sold products in 2025 to customers whose products are used in the manufacturing of pesticides and agrochemical products. Syensqo itself does not produce any active building blocks of pesticides or agrochemicals.*

*** Syensqo does not derive any revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels. Syensqo derives revenues from selling products that are used by our customers in that value chain.*

**** Oil & Gas is classified as discontinued operations in the financial statements.*

STRATEGY

SYENSQO'S BUSINESS MODEL

Syensqo's business model explains how the company mobilizes its people, assets and financial resources across its two specialty pillars to serve attractive markets. It shows how innovation, portfolio focus and responsible operations translate into financial performance, sustainability progress and long-term value creation.

The company's business model is designed to foster innovation and create lasting value for its customers, society and the planet. By adopting a unified operating model tailored to both of its specialty businesses, Syensqo is driving agility and innovation, concentrating its resources on delivering what matters to its customers.

Syensqo operates in line with high sustainability standards. It complies with all relevant local, national and international laws and regulations related to climate, environmental protection, human rights and labor, product stewardship and ethical governance. Where possible, it goes further than standards set by laws and regulations, as demonstrated by the ambitions set out in its One Planet sustainability roadmap.

RESOURCES

Human[1]

Syensqo's employees are located across the world: 39% in Europe, 40% in the Americas, 21% in Asia-Pacific and the rest of the world.

- **13,515** Employees

Financial[1]

We have invested €260 million in growth.

- **€6.1 bn** Equity attributable to Syensqo share[2]
- **€2.0 bn** Underlying net debt
- **€563 M** Total Capex
- **€1.5 bn** Personnel expenses

Material[1]

Syensqo's net energy costs represented about €221 million and its overall raw materials expenses amounted to about €2.4 billion.

- **1,060 kt** Raw materials
- **7 TWh** Energy consumption

Securing strategic resources

Strategic sourcing: Syensqo conducts market analysis to identify risks and opportunities across its spend categories and develop corresponding sourcing strategies. The execution of these sourcing strategies ensures Syensqo is able to gather, develop and secure its critical inputs.

ESG risk management approach: Syensqo applies a systematic approach to risk identification and severity assessment across its upstream value chains and their operating countries, initiating risk mitigation action plans as needed. Additionally, Syensqo uses a third-party risk management tool to conduct adverse media screening, e.g. on ESG, bribery, corruption, human rights and modern slavery.

SYENSQO'S BUSINESS

Syensqo's diverse product portfolio and culture of innovation are well aligned with the megatrends shaping society and the planet. These trends collectively offer a clear and sustained strategy for Syensqo's business, driving accelerated growth and long-term success.

One operating model

Syensqo's operating model prioritizes customer needs with a dedicated and diverse team driving growth. Central to Syensqo's strategy is its One Planet sustainability roadmap, focusing on climate, nature, sustainable growth and better life. Syensqo's business model and growth system ensures efficiency, agility and customer-centricity across all business segments, through a unified strategy aligned with Syensqo's sustainability goals to drive innovation and excellence.

Innovation and sustainability

Syensqo's long-standing leadership in innovation within specialty material and consumer technologies is globally recognized and valued by its customers. With around 1,800 scientists — comprising 13% of Syensqo's workforce — dedicated to research, Syensqo maintains a robust intellectual property portfolio with over 1,800 patent families, protecting approximately 50% of the company's net sales.

Two specialty businesses

MATERIALS

Syensqo's unique high-performance polymers and composite technologies provide innovative solutions for cleaner mobility, electronics and healthcare.

- **72%** of Group EBITDA[3]

PERFORMANCE & CARE

Syensqo is a global leader in essential chemicals. Its solutions are used in a broad range of applications in end markets such as home and personal care, agro, mining, resources and building.

- **26%** of Group EBITDA[3]

Other solutions

AROMA PERFORMANCE

Aroma Performance is the world's largest integrated producer of synthetic and natural vanillin and a global leader in the hydroquinone market.

- **2%** of Group EBITDA[3]

SYENSQO'S IMPACT

Syensqo's customers

Syensqo engages with its customers on shared goals, such as reducing carbon footprint, protecting the environment and providing better life for people and society.

By fostering close collaboration between its strategic customers and key account managers and its functional and scientific experts, Syensqo delivers mutual growth and lasting value.

Economic

- **€1.2 bn** Underlying EBITDA[1]
- **€356 M** Free cash flow (FCF) to Syensqo shareholders
- **€1.62** per share Recommended 2025 dividend[4]

Environmental & Social[5]

	2025	2025 vs 2021
Climate & Nature		
Scope 1 & scope 2 GHG emissions ($MtCO_2eq$)[6]	**1.5**	**25%** Structural reduction
Scope 3 GHG emissions ($MtCO_2eq$) in Focus 5 categories[7]	**4.7**	**13%** Structural reduction
Freshwater withdrawal for sites exposed to water availability challenges (Mm^3)[8]	**27.4**	**26%** reduction
Sustainable growth		
Sales enabling circular economy[9]	**17%**	**+5%**
Promoter of clean beauty	**>85%**[10] of hair and skin care products derived from natural origin	
Sustainable solutions sales	**65%** of Syensqo's revenue[11]	
Innovation	**89%** of innovation pipeline focused on sustainable solutions[12]	
Better life		
Safety / Reportable Injury and Illness Rate - RIIR[13]	**0.22**	**51%** reduction
Group average engagement index score[14]	**67%**	
Syensqo employee shares program participation rate[15]	**21.5%**	

(1) Includes Oil & Gas Business Unit activities, which are classified as discontinued operations in the financial statements.

(2) Excluding hybrid bonds.

(3) Excluding the contribution from corporate and business services.

(4) Recommended to the Shareholders meeting on May 5, 2026.

(5) Sustainability statements include Oil & Gas Business Unit activities, which are classified as discontinued operations in the financial statements.

(6) Total emissions from Syensqo operations.

(7) Focus 5 categories include the five categories of scope 3 in the 2030 target perimeter: purchased goods and services (3.1), fuel- and energy-related activities (3.3), processing of sold products (3.10), end-of-life of sold products (3.11) and end-of-life treatment of sold products (3.12).

(8) Sites exposed to water availability challenges have faced drought in the past or are at risk of drought in the coming years, and may be subject to fresh water intake restrictions by local authorities, identified using the Aqueduct Water Risk Atlas and conducting local assessments to confirm water availability challenges. Sites subject to the target represent 40% of Syensqo's total fresh water intake in the baseline year 2021 and include: in France: Clamecy, Melle, Saint-Fons, Tavaux; in Mexico: Atequiza; and in the U.S: Baton Rouge, Long Beach.

(9) The Syensqo KPI "Share of sales enabling circular economy" is calculated by adding: sales of products increasing durability in the use phase downstream in the value chain; sales based on recycled or renewable materials (85%) and renewable energy (15%); and sales enabling recycling at the end of life downstream in the value chain.

(10) The estimation is based on the number of products in core hair and skin care application, as defined by SPM.

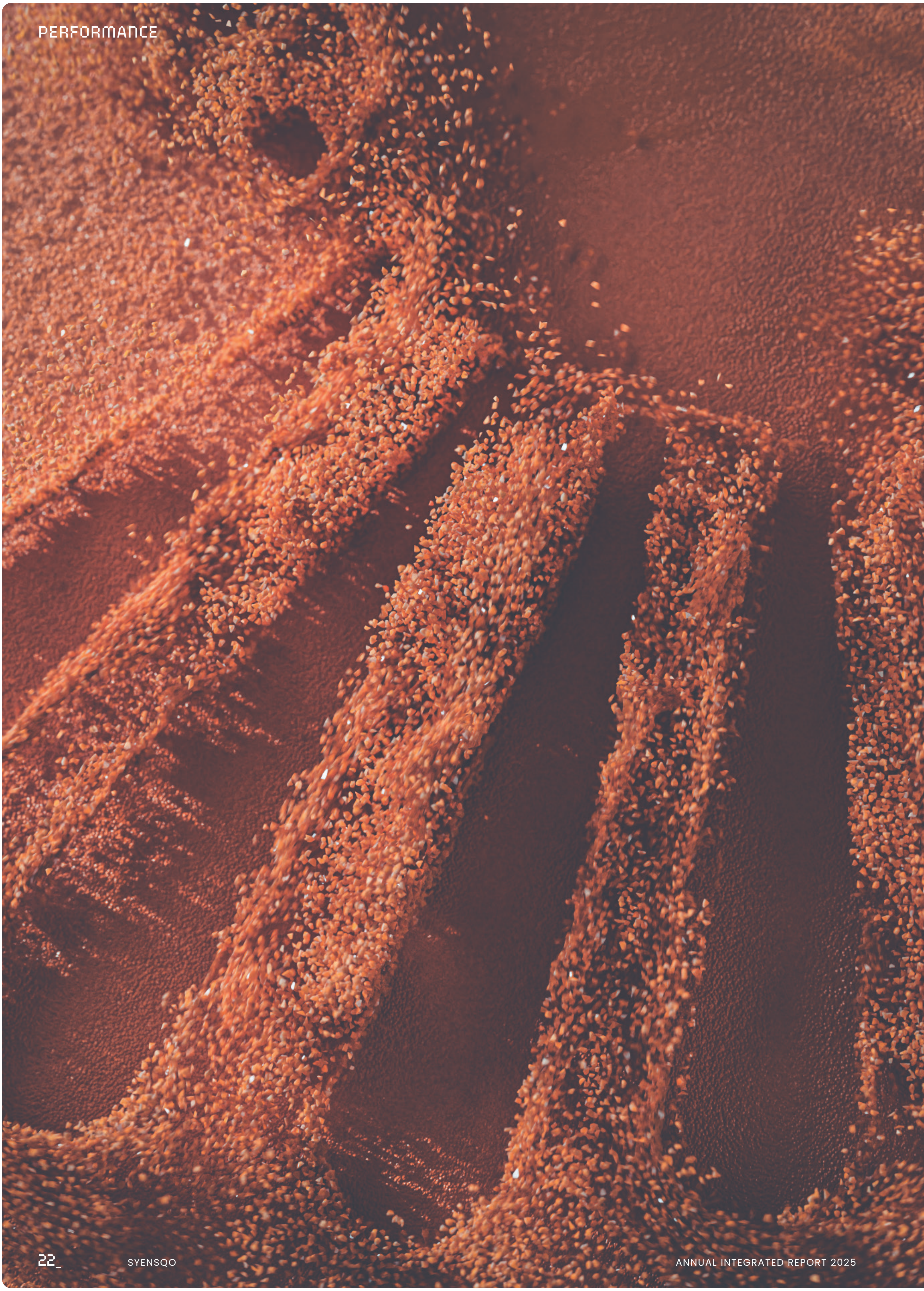
(11) Sustainable solutions as defined in Syensqo's Sustainable Portfolio Management Guide, Sustainable Portfolio Management Tool, Syensqo, 2025, https://www.syensqo.com/en/our-impact/sustainability/sustainable-portfolio-management-tool.

(12) As per SPM assessment.

(13) Reportable Injury & Illness rate (RIIR): number of reportable injury or illness per 200,000 work hours amongst employees and contractors.

(14) The engagement index assesses employee satisfaction with Syensqo as an employer, proudness to work for the company and whether they would recommend it as a great place to work.

(15) The scope was permanent or fixed-term Syensqo employees up to senior management level, regardless of their seniority, in 17 participating countries, representing 98.5% of our workforce.



02

PERFORMANCE

2 PERFORMANCE

2.1 Overview of the consolidated results

2.1.1 Financial figures

2.1.1.1 Key financial figures

		IFRS			Underlying		
€ million	Notes	2025	2024	% yoy	2025	2024	% yoy
Net sales	*B1*	5,762	6,162	-6.5%	**5,762**	6,162	-6.5%
Net operating costs, excluding depreciation & amortization	*B2*	4,859	4,986	-2.5%	**4,575**	4,777	-4.2%
Gross profit		1,846	2,162	-14.6%	**1,846**	2,162	-14.6%
Gross margin		32.0%	35.1%	-310 bps	**32.0%**	35.1%	-310 bps
EBITDA	*B3*	903	1,176	-23.3%	**1,187**	1,385	-14.3%
EBITDA margin		15.7%	19.1%	-340 bps	**20.6%**	22.5%	-190 bps
Depreciation, amortization & impairments	*B4*	-708	-667	6.1%	**-515**	-523	-1.5%
EBIT		195	510	-61.7%	**672**	862	-22.0%
Net financial charges	*B5*	-154	-118	30.3%	**-156**	-146	6.4%
Income tax expenses	*B6*	-127	-352	-64.0%	**-141**	-173	-18.2%
Tax rate	*B6*				28.4%	24.7%	+370 bps
Profit / (loss) for the period		-60	-5	1037.3%	**385**	553	-30.3%
(Profit) / loss attributable to non-controlling interests		2	0	n.m.	**4**	0	n.m.
Profit / (loss) attributable to Syensqo shareholders		-62	-5	1086.0%	**381**	553	-31.0%
Basic earnings per share (in €)	*B17*	-0.60	-0.05	1112.3%	**3.72**	5.28	-29.5%
Dividend	*B18*				**1.62**	1.62	0.0%
CapEx	*B7*				**-563**	-671	-16.0%
Cash conversion (LTM)(1)	*B7*				**76%**	71%	n.m.
Free cash flow to shareholders	*B8*				**356**	223	59.6%
FCF conversion ratio (LTM)	*B8*				**30.0%**	16.0%	n.m.
Net working capital	*B9*				**970**	1,124	-13.7%
Net financial debt	*B10*	-2,024	-1,359	48.9%	**-2,024**	-1,859	8.9%
Underlying leverage ratio	*B10*				**1.7x**	1.3x	27.0%
ROCE	*B12*				**6.2%**	7.8%	-160 bps
Research & innovation	*B13*				**291**	337	-13.6%
Research & innovation as % of sales	*B13*				**5.1%**	5.5%	40 bps

(1) Cash conversion = (EBITDA +/- change in working capital - Sustenance CapEx)/EBITDA).

2.1.1.2 Historical key financial data

€ million		As published 2021	2022	2023	2024	2025
Income statement data						
Sales	a	6,032	8,123	7,065	6,846	5,969
Net sales	b	5,915	7,890	6,834	6,563	5,762
Gross profit		1,886	2,604	2,375	2,219	1,846
Gross margin		31.9%	33.0%	34.8%	33.8%	32.0%
Underlying EBITDA	c	1,282	1,863	1,618	1,412	1,187
Underlying EBITDA margin	d	21.7%	23.6%	23.7%	21.5%	20.6%
IFRS EBIT	e	585	1,098	547	471	195
Underlying profit for the period	f	567	989	756	553	385
IFRS profit for the period	g	453	964	197	-5	-60
Underlying profit attributable to Syensqo share	h	559	974	752	553	381
IFRS profit attributable to Syensqo share	i	444	950	193	-5	-62
Cash flow data						
CapEx	j	451	642	848	671	563
Sustenance CapEx	k	n.a.	n.a.	352	293	303
Growth CapEx	l	n.a.	n.a.	496	378	260
Change in working capital	m	n.a.	n.a.	108	-123	11
Cash conversion(1)	n = (c-k+m)/c	n.a.	n.a.	85%	71%	76%
FCF to Syensqo shareholders	p	243	577	448	223	356
Balance sheet data						
Net working capital	q	1,024	1,213	1,200	1,124	970
Net working capital/sales	r = (q/a)	17.0%	15.2%	18.7%	16.9%	17.5%
Underlying net debt(2)	s = t+u	3,938	3,814	1,584	1,859	2,024
Perpetual hybrid bonds	t	-	-	500	500	-
IFRS net debt	u	3,938	3,814	1,084	1,359	2,024
IFRS equity	v	4,333	4,946	7,608	7,482	6,091
Equity attributable to non-controlling interests	w	18	24	42	50	38
Perpetual hybrid bonds in equity	x			494	494	-
Equity attributable to Syensqo share (excluding hybrids)	y = v-w-x	4,315	4,922	7,072	6,938	6,053
Underlying leverage ratio	z = s/c	3.1x	2.1x	1.0x	1.3x	1.3x
Other key data						
Research & innovation	A	254	302	340	348	295
Research & innovation as % of sales	B = -A/b	4.3%	3.8%	5.0%	5.3%	5.0%

(1) Cash conversion = (EBITDA +/- change in working capital - Sustenance capex)/EBITDA).
(2) Underlying net debt includes the perpetual hybrid bonds, accounted for as equity under IFRS.

The table above presents the historical figures of the Group as published at the reference date. These data have not been affected by possible subsequent restatements due to perimeter changes, IFRS/IAS standards evolution, changes in definition of APM, etc.

Over the reference periods, the following main changes have occurred:

2021:

During 2021, the assets and liabilities related to the following businesses previously classified as "held for sale" were divested:

- The Process Materials business (part of Composite Materials).
- The Novecare amphoterics surfactants activities.
- The Novecare surfactants and antioxidants business in Rasal (India).

These divestments led to a decrease in sales of €133 million in 2021 compared to 2020. There was no material capital gain/loss on these divestments.

In July 2023 Syensqo announced the closing of the acquisition, from Bayer, of a seed coating business, with facilities in Méréville, France, and tolling operations in the U.S. and Brazil. This is a natural extension to Syensqo's own AgRHO® family of sustainable seed boosting solutions (part of Novecare) and supports the drive toward more bio-based, sustainable technologies.

In April 2024 Syensqo announced the completion of the acquisition of JinYoung Bio, a specialty cosmetic ingredients supplier based in South Korea. The investment marked a significant step in expanding Syensqo's portfolio toward more natural and high-value specialty skin care solutions with both functional and active ingredients.

2025:

The results of the Oil & Gas business unit are reported as "Discontinued operations".

2.1.2 Extra-financial figures

2.1.2.1 Sustainability Performance

Syensqo delivered a strong perfomance on its One Planet sustainability roadmap in 2025. The company advanced technologies that support customers and the transition toward more resource-efficient economies, while strenghtening how it operates.

Over the year, Syensqo refreshed its One Planet roadmap to better reflect its strategic priorities and areas of greatest impact, while reconfirming existing targets and inducing additional focus areas. Anchored in four priorities - Climate, Environmental Stewardship, Sustainable Portfolio, and People & Communities - One Planet continues to support long-term value creation and growth across the market Syensqo serves.

Syensqo's innovation continued to deliver differentiated circular and sustainable solutions for customers. Product updates during the year included new circular materials for automotive, semiconductor, industrial, and consumer products, alongside bio-based solutions across beauty, agriculture and home care[1][2][3]. In parallel, Syensqo advanced end-of-life technologies, with results in the recycling of PVDC multilayer food packaging and sulfone polymers used in a range of critical applications, as well as recovery of critical minerals[4][5][6].

Beyond innovation, Syensqo strengthened the sustainability of its operations, with actions to increase efficiency and reduce climate and environmental impacts. This progress was accompanied by improved sustainability ratings in 2025, including a leadership-level A rating for Climate and A- for Water from CDP for enhanced transparency and disclosure[7].

(1) Syensqo. "*Syensqo launches industry-first portfolio of elastomers and lubricants fluids with certified circular content*." Oct 2025.
(2) Syensqo. "*Syensqo showcases its leading specialty polymers portfolio at K 2025.*" Sept 2025.
(3) Syensqo. "*Syensqo champions responsible beauty at in-cosmetics Global 2025*." Apr 2025.
(4) Syensqo. "*Syensqo achieves breakthrough in mechanical recycling of PVDC multilayer food packaging*." Mar 2025.
(5) Syensqo. "*Syensqo pioneers innovative recycling technology for circular sulfone polymers*." Oct 2025,
(6) Syensqo. "*Syensqo and cylib reach a milestone in lithium recovery from spent electric vehicle batteries*." Jul 2025,
(7) Syensqo. "*Syensqo is awarded its highest ever CDP rating thanks to its success with its One Planet Roadmap*". Dec 2025,

Syensqo One Planet Targets and Performance[1]

Climate	2025 vs 2021	2025	2024	2021 baseline	2030 target
Scope 1 & Scope 2 GHG emissions (Mt)	25% Structural reduction[2]	1.47 Mt	1.55 Mt	2.10 Mt	Reduce by 42%
Scope 3 GHG emissions (Mt) in Focus 5 categories[3]	13% Structural reduction[2]	4.7 Mt	5.10 Mt	5.95 Mt	Reduce by 25%
Environmental Stewardship					
Fresh Water Withdrawal (Mm^3)[4]	26% Reduction	27.4 Mm^3	28.30 Mm^3	37.22 Mm^3	Reduce by 20%
Sustainable Portfolio					
Circular sales[5]	+5pp	17%	16%	12%	18%
People & Communities					
Safety Reportable Injury and Illness rate - RIIR[6]	51% Reduction	0.22	0.32	0.45	Aim for zero
Living Wage[7]	-	Completed	>95% assessed	-	All employees by 2026

(1) One Planet indicators include Oil & Gas Business Unit activities, which are classified as discontinued operations in the Financial Statements.
(2) Structural reductions are linked to specific projects and recurring impacts and exclude lower activity levels.
(3) Focus 5 categories of scope 3 GHG emissions include (1) purchased goods and services and (2) fuel-and energy-related activities [both upstream] as well as (3) processing, (4) use and (5) end-of-life treatment of sold products [downstream].
(4) Target on Fresh Water Withdrawal pertains to sites exposed to water availability challenges that have faced drought in the past or are at risk of drought in the coming years, and may be subject to fresh water withdrawal restrictions by local authorities, identified using the Aqueduct Water Risk Atlas and conducting local assessments to confirm water availability challenges. Sites subject to the target represent 40% of Syensqo's total fresh water withdrawal in the baseline year 2021 and include: in France: Clamecy, Melle, Saint-Fons, Tavaux; in Mexico: Atequiza; and in the USA: Baton Rouge, Long Beach.
(5) Circular sales, based on Ellen MacArthur Foundation Circulytics Methodology, include products: (1) Designed to encourage longer use than the industry standard in practice and at scale; (2) Made of bio-based, recycled-based, by product and carbon capture-based raw materials, or produced with renewable energy; (3) designed for re-use or to increase the recycling yield (quantity and quality) of the customer's products.
(6) Reportable Injury & Illness rate (RIIR): number of reportable injury or illness per 200,000 work hours amongst employees and contractors.
(7) Living Wage calculated based on Wage Indicator Foundation methodology. Newly acquired businesses are incorporated into sustainability statements within two financial years, allowing time for comprehensive gap analysis on sustainability practices and the deployment of remedial action plans where required.

2.1.2.2 Climate

Syensqo aims to achieve carbon neutrality for Scope 1 and 2 greenhouse gas (GHG) emissions by 2040[1]. The company remains on track to meet its 2030 targets, validated by the Science Based Targets initiative (SBTi), which commit Syensqo to reducing Scope 1 and 2 GHG emissions by 42% and Scope 3 GHG emissions in Focus 5 by 25% from the 2021 baseline[2].

In 2025, Scope 1 and 2 GHG emissions decreased by 5% year-on-year, contributing to a 25% structural reduction since 2021. In 2025, 80% of the electricity purchased and consumed globally originated from renewable sources, reaching 100% of sites in China (industrial sites), the USA, Brazil, Belgium, the Netherlands and Thailand.

Scope 3 GHG emissions in Focus 5 categories decreased by 8% year-on-year and reflect a structural reduction of 13% since 2021[2]. In 2025, Syensqo launched a Supplier Climate Pledge, a mutual agreement with its top 70 CO_2-emitting suppliers[3]. By year-end, 38 suppliers had signed, accounting for about 41% of Syensqo's GHG emissions from raw materials purchased.

2.1.2.3 Environmental Stewardship

Syensqo's environmental stewardship efforts focus on managing water, pollution, and waste to safeguard business continuity, operational resilience, and its licence to operate across its manufacturing footprint.

By 2030, the company aims to reduce fresh water withdrawal by 20% on average at sites exposed to water availability challenges, relative to the 2021 baseline[4]. In 2025, fresh water withdrawal at these sites dropped 3% year-on-year and reflected a 26% reduction since 2021. The 2030 target remains ambitious with anticipated business growth.

Furthermore, by the end of 2025, 15 sites, representing more than 90% of Syensqo's total fresh water withdrawal will be equipped with water stewardship plans to adress local impacts and risks[5]. By the end of 2025, nine sites had established Water Stewardship Plans.

2.1.2.4 Sustainable portfolio

Portfolio transformation toward circular, lower-carbon, and higher-performance solutions remains a core element of Syensqo's strategy. By 2030, the company aims for 18% of total net sales to come from products contributing to the circular economy[6]. In 2025, these products represented 17% of net sales, one percentage point higher than 2024 and five percentage points higher than in 2021.

Sustainable solutions sales represented 65% of Syensqo's revenue in 2025, a two percentage points increase year-on-year[7].

2.1.2.5 People & Communities

The safety and wellbeing of Syensqo's people is paramount. In 2025, the company made progress toward its goal of zero workplace accidents, recording a 0.22 reportable injury and illness rate, a decline from 0.32 in 2024 and 51% reduction since 2021[8].

Syensqo also strengthened its commitment to fair working conditions. In 2025, a year ahead of target, the company confirmed all employees globally were receiving a Living Wage[9]. Syensqo continued working with customers and suppliers to encourage broader adoption of Living Wage principles across the value chain.

(1) Carbon neutrality goal by 2040 combines ambition to reduce scope 1 and 2 emissions by at least 80% from the 2021 baseline and to compensate residual emissions with high-integrity carbon credits in line with the recommendations of the United Nations' High Level Expert Group on the Net Zero Emissions Commitments of Non-state entities.

(2) Focus 5 categories of Scope 3 GHG emissions include (1) purchased goods and services and (2) fuel-and energy-related activities [both upstream] as well as (3) processing, (4) use and (5) end-of-life treatment of sold products [downstream].

(3) Syensqo. "Syensqo advances its climate commitments." Jan 2025.

(4) Target on Fresh Water Withdrawal pertains to sites exposed to water availability challenges have faced drought in the past or are at risk of drought in the coming years, and may be subject to fresh water withdrawal restrictions by local authorities, identified using the Aqueduct Water Risk Atlas and conducting local assessments to confirm water availability challenges. Sites subject to the target represent 40% of Syensqo's total fresh water withdrawal in the baseline year 2021 and include: in France: Clamecy, Melle, Saint-Fons, Tavaux; in Mexico: Atequiza; and in the USA: Baton Rouge, Long Beach.

(5) Water stewardship plans will address both water quantity and quality-related risks and impacts while aligning with growth ambitions. Contribution of 15 sites to total company freshwater withdrawal determined at 2021 baseline.

(6) Circular sales, based on Ellen MacArthur Foundation Circulytics Methodology, include products: (1) Designed to encourage longer use than the industry standard in practice and at scale; (2) Made of bio-based, recycled-based, by product and carbon capture-based raw materials, or produced with renewable energy; (3) designed for re-use or to increase the recycling yield (quantity and quality) of the customer's products.

(7) Sustainable solution as defined in Syensqo's Sustainable Portfolio Management Guide. "Sustainable Portfolio Management Tool." Syensqo, 2024.

(8) Reportable Injury & Illness rate (RIIR): number of reportable injury or illness per 200,000 work hours amongst employees and contractors.

(9) Living Wage calculated based on Wage Indicator Foundation methodology. Newly acquired businesses are incorporated into sustainability statements within two financial years, allowing time for comprehensive gap analysis on sustainability practices and the deployment of remedial action plans where required.

2.2 Preparation background

2.2.1 Comparability of results & reconciliation of underlying Income Statement indicators

In addition to IFRS accounts, Syensqo also presents alternative performance indicators ("underlying") to provide a more consistent and comparable indication of the Group's underlying financial performance and financial position, as well as cash flows. These indicators provide a balanced view of the Group's operations and are considered useful to investors, analysts and credit rating agencies as these measures provide relevant information on the Group's past or future performance, financial position or cash flows. These indicators are generally used in the sector it operates in and therefore serve as a useful aid for investors to compare the Group's performance with its peers. The underlying performance indicators adjust IFRS figures for the non-cash Purchase Price Allocation (PPA) accounting impacts related to acquisitions, for the coupons of perpetual hybrid bonds, classified as equity under IFRS but treated as debt in the underlying statements, for impairments and for other elements that would distort the analysis of the Group's underlying performance.

2.2.2 Alternative performance metric (APM)

Syensqo measures its financial performance using alternative performance metrics, which can be found below. Syensqo believes that these measurements are useful for analyzing and explaining changes and trends in its historical results of operations, as they allow performance to be compared on a consistent basis. Definitions of the different metrics presented here are included in the glossary at the end of this financial report.

2.2.3 Description of the operational segments

Syensqo is organized into three Reportable Segments:

- **Materials**, consisting of the GBUs Composite Materials and Specialty Polymers. The Materials segment offers a unique portfolio of high-performance polymers and composite technologies used primarily in sustainable mobility applications. Its solutions enable weight reduction and enhance performance while improving CO_2 and energy efficiency. Major markets served include next-generation mobility in automotive and aerospace, healthcare and electronics.
- **Performance & Care**, comprises the Novecare and Technology Solutions GBUs. Novecare's portfolio of surface chemistry solutions and deep formulation & application expertise, is dedicated to innovations for natural and sustainable solutions spanning the home and beauty care, coatings and agricultural end markets. Technology Solutions is a global leader in specialty mining reagents and technical services to maximize performance in metal extraction and mineral processing.
- **Other Solutions** comprises the specialty formulations of the Aroma Performance GBU. Aroma Performance is the world's largest integrated producer of synthetic and natural vanillin and a global leader in the Hydroquinone market.
- **Corporate & Business Services** includes corporate and other business services, such as research & innovation, cogeneration units dedicated to the Syensqo activities and new business development (NBD) and the Peroxides activities in the Zhenjiang entity.

2.3 Underlying Group figures

NOTE B1

NET SALES

Net sales of €5,762 million in 2025 were 6% lower on a reported basis, or 3% lower organically versus the full year of 2024, reflecting the ongoing challenging market environment. The decline was primarily driven by lower volumes and pricing in Specialty Polymers, partially offset by higher net sales in Composite Materials.

Net sales	€ million
2024	**6,162**
Scope	0
Forex conversion	-202
Volume & Mix	-160
Price	-39
2025	**5,762**

SALES BY END-MARKET

Net sales by end-market %	Syensqo		Materials		Performance & Care		Other Solutions	
	2025	2024	2025	2024	2025	2024	2025	2024
Aerospace	20%	19%	34%	31%	0%	0%	0%	0%
Automotive	15%	16%	23%	23%	4%	5%	0%	0%
Electronics	8%	10%	13%	16%	1%	1%	3%	3%
Building	7%	8%	5%	5%	12%	15%	0%	0%
Resources & Environment	12%	12%	6%	6%	24%	24%	0%	0%
Consumer goods, Healthcare & HPC	14%	13%	10%	9%	20%	18%	29%	24%
Agro & Food	11%	9%	4%	3%	20%	19%	26%	26%
Industrial & Chemical	13%	13%	7%	7%	19%	19%	42%	47%
Syensqo	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

NOTE B2

UNDERLYING RAW MATERIALS & ENERGY COSTS

The overall raw materials expenditure amounted to circa €2.3 billion in 2025 (vs. €2.3 billion in 2024 and €2.3 billion in 2023). It can be split into: crude oil derivatives for 39%, minerals derivatives for 17% (e.g. glass fiber, phosphorus, sodium hydroxide), natural gas derivatives circa 4%, biochemicals for 13% (e.g. glycerol, guar, fatty alcohol, ethyl alcohol) and others for 28% (composites).

Net Energy costs represented circa €221 million in 2025 (vs €221 million in 2024 and €218 in 2023). It was incurred: in Europe 44%, Asia 26% and the Americas 30%. The main energy sources are Natural Gas 55% (vs 53% in 2024 and 58% in 2023), Electricity 30% (vs 31% in 2024 and 27% in 2023), and Steam, Hydrogen and Biomass 15% (vs 16% in 2024 and 15% in 2023)

More information on the energy efficiency in the Extra-financial section of this Annual Report section 5.2 Environment.

NOTE B3

UNDERLYING EBITDA

Underlying EBITDA	€ million
2024	**1,385**
Scope	0
Forex conversion	-30
Materials	-161
Performance & Care	-53
Other Solutions	-8
Corporate & business service	54
2025	**1,187**

Underlying EBITDA of €1,187 million in 2025 declined by 14% on a reported basis, or 12% organically. The decline was mainly due to Specialty Polymers and, to a lesser extent, Novecare as well as unfavorable foreign exchange movements. This was partially offset by structural cost savings.

Underlying EBITDA margin of 20.6% in 2025 decreased by approximately 190 basis points versus 2024, mainly due to lower underlying EBITDA margin in Specialty Polymers and the Performance & Care segment, partly offset by reduced Corporate & Business Services expenses. On a year-on-year basis, Composite Materials EBITDA margin was approximately flat.

NOTE B4

UNDERLYING DEPRECIATION & AMORTIZATION

Amortization and depreciation & impairment charges were €515 million in 2025, compared to €523 million in 2024.

NOTE B5

UNDERLYING NET FINANCIAL CHARGES

€ million		2025	2024
Cost of borrowings		-123	-112
Interest on loans & short-term deposits		23	22
Other gains & losses on net indebtedness		-17	-6
Net cost of borrowings	**a**	**-117**	**-97**
Coupons on perpetual hybrid bonds	b	-11	-13
Cost of discounting provisions	c	-27	-37
Net financial charges	**d = a+b+c**	**-156**	**-146**

- In 2025, the Group recorded in the cost of borrowings €102 million on interest related to the senior notes. Of this amount, €62 million related to the US senior notes and €40 million related to the EUR senior notes. Included in the €40 million is €26 million related to the senior notes issued in May 2025 by Syensqo SA. In 2024, the Group recorded in the cost of borrowings €57 million of interest, of which €36 million related to the US$ 1.2 billion senior notes issued in June 2024 and €31 million of interest on the two drawdowns on the "bridge-to-bond" credit facilities.
- Interest on the commercial papers amounted to €4 million (issued during 2025, none outstanding at December 31, 2025) compared to €2 million in 2024.

The cost of discounting provisions relates to post-employment benefits (net of the expected return on plan assets) and to environmental provisions and its decrease is largely attributable to the evolution of the applicable discount rates.

NOTE B6

UNDERLYING INCOME TAXES

(in € million)		2025	2024
Profit / (loss) for the period before taxes	a	517	716
Earnings from associates & joint ventures	b	19	21
Interests and realized foreign exchange gains (losses) on the RusVinyl joint venture		0	0
Income taxes	c	-141	-173
Underlying tax rate	**d = -c/(a-b)**	**28.4%**	**24.7%**

The 3.7 percentage point increase is mainly due to unfavorable mix of taxable profit by country.

NOTE B7

CAPEX

€ million		2025	2024
Acquisition (-) of tangible assets	a	-431	-509
of which capital expenditures required for the partial demerger and excluded from Free Cash Flow	b	-38	-14
Acquisition (-) of intangible assets	c	-105	-115
Payment of lease liabilities	d	-66	-61
CapEx	**e = a-b+c+d**	**-563**	**-671**
Materials		-351	-436
Performance & Care		-102	-105
Other Solutions		-13	-13
Corporate & Business Services		-84	-91
Discontinued operations		-13	-25
Sustenance CapEx	**f**	**-303**	**-293**
Materials		-174	-178
Performance & Care		-58	-60
Other Solutions		-11	-10
Corporate		-52	-38
Discontinued operations		-9	-7
WC Variation	**g**	**11**	**-123**
Materials		-124	-38
Performance & Care		-48	0
Other Solutions		16	-72
Corporate & Business Services		166	-85
Discontinued operations		-72	72
Underlying EBITDA	**h**	**1,187**	**1,385**
Materials		986	1,185
Performance & Care		358	407
Other Solutions		24	22
Corporate & Business Services		-180	-228
Cash conversion	**i=(f+g+h)/h**	**76%**	**71%**
Materials		88%	82%
Performance & Care		88%	83%
Other Solutions		-43%	64%

CapEx was €563 million in 2025, a decrease of 16% compared to €671 million in 2024.

NOTE B8

FREE CASH FLOW

€ million		2025	2024
Cash flow from operating activities	**a**	**779**	**841**
of which cash flow related to the Partial Demerger and portfolio management and excluded from Free Cash flow	b	-242	-122
Cash flow from investing activities	**c**	**-529**	**-612**
of which capital expenditures required for the partial demerger and ERP project	d	-38	-14
Acquisition (-) of subsidiaries	e	0	-4
Acquisition (-) of investments - Other	f	-17	-3
Loans to associates and non-consolidated companies and related parties	g	-1	-5
Sale (+) of subsidiaries and investments	h	18	13
Payment of lease liabilities	i	-66	-61
Free cash flow (FCF)	**m = a-b+c-d-e-f-g-h+i**	**464**	**304**
Net interests received/(paid)	n	-79	-74
Coupons paid on perpetual hybrid bonds	o	-22	-13
Dividends paid to non-controlling interests	p	-7	-2
Capital injections paid / received to / from non-controlling interests	q	0	9
FCF to Syensqo shareholders	**r = m+n+o+p+q**	**356**	**223**
FCF to Syensqo shareholders from continuing operations (LTM)	**s**	**368**	**221**
FCF to Syensqo shareholders from discontinuing operations (LTM)	**t**	**-12**	**2**
Dividends paid to non-controlling interests from continuing operations (LTM)	u	-7	-2
Pro forma underlying EBITDA (LTM)	v	1,210	1,412
FCF conversion ratio (LTM)	**v = (s-u)/v**	**30%**	**16%**

Free cash flow to shareholders totaled €356 million in 2025, compared to €223 million in 2024. This included €550 million of capital expenditure for continuing operations, comprising €258 million of growth capital expenditure and €292 million of sustenance capital expenditure. Capital expenditure in 2025 was 15% lower than in 2024.

NOTE B9

NET WORKING CAPITAL

€ million		2025	2024
Inventories	a	1,081	1,273
Trade receivables	b	788	948
Other current receivables	c	259	297
Trade payables	d	-816	-1,001
Other current liabilities	e	-341	-392
Net working capital	**f= a+b+c+d+e**	**970**	**1,124**
Quarterly total sales	g	1,384	1,569
Annualized quarterly total sales	h = 4*g	5,535	6,277
Net working capital / quarterly total sales	**i=f/h**	**17.5%**	**17.9%**

NOTE B10

UNDERLYING NET DEBT

€ million		2025	2024
Non-current financial debt	a	-2,861	-1,822
Current financial debt	b	-100	-293
IFRS gross debt	c=a+b	**-2,961**	**-2,115**
Underlying gross debt	d=c+i	**-2,961**	**-2,615**
Other financial instruments (current + non-current)	e	76	97
Cash & cash equivalents	f	861	659
Total cash and cash equivalents	g=e+f	937	755
IFRS net debt	h=c+g	**-2,024**	**-1,359**
Perpetual hybrid bonds	i	0	-500
Underlying net debt	**j=i+h**	**-2,024**	**-1,859**
Underlying EBITDA (LTM)	**k**	1,210	1,412
Underlying leverage ratio	**l=-j/k**	**1.7**	**1.3**

Underlying net financial debt amounted to €2,024 million at the end of December 2025, compared to €1,859 million at the end of 2024, resulting in a leverage ratio of 1.7x and a gearing ratio of 25%. The increase in underlying net financial debt versus the end of 2024 was primarily driven by higher shareholder returns (dividends and share repurchases) and higher separation costs, partly offset by positive free cash flow.

NOTE B11

PROVISIONS

(in € million)	Dec 31, 2024	Payments	Net new provisions	Unwinding of provisions	Asset return	Remeasure ments	Changes in scope & other	Dec 31, 2025	YoY change
Employee benefits	-395	41	-5	-81	78	41	2	-319	76
Environment	-292	30	-10	-14	0	26	0	-260	32
Restructuring and other provisions	-241	112	-170	0	0	8	51	-241	0
TOTAL	**-928**	**183**	**-186**	**-95**	**78**	**75**	**53**	**-819**	**109**

Provisions decreased by €109 million at the end of December 2025 to €819 million, primarily driven by the employment benefits and environmental provisions, due to an increase in discount rates and favorable conversion effects.

NOTE B12

ROCE

€ million	As calculated	2025	2024
Underlying EBIT (LTM)	a	672	862
Accounting impact from amortization & depreciation of purchase price allocation (PPA) from acquisitions	b	-122	-134
Numerator	c = a+b	550	728
WC industrial	d	1,121	1,213
WC Other	e	-50	-115
Property, plant and equipment	f	3,478	3,564
Intangible assets	g	1,448	1,630
Right-of-use assets	h	169	188
Investments in associates & joint ventures	i	190	205
Other investments	j	16	14
Goodwill	k	2,502	2,604
Denominator	l = d+e+f+g+h+i+j+k	8,875	9,303
ROCE	**m = c/l**	**6.2%**	**7.8%**

ROCE has been defined as one of the key performance metrics to evaluate the strategy. ROCE for 2025 was 6.2% versus 7.8% in 2024 due mostly from lower profit.

NOTE B13

RESEARCH & INNOVATION

€ million		2025	2024
IFRS research & development costs	a	-295	-334
Grants netted in Research & development costs	b	25	27
Depreciation, amortization & impairments included in Research & development costs	c	-82	-88
CapEx in Research & innovation	d	-52	-64
Research & innovation	**e = a-b-c+d**	**-291**	**-337**
Materials		-194	-234
Performance & Care		-76	-78
Other Solutions		-6	-6
Corporate & Business Services		-16	-19
Net sales	**f**	**5,762**	**6,162**
Materials		3,473	3,772
Performance & Care		2,008	2,070
Other Solutions		281	321
Research & innovation as % of sales	g = -e/f	**5.1%**	5.5%
Materials		**5.6%**	6.2%
Performance & Care		**3.8%**	3.8%
Other Solutions		**1.9%**	2.0%

2.4 Underlying figures per segment

SEGMENT OVERVIEW

€ million	FY 2025	FY 2024	% yoy	% organic
Net sales	**5,762**	**6,162**	**-6.5%**	**-3.3%**
Materials	3,473	3,772	-7.9%	-5.1%
Specialty Polymers	2,289	2,590	-11.6%	-9.1%
Composite Materials	1,184	1,182	0.2%	3.7%
Performance & Care	2,008	2,070	-3.0%	1.1%
Novecare	1,346	1,390	-3.1%	0.6%
Technology Solutions	662	680	-2.7%	1.9%
Other Solutions	281	321	-12.3%	-9.9%
Aroma Performance	281	321	-12.3%	-9.9%
Corporate & Business Services	0	0	n.m.	n.m.
EBITDA	**1,187**	**1,385**	**-14.3%**	**-12.4%**
Materials	986	1,185	-16.8%	-14.1%
Performance & Care	358	407	-12.0%	-12.9%
Other Solutions	24	22	7.4%	-24.4%
Corporate & Business Services	-180	-228	-21.0%	-22.9%
EBITDA margin	**20.6%**	**22.5%**	**-190 bps**	**-210 bps**
Materials	28.4%	31.4%	-300 bps	-290 bps
Performance & Care	17.8%	19.7%	-180 bps	-290 bps
Other Solutions	8.4%	6.8%	150 bps	-160 bps
CapEx	**563**	**671**	**-16.0%**	**-**
Materials	351	436	-19.6%	-
Performance & Care	102	105	-2.7%	-
Other Solutions	13	13	-1.2%	-
Corporate & Business Services	84	91	-8.2%	-
Discontinued operations	13	25	-46.0%	-
Cash conversion	**76%**	**71%**	**550 bps**	**-**
Materials	88%	82%	580 bps	-
Performance & Care	83%	83%	510 bps	-
Other Solutions	-43%	64%	n.m.	-
Research & innovation	**291**	**337**	**-13.6%**	**-**
Materials	194	234	-17.0%	-
Performance & Care	76	78	-5.9%	-
Other Solutions	6	6	-2.6%	
Corporate & Business Services	16	19	-15..8%	-
Research & innovation as % of sales	**5.1%**	**5.5%**	**-40 bps**	**-**
Materials	5.6%	6.2%	-60 bps	-
Performance & Care	3.8%	3.8%	-	-
Other Solutions	1.9%	2.0%	-10 bps	

NOTE B14

MATERIALS

€ million	2025	2024	% yoy	% organic
Net sales	3,473	3,772	-7.9%	-5.1%
Specialty Polymers	2,289	2,590	-11.6%	-9.1%
Composite Materials	1,184	1,182	0.2%	3.7%
EBITDA	986	1,412	-16.8%	-14.1%
EBITDA margin	28.4%	31.4%	-300 bps	-290 bps
CapEx	351	436	-19.5%	-
Cash conversion	88%	82%	600 bps	-
Research & innovation	194	234	-17.1%	-
Research & innovation as % of sales	5.6%	6.2%	-60 bps	-

NET SALES BRIDGE

Underlying	€ million
2024	**3,772**
Scope	-
Forex conversion	-110
Volume & Mix	-144
Price	-45
2025	**3,473**

Net sales of €3,473 million in 2025 decreased by 8% on a reported basis, or 5% organically, versus 2024. This was primarily due to lower volumes and, to a lesser extent, lower pricing in Specialty Polymers, partially offset by higher net sales in Composite Materials.

Specialty Polymers net sales of €2,289 million in 2025 decreased 12% on a reported basis, or 9% organically, compared to 2024. The year-on-year decrease was primarily due to lower volumes in the Electronics and pricing in the Automotive end markets. This was partially offset by higher volumes in the Healthcare, Food and Industrial end markets.

Excluding the Electronics end market, Specialty Polymers volumes were approximately unchanged on a full year basis.

Composite Materials net sales of €1,184 million in 2025, were approximately unchanged on a reported basis, but increased 4% organically, versus 2024. Growth was driven by higher volumes in Civil Aerospace and disciplined portfolio management across all end markets. This was partially offset by lower volumes in Automotive.

NOTE B15

PERFORMANCE & CARE

€ million	2025	2024	% yoy	% organic
Net sales	2,008	2,070	-3.0%	1.1%
Novecare	1,346	1,390	-3.1%	0.6%
Technology Solutions	662	680	-2.7%	1.9%
EBITDA	358	407	-12.0%	-12.9%
EBITDA margin	17.8%	19.7%	-180 bps	-290 bps
CapEx	102	105	-2.9%	-
Cash conversion	88%	83%	500 bps	-
Research & innovation	76	78	-2.5%	-
Research & innovation as % of sales	3.8%	3.8%	0 bps	-

NET SALES BRIDGE

Underlying	€ million
2024	**2,070**
Scope	-
Forex conversion	-83
Volume & Mix	7
Price	14
2025	**2,008**

Net sales of €2,008 million in 2025 declined by 3% on a reported basis but increased 1% organically, compared to 2024, reflecting stable overall volumes and pricing, with both Novecare and Technology Solutions delivering year-on-year net sales growth.

Novecare net sales of €1,346 million in 2025, declined by 3% on a reported basis, but increased by 1% on an organic basis compared to 2024. While overall volumes were broadly stable, trends varied across end markets with, in particular, growth in the Agro and Consumer end markets, offset by softer demand in the Construction and Industrial & Chemical end markets. Overall, pricing increased slightly year-on-year.

Technology Solutions net sales of €662 million in 2025 decreased by 3% on a reported basis, but increased by 2% organically versus 2024 reflecting higher volumes in mining solutions and phosphorus specialties, in combination with broadly stable year-on-year pricing.

NOTE B16

OTHER SOLUTIONS

€ million	2025	2024	% yoy	% organic
Net sales	281	321	-12.3%	-9.9%
Aroma Performance	281	321	-12.3%	-9.9%
EBITDA	24	22	7.4%	-24.4%
EBITDA margin	8.4%	6.8%	150 bps	-160 bps
CapEx	13	13	-	-
Cash conversion	-43%	64%	-10,700 bps	-
Research & Innovation	5	16	-68.8%	-
Research & Innovation as % of sales	1.9%	2.3%	40 bps	-

NET SALES BRIDGE

Underlying	€ million
2024	**321**
Scope	0
Forex conversion	-8
Volume & Mix	-22
Price	-9
2025	**281**

Net sales of €281 million in 2025 declined by 12% on a reported basis or 10% organically compared to 2024, reflecting lower volumes and, to a lesser extent, pricing.

NOTE B17

CORPORATE & BUSINESS SERVICES

€ million	2025	2024	% yoy	% organic
Net sales	0	0	n.m.	n.m.
EBITDA	-180	-228	-21.0%	-22.9%
CapEx	84	91	-8.2%	-
Research & Innovation	16	19	-15.9%	-

NET SALES BRIDGE

Underlying	€ million
2024	0
Scope	0
Forex conversion	0
Volume & Mix	0
Price	0
2025	0

Corporate and Business services reported a cost of €180 million to Syensqo's EBITDA in 2025, a €48 million improvement compared to 2024, primarily driven by cost savings.

2.5 Reconciliation of underlying and IFRS measures

In addition to IFRS accounts, Syensqo also presents underlying Income Statement performance indicators to provide a more consistent and comparable indication of Syensqo's economic performance. These figures adjust IFRS figures for the non-cash Purchase Price Allocation (PPA) accounting impacts related to acquisitions, for the coupons of perpetual hybrid bonds classified as equity under IFRS but treated as debt in the underlying statements, and for other elements to generate a measure that avoids distortion and facilitates the appreciation of performance and comparability of results over time.

EBITDA on an IFRS basis totaled €903 million, versus €1,187 million on an underlying basis. The difference of €285 million is explained by the following adjustments to IFRS results, which are done to improve the comparability of underlying results:

- €35 million to adjust for the operating expenses related to ERP rebuild project.
- €283 million to adjust for the "*Result from portfolio management and major restructuring*" (excluding depreciation, amortization and impairment elements), mainly including costs incurred for the separation costs related to information technology, following the demerger from Solvay and the costs for the restructuring plans announced in May and September 2025.
- €-35 million to adjust for the "*Result from legacy remediation and major litigations*", mainly due to the second award received from Edison and other legal and remediation expenses
- €2 million, to exclude net results related to energy hedges, to better reflect the related economic hedging intent, included in Other operating gains & losses.

EBIT on an IFRS basis totaled €195 million, versus €672 million on an underlying basis. The difference of €477 million is explained by the above-mentioned €285 million adjustments at the EBITDA level and €192 million of "*Depreciation, amortization & impairments*". The latter consist of the non-cash impact of amortization charges on intangible assets resulting from purchase price allocation (€122 million), which are adjusted in "*Other operating gains & losses*", and impairments of the Aroma CGU (€41 million) and of other tangible and intangible assets, following the abandonment of development projects (€29 million).

Net financial charges on an IFRS basis were €-154 million, versus €-156 million on an underlying basis. The adjustments made to IFRS net financial charges mainly consists of:

- €-11 million for the reclassification of coupons on perpetual hybrid bonds, which are treated as dividends under IFRS, and as financial charges in underlying results;
- €–6 million related to the remeasurement of the Long term incentive plans for which the beneficiaries will receive Solvay shares;
- €4 million related to the impact of decreasing discount rates on environmental provisions;
- €12 million related to the exclusion of the results from investment at fair value through P&L.

Income taxes on an IFRS basis were €-127 million, versus €-141 million on an underlying basis. The €15 million adjustment mainly relates to the tax effects of the adjustments of profit before taxes and changes in recognition of deferred tax assets.

Results from discontinued operations on an IFRS basis were €25 million and €10 million on an underlying basis. The €15 million adjustment mainly relates to the reversal of impairment on Oil & Gas fixed assets to reflect the higher fair value less costs to sell resulting from the disposal agreement with the SNF Group.

Profit / (loss) attributable to Syensqo shareholders was -€62 million on an IFRS basis and €381 million on an underlying basis. The delta of €443 million reflects the above-mentioned adjustments to EBIT, net financial charges and income taxes.

2.6 Notes to the figures per share

HISTORICAL KEY SHARE DATA

Historical key share data		2025	2024
Number of shares (in 1000 shares)			
Issued shares at end of year	a	103,921	105,033
Treasury shares at end of year	b	1,973	1,580
Shares held by Solvac	c	32,622	32,622
Outstanding shares at the end of the year	d = a-b	101,948	103,453
Average outstanding shares (basic calculation)	e	102,499	104,769
Average outstanding shares (diluted calculation)	f	102,864	105,424
Data per share (in €)			
Equity attributable to Syensqo share	g = .../d(1)	59.37	67.06
Underlying profit for the period (basic)	h = .../e(1)	3.72	5.28
IFRS profit for the period (basic)	i = .../e(1)	-0.60	-0.05
IFRS profit for the period (diluted)	j = .../f(1)	-0.60	-0.05
Gross dividend(2)	k	1.62	1.62
Net dividend(2)	l = k*(1-30%)	1.13	1.13
Share price data (in €)(3)			
Highest	m	84.85	97.47
Lowest	n	53.70	67.41
Average	o = v/u	69.37	80.75
At the end of the year	p	68.56	70.56
Underlying price/earnings	q = p/h	18.2	13.4
IFRS price/earnings	r = p/i	-114	-1,411
Gross dividend yield	s = k/p	2.4%	2.3%
Net dividend yield	t = l/p	1.7%	1.6%
Stock market data(3)			
Annual volume (in 1000 shares)	u	35,862	42,651
Annual volume (in € million)	v	2,488	3,444
Market capitalisation, end of year (in € million)	w = p*d	6,990	7,300
Velocity	x = u/a	34.4%	40.6%
Velocity adjusted for free float	y = u/(d-c)	49.1%	8.7%

(1) The numerator can be found under the same label in the historic key financial data table in section 1 of the Business review.
(2) Recommended 2025 dividend, pending General Shareholders meeting on May 5, 2026.
(3) The stock market data for 2025 is based on all trades registered by Euronext.

NOTE B18

EARNINGS PER SHARE

Earnings per share		2025	2024
Profit attributable to Syensqo share (in € m)			
Underlying profit for the period	a	381	553
Underlying profit for the period - continuing operations	b	374	544
IFRS profit for the period	c	-62	-5
IFRS profit for the period - continuing operations	d	-84	41
Number of shares (in 1000 shares)	**e**		
Issued shares at end of year	f	103,921	105,033
Treasury shares at end of year	g	1,973	1,580
Outstanding shares at the end of the year	h = f-g	101,948	103,453
Average outstanding shares (basic calculation)	i	102,499	104,769
Average outstanding shares (diluted calculation)	j	102,864	105,424
Data per share (in €)			
Underlying profit for the period (basic)	k = a/i	3.72	5.28
Underlying profit for the period from continuing operations (basic)	l =b/i	3.65	5.19
Underlying profit for the period (diluted)	m =a/j	3.71	5.24
Underlying profit for the period from continuing operations (diluted)	n = b/j	3.64	5.16
IFRS profit for the period (basic)	o = c/i	-0.60	-0.05
IFRS profit for the period from continuing operations (basic)	p = d/i	-0.82	0.39
IFRS profit/loss for the period (diluted)	q = c/j	-0.60	-0.05
IFRS profit/loss for the period from continuing operations (diluted)	r = d/j	-0.82	0.39

NOTE B19

DIVIDEND

Total proposed dividend of €1.62 per share, subject to Shareholders' approval during the Annual General Meeting scheduled for May 5, 2026, with payment thereafter.

2.7 Outlook

For 2026, we expect macroeconomic and demand uncertainty to continue across most of our end markets. In this context, our priority will be executing on actions within our control to both accelerate volume growth and increase cashflow.

Contemplated in our outlook, is the assumption for current demand trends to continue and the absence of a broader recovery throughout the year.

Overall, we expect low single-digit volume growth in 2026, with Composite Materials leading the improvement, underpinned by strong demand from customers in civil aerospace, as well as our diverse range of customer programs and applications.

For Specialty Polymers, we expect volume growth to be modestly higher driven by growth in the automotive end market. This is expected to be offset by lower volumes in Consumer Electronics, due to lower sales and an unfavorable product mix at a major customer, as well as the planned phase-out of certain products aligned with our non-fluorosurfactant strategy. Together, these two headwinds are expected to have an approximately €30 million impact to year-on-year underlying EBITDA.

For semiconductors, while visibility remains challenging we expect a gradual recovery in year-on-year volumes, resulting in stronger growth in the second half of the year. Nevertheless, this remains a key growth driver, supported by our market position, customer exposures, and leveraging the longer-term secular trends in advanced connectivity and AI-related demand.

For Novecare, we expect low single digit volume growth, driven by Agro and Home & Personal Care, partially offset by modestly lower pricing. For Technology Solutions, we expect low to mid single digit volume growth in mining solutions, including the impact of the temporary closure of a customer mine in Indonesia, which is expected to be a year-on-year headwind in the first half of 2026.

We expect gross margin across our four core global business units (Specialty Polymers, Composite Materials, Novecare and Technology Solutions) to remain broadly stable compared to 2025, demonstrating our strong value proposition and specialty positioning. Following the completion of the divestment of the Oil & Gas business in early January, we are progressing with the planned divestment of Aroma and expect to provide an update around the end of the second quarter.

Supporting our profitability, we remain on track to deliver on our cost savings program, which targets to deliver more than €200 million of run rate savings by the end of 2026. For the full year, we expect cost savings to offset inflationary impacts on fixed and variable costs.

Finally, our outlook includes the impact of foreign exchange movements relative to the Euro, which we expect to have an approximately €40 million year-on-year headwind to underlying EBITDA in 2026.

On a full year basis (excluding the recently divested Oil & Gas business unit), our outlook is as follows:

- **Underlying EBITDA**(1) of **approximately €1.1 billion** compared to €1.14(2) billion in 2025
- **Operating cash flow** of **approximately €700 million** compared to €779(3)m in 2025
- **Capital Expenditures**(4) of **less than €500 million** compared to €563(5)m in 2025

(1) Assumes EUR/US$ @ 1.20 (compared to 1.13 in FY 2025)
(2) At constant currency and scope
(3) Including "Discontinued Operations"
(4) Includes c. €50 million of capital expenditures related to the new ERP implementation
(5) Including "Discontinued Operations"

03

CORPORATE GOVERNANCE STATEMENT

3 CORPORATE GOVERNANCE STATEMENT

This section of the Annual Integrated Report comprises the Corporate Governance Statement, which includes the information required by the Belgian Code of Companies and Associations (the "Code of Companies and Associations" or the "BCCA") and the Belgian Governance Code, in particular information regarding Syensqo's corporate governance practices and relevant modifications to it, together with details on the remuneration of directors and executives, as well as information on relevant events that took place during the year.

3.1 Introduction

Syensqo SA/NV ("Syensqo" or the "Company") – headquartered in Belgium and listed on Euronext Brussels – is committed to upholding global governance best practices and disclosures, emphasizing transparency and promoting a culture of sustainable long-term value creation.

In accordance with Belgian law, Syensqo adheres to the principles and provisions of the 2020 Belgian Corporate Governance Code (the "Belgian Governance Code"), which is based on a "comply or explain" principle. The Belgian Governance Code can be found on the website of the Belgian Corporate Governance Committee (www.corporategovernancecommittee.be).

Syensqo's Board of Directors adopted a Corporate Governance Charter (the "Charter"). The Charter was last amended on July 28, 2025 and is available on Syensqo's website (www.syensqo.com). It describes the main aspects of Syensqo's approach to corporate governance, including the governance structure and the internal rules of the Board of Directors, the "Executive Leadership Team" (the "ELT") and Specialized Committees set up by the Board of Directors.

3.2 Capital, shares and shareholders

3.2.1 Capital

As of December 31, 2025, Syensqo's share capital amounts to €1,351,624,292.82 and comprises 103,921,273 issued shares.

3.2.2 Syensqo shares

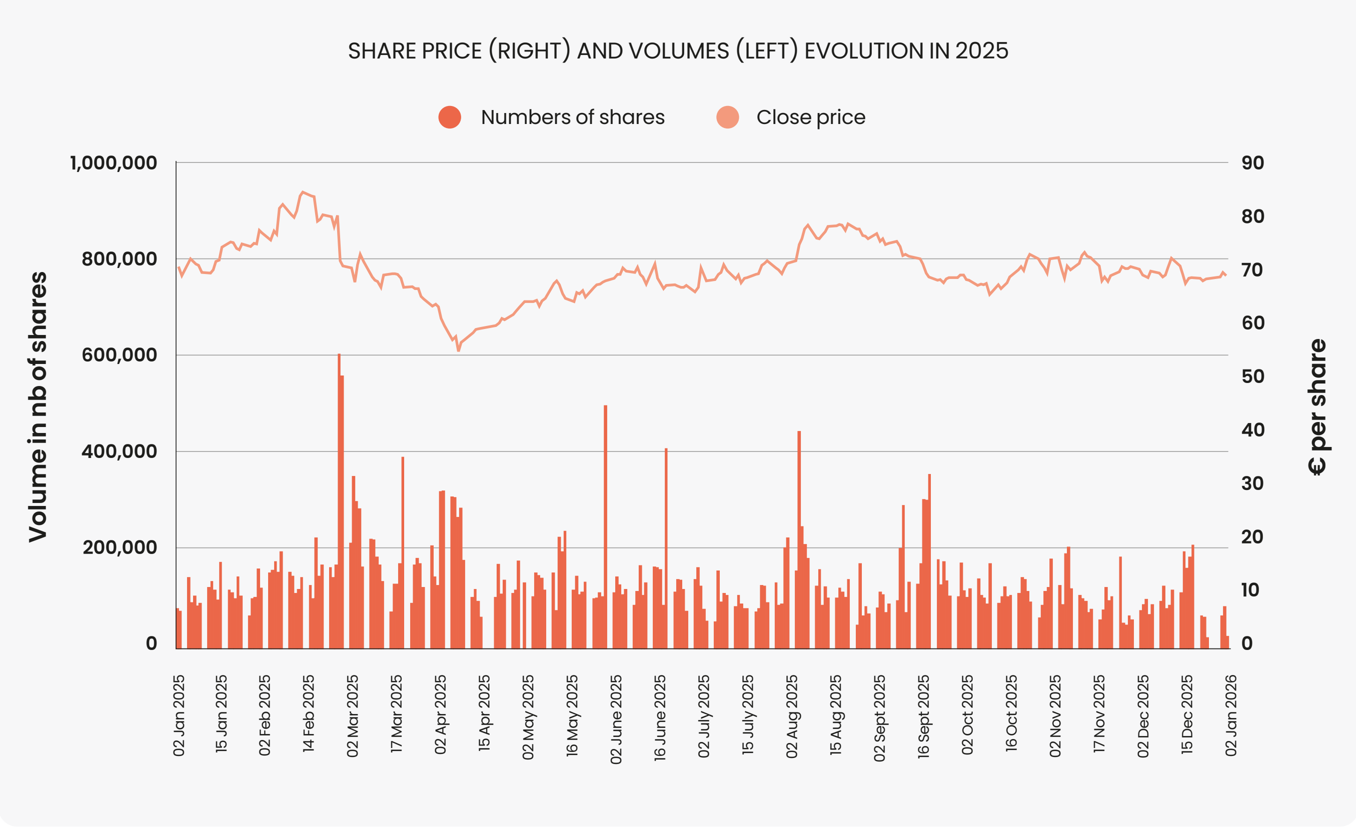
The shares of Syensqo (SYENS.BE) are listed on Euronext Brussels.

Syensqo is included in the BEL20, the main Belgian index.

During 2025, the average closing share price was €69.65, while the 52-week range was €54.34 - 84.25 per share. Syensqo's closing share price on December 31, 2025 was €68.56, which represents a decrease of 3% compared to the end of 2024.

Average daily trading volume as reported by Euronext was 140,635 shares in 2025, representing approximately €9.8 million exchanged per day. In addition to Euronext, there are other alternative trading venues where investors are able to buy and sell Syensqo shares.

SHAREPRICE (RIGHT) AND VOLUMES (LEFT) EVOLUTION IN 2025



3.2.3 Shareholders and shareholding structure

Transparency notifications

Transparency notifications are required by Belgian law and Syensqo's bylaws when an investor crosses the thresholds of 3%, 5%, 7.5% or any multiple of 5% of voting rights. Unless otherwise indicated, this refers to theoretical voting rights, taking into account all the shares to which voting rights are attached, even if the exercise of these rights is suspended.

- According to the latest transparency declaration dated February 15, 2024, Solvac SA crossed the threshold of 30% upwards on December 11, 2023, holding 32,621,583 Syensqo shares, representing 30.81% of Syensqo's voting rights. This percentage results from the fact that Solvac SA held 30.81% of Solvay SA share capital and voting rights at the time of the partial demerger of Solvay SA.
- According to the latest transparency declaration dated October 14, 2025, Capital Group Companies Inc. gave notice that as of October 6, 2025, it crossed the threshold of 3% upwards, holding 3.02% of Syensqo's voting rights.
- According to the latest transparency declaration dated February 04, 2026, BlackRock Inc. gave notice that as of January 29, 2026, it crossed the threshold of 3% upwards, holding 3.02% of Syensqo's voting rights.

Solvac

Syensqo's largest shareholder is Solvac SA, a public limited liability company established under Belgian law, incorporated in 1983 ("Solvac" or the "Reference Shareholder"). Its primary assets consist of shares in Solvay SA and shares in Syensqo.

Solvac's shares are traded on Euronext Brussels. It has approximately 14,000 shareholders. Among these, approximately 2,300 individuals are related to the founding families of Solvay and Solvac, which, combined, are reported to hold approximately 77% of Solvac shares.

A relationship agreement with Solvac has not been considered necessary, given Solvac's stated investment objective and track record of engagement with Solvay since its initial investment in 1983, which track record has extended to Syensqo following its separation from Solvay. Historically, a limited number of Directors have been appointed following proposals by Solvac, reflecting its long-standing shareholding, without conferring any formal nomination rights to Solvac in Syensqo's Articles of Association.

Treasury shares

In 2025, Syensqo pursued the share buyback program launched on November 5, 2024 as part of Syensqo's effort to enhance capital structure and efficiency (the "Share Buyback Program"). This Share Buyback Program is still open and is executed in different tranches. During the financial year 2025, Syensqo acquired in the framework of this Share Buyback Program 1,687,027 Syensqo shares (compared to 843,488 in 2024), representing approx. 1.6% of the Company's outstanding shares. As of December 31, 2025, 1,111,656 of the acquired shares in the framework of this Share Buyback Program were cancelled.

As of December 31, 2025, Syensqo held a total of 1,972,774 own shares representing 1.9% of the total number of Syensqo shares, broken down as follows:

- 746,031 Syensqo shares, representing approx. 0.7% of the Company's outstanding shares, as acquired in the framework of the LTI share buyback program to cover LTI hedging obligations, which was launched in June 2024 and completed in October 2024.
- 651,372 Syensqo shares held by Syensqo Stock Option Management SRL ("SSOM"), a wholly owned indirect subsidiary of Syensqo. In addition, SSOM owns 182,150 call options. Those shares and options are held by SSOM for its own account, as part of its strategy to cover the obligations assumed by SSOM regarding stock options granted by Syensqo (or formerly by Solvay) to Group senior executives. The voting rights attached to the Syensqo shares held by SSOM are, as a matter of law, suspended.
- 575,371 Syensqo shares, representing approx. 0.6% of the Company's outstanding shares, as acquired in the framework of the Share Buyback Program launched in November 2024, and not cancelled.

SHARE BUYBACK PROGRAMS
NUMBER OF TOTAL OWN SHARES ACQUIRED, CANCELLED AND DELIVERED TO EMPLOYEES

	Total number of shares	Number of own shares held by Syensqo	Par value (€) of acquired shares (round number)	Equivalent value per share (€)	Percentage in the capital (based on the number of shares)
SITUATION AT JANUARY 1, 2025	**105,032,929**	**1,579,830**	**20,330,163**	**70.56**	**1.50%**
LTI share buyback program					
Total number of shares delivered to employees		-182,427	-2,347,576	75.62	-0.17%
Share Buyback Program					
Second Tranche					
Total number of own shares acquired from January 13, 2025 to February 26, 2025		470,783	6,058,307	76.83	0.45%
Third Tranche					
Total number of own shares acquired from February 27, 2025 to March 12, 2025		195,872	2,520,594	70.55	0.19%
Total number of own shares cancelled on March 18, 2025		-666,655	-8,578,901	74.98	-0.63%
Total number of own shares acquired from March 13, 2025 to May 7, 2025		445,001	5,763,109	60.18	0.43%
Total number of own shares cancelled on May 9, 2025		-445,001	-5,763,109	60.18	0.43%
Total number of own shares acquired from May 8, 2025 to July 30, 2025		143,455	1,865,809	65.54	0.14%
Fourth Tranche					
Total number of own shares acquired from July 31, 2025 to November 14, 2025		431,916	5,617,600	69.46	0.42%
SITUATION AT DECEMBER 31, 2025	**103,921,273**	**1,972,774**	**25,658,358**	**68.56**	**1.90%**

Employee Share Purchase Plan

Syensqo believes that employee share purchase plans provide attractive incentives for employees to increase their equity ownership in the Company, enhancing commitment and enabling employees to better share in the Company's growth and performance.

In November 2024, Syensqo introduced a new Employee Share Purchase Plan, capped at 330,000 shares and accessible to employees across seventeen countries. By purchasing shares in Syensqo, participants received a free share on joining the scheme and a matched share for every two Syensqo shares purchased. This initiative, as part of Syensqo's employee engagement program, achieved a participation rate of 21.5%, involving nearly 3,000 employees. The share purchases started in February 2025 and took place until January 2026, during which employees acquired over 69,975 Syensqo shares. Free and matching shares will be delivered to participants at the end of the vesting period in February 2027, in accordance with the plan rules.

Shareholding structure

As of December 31, 2025, Syensqo's capital was represented by 103,921,273 ordinary shares. As there is only one class of shares, all Syensqo shares carry the same rights. Each share comes with the right to one vote, following the "one share, one vote" principle.

Excluding the shares held by Solvac, BlackRock Inc. and Capital Group Companies Inc. (see "Transparency notifications" above) and the shares held, directly or indirectly, by Syensqo (see "Treasury shares" above), the remaining shares — representing approximately 65% of the Company's outstanding shares — are held by the public.

3.2.4 Relations with investors and analysts

Syensqo maintains an open, ongoing and constructive dialogue with the investment community. Syensqo seeks to provide pertinent and accurate information to ensure understanding of the Company's business and strategy, helping the financial community to make their own informed assessments and judgments. Detailed information on its business activities, strategy and financial performance is available through various regulatory and other publications, such as the Annual Integrated Report, financial reports and press releases, as well as other media including webcasts, which are available on Syensqo's website.

The Investor Relations team maintains a close relationship with investors throughout the year. The CEO and CFO also prioritize interactions with the investment community. Syensqo's teams interact with investors using both face-to-face meetings and digital technologies.

Syensqo adheres to the guidelines issued by the FSMA (Financial Services and Markets Authority in Belgium) and complies with the disclosure obligations defined by Belgian law and contained in the Market Abuse Regulation (EU) 596/2014 (MAR).

Interactions with shareholders

Syensqo is committed to maintaining relationships of trust with shareholders and the financial community. As part of this, Syensqo aims to provide comprehensive, transparent and timely information regarding the Group's vision and strategic ambition, its main developments as well as financial performance and targets.

The Company provides information and services and organizes activities for shareholders, including institutional investors. Every shareholder has access to clear, comprehensive, transparent information through a dedicated "investor relations" section on Syensqo's website. Syensqo also engages with retail banks, regularly interacting with their analysts and participating in events dedicated to private investors. The Group also organizes investor conferences and events as well as presentations, visits and roadshows for investors and analysts. In addition, in order to maintain a close relationship with its individual shareholders in particular, the Group has set up a Shareholder Service which answers queries and requests for information from registered shareholders (subject to applicable legislation and in particular closed periods).

In 2025, Syensqo's Management participated in 2 events organized by founding families to update them on strategy and results. All interactions were based on public information.

Interactions with sell-side analysts

Syensqo is covered by 19 sell-side analysts who regularly publish research on the Company (approximately 160 notes in 2025). The up-to-date list of analysts and the company's consensus estimates can be found on Syensqo's investor relations website.

In addition to regular meetings, emails and conversations, Syensqo organizes quarterly conference calls between the senior management and the financial community, following the publication of the Group's results. Although specifically geared toward analysts, these conference calls are accessible live to all investors, and remain available in the form of an on-demand audio call and transcript on Syensqo's website.

Interactions with institutional investors

Syensqo's interactions with institutional investors occur mainly following the announcement of quarterly, half- and full-year results and cover financial results and corporate strategy.

In 2025, Syensqo participated in 23 events, 21 of which involved senior management: 13 roadshows, 3 conferences, 4 earnings calls, 1 fireside chat and 2 industry fairs, in countries across Europe and North America.

Syensqo's CEO and CFO participated in most of the meetings with the financial community. They discussed various topics, including quarterly earnings results and the macroeconomic conditions, the future growth prospects for the company as well as shareholder returns.

Interactions with stewardship and responsible investment teams at shareholders and independent research providers, including proxy advisors

Syensqo continuously engages with the stewardship and responsible investment teams of institutional investors and ESG research providers, including proxy advisors. The purpose of this exercise is to provide an update on Syensqo's key ESG targets and performance. Syensqo also treats these meetings as an opportunity to understand changes in the methodologies and policies used by these stewardship teams, as well as to actively solicit their feedback on how Syensqo can improve ESG practices and disclosures.

3.3 Board of Directors and Board Committees

The Company has a “one tier” governance structure as provided for in Article 7:85 and following of the BCCA. This means that the Company is managed by a Board of Directors (*conseil d’administration*/*raad van bestuur*) empowered to carry out all acts necessary or useful to achieve its corporate purpose, except those assigned by law or the Articles of Association to the Shareholders Meeting.

The Board of Directors is responsible for the Company's overall strategic direction. It defines the Company's overarching strategic and governance framework, with a view to establishing effective, responsible and ethical leadership, and oversees its implementation and performance. It makes key decisions regarding major investments, divestments, capital structure, policies, risk management, audit and control matters, and significant operational matters. Syensqo’s Board of Directors is responsible for defining the Group’s long-term strategy and for overseeing, challenging and supporting the implementation of Syensqo’s strategy.

The Board of Directors has set up on a permanent basis the following specialized Committees: Audit and Risk Committee, Remuneration Committee, Nomination Committee, and Environmental, Social and Governance (ESG) Committee.

The Board of Directors has delegated the day-to-day management of the Company and other specific management powers to an executive committee called the Executive Leadership Team (ELT). The ELT is composed of the CEO and other Executive Officers of the Company, who collectively run the Company.

The Articles of Association and the Charter of the Company define the role and mission, functioning, size, composition, training and evaluation of the Board of Directors. The internal rules of the Board of Directors and the Committees are attached to the Charter and are available on Syensqo’s website.

INVOLVEMENT OF THE BOARD OF DIRECTORS AND ITS COMMITTEES IN TERMS OF ESG GOVERNANCE

The Board of Directors regularly monitors the implementation of Syensqo's sustainability strategy, with a view to ensuring progress toward meeting sustainability goals. Additionally, the Board of Directors receives and discusses detailed reports from each meeting of the ESG Committee.

The Board of Director's expertise plays a decisive role in addressing Syensqo's material impacts, risks and opportunities, especially as ESG issues are integrated into the Company's strategy. Directors with knowledge of and commitment to sustainable development, together with the ELT and technical experts, play an essential role in shaping the Group's ESG strategic vision. Their experience of ESG strategies, governance, business ethics and societal commitment enables the Board of Directors to approach ESG issues holistically and conduct in-depth analyses. For example, effective oversight of climate strategy requires an understanding of climate science and the strategic implications of decarbonization efforts. This enables the Board of Directors to make informed decisions on the Company's key sustainability risks and opportunities, reinforcing Syensqo's commitment to advancing humanity while protecting the planet.

As reflected in Syensqo's Charter, ESG Governance within Syensqo is translated into shared accountability and differentiated missions mainly between the Board of Directors (which pursues sustainable value creation), the ESG Committee (which focuses on the ESG targets related to material impacts, risks and opportunities as well as progress toward these targets), the Audit & Risk Committee (which focuses on the quality and reliability of reporting, and ensures consistency with the enterprise risk management process) and the Remuneration Committee (which ensures that LTI and STI objectives include relevant ESG targets). These Committees also interact and coordinate as appropriate to ensure overall consistency and alignment of ESG governance and oversight. The ELT is, for its part, responsible for ESG strategy definition, implementation and performance. The Charter of the Company details Syensqo's sustainability policy and the role of each management body, which can be summarized as follows:

ESG Committee	Audit & Risk Committee	Remuneration Committee	Nomination Committee
• Oversees the Group's commitments to sustainable development • Reviews the Group's long-term strategic direction, particularly in relation to social and environmental responsibility • Focuses on the ESG targets related to material impacts, risks and opportunities (IROs) as well as progress toward the targets • Assesses strategic initiatives and evaluates their economic, financial, social and environmental impacts • Regularly monitors updates on CSRD matters and material IROs	• Focuses on quality and reliability of reporting - including under CSRD - and ensures information is accurate and transparent • Monitors the effectiveness of internal control mechanisms • Ensures that ESG matters are integrated into the Enterprise Risk Management processes	• Formulates recommendations on the remuneration structure of executive officers, ensuring that LTI and STI objectives include relevant ESG targets • Reviews the remuneration policy, focusing on ensuring ethical standards and best practices are adhered to	• Focuses on governance aspects and addresses how diversity in terms of gender, experience, skills and backgrounds is promoted and managed within the Board of Directors, through a rigorous selection process and the organization of relevant Board training sessions

[GOV-1 - 5a / 22a / 22b / 22c / 22ci / 22cii / 22d][GOV-2]

3.3.1 Board of Directors

Structure and composition

The composition and functioning of the Board of Directors are designed to ensure that the right profiles are represented, with the diverse skills, experience and background deemed necessary to drive Syensqo's business and sustainability strategy.

The Board of Directors is chaired by an independent director, and has a Vice-chair. The roles of Chair and CEO are separated. Directors are appointed by the General Meeting upon proposal by the Board of Directors and recommendation of the Nomination Committee for a mandate of four years maximum, renewable.

The Board shall be composed of a substantial majority of non-executive and (in any event at least three) independent directors within the meaning of article 7:87, §1 of the BCCA and Principle 3.5 of the Belgian Corporate Governance Code. In addition, and without prejudice to the application of the criteria set out in the Belgian Corporate Governance Code, the Charter requires a waiting period of at least one year before the Company can recognize the independence of any director of the Company's reference shareholder, Solvac SA, who would leave the Board of Directors of Solvac SA to join the Board of Directors.

As of December 31, 2025, the Board of Directors is composed of ten directors and has the following attributes:

- Nine of the ten directors are non-executive directors, the CEO being the only executive director.
- Five of the ten directors qualify as independent directors within the meaning of article 7:87, §1 of the BCCA and Principle 3.5 of the Belgian Corporate Governance Code.
- Six of the ten directors, including the CEO, are women.
- Directors represent eight different nationalities.
- The Secretary of the Board is Valérie Demeur.

During 2025, the following changes occurred in the composition of the Board of Directors:

- Nadine Leslie stepped down from her mandate with effect as of June 30, 2025, in light with her other professional commitments;
- Matti Lievonen stepped down from his mandate with effect as of July 15, 2025, in light of his other professional commitments;
- Cynthia Arnold was co-opted as independent director and Augusto Di Donfrancesco was co-opted as non-executive director, both with effect as of July 17, 2025, pursuant to resolutions of the Board of Directors;
- Ilham Kadri stepped down as executive director and CEO, as a consequence of the Board's decision to appoint Michael Radossich as CEO, effective December 31, 2025;
- Michael Radossich was co-opted as executive director and CEO, with effect as of January 1, 2026, by resolution of the Board of Directors.

During the first quarter of 2026, additional changes occurred in the composition of the Board of Directors:

- Rosemary Thorne stepped down from her mandate as Chair of the Board of Directors with effect as of March 2, 2026, and was replaced by Heike van de Kerkhof as new Chair of the Board of Directors as of March 2, 2026, pursuant to a resolution of the Board of Directors. Rosemary Thorne also stepped down from her mandate as independent director with effect as of March 31, 2026, in order to ensure smooth succession with the new Chair;
- Roeland Baan stepped down from his mandate with effect as of March 2, 2026, in light with his other professional commitments;
- Miguel Mantas was co-opted as independent director with effect as of March 2, 2026, pursuant to a resolution of the Board of Directors.

At the 2026 Annual Shareholders' Meeting, the Board of Directors will propose, upon recommendation of the Nomination Committee, the confirmation of the co-optation and the appointments of Cynthia Arnold as independent director, Augusto Di Donfrancesco as non-executive director, Michael Radossich as executive director, and Miguel Mantas as independent director, each for a period of four years up to and until the end of the Annual Shareholders' Meeting to be held in 2030.

The detailed résumés of the proposed new members of the Board of Directors are available on the website of the Company.

A list and description of the individual Board members, including their other executive positions, independence, and meeting attendance during 2025 can be found in the following pages.

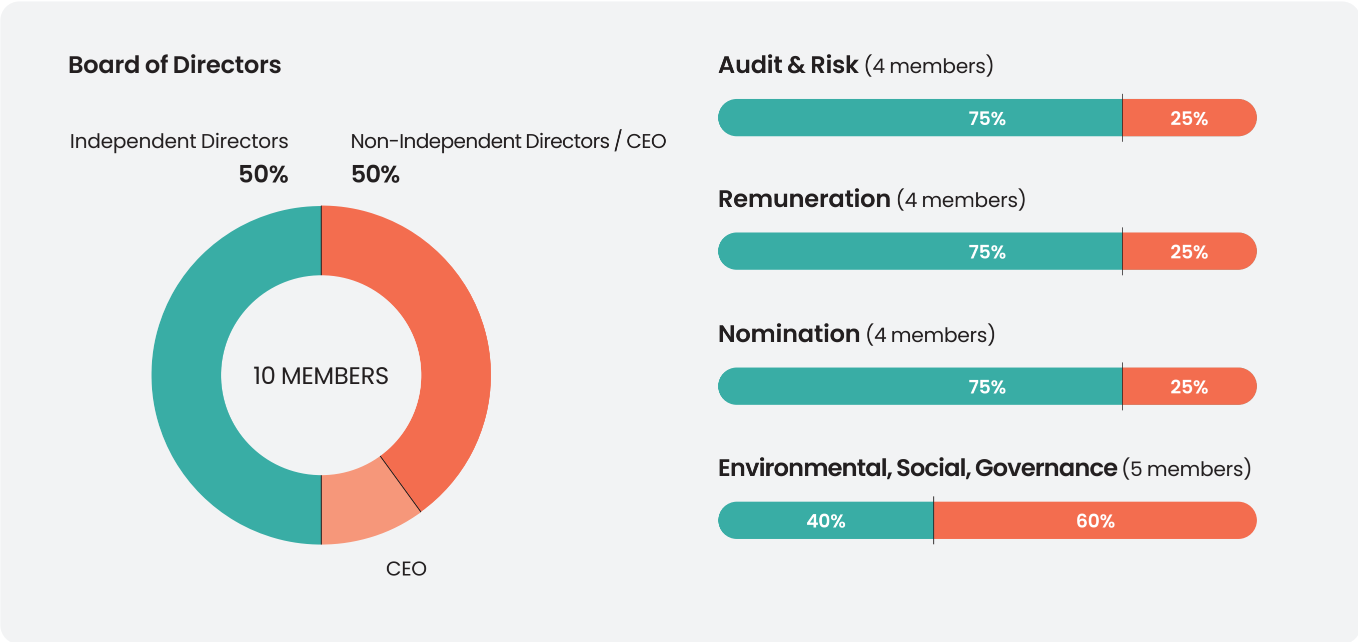
COMPOSITION OF THE BOARD OF DIRECTORS AS OF DECEMBER 31, 2025

★ Chair ● Member - Attendance = Present or excused

		Year of birth	Nationality	Independent	Other publicly listed directorship or corporate office	Specialized Committees: ESG	Specialized Committees: Audit & Risk	Specialized Committees: Nomination	Specialized Committees: Remuneration
Rosemary Thorne *Chair of the Board* Meetings attendance in 2025: **12**/12		1952	British	▲				● **5**/5	● **5**/5
Ilham Kadri Director and *CEO* Meetings attendance in 2025: **12**/12		1969	French Moroccan		2				
Françoise de Viron *Vice-Chair of the Board* Meetings attendance in 2025: **12**/12		1955	Belgian			★ **4**/4		● **5**/5	● **5**/5
Roeland Baan Meetings attendance in 2025: **12**/12		1957	Dutch	▲	1	● **4**/4	● **6**/6		
Edouard Janssen Meetings attendance in 2025: **12**/12		1978	Belgian		1		● **6**/6		
Cynthia Arnold Meetings attendance in 2025: **6**/6		1957	American	▲	2	● **1**/1		● **1**/1	★ **2**/2
Augusto Di Donfrancesco Meetings attendance in 2025: **6**/6		1959	Italian			● **1**/1			
Mary Meaney Meetings attendance in 2025: **12**/12		1972	American French		1	● **4**/4			
Heike van de Kerkhof Meetings attendance in 2025: **12**/12		1962	German	▲	1		● **6**/6	★ **5**/5	● **5**/5
Julian Waldron Meetings attendance in 2025: **12**/12		1964	British French	▲	1		★ **6**/6		

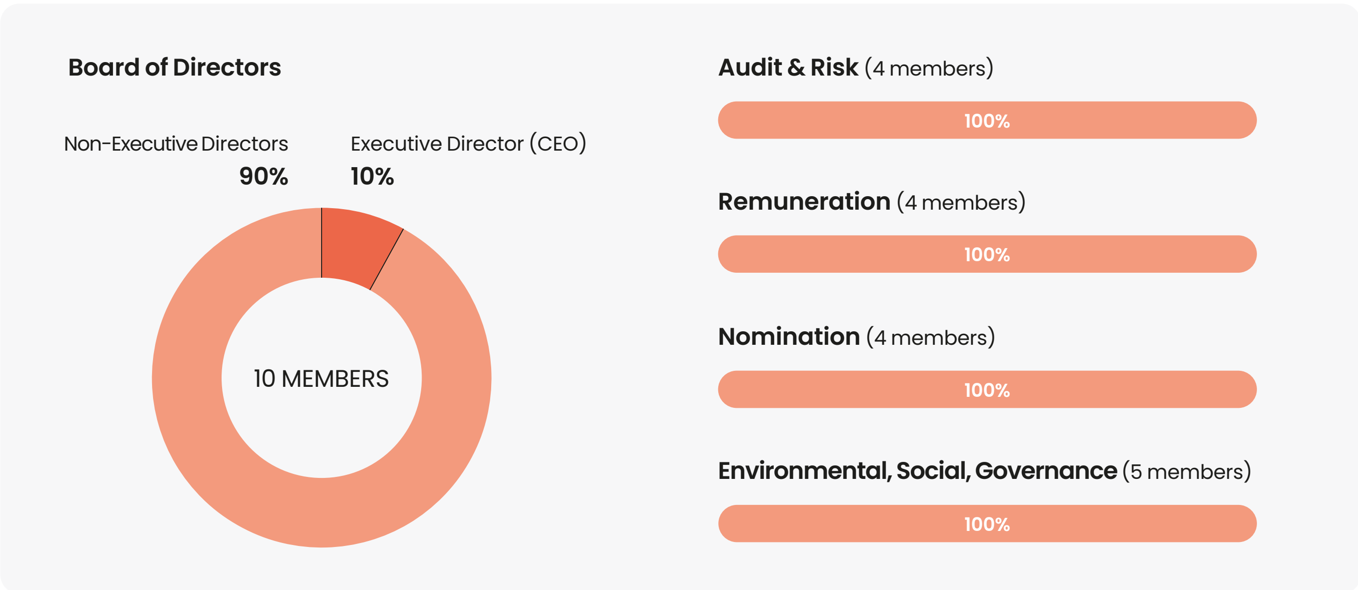
[GOV-1 - 21]

INDEPENDENCE



[GOV-1 - 21e]

EXECUTIVE AND NON-EXECUTIVE DIRECTORS



[GOV-1 - 21a]

DIRECTORSHIPS AND POSITIONS HELD AT DECEMBER 31, 2025

Rosemary Thorne

- Chair of the Board of Directors
- Independent Director

Nationality: British

Born in: 1952

Appointment date: December 2023

Directorship expiry date: 31 March 2026

Holds **500** Syensqo shares

Rosemary Thorne, 74, has served as an Independent Director and Chair of the Board of Directors since December 2023. Prior to this, Ms. Thorne served as an Independent Director on the Board of Directors of Solvay from 2014 to 2023, and as Chair of the Audit Committee. Ms. Thorne has decades of financial leadership experience across a wide range of industries. Ms. Thorne is an Independent Director on the Board of Merrill Lynch International (UK), a wholly-owned subsidiary of Bank of America Corporation, serving as Chair of the Audit Committee. She previously served as Chief Financial Officer at J. Sainsbury, the UK's largest supermarket chain at the time; Bradford & Bingley; and Ladbrokes. Ms. Thorne previously sat as an Independent Director on the Boards of Royal Mail Group, Cadbury Schweppes, Santander UK, First Global Trust Bank and Smurfit Westrock in Ireland.

Diplomas

- Honors Degree in Mathematics and Economics from the University of Warwick (UK)
- Fellow of the Chartered Institute of Management Accountants FCMA and CGMA
- Fellow of the Association of Corporate Treasurers FCT

Professional address: Syensqo
Rue de la Fusée 98, 1130 Brussels - Belgium

Syensqo mandates

- Chair of the Board of Directors
- Member of the Remuneration Committee
- Member of the Nomination Committee

Other corporate offices and directorships

- Board Member and Chair of Audit Committee of Merrill Lynch International (UK), a wholly owned subsidiary of Bank of America Corporation

Skills related to the strategy and development objectives of Syensqo

- Chemical/ Industrial sectors and related value chains
- Finance/ Accounting, including (extra) financial reporting
- Risk Management & Operational Excellence
- Strategy, Business Growth
- ESG
- Leadership of large companies
- People/ Culture and Social Relations
- International Experience

Ilham Kadri

- Board Member
- Chief Executive Officer

Nationality: French-Moroccan

Born in: 1969

Appointment date: December 2023

Directorship expiry date: 31 December 2025

Holds **38,950** Syensqo shares

Dr. Ilham Kadri, 57, has served as Chief Executive Officer and a member of the Board of Directors of Syensqo since December 2023. Prior to this, Dr. Kadri served as CEO at Solvay from 2019 to 2023. Dr. Kadri successfully led the transformation of Solvay, delivering double-digit EBITDA growth and 18 consecutive quarters of positive free cash flow, deleveraging the balance sheet and promoting superior people engagement. Dr. Kadri also successfully led the demerger of Solvay into two independent and publicly listed companies, Solvay and Syensqo. Dr. Kadri is also a member of the Board of Directors, of the Nominating & Governance Committee and the Personnel & Compensation Committee of A.O. Smith Corporation (listed on the New York Stock Exchange), as well as a member of the Board of Directors and of the Audit Committee of L'Oréal S.A. (listed on Euronext Paris). She is active in non-profit organizations, as Chair of the World Business Council for Sustainable Development (WBCSD), President of the European Chemical Industry Council (Cefic), Vice-Chair of the European Round Table for Industry (ERT) as well as a permanent member of the World Economic Forum's International Business Council (WEF). Dr. Kadri has extensive leadership experience across a variety of industries on four continents and with leading industrial multinationals, including Shell, UCB, Huntsman, Dow, Sealed Air. Prior to joining Solvay, Dr. Kadri was CEO and President of Diversey in the USA, led the company's return to profitability and resulting spin off and divestiture to Bain Capital. She founded two non-profit foundations: the Solvay Solidarity Fund in Belgium in 2020 which supported more than 7000 families affected by COVID-19 and natural disasters; and founded the ISSA Hygieia Network in 2015 in the USA, to help women in the cleaning industry. Dr. Kadri has received two Doctor Honoris Causa from EWHA University in Korea and Université de Namur in Belgium.

Diplomas

- PhD in Macromolecular Physics-Chemistry from Louis Pasteur University, Strasbourg (France)
- Degree in Chemical Engineering from l'École des Hauts Polymères, Strasbourg (France)

Professional address: Syensqo
Rue de la Fusée 98, 1130 Brussels - Belgium

Syensqo mandates

- Chief Executive Officer and Chair of the Executive Committee
- Board Member

Other corporate offices and directorships held

- Board Member, Member of the Nominating & Governance Committee and Member of the Personnel & Compensation Committee of A.O. Smith Corporation (listed on the New York Stock Exchange)
- Board Member of Directors and Member of the Audit Committee of L'Oréal S.A. (listed on Euronext Paris)

Skills related to the strategy and development objectives of Syensqo

- Chemical/ Industrial sectors and related value chains
- Finance/ Accounting, including (extra) financial reporting
- Risk Management & Operational Excellence
- Strategy, Business Growth
- Research & Innovation
- ESG
- Leadership of large companies
- People/ Culture and Social Relations
- Digital Technology, AI and Cybersecurity
- International Experience

Françoise de Viron

- Vice-Chair of the Board
- Non-Independent Director

Nationality: Belgian	**Born in:** 1955
Appointment date: December 2023	**Directorship expiry date:** 2027

Holds **2,040** Syensqo shares

Dr. Françoise de Viron, 70, has served as a Director, Vice-Chair of the Board of Directors and Chair of the ESG Committee since December 2023. Prior to this, Dr. de Viron served as Director at Solvay from 2013 to 2023. Dr. de Viron is a regarded academic leader and has extensive experience in innovation and R&D management, organizational learning, knowledge strategy and qualitative research.

She is a Professor Emeritus at the Faculty of Psychology and Education Sciences and Louvain School of Management at UCLouvain in Belgium where she has been an Academic Member of various groups. Dr. de Viron previously also served as Director (2014-2019) and president of AISBL EUCEN – the European Universities Continuing Education Network. Prior to her university position, from 1985 to 2000, she was leading the development of Artificial Intelligence applications in the Energy Sector at Tractebel SA. (now Tractebel-Engie).

Diplomas	• Master in Physics (1977) UCLouvain, Belgium • Ph. D. in Science (1981) UCLouvain, Belgium • Master in Sociology (2000) UCLouvain, Belgium
Complementary studies	Certificate in Artificial Intelligence (1989) KUL, Leuven, Belgium; Studies in Ergonomic (1995) Université de Paris I; Post-graduate in Management (1997), SBPA, Brussels; Board Director course in Sustainability (2022) IMD, Switzerland
Professional address:	Syensqo Rue de la Fusée 98, 1130 Brussels - Belgium
Syensqo mandates	• Vice-Chair of the Board of Directors • Chair of the ESG Committee • Member of the Remuneration Committee • Member of the Nomination Committee
Other corporate offices and directorships	• Board Member ASBL "Amis du Musée de Louvain-la-Neuve" • Professor Emeritus and invited UCLouvain • Academic Member of GIRSEF, Interdisciplinary Research Group on Socialization, Education and Training (UCLouvain - IACCHOS)

Skills related to the strategy and development objectives of Syensqo

- Chemical/ Industrial sectors and related value chains
- Strategy, Business Growth
- Research & Innovation
- ESG
- People/ Culture and Social Relations
- Digital Technology, AI and Cybersecurity

Roeland Baan

- Board Member
- Independent Director

Nationality: Dutch	**Born in:** 1957
Appointment date: December 2023	**Directorship expiry date:** 2 March 2026

Roeland Baan, 69, has been an Independent Director of Syensqo since December 2023. Mr. Baan is President and Chief Executive Officer of Topsoe, a privately-held leading provider of clean energy and petrochemical technologies, and Chair of the Supervisory Board of SBM Offshore NV. (listed on Euronext Amsterdam). Mr. Baan has extensive experience in supply chain management, M&A, business development and operations management. Prior to joining Topsoe in 2020, he was President and CEO of Outokumpu and has held several executive roles at global organizations such as Aleris International, ArcelorMittal and SHV NV. He spent over 16 years in various roles across the globe at Shell, living in South America, Africa and the United Kingdom.

Diplomas	• Master of Science (M. Sc.) Economics (1975-1980) Vrije Universiteit Amsterdam
Professional address:	Syensqo Rue de la Fusée 98, 1130 Brussels - Belgium
Syensqo mandates	• Member of the Audit & Risk Committee • Member of the ESG Committee
Other corporate offices and directorships	• CEO of Topsoe • Chair of Supervisory Board Of SBM Offshore NV (listed on Euronext Amsterdam)

Skills related to the strategy and development objectives of Syensqo

- Chemical/ Industrial sectors and related value chains
- Finance/ Accounting, including (extra) financial reporting
- Risk Management & Operational Excellence
- Strategy, Business Growth
- Research & Innovation
- ESG
- Leadership of large companies
- People/ Culture and Social Relations
- International Experience

Edouard Janssen

- Board Member
- Non-Independent Director

Nationality: Belgian	**Born in:** 1978
Appointment date: December 2023	**Directorship expiry date:** 2027

Holds **111,512** Syensqo shares

Edouard Janssen, 47, has served as a Director of Syensqo since December 2023. Prior to this, Mr. Janssen served as Director at Solvay from 2021 until 2023. Mr. Janssen is Chief Financial Officer of D'Ieteren Group, an investment company (listed on Euronext Brussels), which currently owns (co-) control positions in various businesses, including Belron. Mr. Janssen is also a Board member of privately-held Union Financière Boël. He is active in academics, as Vice-Chair of the advisory board of the Solvay Brussels School of Economics and Management and on the advisory board of the INSEAD HGIBS. Mr. Janssen mainly brings expertise in finance, strategy, entrepreneurship, and planning. From 2005 to 2021, he has worked within Solvay, in different roles in finance and management, mainly in Europe and the USA. Before that, he started his career at Morgan Stanley, in London.

Diplomas
- Master of Science in Finance & Management (1995-2000) Solvay Brussels School
- Insead MBA

Professional address: Syensqo, Rue de la Fusée 98, 1130 Brussels - Belgium

Syensqo mandates
- Member of the Audit & Risk Committee

Other corporate offices and directorships
- CFO of D'Ieteren Group (listed on Euronext Brussels)
- Board Member and Chair of the Audit Committee of Belron
- Board Member of Union Financière Boël
- Vice-Chair of the advisory Board of Solvay School of Economics and Management

Skills related to the strategy and development objectives of Syensqo
- Chemical / Industrial sectors and related value chains
- Finance / Accounting, including (extra) financial reporting
- ESG
- Digital Technology, AI and Cybersecurity

Cynthia Arnold

- Board Member
- Independent Director

Nationality: American	**Born in:** 1957
Appointment date: July 2025 (Co-optation)	**Directorship expiry date:** until the end of the Annual General Meeting in 2026

Dr. Cynthia Arnold, 68, has served as an Independent Director and Chair of the Remuneration Committee of Syensqo since July 2025. Dr. Arnold is a highly experienced technology executive who previously served as Chief Technology Officer of The Valspar Corporation, and as SVP, Industrial Technology, at Sherwin Williams, global paints and coatings companies, from 2011 to 2017. During her tenure, she led the global technology function across 8 business groups, with responsibility for technology strategy, project portfolio management, and global technology organizational development. Prior to her role at Valspar, she served as the Chief Technology Officer of Sun Chemical from 2004 to 2011. Before joining Sun Chemical, she served as Vice President, Technology, Coatings, Adhesives and Specialties at Eastman Chemical from 2003 to 2004, and in R&D and business leadership positions with General Electric from 1994 to 2003. Dr. Arnold was a Sloan Executive Science and Engineering Fellow in the White House Office of Science and Technology Policy from 1992 to 1994. She has served on the Boards of Cabot Corporation (NYSE: CBT) since January 2018 where she is a member of their ESG & Sustainability Committee; of Milliken & Co. since 2019 where she serves on the Audit and Finance Committees; and of Fluence Energy (NASDAQ: FLNC) since 2021 where she serves on the Nominations & Governance and Audit Committees and is Chair of the Compensation & Human Resources Committee. She also currently serves as a Board member of Citrine Informatics since 2019 and the Budapest Festival Orchestra since 2025.

Diplomas
- Doctor in Materials Science and Engineering from Virginia Polytechnic Institute and State University
- MBA and Bachelor's Degree in Chemical Engineering from the University of California, Berkeley

Professional address: Syensqo, Rue de la Fusée 98, 1130 Brussels - Belgium

Syensqo mandates
- Member of the ESG Committee
- Chair of the Remuneration Committee
- Member of the Nomination Committee

Other corporate offices and directorships
- Board Member and Member of the ESG & Sustainability Committee of Cabot Corporation (NYSE: CBT)
- Board Member, Member of the Nominations & Governance Committee, Member of the Audit Committees and Chair of the Compensation & Human Resources Committee of Fluence Energy (NASDAQ: FLNC)
- Board Member, Member of the Audit Committee and Member of the Finance Committee of Milliken & Company
- Board Member of Citrine Informatics
- Board Member of the Budapest Festival Orchestra

Skills related to the strategy and development objectives of Syensqo
- Chemical/ Industrial sectors and related value chains
- Risk Management & Operational Excellence
- Strategy, Business Growth
- Research & Innovation
- ESG
- Leadership of large companies
- People / Culture and Social Relations
- Digital Technology, AI and Cybersecurity
- International Experience

Augusto Di Donfrancesco

- Board Member
- Non-independent Director

Nationality: Italian	**Born in:** 1959
Appointment date: July 2025 (Co-optation)	**Directorship expiry date:** until the end of the Annual General Meeting in 2026
Holds **9,989** Syensqo shares	

Augusto Di Donfrancesco, 66, has served as a Director of Syensqo since July 2025. Mr Di Donfrancesco joined Solvay in 1987 and has held key roles in research & innovation, human resources, production, sales, and general management in Europe and South America. In 2010, he became President of the newly created Global Business Unit (GBU) Specialty Polymers, and from 2018 to 2023, served as a member of the Solvay Executive Leadership team as Chief Operations and Transformation Officer, overseeing all operations within the business unit. As GBU President, he unlocked the value of the high-performance polymers activities in less than 10 years, doubling the size of the business through organic growth. He also oversaw the global geographic expansion of the Specialty Polymers activities, notably doubling sales in key Asian markets. While a member of the Solvay Executive Leadership Team, he led Group transformation initiatives to advance Solvay's GROW strategy and operating model, which simplified the Group structure, accelerated profitable top-line growth, and reinvented operations to create greater value for customers and shareholders.

Diplomas	• Bachelor's degree in chemical engineering from Pisa University
Professional address:	Syensqo Rue de la Fusée 98, 1130 Brussels - Belgium
Syensqo mandates	• Member of the ESG Committee

Skills related to the strategy and development objectives of Syensqo

- Chemical/ Industrial sectors and related value chains
- Risk Management & Operational Excellence
- Strategy, Business Growth
- Research & Innovation
- ESG
- Leadership of large companies
- People/ Culture and Social Relations
- International Experience

Mary Meaney

- Board Member
- Non-Independent Director

Nationality: American/ French	**Born in:** 1972
Appointment date: December 2023	**Directorship expiry date:** 2027

Holds **534** Syensqo shares

Dr. Mary Meaney, 53, has served as a Director of Syensqo since December 2023. Dr. Meaney is a member of the Board of Directors and of the Audit Committee of Groupe Bruxelles Lambert SA (listed on Euronext Brussels), a member of the Board of Directors and of the Remuneration Committee of Beamery and a member of the Board of Directors of V-Nova. She also serves as a member of the Board of Directors and of the Finance Committee of Imperial College London and a member of the Advisory Board of Imperial College Business School. Meaney brings expertise in strategy, M&A, and change management, which she acquired over a 24-year career at McKinsey where she was a Senior Partner, served on the McKinsey Shareholders Council (global Board of Directors) and led McKinsey's global Organization practice.

Diplomas	• B.A in Public and International Affairs. Graduated Summa cum Laude (1989-1993) – Princeton University • D.Phil in Politics – Oxford University, Rhodes Scholarship (1993-1996)
Professional address:	Syensqo Rue de la Fusée 98, 1130 Brussels - Belgium
Syensqo mandates	• Member of the ESG Committee
Other corporate offices and directorships	• Member of the Board of Directors of Beamery • Member of the Board of Directors of Groupe Bruxelles Lambert (GBL) (listed on Euronext Brussels) • Member of the Board of Directors of V-Nova • Member of the Board of Directors and of the Finance Committee of Imperial College Council • Member of Advisory Board of Imperial College Business School

Skills related to the strategy and development objectives of Syensqo

- Chemical/ Industrial sectors and related value chains
- Risk Management & Operational Excellence
- Strategy, Business Growth
- ESG
- Leadership of large companies
- People/ Culture and Social Relations
- International Experience

Heike van de Kerkhof

- Board Member
- Independent Director

Nationality: German	**Born in:** 1962
Appointment date: December 2023	**Directorship expiry date:** 2027

Holds **380** Syensqo shares

Ms. Heike van de Kerkhof, 62, has served as an Independent Director and Chair of the Nomination Committee of Syensqo since December 2023. Ms. van de Kerkhof is also a member of the Board of Directors and of the Audit Committee and of the HSE & Sustainability Committee of OCI N.V. (listed on Euronext Amsterdam) until 21 May 2025 and an independent Non-Executive Director of Goodpack in Singapore owned by KKR. Ms. van de Kerkhof brings more than 30 years of experience in the chemicals, oil & gas and materials industries, having served in numerous leadership roles around the globe. From 2020 to 2023, she served as Chief Executive Officer and member of the Board of Directors of Archroma Management GmbH. She also served as a member of the Board of Directors of Venator Materials PLC, of the Supervisory Board of BP Europa SE and of the Board of Directors of Neste Oyj (listed on Nasdaq Helsinki). Prior to her role at Archroma Management GmbH, Ms. van de Kerkhof served as Vice President of Lubricants, Western Hemisphere at BP Oil UK, and held positions at Castrol and The Chemours Company. She also held many leading roles within DuPont over 18 years.

Diplomas	• BSME Textile Engineering (1988) – Monchengladbach University, Germany. • MBA – European University, Switzerland (2001)
Professional address:	Syensqo Rue de la Fusée 98, 1130 Brussels - Belgium
Syensqo mandates	• Chair of the Nomination Committee • Member of Remuneration Committee • Member of Audit & Risk Committee
Other corporate offices and directorships	• Member of the Board at Goodpack Singapore • Member of Board, the Audit Committee and the HSE & Sustainability Committee of OCI N.V. (until 21 May 2025)(listed on Euronext Amsterdam)

Skills related to the strategy and development objectives of Syensqo

- Chemical/ Industrial sectors and related value chains
- Finance/ Accounting, including (extra) financial reporting
- Risk Management & Operational Excellence
- Strategy, Business Growth
- Research & Innovation
- ESG
- Leadership of large companies
- People/ Culture and Social Relations
- International Experience

Julian Waldron

- Board Member
- Independent Director

Nationality: British / French	**Born in:** 1964
Appointment date: December 2023	**Directorship expiry date:** 2027

Holds **555** Syensqo shares

Julian Waldron, 61, has served as an Independent Director and Chair of the Audit and Risk Committee of Syensqo since December 2023. Mr. Waldron is also an Independent Director and Member of the Audit and Risk Committee of Danish listed company Orsted, the leading developer and operator of wind farms, Chair of the Board of Directors of privately-held Albéa Group, a global beauty and personal care packaging company which operates 35 facilities in Europe, Asia and the Americas, and a member of the Board of Directors and Chair of the Finance, Risk and Investment Committee of Carbon Clean Ltd., a privately-owned carbon capture company dedicated to achieving net zero. Mr. Waldron has held senior leadership roles at several leading listed companies in the industrial, technology and services sectors and brings a wealth of expertise in finance, business operations and IT. Until joining Albea in 2022, Mr. Waldron was Chief Financial Officer and member of the Executive Committee of Suez S.A. (prior to its acquisition by Veolia Environnement S.A.). Prior to that, Mr. Waldron held various roles at Technip S.A. – then TechnipFMC plc – initially serving as Chief Financial Officer and later as Chief Operating Officer. Prior to that, he was Chief Financial Officer and then Interim Chief Executive at Thomson. Mr. Waldron started his career at the S.G. Warburg bank, working there for over 14 years.

Diplomas	• MA – Cambridge University
Professional address:	Syensqo Rue de la Fusée 98, 1130 Brussels - Belgium
Syensqo mandates	• Chair of the Audit & Risk Committee
Other corporate offices and directorships	• Independent Director and Member of the Audit and Risk Committee of Orsted (listed on Nasdaq Copenhagen) • Chair of the Board of Directors of Albea Group • Member of the Board of Directors and Chair of the Finance, Risk and Investment Committee of Carbon Clean Ltd.

Skills related to the strategy and development objectives of Syensqo

- Chemical/ Industrial sectors and related value chains
- Finance/ Accounting, including (extra) financial reporting
- Risk Management & Operational Excellence
- Strategy, Business Growth
- ESG
- Leadership of large companies
- Digital Technology, AI and Cybersecurity
- International Experience

Director skills and qualification matrix

Syensqo's Board of Directors is equipped with a wide range of skills and experience essential to guiding the company's long–term strategy. This expertise is systematically recorded in the Directors' Skills and Qualifications Matrix, which serves as a tool for the Board and Nominating Committee to identify skills to be filled or strengthened when considering new members. These skills are aligned with Syensqo's core business and strategic objectives, ensuring that the necessary expertise supports the company's long-term operations and goals. The matrix is based on the education, professional experience, previous management positions and continuous training of directors, both inside and outside the Company. It is regularly reviewed and updated to reflect the evolving skills required to effectively oversee Syensqo's strategic execution and risk profile.

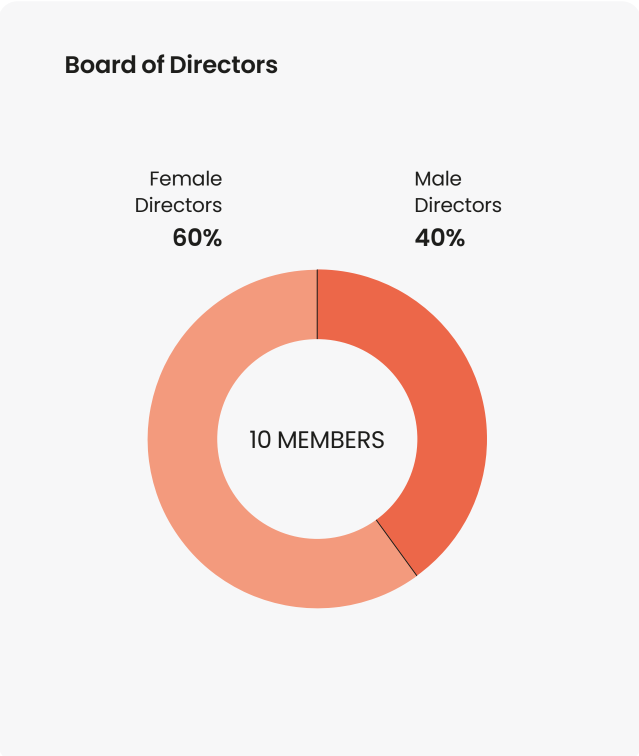
	Chemical/Industrial sectors and related value chains	Finance/Accounting, including (extra) financial reporting	Risk Management & Operational Excellence	Strategy, Business Growth	Research & Innovation	ESG	Leadership of large companies	People/Culture and Social Relations	Digital technology, AI and cybersecurity	International Experience
Rosemary Thorne	×	×	×	×		×	×	×		×
Ilham Kadri	×	×	×	×	×	×	×	×	×	×
Francoise de Viron	×			×	×	×		×	×	
Roeland Baan	×	×	×	×	×	×	×	×		×
Edouard Janssen	×	×				×			×	
Augusto Di Donfrancesco	×		×	×	×	×	×	×		×
Cynthia Arnold	×		×	×	×	×	×	×	×	×
Mary Meaney	×		×	×		×	×	×		×
Heike van de Kerkhof	×	×	×	×	×	×	×	×		×
Julian Waldron	×	×	×	×		×	×		×	×

[GOV-1 - 21c / 23 / 23a]

Diversity at Board level

The composition of the Board of Directors meets and exceeds the legal requirements applicable to listed companies in Belgium related to gender diversity. Furthermore, Syensqo values a diverse and inclusive Board of Directors in gender, age, nationality, experience, education, background and skill set, representing Syensqo's footprint - including a Board with eight nationalities, and among whose members 60% are women. Syensqo's commitment to diversity at Board level is further evidenced by the criteria for appointment of directors listed in section 5.2.3 of the Charter, which is available on Syensqo's website. Details of the qualifications and experience of the Board members can be found in Section 3.3.1 of this Report under "Structure and Composition" and "Director skills and qualification matrix". *[GOV-1 - 21d]*

GENDER BALANCE



[GOV-1 - 21d]

Functioning of the Board of Directors

The Articles of Association provide that the Board of Directors meets as often as the Company's interests require, convened and chaired by its Chair or, if the Chair is unable to attend, convened and chaired by the Vice-Chair or, if both are unable to attend, by a Director responsible for the day-to-day management of the Company. It must be convened whenever the Executive Committee, a Director responsible for the day-to-day management of the Company or at least three Directors so request. Further information on the functioning of the Board of Directors is provided for in the Charter.

In 2025, the Board of Directors met 12 times for its regular meetings, with overall meeting attendance of 100%. Each individual attendance is shown in the table in Section 3.3.1 of this Report under "Structure and Composition".

Board discussions, reviews and resolutions focused on, but were not limited to the following topics in 2025:

Business and Strategy Updates:

- Review of Group strategy, key strategic projects (including acquisitions, divestments, and capital expenditure), and progress on the Syensqo One Planet targets.
- Board visits in the USA to client sites and Syensqo sites, incl. Syensqo Alpharetta and Greenville sites.
- Divestment of Syensqo Oil & Gas GBU business (€135 million Enterprise Value).
- Monitoring of macroeconomic and geopolitical developments and their impact on operations and supply chain.
- Exploratory assessment of feasibility and potential benefits of a US dual listing.

Financial Performance and Capital Management:

- Budget and forecasts review, capital allocation, financial management policy, and financial reporting.
- Issuance of EUR Senior Bonds (€1.2 billion) and related hedging.
- Execution of the Share Buyback Program, including share acquisitions and cancellations.

Governance and Leadership:

- Changes in Executive Leadership Team composition, including the appointment of the new CEO .
- Board composition updates and directors co-optation.
- Dissolution of the Finance Committee.
- Preparation and convening of the Annual General Meeting.

Sustainability and ESG:

- Progress on sustainability and ESG matters, including review of One Planet objectives, CSRD readiness, and approval of the updated Double Materiality Assessment for the Annual Integrated Report (AIR).
- Adoption of a digital-first distribution of the Annual Integrated Report.
- ESG top ratings, including CDP A level for Climate and A- for Water, top 10 by ChemSec.

Operations, Risk, and Compliance:

- Review of reports on operational safety indicators, policies, and initiatives.
- Risk management updates, including Trade Compliance Risk Tolerance Framework.
- Speak Up program updates.

Transformation and Digitalization:

- Rollout of Syensqo's Target Operating Model to support growth ambitions.
- Review of the SyWay Program for process simplification and automation.
- Review of Syensqo's artificial intelligence (AI) and (Gen) AI technologies tools.

The Board of Directors was kept regularly informed and received reports on the activities of the Audit and Risk Committee, the ESG Committee, the Nomination Committee and the Remuneration Committee.

Rules for preventing conflict of interest

The Company applies a strict policy to prevent conflicts of interest, particularly in the operation of its governing bodies, as described in Article 1.9 of the Charter, and applies in particular Articles 7:96 and 7:97 of the BCCA.

In 2025, Article 7:96 of the BCCA was applied by the Board of Directors at the following meetings:

- **Meeting of February 25, 2025, regarding the CEO's 2024 performance review and variable remuneration and 2025 Group objectives:**

  "Before addressing this agenda item, and in accordance with Article 7:96 of the Code of Companies and Associations, Ilham Kadri disclosed a conflict of interest as the points to be discussed pertain to the evaluation of her performance and her variable compensation for 2024, as well as the setting of objectives for 2025 in her capacity as CEO and member of the Executive Committee. The Board of Directors took note of this, and Ms. Kadri did not participate in the deliberations or resolutions concerning her.

  (...)

  Resolutions

  (...)

  — *CEO 2024 performance: In December 2024, the CEO provided her 2024 highlights and achievements to the Remuneration Committee and the Board. 2024 was a pivotal year for Syensqo, as a new Company navigating a challenging macroeconomic landscape. Priority and focus have been put on (i) building the foundations of Syensqo in terms of strategy, structure and culture, (ii) attracting new investors and consolidating confidence with loyal shareholders and (iii) Optimizing operations while continuing to advance towards a successful separation from Solvay. In recognition of her leadership and commitment, especially under difficult circumstances, and upon the Remuneration Committee proposal, the Board agreed on the following.*

    After deliberation and upon recommendation of the Remuneration Committee, the Board of Directors, with the exception of the CEO who did not take part in the deliberation and decisions relating to her, unanimously approved the following:

    - *in recognition of her excellent performance in 2024, a STI individual outcome of EUR 1,400,000, representing 78% of target achieved; this was seen an appropriate balance of individual recognition and representation of the Group performance;*
    - *an LTI grant award of EUR 2,925,000 for 2025;*
    - *it was noted that given the current headwinds facing the business, the CEO elected to hold her fixed salary flat to demonstrate her commitment and solidarity with the business and as an act of leadership in difficult circumstances.*

The 2024 STI and LTI proposals for the other ELT members were also unanimously approved as recommended by the Remuneration Committee. The other ELT Members also elected to hold their salaries as an act of leadership, setting the tone and example for the business.

— *2025 Group Objectives*

After deliberation and upon recommendation of the Remuneration Committee, the Board of Directors, with the exception of the CEO who did not take part in the deliberation and decisions relating to her, unanimously approved the 2025 Group Objectives as follows:

- *2025 Group STI performance targets:*
  - *Group Financial performance targets (65% weighting): (i) Organic EBITDA growth target: 0% (70% weighting) and (ii) Free cash flow conversion target: 28% (30% weighting);*
  - *One Planet KPI's (15% weighting);*
  - *Individual targets (20% weighting).*
- *2025 LTI performance targets:*
  - *Organic EBITDA Growth targets (40% weighting): 2025: budget / 2026: 5% / 2027: 5%.*
  - *ROCE improvement - base point variation (40% weighting): 2025: budget / 2026: 35 bps / 2027: 35 bps.*
  - *GHG Emissions (Mt) reductions (20% weighting): 2025: 1,55 / 2026: 1,53 / 2027: 1,50.*

The Board of Directors also approved the Group LTI grant budget for 2025, to be distributed in the form of PSU (70%) and RSU (30%) in accordance with the Remuneration Policy."

- **Meeting of September 16, 2025, regarding the appointment of the new CEO (including approval of the compensation package of new CEO)**

"Section 3 of the agenda consists of the appointment of the new CEO (as recommended by the nomination committee and supported by the chair of the board and by the whole board), which triggered the separation agreement with the current CEO as the board asked her to step down and the execution of the entire agreement signed with the current CEO on the exit conditions (including the implementation of the consultancy agreement for 2026 signed between Syensqo and the current CEO under the agreed terms). This decision consequently triggers the application of Article 7:96 of the Code of Companies and Associations on the part of the current CEO which abstains from participating in the deliberations and from voting on this item.

(...)

3. Resolution regarding the appointment of the new CEO (including approbation of the compensation package of new CEO).

The proposal has been presented and discussed further to the recommendations made by the committee.

The Board has taken note of the fact that the Nomination Committee recommends the appointment of Michael Radossich to the position of CEO, with effect from 01 January 2026. This proposal has been supported by the Chairperson of the Board of Directors according to the Corporate Governance charter. It has been agreed that if the appointment is approved, Ilham Kadri will be asked to step down from the role and all contractual, separation and transition agreements will be executed as per contracts and agreements terms.

The Board has taken note of the fact that Michael Radossich has had an impressive career with Syensqo, joining in March 1995, becoming an Officer of Cytec in 2013 and with Solvay/Syensqo has led Novecare and more recently the Performance and Care GBU which include Novecare, Technology Solutions, Aroma and Oil & Gas. In this time, Mike has demonstrated his business acumen and leadership skills. Having been through an assessment process with the Nomination Committee, the Nomination Committee has presented Michael Radossich as the new CEO of Syensqo, to the Board for approval. The Remuneration Committee has reviewed the market and set a competitive package, with room for growth as Mike grows into the role. This package has been presented for approval to the Board.

Resolution: With the abstention of the CEO, who did not participate in the discussions or the vote, the remaining members of the board expressly and unanimously approved the following resolutions:

- *Approbation of the appointment of Michael Radossich as CEO of Syensqo, with effect from 1 January 2026 (including approbation of his package recommended by the Remuneration Committee).*
- *Approbation that this revokes the CEO and Board mandates of Ilham Kadri from this date of 1 January 2026.*
- *Consequently, (i) approbation to implement the entire agreement signed with Ilham Kadri as exit conditions and (ii) approbation of implementing the consultancy agreement signed between Syensqo and Ilham Kadri for 2026, under the agreed terms[1]."*

(1) This consultancy agreement ended in March 2026.

Evaluation

In accordance with the Belgian Corporate Governance Code, the Board of Directors regularly evaluates its size, composition, functioning and effectiveness, as well as the information provided to it, its interaction with executive management and the functioning and composition of the committees it has established. This evaluation is conducted under the leadership of the Chair of the Board, with the involvement of the Chair of the Nomination Committee, on an annual basis. At least every three years, the evaluation is facilitated by an external consultant. All directors are invited to contribute to this process.

As part of this evaluation, the Board of Directors also assesses the composition and functioning of the Audit and Risk Committee, the Remuneration Committee, the Nomination Committee and the ESG Committee. The conclusions of the evaluation and any recommendations for improvement are discussed by the Board, and the relevant committees are responsible for implementing the agreed actions.

At the end of each director's term of office, the Nomination Committee evaluates the individual contribution of each director, including attendance, active participation, commitment and constructive involvement in discussions and decision-making, in accordance with a predefined and transparent procedure. Such assessment was performed with Nadine Leslie and Matti Lievonen when they left the Board in July 2025. The Nomination Committee also assesses whether the profile and contribution of each director remain appropriate in light of the Company's strategy, challenges and evolving circumstances. Based on this assessment, the Board of Directors may propose the appointment of new directors, decide not to renew existing mandates, or take any other measures it deems appropriate to ensure the effective functioning of the Board.

The Board of Directors also reviews its internal rules and procedures on a regular basis, and at least every three years.

As part of its regulator evaluation process, the Board carried out a pulse survey during the year. This evaluation was conducted with the support of an external consultant. The results reflected a diversity of perspectives among Directors and highlighted areas where engagement, shared purpose, and the quality of constructive debate can be further strengthened. The exercise underscored the Board's ongoing commitment to collective responsibility, peer accountability, and continuous improvement in support of effective governance and robust strategic oversight.

Induction and continuous Board training

Information sessions are organized for new directors, aimed at acquainting them with the Group as quickly as possible. The program includes a review of the Group's strategy and activities and of the main challenges in terms of growth, competitiveness and innovation, as well as finance, research & development, human resources management, legal context, corporate governance, compliance and the general organization of operations. These information sessions are open to every director who wishes to participate.

Visiting industrial or research sites at least once a year is also part of the Board program. In March 2025, the Board visited the sites of Greenville and Alpharetta (USA).

In addition, directors attend internal and external training courses on subjects related to the Group's activities. In 2025, directors individually participated in external targeted training sessions and workshops covering generative AI and its strategic and governance implications, cyber risk and cyber governance, the impact of geopolitics and tariffs on global markets, sustainability and regulatory developments (including CSRD), as well as innovation, digitalization and the energy transition.

Succession planning for the Board of Directors

In accordance with the Belgian Corporate Governance Code, the Board of Directors ensures that appropriate succession planning is in place for both the CEO and the members of the Board, with a view to safeguarding continuity of leadership, preserving the Company's long-term interests and maintaining an appropriate balance of skills and experience. The Nomination Committee supports the Board in this responsibility by periodically reviewing succession plans, assessing the collective competencies of the Board and ELT, and considering future needs in light of the Company's strategic priorities and risk profile.

During 2025, this structured framework was applied to manage both the CEO and directors transitions.

Regarding Board succession, the Nomination Committee assessed the evolving needs of the Board, including sector expertise, technology and innovation capabilities, operational experience and governance expertise. Following this assessment, the Board co-opted Dr. Cynthia Arnold as independent director and Mr. Augusto Di Donfrancesco as non-executive director. Dr. Arnold brings extensive international experience in technology leadership and innovation within global industrial companies, as well as significant board experience in listed companies, strengthening the Board's oversight of technology, R&I and remuneration matters. Mr. Di Donfrancesco contributes deep industrial and operational expertise, gained through decades of leadership within Solvay, where he led major transformation and digitalization initiatives. The Board considered that their respective profiles complement the existing competencies of the Board and support its ability to oversee strategy execution and operational performance.

Through this structured and forward-looking succession process, the Board ensured orderly transitions, continuity of governance and alignment with the Company's long-term strategic development.

3.3.2 Board Committees

The Board of Directors has established several permanent specialized committees - Audit and Risk, Remuneration, Nomination, and ESG Committees— whose roles, composition, and missions are defined in the Charter.

These Committees are advisory in nature. They make recommendations and ensure key issues are addressed, but final decisions remain with the Board.

Committee members are appointed for two-year renewable terms, with a majority being independent non-executive directors (unless it deems it appropriate to proceed differently from time to time), and all key committees are chaired by independent members. More importantly, these Committees comprise members who have the experience and skills necessary to ensure they deliver on their mandate.

The Board may also create temporary ad hoc committees, and each Committee can seek independent professional advice as needed.

Audit and Risk Committee

Composition, missions and functioning

The Audit and Risk Committee is composed of a minimum of three members. The members of the Audit and Risk Committee are all non-executive directors and at least a majority of them are independent directors. The Chair of the Audit and Risk Committee must be an independent director.

The members of the Audit and Risk Committee collectively are competent in the area of activities of the Company, as well as in financial management, enterprise risk management, financial reporting, accounting and auditing through their training and experience acquired in the course of their careers (see Section 3.3.1 of this Report under "Structure and Composition"). The Corporate Secretary acts as Secretary to the Audit and Risk Committee.

The Audit and Risk Committee performs the duties assigned to it by Article 7:99, §4 of the BCCA. In particular, it supports the Board by overseeing financial reporting, compliance, and risk areas, and receives reports from key executives and the Statutory Auditor. It also collaborates with other Committees, in particular with the ESG Committee, as regards the conformity of key ESG performance indicators with the statutory and regulatory requirements (including with the Statutory Auditor) and the Group's sustainability strategy and performance.

The Audit and Risk Committee operates according to the rules set out in the Charter.

At December 31, 2025, the Audit and Risk Committee is composed of:

- Julian Waldron, Independent Director, Chair of the Audit and Risk Committee
- Edouard Janssen, Non-Executive Director
- Heike van de Kerkhof, Independent Director
- Roeland Baan, Independent Director

Report of activities

In 2025, the Audit and Risk Committee met 6 times, with an overall meeting attendance of 100% (each individual attendance is shown in the table in Section 3.3.1 of this Report under "Structure and Composition") and mainly discussed and/or reviewed:

- Quarterly, half-yearly, and annual performance updates, financial statements, and financial reporting.
- Internal Audit Plan and reports.
- Reports from the Statutory Auditor.
- The independence of the Statutory Auditor.
- Process for the selection of the external statutory auditor firm (RFP) in charge of the next three years mandate.
- Syensqo's Enterprise Risk Management framework, the internal control systems and the effectiveness of internal controls and risk mitigation measures, including the Geopolitics Risk Tolerance Framework and the Health and Safety Risk Tolerance Framework and their risk responses measures.
- The Group General Counsel's quarterly reports on major ongoing legal disputes.
- Syensqo's CSRD reporting.
- Speak Up program updates.

In addition, in 2025, the Audit & Risk Committee held 2 joint meetings with the ESG Committee, and focused mainly on:

- Reviewing Syensqo's sustainability statement against CSRD-compliant peers and leading audit firm insights.
- Reviewing Syensqo's updated Double Materiality Assessment.
- Reviewing Group Risk Response and monitoring measures for each risk category.

[GOV-1 - 26a / 26b / 26c]

Remuneration Committee

Composition, missions and functioning

The Remuneration Committee is composed of a minimum of three members. A majority of the Remuneration Committee members are independent directors. The Board of Directors aims at appointing an independent Member as Chair of the Remuneration Committee. The Remuneration Committee members are qualified in the field of remuneration policy (see Section 3.3.1 of this Report under "Structure and Composition"). The Corporate Secretary acts as Secretary to the Remuneration Committee.

The Remuneration Committee performs the duties assigned to it by Article 7:100, § of the BCCA. In particular, without limitation:

- Advise the Board of Directors on the policy and level of remuneration for directors and ELT members, including the CEO.
- Give its opinion on the Group's principal remuneration policies (including long-term incentive plans).
- Prepare the Remuneration Policy that reflects the Group's strategy.
- Prepare the annual Remuneration Report, as included in the Corporate Governance Statement.

In addition, the Remuneration Committee ensures the effectiveness of the ESG strategy implementation by ensuring that LTI and STI objectives include relevant ESG targets.

Internal rules relating to the Remuneration Committee are set out in the Charter.

At December 31, 2025, the Remuneration Committee is composed of:

- Cynthia Arnold, Independent Director and Chair of the Remuneration Committee
- Rosemary Thorne, Independent Director and Chair of the Board of Directors
- Françoise de Viron, Non-Executive Director
- Heike van de Kerkhof, Independent Director

Report of activities

In 2025, the Remuneration Committee met 5 times, with an overall meeting attendance of 96% (each individual attendance is shown in the table in Section 3.3.1 of this Report under "Structure and Composition") and mainly focused on:

- Remuneration framework applying to the former CEO and new CEO;
- Made recommendations to the Board of Directors concerning the setting of 2025 short-term and long-term performance targets for the ELT Members.
- Reviewed the granting of short-term and long-term incentives (performance share units and stock options) to the Company's senior executives.
- Reviewed the Remuneration Policy and proposed amendment to the discretion clause.
- Reviewed the information to be included in the 2025 Remuneration report.

[GOV-1 - 26a / 26b / 26c]

Nomination Committee

Composition, missions and functioning

The Nomination Committee is composed of a minimum of three members. A majority of Nomination Committee members are independent directors. The Board of Directors aims at appointing an independent Member as Chair of the Nomination Committee. The Chair of the Board of Directors is a Member of the Nomination Committee. The Corporate Secretary acts as Secretary to the Nomination Committee.

The Nomination Committee's principal role is to make recommendations relating to, and examine proposals in respect of appointments to the Board of Directors, its Committees, and the ELT (including the CEO). It ensures that appointment criteria reflect the Group's key activities. In this context, it also addresses how complementarity and diversity in terms of skills, experience, gender and backgrounds are promoted and managed within the Board of Directors.

Internal rules relating to the Nomination Committee are set out in the Charter.

At December 31, 2025, the Nomination Committee is composed of:

- Heike van de Kerkhof, Independent Director and Chair of the Nomination Committee;
- Françoise de Viron, Non-Executive Director;
- Rosemary Thorne, Independent Director and Chair of the Board of Directors; and
- Cynthia Arnold, Independent Director

Report of activities

In 2025, the Nomination Committee met 5 times, with an overall meeting attendance of 96% (each individual attendance is shown in the table in Section 3.3.1 of this Report under "Structure and Composition") and mainly focused on:

- The composition of the Board of Directors, its Committees and the ELT.
- Board succession planning, proposal of new candidates and assessment of the contribution of such candidates.
- CEO succession planning and proposal of new CEO candidates.
- Monitoring of the Board's skills matrix and ongoing Board training activities.
- The Board of Directors' self-assessment process.

[GOV-1 - 26a / 26b / 26c]

Environmental, Social and Governance (ESG) Committee

Composition, missions and functioning

The ESG Committee is composed of a minimum of three members. The Chair of the ESG Committee shall be a member with appropriate skills, training and experience on ESG-related topics. The Corporate Secretary acts as Secretary to the ESG Committee.

The ESG Committee supports the Board in understanding (i) the expectations of Syensqo's key stakeholders, (ii) the impact of ESG issues on Syensqo's ability to create value, and (iii) ESG trends and associated impacts, risks and opportunities. The ESG Committee monitors the Company's overall approach toward ESG matters, ensures this approach is aligned with and integrated in the overall Group strategy and defines ESG key performance indicators. It also monitors the implementation of the Corporate Sustainability Reporting Directive (CSRD) and other similar laws and regulations.

The ESG Committee performs periodic reviews, at least annually, of the Group's ESG policies, progress and effectiveness, taking into account: a) relevant risk and opportunity mapping; b) new sustainability developments and their impact on the Group; c) the Group's current sustainability performance, main strengths and challenges; and d) future priorities, opportunities and challenges in this respect. The results of such reviews are presented to the Board of Directors. In addition, the ESG Committee liaises with other Committees, such as the Audit and Risk Committee as regards key ESG performance indicators and the Group's extra–financial strategy and performance, and the Remuneration Committee, with oversight responsibility for executive remuneration, talent management and other shared topics. These Committees address the material impacts, risks and opportunities related to ESG topics as listed in the sustainability statements of this Report[1].

Internal rules relating to the ESG Committee are set out in the Charter.

At December 31, 2025, the ESG Committee is composed of:

- Françoise de Viron, Non-executive Director and Chair of the ESG Committee
- Roeland Baan, Independent Director
- Mary Meaney, Non-Executive Director
- Cynthia Arnold, Independent Director
- Augusto Di Donfrancesco, Non-Executive Director

(1) See the material impacts, risks and opportunities' tables in the sustainability statements.

Report of activities

In 2025, the ESG Committee met 4 times, with an attendance rate of 95%, and focused mainly on:

- Monitoring of Syensqo's CSRD reporting and sustainability regulations (US, EU incl. Omnibus).
- Review of Syensqo's ESG governance and Sustainable Portfolio Management Framework, focusing in particular on integrating sustainability in business strategy as a key driver of long term value.
- Monitoring the filing process and ratings from ESG rating agencies.
- Reviewing 2025 One Planet performance and KPI progress, as well as monitoring 2030 One Planet goals.
- Determining the ESG training options for Board members.
- Reviewing Syensqo's digital sustainability approach and applications.

In addition, in 2025, the ESG Committee held 2 joint meetings with the Audit & Risk Committee, and focused mainly on:

- Reviewing Syensqo's sustainability statement against CSRD-compliant peers and leading audit firm insights.
- Reviewing Syensqo's updated Double Materiality Assessment.
- Reviewing Group Risk Response and monitoring measures for each risk category.

[GOV-1 - 26a / 26b / 26c]

3.4 Executive Leadership Team (ELT)

The Board of Directors has delegated the day-to-day management of the Company and other specific management powers to an executive committee called the Executive Leadership Team (ELT). The ELT is composed of the CEO and other Executive Officers of the Company, who collectively run the Company.

Syensqo's ELT gives shape to the Group's strategy, steers the business portfolio and safeguards the Group's interests. It is collectively responsible for Syensqo's overall performance and for enabling the achievement of the Company's long-term value creation objectives and financial targets. As part of its mandate, the ELT defines, implements and monitors the Group's ESG and sustainability strategy, sets the strategic direction on sustainability, and is involved in all major related decisions, receiving regular updates on progress. The ELT is accountable at executive level for the implementation of the Group's sustainability priorities and targets and submits key sustainability objectives to the Board of Directors for approval, ensuring alignment and commitment across the Group.

ELT members are appointed by the Board of Directors in consultation with the CEO (except for his/her own appointment) upon recommendation of the Nomination Committee, for four-year renewable terms, unless otherwise decided by the Board of Directors.

The role, responsibilities, composition, procedures and evaluation of the ELT are described in detail in the Charter.

The ELT carries out monthly deep-dive meetings consisting of in-depth reviews on People, Strategy, Finance, Innovation and other specific topics, depending on current events. In 2025, the ELT held 9 meetings.

During 2025, the following changes occurred in the composition of the Executive Leadership Team:

- Mark Rollinger left the Executive Leadership Team as General Counsel with effect on 25 February 2025.
- Brian Belanger was appointed as General Counsel and ELT member with effect on 1 June 2025.
- Marc Chollet left the Executive Leadership Team as Chief Strategy Officer with effect on 31 December 2025.
- Hervé Tiberghien, member of the Executive Leadership Team as Chief Operations Officer and Chief People Officer, passed away on 22 December 2025. As a result, his term of office ended on that date.
- Michael Radossich was appointed as CEO with effect on 1 January 2026, resulting in Ilham Kadri stepping down as CEO (and executive Director) with effect on 31 December 2025.

[GOV-1 - 22c / 22ci / 22cii]

Succession planning for the ELT

In accordance with the Belgian Corporate Governance Code, the Board of Directors ensures that appropriate succession planning is in place for the members of the ELT and the members of the Board, with a view to safeguarding continuity of leadership, preserving the Company's long-term interests and maintaining an appropriate balance of skills and experience. The Nomination Committee supports the Board in this responsibility by periodically reviewing succession plans, assessing the collective competencies of the Board and ELT, and considering future needs in light of the Company's strategic priorities and risk profile.

With respect to CEO succession, the Nomination Committee conducted an assessment process over several months and submitted a recommendation to the Board, taking into account leadership capabilities, strategic alignment, performance track record and in-depth knowledge of the Group required to fulfill the CEO role. As stipulated in the succession planning policy, the Board followed a rigorous selection process, with an external international executive search firm. Internal and external candidates were interviewed resulting in the internal candidate, Michael Radossich, being ready and the best candidate to take-on Syensqo into the next chapter of growth and transformation. On this basis, the Board of Directors resolved unanimously to appoint Michael Radossich as CEO, effective 1 January 2026. His long-standing career within the Group, extensive operational and business leadership experience, and demonstrated ability to drive performance and transformation across global activities were considered key assets to ensure continuity and effective execution of Syensqo's strategy. Therefore, in-line with the succession planning, the Board of Directors asked Dr. Ilham Kadri to step down, as a good leaver, from her role as CEO and director while staying as a Consultant to the CEO and the ELT, under a consultant agreement effective January 1, 2026, aimed at ensuring the transition of leadership. The consultancy agreement was ended in March 2026.

Following Hervé Tiberghien's passing, his responsibilities as Chief Operations Officer and Chief People Officer were temporarily allocated among the other members of the Executive Leadership Team to ensure business continuity After completion of a formal assessment of candidates, the Board resolved early 2026 to appoint Kerstin Artenberg as Chief People Officer with effect as of 1 March 2026.

ELT POSITIONS HELD AT DECEMBER 31, 2025

Ilham Kadri

- Chair of the Executive Leadership Team
- Chief Executive Officer

Nationality: French-Moroccan	**Born in:** 1969
Appointment date: December 2023	**ELT Term expiry date:** 31 December 2025

Presence at ELT meeting(s) in 2025: **10**/10

Holds **38,950** Syensqo shares

Dr. Ilham Kadri, has served as Chief Executive Officer and a member of the Board of Directors of Syensqo from December 2023 until 31 December 2025. Prior to this, Dr. Kadri served as CEO at Solvay from 2019 to 2023. Dr. Kadri has successfully led the transformation of Solvay, delivering double-digit EBITDA growth and 18 consecutive quarters of positive free cash flow, deleveraging the balance sheet and promoting superior people engagement. Dr. Kadri also successfully led the demerger of Solvay into two independent and publicly listed companies, Solvay and Syensqo. Dr. Kadri is also a member of the Board of Directors, of the Nominating & Governance Committee and the Personnel & Compensation Committee of A.O. Smith Corporation (listed on the New York Stock Exchange), as well as a member of the Board of Directors and of the Audit Committee of L'Oréal S.A. (listed on Euronext Paris). She is active in non-profit organizations, as Chair of the World Business Council for Sustainable Development (WBCSD), President of the European Chemical Industry Council (Cefic), Vice-Chair of the European Round Table for Industry (ERT) as well as a permanent member of the World Economic Forum's International Business Council (WEF). Dr. Kadri has extensive leadership experience across a variety of industries in four continents and with leading industrial multinationals, including Shell, UCB, Huntsman, Dow, Sealed Air. Prior to joining Solvay, Dr. Kadri was CEO and President of Diversey in the USA, led the company's return to profitability and resulting spin off and divestiture to Bain Capital. She founded two non-Profit foundations: the Solvay Solidarity Fund in Belgium in 2020 which supported more than 7000 families affected by COVID-19 and natural disasters; and founded the ISSA Hygieia Network in 2015 in the USA, to help women in the cleaning industry. Dr. Kadri received two Doctor Honoris Causa from EWHA University in Korea and Université de Namur in Belgium.

Diplomas	• PhD in Macromolecular Physics-Chemistry from Louis Pasteur University, Strasbourg (France) • Degree in Chemical Engineering from l'École des Hauts Polymères, Strasbourg (France)
Professional address:	Syensqo Rue de la Fusée 98, 1130 Brussels - Belgium

Hervé Tiberghien

- Executive Leadership Team Member
- Chief Operations Officer & Chief People Officer

Nationality: French	**Born in:** 1964
Appointment date: December 2023	**ELT Term expiry date:** 22 December 2025

Presence at ELT meeting(s) in 2025: **10**/10

Holds **5,850** Syensqo shares(1)

Hervé Tiberghien served as Chief Operations Officer & Chief People Officer at Syensqo from December 2023 until his passing in December 2025. Prior to 2023, he served as Chief People Officer and member of the Executive Leadership Team at Solvay from 2019 until 2023. At Solvay, he had been responsible for building an inclusive culture across the organization, while focusing on driving individual and organizational growth. Since the Spin-off, Hervé had been instrumental in implementing Syensqo's Target Operating Model and guiding employees through the transformation, while strengthening operational resilience and accelerating efficiency by leveraging digital and AI. Hervé had a strong background in both HR and industrial operations, and previously served in a number of operational and HR roles at PPG Industries, including Chief Human Resources Officer and Vice President of Human Resources. His previous industrial positions included Director of Industrial Coatings facilities at PPG and EMEA, as well as Quality Director and Plant Director for automotive glass manufacturing operations at AGC in Belgium.

Diplomas	• Master in Human Resources from HEC St Louis, Brussels, Belgium
Professional address:	Syensqo Rue de la Fusée 98, 1130 Brussels - Belgium

(1) *The 2025 Annual Integrated Report covering the 2024 financial year provided that Mr. Hervé Tiberghien owned 10,303 shares. This figure was however incorrect and should have been read as "3,000". The error arose from a confusion between the actual shareholding as of 31 December 2024 and information related to the ongoing incentive plans.*

Marc Chollet

- Executive Leadership Team Member
- Chief Strategy Officer

Nationality: French	**Born in:** 1964
Appointment date: December 2023	**ELT Term expiry date:** 31 December 2025

Presence at ELT meeting(s) in 2025: **10**/10

Holds **2,416** Syensqo shares

Marc Chollet, has served as Chief Strategy Officer of Syensqo since December 2023. Prior to this, he served as Chief Strategy Officer and a member of the Executive Leadership Team at Solvay from 2021 until 2023 where he was instrumental in upgrading the Group's business portfolio, driving more than 100 transformational M&A transactions. He joined Solvay through its acquisition of Rhodia in 2011, where he had served as Deputy General Manager of Strategy, Marketing and Sales since 2007 and as a member of the Executive Committee. Before that, Mr. Chollet led several regional businesses at the Rohm & Haas Group in Agrochemicals, Plastic and Coating additives. Mr. Chollet began his career at Lesieur Alimentaire in the international business development department before being appointed as head of the division and later as Director of International Development and member of the Board of Management of the Consumer Goods division of the Group Eridania Beghin-Say.

Diplomas	• Engineer in Agronomy from the National Institute of Agronomy Paris-Grignon, Specialization in Business Economics & Marketing Management
Professional address:	Syensqo Rue de la Fusée 98, 1130 Brussels - Belgium

Christopher Davis

- Executive Leadership Team Member
- Chief Financial Officer

Nationality: South African, British & Australian	**Born in:** 1973
Appointment date: December 2023	**ELT Term expiry date:** 2027

Presence at ELT meeting(s) in 2025: **10**/10

Holds **4,910** Syensqo shares

Christopher Davis, has served as the Chief Financial Officer at Syensqo since December 2023. Prior to this, he served as the Chief Financial Officer and Chief Sustainability Officer at Orica Limited. Mr. Davis served in multiple leadership roles at Anglo American PLC, including Chairman & CEO of the Scaw Metals Group, CFO of Scaw Metals Group and Head of Business Analysis and Reporting of Anglo Platinum Limited. He brings over 20 years of leadership and management experience within large complex multinational organizations in the natural resources & mining, industrial and chemicals sectors. He has extensive M&A experience and has overseen a number of large, complex financial transactions, as well as the implementation of SAP in 50+ countries. Mr. Davis has a track record of improving financial performance and strengthening balance sheets.

Diplomas	• Bachelor of Commerce degree and Postgraduate diploma in Accounting & Auditing from the University of Natal, South Africa • Postgraduate diploma in Treasury Management from the University of South Africa • Qualified member of the South African Institute of Chartered Accountants • Graduate of the Australian Institute of Company Directors
Professional address:	Syensqo Rue de la Fusée 98, 1130 Brussels - Belgium

Brian Belanger

- Executive Leadership Team Member
- Group General Counsel

Nationality: American & Swedish	**Born in:** 1969
Appointment date: June 2025	**ELT Term expiry date:** 2029

Presence at ELT meeting(s) in 2025: **4**/4

Brian Belanger has served as the General Counsel at Syensqo, since June 2025. Prior to joining Syensqo, Brian was with Husqvarna Group in Stockholm, Sweden, where he served as General Counsel from 2015 to 2025. Before that, he was the Vice President for Legal Affairs responsible for all legal matters in the APAC region at Husqvarna from 2009 to 2015. During his tenure, he played a pivotal role in developing the Global Legal Function, which encompassed Legal, Compliance, Risk Management, IP, and Corporate Governance functions. He also expanded his responsibilities to include Group M&A and Corporate Venture Capital sub-functions, and spearheaded continuous improvement initiatives, including the implementation of a Legal Operations function and AI-driven tech tools. His early career includes a judicial clerkship at the US Federal Courts in Washington, D.C., and M&A and related transactional work at various law firms.

Diplomas	• Juris Doctor (J.D.) and a Master of Laws (LL.M.) in International Law from Duke University School of Law
Professional address:	Syensqo Rue de la Fusée 98, 1130 Brussels - Belgium

3.5 Remuneration report

[GOV-3 - 29 a / 29 b / 29 c / 29 d / 29e]

3.5.1 Remuneration foundation and shareholder feedback

Key features of the Board members and Executive Leadership Team's remuneration components are disclosed in the remuneration report, where the pay-for-performance philosophy and strategy-linked framework are outlined.

Remuneration at a glance

REMUNERATION IS AN ESSENTIAL TOOL TO RETAIN AND MOTIVATE SYENSQO'S TALENT TO DRIVE SYENSQO'S STRATEGY

Syensqo's remuneration principles to attract, retain and motivate high calibre executives

Competitiveness	The remuneration structure is set around the median of the market with the ability to pay below or above this position to reflect experience, skills, responsibilities and contribution. The strengthened framework looks to attract, motivate and retain the best talent and is a reflection of Syensqo's reward principle of results-driven reward.
Alignment	The remuneration policy is aligned with market trends, shareholder interests and with Syensqo's strategy, objectives, and growth ambitions.
Long term orientation	Policy and incentives focus on sustainable and long-term value creation, in the interest of shareholders and employees.
Compliance	Syensqo adopts policies and processes that are compliant with applicable regulatory requirements, consistent with the Belgian Governance Code and global best practices. Remuneration decisions are compliant and equitable, keeping in mind pay levels within the wider workforce, balancing cost and value appropriately.
Transparency	Syensqo's aim is to embody transparency in the way Syensqo sets and delivers pay.

How we performed in 2025

€6.140bn
Net Sales(1)
-3% volumes

€1.901bn
Gross profit(1)
31% margin
-280bps YoY

€1.210bn
EBITDA(1)
19.7% margin

€356mn
Free cash flow
+59.7% YoY

1.47 Mt
GHG emissions scope 1 and 2
-5% reduction YoY

€281mn
Shareholder return
€165mn Dividends distributed to shareholders
€116mn Share Buyback

0.22
Reportable injuries and illnesses per 200,000 work hours
-31% reduction YoY

(1) based on pro forma figures, including Oil & Gas GBU

The Remuneration Committee is appointed by the Board of Directors to review and recommend the remuneration of the Board, the CEO and the Executive Committee in the interests of the Company and its shareholders.

In 2025, following the 2025 Shareholders' Meeting, the Committee focused on a series of critical workstreams, including a review of shareholders' and proxy advisors' feedback, a reset of the Committee's use of discretion in agreeing variable remuneration and incentives, the remuneration aspects of the CEO succession and the remuneration of the incoming CEO.

In addition, the committee prepared for a fundamental review of Syensqo's Executive Remuneration Policy which will take place in 2026 and welcomed Cynthia Arnold as its new Chair, who took on the post on the 17th July 2025.

Listening to our shareholder feedback

During 2025, the Remuneration Committee undertook a thorough review of shareholders' feedback following the last Shareholders' Meeting, together with a detailed assessment of leading institutional investors' and proxy advisors' policies regarding the use of discretion in particular.

This review coincided with the appointment of Cynthia Arnold as the new independent Chair of the Committee. This change of Committee leadership together with the appointment of a new Company Chair and a new CEO, provide an opportunity to bring a fresh perspective to Syensqo's remuneration policies and practices, to reinforce discipline and to ensure full alignment between the Company's remuneration policies and shareholders' expectations and evolving governance standards.

As a result, during the course of 2026, the committee will conduct a fundamental review of the Company's entire Executive Remuneration Policy. The priority will be to reflect the interests of Syensqo's stakeholders and to reinforce the credibility of our desired pay-for-performance model, and to ensure that management's incentives are clearly aligned with the Company's strategy for value creation and the interests of long-term shareholders. The Committee is similarly committed to ensuring that the new Remuneration Policy will adhere in all aspects to current governance standards. It intends to consult widely with shareholders before implementing this policy, which will be put to a shareholder vote in the 2027 Shareholders' Meeting.

On the specific issue of discretion, the feedback was unequivocal: discretion must be tightly defined, used sparingly, and never undermine the integrity of performance conditions. The Committee fully supports this principle.

Accordingly, we have materially strengthened and narrowed our discretion framework, which is shared below and has been adopted since January 1, 2026.

Under the revised policy:

- discretion is limited to clearly defined and exceptional circumstances;
- upward discretion will be exercised only in truly exceptional cases where formulaic outcomes demonstrably fail to reflect underlying performance, and are supported by compelling and transparent justification;
- downward discretion will be used where the formulaic outcomes do not adequately represent shareholder experience;
- discretion will not be used to circumvent performance conditions or to shield executives from the consequences of underperformance;
- any exercise of discretion will be fully disclosed, including the rationale, governance process, and the quantitative impact on remuneration outcomes.

We believe the changes already made to our discretionary policy and Syensqo's remuneration governance are firmly in line with evolving best practices and demonstrate our responsiveness to shareholder expectations.

In appointing a new CEO, the Remuneration Committee and Board have approved a new compensation package that is lower than his predecessor's, aligned with the median of our target peer group, and fully consistent with Syensqo's refreshed Executive Remuneration Policy. His package also includes standard market terms, including a one-year notice period and severance provisions within the limits set out in Article 7.92 of the Belgian Code of Companies and Associations (BCCA).

The new CEO's remuneration reflects the Board and the Committee's objective to ensure that executive remuneration attracts the best executives talents while being competitive, transparent and fully aligned with market practice and shareholder expectations.

In addition, and in light of shareholder feedback, the Board and the Committee have recalibrated management's short-term incentive metrics for 2026 to strengthen the focus on growth and financial discipline. The framework now centers on Net Sales, EBIT and Operating Cash Flow, replacing Organic EBITDA growth and Free Cash Flow Conversion. This change enhances focus and accountability on performance and growth, supports disciplined execution aligned with Syensqo's strategy, and ensures remuneration outcomes are closely aligned with sustainable value creation for shareholders.

Discretion clause

Upon recommendation by the Remuneration Committee, the Board of Directors may temporarily apply discretion against, derogate from, or apply discretion in relation to the provisions set out in the Executive Remuneration Policy, in whole or in part, only in case of exceptional circumstances, in accordance with Article 7:89/1 of the Belgian Code of Companies and Associations, where such derogation is strictly necessary and proportionate to serve the Company's long-term interests, sustainability, or financial viability.

For these purposes, "exceptional circumstances" shall mean objectively demonstrable events that are unforeseen, outside the reasonable control of the Company and management, and which materially distort the intended alignment between pay and performance.

Discretion can be both downwards to zero or upwards to limits set in this policy.

Discretion in Variable Remuneration – Trigger Conditions

- The formulaic outcome does not accurately reflect the Company's underlying financial and/or operational performance over the performance period due to clearly identifiable exceptional events;
- the calculated outcome would otherwise be materially inappropriate due to unforeseen circumstances occurring at or after grant;
- a significant external event (including force majeure or material accounting standard changes not anticipated at grant) that would otherwise lead to a result inconsistent with the original intent of the approved remuneration framework.

Discretion may be exercised upwards or downwards, and in the case of upward discretion on an existing scheme, would not exceed the target opportunity for the relevant scheme.

In all cases, discretion shall take into account overall Company performance, including total shareholder return and financial results over the relevant period.

Discretion shall be reasonable and proportionate and shall not be exercised to reward failure or compensate for poor financial or operational performance.

Awards Outside Existing Schemes

The Board retains discretion to approve payments or awards outside the existing variable remuneration schemes for the purposes of attraction or retention, but within the maximum limits set out in this Policy, provided that such awards or payments are strictly necessary and proportionate to protect the Company's long-term interests, sustainability, or financial viability.

Quantitative Limits

- Any upward adjustment to the Short-Term Incentive (STI) or Long-Term Incentive (LTI) outcomes shall not exceed the target opportunity under the relevant scheme. Targets will never be retrospectively adjusted;
- any discretionary award outside existing variable remuneration schemes shall not exceed one times total annual at-target remuneration, this being defined as salary and STI at target;
- all awards remain subject to applicable malus, clawback and shareholding requirements.

Disclosure and form

Where discretion necessitates an award outside of the variable remuneration schemes, these will be:

- made in equity as far as is possible and practical. Cash may still be used as a vehicle in exceptional circumstances;
- based on meeting or exceeding pre-determined performance criteria. This applies regardless of whether the award is made in shares or cash.

The Company will fully substantiate and disclose the nature (including pre-determined performance criteria), scope, rationale, quantum impact, and explanation of how the discretion supports long-term shareholder interests in its annual integrated report.

3.5.2 Remuneration of the Board of Directors

Syensqo's directors are remunerated in line with Syensqo's Remuneration Policy, with fixed emoluments, the common basis of which is set at the Shareholders' Meeting. The remuneration of non-executive directors has been reviewed and approved at the 2024 Shareholders' Meeting and changes were applicable as from 2024. The key changes were to increase the annual fees and reduce the fee per meeting to better align with market practice. This change of mix represented the shift in the market practice away from fees per meeting.

Any additional remuneration is decided by the Board in accordance with Article 24 of the articles of association:

"Directors shall receive fixed emoluments, the amount and terms of which shall be determined by the General Meeting. The decision of the General Meeting shall stand until otherwise decided.

The Board of Directors is authorized to grant fixed emoluments in addition to the emoluments provided for in the preceding paragraph to Directors entrusted with special duties distinct from their directorship.

The Directors responsible for day-to-day management and the members of the Executive Committee are also each entitled to a variable remuneration determined by the Board of Directors on the basis of their individual performance and the consolidated performance of the Syensqo Group".

The Group provides the Chair of the Board with administrative assistance, an office and the support of the General Secretariat.

The other non-executive directors receive support from the General Secretariat. Syensqo also provides customary insurance policies covering the Board of Directors' activities when they are carrying out their duties.

Board fees are determined after considering the roles and responsibilities of each director, and the practices of companies of a similar size and international complexity. An assessment of market practice is conducted on a regular basis and the fees are disclosed in the remuneration report each year.

Board of Directors individual remuneration

Below is the remuneration applicable to Non-Executive Directors for the 2025 financial year, in effect since January 1, 2024 and approved by the Shareholders' Meeting on May 23, 2024:

Annual fixed fee		Attendance fee per Board and Committee meetings
Board of Directors		The attendance fee is €1,000 for the attendance of Board meetings or Committee meetings; this amount is increased by €1,000 per meeting for Board or Committee members who are based outside Europe and traveling overseas to attend Board or Committee meetings in person. Where Nomination Committee and Remuneration Committee meetings occur on the same day, only one meeting fee is paid. The Chair of the Board does not receive attendance fees for the Board or Committee meetings. The CEO only receives attendance fees for the Board Meeting. As from 2026, the CEO does not receive attendance fees for the Board meetings. Syensqo reimburses directors' travel and expenses for meetings related to their Board and Board Committee functions.
Chair	€300,000	
Other Members	€75,000	
Audit Committee		
Chair	€35,000	
Other Members	€20,000	
Other Committees		
Chairs	€18,000	
Other Members	€10,000	

Non-executive directors do not receive any additional remuneration linked to results or other performance criteria. More specifically, non-executive directors are not entitled to annual bonuses, stock options or performance share units, or to any supplemental pension scheme.

In accordance with the Remuneration Policy, the annual gross fixed remuneration for the CEO was included in the annual remuneration fees as an ELT member, and the Board meeting attendance fees are paid for the board meetings that were attended.

Share ownership guidelines for the Board

Syensqo acknowledges that the Belgian Governance Code recommends that a portion of the remuneration paid to non-executive directors be in shares (Principle 7.6), and that Syensqo's Remuneration Policy does not provide for this. However, the Remuneration Committee considers that the current Remuneration Policy complies with the objectives of Principle 7.6. Indeed, the Share Ownership Guidelines provide that non-executive directors are required to hold equivalent to 100% of their gross annual board fixed fees in shares. This shareholding is to be built up over a period of 3 years. These shares should be held until at least one year after the non-executive director leaves the Board of Directors and, in any case, for at least three years after the shares were acquired. The dividends attached to these shares are paid at the same time as for the other shareholders. (See detail under Section 3.1.1 of the Corporate Governance Statement). The Remuneration Committee regularly reviews Syensqo's remuneration practices, disclosures and market practices to determine whether the current Remuneration Policy remains appropriate. Any changes to the Remuneration Policy regarding the Board's remuneration will be submitted to shareholders and only be implemented following shareholder approval.

Amount of remuneration and other benefits granted directly or indirectly to the members of the Board by the Company or by an affiliated company

GROSS REMUNERATION AND OTHER BENEFITS GRANTED TO DIRECTORS

Name Mandate	From January 1 to December 31, 2025 *(Amount in EUR)*												2024
	Fixed fees	# Board meetings attended	Board Committee fee	# Audit Committee attended	Audit Committee fee	# Remuneration Committee attended	Remuneration Committee fee	# Nomination Committee attended	Nomination Committee fee	# ESG Committee attended	ESG Committee fee	Total fees for 2025	Total fees for 2024
Rosemary Thorne Chair of the Board of Directors	300,000	12/12				5/5		5/5				300,000	300,000
Ilham Kadri Chief Executive Officer and Non-Independent Director *until December 31, 2025*		12/12	9,000							3/3		9,000	8,000
Françoise de Viron Non-Independent Director, Vice-Chair of the Board of Directors and Chair of the ESG Committee	113,,000	12/12	9,000			5/5	3,000	5/5	4,000	4/4	4,000	133,000	129,000
Matti Lievonen Independent Director and Chair of the Remuneration Committee *until July 15, 2025*	55,792	6/6	4,000			3/3	3,000	2/2	2,000			64,792	116,000
Edouard Janssen Non-Independent Director	100,833	12/12	9,000	6/6	6,000							115,853	120,000
Julian Waldron Independent Director and Chair of the Audit and Risk Committee	115,833	12/12	9,000	6/6	6,000							130,833	136,000
Heike Van de Kerkhof Independent Director and Chair of the Nomination Committee	123,000	12/12	9,000	6/6	6,000	5/5	3,000	5/5	4,000			145,000	142,000
Roeland Baan Independent Director	110,833	12/12	8,000	6/6	6,000					4/4	3,000	127,833	132,000
Mary Meaney Non-Independent Director	85,000	12/12	9,000							4/4	4,000	98,000	96,000
Nadine Leslie Independent Director *until June 30, 2025*	52,500	6/6	3,000			2/3	2,000	3/4	2,000	1/2	1,000	60,500	118,000
Cynthia Arnold Independent Director and Chair of the Remuneration Committee *as from July 17, 2025*	49,924	6/6*	6,000			2/2	1,000	1/1	1,000	1/1		57,924	
Augusto Di Donfrancesco Non-Independent Director *as from July 17, 2025*	38,258	6/6	5,000							1/1	1,000	44,258	
TOTAL												**1,286,973**	**1,297,000**

* *The attendance fee was increased by €1,000 as the board member travelled intercontinentally to attend two meetings in person out of the six meetings she attended*

3.5.3 Remuneration of the Executive Leadership Team (ELT)

Syensqo's remuneration philosophy and policy

The following table summarizes the core elements and key principles of Syensqo's Remuneration Policy which apply both to ELT members and other senior executives:

Fixed compensation	+	One-Year Variable STI (cash bonus)	+	Multi-Year Variable LTI (shares plan)	+	Benefits	=	Total Remuneration

Fixed remuneration (base salary)

Purpose and link to strategy	Peer Group
Ensure that Syensqo's ELT members are rewarded for their experience, responsibilities and individual performance while maximizing returns in a responsible and sustainable way. The strengthened framework looks to attract, motivate and retain the best executive talent in alignment with market trends and shareholders' long-term interests. These important principles are also reflected in the remuneration policies and programs offered to Syensqo employees globally. The remuneration is regularly reviewed by the Remuneration Committee considering positioning relative to the peer market median, performance, indexation, and role changes.	In line with the Remuneration Policy, remuneration of the Executive Leadership Team (ELT) members is benchmarked against that of a relevant peer group that comprises European chemical and industrial firms similar in operational footprint, revenues, business model and headcount. This peer group reflects Syensqo's strategy and pool for executive talent, while also considering other factors such as: industry, size, geographic presence, complexity and talent market dynamics. The peer group may change from time to time to reflect these criteria and changes are approved by the Board of Directors. The Remuneration Committee targets positioning Syensqo's remuneration packages around the market median, considering individual experience, role and performance. Regular reviews of the peer group composition ensure alignment with Syensqo's strategic direction and changes in the selected companies' ownership or operating models.

STI (cash bonus)		**LTI** (share-based incentive)	
Purpose and link to strategy	**Policy**	**Purpose and link to strategy**	**Policy**
Short-term variable remuneration is tied to the achievement of annual goals aligned to Syensqo's strategic plan, including financial performance, sustainability, and recognizes the delivery of results against targets.	2025 target STI: 120% of base salary for the CEO and 70% for other ELT members. The minimum payout is 0% and maximum is 200% of STI target. The weighted STI performance metrics are as follows: • 65% Financial • 15% ESG • 20% Individual objectives Weights may vary to reflect priorities within the policy parameters.	Long-term variable remuneration fosters alignment with shareholder interests, promoting accountability to drive long-term value creation through strategic execution and performance excellence.	The annual grant value is determined as a percentage of fixed base remuneration for all ELT members. The Performance Share plan represents 70% of the LTI grant and the Restricted Share plan represents 30% of the LTI grant. The target LTI levels represents 150% of base pay for the CEO and up to 125% for other ELT members. Outcomes range from 0% if the minimum targets are not met, to a maximum of 150%. The weight of PSU performance metrics are as follows: • Financial objectives - 80% • Sustainability objectives - 20%

Other elements of fixed remuneration (pension and other benefits)

Purpose and link to strategy	Policy
Pension and other benefits are provided to attract and retain Executive Directors and ensure overall competitiveness with the market.	Pension and other benefits are provided based on local market practice and that of peer group companies. The type and levels of benefits provided are a reflection of Syensqo's Principle of Care.

Share ownership guidelines

Purpose and link to strategy	Policy
Ensure alignment between the interests of ELT members and Syensqo's long-term value creation. Requires a minimum share ownership by ELT members.	• 150% of fixed base remuneration for the CEO and 100% of fixed base remuneration for other ELT members. • 5-year period to comply. • Any shares acquired to meet this requirement must be held until at least one year after the ELT member leaves the Group and, in any case, for at least three years after the shares were acquired.

Malus and claw back

As per the Remuneration Policy, the Remuneration Committee will activate malus and clawback provisions in exceptional circumstances, such as serious reputational damage, risk management failures, financial errors, misconduct, regulatory breaches, significant losses, or deteriorating financial health, with clawback potentially extending up to three years for awards under the Remuneration Policy.

Peer group

The peer group comprises European chemical and industrial firms similar in operational footprint, revenues, business model and headcount. This peer group reflects Syensqo's strategy and pool for executive talent, while also considering other factors such as: industry, size, geographic presence, complexity and talent market dynamics. The peer group may change from time to time to reflect these criteria and changes are approved by the Board of Directors. The peer group considered for the ELT is the following:

UCB	Covestro	Akzo Nobel	Croda International Plc
Umicore	Evonik	Clariant	Johnson Matthey Plc
BASF	LANXESS	Givaudan	DSM-Firmenich AG
Wacker Chemie AG	Symrise AG		

The Remuneration Committee reviewed the peer group in 2025 and based on business model and industry relevance, made a decision to remove Brenntag and Babcock International Group and replace them with Symrise AG and DSM-Firmenich AG.

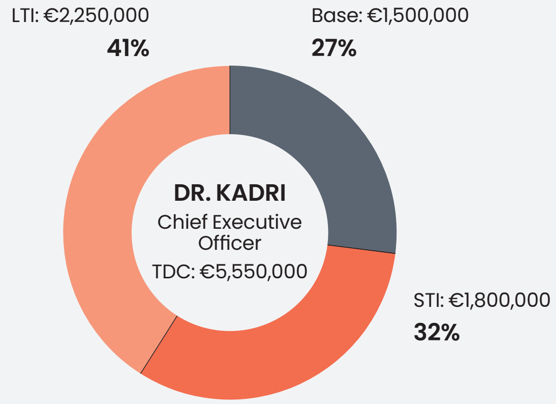
Pay mix and remuneration opportunities for ELT members

The pay mix of ELT members at the end of the reporting period is outlined below, and displays their Total Direct Remuneration "at target". As shown in the graphs, the Remuneration Policy is highly geared towards variable remuneration that is subject to meeting pre-determined performance objectives.

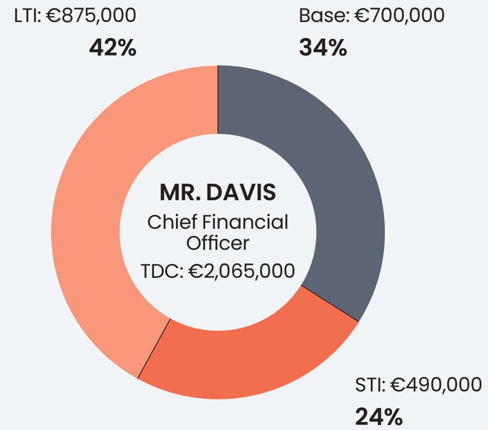
Overview: Pay mix of ELT members

The below graphs cover base remuneration and the standard short-term and long-term incentives granted as part of the Remuneration Policy "at target" for the full year 2025. They display the remuneration to which ELT members would have been entitled, at target, for the period from January 1, 2025 until December 31, 2025.

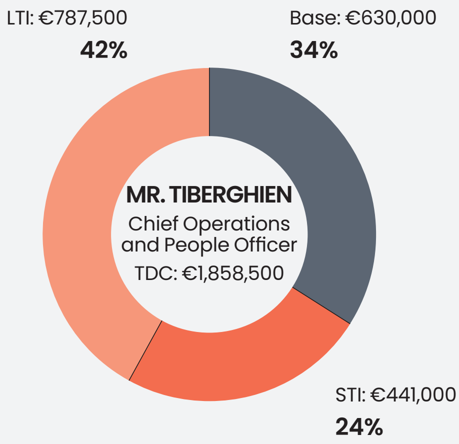
As on December 31, 2025



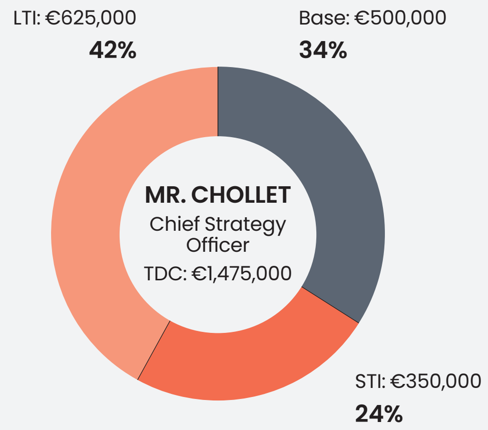
Fixed: 27% / Variable : 73% (LTI & STI)



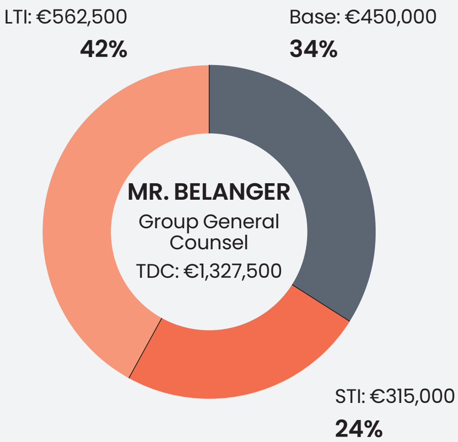
Fixed: 34% / Variable : 66% (LTI & STI)



Fixed: 34% / Variable : 66% (LTI & STI)



Fixed: 34% / Variable : 66% (LTI & STI)



Fixed: 34% / Variable : 66% (LTI & STI)

Pay mix and remuneration opportunities for ELT members

- LTI
- STI
- Fixed base

Base remuneration and Benefits

Fixed base remuneration

Fixed base remuneration reflects the individual's experience, skills, responsibilities, and performance. It is reviewed annually and may be adjusted, taking into consideration a number of factors, including:

- comparable salaries in appropriate comparator groups;
- changes within the scope of the role;
- changes in the Group's size and profile; and
- inflation following legal requirements in different countries.

Fixed base remuneration, which does not include the value of any benefits offered to ELT members, is used to calculate targets for variable remuneration.

Pension and other benefits

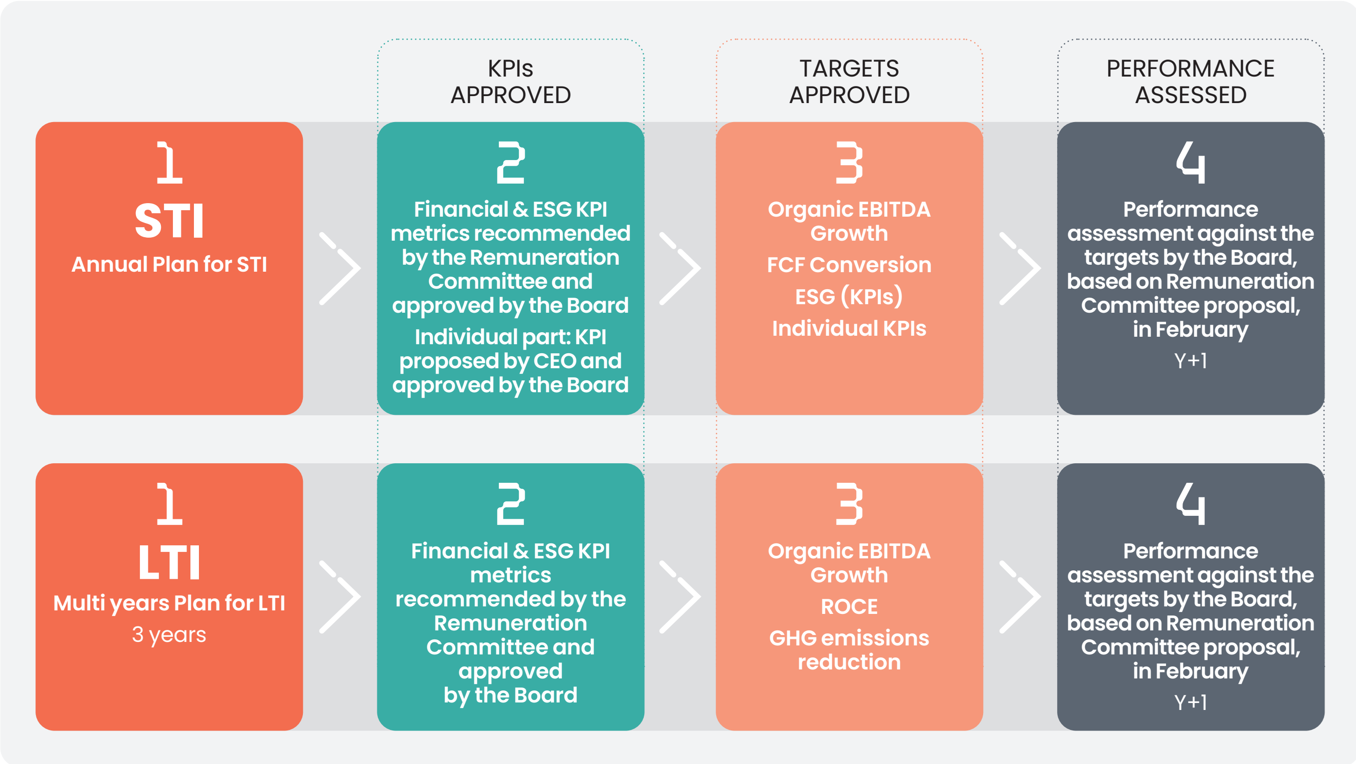
Benefits are not dependent on an individual's performance and are seen as a critical part of Syensqo's remuneration package. Syensqo aims to ensure that the nature and level of these benefits are in line with market practice and what is provided to other executives in the Group.

In accordance with Belgian legal requirements, the former CEO, Dr. Kadri, was self-employed and had a separate management agreement with the Company which was transferred from Solvay to Syensqo. This agreement provided for specific provisions with respect to pension contributions, death-in-service and disability benefits.

The General Counsel (Mr. Belanger), the Chief Financial Officer (Mr. Davis) and the Chief Operations and People Officer (Mr. Tiberghien) were also self-employed, and were entitled to the payment of an annual fixed base fee under their contractual agreement with the Company, which covers pension contributions, death-in-service, disability and healthcare benefits, as well as certain benefits-in-kind (e.g. company vehicle or car allowance, tax filing assistance). The Chief Strategy Officer (Mr. Chollet) and the former General Counsel (Mr. Rollinger), were based in France, under local employment contract under French law.

They were granted benefits such as a pension plan, death-in-service, disability and healthcare benefits according to the provisions of the plans applicable in their home countries.

Short- and long-term variable pay



Short Term Incentive (STI) plan

Maximum Award Opportunities

For 2025, the STI target was 120% of fixed base remuneration for the CEO and 70% of fixed base remuneration for other ELT members, with a minimum payout of 0% and a maximum of 200% of STI target. The award limit complies with the recommendation of the Corporate Governance Code (2020) that the short-term variable remuneration to the executive management is subject to a cap (Principle 7.10).

Setting STI Performance Objectives

Annually, the Board establishes performance objectives for both the Group and the CEO, a process typically conducted during the February Board meeting. The performance objective-setting aims to establish challenging yet achievable targets, incorporating input from various perspectives within the business while ensuring alignment with Syensqo's long-term growth and sustainability goals. Moreover, this process is also mindful of not incentivizing executives to take excessive risks that could jeopardize the company's stability, reputation, and long-term sustainability.

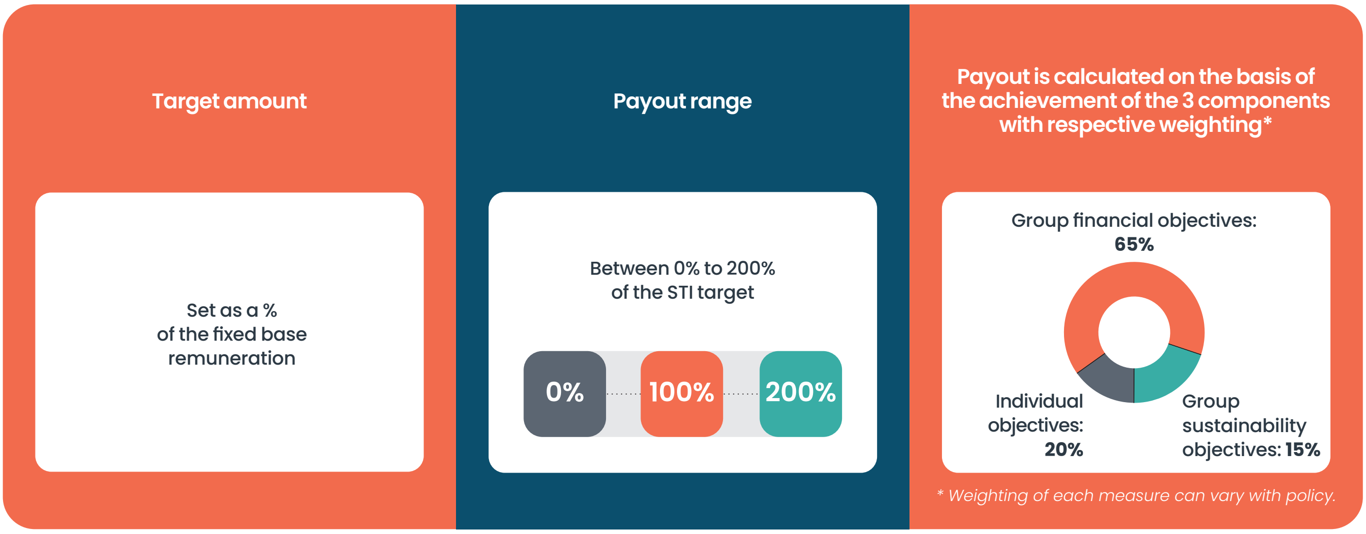
Syensqo's strategy for Short-Term Incentives (STIs) is to establish ambitious, attainable KPIs for the "target" award level, while "maximum" awards are reserved for achieving exceptionally high performance levels, ensuring adherence to the principle of pay-for-performance.

Each year the Committee and Board review the appropriateness of the financial KPIs. For 2026, the Committee and Board have recalibrated management's short-term incentive metrics to strengthen the focus on growth and financial discipline. The framework now centers on Net Sales, EBIT and Operating Cash Flow, replacing Organic EBITDA growth and Free Cash Flow Conversion. This change enhances focus and accountability on performance and growth, supports disciplined execution aligned with Syensqo's strategy, and ensures remuneration outcomes are closely aligned with sustainable value creation for shareholders.

In line with market practice, and due to the commercial sensitivity of disclosing short-term targets prospectively, Syensqo discloses the performance objectives and the performance against them on a retrospective basis.

STI Performance Objectives

The STI plan provides a cash opportunity that is based solely on the achievement of pre-determined annual financial, non-financial and individual objectives.



The 2025 STI plan focuses on three broad performance categories with the following weightings for all ELT members:

- financial objectives (65% of the STI) aims to align with shareholder interests through various criteria;
- Syensqo One Planet objectives (15% of the STI) translate Syensqo's sustainability goals and are structured around three pillars: Climate, Nature and Safety;
- individual objectives (20% of the STI) are customized for each ELT member to align with their specific roles and responsibilities within the organization. They may include objectives related to areas such as project milestones, innovation initiatives, leadership development, or any other relevant metrics that measure the ELT member's impact on Syensqo's success. These objectives are pre-determined, and may be quantitative and/or qualitative. These objectives are approved by the Board for the CEO and then cascaded down to other ELT members by the CEO. The CEO assesses the achievement of individual objectives by the ELT Members, and this assessment is then reviewed and validated by the Remuneration Committee and the Board. The individual performance of the CEO is reviewed by the Remuneration Committee and approved by the Board. The CEO is absent from the Remuneration Committee and Board meetings during all discussions relating to CEO pay.

Ahead of the Shareholders' Meeting, Syensqo will disclose in a separate document shared on the Corporate website alongside the Shareholders' Meeting materials, the performance measures and associated weighting of each measure under the STI plan to determine the CEO's bonus for the upcoming financial year.

Bonuses are subject to malus and clawback provisions, as foreseen in the Remuneration Policy.

Group performance 2025

In 2025 Syensqo continued its development as a newly listed company while navigating a challenging macro-environment. Despite difficult externalities, the Company continued to advance its standalone pure-play strategy, implement organizational transformation, and accelerate cost discipline initiatives, robust cash generation and build its balance sheet. The 2025 results yielded stronger cash generation than target driven by disciplined capital expenditures and a focus on working capital optimization.

GROUP PERFORMANCE 2025

Group Performance Measures	Actual performance	Minimum	Target	Maximum	Result for STI payout calculation
Organic EBITDA growth	-12%	-5% (Min.)	0% (Target)	5% (Max.)	0%
Free cash flow conversion	29.6%	23% (Min.)	28% (Target)	33% (Max.)	132%
Syensqo One Planet progress	✓	Overall achievement of the KPIs		Significant improvement compared to targets overall	180%

● Actual performance

GROUP PERFORMANCE 2025

Group Performance Measures		Minimum	Target	Maximum	Actual performance
Climate	GHG Scopes 1 & 2 gross absolute value Current scope (Mt)	1.6	1.55	1.5	200%
Climate	GHG Scope 3: Climate pledges for suppliers Scope 3.1 for raw materials covered by signed pledges (%)	0%	30%	40%	200%
Nature	Fresh Water Intake Fresh water intake at sites exposed to water availability challenges (Mm^3)(Atequiza, Baton-Rouge, Clamency, Long Beach, Melle, St-Fans, Tavaux)	29.0 (2024 vol + 0.7Mm^3)	28.3 (2024 vol)	27.6 (2024 vol - 0.7Mm^3)	200%
Nature	Fresh stewardship plans Number of sites equipped with a water stewardship plan to drive action toward 2030 goal	0	5	8	200%
Safety	Reportable injuries and illnesses per 200.000 work hours	0.32	0.27	0.25	200%
Safety	Process Safety Incident Rate	0.51	0.46	0.41	80%

TOTAL ONE PLANET SCORE: 180%

● Actual performance

Summary of CEO STI objectives for 2025

Objectives	Overall weight	KPI	Sub-weight
Financial	65%	Organic EBITDA Growth (70%)	45.5%
		Free Cash Flow Conversion (30%)	19.5%
Sustainability	15%	One Planet	15%
Individual non-financial	20%	Strategy & Operations People, brand and investors Other	20%
Total	100%		100%

Individual CEO objectives set by the Board

The CEO's objectives were set by the Board and Remuneration Committee at the beginning of the fiscal year and finalised and approved following the end of the year against the performance targets. The assessment considered (i) delivery of separation milestones and operational independence, (ii) portfolio progress toward a purer play specialty profile, (iii) operating model and cost discipline, (iv) innovation and AI-enabled transformation, (v) agility in adapting the portfolio in line with changing market conditions, and (vi) leadership, talent and stakeholder engagement. As a result of these achievements, the Committee concluded that the CEO delivered a strong individual performance in 2025.

Key items considered:

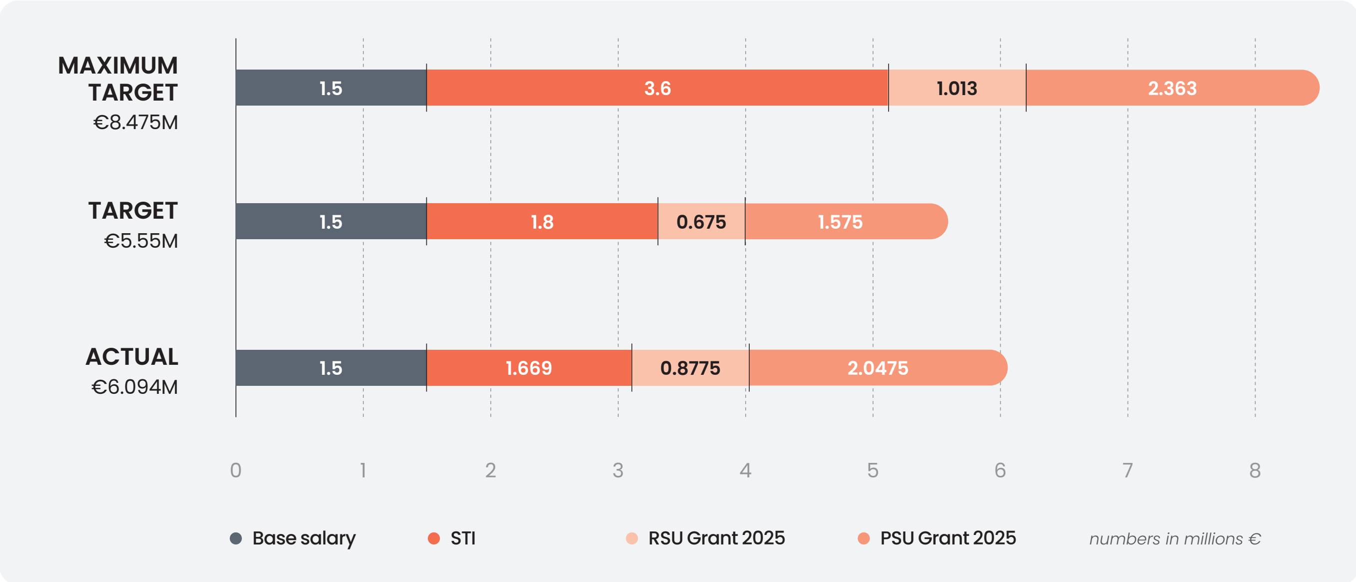
- delivery of free cash flow reaching approximately €356 million, up about 60% versus 2024 and materially above the initial guidance of €300 million;
- delivery of separation milestones significantly ahead of plan (reducing financial risk of approximatively €400 million for the shareholders and the company);
- continued progress toward a simplified, higher-quality specialty portfolio by divesting Syensqo's Oil & Gas business at an attractive valuation;
- rewarding shareholders via share buy-backs and dividends (€281 million in dividends and share buy back) as a result of strong cash flow generation while preserving a strong balance sheet;
- delivered a hand-over to a new internal CEO as of December 31, 2025.

Pay for performance

CEO : Actual against maximum possible

Pay for performance is core to Syensqo's remuneration approach. The chart below shows this approach in action. The actual remuneration is significantly below maximum opportunity and moderately above target.

The chart below outlines the LTI grant in 2025. With regards to the 2023 plan vesting in 2026, in line with the pay for performance approach, the PSU plan did not meet the performance threshold, resulting in the PSU not vesting and the shares awarded to all participants been forfeited as a consequence.



STI payout amounts, taking into account the Group and individual performance of each ELT member for the results achieved in 2025, and the value of LTI vesting in 2025 are disclosed in section "Amount of remuneration paid and other benefits granted directly or indirectly to the CEO and other ELT Members". The One Planet targets, accounting for 15% of the STI target, consisted of three equally weighted metrics related to Syensqo's commitment to sustainability. The objective related to climate resulted in an outcome of €180,000, which represents 10.78% of the STI payout of the CEO, considering the actual performance on this metric. This amount is reflected in the STI award above and is not in addition to it.

Long Term Incentive (LTI)

Scheme's purpose and components

Syensqo aims to incentivize its ELT members by implementing a Long Term Incentive (LTI) Plan, wherein a substantial portion of equity awards is contingent upon performance criteria aligned with the Company's strategy. This approach fosters alignment with shareholder interests, promotes accountability and drives long-term value creation through strategic execution and performance excellence.

Syensqo uses two equity vehicles to incentivize its ELT members: Performance-based Share Units (PSUs) and the Restricted Stock Units (RSUs):

PSUs	RSUs
PSUs represent 70% of the annual grant value and vest by meeting pre-defined long-term financial and non-financial objectives over a three-year performance period to promote a focus on long-term enterprise value growth and sustainability.	RSUs represent 30% of the annual grant value and vest over three years. The RSU aims to align ELT members' interests with that of shareholders and foster the retention of key personnel.
Performance objectives are distributed across Financial (60% to 80% of the award) and One Planet (20% to 40% of the award) categories, with targets and their respective weights established to align with the Company's mid- and long-term strategy. The opportunity varies from a minimum of zero, if the minimum target is not met, to a maximum payout of 150%, if the maximum target is achieved. In addition, for the vesting of the PSUs, the Total Shareholder Return (TSR) performance of the Company against the STOXX 600 is a modifier to the outcome. This ensures a clear focus within the ELT to create shareholder value. Where the PSU result is above zero, the TSR measure can decrease the PSU outcome by 25% when the TSR is in the lower quartile of the Stoxx 600 index; and increase the PSU result by 25% when the TSR is in the top quartile of the Stoxx 600 index. Ahead of the Shareholders' Meeting, Syensqo will disclose in a separate document shared on the Corporate website alongside the Shareholders' Meeting materials, the performance measures and associated weighting of each measure of the LTI plan to determine the vesting of PSUs granted in 2025. The Board assesses the achievement of the PSU against the audited results of the Company. Every year the Board determines the budget for distribution and the total volume of available PSUs is subsequently allocated to the eligible population according to the achieved result. PSUs feature employment or presence conditions, and dividends accrue solely on vested awards, paid out at the conclusion of the performance period.	RSUs feature employment or presence conditions, and dividends accrue solely on vested awards, paid out at the conclusion of the three-year vesting period.
Share Ownership guidelines To align executives' interests with those of shareholders, a requirement to build and maintain a shareholding in Syensqo equivalent to 150% of fixed base remuneration for the CEO and 100% of fixed base remuneration for other ELT members is included in the Remuneration Policy. This shareholding should normally be built up over a period not exceeding five years. This is in compliance with the recommendation of the Belgian Governance Code (Principle 7.9). Any shares acquired to meet this requirement should be held until at least one year after the ELT member leaves the Group and, in any case, for at least three years after the shares were acquired. At this stage, ELT members are building their shareholding to meet these Share Ownership Guidelines (see detail under Section 3.1.1 of the Corporate Governance Statement).	**CLAWBACK PROVISIONS RELATING TO LTI (PSUs AND RSUs)** Syensqo has the right to claim reimbursement of any amounts paid in accordance with the PSU - RSU plans, from any participant, during a period of three years from the date of the payment, on the basis of erroneous results that were subsequently adjusted or corrected.

SHARES PLAN (PSU AND RSU)
INCLUDING PSUS – RSUS ALLOTTED IN 2025 TO ELT MEMBERS

	The main conditions of the performance share plan					Information regarding the reported financial year			
						During the year			
Name	Plan specification & year	Performance Period	Award Date	Vesting Date	Opening balance	Shares awarded		Units forfeited	Closing Balance o December 31,2025
					Balance outstanding shares begin year	Number of shares	Grant Value (€)		
Dr. Kadri Chief Executive Officer *until December 31, 2025*	PSU 2023	2023-2025	7.03.2023	28.02.2026	26,049			26,049	-
	RSU 2023	2023-2025	7.03.2023	31.12.2025	11,164				11,164
	PSU 2024	2024-2026	27.03.2024	28.02.2027	26,525				26,525
	RSU 2024	2024-2026	27.03.2024	31.12.2026	11,368				11,368
	PSU 2025*	2025-2027	20.03.2025	28.02.2028		27,506	2,047,500		27,506
	RSU 2025*	2025-2027	20.03.2025	01.01.2028		11,789	877,500		11,789
	Total				**90,313**				**88,352**
Mr. Davis Chief Financial Officer	PSU 2023	2023-2025	7.03.2023	28.02.2026	4,186			4,186	-
	RSU 2023	2023-2025	7.03.2023	31.12.2025	1,795				1,795
	PSU 2024	2024-2026	27.03.2024	28.02.2027	7,253				7,253
	RSU 2024	2024-2026	27.03.2024	31.12.2026	3,109				3,109
	PSU 2025*	2025-2027	20.03.2025	28.02.2028		9,673	720,000		9,673
	RSU 2025*	2025-2027	20.03.2025	01.01.2028		5,441	405,000		5,441
	Total				**5,981**				**27,271**
Mr.Tiberghien Chief Operations and People Officer *until December 22, 2025*	PSU 2023	2023-2025	7.03.2023	28.02.2026	5,522			5,522	-
	RSU 2023	2023-2025	7.03.2023	31.12.2025	2,367				2,367
	PSU 2024	2024-2026	27.03.2024	28.02.2027	6,528				6,528
	RSU 2024	2024-2026	27.03.2024	31.12.2026	2,798				2,798
	PSU 2025*	2025-2027	20.03.2025	28.02.2028		7,406	551,250		7,406
	RSU 2025*	2025-2027	20.03.2025	01.01.2028		3,174	236,250		3,174
	Total				**20,495**				**22,273**

	The main conditions of the performance share plan				Information regarding the reported financial year				
					During the year				
Name	Plan specification & year	Performance Period	Award Date	Vesting Date	Opening balance	Shares awarded		Units forfeited	Closing Balance o December 31,2025
					Balance outstanding shares begin year	Number of shares	Grant Value (€)		
Mr. Chollet	PSU 2023	2023-2025	7.03.2023	28.02.2026	4,900			4,900	-
Chief Strategy Officer	RSU 2023	2023-2025	7.03.2023	31.12.2025	2,100				2,100
until December, 31 2025	PSU 2024	2024-2026	27.03.2024	28.02.2027	5,181				5,181
	RSU 2024	2024-2026	27.03.2024	31.12.2026	2,221				2,221
	PSU 2025*	2025-2027	20.03.2025	28.02.2028		5,878	437,500		5,878
	RSU 2025*	2025-2027	20.03.2025	01.01.2028		2,519	187,500		2,519
	Total								**17,899**
Mr. Belanger	PSU 2025*	2025-2027	11.06.2025	28.02.2028		5,290	393,750		5,290
Group General Counsel	RSU 2025*	2025-2027	11.06.2025	01.01.2028		2,267	168,750		2,267
as from June 1, 2025	**Total**								**7,557**

* *PSU's and RSU's share price for March 2025 grant was €74.44*

Stock option plans (SOP)

Outstanding SOPs were transferred from Solvay to Syensqo on December 8, 2023 in the context of the partial demerger. Therefore, Syensqo ELT members who have been transferred from Solvay to Syensqo hold SOPs as part of the LTI plans adjustments approved by Solvay's Board and described in the 2023 Syensqo Annual Report in Section [5.3.5.2.2] "Adjustments to the outstanding SOPs and PSUs and RSUs plans".

As of December 31, 2025, historical Stock Option Plans (SOPs) under Solvay in place before the partial demerger remained outstanding under the 2020 and 2021 SOPs, and the rules thereof are reiterated below.

Under Belgian law, unlike most other jurisdictions, taxes on stock options are due at the time of grant. Solvay, like other Belgian companies, had therefore set no additional performance criteria for determining the vesting of stock options. The options have a vesting period of three full calendar years – meaning that options will vest on the first day of the fourth year after the grant year – followed by a four-year exercise period.

When they were granted, the SOPs gave each beneficiary the right to buy shares at a strike price corresponding to the fair market value of the shares upon grant. Every year, the Board determined the volume of stock options available for distribution, based on an assessment of the economic fair value at grant, using the Black Scholes valuation formula. The total volume of options available was subsequently allocated to the eligible population.

Features:

- options are granted at the money (or fair market) value;
- they become exercisable for the first time three full calendar years after they are granted;
- they have a maximum term of eight years;
- they are not transferable inter vivos;
- the plan includes a bad leaver clause.

In addition, SOPs also remain outstanding under the 2022 SOP that was set up in the context of the partial demerger, the features of which are as follows:

- stock options were subject to performance conditions – implementation of separation milestones and value creation – and would have been forfeited in full if the partial demerger had not occurred by 2025;
- the combined share prices of Solvay and Syensqo following completion of the partial demerger had to be above €100 for at least 15 trading days in total (not required to be consecutive days) for the options to become exercisable as from January 1, 2026 and deliver value. If this criteria had not been met, the award would have lapsed;

- the options may be exercised by beneficiaries between January 1, 2026 and December 31, 2027 inclusive, providing presence and performance criteria are met;
- taxes were paid at the time of the grant in Belgium and cannot be recouped if the options do not vest or upon voluntary departure, demonstrating executives' commitment and belief in the success of the partial demerger and value creation for both companies;
- the Exercise Price of each option is €84.34, which was the fair market value of the Solvay share at the time of the grant (August 2022);
- each stock option entitles its holder to acquire one Solvay share and one Syensqo share against payment of the exercise price ("basket" options);
- stock options were determined as a multiple of annual base salary in a range between 50% and 200%, depending on the Board's view of how critical the role of the beneficiary was for the partial demerger project (Po2 project).

The 2022 SOP plan was not adjusted in the context of the partial demerger. Accordingly, the 2022 stock options remain "basket options" entitling their holders to acquire one Solvay share and one Syensqo against payment of the exercise price.

Stock options, PSUs and RSUs held on December 31, 2025 by the ELT members

The table below shows the evolution of outstanding balances of stock options issued to ELT members and the balance of the Syensqo stock options held by the ELT members. None of the other ELT members hold any stock options as of December 31, 2025.

STOCK OPTIONS
BALANCE ON DECEMBER 31, 2025

Name	SOP	Balance on December 31, 2024	Granted in 2025	Exercised in 2025	Expired in 2025	Vested	Non vested	Balance on December 31,2025
Dr. Kadri	Solvay (segregated options)[1]	36,985		36,985				-
Chief Executive Officer	Syensqo (segregated options)[1]	93,617				93,617		93,617
until December 31, 2025	Basket options[2]	129,418						129,418
Mr. Tiberghien	Solvay (segregated options)[1]	10,720		10,720				-
Chief Operations and People Officer	Syensqo (segregated options[1]	27,135				27,135		27,135
until December 22, 2025	Basket options[2]	23,355						23,355
Mr. Chollet	Solvay (segregated options)[1]	17,367				17,367		17,367
Chief Strategy Officer	Syensqo (segregated options[1]	41,536			6,788	34,748		34,748
until December 31, 2025	Basket options[2]	22,399						22,399
Total	Solvay (segregated options)[1]	65,072						17,367
	Syensqo (segregated options[1]	162,288						155,500
	Basket options[2]	175,172						175,172

(1) Options granted under the historical 2020 and/or 2021 SOPs reflecting the adjustments validated by Solvay's Board in the context of the partial demerger and which, accordingly, entitle their holder to acquire a Solvay share or a Syensqo share against the payment of separate exercise prices.
(2) Options granted under the 2022 Power of 2 (Po2 SOP) separation from Solvay and which, accordingly, entitle their holder to a Solvay share and a Syensqo share against the payment of a single exercise price

2022-2024 LTI Performance Share Unit plan performance results

As previously disclosed in the registration document in the context of the partial demerger, the Board of Directors adjusted the terms of the 2022 PSU plan in order to:

- enable eligible beneficiaries to receive, for each PSU held, one Solvay share and one Syensqo share;
- confirm that performance for the year 2024 would be extrapolated based on performance achieved in 2022 and 2023;
- convert the PSUs into RSUs; and
- adjust the vesting multiplier, whereby Solvay's performance against the median Total Shareholder Return (TSR) of the STOXX 600 Index peer group would be measured using the average closing price of the Solvay share over the three-month period ending November 30, 2023.

The terms of the 2022 RSU plan were also adjusted as part of the partial demerger, to allow the relevant beneficiaries to receive, for each RSU held, one Solvay share and one Syensqo share. The resulting Solvay and Syensqo Restricted Share Units were delivered in March 2025 with a vesting at 100% based on the actual performance of 2022 and 2023 at the time of the conversion. Dividends, taking into account the number of vested units calculated over three years (€11.30 per unit for the Solvay shares and €1.63 for the Syensqo shares) were paid.

Shares delivered in 2025 to the ELT Members relating to this plan are disclosed in the section below.

Amount of remuneration paid and other benefits granted directly or indirectly to the CEO and other ELT members from January 1, 2025 to December 31, 2025

According to the Remuneration Policy and based on the Board of Directors' assessment of the performance of the Group and Syensqo executives in 2025 from January 1 to December 31, the remuneration of the CEO and other ELT members are displayed in the table below. All retention programs and their related payments are made in compliance with the Remuneration Policy.

Name Position	Fixed remuneration	Variable remuneration: Annual variable pay based on 2025 paid in 2026	Variable remuneration: The value of vested equity based remuneration 2025(1)	Total direct remuneration	Extraordinary items	Benefits: Pension(6)	Benefits: Other(6)	Total remuneration Excluding extraordinary	Proportion of fixed and variable remuneration (excluding extraordinary items): Fixed	Proportion of fixed and variable remuneration (excluding extraordinary items): Variable
Dr. Kadri Chief Executive Officer *until December 31, 2025*	1,500,000	1,669,320	3,029,621	6,198,941	13,125,000(2a) 4,375,000(2b) 3,500,000(2c)	1,042,920	284,170	7,526,031	38%	62%
Mr. Davis Chief Financial Officer	700,000	356,426	-	1,056,426	-	243,103	336,516	1,636,045	78%	22%
Mr. Tiberghien Chief Operations and People Officer *until December 22, 2025*	630,000	408,983	719,235	1,758,218	1,740,375(3)	177,760	104,509	2,040,487	45%	55%
Mr. Chollet Chief Strategy Officer *until December 31, 2025*	500,000	289,590	665,946	1,455,536	1,547,345(4)	119,259	110,637	1,685,432	43%	57%
Mr. Belanger Group General Counsel *as from June 1, 2025*	262,500	133,660	-	396,160	-	82,366	97,376	575,902	77%	23%
Mr. Rollinger Group General Counsel *until February 25, 2025*	75,000	38,189	-	113,189	788,292(5)	18,710	19,731	151,630	75%	25%

(1) PSU and RSU 2022-2024 vested and delivered in March 2025; overall PSU plan result 100% as disclosed in the section "2022-2024 LTI Performance Share Unit plan performance results" of this report.
(2) Dr. Kadri received a number of exceptional payments in line with the terms of her contract and prior disclosures. Her contract of employment was originally agreed by the Board of Solvay when she joined the Solvay group in 2019 and was novated to Syensqo when Syensqo was created following the demerger from Solvay in December 2023. These payments include:
(2a) A contractual severance indemnity of 18 months calculated on fixed and variable compensation and all other benefits granted.
(2b) Non-competition period of 12 months, with payment of an indemnity equivalent to 6 months of remuneration computed on the same basis as the severance indemnity.
(2c) A retention payment for 2025. In addition to this 2025 retention payment, the company has an obligation to pay Dr. Kadri a retention payment for 2026 in the amount of €4M gross, subject to tax equalization. Both the 2025 retention payment and the 2026 retention payment were previously disclosed on Page 93 (footnote 2) of Syensqo's 2024 Annual Integrated Report. Both payments remained due in full, according to the terms of the previously agreed contractual arrangements of 2023 made by the Solvay Board of Directors, irrespective of the termination of Dr. Kadri's mandate as CEO.
(3) Mr.Tiberghien: whilst a separation date had not been finalised the terms of the indemnity in the event of termination had been agreed by the Board and was subsequently approved to be paid to his heirs, equal to the annual fixed fees and the short term variable fees at target for a period of 12 months and an additional amount of 3 months given the exceptional circumstances.
(4) Mr. Chollet: departure indemnity of 12 months remuneration in compliance with French law and the terms of his employment contract and the French regulation.
(5) Mr. Rollinger: departure indemnity of 12 months remuneration in compliance with French law and the terms of his employment contract and the French regulation, non-compete included.
(6) Long-term benefits (e.g. death-in-service, disability and medical benefits) and benefits in kind (e.g. company vehicle, education, relocation package expenses, tax filing assistance).

Additional notes: The convention for Dr. Kadri includes provisions for taxes equalization and reimbursement on certain elements as a consequence of her relocation from the USA in 2019. The tax equalisation was implemented in the context of loss of special tax status in Belgium as of January 2024. This was previously disclosed under section 3.5.5 of the 2024 Annual Report. This applies also to future LTI vests if applicable at the time of delivery. In 2025, €7,877,909.93 was paid, of which €2,447,676.26 was due for 2024, but not paid during 2024 as the calculation method had not yet been validated. For the year 2026, Dr. Kadri continues to benefit from relocation support in line with Syensqo's relocation policy in effect at the time her appointment; and death, disability and healthcare insurances, as part of her management contract when she joined.

Mr. Tiberghien acted as both Chief People Officer and Chief Operating Officer from July 1, 2024. No additional compensation was awarded. A review of pension status given that Mr. Tiberghien had spent significant time abroad in the course of his career was undertaken. The need to enhance the occupational pension savings to a more adequate level resulted in the Remuneration Committee proposing and the Board approving a special pension contribution of €400,000 paid in Q1 2025.

COMPARATIVE INFORMATION ON THE EVOLUTION OF REMUNERATION AND COMPANY PERFORMANCE

The table below shows the remuneration of the Board and the ELT in comparison to the Group's performance, starting on January 1 2025, considering the start date of the new Syensqo Group and its ELT.

	2025	2024
Remuneration		
Remuneration of the Board (€)	1,286,973	1,297,000
Remuneration of the CEO Dr. Kadri (€)	7,526,031	5,566,253
Remuneration for Members of the Executive Committee (€)	6,089,496	5,695,506
Average remuneration of employees (€)	84,055	88,492
Ratio between the remuneration of the CEO and the average remuneration of employees	89x	63x
Syensqo performance		
Underlying profit for the period (€ million)	385	553
Underlying EBITDA (€ million)	1,187	1,412
Free Cash Flow (€ million)	356	390 Excluding the €167 million payment to NJDEP made in Q2 2024

The remuneration of the CEO and the ELT members includes: (1) base remuneration paid in 2025; (2) STI for the results of 2025; and (3) RSU value for the results of the 2022-2024 plans, delivered in March 2025. It does not include: (1) granted or vested value of LTIs during 2025, as SOPs do not represent a value until exercised and PSUs and RSUs that vest on 31st December are delivered the following year, taking into account the performance of the Group over the vesting period for the PSUs; and (2) any one-time payments. Average remuneration of employees is calculated as: "total wages and direct social benefits" divided by the "number of employees on a year-over year basis for continued operations," as disclosed in the respective sections of this Annual Integrated Report. Following the guidance issued by the Belgian Corporate Governance Commission regarding remuneration disclosure, published in November 2020, the ratio of the CEO's pay (highest paid executive in the Group) to that of the lowest paid Syensqo employee in Belgium in 2025 is 177x. The lowest paid employee is defined as a full-time employee in Belgium who has worked for a full year and holds the lowest base salary at year end. The actual total remuneration received by this employee is considered in the calculation of the ratio.

3.5.4 Remuneration of upcoming ELT members

CEO: Mr. Michael Radossich

The newly appointed CEO since January 1, 2026, Mr. Radossich, is self-employed and has entered into a management agreement with the Company in Belgium as of this date.

In addition, Mr. Radossich will retain his US employment contract in order to reflect his US CEO operations responsibilities. This contract includes a fixed base salary, pension contributions, death-in-service, and disability benefits.

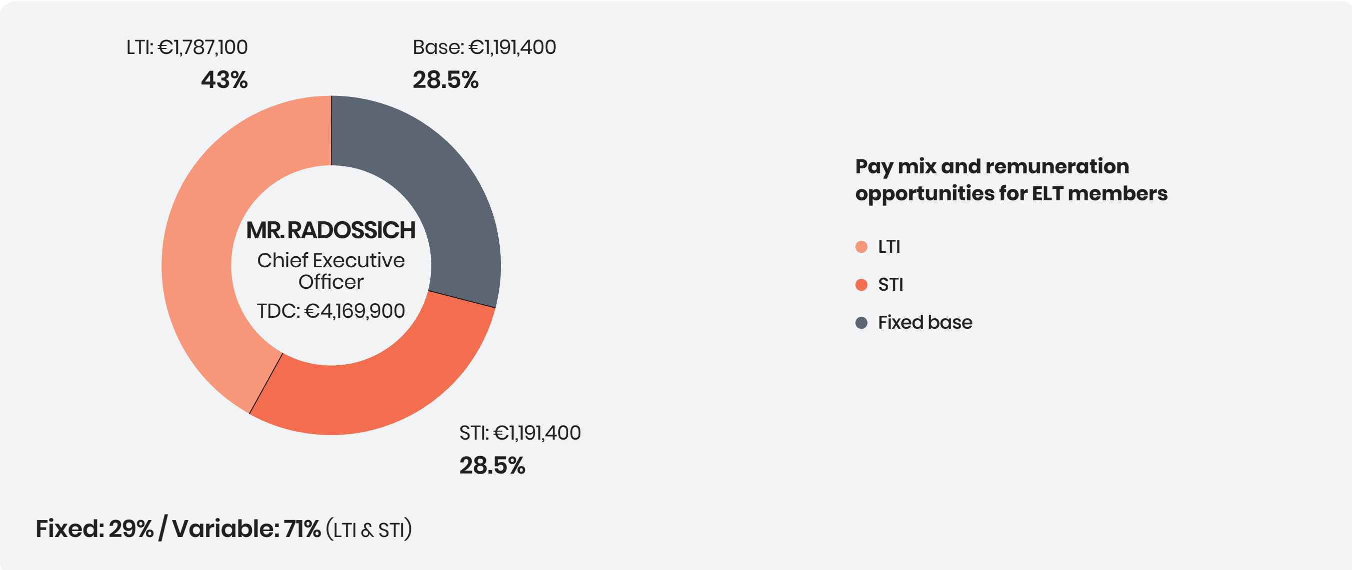
The annual fixed remuneration is USD 1,400,000, equivalent to €1,191,400 for the purposes of this report (this amount includes the fixed base salary under his US employment contract of USD 360,000).

The STI award opportunities provided by the STI plan for the CEO, is 100% of the annual fixed remuneration with a minimum payout of 0% and maximum of 200% of STI target.

The target LTI level represent 150% of the annual fixed remuneration for the CEO.

The package is aligned with the median of our target peer group and the severance terms of 12 months are within the limits set Article 7:92 of the BCCA.

As result of Mr. Radossich's international mobility, and solely to ensure that he is not unduly disadvantaged, the management contract includes provisions for a tax equalization mechanism on professional income. Importantly, this approach won't result in additional net remuneration for the CEO, nor does it alter the underlying compensation structure. The tax equalization amount which will be disclosed annually, will not exceed the limits established in the new discretion clause applicable as from 2026, with the understanding that its value may vary from year to year, primarily reflecting differences in tax and social security charges across various jurisdictions.



Chief People Officer: Ms. Kerstin Artenberg

The newly appointed CPO since March 1, 2026, Ms. Artenberg is self-employed and has entered into a management agreement with the Company in Belgium as of this date. This contract includes pension contributions, death-in-service, and disability benefits.

The annual fixed base remuneration is €450,000. Under the STI plan, the CPO is eligible for a target award opportunity representing 70% of fixed base remuneration. The LTI target level represents 125% of fixed base remuneration for the CPO.

3.5.5 Statements of compliance of remuneration for Chairperson and ELT members

This report has been prepared by the Remuneration Committee and approved by the Board and is in compliance with the Belgian Governance Code.

The remuneration packages of Dr. Kadri, the Chairperson of the ELT (and CEO) and the other ELT members, are in compliance with Article 7:91 of the BCCA, which provides that, in the absence of statutory provisions to the contrary or express approval by the Shareholders' Meeting, at least 25% of the variable remuneration shall be linked to predetermined performance criteria that are objectively measurable over a period of at least two years, and at least another 25% should be based on predetermined performance criteria that are objectively measurable over a period of at least three years.

Variable remuneration consisted of an annual incentive based on performance achieved relative to the Group's economic and sustainable development performance objectives, and on the performance of the individual as measured against a set of pre-determined individual objectives.

ELT members, including the CEO, receive as from 2024, PSUs and RSUs in the form of shares.

The expenses of the ELT members, including those of its Chairperson (the CEO), are governed by the same rules that apply to all senior management staff, namely the justification of all business expenses, item by item. Private expenses are not reimbursed. In the case of mixed business and private expenses, such as cars, a proportionate rule is applied in the same way as to all management staff in the same position.

According to Belgian Law, any material changes to Syensqo's Remuneration Policy must be submitted to shareholders for approval before implementation.

3.5.6 Key provisions of Executive Leadership Team members' contractual relationships with the Company and/or an affiliated company, including provisions relating to remuneration in the event of early departure

ELT members, including the Chairperson (CEO), have directorships in Group subsidiaries as a function of their responsibilities. Where such directorships are compensated, they are included in the amounts given above, regardless of whether the position is deemed to be salaried or undertaken on a self-employed basis under local legislation. All ELT members as of January 1, 2026, are under a self-employed status and have a management agreement of Belgian law. Mr. Radossich has a management contract of a definite period of 4 years that is tacitly renewed when his mandate is renewed. Mr. Radossich kept his employment contract in the US for his activity related to his US CEO operations role. The management contract includes provisions for a tax equalization mechanism on professional income to ensure that the CEO's overall tax burden is aligned with the applicable U.S tax rates.

Syensqo may terminate the management agreement upon a notice period of 12 months. In the event that Syensqo terminates his contract (without observing the 12-month notice period) or if his mandate is not renewed at the end of a 4-year period, he will be eligible for a contractual indemnity thats equals the fixed fees and the short term variable fees at target for a period of 12 months (or the remaining period). His management contracts provide for a non-competition period of 12 months after termination, with an indemnity that equals to 50% of the remuneration for the non-competition period (if Syensqo does not waive the application of the clause). This indemnity, if due by the Company, is included in the termination indemnity, from which it shall be deducted. In the event that Mr. Radossich resigns, he shall respect a notice period of 4,5 months and is subject to the non-competition clause described above, unless Syensqo waives the application of the clause. While Mr. Radossich is CEO of Syensqo SA and up to a period of 12 months following termination of this CEO role, any termination indemnity that he may receive in case of termination of the management agreement and the US employment contract shall not exceed the annual remuneration and the short-term variable fee at target, as per compliance with Article 7:92 of the BCCA. Should the management agreement be terminated and Mr. Radossich continues in a salaried position under his US employment contract (or any affiliate), no termination indemnity will be due by Syensqo for the termination of the management agreement. The CPO Ms. Artenberg, General Counsel Mr. Belanger and CFO Mr. Davis, have management contracts of a definite period of 4 years which are tacitly renewed when their mandate is renewed. Syensqo may terminate their management agreements upon a notice period of 12 months. In the event that Syensqo terminates their contract (without observing the 12-month notice period) or if their mandate is not renewed at the end of a 4-year period, they will be eligible for a contractual indemnity equal to the fixed fees and the short term variable fees at target for a period of 12 months (or the remaining period). Their management contracts provide for a non-competition period of 12 months after termination, with an indemnity that equals 50% of the remuneration for the non-competition period (if Syensqo does not waive the application of the clause). This indemnity, if due by the Company, is included in the termination indemnity, from which it shall be deducted. In the event that they resign, they shall respect a notice period of 4,5 months and are subject to the non-competition clause described above, unless Syensqo waives the application of the clause.

CEO succession planning and other ELT change:

CEO and ELT succession planning is a core responsibility of the Board and a fundamental element of sound governance. The Board reviews succession planning on a regular basis.

Following the creation of Syensqo, the Nomination Committee and the Board of Directors formally launched in 2024 a CEO succession process to ensure long-term leadership continuity for the next phase of Syensqo.

The process was rigorous and supported by an external executive search firm. Both internal and external candidates were comprehensively assessed. After thorough evaluation, the Board unanimously concluded that the internal candidate, Mr. Radossich, is fully prepared and best positioned to lead Syensqo into its next phase of growth and transformation.

Therefore, in-line with the succession planning, the Board of Directors asked Dr. Kadri to step down, as a good leaver, from her role as CEO and director while staying as a Consultant to the CEO and the ELT, under a consultant agreement effective January 1, 2026, aimed at ensuring the transition of leadership. The consultancy agreement ended on March 31, 2026.

Dr. Kadri's mandate as CEO and member of the ELT ended on December 31, 2025. Consistent with the terms of her management contract, put into place prior to the partial demerger in January 2022, she received: i) a contractual indemnity equivalent to 18 months of total remuneration (fixed, variable, long-term incentives and benefits); and ii) a non-compete indemnity equivalent to 6 months of total remuneration in consideration for a 12-month non-competition obligation. These amounts are disclosed in Section 3.5.3.

The 18-month and 6-month indemnities were approved by shareholders at the Solvay Shareholders' Meeting of May 10, 2022 as part of its Remuneration Policy, in compliance with Article 7:92 of the Belgian Companies and Associations Code, and were previously disclosed in the 2023 Solvay Annual Report. This contract also included arrangements for tax equalisation in respect of Dr Kadri's remuneration and certain relocation expenses. Dr Kadri's contract was transferred to Syensqo when it became an independent Company in December 2023 with these terms in place.

The Syensqo Remuneration Committee and the Board reviewed the payments and confirmed that they were aligned with the policy approved by Solvay shareholders and formed part of Dr Kadri's contract of employment and therefore the Syensqo Board is legally required to meet them.

As a result of the CEO succession process and the termination of Dr Kadri's contract, the 2025 remuneration report contains a number of extraordinary items that are detailed on page 98.

Mr. Hervé Tiberghien passed away at the end of December 2025. Whilst a separation date had not been finalized, the terms of the indemnity in the event of termination had been agreed by the Board and was subsequently approved to be paid to his heirs, equal to the annual fixed fees and the short term variable fees at target for a period of 12 months and an additional amount of 3 months given the exceptional circumstance. The total amount does not exceed the total remuneration of 12 months and complies with Article 7:92 of the Belgian Companies and Association Code.

General Counsel Mr. Rollinger's mandate from the ELT ended on February 25, 2025, and at the time of his departure from the Group he received a departure indemnity of 12 months remuneration (computed on his total remuneration), in compliance with French law and the terms of his employment contract and French regulation, including non-compete. Amount disclosed under section 3.5.3.

Chief Strategy Officer Mr. Chollet's mandate from the ELT ended on December 31, 2025 and at the time of departure from the Group he received a departure indemnity of 12 months remuneration (computed on his total remuneration), in compliance with French law and the terms of his employment contract and French regulation. The non-compete clause was waived. Amount disclosed under section 3.5.

3.6 Main characteristics of risk management, internal control and internal audit

3.6.1 Roles and responsibilities

Syensqo governance and organizational structure for risk management adhere to the three lines of defense model as depicted in the table below:

Board of Directors / Audit and Risk Committee

The Board of Director's Audit and Risk Committee is in charge of monitoring the effectiveness of internal control systems. It supervises the work of internal audit and risk management relating to financial, operational and compliance monitoring. The role and responsibilities of the Audit and Risk Committee are detailed in the Corporate Governance Charter.

Executive Leadership Team

The Executive Leadership Team is responsible for setting the Group's overall risk appetite, for managing Syensqo's Top Group risks and for evaluating and monitoring the effectiveness of the Group's risk mitigation strategies.

First Line: Management	Second Line: Risk Management, Compliance and other monitoring and oversight Functions	Third line: Internal Audit
Syensqo leaders and managers, as first line of defense, are accountable for ensuring the adequacy of the risk management and internal control framework in their respective Global Business Units (GBUs) and Functions. They are also responsible for managing the key risks identified within their area of responsibility.	The Risk Management team, which reports to the Head of Internal Audit & Risk Management, and the Internal Control team, which reports to the Head of Group Accounting & Reporting, as part of the second line of defense, provide advice and ensure that leaders address the challenges at stake. It is in charge of setting up and maintaining a comprehensive and consistent system for risk management and internal control across the Group, which is independently reviewed by the Internal Audit team - the third line of defense. The Ethics and Compliance department coordinates investigations of potential Code of Business Integrity infringements.	The Internal Audit function, which reports to the Head of Internal Audit & Risk Management, provides independent and objective oversight. It evaluates the effectiveness of internal controls, risk management and governance processes.

3.6.2 The control environment

The control environment is the foundation of Syensqo's internal control system, setting the tone at the top and fostering a culture of compliance and ethical behavior among all employees. It comprises diverse components, including the company policies, that establish a clear framework of principles, rules, roles, and responsibilities, reflecting management's commitment to compliance and to ensure best practices.

The Code of Business Integrity, available on the Company's website, serves as a reference for underlying policies and procedures. Employees regularly receive training on the Code. More information can be found in the chapter on Corporate Governance and the Extra-financial section of this report. To facilitate reporting on potential Code of Business Integrity violations, an Ethics Hotline managed by a third party is available for employees who cannot approach their managers or the compliance organization, or who prefer to remain anonymous. More information can be found in the Extra-financial section of this report.

3.6.3 Risk management

The risk management process takes into account the organization's strategic objectives and includes the following phases:

- Risk identification, assessment and prioritization
- Management of material risks (avoid, accept, outsource/transfer, mitigate) within agreed tolerances
- Implementation of mitigation plans with risk owners accountable for delivery
- Monitoring of mitigation plans for adequacy and effectiveness & key risk indicators to ensure residual risks remain within agreed tolerances

Further details on Enterprise risk management, including a description of the Group's main risks and the actions taken to manage them, can be found in the Risk Management section of this report. Additional details on the integration of ESG risks into the Risk Management process can be found in the extra financial section of this report.

3.6.4 Control activities and monitoring

Syensqo has an internal control system in place, established under the CFO's sponsorship, which aims to ensure compliance with current laws and regulations, the implementation of the Group policies, the accuracy of the financial and extra-financial information and that internal processes are efficient and effective.

Internal Controls are designed and described by the Process Owners, based on a risk analysis, with the support of the Corporate Internal Control team. At each level of the Group, Control Owners are responsible for the control execution.

Control activities, policies and procedures, are defined for the major financial and extra-financial processes. With the introduction of CSRD, the Company has strengthened its internal control framework over the ESG reporting, by defining a formal ESG internal control framework. To define the ESG Internal Control framework, a risk approach and the controls objectives were defined ensuring that risks such as completeness, accuracy and integrity of data were covered.

The Internal Control team oversees a framework for monitoring control effectiveness and coordinates self-evaluation campaigns focusing on main risks and key processes.

3.6.5 Internal Audit

The Internal Audit team employs a systematic approach to enhance governance, risk management, and internal control processes, aiding the organization in achieving its objectives.

Guided by its Audit Charter, the team conducts audits across the Group, reporting to the Head of Internal Audit & Risk Management. The audit plan, approved by the Executive Leadership Team and the Audit and Risk Committee, is informed by the Group risk mapping, entity financial contributions to the Group, historical internal audit results and external benchmarking. It includes audits at entity levels and Group-wide processes, focusing on high-risk areas, including ESG. Each audit results in a report with findings, risks, and a Management action plan, which is monitored for implementation. The audit report is shared with the local and functional Management, business leaders, Executive Leadership team and presented at the Audit & Risk Committee meetings.

In 2025, the Internal Audit team conducted 17 audits, focusing on risk management, operational efficiency, internal controls, governance, and compliance.

The Head of Internal Audit & Risk Management reports to the CFO and maintains direct relationships with the Chair of the Audit and Risk Committee and the CEO, attending all committee meetings and having private sessions with the committee.

3.7 External audit

The audit of the Company's financial situation, financial statements, sustainability statements and the conformity of these statements – and the entries to be recorded in the financial statements in accordance with the BCCA and the bylaws – are entrusted to one or more auditors. These are appointed at the Shareholders Meeting and chosen from among the members, either natural or legal persons, of the Belgian Institute of Company Auditors.

The responsibilities and powers of the auditor(s) are set by law.

- The Shareholders Meeting sets the number of auditors and their emoluments in accordance with the law. Auditors are also entitled to reimbursement of their travel expenses for auditing the Company's sites and administrative offices.
- The Shareholders Meeting may also appoint one or more alternate auditors. Auditors are appointed for three-year renewable terms, which cannot be revoked by the Shareholders Meeting without good reason.
- The Audit and Risk Committee assesses the effectiveness, independence and objectivity of the external auditor with regard to the:
  - content, quality and insights provided in key external auditor plans and reports, in particular those summarizing audit work performed on risks identified by the Company;
  - engagement with the external auditor during Committee meetings;
  - robustness of the external auditor in their handling of key accounting principles;
  - provision of non-audit services.

Ernst and Young Réviseurs d'Entreprises SRL, incorporated under Belgian law, with registered office at Kouterveldstraat 7b, 1831 Diegem, Belgium, registered in the Brussels Register of Legal Persons under company number 0446.334.711 ("EY Réviseurs d'Entreprises"), represented by Ms. Marie Kaisin, was appointed as statutory auditor of the Company on the day of the incorporation of the Company on February 27, 2023 for a term of three years, expiring at the close of the Ordinary General Meeting of 2026, called to approve the financial statements for the year ending December 31, 2025. The Ordinary General Meeting of May 23, 2024 also entrusted the statutory auditor with the specific task of ensuring the sustainability reports, as required by Directive 2022/2464 of the European Parliament and of the European Council of December 14, 2022 concerning corporate sustainability reports, for a term equal to the current term of office of the Company's statutory auditor.

For the year ending December 31, 2025, audit and other professional services were performed by EY Réviseurs d'Entreprises.

The yearly 2025 audit fees for Syensqo SA were set at €1.4 million (€1.4 million in 2024) for the audit of the statutory and consolidated accounts and at €0.6 million (€0.6 million in 2024) for the audit required by the Corporate Sustainability Reporting Directive.

Additional audit fees for Syensqo affiliates in 2025 amount to €2.7 million (€2.3 million in 2024). Supplementary non-audit fees for €3.5 million (€2.7 million in 2024) were engaged in 2025 by Syensqo SA and affiliates. With regard to non-audit fees only (€4.1 million for Belgian entities - cumulative over the 3-year term of office), the Audit & Risk Committee notes that the total of these fees - mainly due to major work in connection with the exploration of the US listing - exceeded the 70% mark (in application of article 3:64/2 of the BCCA) over the entire 3-year term of office of the statutory auditor (2023-2025). In this regard, EY Réviseurs d'Entreprises requested and obtained a waiver for the years 2025 and 2026 from the Collège de Supervision des Réviseurs d'Entreprises on July 14, 2025 in accordance with article 3:64/2 of the BCCA. This letter has been provided to the Audit & Risk Committee. The Audit & Risk Committee has received from the statutory auditor the declarations and information necessary to satisfy itself of its independence.

3.8 Deviation from the Belgian Corporate Governance Code

The Company deviates from Rule 7.6 of the Belgian Corporate Governance Code which recommends that a portion of the remuneration paid to non-executive directors be in shares. The Company considers however that its remuneration practices remain relevant and comply with the spirit of Rule 7.6 because non-executive directors are required to hold a number of Company shares equivalent to 100% of their gross annual fixed board fees. These shares should be held until at least one year after the non-executive director leaves the Board of Directors and, in any case, for at least three years after the shares were acquired.

For further details, please see Section 3.5 (Remuneration Report).

3.9 Items to be disclosed pursuant to Article 34 of the Belgian Royal Decree of November 14, 2007

Article 34 of the Royal Decree of November 14, 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market (the "Royal Decree"), requires them to enumerate and, if appropriate, comment in a management report on the following elements where their nature is such that they may have an impact in the event of a takeover bid.

3.9.1 Capital structure

As of December 31, 2025, the capital of the Company amounted to €1,351,624,292.82, represented by 103,921,273 ordinary shares with no designated par value, fully paid up.

All Syensqo shares are entitled to the same rights. There is a single class of shares.

3.9.2 Transfer of shares and shareholders' arrangements

Syensqo's Articles of Association do not contain any restriction on the transfer of shares.

The Company has been informed that certain individual shareholders who hold shares directly in Syensqo may decide to consult one another when questions of particular strategic importance are submitted by the Board of Directors to the Shareholders' Meeting. Each of these shareholders, however, remains free to vote as he or she chooses. None of these individuals, either individually or in concert with others, reaches the initial 3% transparency notification threshold. Syensqo is not aware of the existence of a concert between its shareholders.

3.9.3 Holders of securities with special control rights

There are no such securities.

3.9.4 Control mechanism of any employee share scheme where the control rights are not exercised directly by the employees

There is no employee share scheme with such a mechanism.

3.9.5 Restrictions on the exercise of voting rights

Each Syensqo share entitles its holder to exercise one vote at Shareholders' Meetings.

Article 10 of the Company's Articles of Association provides that the exercise of voting rights and other rights attached to shares that are jointly owned, or of which the usufruct and bare ownership rights have been separated or are pledged, are suspended pending the appointment of a single representative to exercise the rights attached to the shares.

The voting rights attached to the treasury shares held by Syensqo as well as the Syensqo shares held by Syensqo Stock Option Management SRL, a wholly-owned indirect subsidiary of the Company, are, as a matter of law, suspended.

3.9.6 Appointment, renewal, resignation and dismissal of directors

The Articles of Association of the Company provide that the Company is to be managed by a Board of Directors composed of no less than five members, their number being determined by the Shareholders' Meeting (Article 12). Directors are, in principle, appointed by the Shareholders Meeting for four years, and may be reappointed.

The Board of Directors submits directors' appointments, renewals, resignations or dismissals to the Ordinary Shareholders Meeting for approval. It also invites such Shareholders' Meetings to vote on the independence of the directors fulfilling the related criteria, having first sought the advice of the Nomination Committee, whose mission is to define and assess the profile of any new candidate using its criteria for appointment and for specific competences.

The Ordinary Shareholders' Meeting decides on proposals made by the Board of Directors on this matter by a simple majority.

If a directorship becomes vacant during a term of office, the Board of Directors may co-opt a new director, subject to ratification at the next Shareholders' Meeting.

3.9.7 Amendment of Syensqo's Articles of Association

Amendments to the Company's Articles of Association must be submitted as a resolution to the Shareholders' Meeting, at which at least 50% of the share capital of Syensqo must be present or represented. If the attendance quorum is not met at the first Shareholders'' Meeting, a second Shareholders' Meeting may be convened and will take a decision without any attendance quorum requirement.

In principle, amendments must be passed by a 75% majority of the votes cast. For certain other matters, such as amendment of the Purpose of the Company, higher voting majorities may apply.

3.9.8 Powers of the Board of Directors

Powers of the Board of Directors

The Board of Directors is the highest governing body of the Company.

It is entrusted with all the powers that are not reserved, by Articles of Association, to the Shareholders' Meeting.

The Board of Directors has kept responsibility for certain key areas and has delegated the remainder of its powers to an Executive Leadership Team (further detailed in the Charter).

In all matters for which it has exclusive responsibility, the Board of Directors works in close cooperation with the Executive Leadership Team, which, in particular, is responsible for preparing most of the proposals for decisions made by the Board of Directors.

The Board's authorizations to issue and buy back shares and increase the capital

Following the Extraordinary Shareholders' Meeting of December 8, 2023, the Board of Directors is authorized to acquire or pledge Syensqo shares at a unit price which may not be less than one euro (EUR 1.00) and which may not be more than 10% higher than the highest price on the last twenty (20) trading days prior to the transaction. The Company must also comply with the price limits set out in Articles 7:215 and following of the BCCA and Articles 8:2 and following of the Royal Decree implementing the BCCA. This authorization extends to the acquisition or pledging of shares in the Company by one of its direct and, insofar as necessary, indirect subsidiaries, as well as by any person acting in his or her own name but on behalf of these companies. The nominal value of the shares acquired, including those previously acquired by the Company and held in its portfolio and those acquired by a direct subsidiary within the meaning of Article 7:221, par. 1 of the BCCA, may not exceed 10% of the subscribed capital. This authorization is valid for five years as from February 2, 2024.

The Board of Directors is also authorized to acquire or pledge shares in the Company, where such acquisition is necessary to avoid serious and imminent harm to the Company, including in the event of a public takeover bid for the Company's shares. This authorization is valid for two years as from February 2, 2024.

The Board of Directors is authorized to sell Syensqo shares, subject to compliance with the applicable legal requirements, to one or more specific persons other than staff members. This authorization extends to the disposal of shares in the Company by one of its direct and, insofar as necessary, indirect subsidiaries, as well as by any person acting in his or her own name but on behalf of these companies. The Board of Directors is also authorized to dispose of shares in the Company, in accordance with the conditions set out in Articles 7:215 and following of the BCCA, when such disposal is necessary to avoid serious and imminent harm to the Company, including in the event of a public takeover bid for the Company's shares. This authorization extends to the disposal of shares in the Company by one of its direct and, insofar as necessary, indirect subsidiaries, as well as by any person acting in his or her own name but on behalf of these companies. This authorization is valid for two years as from February 2, 2024.

Following the Extraordinary Shareholders' Meeting of December 8, 2023, the Board of Directors is authorized to increase the capital of the Company by a maximum amount of EUR 135,000,000. This authorization is valid for a duration of five years, as from February 2, 2024. The Board of Directors may limit or cancel shareholders' preferential rights. This option includes the limitation or elimination of shareholders' preferential rights in favour of one or more specific persons other than employees of the Company or its subsidiaries. Any decision to use the authorization given to the Board of Directors to increase the capital requires a majority of three quarters of the votes (rounded up to the nearest whole number) of the Directors present or represented at the relevant Board meeting.

The Board of Directors is further authorized to increase the Company's capital (including, where applicable, with limitation or cancellation of the shareholders' preferential rights) in the event of a public takeover bid for the securities issued by the Company, subject to the conditions and within the limits set out above and in Article 7:202 of the BCCA. This authorization is valid provided that the notification by the Financial Services and Markets Authority that it has received notice of a public takeover bid for the Company is received within two years as of December 8, 2023. Capital increases carried out by the Board of Directors under this authorization will be deducted from the remaining amount of the authorized capital.

3.9.9 Significant agreements or securities that may be impacted by a change of control of the Company

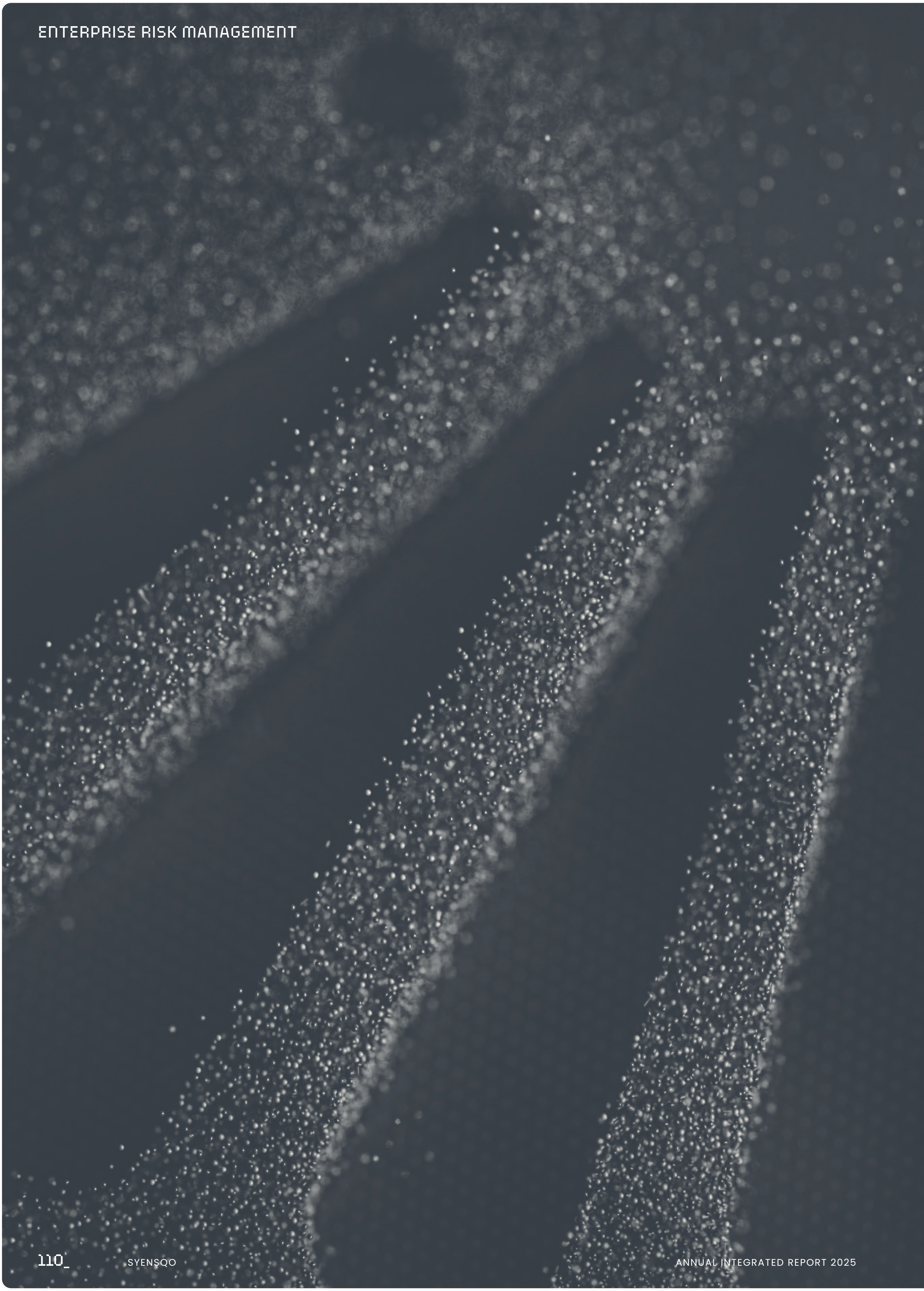
The Extraordinary Shareholders' Meeting of November 13, 2023 approved the change of control provisions set out in:

- The Separation Agreement (Article 4.2) entered into between the Company and Solvay SA, governing certain matters relating to the separation of the Solvay Group and prior reorganization transactions, and the relationship of Syensqo, Solvay SA and their respective affiliates as from the effective date of the Partial Demerger, and implementing certain additional arrangements relating thereto, including certain cross-indemnification undertakings related to environmental liabilities.
- The US Tax Matters Agreement (Article 3.02) entered into between the Company and Solvay SA, Essential Holding America LLC and Solvay Holding, Inc., governing the respective rights, responsibilities and obligations of Syensqo and Solvay SA with respect to certain US tax matters, including with respect to US tax liabilities (including, generally, responsibility and potential indemnification obligations for US taxes attributable to each company's business and taxes and losses arising, under certain circumstances, in connection with the intragroup spin-off of certain US entities and the Partial Demerger, US tax attributes, US tax contests and US tax returns).

  Both agreements remained applicable in 2025, until 8 December 2025, i.e., for a period of two years following the effective date of the Partial Demerger of Solvay SA.

3.9.10 Agreements between the Company and its directors or employees providing for remuneration if directors resign or are good leavers, or in the case of a public takeover bid

Not applicable to the non-executive directors. The key provisions of the ELT Members' contractual relationships with the Company and/or an affiliated company are described in Section 3.5.5 of the Remuneration Report.



04

ENTERPRISE RISK MANAGEMENT

4 ENTERPRISE RISK MANAGEMENT

In an increasingly complex global environment, the Syensqo Enterprise risk management framework provides a structured and consistent approach to identifying, assessing and managing risks across the Group. It supports effective oversight by management and the Board of Directors (Board), enhances organizational resilience, and ensures that material risks are considered in strategic and operational decision-making.

4.1 Enterprise risk management

Risk identification → Risk evaluation → Risk response → Risk monitoring

Enterprise risk management is embedded across the organization and integrated into how Syensqo operates and makes decisions. While the Board and executive leadership set the framework and provide oversight, accountability for risk management extends to leaders and employees at every level, as well as the Company's supply chain partners and customers, reflecting Syensqo's value-chain approach to managing risk.

Guided by the principles of the Committee of Sponsoring Organizations of the Treadway Commission (COSO), the Enterprise risk management methodology is designed to focus on the most critical and emerging risks that could materially affect Syensqo's ability to achieve its strategic objectives. The framework requires Syensqo's Global Business Units (GBUs), Functions and the Group as a whole to proactively anticipate, identify and prioritise risks; design and implement appropriate response plans (avoid, accept, transfer or mitigate) and continuously monitor the external and internal environment to assess changes in risk exposures. The ongoing relevance of risk priorities and mitigation actions is regularly reviewed and challenged.

This process is supported and closely monitored by the Enterprise Risk Management (ERM) team through structured and systematic assessments, enabling effective oversight of decision-making and clear tracking of actions and progress.

[GOV-5 - 36a]

The ERM team works closely with the Sustainable Development team to ensure that Syensqo's risk identification, assessment and prioritisation processes are aligned with the requirements of the European Union's Corporate Sustainability Reporting Directive (CSRD). Risks identified through the Enterprise risk management assessment are systematically considered as inputs into The Double Materiality Assessment process (DMA) - the results of which are presented in Chapter 5 of the Sustainability Statements.

Risks that do not fall within the scope of ERM, and which are primarily operational, functional or financial in nature, are managed through established business processes, controls and governance routines within Global Business Units and Business Functions. These non-ERM risks are monitored and reported as part of normal business operations and are disclosed in the relevant sections of this Annual Report where appropriate. For example, financial risks are managed through dedicated financial risk management processes and are fully detailed in Chapter 6.2 Notes to the consolidated financial statements.

4.1.1 Enterprise risk management process and governance

	Risk identification and evaluation	Risk response	Risk monitoring
Board	Annual review and validation of risk prioritization and evaluation methodology		• Annual Group risk assessment and program update
Audit and Risk Committee			• Assesses effectiveness of enterprise risk management program • Annual review and assessment of Top Group risks
		• Periodic presentations by risk owners on key actions and trends	
Executive Leadership Team (ELT)	• Provides top-down perspective on Top Group Risks identified via bottom-up process • Provides input on any additional risks • Decides and validates Top Group Risks	• Drives strong risk management culture within their organizations/ functions • CEO nominates Executive Risk Owners	• Monitors the level of control of Top Group Risks (effectiveness of mitigation plans)
Executive Risk Owners	• Provides top-down perspective on Group risks identified via bottom-up process	• Provides guidance and risk leadership to Delegate Risk Owners and risk action teams	• Reviews Key Risk Indicators (KRIs) and Risk Actions with Delegate Risk Owners • Observes KRI trends to identify emerging risks and drive faster decision making
Delegate Risk Owners	• Provides input on any additional risks	• Ensures Risk Action Owners have the necessary resources and support to execute mitigation actions and escalate if necessary • Tracks and monitors progress of mitigation actions	• Monitors defined KRIs and follows up on significant changes
Risk Action Owners		• Implement identified actions and reports progress and updates to Delegate Risk Owners	• Reports KRI metrics and trends to Delegate Risk Owners
Enterprise Risk Management (ERM) team	• Facilitates risk identification and evaluation workshops across GBUs and key Functions • Consolidates Group risks	• Assesses and provides feedback on effectiveness of actions • Tests adequacy of implemented actions prior to closure	• Monitors the effectiveness of mitigation plans • Monitors KRI trends, benchmarking them internally and externally • Drives and promotes risk culture and governance

The ERM team is the focal point for enterprise risk management activities across Syensqo. The team works with GBUs, Functions and sites to identify, evaluate, mitigate and monitor top Group Risks across the organization.

The Board of Directors meets with the CEO, CFO and the Head of Internal Audit and Risk management once a year to discuss the Top Group Risks. During the year, the Audit and Risk Committee reviews progress and regularly invites the relevant leaders and risk owners to provide an overview of their risk and the progress made on mitigating actions. *[GOV-5 - 36a / 36d / 36e]*

4.1.2 Risk identification and evaluation

Syensqo's Global Business Units (GBUs) and Functions are responsible for identifying and assessing key risks within their respective areas of activity. This process is supported by the ERM team, which facilitates structured risk identification and evaluation workshops on an annual basis. During these workshops, the ERM team validates and, where appropriate, challenges the risks identified by management to ensure that emerging risks and broader Environmental, Social and Governance (ESG) considerations are appropriately captured.

Following validation, identified risks are consolidated into a Group-wide Master Risk Register, which is centrally maintained by the ERM team. Risks identified outside the formal annual workshop cycle, at any point during the year, are reported to the ERM team for evaluation and potential inclusion in the Master Risk Register, ensuring continuous risk monitoring.

Each identified risk is evaluated using a standardized assessment methodology based on risk magnitude (impact) and likelihood, both rated on a scale from 1 to 5 and aligned with the requirements of the Corporate Sustainability Reporting Directive (CSRD). In accordance with European Sustainability Reporting Standard (ESRS) 1, ESG-related risks are explicitly linked in the risk register to the relevant ESRS topic or sub-topic.

Risk magnitude assesses the potential financial, strategic, reputational and legal or compliance impact of a risk. Risk likelihood is assessed on a residual basis, reflecting the existence and effectiveness of current controls and mitigation measures. To meet CSRD requirements, ESG-related risks are also assessed on a gross basis, without taking existing controls into account. An overall risk score is calculated by multiplying risk magnitude by risk likelihood.

Based on this prioritization process, eight key risk categories were identified as Syensqo's Top Group Risks for 2025. These are presented in Table 1 below.

The output of the group risk identification and evaluation process is reviewed and validated annually by the Executive Leadership Team (ELT). Following this validation, the Chief Executive Officer appoints executive owners for each of the Top Group Risks, ensuring clear accountability for ongoing oversight and mitigation.

[GOV-5 - 36b]

4.1.3 Risk Response

TABLE 1 - 2025 TOP GROUP RISKS & RESPONSE

RISK [ESG impact]	THE COMPANY'S RESPONSE
Environmental Impacts [E] The risk that environmental factors like the physical and transition impacts of climate change or current or past releases into the environment (air, water, ground) from Syensqo's production sites lead to significant business disruption, reputational damage and damage to people and Syensqo plants.	Syensqo's Pollution Policy describes the Company's commitment to preventing, controlling and reducing air, water and soil pollution. Syensqo strives to mitigate the potential negative impact of its operational processes on the surrounding communities and the environment by continuously improving pollution release monitoring, applying the Pollution Mitigation Hierarchy (avoid, reduce, restore, regenerate and transform) approach. More details on how Syensqo monitors and manages current or past environmental releases can be found in the Sustainability Statements (Chapter 5.2 Environment). Syensqo has a dedicated Environment Steering Committee that meets quarterly to ensure ongoing attention and strategic guidance on all environmental topics, including remediation. This committee is led by the Chief Operations Officer (COO), with contributions from the Chief Sustainability Officer, GBU presidents and key experts. Climate change is a priority for Syensqo that presents both risks and opportunities for the Group. Syensqo's Climate Change Policy applies to all Group operations and businesses. It outlines Syensqo's approach to cut greenhouse gas (GHG) emissions across its operations and the value chain, manage climate-related impacts and transition risks and create positive impact by avoiding GHG emissions and advancing associated business opportunities. More details on the assessment of potential climate change impacts on Syensqo's operations due to flooding, water scarcity, hurricanes and other environmental events can be found in the Sustainability Statements (Chapter 5.2.1.1 Climate change).

RISK [ESG impact]	THE COMPANY'S RESPONSE
Product Risk [E & S] The risk that evolving regulatory changes or product-related issues (e.g. quality or inappropriate use) or claims, including those related to intermediates and raw materials, could affect Syensqo's ability to sell and source materials, cause human harm or environmental damage or negatively affect Syensqo's reputation.	The chemical industry operates in a dynamic regulatory environment, in which significant changes aimed at enhancing environmental safety, public health and sustainability frequently take place. Syensqo monitors regulatory updates in countries where its products are manufactured and sold closely, to ensure timely compliance and anticipate changes that could affect its operations. Syensqo identifies, assesses and manages product-related risks and promotes safe use of products throughout their life cycle. This includes undertaking or supporting responsible development, manufacturing, distribution, use and disposal of Syensqo products. The Company focuses on developing sustainable product solutions that benefit society, anticipating regulations and societal needs. This includes replacing Substances of Very High Concern (SVHC) where feasible. Syensqo collaborates with suppliers and customers to promote these goals and principles, while also providing accurate safety and environmental information on all its products to downstream users. Syensqo's Product Stewardship Policy encompasses all of the points outlined above. The Company also implemented additional measures, which are detailed in the Sustainability Statements (Chapter 5.2 Environment) and (Chapter 5.3 Social).
Health and Safety [S] The risk that a major accident on or off site (occupational, process, transportational) or an acute chronic exposure leads to irreversible injury or fatalities, damage to assets, the environment or communities, litigation or negative reputational impact.	Syensqo prioritizes the safety of its people, as outlined in the Syensqo One Planet Sustainability roadmap. The Company's industrial sites, like most industrial operations, carry out high-pressure and high-temperature processes, which entail risk. Syensqo also uses chemical substances that have risks associated with their chemical composition. The Company's risk prevention, assessment, mitigation and audit and reporting measures are detailed in the Sustainability Statements (Chapter 5.3 Social).
Geopolitics and External Events The risk that geopolitical disputes, or unfair trade practices in key markets, cause trade wars, supply chain constraints and/or regulatory deadlocks or other business disruption, leading to an inability to trade that impacts financial results, and potentially leads to fines and/or litigation.	Syensqo operates in multiple regions worldwide and is therefore exposed to geopolitical instability, including but not limited to trade tensions, sanctions, and changes in trade and industrial policies. While the geographic diversification of the Group's activities helps mitigate concentration risk, geopolitical developments may still adversely affect our operations, supply chains, market access, cost base and financial performance. The Group actively manages this risk through a combination of preventative and responsive measures, including: • Scenario analysis and stress testing to assess the potential operational and financial impacts of geopolitical events or crises and to ensure that appropriate contingency plans are in place. • Active monitoring of trade policies, including tariff developments, combined with targeted advocacy to mitigate the impact of trade restrictions. • Alternative sourcing and supply chain flexibility for raw materials and feedstocks, reflecting increasing regionalization and shifts in government industrial strategies. • Ongoing assessments of local content and localization requirements affecting strategic value chains, including batteries and semiconductors. • Protection of intellectual property, including engagement with public authorities where appropriate to safeguard Syensqo's intellectual property rights.
Regulatory Compliance [S & G] The risk of non-compliance with existing or evolving regulations related to governance, trade compliance, cybersecurity, data protection, bribery and corruption, ESG and other topics, leading to reputational damage and fines.	Syensqo's Code of Business Integrity applies to all employees and majority-owned joint venture partners and includes the following topics: Speak up with no retaliation; Health and Safety in the Workplace; Inclusion; Diversity; and Non-Discrimination; Harassment-Free Environment; Conflicts of Interest; Anti-Bribery and Anti-Corruption; Gifts and Entertainment; Fair Competition; Financial Records and Accounting; Insider Trading; International Trade; Supply Chain; Human Rights; Sustainability and Corporate Philanthropy. Syensqo's Supplier Code of Business Integrity applies to the Company's suppliers. Its trade compliance framework incorporates procedures and automated systems to screen products, sales and partners (including shareholders of customers) to ensure compliance with all relevant trade control regulations, managing sanctioned party lists, licenses and, where applicable, end use certificates. Full details on Syensqo's risk prevention, assessment, mitigation and audit and reporting measures are detailed in the Sustainability Statements (Chapter 5.3 Social) and (Chapter 5.4 Governance).

RISK [ESG impact]	THE COMPANY'S RESPONSE
Intellectual Property The risk that Syensqo's inability to protect sensitive information leads to exposure or loss of proprietary information, resulting in a loss of competitive advantage, data breaches, non-compliance and financial loss.	To support Syensqo's strategic ambition to become its customers' prime innovation partner, the Company plans to significantly enhance its capability to create breakthroughs that advance humanity and accelerate long-term growth. This includes collaborating with leading institutions and biotechnology startups, expanding Syensqo's application labs, continuing to hire top talents and investing in disruptive technologies. Syensqo's reliance on IP assets like trademarks, copyrights and trade secrets will continue to grow, increasing the Company's exposure to potential risks. Key measures taken to support Syensqo's strategic efforts while protecting its sensitive information include : • Enabling closer resource and risk management alignment by ensuring the Company's Intellectual Asset Management organization sits within and reports directly to its Research & Innovation organization. • Redeploying educational programs focused on confidentiality, protection of immaterial assets and general IP awareness. • Building a stand-alone IP stage-gate into the standard R&I project management framework. This requires project managers to complete an IP risk checklist, which may trigger a more detailed review by IP counsel. • Regulatory watch to monitor new and changing laws and regulations governing digital content and data privacy that could impact how Syensqo manages and protects its IP. • Establishing strong cross-functional links with the Company's Cyber risk management program, strategic threat intelligence and legal teams on IP protection enforcement and alternative strategies for countries with weaker enforcement mechanisms.
Cybersecurity The risk of interruption to Syensqo's key systems or operations due to a cyberattack, leading to business interruptions, data leaks or a safety event.	As for most major companies, Syensqo's exposure to cyber risk stems from its extensive use of information and communication technologies and the gradually increasing automation levels of its sites. Led by the Chief Information Security Officer (CISO), the CISO office team oversees all cyber security activities and provides budget and priority recommendations to the Security Board. In 2025, Syensqo increased its resources dedicated to cybersecurity to address the Company's main cyber risks, with key focus on Operational Technology (OT), Security into Projects (SIP) and compliance, Artificial Intelligence (AI), and its Cyber risk management program. Syensqo's multi-year Cybersecurity roadmap identified several key initiatives, including: • Cyber risk management program: A program aimed at capturing, assessing, managing, monitoring and reporting cybersecurity risks within the Group, ensuring ownership and accountability. It includes an assessment of the cyber maturity of Syensqo's third party partners and quarterly Cyber Risk Steering Committee reports to the Chief Information Officer (CIO) that cover Syensqo's posture on cyber risks. This is aligned with the creation of a Cyber risk appetite and monitoring of Key Risk Indicators. • Cyber user awareness and training program: This includes regular phishing simulation campaigns to raise awareness and simulation tabletop cyber exercises to improve Syensqo's ability to manage a cyber crisis. • Security into Projects (SIP): A program aimed at implementing "security by design" in projects that include cyber aspects that to be reviewed by the CISO Office before they can be validated and launched. • Cyber Compliance Program: Monitoring and addressing cybersecurity regulations and requirements in a structured manner. These requirements are incorporated into Syensqo's cyber controls framework, which is used in assessment campaigns.

RISK [ESG impact]	THE COMPANY'S RESPONSE
Structural Transformation Programs The risk that insufficient enterprise-level oversight and alignment of multiple transformation initiatives (including the implementation of the new ERP system - Syway) — could lead to conflicting priorities, missed synergies, operational disruptions, reporting inaccuracies, compliance risks, and ultimately failure to achieve intended business objectives.	• In 2025, Syensqo launched a new project to implement a single ERP system across the organization using SAP S/4 HANA (SyWay Program). The program aims to redefine Syensqo's ways of working by redesigning the end to end business processes, aligning them with its business needs to ensure Syensqo has all the tools necessary to reach its full potential. • The program will adopt SAP and non - SAP based solutions and cloud based service models to enable end to end business processes that are simplified, automated, standardized and scalable, while reducing complexity as well as ongoing maintenance and upgrade costs. • Enterprise level oversight has been established to effectively manage the co-ordination of key strategic initiatives so as to avoid operational disruption and to safeguard the timely and full realization of expected benefits.

[GOV-5 - 36c / 36d]

4.1.4 Risk monitoring

A key aspect of risk monitoring is the identification and implementation of Key Risk Indicators (KRIs). These consist of a combination of leading and lagging indicators that are tracked, measured and reported to provide insight into whether a risk exposure is increasing or decreasing, and to highlight potential early warning signals and emerging risk trends.

Monitoring KRIs enables timely and informed management action. Changes in KRI levels or adverse trends are used to challenge risk assessments, test the continued effectiveness of controls and mitigation measures, and prompt escalation where defined thresholds are breached. This ensures that emerging issues are identified early, appropriate responses are implemented in a timely manner, and management attention is directed to areas where risk exposures are changing, thereby strengthening decision-making, resilience and preparedness across the Group.

[GOV-5 - 36c]

4.1.5 Crisis preparedness

In addition to the crisis preparedness measures embedded within Syensqo's Enterprise risk management framework—such as cybersecurity and geopolitical risks, there is also a network within Syensqo to ensure crisis preparedness. This network brings together designated representatives across industrial sites, Global Business Units and Functions, who are responsible for implementing crisis preparedness programs and ensuring readiness for specific crisis scenarios.

Each industrial site is supported by a documented emergency response plan and operates in accordance with the Syensqo's crisis management procedure. These arrangements are designed to enable timely decision-making, coordination and escalation in the event of a crisis. Further information on health and safety preparedness on and around Syensqo's sites is provided in the Sustainability Statements (Chapter 5.3.1 Health and safety in Syensqo's operations).

LITIGATION

The diverse nature of Syensqo's activities, and the geographic footprint of its operations means that Syensqo is exposed to legal risks, particularly in the areas of product liability, contractual relations, antitrust laws, patent disputes, tax assessments and environmental matters. Litigation is therefore a normal recurring feature of Syensqo's operating business, both to protect against claims, some of which Syensqo believes to be without merit, and to defend the rights and interests of the Group.

The proceedings summarized below represent the material matters pending against Syensqo regardless of the merits of the claims and the strengths of Syensqo's defenses. The list focuses on the matters with the highest financial risks, and relates to environmental proceedings. Syensqo is also engaged in commercial litigation. There can be no assurance regarding the outcome of any proceeding described below. Syensqo will continue to vigorously defend itself based on the merits of its defenses while opportunistically seeking consensual resolution in appropriate cases.

For certain cases, Syensqo has created reserves or provisions in accordance with appropriate accounting governing rules and policies, to cover financial risk and defense costs (see the section Provisions for litigation to the consolidated financial statements in this report). Syensqo does not ordinarily disclose the extent to which provisions are made in relation to individual proceedings, because this would be prejudicial to our interests. In addition, Syensqo maximizes all available insurance coverage. Adverse outcomes of material contested matters, individually or in the aggregate, could exceed the amounts of applicable provisions or insurance coverage and could have a material adverse effect on the financial position of the Group.

Legal proceedings

- **PFAS:** As of December 31, 2025, a Syensqo subsidiary in the US, Syensqo Specialty Polymers USA LLC ("SSP"), was a defendant in 244 separate lawsuits relating to its use of per- and polyfluoroalkyl substances (PFAS). While the total number of lawsuits significantly increased in 2025 compared to 2024, most new cases (203) were filed by a single law firm against many different defendants and are currently stayed in a multidistrict litigation (MDL). At this stage, the risks for Syensqo cannot be determined because the cases are stayed in court and discovery of the alleged basis for the claims has not yet started. As soon as more information is available, the potential exposure of Syensqo as one of many defendants can be assessed.

  Overall, the number of PFAS related cases against Syensqo in the US remains low in comparison to other industry participants. Syensqo continues to dispute the merits of these claims and defend itself accordingly. In all of these cases, the plaintiffs have the burden of proof against all defendants.
- **Spinetta site, Italy:** The Public Prosecutor's Office filed an indictment request on November 8, 2023 for alleged culpable environmental disaster, directed against two managers and Syensqo Specialty Polymers Italy SpA, ("SSPI"). The case is pending before the Judge of the Preliminary Hearing who will decide whether the case will be taken to trial (the next hearing is scheduled in the first quarter of 2026). Different civil parties joined this criminal procedure in 2024 to claim damages. In the meantime, most civil parties (372 out of 394) have left the criminal proceedings and settlement discussions are ongoing with the remaining civil parties in the criminal proceedings including with the Piedmont Region and the Italian Ministry of Environment.
- **Spinetta site, Italy:** In 2024, the Province of Alessandria issued a decision by virtue of which, pursuant to applicable Italian environmental law, it ordered the remediation and environmental restoration of the external areas of Syensqo's Spinetta Marengo site in Italy and allocated the clean-up liabilities for such areas between SSPI and Edison S.p.A. (the former owner of the site) as follows: (i) Edison 100% liable for soils contamination; (ii) Edison and Syensqo jointly and severally liable for groundwaters contamination according to certain percentages (on average 80% for Edison) and split for type of contaminant. Both Edison and Syensqo have challenged the decision of the Province of Alessandria before the administrative courts and the administrative litigation is ongoing.
- **Edison award:** in March 2026, Edison informed Syensqo of its intention to file an application to re-open the arbitration procedure in Switzerland.
- **Bussi site, Italy:** Administrative cases are pending in relation to the identification of the alleged polluter of the Bussi industrial site (which Solvay sold in 2016 but was owned by Edison in the past) and of the Tirino River. Edison was recognized by the competent administrative authorities as the "sole and exclusive polluter" of both the site and the river, but administrative litigation initiated by Edison is still pending before administrative courts. SSPI joined these proceedings.

05

SUSTAINABILITY STATEMENTS

5 SUSTAINABILITY STATEMENTS

5.1 General

5.1.1 Sustainability ambition

Sustainability is central to Syensqo's business. Guided by its One Planet roadmap, Syensqo creates value by boosting competitiveness, efficiency and resilience, while mitigating negative impacts and risks across its operations and value chain.

5.1.1.1 Climate change

Syensqo aims to achieve carbon neutrality for Scope 1 and 2 Greenhouse Gas (GHG) emissions by 2040 across all businesses.(1) Furthermore, it is advancing sustainable practices across its operations and value chain, as well as managing physical risks, while its innovation efforts support the global transition to a net-zero economy and position Syensqo to meet evolving market needs for sustainable products and technologies.

Syensqo's 2030 targets, validated by the Science Based Targets initiative (SBTi) in 2024, aim to reduce Scope 1 and 2 GHG emissions by 42% and Scope 3 emissions from Focus 5 categories(2) by 25% compared to the 2021 baseline. In 2025, 13% of its 2030 GHG emissions targets were achieved through structural reductions.

In 2025, 80% of the electricity purchased and consumed globally by Syensqo originated from renewable sources, reaching 100% in China (for industrial sites), the USA, Brazil, Belgium, Netherlands, and Thailand. Additionally, more than 10% of the global electricity purchased and consumed by Syensqo came from nuclear sources.

Syensqo aims to create more sustainable value chains across all of its markets. This is why Syensqo recently launched a Supplier Climate Pledge — a mutual agreement with its top 70 CO_2-emitting suppliers. In 2025, 38 of these 70 suppliers signed this Supplier Climate Pledge. These 38 suppliers account for about 41% of Syensqo's GHG emissions from raw materials purchased (in category 3.1 "Purchased goods and services").

Syensqo's climate action extends beyond minimizing its footprint and mitigating risks, to delivering solutions which avoid carbon emissions for its customers and society. Guided by greater demand for lightweighting and clean mobility, Syensqo is advancing innovation and expanding production capacity for technologies enabling energy efficiency, electrification and the uptake of green hydrogen.

A description of the products and services, customer categories, and relationships with stakeholders related to Syensqo's worldwide climate goals can be found on page 15 under Advanced mobility and defence and Energy, and on page 128. *[SBM-1 - 40e / 40f / 40g]*

5.1.1.2 Environmental stewardship

Guided by the importance of managing resource efficiencies and improving quality of life, Syensqo is addressing its environmental footprint, focusing on key areas such as water, pollution and waste, while considering ecosystem health and resilience through developing sustainable solutions.

Key to its environmental stewardship efforts is addressing water scarcity and protecting business continuity. By 2030, Syensqo aims to achieve a 20% average reduction in fresh water withdrawal compared to the 2021 baseline at sites exposed to water availability challenges.(3) In 2025, Syensqo exceeded this target, with a 26% reduction in freshwater withdrawal. However, the challenge moving forward will be to maintain this reduction, given anticipated business growth, which will likely affect water withdrawal. In 2026, the goal is to equip 15 sites, representing more than 90% of Syensqo's total freshwater withdrawal in 2021, with Water Stewardship Plans to address local impacts and risks. Of these 15 sites, 9 sites already implemented their plans in 2025.

(1) Syensqo's carbon neutrality by 2040 goal combines an ambition to reduce Scope 1 and 2 GHG emissions by at least 80% from the 2021 baseline and to compensate residual emissions with high-integrity carbon credits in line with the recommendations of the United Nations' High Level Expert Group.

(2) Focus 5 categories of Scope 3 GHG emissions include (1) purchased goods and services and (2) fuel-and energy-related activities [both upstream] as well as (3) processing, (4) use and (5) end-of-life treatment of sold products [downstream].

(3) Sites exposed to water availability challenges have faced drought in the past or are at risk of drought in the coming years, and may be subject to fresh water withdrawal restrictions by local authorities. They have been identified using the Aqueduct Water Risk Atlas and by conducting local assessments to confirm water availability challenges. Sites subject to the target represent 40% of Syensqo's total fresh water withdrawal in the baseline year 2021 and include: in France: Clamecy, Melle, Saint-Fons, Tavaux; in Mexico: Atequiza; and in the USA: Baton Rouge, Long Beach.

Leveraging science-based methodologies, Syensqo is advancing efforts to reduce pollution and minimize landfill use through waste management practices that recover and valorize materials.

Across the value chain, Syensqo collaborates with suppliers to promote responsible sourcing practices and help safeguard people and the environment in the downstream applications of its products.

A description of the products and services, customer categories and relationships with stakeholders related to Syensqo's worldwide environmental stewardship goals can be found on pages 15 and 16 under Electronics, Consumer Care, Coatings and Mining, and on page 128. *[SBM-1 - 40e / 40f / 40g]*

5.1.1.3 Sustainable Portfolio

Sustainable growth is a cornerstone of Syensqo's business strategy. Syensqo focuses on low-impact, renewable-based products that enhance customer operations and contribute to its top-line growth.

Aligned with its strategy to support the global transition toward more sustainable and circular models, Syensqo aims to increase the share of its sales contributing to the circular economy, targeting 18% of total net sales by 2030.[1] In 2025, this share represented 17% of total net sales. Syensqo's performance in 2025 was driven by continued customer demand for products that are naturally based and sustainably sourced in its Performance & Care businesses, and also for products with increased content of recycled raw materials, from both chemical and mechanical recycling, in its Materials businesses.

A description of the products and services, customer categories, and relationships with stakeholders related to Syensqo's worldwide Circular Economy goals can be found on pages 15 and 16 under Electronics, Agro and Consumer care, and on page 128.

Through its Sustainable Portfolio Management (SPM) tool, Syensqo is creating value for its customers through products that, in a given application, improve social and environmental performance while also demonstrating lower environmental impact in their production. In 2025, 65% of Syensqo's net sales (refer to Consolidated income statement page 243) and 89% of its research & innovation (R&I) pipeline were considered sustainable solutions in accordance with the SPM Framework[2], (refer to note F15 Intangible assets page 261).

Syensqo's approach to product stewardship promotes the safe use of products throughout their life cycle, fosters the development of more sustainable solutions that benefit society and responds to the expectations of customers and other stakeholders.

This approach includes Syensqo's efforts to reduce Substances of Concern (SoC) and Substances of Very High Concern (SVHC) in its marketed products, in line with its Product Stewardship and Hazardous Substances commitments. Guided by its sustainability roadmap, Syensqo has quadrupled its investment in R&I since 2019 to develop a non-fluorosurfactant polymerization process, allowing Syensqo to phase out the use of fluorosurfactants across its product lines. Syensqo already produces a vast majority of its fluoropolymers without fluorosurfactants, and at its Spinetta Marengo site in Italy Syensqo is working toward manufacturing nearly 100% of its fluoropolymers without fluorosurfactants by the end of 2026. Such R&I investments are included in Financial statements (Consolidated income statements for the OpEx part, and Note F15 "Intangible assets" for the capitalized part). They are also included in the EU Taxonomy reporting, in the OpEx and CapEx costs of activity 3.17 (Manufacture of Plastics in primary form). *[SBM-1 - 40e / 40f / 40g]*

5.1.1.4 People & Communities

The safety and well-being of Syensqo's people is paramount, and Syensqo aims to foster a safe, fair and inclusive culture, while partnering with stakeholders and communities for lasting societal impact.

In June 2025, Syensqo renewed its safety ambition with the intention to position Syensqo as a top quartile chemical industry safety performer by 2030, for both performance and the way safety is embedded into its culture. This year, Syensqo made progress toward achieving its goals of zero workplace accidents, with a Reportable Injury or Illness rate (RIIR) of 0.22.

(1) Circular sales, based on the Ellen MacArthur Foundation Circulytics Methodology, include products: (1) designed to encourage longer use than the industry standard in practice and at scale; (2) made of bio-based, recycled-based, by-product and carbon capture-based raw materials, or produced with renewable energy; (3) designed for re-use or to increase the recycling yield (quantity and quality) of the customer's products.

(2) Set out in Syensqo Sustainable Portfolio Management Guide.

To ensure fair and inclusive working conditions, Syensqo continues to advance on inclusion initiatives, notably through leadership training and the release of its booklet of real life scenarios. The Syensqo Care Framework and strong social dialogue foster working conditions that support employee well-being, and ensure transparency and collaborative decision-making. Strengthening its commitment to ensure decent working conditions, in 2025 Syensqo achieved its goal to provide at least a living wage (equivalent to an adequate wage) to all its employees.[1] Syensqo also collaborates with customers and suppliers to advance living wage across its value chain.

Syensqo respects human rights and works closely with local communities, addressing local needs, upholding strict safety measures, and ensuring accessible channels for concerns to support transparency and accountability.

A description of the products and services, customer categories, and relationships with stakeholders related to Syensqo's worldwide People & Communities goals can be found on pages 15 and 16 under Electronics, Agro and Healthcare, and on page 128. *[SBM-1 - 40e / 40f / 40g]*

ESG Ratings

In 2025, Syensqo's sustainability ratings demonstrated a notable performance in most scores. This includes achieving its highest ever CDP (formerly Carbon Disclosure Project) ratings for Climate (A) and Water (A-), ChemScore top 10 placement, climbing from 68 to 72 in Ecovadis, and maintaining its rating with MSCI, thanks to the success of its One Planet Roadmap. These recognitions place Syensqo among the world’s leading companies for transparency and performance in sustainability.

CDP	chemsec CHEMSCORE	Ecovadis	SUSTAINALYTICS	ISS ESG
Climate : **A** Water security : **A-**	Rank: **#9 of 40**	**72/100**	**Medium Risk**[2]	**C+**[3]

5.1.2 Sustainability operational governance

The Chief Operations and People Officer (COPO) led the Environmental and Social Steering Committees in 2025. These Committees include the Chief Sustainability Officer, Global Business Unit (GBU) presidents, several heads of functions and key experts within Syensqo. Their main responsibilities include setting actions, monitoring and managing impacts, risks and opportunities (IROs), tracking sustainability performance and providing strategic guidance and recommendations to the Executive Leadership Team (ELT) and Board ESG Committee. The Business Ethics Board, led by the Chief Compliance Officer (CCO), ensures compliance and business integrity, with Regional Compliance Officers maintaining ethical standards throughout the organization. The CCO also reports annually to the Board Audit & Risk Committee on ethics, compliance and business conduct, as well as on data related to the *Speak Up* grievance mechanism for internal and external stakeholders.

For all material sustainability matters (see Appendix I on page 213), Syensqo has appointed dedicated Topic Leaders to manage ESG IROs. They design and oversee the ESG reporting process, supported by reporting officers who consolidate, verify consistency and facilitate the validation of disclosures. They collaborate closely with Group functional experts who oversee a network of data capturers, ensuring information accuracy and reliability. ESG reporting controllers review disclosures for compliance and consistency. Site Directors, in collaboration with Sustainability Directors and Champions, ensure each GBU, Function and site meets Syensqo's sustainability goals and standards, reinforcing the company's commitments. This network of Champions is also responsible for cascading relevant information throughout the company, through training and the development and implementation of annual and multi-year roadmaps to ensure objectives are met. Finally, GBU Presidents and Heads of Functions are accountable for sustainability targets and performance within their respective scope, supported by senior executives in their leadership teams. *[GOV-1 - 22c / 22ci / 22cii / 22ciii]*

(1) Living wage calculated based on WageIndicator Foundation methodology. Newly acquired businesses are incorporated into sustainability statements within two financial years, allowing time for comprehensive gap analysis on sustainability practices and the deployment of remedial action plans where required.

(2) In July 2025, Syensqo was assessed by Morningstar Sustainalytics. In no event this shall be construed as investment advice or expert opinion as defined by the applicable legislation. Copyright ©2025 Sustainalytics, a Morningstar company. All rights reserved. This includes information and data provided by Sustainalytics and/or its content providers. Information provided by Sustainalytics is not directed to or intended for use or distribution to India-based clients or users and its distribution to Indian resident individuals or entities is not permitted. Morningstar/Sustainalytics accepts no responsibility or liability whatsoever for the actions of third parties in this respect. Use of such data is subject to conditions available at https://www.sustainalytics.com/legal-disclaimers/

(3) Date of review: 10 September 2025

In 2024 the ELT approved the following policies: Climate Change, Water Management, Pollution, Waste, Circular Economy, Product Stewardship, Community Engagement, Operations Safety, Sustainable Procurement, SPM, Animal Care and Use and Responsible Care. All of these policies reinforce environmental and social strategies that have been approved by the Board of Directors. They were established through multiple rounds of consultation and validation with internal experts, and also take into account external stakeholders' expectations via proxies, such as via multi-stakeholder initiatives. These policies are published on Syensqo's corporate website and communicated to all employees and any potentially affected stakeholders, ensuring transparency and accessibility. *[MDR-P - 65e / 65f]*

The CCO is accountable for the Ethics & Compliance framework and for all Compliance and Business Conduct policies, including the Code of Business Integrity (CoBI), Supplier Code of Business Integrity (SCoBI), Human Rights Policy, Ethical Recruitment & Employment Practices Policy, Anti-Bribery and Anti-Corruption (ABAC) Policy, Policy on Gifts, Entertainment, Charitable Donations and Sponsorship, Conflict of Interest Policy, Inclusion and Non-discrimination Policy, Conflict Minerals Policy and Speak Up Policy, and their implementation. The implementation of Ethics, Compliance, and Business Conduct policies is carried out in close collaboration with the GBU Presidents and Functional Leaders, including those from Procurement, Human Resources and Finance. All of these policies are approved by the ELT and the Board of Directors has oversight of the Ethics & Compliance program. These policies are made available on Syensqo's intranet to inform all employees and on its external corporate website to reach other stakeholders who may be affected, thereby ensuring both transparency and accessibility. The Speak Up Policy, the Human Rights Policy, the Ethical Recruitment & Employment Practices Policy, the Conflict Minerals Policy and the Inclusion and the Non-Discrimination Policy were established through internal consultation and validation, and also take into account stakeholders' expectations, gathered through collaboration across multi-stakeholder initiatives. The other business conduct policies are long-standing policies for which stakeholders' expectations have not recently been reviewed. *[MDR-P - 65c / 65e / 65f]*

5.1.3 Basis for preparation

5.1.3.1 General basis for preparation of sustainability statements

Reporting frameworks

Syensqo's sustainability statements have been prepared on a consolidated basis and in accordance with the Corporate Sustainability Reporting Directive (CSRD) - Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 - and with the European Sustainability Reporting Standards (ESRS), as set out in Commission Delegated Regulation EU 2023/2772 of 31 July 2023 supplementing the Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards, as amended by the Commission Delegated Regulation (EU) 2025/1416 of 11 July 2025, which postpones the date of application of certain disclosure requirements for specific undertakings. *[BP-1 - 5a]*

Reporting scope and boundaries

Reporting boundaries align with the financial reporting scope described in note F38, "List of companies included in the consolidation scope". However, for climate (ESRS E1), pollution (ESRS E2-4), occupational safety (ESRS S1-14) mandatory CSRD metrics and process safety incident metrics, data are reported on an operational control basis. This includes sites where Syensqo controls operations, even if the entities are not fully consolidated in the financial statements. For process safety incident rate and workforce-related metrics, all Syensqo active internal employees are included, regardless of the operational or financial perimeter. The financial reporting scope includes fully consolidated companies and companies in proportionate consolidation (if any) in line with their consolidation rate, while companies consolidated by applying the in-equity method of accounting are excluded. Sustainability statements include Oil & Gas Business Unit activities, which are classified as discontinued operations in the financial statements. Financial references used in the sustainability statements, such as sales, capital expenditures and operating expenses, are based on the total Syensqo Group numbers, including those of the Oil & Gas Business Unit reported as discontinued operations. *[BP-1 - 5bi / 5bii]*

Syensqo's operational perimeter includes its financial perimeter (as defined in paragraph 6.2.1.3.1 "Consolidation scope" and as listed in Note F38 List of companies included in the consolidation scope) and goes beyond, insofar as it also includes the subsidiaries outside the consolidation perimeter or under equity method for which Syensqo controls operations.

Before the December 2023 spin-off, Syensqo was included within the Solvay Group perimeter. Metrics related to 2021, 2022 and 2023 have been split between Syensqo and the Solvay Group, following the approach that was described in the Extra-Financial Statements chapter of Syensqo's 2023 integrated report.

Newly acquired or merged businesses are included in Syensqo's sustainability statements within two financial years of the closing date. This integration period allows for a comprehensive gap analysis on sustainability practices and the deployment of a remedial action plan, where required.

Financial figures used in the sustainability statements are reconciled to the Financial statements. Energy and GHG intensity ratios required by the CSRD are based on Consolidated Income Statements' net revenue, and the EU Taxonomy KPIs are computed using total turnover, in both cases defined as the sum of Consolidated Income Statements' net sales and revenue from non-core activities. Entity-specific metrics requiring sales (like SPM solutions and Circular Economy), as well as water consumption intensity ratio, are based on net sales. Capital Expenditure (CapEx) and Operational Expenditure (OpEx) are consistent with the totals indicated respectively in Note F1 ("Capital expenditures" 2025 Group total) and Note F2 ("Personnel expenses" and "Other fixed expenses" 2025 total), respectively. Current and future financial resources required to implement action plans are disclosed following the rules laid out below in section 5.1.3.2 Disclosures in relation to specific circumstances.

Syensqo has taken advantage of the option to omit certain pieces of information linked to its intellectual property, know-how or the results of innovation due to confidentiality reasons, but only where it qualifies as classified or sensitive information in the sense of ESRS 1 section 7.7. In such cases, Syensqo discloses all other information required by the relevant disclosure requirement and indicates in the sustainability statements where information has been omitted for these reasons, ensuring that the overall relevance of the disclosure is not impaired. *[BP-1 - 5d]*

Syensqo has conducted a Double Materiality Assessment (DMA) covering the upstream and downstream value chain (see page 130). Syensqo's sustainability statements covers its own operations and, where material, the upstream and downstream value chains. Additionally, for each material sustainability matter, Syensqo explains whether policies, actions and targets apply to its own operations and/or to actors in upstream and/or downstream value chains. Regarding metrics, if only upstream and downstream value chain data are considered, it is explained in the accounting policy disclosed in each chapter. *[BP-1 - 5c]*

External review

Unless specified otherwise in the topical ESRS, metrics are not validated by any external body other than the assurance provider (EY - external auditor). See page 352 for the Auditor's limited assurance report on the sustainability statements and Auditor's Reasonable assurance on Scope 1 and 2 GHG emissions. *[MDR-M - 77b]*

5.1.3.2 Disclosures in relation to specific circumstances

Time horizons

In its sustainability statements, Syensqo uses the following definitions for time horizons: short-term (i.e. financial year), medium-term (i.e. > 1 year and ≤ 5 years) and long-term (i.e. > 5 years).

Sources of estimation and outcome uncertainty (including value chain estimation)

There are inherent sources of estimations and uncertainty when using models for life cycle assessments and footprint calculations based on methodologies and industry data. In line with ESRS 1, Syensqo describes the main assumptions, data sources and limitations associated with these estimates in the relevant accounting policies. It also uses recognized third-party protocols where available to minimize estimation uncertainty. *[BP-2 - 11a / 11bi / 11bii]*

Syensqo's sustainability report includes forward-looking statements that are uncertain in nature as they do not relate to historical or current facts and include guidance. Words such as 'plan', 'strategy', 'project', 'target' and other words and terms of similar meaning used in connection with any discussion of future operating, financial or sustainability performance identify forward-looking statements. Factors that may affect future results include, but are not limited to, global, as well as local, political, economic and environmental conditions.

In preparing the Sustainability Statements, management has made use of assumptions, judgments, and estimates that impact certain reported figures. Consequently, there is inherent uncertainty in these calculations. The estimates and underlying assumptions are based on management's experience and various other factors, including input from experts where appropriate, and are considered reasonable. These are reviewed regularly to enhance the accuracy of our reported metrics over time.

Upstream and/or downstream value chain data estimates from sources are used to compute Syensqo's Scope 3 GHG emissions and metrics defined by the SPM methodology (share of revenue breakdown by SPM categories). A detailed description of the basis for preparation and the level of accuracy is provided in section 5.2.1.1.6 Climate-related metrics and section 5.2.2.2.2 SPM metrics, respectively. *[BP-2 - 10a/10b/10c]*

As part of our ongoing efforts to improve sustainability reporting, Syensqo is increasing its reliance on primary data from suppliers for Scope 3 GHG emissions accounting, particularly through the use of Product Carbon Footprints (PCFs) provided by qualified suppliers. As supplier-specific primary data becomes more widely available, it will progressively replace generic emission factors, further enhancing the accuracy and transparency of our sustainability disclosures. *[BP-2 - 10d]*

Changes in preparation or presentation of sustainability information and reporting errors in prior period

Where metrics disclosed in the 2025 sustainability statements were already disclosed in 2024, Syensqo has restated previous years' figures to make them comparable with 2025 figures. This could occur, for example, if the calculation methodology or accuracy evolved in a material manner as compared to previous years, if the reporting scope changed materially, or if material reporting errors in prior periods were corrected. Such cases are clearly indicated and commented on in their section, and both previously published and restated figures are provided. Notable situations were identified in relation to waste section (page 151), certain substances in air emissions and water effluents section (page 157), process safety incident section (page 159), resource inflow section (page 163), indicators on health and safety in Syensqo operations section (page 184), diversity section (page 194) and remuneration section (page 197). *[BP-2 - 13a / 13b / 13c / 14a / 14b]*

Syensqo exercises judgment to determine whether restatements are necessary, and when it is the case, the restatement approach consists of applying current methodologies, accuracy and scope to actual data from past years, as much as practicable. When this is not practicable, Syensqo uses the best proxy approach available to restate past data.

Some of Syensqo's 2023 metrics included as comparative metrics in these sustainability statements were subject to limited or reasonable assurance by its statutory auditor in the previous year, as outlined in the limited assurance report dated April 11, 2024. This was a voluntary limited or reasonable assurance engagement relating to individual metrics or key performance indicators that relate to different or additional reporting criteria to that outlined in the ESRS. Accordingly, these 2023 comparative metrics have not been subject to limited assurance procedures in accordance with the ESRS. They are highlighted with an "L" (limited assurance) or with an "R" (reasonable assurance).

Specific approach related to current or future financial resources allocated to action plan

Sustainability actions are disclosed in the year of implementation, when they contribute materially to reaching targets or policy objectives. An "action plan" is then defined for each ESRS topic, grouping together these actions.

Current financial resources required to implement each action plan can comprise CapEx and/or OpEx and are reported following the rules below, except when the information is sensitive, in line with ESRS 1 paragraph 7.7.

Current CapEx relates to the envelope spent in 2025 to implement each action plan. They are reported if the total amount spent in this envelope is material.

Current OpEx relates to external costs excluding recurrent operations. They are reported when material amounts have been spent in 2025 to implement some of the actions included in each action plan. Recurrent OpEx are excluded as they are part of normal operations - Syensqo's organization is set up to allow the management of recurrent sustainability actions in relation to its material IROs.

Future financial resources are disclosed for sustainability matters on which medium- and long-term targets have been set, provided an envelope has been validated by Syensqo's Board of Directors. This forward-looking information is by nature uncertain, as it relates to future projects, some of which are not yet validated. The related amounts may be either consolidated or deconsolidated in future financial statements. *[MDR-A - 69a / 69b / 69c]*

Use of phase-in provisions and temporary exemptions

Syensqo qualifies as a first-wave undertaking under the CSRD and applies the phase-in provisions in ESRS 1 Appendix C. Consistent with 2024, it generally excludes voluntary disclosures except where deemed particularly useful for users. For 2025, Syensqo also applies the additional temporary reliefs introduced by the Commission Delegated Regulation (EU) 2025/1416 of 11 July 2025 amending Delegated Regulation (EU) 2023/2772 to postpone the date of application of certain disclosure requirements for first-wave undertakings, i.e. anticipated financial effects, biodiversity and ecosystems (E4), characteristics of non-employees in the undertaking's own workforce (S1-7), collective bargaining coverage and social dialogue in non-EEA countries (S1-8), social protection (S1-11), percentage of employees with disabilities (S1-12), cases of work-related ill health, number of days lost to injuries, accidents, fatalities and work-related ill health, and health and safety regarding non-employees (S1-14), work-life balance (S1-15), and consumers and end-users (S4). As a result, for 2025 Syensqo may omit certain disclosure requirements even when the related topics are material. Additionally, appendix IV contains optional disclosure points that were not audited by the statutory auditor.

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements

Syensqo has been a signatory of the UN Global Compact since February 2024, and discloses the impact indicators for the United Nations Sustainable Development Goals (UN SDGs) for every corresponding section of the Annual Integrated Report. *[BP-2 - 15]*

5.1.4 Stakeholder engagement

Syensqo proactively engages with its stakeholders and consistently incorporates their feedback, in alignment with governance and strategic planning cycles. It also provides insights and updates to Syensqo's ELT and relevant Board Committees. *[SBM-2 - 45a / 45d]*

Stakeholder engagement contributes to the deployment of Syensqo's One Planet ambition. As part of its sustainability approach, Syensqo will continue its collaborative projects throughout 2026, including the Product Carbon Footprint (PCF) project, the Supplier Climate Pledge, and customer and industry specific circular economy projects. These are likely to change the relationships Syensqo has with its stakeholders and the views they have of Syensqo. *[SBM-2 - 45cii / 45diii]*

- **Customers & Consumers:** In general, these stakeholders expect Syensqo to deliver high-quality and safe products, be customer-focused and transparent, and have a strategy driven by sustainable products and innovation. Syensqo engages closely with customers through account managers and GBU teams on sustainable business opportunities, innovation and other ESG matters. Any feedback from these stakeholders is collected using established channels and transparency is enhanced through participation in CDP and EcoVadis. Syensqo incorporates engagement outcomes by developing sustainable products (e.g. ECHO line, Green Solvents), collaborating on sustainability initiatives (e.g. Sustainable Guar Initiative, PCF project), addressing any product issues, misuse or hazards (e.g. Speak Up, product recall procedures), providing relevant information (e.g. automatic system to send safety data sheets) and via CDP & EcoVadis improvement plans. Through its target on sales contributing to the circular economy and its use of the SPM tool to identify sustainability market signals and respond to changing market needs, Syensqo has directed its strategy toward sustainable and innovative solutions. *[SBM-2 - 45ai / 45aii / 45aiii / 45aiv / 45 av / 45b / 45ci][S4, SBM-2 - 8]*
- **Suppliers:** In general, suppliers expect fair and ethical relationships. Syensqo engages with suppliers through collaborative sustainable initiatives and addresses concerns through initiatives such as Speak Up. The outcomes of this engagement are integrated into Syensqo's way of working through its Sustainable Sourcing Policy, Supplier Climate Pledge, Supplier Living Wage Pledge, PCF project and digital collaboration tools. Syensqo's strategy now incorporates regional procurement to better serve local sites, in addition to raw materials and indirect purchasing. All procurement activities fall under the responsibility of Group Procurement. *[SBM-2 - 45ai / 45aii / 45aiii / 45aiv / 45 av / 45b / 45ci]*

- **Investors & Shareholders:** Major shareholders, institutional investors and retail investors generally want to see return on investment, strong governance, ethical and responsible behavior, and transparency on strategy and sustainability. Syensqo engages with investors through one-on-one meetings, roadshows and investor conference presentations. Furthermore, Syensqo responds to ESG, credit & proxy voting, rating agencies and specific investor sustainability queries. Syensqo incorporates the outcomes of this engagement in ESG rating improvement plans. The 2023 partial demerger from Solvay positioned Syensqo as a specialty chemicals leader, and the 2025 segment restatement and planned divestments further sharpen this pure-play specialty focus. Syensqo's SPM framework is used to identify sustainability market signals so that Syensqo is able to respond to changing market needs. *[SBM-2 - 45ai / 45aii / 45aiii / 45aiv / 45 av / 45b / 45ci]*
- **Employees, other workers and workers in the value chain:** As a whole, employees expect Syensqo to act as a responsible and equitable company regarding working conditions, health & safety, human rights, training and equal opportunities. Syensqo engages with its employees through direct interactions (e.g. Q&As with the ELT, town halls, Employee Resource Groups (ERG), yearly employee surveys ("Pulse"), manager-led quarterly check-ins, annual performance reviews), through digital communications (e.g. intranet, regular corporate newsletter), through employee representatives (e.g. social dialogue with employee representative bodies at different levels where legally possible, Syensqo Global Forum, engagement with trade unions), through IndustriAll, and through the Health, Safety and Environmental (HSE) program. The outcomes of this engagement are integrated into Syensqo's living wage commitment, the Syensqo Cares global collective agreement, Syensqo's HSE program, the Fair & Inclusive Culture program, the Employee Assistance Program, incentive schemes and CEO Award, YouGrow digital learning, the Future Functional Leaders and Future Top Leaders programs, the leadership action plan based on Pulse survey results and other initiatives. The Talent Growth Platform was developed to better support employee career development, increase retention and upskill Syensqo's employees. Indirectly, Syensqo takes into account the interests and views of value chain workers through the due diligence program, which includes assessments and audits based on criteria as human rights and health & safety. Syensqo has set up sustainability initiatives like the Sustainable Guar Initiative and its partnership with the Roundtable for Sustainable Palm Oil (RSPO), and the IndustriAll agreement. *[SBM-2 - 45ai / 45aii / 45aiii / 45aiv / 45 av / 45b / 45ci][S1, SBM-2 - 12] [S2, SBM-2 - 9]*
- **Local communities:** In general, these stakeholders expect responsible, safe and compliant operations that support local development. Syensqo engages with communities through direct dialogues with local governments, regulatory bodies and societal institutions. Syensqo also organizes public meetings, site visits and consultations. The outcomes of this engagement are integrated in Syensqo's objectives, which includes initiatives like working toward manufacturing nearly 100% of its fluoropolymers without fluorosurfactants by the end of 2026, the Syensqo Fund and other site-specific initiatives. Through the development of its Star Factory program, Syensqo is able to better engage on local community projects. *[SBM-2 - 45ai / 45aii / 45aiii / 45aiv / 45 av / 45b / 45ci][S3, SBM-2 - 7]*
- **Societal stakeholders:** Non-Governmental Organizations (NGOs), academia, government, trade associations and other similar organizations generally expect Syensqo to act responsibly, comply with regulations, create jobs, foster innovation and investment and pay taxes. Syensqo engages with these organizations through regular and constructive dialogue at global and local level, position papers, public consultations, regulatory watch, its active membership of trade associations (e.g. European Chemical Industry Council (Cefic), International Council of Chemistry Associations (ICCA)), partnerships with NGOs, active participation in sustainability networks (e.g. World Business Council for Sustainable Development (WBCSD), UN Global Compact, Global Impact Coalition, Together for Sustainability (TfS)) and a supply chain due diligence program. The outcomes of this engagement are integrated into Syensqo's objectives, which include working toward manufacturing nearly 100% of its fluoropolymers without fluorosurfactants by the end of 2026, the Climate Impulse partnership, the Sustainable Guar Initiative, collaborative frameworks (e.g. Global Circularity Protocol, Portfolio Sustainability Assessment (PSA)), and the Chilean Mining Leaders project. Syensqo ensures transparency on its sustainability performance and actions through its annual integrated report, which complies with the CSRD. *[SBM-2 - 45ci] [SBM-2 - 45ai / 45aii / 45aiii / 45aiv / 45 av / 45b / 45ci]*

5.1.5 Double Materiality

5.1.5.1 The Double Materiality Assessment process

[IRO-1 - 53a / 53b / 53c are represented in the entire process description below]

Syensqo reports on material sustainability topics and adopts sustainability priorities based on a Double Materiality Assessment (DMA) in line with the CSRD, the ESRS and relevant guidance from the European Financial Reporting Advisory Group (EFRAG). The initial DMA was conducted in 2024. Syensqo plans to complete an in-depth DMA across the entire value chain[1] every 3 years and to conduct a lighter "high-level review" of the previous DMA on a yearly basis. As part of the light DMA refresh in 2025, Syensqo integrated direct stakeholder input - collected through online surveys and a Sustainability Dialogue with various external stakeholder groups, including a representative sample of affected communities around its production sites - into its 2024 DMA. This resulted in a few changes to the 2024 DMA that were discussed, evaluated, prioritized and validated as outlined below. The complete in-depth DMA process described here remains unchanged from 2024. *[IRO-1 - 53biii / 53h][E2, IRO-1 - 11b][E3, IRO-1 - 8b][E4, IRO-1, 17e / 17eii][E5, IRO-1 - 11b]*

1. **Identification of IROs**

   - **Impacts:** For the identification of impacts and dependencies across the value chain, all ESRS sub-sub-topics were studied based on available external evidence, namely governmental frameworks, upcoming regulations, external tools[2], and trustworthy publications from (European) institutions, governments, business or sector associations, international organizations, civil society and consulting firms, to understand the indirect views of external experts and stakeholders, including potentially affected communities. This desk research was also used to gain a better understanding of where and how certain workers, potentially affected communities and consumers and/or end-users might be at greater risk of harm, and which types of business relationships could be involved. Syensqo subsequently supplemented this information by incorporating consolidated internal data[3], procedures and initiatives. It also relied on the upstream due diligence processes (pages 161 and 198) to identify potential negative impacts along value chains, with a focus on specific activities, certain geographies and/or links to certain types of business relationships. To complement this desk research, internal stakeholder workshops were organized to collect input from subject matter experts in relevant Corporate Functions and GBUs. *[IRO-1 - 53bi / 53bii / 53biii / 53g][E2, IRO-1 - 11a / 11b][E3, IRO-1 - 8a / 8b][E4, IRO-1 - 17a / 17b / 17e / 17ei / 17eii][E5, IRO-1 - 11a / 11b][S1, SBM-3 - 15][S2, SBM-3 - 12][S3, SBM-3 - 10][S4, SBM-3 - 11][G1, IRO-1 - 6]*
   - **Opportunities:** Syensqo relied on internal stakeholder workshops and additional input from relevant Corporate Functions and GBUs to identify opportunities arising from the previously identified impacts and dependencies outlined above. Syensqo also relied on its SPM tool (page 172) and took into account its climate scenario analysis. SPM is integrated into Syensqo's overall management processes to identify sustainable opportunities for the company, including in its existing portfolio, in its R&I pipeline and for potential Merger & Acquisition (M&A) activities. Opportunities related to biodiversity and ecosystems were also considered. *[IRO-1 - 53ci / 53f / 53g][E2, IRO-1 - 11a][E3, IRO-1 - 8a][E4, IRO-1 - 17c][E5, IRO-1 - 11a]*
   - **Risks:** This part of the financial materiality assessment is fully integrated into the Enterprise Risk Management (ERM) process (page 112). The starting point is the central risk register, managed by the Corporate Risk Management team. As for impacts and opportunities, a bottom-up approach was utilized, with the Corporate Risk Management team organizing risk identification and assessment workshops with key representatives from the GBUs, Business Support Activities and Corporate Functions. By sharing an extensive risk universe, which included information on all ESRS sub-sub-topics, the team ensured that internal stakeholders considered risks arising from impacts and dependencies during the discussions. *[IRO-1 - 53ci / 53e / 53g][E2, IRO-1 - 11a][E3, IRO-1 - 8a][E5, IRO-1 - 11a][G1, IRO-1 - 6]*

All people in Syensqo's own workforce, all value chain workers, all affected communities, and all consumers and end-users who could be materially impacted by the undertaking have been considered in this assessment. *[S1, SBM-3 - 14][S2, SBM-3 - 11][S3, SBM-3 - 9][S4, SBM-3 - 10]*

(1) *For its own operations, Syensqo included global production facilities, R&I centers and enabling functions in local offices and headquarters. For the value chain, Syensqo considered the upstream and downstream value chains to identify IROs and developed a comprehensive and structured approach to screening all value chains on ESG topics from an impact perspective. [IRO-1 - 53g]*
(2) *External tools and databases such as ENCORE, Aqueduct, the Corruption Perceptions Index (CPI) country score, etc. [E3, IRO-1 - 8a][G1, IRO-1 - 6][E4, IRO-1 - 17b]*
(3) *Internal data such as total GHG emissions vs peers, Syensqo's climate transition plan, site emission & effluent data including SVHC and SoC, site water withdrawal & consumption data, site (hazardous) waste data, purchasing & product data, peer benchmarking, Syensqo's Speak Up data, monitoring data related to historical soil pollution from discontinued activities, biodiversity data, etc. [E1, IRO-1 - 20a][E2, IRO-1 - 11a][E3, IRO-1 - 8a][E5, IRO-1 - 11a][G1, IRO-1 - 6]*

2. **Assessment and prioritization**

 - **Impacts:** For Syensqo's own operations, internal subject matter experts assessed all information collected in step 1 (Identification of IROs) to score and prioritize the identified impacts. For environmental sub-sub-topics, it was assumed that material impacts mainly come from the production sites. For the value chain, Syensqo built on the information collected in step 1 to objectively assess and prioritize the potential impacts using an external evidence-based, step-by-step process. Recognizing that this approach only allows Syensqo to assess potential impacts, the company aims to increase its due diligence to identify actual impacts. In line with ESRS and the EFRAG guidance documents, Syensqo determined materiality of negative impacts based on relative severity — scale & scope (both a 5-level score, weighted 50/50) and irremediable character (multiplier with amplifying effect) — and likelihood (multiplier with attenuating effect for potential impacts only). For positive impacts, we considered relative scale, scope and likelihood. *[IRO-1 - 53bi / 53bii / 53biv][E4, IRO-1 - 17a / 17b]*

 - **Risks:** Syensqo's Corporate risk team used the same workshops and sessions as described in step 1 to assess and prioritize all risks. The risk scoring methodology described below was used to prioritize all risks. ESG risks are fully embedded into Syensqo's ERM practices and corporate risk registry, so there is no differentiation in risk assessment methodology between ESG and non-ESG risks. ESG risks are assessed on gross risk, which means before risk control measures are taken. Syensqo assigned risk scores based on a qualitative and/or quantitative assessment of the potential financial magnitude (5-level score) and the likelihood (5-level multiplier with attenuating effect). The quantitative assessment of the potential magnitude was based on Earnings Before Interest Tax Depreciation and Amortization (EBITDA). The qualitative assessment was based on strategic, operational and/or reputational implications, stakeholder perception, and in relation to any legal and regulatory compliance. *[IRO-1 - 53cii / 53ciii / 53e]*

 - **Opportunities**: To assess and prioritize all opportunities, the Strategy and Corporate Sustainability teams used all information collected in step 1 and the same scoring methodology as for risks. For opportunities, however, Syensqo only relied on the quantitative approach for the magnitude and extended this approach by including additional financial metrics like net sales and CapEx. *[IRO-1 - 53cii / 53f][E4, IRO-1 - 17c]*

Syensqo has set the materiality threshold across its IROs at a final score of ≤ 2.5 out of 5. This means that IROs scored at 2.5 or above, and their associated ESRS topic, are deemed material. The results of this assessment were used to prioritize the topics and to determine which sustainability matters are material for reporting purposes. For impacts and risks from Syensqo's own operations, a conservative approach was taken and pollution, water and waste was considered at an aggregated level across all production sites. *[IRO-1 - 53biv / 53cii] [E2, IRO-1 - 11a][E3, IRO-1 - 8a]*

3. **Validation and Internal control:** Syensqo consolidated certain ESRS sub-sub-topics and material IROs to streamline the DMA results below. Syensqo's ELT and Board validated the DMA process, results and consolidated IROs. Internal control consists of segregation of duties between the DMA lead (data collection), topic leaders (decision-making), and the ELT and Board (regular oversight and validation). All inputs, decisions, and outcomes related to the DMA process are documented in the central DMA database and corporate risk registry. *[IRO-1 - 53d]*

4. **Monitoring:** Syensqo monitors risks through both its corporate risk registry, which is continuously updated, and its ERM risk response and Key Risk Indicators (KRI) monitoring processes. It continuously monitors its opportunities using the SPM framework and related management processes. A designated part of the Corporate Sustainability (CS) team is also responsible for ongoing collaboration with Syensqo's GBUs and R&I and Strategy Functions to deliver on sustainable growth and related opportunities. The CS team closely monitors its material impacts using defined indicators, in close collaboration with other departments within Syensqo. *[IRO-1 - 53e / 53f]*

5.1.5.2 Consolidated outcome of the Double Materiality Assessment

		Scope		Financial Materiality		Impact Materiality		Prioritization	Chapter in Sustainability Statements
		OO	VC	Opp.	Risk	Pos.	Neg.		
ENVIRONMENT	**CLIMATE CHANGE**	✖	✖	▲	▼	▲	▼	High	- Climate Change - Sustainable Portfolio Management (SPM)
	EMISSION, EFFLUENTS & REMEDIATION	✖			▼		▼	High	Emission, Effluents & Remediation
	WATER	✖					▼	Medium	Water
	BIODIVERSITY	✖					▼	*Linked to Climate Change and Emission, Effluents & Remediation*	Biodiversity
	WASTE	✖					▼	Medium	Waste
	CIRCULAR ECONOMY	✖	✖	▲		▲		High	- Circular Economy - Sustainable Portfolio Management (SPM)
	ENVIRONMENTAL STEWARDSHIP IN VC*		✖		▼	▲	▼	Medium	- Environmental due diligence and Product stewardship - Sustainable Portfolio Management (SPM)
	PRODUCT STEWARDSHIP, INCL. PRODUCT SAFETY	✖	✖	▲	▼	▲	▼	High	- Environmental due diligence and Product stewardship - Sustainable Portfolio Management (SPM) - Social due diligence and Product stewardship
SOCIAL	**EMPLOYEE HEALTH & SAFETY**	✖			▼	▲	▼	Medium	Health and safety in Syensqo's operations
	FAIR & INCLUSIVE CULTURE	✖				▲		Low	Empowering Syensqo's employees
	LABOR PRACTICES & TALENT MANAGEMENT	✖			▼	▲		Medium	Empowering Syensqo's employees
	WORKERS' HUMAN RIGHTS		✖		▼		▼	Medium	- Health and safety in Syensqo's operations - Social due diligence and Product stewardship
GOVERNANCE	**BUSINESS ETHICS**	✖	✖		▼	▲	▼	Medium	Doing business in an ethical way
	SUPPLY CHAIN MANAGEMENT	✖				▲	▼	Low	Doing business in an ethical way

Scope: ✖ Own operations ✖ Value chain **Financial Materiality:** ▲ Opportunity ▼ Risk **Impact Materiality:** ▲ Positive ▼ Negative

This table presents only the material matters identified for Syensqo, along with their defined scope of materiality.
** Environmental stewardship in the value chain encompasses emissions and effluents, water, biodiversity and waste.*

Compared to 2024, *Site stewardship & Community engagement* and *Communities quality of life* are no longer material stand-alone topics. These are now embedded into other chapters of the sustainability statements that are at the origin of IROs relating to affected communities. Syensqo also changed the wording from *Product design & Product safety in VC* to *Environmental stewardship in VC* to better reflect its evolving sustainability approach. *[SBM-3 - 48g]*

The mapping between every ESRS (sub-sub-) topic and the sustainability chapters can be found in Appendix I (page 213), which also shows the detailed changes in materiality.

Details on Syensqo's material IROs are grouped at the beginning of each relevant chapter of the sustainability statements. If not specifically mentioned in the sustainability statements, these IROs are covered by ESRS disclosure requirements. Where IROs are entity specific, this is clearly mentioned in the respective IRO paragraph. Any modifications made to the descriptions of the IROs compared to 2024 are simply refinements in wording and do not alter the core intent of each IRO. However, to align with Syensqo's evolving sustainability approach, two new IROs have been introduced in the *Environmental due diligence and Product stewardship* section, and one new IRO in the *Water* section. These additions are clearly indicated in their respective sections. The policies, targets, actions and metrics in these chapters provide information on how Syensqo pursues material opportunities and how Syensqo manages its material impacts and risks. Syensqo also specifies the level - high, medium or low - of the *current and anticipated strategic effect* of an IRO, further illustrating the importance of the current and anticipated effect of this material IRO on Syensqo's business model, value chain, strategy and decision-making. The current financial effects of Syensqo's material opportunities are confidential in nature and are not disclosed. There are no current financial effects for the material risks, except for the risk in the *Emissions, effluents & remediation* chapter (page 154). The current financial effect of this risk is mentioned in the respective chapter. *[SBM-3 - 48d / 48g / 48h]*

5.1.5.3 Syensqo's resilience analysis on material topics

To evaluate its capacity to address material actual and potential impacts and risks and to capitalize on opportunities over the short, medium, and long term, Syensqo conducted an internal qualitative resilience assessment based on available data and input from certain key departments. Syensqo keeps pace with new technologies, changing business models and consumer demands through a strategic focus on diverse, sustainable growth opportunities in the medium to long term, while managing its material actual and potential impacts. Syensqo simultaneously meets stakeholder expectations in the short to medium term by optimizing its diverse product portfolio, and making informed resource and capital allocation decisions. Well-defined frameworks consisting of targets, policies, controls and actions allow Syensqo to manage potential negative outcomes, while remaining sufficiently agile to respond to unexpected circumstances. Syensqo's resilience analysis is continuously evolving in step with the ever-changing world, technological advancements and lessons learned to ensure ongoing improvement and adaptability. *[SBM-3 - 48f]*

5.1.6 Statement on sustainability due diligence

Core elements of due diligence	Pages in the sustainability statements
Embedding due diligence in governance, strategy and business model	Pages 20, 55, 70, 74, 112, 124, 130
Engaging with affected stakeholders in all key steps of the due diligence	Pages 124, 128, 130, 200, 181, 202, 203
Identifying and assessing adverse impacts	Pages 130, 124, 182, 200, 202, 203, 205, 209
Taking actions to address those adverse impacts	Pages 139, 149, 151, 154, 156, 161, 164, 170, 182, 189, 199, 201, 202, 203
Tracking the effectiveness of these efforts and communicating	Pages 137, 142, 148, 150, 152, 157, 161, 163, 164, 169, 171, 182, 184, 188, 191, 202

[GOV-4 - 30]

5.2 Environment

5.2.1 Limiting the environmental impact of Syensqo's activities

5.2.1.1 Climate change

ESRS E1 | UN SDG 13

5.2.1.1.1 Impacts, risks and opportunities

In 2023, Syensqo completed a climate scenario analysis to assess climate-related risks and opportunities. This is integrated into the DMA process.

- **Assessment on transition risks and opportunities:** Syensqo focused on the three businesses with the greatest total emissions contributions (Scope 1, 2 and 3) and their exposure to climate-sensitive markets. It considered two International Energy Agency (IEA) scenarios: the 1.5°C Net Zero Emissions Scenario and the 3°C Stated Policy Scenario, which were chosen for their combination of quantitative and qualitative assumptions. This analysis spanned the medium- and long-term time horizons - 2030 and 2050 - utilizing a climate scenario analysis tool from a leading consulting firm to provide external insights and challenge Syensqo's assumptions. This included quantitative assumptions on price, cost, volume changes and adaptation potential, with price trajectories up to 2050 for various energy sources. The analysis considered market dynamics across key markets and site characteristics. The company assessed the financial impact on each GBU by examining procurement, operations, and customer impacts. The analysis covered all countries with Syensqo sites, the top 25 procurement countries and the top 25 market countries by revenue. *[E1, IRO-1 - 20c / 21]*
- **Assessment on physical risks:** This assessment focused on six sites: Augusta (GA), Marietta (OH), and Greenville (SC) in the United States; Tavaux in France; Spinetta Marengo in Italy; and Changshu in China. Two scenarios were included, one with +4°C under IPCC RCP 8.5/SSP-5.85 and another with +3°C under IPCC RCP 4.5/SSP-2.45, across three time horizons, 2030, 2050 and 2100. Using a scenario analysis tool developed by a leading consulting firm, Syensqo evaluated both acute risks, such as heatwaves and floods, and chronic risks, including sea level rise and water stress. Quantitative assumptions regarding the frequency of climate hazards and site vulnerability are based on Jupiter ClimateScore™ Global and UCL EM-DAT data. Financial impacts were calculated by estimating potential asset damage and business interruption over a 20-year period. In 2025, Syensqo strengthened its risk assessment with the Climate Resilience Tracker Report produced for Syensqo by FM, its property insurer. This report relies on detailed analysis of exposures and their trends for risks, such as extreme precipitation, wind, temperatures, drought and sea level rise under two climate scenarios (IPCC RCP 2.6 and 8.5) and time horizons in 2030 and 2050, using 20 years of data for each period. The Climate Resilience Tracker identifies the Syensqo sites that are most exposed to risks of asset damage and business interruption, with a particular focus on flood, freeze, wind, wildfire, collapse and hail. For drought and water stress, the analysis is supplemented by an assessment relying on Aqueduct Water Risk Atlas (Aqueduct™4.0 water risk framework - World Resources Institute). *[E1, IRO-1 - 20b / 21]*

In the long term, Syensqo has an actual negative material impact across its own operations and value chain. This is due to a high current and anticipated strategic effect, coming from Syensqo’s Scope 1 (direct industrial activities) Scope 2 (purchased electricity and steam), and Scope 3 (value chain emissions from suppliers, raw material production, product use and end-of-life stages) GHG emissions, which are deemed to contribute to climate change, resulting in higher global temperatures, reduced freshwater availability, more frequent extreme weather events, loss of biodiversity, impacts on human health and more.

Syensqo also faces several climate-related material risks. Firstly, acute physical climate risks at certain sites or in the supply chain can lead to significant damages to people and plants, as well as production shutdowns, causing significant business interruption. Secondly, the market transition risk that changes in customer preferences, based on sustainability drivers such as GHG emissions from cradle to grave, may lead to a loss of sales and reputational losses. Finally, there is also a transition policy and legal risk that an inability to achieve or a delay in achieving the Syensqo's climate transition objectives (scope 1, 2 and 3) may lead to higher carbon pricing costs for own operations or increased raw material costs, particularly in the European Union (EU ETS). While the acute physical climate risks have a medium current and anticipated strategic effect, the other two risks only have a low current and anticipated strategic effect.

In terms of material opportunities, Syensqo has two downstream opportunities with a high current and anticipated strategic effect on its business. First, through SPM, Syensqo has identified growth, opportunities for its sustainable solutions that are contributing to downstream GHG emission reductions by enabling lightweighting, improving energy efficiency and supporting renewable energy storage. Secondly, Syensqo's strategic approach to innovation, aimed at accelerating its growth is fueled by key megatrends that contribute to the decarbonization of the planet. Customer-driven solutions enable further lightweighting, and therefore decarbonization, of critical industries such as aerospace, mobility and energy, opening up major business opportunities, while Syensqo is also combining innovative material and chemical solutions and competencies to accelerate the green hydrogen economy. In addition, Syensqo offers a unique range of innovative materials for the next-generation of batteries to serve electrification in the automotive sector. By integrating AI-driven modeling, automation and data science, Syensqo is making R&D faster, smarter and more collaborative, unlocking new possibilities for sustainable, high-performance solutions. The company also has a third opportunity in its own operations, with a low current and anticipated strategic effect on its business. This relates to the use of lower-emission sources of energy and electricity, and process optimization efforts that will result in reduced (operating) costs and energy use reduction. Syensqo has a climate transition action plan to pursue this material opportunity. *[SBM-3 - 48a / 48b / 48c][E1, SBM-3 - 18]*

As presented in the Financial statements consolidation principles - Climate change and in the note F20 Impairment, Syensqo's climate change risks and opportunities were not deemed to have a material impact on the financial statements for the periods presented. Furthermore, Syensqo concludes that the climate change risk does not impact the going concern assessment for December 2025. *[SBM-3 - 48d]*

Climate scenario analysis - Resilience analysis

The scope, methodology, timing and applied time horizons for the climate change resilience analysis is fully aligned with the climate scenario analysis, explained above. Both provide valuable insights which are integrated in the Climate Transition Plan:

- Robust growth in both scenarios: Market dynamics cause +70% total sales in Syensqo's three businesses by 2050 in a 1.5°C world, as well as in a 3°C world. An important assumption limiting sales growth is the cap set for total battery applications served in the 1.5°C scenario.
- Portfolio diversity provides solid balance: In a 1.5°C world, Syensqo's specialty polymers business has the most significant growth opportunities, with demand increasing in most consumer segments. In a 3°C world, the composite materials business has more opportunities, with fewer short-haul flights in the 1.5°C scenario. For Syensqo's Novecare business growth is undifferentiated overall: demand per market responds differently to each scenario, contributing to a balanced outcome.
- Resilience to cost increases is high in the specialty polymers business and composite materials: An important assumption relates to cost pass-through abilities. The part of the Novecare supply chain originating from palm oil and other vegetal oil alternatives is more GHG intensive and faces more risk in the 1.5°C scenario. Engaging with suppliers to reduce Scope 3 emissions and advancing sustainable nature-based feedstocks for Novecare enhances resilience to CO_2 costs and intrinsic competitiveness in the long run. *[E1, SMB-3 - 19a / 19b / 19c]*

5.2.1.1.2 Transition plan for climate change mitigation

Syensqo has developed a Climate Transition Plan to address climate change and support its sustainability objectives. This plan outlines clear targets and actions to reduce GHG emissions across the company's operations and value chain, and how Syensqo manages transition risks and creates positive impacts and opportunities by avoiding emissions.

Scope 1 & 2 Emissions target:

Syensqo targets a 42% reduction in Scope 1 and 2 GHG emissions by 2030, using 2021 as the baseline year. The company's long-term ambition is to achieve carbon neutrality for scope 1 & 2 by 2040.

Scope 3 Emissions target:

Syensqo aims to reduce Scope 3 GHG emissions by 25% by 2030 compared to the 2021 baseline, focusing on five key categories (Focus 5) that represent 78% of total Scope 3 emissions. The Focus 5 categories include (1) purchased goods and services, (2) fuel- and energy-related activities (both upstream) as well as (3) processing, (4) use and (5) end-of-life treatment of sold products (downstream).

Syensqo's 2030 goals for scope 1, 2 and 3 have been validated by the Science Based Targets initiative (SBTi) and are consistent with limiting global warming to 1.5°C, in line with the Paris Agreement.

Syensqo's Climate Transition Plan has been formally approved by both the ELT and the Board of Directors. It is integrated into Syensqo's overall business strategy and financial planning through a comprehensive approach, ensuring that sustainability and climate-related considerations are embedded in all key decision-making processes. *[E1-1 -16h][E1-1 - 14 / 16i].*

Syensqo has assessed the potential impact of locked-in GHG emissions from key assets and products and does not expect these to prevent it from achieving its targets or to represent material transition risks. These factors have been taken into account in the design of the Climate Transition Plan and in the prioritization and timing of actions to reduce Scope 1, 2 and 3 emissions and the exposure to carbon pricing policies.

Progress toward targets, including key decarbonization measures, is disclosed on page 138 and 139. *[E1-1 - 16a]*

To achieve its Scope 1 and 2 targets, Syensqo has identified three decarbonization levers:

- Use of renewable energy such as renewable electricity and bioenergies while sustaining supply security and competitiveness.
- Energy efficiency and electrification of technologies and processes.
- Reduction of process GHG emissions and improvements to the energy mix.

For GHG emissions in Scope 3 Focus 5 categories, the principal decarbonization levers are:

- Engaging with suppliers and advancing the use of bio-based raw materials from sustainable low-emission sources; addressing emissions in categories (1) Purchased goods and services and (12) End-of-life treatment of products sold.
- Managing the products portfolio and sustainability, including phasing down certain products principally addressing emissions in categories (10) Processing, (11) Use and (12) End-of-life treatment of products sold.

Syensqo's growth initiatives relating to enabling lightweighting through composite materials, electrification through batteries and green hydrogen are designed to improve energy efficiency and increase the use of renewable energy across the economy. These efforts contribute to avoided emissions across the value chain.

Innovation at Syensqo is guided by the SPM tool, which allows GHG emissions to be measured throughout the product life cycle. This approach covers both the Focus 5 Scope 3 categories and the impacts of avoided emissions. It also includes designing products for circularity, using renewable and recycled raw materials such as bio-based feedstocks, recycled-based feedstocks and CO2-captured-based feedstocks. Syensqo invests in expanding production capacity for these materials in response to industry demand.

As of 2025, Syensqo does not disclose revenue aligned with the EU Taxonomy. For detailed information on key performance indicators related to taxonomy-aligned revenue, CapEx and OpEx, refer to the EU Taxonomy section on page 175.

Further details on actions and progress can be found on page 139. *[E1-1 - 16b]*

Governance and management

The CEO and the ELT manage Syensqo's strategy, maintaining a strong focus on sustainability. This includes overseeing the organization and monitoring primary risks, including climate-related IROs. A dedicated Environment Steering Committee meets quarterly to ensure ongoing attention and strategic guidance on climate-related subjects. The Committee reviews actions, resources and progress versus climate targets on a scheduled basis. It is led by the COPO, with contributions from the Chief Sustainability Officer, GBU presidents and key experts. *[GOV-1 - 22a]*

Ensuring that Syensqo's transition strategy is aligned with overall business growth, risk management, and long-term resilience:

Assessment of climate-related transition opportunities and threats is supported by the climate scenario analysis. The impact of climate risks and initiatives like the One Planet roadmap are factored into key financial estimates and assessments.

In 2025, 65% of Syensqo's net sales (refer to Consolidated income statement page 224) and 89% of its R&I pipeline (included in the R&I line of the Consolidated income statements for the expensed part, and in Note F15 "Intangible assets" for the capitalized part) were sustainable solutions as determined using the SPM Framework (refer to note F15 Intangible assets page 261).

Climate-related financial considerations:

Syensqo's climate transition plan is embedded into and aligned with its overall business strategy and financial planning through a comprehensive approach that integrates sustainability and climate-related considerations. *[E1-1 - 16h]*

Incorporation into financial planning: Climate change impacts are integrated into financial estimations and strategic decision-making, including future cash flow projections for impairment tests, profitability assessments for deferred tax asset recoverability and scenario analysis for transition and physical risks associated with different climate scenarios.

The budget and mid-term planning process covers both financials and sustainability. It includes quantitative objectives, actions and resources for Scope 1 and Scope 2 and for the Focus 5 categories of Scope 3.

The Investment Committee reviews climate-related impacts and risks of proposed investments, and mitigation plans where applicable. The committee includes members of the ELT and are advised by the Chief Sustainability Officer.

Climate in remuneration:

The Incentive Committee reviews climate-related and overall One Planet key performance indicators (KPIs) for company employee incentive and remuneration schemes. Refer to the Remuneration report - Short- and long- term variable pay (page 87) and Note F26 Share-based payments (page 287) *[E1 GOV-3 - 13].*

Carbon Pricing Policy:

Syensqo implements an Internal Carbon Pricing scheme, described on page 147.

Other disclosures

Locked-in GHG emissions from key assets and products are not considered blocking the achievement of the targets or to represent material transition risks. They are fully integrated in the design of the Climate Transition Plan and in the prioritization and timing of actions to reduce Scope 1, 2 and 3 emissions and the exposure to carbon pricing policies.

Syensqo is not excluded from the EU Paris-aligned Benchmarks and did not invest significant CapEx in 2025 in economic activities related to coal, oil and gas. *[E1-1 - 16d / 16f / 16g]*

5.2.1.1.3 Climate Change Policy

Syensqo's Climate Change Policy applies company-wide. It aims to reduce GHG emissions across Syensqo's operations and the value chain, manage climate-related impacts and risks, and create positive impact, by avoiding GHG emissions and advancing associated business opportunities. These actions also reduce potential pressures on biodiversity and ecosystems. The policy summarizes Syensqo's climate-related targets, and adaptation and mitigation strategies, as well as the company's governance of this topic. Objectives are to reduce Scope 1, Scope 2 and Scope 3 GHG emissions in line with Syensqo's targets as outlined here below, and according to the key elements outlined in its transition plan. The policy also covers climate change adaptation, by improving the resilience of Syensqo's facilities to account for climate physical risks. All key GHG emissions metrics and performance indicators are monitored annually in accordance with the GHG Protocol and the World Business Council for Sustainable Development (WBCSD) guidance for the chemical sector. The Chief Sustainability Officer is accountable for policy implementation. Consideration given to the interests of key stakeholders in setting the policy and how Syensqo makes the policy available is described in section 5.1.2 Sustainability operational governance. *[MDR-P - 65a / 65b / 65c / 65d / 65e / 65f][E1-2 - 25a / 25b / 25c / 25d / 25e][E4-2 - 23a / 23b / 24a]*

Syensqo's Responsible Care Policy described on page 180, also covers its management approach to environmental topics related to climate change.

5.2.1.1.4 Climate-related targets

Considering climate science, the expectations of investors and strategic customers, the SBTi requirements for near-term targets and the Climate Change Policy, Syensqo has set targets in absolute value to reduce GHG emissions in its own operations and the value chain. Syensqo has a goal to achieve carbon neutrality in its operations (Scope 1 and Scope 2) by 2040, consistent with the objective to limit global warming to 1.5°C above pre-industrial levels. This combines a reduction of GHG emissions by at least 80% compared to the 2021 baseline and compensation of residual, hard-to-abate GHG emissions with high-integrity credits in line with the recommendations of the United Nations' High Level Expert Group on Net Zero Emissions Commitments of Non-State Actors. *[E1-4 - 33 / 34c / 34e][MDR-T 80a / 80b / 80c / 80d / 80g / 80h]*

By 2030, Syensqo's goals are to:

- Reduce its Scope 1 and 2 emissions by 42% compared to 2021.
- Reduce Focus 5 categories of Scope 3 GHG emissions (value chain) by 25% as compared to 2021. These categories represent 78% of its total Scope 3 emissions. The Focus 5 categories include (1) purchased goods and services, (2) fuel- and energy-related activities [both upstream] as well as (3) processing, (4) use and (5) end-of-life treatment of sold products [downstream]. *[E1-4 - 34a / 34b / 34c][MDR-T 80e]*

Syensqo's 2030 goals are unchanged from 2024, have been validated by the SBTi and are consistent with limiting global warming to 1.5°C, in line with the Paris Agreement. The company's emission reduction targets cover all GHG emissions for Scope 1, Scope 2 and Focus 5 categories of Scope 3 in the GHG inventory boundaries of the company and are gross targets, therefore ensuring consistency. *[E1-1 - 16a][E1-4 34b / 34e]*

By 2035, Syensqo's goal is to reduce Scope 1 and 2 GHG emissions by 60% compared to 2021, which is halfway between Syensqo's 2030 goal and the minimum reduction level for 2040. *[MDR-T 80e][E1-4 - 34c]*

Syensqo's goals have been designed by reference to the cross-sector ambition thresholds for reducing emissions defined by the SBTi. Syensqo's portfolio of activities is the same as in 2021 (base year of Syensqo's GHG targets), which is considered a representative year on average. Outcomes of the Syensqo strategic planning and climate scenario analysis, as well as customer and consumer demand for low carbon products, have been taken into account when prioritizing the mitigation actions listed below which are also designed to manage the carbon price risk and cost competitiveness. *[E1-4 - 34b / 34c / 34d / 34e] [MDR-T 80f / 80i]*

For **GHG emissions in Scope 1 and Scope 2,** three decarbonization levers have been identified:

- Use of renewable energy, such as renewable electricity and bioenergies, while sustaining supply security and competitiveness.
- Energy efficiency and electrification of technologies and processes.
- Reduction of process GHG emissions and improvement of energy mix.

The progress of Syensqo's electrification plans depends on the pace of innovation to scale for necessary deployment post-2030. Similarly, consistent evolution of local regulations, energy networks management and energy feedstock supply chains will be critical to enable Syensqo's switch to renewable energies and other changes in the energy mix.

For **GHG emissions in Scope 3 Focus 5 categories**, the principal decarbonization levers are:

- Engaging with suppliers and advancing the use of bio-based raw materials from sustainable low-emission sources: addressing emissions in categories (1) Purchased goods and services and (12) End-of-life treatment of products sold.
- Managing the product portfolio and sustainability, including phasing down certain products that primarily contribute to emissions in categories (10) Processing, (11) Use and (12) End-of-life treatment of products sold. *[E1-1 - 16b][E1-4 - 34f]*

Technology readiness is not material for the Scope 3 decarbonization levers in the target's 2030 time horizon.

TARGET RELATED TO SCOPE 1 & 2 GHG EMISSIONS

	Units	2021	2024	2025	2030	2035	2040
Combined Scope 1 and Scope 2 GHG emissions market-based	Million tCO_2eq	2.1	1.5	1.5	1.2	0.8	0.4
(Evolution vs 2021 %)					(-42%)	(-60%)	(-80%)[1]
Share of target relative to Scope 1 GHG emissions	%	100%	100%	100%	100%	100%	100%
Share of target relative to Scope 2 GHG emissions	%	100%	100%	100%	100%	100%	100%
Share of target relative to renewable energy	%				-26%	-31%	-35%
Share of target relative to electrification and energy efficiency	%				-10%	-19%	-30%
Share of target relative to process emissions and energy mix	%				-6%	-10%	-15%

(1) And compensation of residual GHG emissions for carbon neutrality Scope 1 & 2.

TARGET RELATED TO SCOPE 3 GHG EMISSIONS - TABLE

	Units	2021	2024	2025	2030
Scope 3 GHG emissions	Million tCO_2eq	7.4	6.6	6.0	
Scope 3 GHG emissions covered by the target (Focus 5 categories)	Million tCO_2eq	6.0	5.1	4.7	
(% of total Scope 3 GHG emissions)	(%)	(81%)	(77%)	(78%)	
Scope 3 GHG emissions (Focus 5 categories) target	Million tCO_2eq				4.5
	(% of base year)				(-25%)
Share of target relative to supplier engagement and sustainable bio-based feedstocks	Million tCO_2eq				-13%
Share of target relative to products portfolio and sustainability	Million tCO_2eq				-12%

Through these targets, Syensqo tracks the effectiveness of its actions and policy to manage its material IROs related to GHG emissions. *[E1-4 - 34a / 34b / 34d / 34f][MDR-T 80j]*

5.2.1.1.5 Climate-related actions

Syensqo's actions to decarbonize and transition to carbon neutrality for Scope 1 and 2 emissions are a response to both the negative impacts and risks of climate change and the opportunities identified above under different climate scenarios, including a 1.5°C scenario. In 2025, Syensqo advanced its CDP rating to A and was included in CDP's A-list for this matter. *[E1-4 - AR30c]*

Own operations - Scopes 1 and 2

Syensqo develops tailored energy transition roadmaps for plants, created collaboratively by energy experts and site teams, and taking into account local energy market conditions and regulations. By the end of 2025, these roadmaps covered 87% of Syensqo's total energy consumption. Energy-related GHG emissions account for 72% of Syensqo's total Scope 1 and Scope 2, while process-related GHG emissions account for 28%.

Description of key actions by decarbonization lever:

- Use of renewable energy
  - Syensqo's Saint Fons plant in France continued work on a biomass boiler to replace its gas-fired boiler. It uses locally-sourced wood waste from building demolition and wood waste from used furniture.
  - In 2025, 80% of the electricity purchased and consumed globally by Syensqo originated from renewable sources, reaching 100% in China (for industrial sites), the USA, Brazil, Belgium, the Netherlands, and Thailand. Additionally, more than 10% of the global electricity purchased and consumed by Syensqo comes from nuclear sources. Of the renewable electricity used by Syensqo, 10% is sourced from bundled instruments, relating to energy attribute certificates (EACs) linked to physical power purchase agreements.
- Energy efficiency and electrification of technologies and processes
  - Syensqo's Spinetta Marengo plant in Italy upgraded its chiller technology to shift away from fluorinated gas refrigerants and increase energy efficiency.
- Reduction of process emissions and energy mix improvement
  - The Spinetta Marengo plant continued to make incremental progress in mitigating process emissions from perfluorocarbon (CF4) following the introduction of a breakthrough clean technology developed in-house in 2019. Syensqo has identified additional process optimization and technology innovations to enable further CF4 reductions.

[MDR-A - 68a / 68b / 68c][E1-3 - 29a]

Summary of quantitative progress:

Actions completed since 2021 enabled Syensqo to achieve an annual reduction of 532 ktCO_2 by the end of 2025, or 25% of the 2021 baseline year. This equates to a reduction of 68 ktCO_2 compared to Syensqo's performance at the end of 2024. It includes the reduction of 44 ktCO_2 achieved through the key actions taken in 2025 in Spinetta Marengo. These actions are expected to produce an additional reduction of 110 ktCO_2, or 5% of the 2021 baseline, in the years to come. Key actions are disclosed when they are approved for implementation and are expected to reduce GHG emissions by more than 20ktCO_2 annually (1% of baseline emissions). *[E1-1 - 16j][E1-3 - 29b][MDR-A - 68e]*

Financial resources

Current and future financial resources required to implement action plans are disclosed following the rules laid out in section 5.1.3 Basis for preparation. Also refer to the Financial statements consolidation principles - Climate change (page 232). For Capital Expenditure (CapEx) and Operational Expenditure (OpEx), refer to the Note F1 ("Revenue and Segment Information"). *[E1-1 - 16c][E1-3 - 29ci]*

As disclosed in our 2024 AIR, approximately €800 million of CapEx was anticipated to support Syensqo's ambition to achieve Scope 1 and 2 carbon neutrality by 2040. This estimated amount is subject to market conditions, regulatory developments, and technological evolution. This information is indicative in nature and should be read in conjunction with the consolidated financial statements and related notes.

Scope 1 and Scope 2: plan for the 2030 and 2040 targets

	Plan 2025-2040
Project investments	**€800M***

* *Projects may receive investment from Syensqo (CapEx) or from third-parties under non-consolidated schemes, on a case by case basis.*

Syensqo's cash plan includes the resources needed for planned actions. Effective allocation is contingent on its future financial performance. National and local climate and energy policies are vital in order to create an enabling environment. This includes the transformation of energy distribution networks, particularly electricity, and incentives sustaining the competitiveness of industrial players transitioning to low carbon operations. For information concerning the KPIs required under Commission Delegated Regulation (EU) 2021/2178, refer to page 175. Syensqo's exposure to higher costs from carbon pricing schemes is managed by internal experts. Related actions include financial hedging to manage the carbon price risk during the transition to a low-emission business profile.

[MDR-A - 69a / 69b / 69c][E1-1 - 16e][E1-3 - 29cii / 29ciii]

Value chain - Scope 3

Description of key actions and qualitative progress by decarbonization lever:

Engaging with suppliers and increasing visibility in the value chain

- By the end of 2025, 38 of Syensqo's Top 70 suppliers had signed a Climate Pledge with Syensqo. These 38 suppliers represent more than 41% of emissions from raw materials purchased (in category 3.1 "Purchased goods and services"). Launched in late 2024, the Climate Pledge initiative is designed to build a mutual commitment in three areas:
    1. Developing suppliers' roadmaps to reduce the carbon footprint of raw materials sourced, integrating Syensqo's expertise where relevant.
    2. Promoting the use of low-carbon raw materials and integrating Scope 3 considerations in the Request for Proposal process.
    3. Encouraging suppliers to set science-based targets aligned with a 1.5 °C trajectory and fostering strategic partnerships.
- Work has begun to review or co-develop decarbonization roadmaps for the products supplied to Syensqo, according to suppliers' maturity.
- Syensqo achieved certification from TUV from Rheinland for its PCF digital solution, ensuring compliance with ISO 14067 and the PCF Guideline for the Chemical Industry issued by TfS. This certification confirms the ability of the digital solution to reliably calculate the PCF of products and to provide customers with the data needed to drive decarbonization and accelerate the transition to more sustainable value chains. In 2025, Syensqo continued to increase coverage of its product portfolio by expanding it to five additional plants in Syensqo's Materials segment. The number of products with a completed digital PCF completed has increased from 2,200 at the end of 2024 to 2,212 by the end of 2025.

Aligning with suppliers on raw material PCFs is critical. Scope 3 impact from raw materials contributes to 58% of the cradle-to-gate carbon footprint of Syensqo's products, on average. In 2025, supplier PCFs covered 40% of Scope 3 raw material impacts, representing 850 validated PCFs from 180 suppliers integrated into Syensqo's digital PCF solution. *[MDR-A - 68a / 68b / 68c][E1-3 - 29a]*

Transforming Syensqo's product portfolio

Increasing the share of sales from products rated as sustainable solutions under the SPM framework, which integrates emissions in the targeted Scope 3 categories (10) Processing, (11) Use and (12) End-of-life treatment of products sold, helps mitigate the risk arising from changes in customer behaviors lead to loss of sales and reputational losses based on sustainability drivers such as GHG emissions from cradle to grave. *[MDR-A - 68a / 68b]*

<u>Summary of quantitative progress:</u>

Since 2021, Syensqo has achieved a 1.3 Mt (-21%) reduction in Scope 3 Focus 5 GHG emissions. Of this total decrease, 0.8 Mt CO_2 results from structural reductions, or 13%, of the Scope 3 Focus 5 categories baseline. These structural reductions are primarily due to portfolio management initiatives and the phase-down of a high-impact product. *[E1-1 - 16j][E1-3 - 29b][MDR-A - 68e]*

Financial resources

Current and future financial resources required to implement action plans are disclosed following the rules laid out in section 5.1.3 Basis for preparation. CapEx needed for reducing the Scope 3 impact of raw materials is expected to come from players in the supply chain. Syensqo plans to cover recurring OpEx through demand for low carbon products with increased market share and value pricing. Non-recurring OpEx for creating actions are not material. *[MDR-A - 69a / 69b]*

Avoided emissions in Syensqo's value chain

Syensqo's growth initiatives relating to enabling lightweighting through composite materials, electrification with batteries and green hydrogen aim to improve energy performance and enhance renewable energy use in the economy, contributing to **avoided emissions**. *[MDR-A - 68a / 68b]*

Innovation is guided by Syensqo's SPM tool which integrates GHG emissions throughout the life cycle, covering the impact of both the Focus 5 and avoided emissions. This approach also includes designing products for circularity, using renewable and recycled raw materials, such as bio-based feedstock, recycled-based feedstock and CO_2-captured-based feedstock.

Syensqo invests in related production capacity, in alignment with industry demand.

Key actions in 2025 include: progressing construction works for several pilots of innovative technologies and production capacity expansion in Tavaux, France. *[MDR-A - 68e]*. Refer to the note F12 Cash Flow from investing activities (page 259).

Financial resources

Current and future financial resources required to implement action plans are disclosed following the rules laid out in section 5.1.3 Basis for preparation. Capital Expenditure (CapEx), refer to the Note F1 (Revenue and Segment Information) and Note F12 (Cashflows from investing activities)

Avoided emissions: plan for the key actions in implementation in 2025

	2025	Planned
CapEx	€79M	€125M

The resources needed for planned actions are included in Syensqo's cash plan. Effective allocation is contingent on its future financial performance. The CapEx spent in 2025, as reproduced in the table above, is included in the total CapEx line disclosed in Financial statements Note F1 (*Capital Expenditures* 2025 Group total, page 236). *[E1-1 - 16c][E1-3 - 29ci][MDR-A - 69a / 69b / 69c]*

Syensqo is a main partner of the Climate Impulse project, a non-stop, emissions-free flight around the world in a green hydrogen-powered plane. Through Climate Impulse, Syensqo contributes to advancing the achievement of net-zero emissions and sustainable air travel. Syensqo has also partnered with DS Penske Formula E Team, supporting progress in innovation and green mobility.

Action plan for climate physical risks

On-site field risk evaluations are conducted each year by FM (insurance company) generating specific human and physical natural hazard recommendations related to climate-related natural hazards (flood, freeze, wind, wildfire, collapse and hail) to the business units ensuring consistent and quality loss prevention programs. Recommendations from FM are managed via FM's centralized digital Global Portal, which is used to provide up-to-date status and feedback on each open recommendation, so that the proper follow up can be taken to complete them.

In line with Syensqo's climate risk objective to achieve 65% on the FM Climate Risk Score index, Syensqo is continuously working on site-level actions to improve resilience to physical natural hazards (e.g. flooding, wind) in the short to medium term, reaching 62% at the end of 2025.

In 2025, Syensqo completed a project in Changshu, China, to de-risk the site from potential flooding and its highest economic exposure to acute risks. Syensqo has also developed water stewardship plans for eight industrial sites. These plans are designed to mitigate local potential impacts and risks, identifying resources needed and supporting sustainable water management. Encompassing fresh water withdrawal, these plans aim to de-risk site-level exposure to water stress and drought.

5.2.1.1.6 Climate-related metrics

Accounting policy

Energy

Energy consumption covers all fuels and energies (electricity, heat, steam, cooling) purchased and used by Syensqo, except for those bought and resold without transformation to third parties. Quantities are based on actual data, with fuel net calorific values from suppliers or analysis reports, and conversion factors are site-specific or from standard references. *[MDR-M - 77a]*

Scope 1 and 2

Scope 1 and 2 GHG emissions are reported according to the GHG Protocol. Scope 1 covers all on-site emissions from fuel combustion (for electricity, heat, steam or cooling) and chemical processing. Fuel-related emissions are calculated using actual consumption and emission factors from suppliers, site analysis or IPCC guidelines. Chemical processing emissions are determined by calculation or measurement methods.

Scope 2 includes indirect emissions from purchased electricity, heat, steam or cooling consumed by Syensqo, excluding energy resold without transformation. Quantities are actual data. Emission factors for electricity are based on either market-based (specific electricity sourcing, contractual instruments) or location-based (grid averages) methods. For steam, source-specific factors are used. CO_2 emissions from biomass and biogas combustion at Syensqo sites and for purchased steam are biogenic. CH4 and N2O emissions from biomass combustion are calculated using external emission factors and included in Scope 1 (on-site) and Scope 2 (purchased biosteam). Biomass quantities are based on actual data (on-site) or steam energy content and standard yield (purchased biosteam).

The GHG inventory covers all industrial sites, with any excluded small sites totaling less than 1% of Syensqo's energy use and Scopes 1 and 2. Significant research centers, offices and logistics facilities are included. Car fleet emissions are excluded from Scope 1 as they are immaterial, except for refuelings on sites where fuel oil consumption is reported. *[E1-6 - 49][MDR-M - 77a]*

Scope 3

The Focus 5 categories cover the five Scope 3 categories in Syensqo's 2030 target: purchased goods and services (**3.1**), fuel- and energy-related activities (**3.3**), processing of sold products (**3.10**), use of sold products (**3.11**), and end-of-life treatment of sold products (**3.12**).

3.1 - Purchased goods and services: Emissions from raw materials are calculated using actual purchase quantities and PCFs from qualified suppliers or Ecoinvent-based defaults, with extrapolation to cover all raw materials. For other goods and services, a spend-based method with US Environmentally-Extended Input-Output (USEEIO) factors is used. The boundary excludes goods and services in categories 3.2, 3.3, 3.4, 3.5, and 3.9. **3.3** - Fuel- and energy-related activities: Includes emissions from the production and transport of purchased fuels and energy (excluding Scope 2), using actual quantities and emission factors from sources like Ecoinvent, Defra, and Ademe. **3.10** - Processing of sold products. **3.11** - Use of sold products. **3.12** - End-of-life treatment of sold products.

Emissions are calculated by product and application, based on chemical composition and expected reactions. Default end-of-life treatments and emission factors follow WBCSD guidance when uncertain. Actual quantities sold are used and all sold products are included in the reporting boundary. Biogenic CO_2 withdrawals for nature-based raw materials are deducted in 3.12, using actual data or mass balance and covering all such raw materials purchased.

Other Scope 3 categories

3.2 - Capital goods: Emissions are calculated from actual capital expenses using WBCSD guidance, assuming a mix of concrete and steel, adjusted for inflation. **3.4** - Upstream transportation and distribution: Covers all raw material flows to Syensqo and transfers between sites, using standard or actual transport modes and distances. Actual quantities are used, and emission factors are from the GLEC framework (ISO 14083, Cefic-referenced). **3.5** -Waste generated in operations: Includes emissions from incineration and landfilling of operational waste (excluding energy recovery), using actual waste volumes and EcoInvent factors. **3.6** - Business travel: Based on recorded and extrapolated employee travel mileage (air and rail), with EcoInvent emission factors. **3.7** - Employee commuting: Assumes daily commuting by average thermal engine car, except on homeworking days. **3.8** - Upstream leased assets: Not reported; leased car fleet emissions are included in Scope 1. **3.9** - Downstream transportation and distribution: Covers product delivery to customers, using actual transport modes and distances, with GLEC emission factors Actual quantities are used. **3.13** - Downstream leased assets. Not applicable as Syensqo has no downstream leased assets. **3.14** - Franchises. Not applicable as Syensqo has no franchises. **3.15** - Investments: Reports Scope 1 and 2 emissions from non-consolidated entities, based on Syensqo's financial interest. *[E1-6 - 51][MDR-M - 77a]*

Syensqo has enhanced the accuracy of its Scope 3 GHG emissions reporting for 2024 and 2025 and is committed to maintaining this positive trajectory. While these advancements are complex and may not be fully reflected in our baseline data—even with the implementation of restatements—they demonstrate our ongoing dedication to transparency and continuous improvement.

Energy

TOTAL ENERGY

	Unit	2025	2024	2023
Total gross energy consumption (1)	**MWh**	**6,598,662**	**6,987,739**	**6,922,474**[1]
Total energy sold (2)	MWh	1,201,865	1,361,018[2]	
Total net energy consumption (1) - (2)	MWh	5,396,796	5,626,721	

(1) Not covered by the Independent Auditor's limited assurance report
(2) Sales are constituted by 1/3 of electricity sales and 2/3 from steam sales

ENERGY CONSUMPTION AND MIX BY DETAIL

	Unit	2025	2024
Fuel consumption from coal and coal products	MWh	0	0
Fuel consumption from crude oil and petroleum products	MWh	16,762	11,762
Fuel consumption from natural gas	MWh	4,169,744	4,436,191
Fuel consumption from other fossil sources	MWh	208,367	264,533
Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources	MWh	946,297	988,549
Total energy consumption from fossil sources	**MWh**	**5,341,170**	**5,701,035**
Share of fossil sources in total energy consumption		81%	82%
Consumption from nuclear sources	MWh	130,202	157,473
Share of consumption from nuclear sources in total energy consumption		2%	2%
Fuel consumption for renewable sources including biomass	MWh	190,029	177,806
Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources	MWh	937,260	951,425
Consumption of self-generated non-fuel renewable energy	MWh	0	0
Total renewable energy consumption	**MWh**	**1,127,289**	**1,129,231**
Share of renewable sources in total energy consumption		17%	16%

ENERGY PRODUCTION AND MIX

	Units	2025	2024
Renewable energy production	MWh	171,026	160,025
Non-renewable energy production	MWh	4,107,641	4,389,964
TOTAL ENERGY PRODUCTION	**MWh**	**4,278,667**	**4,549,989**

ENERGY INTENSITY BASED ON NET REVENUE

	Units	2025	2024
Total energy consumption per net revenue(1)	**MWh/M€**	**1,040**	**1,021**

(1) Total net revenue is reconciled in Financial statements - Consolidated income statements - page 243 and Discontinued operations - page 255.

All Syensqo's operations can be considered as *high climate impact* sectors, according to the NACE Sections A to H and Section L (as defined in Commission Delegated Regulation (EU) 2022/1288).

[E1-5 - 37 / 37a / 37b / 37c / 37ci / 37cii / 37ciii / 38a / 38b / 38c / 38d / 38e / 39 / 40 / 41 / 42 / 43][MDR-M - 75 / 77c / 77d]

Syensqo uses energy attribute certificates (EACs) as a key tool to decarbonize its energy consumption and credibly claim the use of renewable electricity, even when direct sourcing is not feasible. In 2025, 10% of Syensqo's renewable electricity was sourced from bundled instruments, thanks to energy attribute certificates linked to physical power purchase agreements. To manage Scope 2 emissions, Syensqo utilizes contractual instruments such as Renewable Energy Certificate (RECs), Guarantees of Origin (GOs) and Power Purchase Agreements (PPAs) conveying the associated energy attributes to apply the market-based accounting method. These instruments enable Syensqo to substantiate renewable electricity claims, lower reported Scope 2 emissions, and ensure consistency and traceability in GHG reporting.

While complying with the EU Emissions Trading System (EU ETS) for direct emissions (Scope 1), Syensqo complements regulatory requirements by addressing indirect emissions (Scope 2) through renewable steam and electricity sourcing. This integrated approach combines regulatory compliance with voluntary action, supporting a comprehensive and credible decarbonization strategy. Three Syensqo's sites (Tavaux, Saint Fons and Spinetta) are covered by the EU Emissions Trading System (EU ETS), which requires them to monitor, report and surrender allowances for their direct greenhouse gas emissions (Scope 1). Refer also to Note F29.D. Financial risk management (page 322) - Other market risks (page 328), to the Financial statements consolidation principles - Climate change (page 232), and to Note F21 Inventories (page 280).

GHG emissions

SCOPE 1 & 2 GHG EMISSIONS

	Units	2025	2024	2023	2022	2021
Gross Scope 1 GHG emissions	$MtCO_2eq$	1.2	1.2	1.2(1)R	1.4(1)	1.4(1)
Gross market-based Scope 2 GHG emissions	$MtCO_2eq$	0.3	0.3	0.3(1)R	0.4(1)	0.6(1)
Gross location-based Scope 2 GHG emissions	$MtCO_2eq$	0.6	0.7	0.7(1)R	0.8(1)	0.8(1)
Gross Scope 1 & 2 market-based GHG emissions	$MtCO_2eq$	1.5	1.5	1.6(1)R	1.8(1)	2.0(1)
Gross Scope 1 & 2 market-based GHG emissions - restated	**$MtCO_2eq$**	**1.5**	**1.5**	**1.6(1)**	**1.9(1)**	**2.1(1)**
- Variation % 2025/2021	%	-30%				
- Variation % 2025/2024	%	-5%				
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	%	40%	41%			
Percentage of Scope 2 GHG emissions from contractual instruments	%	47%(2)	45%			
Scope 1 - CO_2 Biogenic emissions	$MtCO_2eq$	0.0	0.0			
Scope 2 - CO_2 Biogenic emissions	$MtCO_2eq$	0.0	0.0			

(1) Not covered by the Independent Auditor's limited assurance report
(2) 8% constitutes bundled instruments and 38% unbundled instruments

Contractual instruments include supplier agreements, renewable electricity power purchase agreements and tariffs, guarantees of origin, renewable energy certificates.

OTHER INDIRECT GHG EMISSIONS (SCOPE 3)

	Units	2025	2024	2023	2021
3.1 Purchased goods and services	$MtCO_2eq$	3.1	3.3	4.0[1]	3.2[1]
3.2 Capital goods	$MtCO_2eq$	1.0	1.2	2.1[1]	1.1[1]
3.3 Fuel- and energy-related activities	$MtCO_2eq$	0.3	0.4	0.3[1]	0.3[1]
3.4 Upstream transportation and distribution	$MtCO_2eq$	0.2	0.1		
3.5 Waste generated in operations	$MtCO_2eq$	0.0	0.0		
3.6 Business travel	$MtCO_2eq$	0.0	0.0	0.0[1]	0.0[1]
3.7 Employee commuting	$MtCO_2eq$	0.0	0.0	0.0[1]	0.0[1]
3.8 Upstream leased assets	$MtCO_2eq$	0.0	0.0	0.0[1]	0.0[1]
3.9 Downstream transportation and distribution	$MtCO_2eq$	0.1	0.1	0.1[1]	0.3[1]
3.10 Processing of sold products	$MtCO_2eq$	0.2	0.3	0.3[1]	0.0[1]
3.11 Use of sold products	$MtCO_2eq$	0.0	0.0	0.0[1]	0.0[1]
3.12 End-of-life treatment of sold products	$MtCO_2eq$	1.1	1.1	1.6[1]	3.2[1]
3.13 Downstream leased assets	$MtCO_2eq$	0.0	0.0	0.0[1]	0.0[1]
3.14 Franchises	$MtCO_2eq$	0.0	0.0	0.0[1]	0.0[1]
3.15 Investments	$MtCO_2eq$	0.0	0.0	0.0[1]	0.0[1]
Sub-total Scope 3 Focus 5 categories	$MtCO_2eq$	4.7	5.1	6.1[1]L	6.7[1]
Sub-total Scope 3 Focus 5 categories – restated	**$MtCO_2eq$**	**4.7**	**5.1**	**5.0[1]**	**6.0[1]**
– Variation % 2025/2021	%	-21%			
– Variation % 2025/2024	%	-8%			
Total Scope 3 emissions	$MtCO_2eq$	6.0	6.6	8.4[1]R	8.1[1]
Total Scope 3 emissions – restated	**$MtCO_2eq$**	**6.0**	**6.6**	**6.7[1]**	**7.4[1]**
– Variation % 2025/2021	%	-18%			
– Variation % 2025/2024	%	-8%			
Percentage of Scope 3 GHG emissions calculated with primary data		34%	33%		
Scope 3 – CO_2 Biogenic emissions	$MtCO_2eq$	0.3	0.3		

(1) Not covered by the Independent Auditor's limited assurance report

TOTAL (SCOPE 1, 2 AND 3) GHG EMISSIONS

	Units	2025	2024	2023	2021
Total GHG emissions (market-based)	$MtCO_2eq$	7.5	8.1	9.9[1]R	10.2[1]
Total GHG emissions (market-based) – restated	**$MtCO_2eq$**	**7.5**	**8.2**	**8.3[1]**	**9.5[1]**
– Variation % 2025/2021	%	-21%			
– Variation % 2025/2024	%	-8%			
Total GHG emissions (location-based)	$MtCO_2eq$	7.8	8.5	10.2[1]	10.3[1]

(1) Not covered by the Independent Auditor's limited assurance report

GHG INTENSITY PER NET REVENUE

	Units	2025	2024
Total GHG emissions (market-based) per net revenue[1]	**$ktCO_2eq$/M€**	**1.2**	**1.2**
Total GHG emissions (location-based) per net revenue[1]	$ktCO_2eq$/M€	1.2	1.2

(1) *Total net revenue is reconciled to Financial statements - Consolidated income statements - page 243 and Discontinued operations - page 255*

[E1-6 - 44 / 48a / 48b / 49a / 49b / 51 / 52a / 52b / 53/ 55][MDR-M - 75 / 77c / 77d]

Total Scope 1 and 2 of Syensqo's consolidated entities is equal to Total Scope 1 and 2 of entities under Syensqo's operational control disclosed above.

In 2025, Scope 1 and 2 GHG emissions decreased by 5% compared to 2024. Next to lower production volumes, this was primarily driven by structural reductions contributing to a decrease of 68 $ktCO_2$ compared to Syensqo's performance at the end of 2024. It includes the reduction of 44 ktCO2 achieved through the key actions taken in 2025 in Spinetta Marengo. Syensqo's Scope 3 Focus 5 GHG emissions also declined by 8% year-over-year, mainly due to a reduction in Scope 3.1 emissions driven by lower purchasing volumes and changes in the raw material mix portfolio.

In order to review the performance against its targets, Syensqo monitors all key GHG emissions metrics and performance indicators annually in accordance with the GHG Protocol and the WBCSD guidance for the chemical sector, and ensure strategic guidance through the dedicated Environment Steering Committee quarterly meetings. *[E1-6 - 47 / 50][MDR-T 80j]*

5.2.1.1.7 GHG removals and GHG mitigation projects financed through carbon credits

In 2025, Syensqo did not develop or contribute to GHG removal and storage projects in its own operations, in its value chain or outside its value chain. In alignment with its Scope 1 and 2 carbon neutrality target, Syensqo intends to neutralize its residual, hard-to-abate emissions up to 20% of the 2021 baseline (400 $ktCO_2eq$), by purchasing and cancelling carbon credits in line with the recommendation from the UN High Level Expert Group on the Net Zero Emissions Commitments of Non-State Actors. Syensqo plans to use carbon credits for GHG emission reductions or removals from climate change mitigation projects outside its value chain and these will be sourced under future contractual agreements with third parties. *[E1-7 - 56a / 56b / 58 / 58a / 60 / 61]*

5.2.1.1.8 Internal carbon pricing

Orienting investments, research and development, and portfolio toward zero emissions

Syensqo applies a carbon shadow price of €100 per metric ton of CO_2 to encourage low-emission investments, manage transition risks and strengthen investment resilience. This is presented in the *Financial statements consolidation principles* - climate change (page 232). This internal price is aligned with analysis of the IEA for science-based carbon pricing trajectories and technology perspectives. Used globally in all CapEx decisions for Scope 1 and 2, as well as for emissions in Scope 3 category 1 for raw materials purchased (categories 3.3, 3.4 and 3.5), it supports Syensqo's 2030 and 2040 reduction targets. SPM (described on page 172) integrates the carbon shadow price into life cycle assessments (cradle-to-gate), financial impact analysis, product evaluation, research & development decisions and market alignment. *[E1-8 - 62 / 63a / 63b / 63c].*

Carbon price used in internal pricing scheme

GHG EMISSION COVERAGE (PER SCOPE)

	Units	2025	2024
Scope 1 GHG emission covered by internal carbon pricing scheme	$MtCO_2eq$*	1.2	1.2
Share of the overall GHG emissions for Scope 1	%	100%	100%
Scope 2 GHG emission covered by internal carbon pricing scheme	$MtCO_2eq$*	0.3	0.3
Share of the overall GHG emissions for Scope 2	%	100%	100%
Scope 3 GHG emission covered by internal carbon pricing scheme	$MtCO_2eq$*	3.6	3.8
Share of the overall GHG emissions for Scope 3	%	60%	58%

* *Approximate volume.*

[E1-8 - 63d][MDR-M - 75 / 77c]

5.2.1.2 Water

ESRS E3 | UN SDG 6

The potential negative water-related impact in Syensqo's value chain is covered in the *Environmental due diligence and Product stewardship* chapter (page 160), and the *SPM* chapter (page 172), which also covers the actual positive impact of Syensqo's sustainable solutions in improving water availability in its downstream value chain. Water-related risks linked to climate change are tackled in the *Climate change* chapter (page 134). For this chapter on water, Syensqo has two potential negative material impacts related to its own operations in the short term. These have been split from the original IRO outlined in Syensqo's 2024 annual report, in order to help reach a more granular level of IROs in 2025. Firstly, Syensqo's water withdrawal is mainly used for chemical production processes and cooling purposes. Syensqo's water usage could have a potential impact on the water bodies around its sites and the communities using these same water bodies, especially for those sites in hydric stress areas. This impact has a medium current and anticipated strategic effect. Secondly, as a chemical company, effluents in water discharges from Syensqo's operations may potentially negatively impact the environment and surrounding communities (see page 154 for related IROs with the strategic effect, and additional policies, actions and metrics). *[SBM-3 - 48a / 48b / 48c / 48g]*

Syensqo's Water Management Policy applies to all industrial sites under its full or majority ownership. It promotes efficient and responsible water use across Syensqo's operations, risk mitigation and reduced environmental potential impact. It addresses the use, sourcing and treatment of water, and the prevention and abatement of water pollution at industrial sites. Syensqo applies the Water Efficiency Hierarchy (prevent, reduce, reuse, recycle, restore) to reduce both water consumption and water withdrawn that is released back into the water environment. Syensqo quantifies water effluents volumes and content, and treat discharged water, in adherence with local, national and international regulations. In 2026, Syensqo will implement tailored Water Stewardship Plans (WSP) at 15 key sites, including those subject to its water target. These plans are designed to mitigate local potential impacts and risks, providing all resources needed to support sustainable water management. These plans will emphasize community engagement and build on existing outreach to enhance shared responsibility and effectiveness. This policy aligns with UN SDG 6 and complies with regional legislation, including the European Water Framework Directive. Syensqo monitors all key water-related metrics annually, while main water flows are followed in real time to track the implementation of water reduction projects. The Chief Sustainability Officer is accountable for policy implementation. Consideration given to the interests of key stakeholders in setting the policy and how it is made available is described in *section* 5.1.2 Sustainability operational governance. *[MDR-P - 65a / 65b / 65c / 65d / 65e / 65f][E3-1 - 9 / 12ai / 12aii / 12aiii / 12c]*

Syensqo's Pollution Policy (page 155) further details how effluents in water discharges are managed, while Syensqo's Responsible Care Policy (page 180) covers its management approach on environmental topics related to water. Syensqo's Community Engagement Policy (page 155) shows the company's understanding of the importance of listening, engaging and working with stakeholders to receive and address their concerns and expectations, which also applies to water consumption and discharge.

Syensqo has set a target to reduce freshwater withdrawal by 20% by 2030, compared to 2021, at sites exposed to water availability challenges. Targeted sites have either experienced drought conditions or are at risk of experience them, and may be subject to freshwater withdrawal limitations imposed by local authorities. Freshwater withdrawal reduction goals are site-specific, to account for their potential water-related impacts and risks. The volume of freshwater withdrawal in 2025 at the sites subject to this target is in line with the target and results from a combination of lower production levels in 2025 compared to the 2021 baseline, as well as structural reduction projects implemented at several sites. Sites' risk profiles were identified using the Aqueduct Water Risk Atlas and further refined with local assessments. While not located in areas of high or very high water risk according to the Aqueduct tool, some sites have been selected as the local assessment concluded they are exposed to water availability challenges. Sites subject to the target represent 41% of Syensqo's total freshwater withdrawal in the baseline year 2021, while sites located in areas of high or very high water risk, according to the Aqueduct tool, represent less than 4%.

Water availability assessments will be repeated at least every three years, and may result in the extension of the target to additional sites. This process will ensure Syensqo's focus remains aligned with the evolving water scarcity situation, considering potential new water availability challenges faced by sites. In 2024, Syensqo identified several sites as exposed to water availability challenges, using the methodology described above: Clamecy, Melle, Saint-Fons and Tavaux in France; Atequiza in Mexico; and Baton Rouge and Long Beach in the USA. Three of these sites are located in areas of high or very high water risk according to the Aqueduct tool, representing 50% of Syensqo freshwater withdrawal in those areas in 2021. Freshwater withdrawal represents a significant part of Syensqo's total water withdrawal. While much of Syensqo's freshwater withdrawal is released back to the water environment, a portion is consumed when embodied in products or in waste, or lost, for instance, through evaporation. Therefore, while Syensqo's goal does not directly relate to water consumption reduction, it does indirectly. While Syensqo's stakeholders were not directly involved in the definition of this voluntary target, stakeholder engagement is an integral part of the management of Syensqo's potential impact on water usage in areas at water risk and in the reduction of the potential impact of its operations on communities and the environment. *[MDR-T - 80a / 80b / 80c / 80d /80e / 80f / 80g / 80h] [E3-3 - 23a / 23c / 25]*

Syensqo strives to reduce freshwater withdrawal through its actions, continuing its efforts to ensure freshwater withdrawal remains in line with its water management target and aiming to prevent or mitigate potential negative impacts from water use in its own operations, including several sites in areas at water risk.

- **Water Stewardship Plans:** As described in its water management policy, Syensqo has an integrated approach to water management through WSP that address local water availability challenges, freshwater withdrawal and quality of the water effluents (addressed in more detail in the chapter *Emissions, effluents, and remediation*). In 2026, Syensqo will implement tailored WSP at 15 key sites. Of these, nine sites have already developed and implemented a WSP in 2025. This encompasses six out of seven sites included in Syensqo's water target, representing 96% of Syensqo's freshwater withdrawal in 2021 associated with this target. Three of these nine sites are located in high or very high water stress areas according to the Aqueduct tool, accounting for 44% of Syensqo's total freshwater withdrawal in such areas in 2025. Stakeholder engagement is also embedded in these WSP. A mapping of key stakeholders is systematically prepared and actions are defined to ensure that Syensqo engages and collaborates with them.
- **Star Factory roadmaps:** Through Syensqo's Star Factory program, industrial sites covered by the program are developing roadmaps to minimize their overall environmental footprint, including plans to lower long-term freshwater withdrawal, where relevant. During 2024 and 2025, 35 sites, accounting for 94% of Syensqo's total freshwater withdrawal, had integrated water management workstreams into their roadmaps. Of these, five sites fall within the scope of Syensqo's water target, representing 96% of Syensqo's freshwater withdrawal in 2021 the baseline year for Syensqo's water target. Of the 35 sites with water management workstreams, ten are located in areas classified as high or very high water stress according to the Aqueduct tool, representing 47% of Syensqo's total freshwater withdrawal in those areas in 2025.

  Since 2022, Syensqo has continuously implemented projects aimed at reducing freshwater withdrawal through prevention (Zhangjiagang in 2022), reuse (Tavaux in 2024) and recycling (Willow Island in 2022 and Borger Texas in 2023).

  In 2025, Syensqo implemented several projects to reduce freshwater withdrawal, including:

  - A new cooling module at the Tavaux site, leading to a 174 Km^3/y reduction and cooling regulation optimization at Clamecy leading to a 94 Km^3/y reduction.
  - Water recycling and reuse projects, including water treatment, at multiple sites in China, with an overall reduction of 94 Km^3/y.

For current financial resources required, refer to the rules laid out in section 5.1.3 Basis for preparation. For CapEx and OpEx, refer to the Note F1 ("Revenue and Segment Information"). The financial information disclosed regarding the Syensqo's Freshwater withdrawal reduction projects is provided solely to meet CSRD and ESRS sustainability reporting requirements. Where relevant, figures are based on either amounts from the consolidated financial statements or management's estimates as of the reporting date. Due to estimation uncertainties and evolving external factors, actual expenditures may differ from those disclosed. This information should not be viewed as a forecast, target or commitment and should be read alongside the consolidated financial statements and related notes.

Syensqo will implement projects aimed at reducing freshwater withdrawal by 20% by 2030, compared to 2021, at sites with water availability challenges. The estimated CapEx from 2025 to 2030 for Syensqo's water stewardship trajectory is around €20 million. For details on future financial resources, see 5.1.3 Basis for preparation. *[MDR-A - 68a / 68b / 68c / 68e / 69a / 69c][E3-2 - 19]*

5.2.1.2.1 Water consumption and withdrawal metrics

Accounting policy

Water uses and quantification

Syensqo uses water mainly for chemical production and cooling. Syensqo tracks key metrics — withdrawal, use, discharge volume and quality — each year, using flow meters or supplier invoices, making estimates only when needed. Due to current configuration of data collection systems, a quantified breakdown of data derived from direct measurement, sampling and extrapolation, or estimation methods is not available at this stage. Real-time tools monitor major water flows and evaluate reduction initiatives. Water consumption is the water contained in final products or waste, along with water lost through evaporation or other losses.

Sites with high or very high water risk are those with a baseline water stress[1] score of three or above, classified as High (40-80%) or Extremely High (>80%) in the Aqueduct tool. Eighteen sites have been identified, excluding R&I centers due to their low water use.

Recycled and reused water covers cooling and process water, excluding recirculated water in closed or semi-open loops. Intensity ratios are computed by dividing each water metric by Syensqo's global net revenue. *[MDR-M - 77a][E3-4 - 28e]*

Syensqo specific KPIs

Freshwater withdrawal, measured in million m³ per year, is the freshwater Syensqo purchases such as drinking water, or pumps from freshwater systems, such as rivers or lakes, and groundwater sources, like aquifers. It also includes water Syensqo pumps and resells to third parties. *[MDR-M - 77a]*

WATER CONSUMPTION

	Units	2025	2024
Total water consumption	**Million cubic meters**	**7.3**	**7.0(2)**
Total water consumption in areas at water risk (including areas of high-water stress) (18 sites)	Million cubic meters	1.1	1.1
Total water recycled and reused	Million cubic meters	2.7	1.1(2)
Water consumption intensity ratio(1)	Cubic meter/M€	1,182	1,065(2)

(1) Total net revenue is reconciled to Financial statements - Consolidated income statements, Net sales - page 243 and Discontinued operations, Net sales - page 255
(2) Restated data. Originally published data: 7.4 for Total water consumption and 1.0 for Total water recycled and reused. 1,133 Water consumption intensity ratio

WATER AND FRESHWATER WITHDRAWAL

	Units	2025	2024	2023	2022	2021
Total water withdrawal	**Million cubic meters**	**79.2**	**81.8(3)**	**85.9(1)(2)**	**96.7(1)(2)**	**N/A**
Freshwater withdrawal	Million cubic meters	71.7	74.0(3)	78.3(1)(2)	87.4(1)(2)	90.5(1)
- Variation % 2025/2021	%	-21%				
Freshwater withdrawal for sites exposed to water availability challenges (7 sites)	Million cubic meters	27.4	28.3	27.7(1)	33.2(1)	37.2(1)
- Variation % 2025/2021	%	-26%				
- Variation % 2025/2024	%	-3%				

(1) Not covered by the Independent Auditor's limited assurance report.
(2) Restated data. Originally published data: 90.0 (2023) and 101.1 (2022) for Total water withdrawal; 77.7 R (2023) and 86.9 (2022) for Freshwater withdrawal.
(3) Restated data. Originally published data: 82.3 for Total water withdrawal; 74.6 for Freshwater withdrawal

[E3-4 - 28a / 28b / 28c / 29][MDR-M - 75 / 77c / 77d]

(1) Baseline water stress measures the ratio of total water demand to available renewable surface and groundwater supplies. Water demand includes domestic, industrial, irrigation and livestock uses. Available renewable water supplies include the impact of upstream consumptive water users and large dams on downstream water availability. Higher values indicate more competition among users (Aqueduct 4.0).

Restatements have been made due to increased scrutiny of Syensqo's data, during which errors were identified and corrected to ensure the accuracy and reliability of reporting, as well as comparability with 2025 data points. In order to review the performance against its water management target, Syensqo annually monitors all key water metrics annually, while main water flows are used to track the implementation of water reduction projects. In 2025, freshwater withdrawal for sites exposed to water availability challenges decreased 3% year-on-year. Including lower production volumes and structural reductions, this equated to a 26% reduction compared to 2021, surpassing Syensqo's 2030 target. The 2030 target remains ambitious with anticipated business growth. *[MDR-T - 80j][MDR-A - 68e][MDR-M - 77c / 77d]*

5.2.1.3 Waste

UN SDG 6 | UN SDG 12

The potential negative impact in Syensqo's value chain relating to waste is addressed in the *Environmental due diligence and product stewardship* chapter (page 160). This chapter explains that Syensqo has a potential negative material impact from its own operations in the short term, with a medium current and anticipated strategic effect: Syensqo's chemical manufacturing processes generate waste, including hazardous waste. If it is not managed in a sustainable way, this waste may potentially have an impact on the environment and the health of workers & communities. *[SBM-3 - 48a / 48b / 48c]*

Syensqo's Waste Policy applies to all sites under Syensqo's full or majority ownership or legal responsibility. The policy focuses on reducing and responsibly managing waste to retain resource value, minimizing environmental and societal impacts, and supporting sustainable growth while maintaining legal compliance. Syensqo aims to reduce industrial waste sent to landfill or incineration without energy recovery by applying the Waste Hierarchy (prevent, reduce, reuse, recycle, recover energy), to the extent permissible by government authorities. Syensqo promotes waste reuse and recycling at its sites and with third parties, striving for circularity. Sites must work only with qualified waste management companies that meet safety and regulatory standards, ensuring waste is managed with appropriate, sustainable technologies and in compliance with all relevant regulations, including those for hazardous waste. Syensqo's waste management approach is aligned with UN SDG 12, aiming to reduce waste generation through prevention, reduction, recycling and reuse by 2030. Syensqo monitors progress through the action plans and metrics detailed below. The Chief Sustainability Officer is responsible for implementing this policy and aligning it with Syensqo's sustainability goals. Stakeholder interests and policy availability are detailed in section 5.1.2 Sustainability operational governance. *[MDR-P - 65a / 65b / 65c / 65d / 65e / 65f]*

Environmental management related to waste is also addressed in Syensqo's Responsible Care Policy (page 180), while the use of virgin, recycled and renewable resources is covered by the Circular Economy Policy (page 169).

Syensqo does not have a public waste reduction target, but it aims to reduce and responsibly manage operational waste. Syensqo's action plan focuses on minimizing industrial waste sent to landfill or incineration without energy recovery. The company monitors waste metrics annually, which include volume, composition and management (reuse, recycling, disposal through landfilling or incineration with or without energy recovery), and assesses project impact and progress using set KPIs. Internal and external audits ensure compliance and help identify areas for improvement. *[MDR-T - 81b]*

The following short-term recurring actions aim to prevent or mitigate potential negative impacts related to industrial waste from Syensqo's operations:

- **Star Factory roadmaps:** Industrial sites included in Syensqo's Star Factory Program, are developing roadmaps to reduce their environmental footprint, including targeted actions to reduce industrial waste disposed of through landfilling or incineration without energy recovery. In 2024, more than 25 sites had developed waste workstreams as part of their Star Factory roadmaps, while in 2025, this increased to 31 sites, covering 70% of Syensqo's total industrial waste *(dry weight)*.
- **Composite Materials GBU task force:** Through this task force, dedicated to reducing industrial waste generation at Syensqo's Composite Materials sites, Syensqo reduced industrial waste (dry weight) by 1,200 tons/year in 2025 through process optimization initiatives. Enhanced recycling partnerships and the expansion of Waste to Energy (WTE) solutions allowed the GBU to divert substantial amounts of industrial waste from landfills.

Since 2022, Syensqo has continuously implemented projects prioritizing more sustainable disposal methods for industrial waste, particularly hazardous industrial waste, through the promotion of material or thermal recovery and projects achieving structural waste reductions. These projects included waste reduction projects in West Deptford (2023), Tavaux (2023 and 2024) and Borger (2023), recycling projects in Augusta (2022), Piedmont (2022) and Panoli (2022), and reuse projects in Borger (2022) and Piedmont (2022). Additional projects are being considered for implementation in the coming years. For current and future financial resources required, refer to the rules laid out in section 5.1.3 Basis for preparation.

[MDR-A -68a / 68b / 68c / 68e / 69a / 69b / 69c]

5.2.1.3.1 Waste metrics

Accounting policy

Waste types and composition

Waste at Syensqo results from many activities and sources including manufacturing and research activities, vessel cleaning, distillation residues, sludges, filter cakes and non-conforming or expired products. Production generates organic/inorganic, hazardous/non-hazardous and liquid/solid waste, and includes materials such as glass and carbon fibers, resins, monomers and various salts. Non-recurring waste (e.g. construction, demolition wastes) have been added to the waste reporting scope in 2025; they account for 28.5ktons of the total 183.7ktons of waste generated in 2025 (in wet quantities).

Quantification

Syensqo, or its waste management providers, measure waste quantities in their original (wet) state. Non-recycled waste equals total waste generated minus hazardous and non-hazardous waste recycled, as per CSRD requirements. Hazardous waste is defined by the EU Waste Framework Directive (2008/98/EC) for EU sites and by local laws elsewhere. Raw quantities are visible on the waste manifest that follows the waste throughout its disposal cycle. The classification of the waste and the disposal destination are determined by the site together with waste disposal partners according to local regulations. After final disposal, the manifest returns to the site with all information related to the final disposal destination and process. Data including quantities and disposal dispositions are consolidated by the sites using spreadsheets or more advanced softwares when necessary to facilitate the reporting of data in other digital platforms as required by local authorities

Syensqo-specific KPIs

Syensqo tracks waste volumes in dry weight to monitor progress in reducing waste, including landfill or incineration without energy recovery. “Dry weight” is calculated from dry matter content, measured or estimated; they only refer to recurring wastes.

In the European Union and North America, incineration with energy recovery is applied to all waste streams labeled R1 and H050, respectively. The waste management companies provide manifests as evidence of this process. In other regions, specific criteria must be met: the waste stream must have a minimum lower calorific value of 11.6 MJ/kg, and the incinerator must have an energy recovery system, such as a boiler, or the waste must be used as a supplemental fuel in industrial furnaces, like those in cement plants.

[MDR-M - 77a]

TOTAL WASTE GENERATED (IN WET QUANTITIES)

	Units	2025	2024(1)
Total amount of waste generated	**1,000 tons**	**183.7**	**161.1(2)**
Total amount of hazardous waste generated	1,000 tons	69.0	65.6
Total amount of radioactive waste generated	g	5	0.0
Total amount of non-recycled waste	1,000 tons	134.6	132.1(2)
Percentage of non-recycled waste	%	73%	82%

(1) Syensqo was not able to track non-recurring wastes in 2024; non-recurring wastes are not included in 2024 metrics
(2) Restated data. Originally published data: 161.3 Total amount of waste generated; 132.5 Total amount of non-recycled waste

WASTE DIVERTED FROM DISPOSAL (IN WET QUANTITIES)

		Units	2025	2024[(1)]
Hazardous waste diverted from disposal		1,000 tons	47.4	47.1[(2)]
	Preparation for reuse	1,000 tons	4.9	7.2
	Recycling	1,000 tons	11.3	9.7
	Other recovery operations	1,000 tons	31.3	30.2
Non-hazardous waste diverted from disposal		1,000 tons	62.0	45.6[(2)]
	Preparation for reuse	1,000 tons	7.6	8.1
	Recycling	1,000 tons	37.8	19.2[(2)]
	Other recovery operations	1,000 tons	16.6	18.3[(2)]
Total waste diverted from disposal		**1,000 tons**	**109.4**	**92.7[(2)]**

(1) Syensqo was not able to track non-recurring wastes in 2024; non-recurring wastes are not included in 2024 metrics
(2) Restated data. Originally published data: 47.2 Hazardous waste diverted from disposal; 45.9 Non-hazardous waste diverted from disposal; 19.1 Recycling; 18.7 Other recovery operations; 93.0 Total waste diverted from disposal

WASTE DIRECTED TO DISPOSAL (IN WET QUANTITIES)

		Units	2025	2024[(1)]
Hazardous waste directed to disposal		1,000 tons	21.6	18.5[(2)]
	Incineration	1,000 tons	11.0	11.6[(2)]
	Landfill	1,000 tons	5.4	3.9
	Other disposal operations	1,000 tons	5.3	3.0
Non-hazardous waste directed to disposal		1,000 tons	52.6	49.8
	Incineration	1,000 tons	0.7	0.8
	Landfill	1,000 tons	51.2	48.5
	Other disposal operations	1,000 tons	0.7	0.5
Total waste directed to disposal		**1,000 tons**	**74.2**	**68.4[(2)]**

(1) Syensqo was not able to track non-recurring wastes in 2024; non-recurring wastes are not included in 2024 metrics
(2) Restated data. Originally published data: 18.4 Hazardous waste directed to disposal; 11.5 Incineration; 68.2 Total waste directed from disposal

WASTE GENERATED (IN DRY QUANTITIES)

	Units	2025	2024	2023
Total waste[4]	**1,000 tons[1]**	**83.8**	**87.7[7]**	**90.7[2]R**
Hazardous waste[5]	1,000 tons[1]	41.4	42.3[7]	41.3[2]R
Total waste disposed of through landfilling or incineration without energy recovery[3]	1,000 tons[1]	33.5	34.2	36.1[2][6]
- Variation % 2025/2024	%	-2%		

(1) Metric tons of dry waste.
(2) Not covered by the Independent Auditor's limited assurance report.
(3) Referenced in previous annual integrated reports as 'Total industrial waste not treated in a sustainable way (NSIW)'.
(4) Referenced in previous annual integrated reports as 'Total industrial waste'.
(5) Referenced in previous annual integrated reports as 'Hazardous industrial waste'.
(6) Restated data. Originally published data: 35.1 R (2023) and 39.9 (2022).
(7) Restated data. Originally published data: 88.0 Total waste; 42.5 Hazardous waste

[E5-5 - 37a / 37b / 37c / 37d / 38 / 38a / 38b / 39 / 40][MDR-M - 75 / 77c]

Where new or improved information has become available, restatements have been made, both to correct data where necessary and to facilitate consistent comparability across reporting years.

Syensqo has an action plan to reduce waste that is disposed of through landfilling or incineration without energy recovery. In 2025, this volume decreased by -2% year-on-year, due to lower production volumes and the actions taken by the Composite Materials GBU task force. *[MDR-A - 68e]*

5.2.1.4 Emissions, effluents & remediation

ESRS E2 | UN SDG 3 & 14

All pollution-related potential negative impacts and risks in Syensqo's value chain are addressed in the *Environmental due diligence and Product stewardship* chapter (page 160), while the actual positive impact from Syensqo's sustainable solutions limiting air and water pollution in the downstream value chain is detailed in the *SPM* chapter (page 172). Regarding this chapter on *Emissions, effluents & remediation,* Syensqo has identified the following impacts and risks related to its own operations:

- Short-term potential negative material impact with a high current and anticipated strategic effect: As a chemical company, air emissions and water effluents from Syensqo's operations may potentially negatively impact surrounding communities and the environment. However, all sites are compliant with operating permits and aligned with regulations.
- Material risk with a high current and anticipated strategic effect: The risk that evolving regulatory changes impact production or R&I activities or lead to product bans, including intermediates and raw materials, causing business disruptions, financial consequences, reputational implications and loss of business.
- Material risk with a medium current and anticipated strategic effect: The risk of a major accident on site or an accident during transportation leading to an environmental impact, creating reputational damage, remediation costs and potential litigation.
- Material risk with a high current and anticipated strategic effect: The risk that current or past releases into the environment (air, water, ground) from production sites are considered negatively leading to media activism, potential litigation and liabilities, or causing significant reputational damage. This last risk is the only risk with current financial effects, for which Syensqo's environmental provisions in the Financial statements are referenced in Note F28 Provisions (page 309) and detailed below.

Pollution of soil is a material topic for non-ongoing operations / activities only, as documented in Appendix I (page 213). During its yearly DMA update, Syensqo systematically reviews this topic for both current and non-ongoing operations and reassesses the materiality of the sub-topic.

[SBM-3 - 48a / 48b / 48c / 48d]

Syensqo is a signatory to the International Council of Chemistry Associations (ICCA) Responsible Care Global Charter® and Syensqo's Responsible Care Policy (page 180) outlines the company's commitment to safeguarding people and the environment.

Syensqo's Pollution Policy describes its commitment to preventing, controlling, and reducing air, water and soil pollution, using the Pollution Mitigation Hierarchy (avoid, reduce, restore, regenerate, transform), and to monitoring emissions to minimize impacts on communities and the environment. Syensqo's approach includes all industrial sites under Syensqo's ownership or responsibility, even those with historical soil pollution. This policy covers at least the pollutants or substances identified in local, national and international environmental laws and regulations related to pollution. Syensqo complies with all relevant environmental laws, employs systems to maintain air emissions and water effluents below legal limits and provides required data to authorities. Progress on reducing key SoC and SVHC emissions is tracked through specific metrics and KPIs. Syensqo uses the Pollution Hierarchy to reduce emissions of SoCs and SVHCs with the greatest environmental or business impact. Measures are in place to control soil pollution and prevent groundwater migration, protecting the environment and enabling property use. Reducing air, water and soil pollutants helps protect biodiversity and ecosystems. Robust Process Safety Management programs and Emergency Response Plans ensure effective emergency response and minimize impacts on people, communities and the environment. Syensqo's comprehensive approach to pollution is in line with the UN SDG 3, target 3.9, and UN SDG 14, target 14.1, and with regional legislation. *[MDR-P - 65a / 65b / 65d][E2-1 - 15a / 15b / 15c][E3-1 - 12aii / 12aiii][E4-2 - 23a / 23b]*

Syensqo's Community Engagement Policy, outlines how the impacts and risks from operations related to the health, safety and well-being of communities where the company operates are managed. Syensqo is committed to operating with transparency and works to integrate itself into its the surrounding communities. Sites work with organizations to enhance well-being and manage concerns voiced by community members in a confidential and secure manner. Syensqo's policy is aligned with international standards, including the OECD Guidelines for Multinational Enterprises and UN SDG 17. *[MDR-P - 65a / 65b / 65d]*

Syensqo's Chief Sustainability Officer is responsible for implementing both the pollution and the community engagement policies. Stakeholder interests and policy availability are detailed in section 5.1.2 Sustainability operational governance. *[MDR-P - 65c / 65e / 65f]*

Syensqo does not currently have a public target related to pollution reduction, but it has a clear commitment to reduce and control pollution as described in Syensqo's Pollution Policy. Syensqo monitors policy effectiveness by measuring yearly air emissions, water effluents and progress on projects reducing SoC and SVHC releases. *[MDR-T - 81b]*

Syensqo's HSE approach emphasizes a culture of safety, continuous improvement, competency development and adherence to HSE Minimum Requirements to mitigate risks. Syensqo focuses on ensuring that water effluents and air emissions from its sites must meet all applicable emission limits and environmental quality standards, where relevant, and it regularly assesses sites and takes actions to reduce or eliminate key SoC and SVHC from air emissions and water effluents. Syensqo's dedicated Health, Safety and Environmental Sustainability (HSES) corporate team addresses and follows all environmental topics, including remediation.

Out of Syensqo's 69 eligible sites(1), 84% have at least one certified environmental management system in place, and 22 sites have been certified with multiple Environmental Management Systems. Specifically, within the eligible sites:

- ISO 14001 certification covers 57% of the sites.
- RC14001 covers 20% of the sites.
- ISO 50001 covers 12% of the sites.
- RCMS *(American Chemistry Council's Responsible Care Management System)* covers 25% of the sites.
- Responsible Care Program by ABIQUIM in Brazil covers 3% of the sites

In addition to the above numbers, eight R&I sites have an internal HSE certification program in place, recognized by an external auditor.

HSE networks regularly review and adjust processes as needed and share good practices across areas such as process safety and transportation safety. Communication and reporting tools are used alongside shared short- and long-term improvement plans. Additionally, site audits are conducted to meet both internal and external requirements at least once every five years.

(1) Eligible sites do not include admin sites and sites with fewer than 10 people, or sites that are not under Syensqo's operational control or sites created less than three years ago

Prevention and mitigation of risks and potential impacts related to air emissions and water effluents

Syensqo's continuous action plan for preventing and mitigating environmental risks and impacts from air emissions and water effluents in its operations includes a risk characterization and mitigation approach applied at relevant Syensqo sites. This involves monitoring regulatory changes that may affect environmental permits, developing a better understanding of the views and interests of nearby communities where applicable and obtaining insurance for unknown gradual and sudden pollution, to cover defense, clean-up and third-party liability costs. Syensqo identifies and establishes projects to anticipate upcoming regulations and reduce air emissions and water effluents, including projects to decrease the releases of SoC and SVHC that have the highest negative potential impact on the environment or people, or pose a risk to Syensqo's business. Related mitigation actions are evaluated as needed. By the end of 2025, 34 industrial sites had developed air and water workstreams as part of their Star Factory Roadmaps to reduce their environmental footprint. Any complaints can be reported using Syensqo's ethics helpline (Speak Up), and are handled as described on page 209. For current and future financial resources, see section 5.1.3 Basis for preparation. In 2025, Syensqo spent €9 million in CapEx on projects to prevent or mitigate environmental risks from air emissions - excluding GHG emissions - and water effluents (included in Financial statements Note F1 Capital expenditures 2025, Group total and included in the denominator of the ratio Eligible CapEx / Total CapEx in section *EU Taxonomy* page 175). Funding and actions will continue to address potential impacts and regulatory compliance. *[MDR-A - 68a / 68b / 68c / 69a / 69b / 69c]*

Remediation actions for historical soil pollution

The corporate HSES team leads the management of environmental liabilities from historical operations, while sites and businesses are responsible for managing environmental topics from current operations. HSES helps the sites and GBUs manage their environmental legacy, providing them with technical expertise and cash management through environmental provisions. Syensqo implements measures and advanced technologies to control and remediate soil pollution and migration of contaminants in groundwater from historical or new incidents to prevent further impact on the environment and people. This is applicable to all active Syensqo industrial sites which are under its full or majority ownership or legal responsibility, closed sites currently owned by Syensqo and third party sites for which Syensqo still maintains some liability.

In 2025, Syensqo proceeded with the continuous implementation of projects to control and remediate soil pollution from historical activities, prevent further environmental impact, control possible exposure and/or enable further use of property. Some of these projects include soil and groundwater testing, dismantling structures, removing asbestos when required, conducting environmental assessments and implementing remediation technologies.

The costs associated with historical environmental liabilities are managed through the environmental provisions. Financial resources allocated to remediation actions for historical soil pollution are aligned with Financial statements Note F26:

- 2025 resources: €30M (Uses of environmental provisions in 2025)
- Future resources: €260M (Year end total provisions for environment)

[MDR-A - 68 a / 68b / 68c / 69a / 69b / 69c]

Process safety and critical incident action plan

Process Safety Management is a system for designing and operating industrial processes that handle large quantities of hazardous chemicals. At Syensqo, process safety management principles apply to all sites, even if not required by applicable regulations. Key recurring elements are:

- Completion of Process Hazard Analyses (PHA) to identify high-risk situations. These are performed on each unit, for every significant change and at least every five years, with a unique risk matrix to quantify the risk level of every potential accidental scenario, combining severity and probability factors. A team of process safety experts is trained to apply the PHA methodologies.
- A preventative risk-based approach founded on systematic PHA, and the identification of critical scenarios for which mitigation actions must be implemented in a committed time frame.
- Activation of Emergency Response Plans for severe incidents, with relevant parties informed, and regular preparedness drills conducted. The purpose is to protect personnel, site assets, the environment and neighboring communities (see page 181 for more details).
- Systematic analysis of each incident is analyzed, as soon as possible, to identify root causes and implement preventive actions.

- Central reporting of Process Safety Incidents. The incident severity is assessed by applying internal criteria, including consequences on-site or off-site, damage to the immediate vicinity and quantity of spilled material.
- Sharing significant incidents through process safety bulletins distributed to all sites and used for employee safety talks.

Through these principles, Syensqo aims to avoid any high- or catastrophic-severity incidents, reduce the Process Safety Incident rate, and identify and implement mitigation measures if needed. For current and future financial resources required, refer to the rules laid out in *section* 5.1.3 Basis for preparation. *[MDR-A - 68a / 68b / 68c / 69a / 69b / 69c]*

Transport safety action plan

Syensqo's Transport Safety Management system aims to reduce incidents that could have significant consequences. For more information, see page 201.

5.2.1.4.2 Air emissions and water effluents metrics

E-PRTR metrics

Accounting policy

Quantification

Syensqo monitors air emissions and water effluents at its sites and applies the materiality principle in the selection of substances to report in Syensqo's reporting system, which includes more than 700 substances.

Syensqo calculates air emissions and water effluents according to methods prescribed by the local authorities in its sites' operating permits. Depending on the situation, sites may be required to quantify pollution by analytical measurements, through engineering calculations or estimations such as use of emission factors. Where emissions are not determined in a site's permit, Syensqo aligns with industry (sectoral) standards or other relevant standards and guidelines (ISO, CEN). In Europe, analytical measurement is standard and, where relevant, carried out in accordance with the recommendations of the applicable Best Available Techniques (BAT) Conclusions (BAT Reference Document (BREF)). Calculation of air emissions through modelling is widely accepted and standardized in the US and other countries worldwide. Group Requirements for emissions reporting provide guidance on quantifying through measurements, calculations or estimations (using emission factors). They specify that the quantification method must be compliant with prescriptions (operating permit, public reporting systems, other local legislation, standardized methods, or when official methods are not available, Syensqo recommendations when official methods are not available) and respect the ESRS-E2 quantification hierarchy requirements (measures prevail over calculation or estimates). The local procedure at each Syensqo site must mention the methods used for quantification of all emissions. Quantification methods based on estimates and calculations may depend on local factors. *[E2-4 - 30b / 31][MDR-M - 77a]*

Reporting

Emissions reporting includes only active industrial sites where Syensqo holds majority ownership or has operational control. Administrative sites and sites with no ongoing activity are excluded from Syensqo's reporting scope.

As pollution to soil is not a material topic for ongoing activities, metrics related to emissions to soil are not reported.

All substances listed in Annex II of the E-PRTR regulation are included in Syensqo's reporting system. Sites report quantified air emissions and water metrics related to effluents of E-PRTR substances. The consolidated amount of each E-PRTR substance emitted to air or water includes only the emissions from sites for which the applicable threshold value specified in Annex II of the regulation is exceeded. Substances not appearing in the list were either submitted as zero or fell below the established reporting thresholds. *[E2-4 - 30c]*

AIR EMISSIONS AND WATER EFFLUENTS (E-PRTR)

	Units	2025 Air	2025 Water	2024 Air	2024 Water
Total nitrogen	tons	-	372.98	-	361.40
Total phosphorus	tons	-	15.29	-	45.18
Hydrochlorofluorocarbons (HCFCs)	tons	7.8	-	12.5(1)	-
Chlorofluorocarbons (CFCs)	tons	4.4	-	5.4(1)	-
Arsenic and compounds (as As)	tons	0	0.05	0	0.05
Chromium and compounds (as Cr)	tons	0	0.39	0	0.34
Copper and compounds (as Cu)	tons	0	0.42	0	0
Nickel and compounds (as Ni)	tons	0	0.18	0	0.21
Lead and compounds (as Pb)	tons	0	0.60	0	0.08
Zinc and compounds (as Zn)	tons	0	3.03	0	0.58
1,2-dichloroethane (EDC)	tons	0	0.03	0	0.03
Dichloromethane (DCM)	tons	0	0.02	0	0
Halogenated organic compounds (as AOX)	tons	-	6.21	-	6.41
PCDD + PCDF (dioxins + furans) (as Teq)	gTEQ	3.2	0	3.2	0
Tetrachloromethane (TCM)	tons	0	0.38	0	0.15
Trichloromethane	tons	1.7	0.03	2.8(1)	0.02
Nonylphenol and Nonylphenoethoxylates (NP/NPEs)	tons	-	0.36	-	0.92(1)
Ethylene oxide	tons	0	0.02	0	0.02(1)
Di-(2-ethyl hexyl) phthalate (DEHP)	tons	0	0.003	0	0.003
Phenols (as total C)	tons	-	1.47	-	0.88(1)
Toluene	tons	-	0	-	0.52
Xylenes	tons	-	0	-	0.02(1)
Total organic carbon (TOC) (as total C or COD/3)	tons	-	843.96	-	863.69
Chlorides (as total Cl)	1,000 tons	-	61.77	-	71.51
Cyanides (as total CN)	tons	-	0.11	-	0.32
Fluorides (as total F)	tons	-	67.25	-	57.95
Hydrogen cyanide (HCN)	tons	39.6	-	38.5	-
Octylphenols and Octylphenolethoxylates	tons		0.07	-	0.08(1)

(1) Restated data. Originally published data: 10.4 Hydrochlorofluorocarbons; 4.2 Chlorofluorocarbons; 2.6 Trichloromethane; 1.56 Nonylphenol and Nonylphenoethoxylate; 0.08 ethylene oxide; 0.81 Phenols; 0 Xylenes; 0.17 Octylphenols and 0.17 Octylphenolethoxylates

[E2-4 - 28a][MDR-M - 75 / 77c]

NMVOC, NOX, SOX AIR EMISSIONS (E-PRTR)

	Units	2025	2024	2023
Non-methane volatile organic compounds (NMVOC)	1,000 tons	1.126	1.043(3)	1.092(1)(2)
Nitrogen oxides (NOx/NO2)	tons	153	178	175(1)(2)
Sulphur oxides (SOx/SO2)	1,000 tons	0.894	1.140	0.995(1)(2)

(1) Not covered by the Independent Auditor's limited assurance report.
(2) Values restated to take into account the E-PRTR thresholds. Originally published values had no thresholds applied to them. Originally published data: 1.406 L (2023) for NMVOC; 613 L (2023) for Nitrogen oxydes; 1.029 L (2023) for Sulfur oxydes.
(3) Restated data. Originally published data: NMVOC 1.045

[E2-4 - 30a][MDR-M - 75 / 77c]

In general, the changes in 2025 E-PRTR air emissions and water effluents metrics (including NMVOC, NOx, and SOx air emissions) show both increases and decreases compared to 2024. These variations are primarily driven by changes in production volumes, improved monitoring and calculation methodologies that enhance data accuracy, the implementation of structural reduction projects and operational measures across several industrial sites. While certain substances increased in line with higher production, others decreased as a result of targeted technical and operational measures to reduce air emissions and water effluents. Additionally, at some sites, variations in the scheduling and frequency of laboratory analyses used to determine pollutant emission factors can also influence year-on-year fluctuations in reported emissions. All emissions and effluents remain within permitted limits and Syensqo complies with relevant local, national and international environmental laws and regulations, taking the necessary action to reduce emissions and effluents. *[MDR-M - 68e][E2-4 - 30a]*

SoC and SVHC metrics

Metrics on SoC and SVHC along Syensqo's entire value chain can be found in the Product Stewardship chapter on page 164.

5.2.1.4.3 Process safety incident metrics

Accounting policy

Process Safety Incidents (PSI) are classified based on severity levels following ICCA Globally Harmonized Process Safety Metrics, with additional, more conservative, company-specific criteria. Environmental Incidents are a subset of Process Safety Incidents, which result in an impact to the environment. The Process Safety Incident rate corresponds to the number of PSI per 100 full-time equivalent employees and contractors, assuming 2,000 working hours per worker, per year for employees, and reported monthly hours by all sites for contractors. Syensqo monitors this rate and benchmarks with peers.

Restatement - new perimeter:

In alignment with the guidance from the Cefic, the methodology for calculating the PSI rate has been updated. Previously, the PSI rate was calculated only for production sites and R&I sites under operational control where a process risk may be identified. This has been expanded to cover all sites under operational control, aligning with the same perimeter for occupational safety metrics (Reportable Injury or Illness (RII), Reportable Injury or Illness rate (RIIR), etc.). This means the calculation now includes more people from Syensqo's own workforce, even though the Total Hours methodology utilizing OSHA's 2,000hrs/employee/year remains the same. *[MDR-M - 77a]*

PROCESS SAFETY INCIDENTS	Units	2025	2024
Process Safety Incident rate	Medium or higher severity incidents per 200,000 hours worked	0.47	0.57(1)

(1) Restated value. Originally published value: 0.75.

[MDR-M - 75 / 77c]

These improvements reflect the sustained effectiveness of Syensqo's risk management and asset integrity actions. Continued focus on Process Hazard Analysis execution and revalidation, together with timely closure of identified action items, has systematically reduced exposure to high-consequence process risks. In parallel, continued targeted equipment reliability and mechanical integrity initiatives, including preventive maintenance compliance and critical equipment inspections, have contributed to further improve asset availability and reduced failure-related process safety events. *[MDR-M - 68e][MDR-M - 75 / 77c]*

5.2.1.5 Biodiversity

ESRS E4 | UN SDG 15

The potential negative impact related to biodiversity in Syensqo's value chain is detailed in the following section. Regarding this chapter on biodiversity, Syensqo has identified a potential negative material impact from its own operations in the short- to long-term: Syensqo's Scope 1 & Scope 2 GHG emissions are deemed to contribute to climate change, one of the main drivers of biodiversity loss. Emissions and effluents from Syensqo's operations as a chemical company may also potentially negatively impact biodiversity around its sites. For this potential impact, Syensqo has taken a conservative approach and considered it material at an aggregated level across all production sites. Furthermore, Syensqo has identified 36 sites located within 5km distance from biodiversity-sensitive areas, as defined in Annex II of Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards. According to Syensqo's DMA, activities at these sites have no material negative impact on these biodiversity-sensitive areas. Syensqo has no material negative impacts from its own operations regarding land degradation, desertification or soil sealing, and has no operations that affect threatened species. Transition, physical and systemic risks related to biodiversity and ecosystems are still to be addressed. *[SBM-3 - 48a / 48b / 48c][E4, SBM-3 - 16a / 16b / 16c][E4, IRO-1 - 17c / 17d / 17ei / 19a]*

Syensqo's management approach (IROs, policies, actions, targets and metrics) at its own sites for the potential impact related to climate change and pollution as main drivers of biodiversity loss is covered on pages 134 and 154. This approach will reduce Syensqo's potential impact on biodiversity and ecosystems, and any potentially derived effects on ecosystem services to affected communities. Syensqo has not set any biodiversity and ecosystem-related targets next to its climate change targets (page 138). *[MDR-T - 81b][E4, IRO-1 - 17eiii]*

Industrial sites included in Syensqo's Star Factory program are developing roadmaps to minimize their overall environmental footprint, including plans to preserve and restore nature in and around their facilities, while also raising awareness on biodiversity. In 2024 and 2025, over 30 industrial sites had biodiversity workstreams integrated into their Star Factory roadmaps. These sites rely on the knowledge of local authorities, associations and experts to establish a baseline of local biodiversity, assess the current status of the ecosystem, identify relevant nature conservation projects and leverage Wildlife Habitat Council (WHC) guidance to set specific metrics and performance indicators to monitor progress. Additionally, several of Syensqo's sites across the USA, Latin America, Europe and China have launched projects focused on educating communities and employees about nature protection and restoration, habitat conservation and management, and the protection of native species. Finally, two sites — one in Europe and one in the USA— received a WHC Certification in 2025 for their biodiversity projects that deliver tangible benefits to local wildlife and habitats.

5.2.1.6 Environmental due diligence and Product stewardship

ESRS E1, E2, E3, E4, E5 in the value chain | UN SDG 12

A first actual negative material impact across Syensqo's entire value chain in the long term, and with a high current and anticipated strategic effect, is related to climate change, which is tackled on page 134 *(E1)*.

Secondly, Syensqo has a potential negative material impact in the short term related to its downstream value chain. As a chemical company, product issues, misuse or newly identified hazards could disrupt downstream use and lead to environmental impacts (E2, including SVHCs and SoCs). This is a new IRO in 2025, mirroring the corresponding product stewardship IRO in the social section, and it has a low current and anticipated strategic effect.

Four potential negative impacts in Syensqo's value chain relate to sources of raw materials, including mineral, petrochemical and biochemical products, from diverse suppliers.

- The emissions and effluents from producing Syensqo's raw materials may potentially impact workers, surrounding communities, downstream users of water and natural biota. Transportation and some of Syensqo's downstream value chains may also contribute to emissions and effluents that have a potential impact on surrounding communities, downstream users of water and natural biota (E2 including SVHCs and SoCs). This short-term impact has a medium current and anticipated strategic effect.
- Water withdrawal and consumption in the production of these materials may potentially impact water availability in areas facing hydric stress. Similar potential impacts may also arise within some of Syensqo's downstream value chains (E3). This short-term impact has a medium current and anticipated strategic effect.
- The extraction and/or production of these raw materials may potentially impact the state of species via drivers like climate change, pollution, land-use change and fresh water-use change in at-risk areas. Some of Syensqo's similar downstream value chains may also cause these potential impacts on biodiversity (E4). This short- to long-term impact has a medium current and anticipated strategic effect, but is also linked to Syensqo's impacts related to climate change and pollution in its value chain. Syensqo has no material negative impacts with regard to land degradation, desertification or soil sealing in its value chain.
- If not treated in a sustainable way, especially in at-risk countries, waste generated during the production of Syensqo's raw materials may potentially have an impact on the environment and the health of workers and communities. Some of Syensqo's downstream value chains and end product use can have a similar potential negative impact from waste in at-risk countries (E5). This short-term impact has a low current and anticipated strategic effect.

Three material risks across Syensqo's value chain include:

- Product-related issues, including intermediates or raw materials in sensitive markets, that can lead to reputational consequences, and the risk that evolving regulatory changes may lead to product bans, including intermediates and raw materials, affecting Syensqo's ability to sell and source materials (E2, including SVHCs and SoCs). This risk has a high current and anticipated strategic effect.
- The risk of a major accident on site or an accident during transportation leading to an environmental impact, creating reputational damage, remediation costs, and potential litigation (E2, including SVHCs and SoCs), with a medium current and anticipated strategic effect.
- The risk of natural feedstock depletion and environmental degradation, particularly in the Performance & Care segment, driven by demand, new regulations and customer preferences for sustainability, leading to price increases and potential loss of business (E5). This risk has a low current and anticipated strategic effect. Transition, physical and systemic risks related to biodiversity and ecosystems are still to be addressed.

[SBM-3 - 48a / 48b / 48c, 48g][E4, IRO-1 - 17 c / 17d / 17ei][E4, SBM-3 - 16b]

The IROs related to SVHCs and SoCs are addressed on page 154 while IROs related to other environmental topics throughout Syensqo's value chain are covered on page 161. Some IROs may be relevant to both sections.

5.2.1.6.1 Environmental due diligence

Syensqo's Sustainable Procurement Policy applies to all of its operations, employees, GBUs and supply chain worldwide. Syensqo manages procurement-related potential impacts and risks and supports its suppliers' sustainability journeys. Syensqo's procurement due diligence aims to identify, assess and mitigate risks in its supply chain. This includes value chain assessment and supplier evaluations on environmental and social risks, country-related risks, adverse media alerts and EcoVadis score. Syensqo is part of the TfS initiative, which conducts independent audits and uses Ecovadis assessments (including environment, labor & human rights, ethics and sustainable procurement assessments). When third-party audits or assessments are not deemed sufficient, Syensqo uses questionnaires focused on key areas. Follow-up actions are then prioritized to address high-risk areas, based on assessment and audit results. Syensqo can ask for additional information and remedial actions and may disengage from non-compliant suppliers or terminate the business relationship. Syensqo continuously seeks to improve mitigation measures, corrective actions and monitoring of potential negative environmental impacts. Syensqo is dedicated to improving its due diligence monitoring and reporting processes, including tracking key performance indicators such as supplier coverage by EcoVadis assessments and TfS audits. Supplier risks are integrated into the ERM program, ensuring coordination between the Internal Audit, Risk Management, Ethics & Compliance and Procurement Functions. Financial and non-financial criteria are also taken into account in supplier selection and supplier evaluation processes. Syensqo’s approach aligns with the aims of UN SDG 12 and the UN Global Compact. As part of its Sustainable Procurement Policy, Syensqo's Sustainable Sourcing Statement details the company's commitment to use palm oil, palm kernel oil and derivatives from sustainable sources, when commercially available and economically viable. While the EU Deforestation Regulation is not yet applicable, Syensqo preferentially sources from suppliers who can confirm compliance with No Deforestation, No Peat, No Exploitation (NDPE) criteria.

Syensqo expects suppliers to implement these principles and commit to continuous improvement. Syensqo's Sustainable Sourcing Statement is aligned with UN SDG 15 and the collaborative initiatives Action for Sustainable Derivatives (ASD) and RSPO. Syensqo's Chief Procurement Officer (CPO) is accountable for policy implementation. Consideration given to the interests of key stakeholders in setting the policy and how it is made available is described in section 5.1.2 Sustainability operational governance. *[MDR-P - 65a / 65b / 65c / 65d / 65e / 65f][E2-1 - 15a][E5-1 - 15b]*

Syensqo's SPM Policy (see page 172) also addresses potential environmental impacts in its value chain via cradle-to-gate Life Cycle Assessments (LCA), and its SCoBI (see page 199) applies to all Syensqo suppliers and their subcontractors. Syensqo's Climate Change Policy (see page 137) outlines how the company engages to cut GHG emissions across the value chain, while its Operations Safety Policy (see page 181) covers transport safety strategies that occur at supply chain level. Finally, Syensqo's Circular Economy Policy (see page 169) addresses the use of recycled and renewable raw materials as part of its business strategy.

Except for its target related to the reduction of its Scope 3 GHG emissions (see page 135), Syensqo has no targets related to environmental impacts in its value chain. Syensqo monitors the effectiveness of the implementation of its policies through action plans and subsequent indicators, as described below. *[MDR-T - 81b]*

The following short-term ongoing actions aim to prevent or mitigate the potential negative impacts and risks described at the start of this chapter.

- **Supplier code of conduct signing/contract clause:** All Syensqo's suppliers and contractors are expected to comply with the SCoBI and related compliance requirements. In Q4 2025, Syensqo launched a structured monitoring process to track suppliers that have formally signed Syensqo's Code of Conduct, focusing on critical and high-risk suppliers.
- **Supplier audits and assessments**: In 2025, 52 suppliers held a valid[1] TfS audit, including 14 audits conducted during the year. In addition, 2,442 suppliers have a rating by EcoVadis, which evaluates environmental performance across key dimensions such as climate, pollution prevention, water management and waste management. For suppliers classified as high risk, 23% had a rating by EcoVadis in 2025, representing 78% of Syensqo's high-risk spend. This compares with a coverage rate of 28% in 2024, corresponding to 90% of high-risk spend. The slight decrease in coverage reflects a change in the scope and definition of high-risk suppliers year-on-year, rather than a reduction in assessment efforts. Looking ahead to 2026, Syensqo has set an objective to increase EcoVadis coverage of high-risk suppliers.
- **Value chain impact from SPM actions:** Through cradle-to-gate LCA, Syensqo's SPM framework addresses potential environmental impacts in Syensqo's value chain. For actions related to SPM, see page 172.
- **Scope 3 GHG emission reductions**: See page 138.
- **Raw material innovation and substitution**: Syensqo is committed to developing technologies with substantial circular (biobased and recycled) content and incorporating them into its portfolio, without compromising performance. Several initiatives have resulted in commercial successes under the ECHO brand, and further advancements are currently underway in Syensqo's laboratories.
- **The Sustainable Guar Initiative:** With certain customers and partners[2], Syensqo has embarked on a journey to ensure the highest-quality guar for beauty care applications. This initiative supports farmers in climate change mitigation, establishing new agroforestry plots and a management committee to ensure plant survival and monitor water usage. It also encourages the adoption of Good Agricultural Practices (GAP) and Climate Smart Agriculture (CSA), which led to a 270% increase in guar yields from 2015 to 2025.

(1) A TfS audit has a three-year validity. Hence, this action covers 2023-2025.
(2) L'Oréal, Procter & Gamble, Henkel, NGO TechnoServe and Hindustan Gum & Chemicals

- **Sustainable sourcing of palm oil, palm kennel oil and derivatives:** As an ongoing action, Syensqo joined ASD to develop a uniform standard for responsible supply chain management and traceability for oleochemical derivatives, linked to Syensqo's Sustainable Sourcing Statement. Based on 2024[1] palm (kennel) oil and derivatives volumes, Syensqo traces:
  - 96% of its 2024 volumes back to refineries compared to 92.6% based on 2023 volumes.
  - 88% of its 2024 volumes back to mills compared to 92.4% based on 2023 volumes.
  - 78% of its 2024 volumes back to plantations compared to 69.5% based on 2023 volumes.

Syensqo's goal is to achieve 100% traceability up to the refineries and mills as a key first step toward ensuring compliance with zero deforestation among the concerned suppliers. Syensqo also communicates on its RSPO progress, which is available on the RSPO external website.

- **Transport safety action plan:** See page 201.
- **Training buyers and suppliers on sustainability in the value chain**: Climate and sustainability training modules are included in the mandatory onboarding program for all new buyers. Additional training sessions are available through the TfS training academy to further improve buyers' sustainability knowledge and expertise. TfS Academy also provides sustainability training to Syensqo's suppliers. In 2025, 184 suppliers completed such training.

For current and future financial resources required for the action plans listed below, refer to the rules laid out in section 5.1.3 Basis for preparation. *[MDR-A - 68a / 68b / 68c / 68e / 69a / 69b / 69c][E2-2 - AR13]*

5.2.1.6.2 Resource inflow metrics

Syensqo's main raw materials include: biochemicals, derived from materials of biological origin, such as palm oil derivatives and bioethanol, mineral chemicals, that come from inorganic solid substances, such as phosphorus and glass fiber, petrochemicals, obtained from petroleum through refining processes, such as phenol and propylene oxide. Other raw materials encompass additional types not classified above, such as composites and resins.

Accounting policy

Raw material data related to volume and spend are extracted on a yearly basis from Syensqo's Enterprise Resource Planning (ERP) system by the procurement function. This data is classified by upstream value chains, enabling the identification of biochemicals.

Recycled materials are flagged, with recycled content percentages noted.

Sustainable sourcing evidence and third-party certifications such as RSPO, are collected from the suppliers and systematically stored, reviewed and approved. For these materials, weight is measured using supplier evidence or certification data.

Syensqo's material resource inflows are characterized by their value chain of origin, as described below: biochemicals, minerals, natural gas, petrochemicals and others (including recycled-based and/or by-product based).

In the process of calculating metrics for Syensqo's procurement activities, several key assumptions are made to ensure accuracy and consistency. The scope encompasses all procurement activities and suppliers within Syensqo. It is assumed that all unit conversions to kilograms are precise, facilitating uniformity and alignment across all data analyses. Additionally, the procurement team relies on the assumption that purchase data retrieved from the ERP and material classification are comprehensive, accurate and up-to-date. These assumptions are critical to maintaining the integrity and reliability of the metrics derived from the procurement process.

Direct measurements are used for bio-based materials and recycled-based materials purchased by weight in tons. In cases where the product is not 100% recycled, the percentage of recycled material as informed by the supplier or certification (i.e. ISCC Plus) is used for the calculation. *[MDR-M - 77a][E5-4 - 30 / 32]*

(1) Syensqo's traceability figures for 2025 palm volumes will be provided by ASD in 2026 and will be included in the 2026 Annual Integrated Report.

In 2025, the total weight of used products and materials (technological and biological) accounted for 1,154,239 tons, compared to 1,246,805 tons in 2024. [1]

- Of this total weight, biological materials sustainably sourced and certified by a third party represented 1% versus 0.9% in 2024.[2]
- Of this total weight, secondary reused or recycled components, secondary intermediary products and secondary materials used to manufacture the undertaking's product and services accounted for 1%, representing 11,127 tons, versus 0.7% or 9,288 tons in 2024[3]. *[MDR-M - 77c][E5-4 - 31a / 31b / 31c]*

In 2025, a restatement was performed to correct 2024 misclassification of biological material inflows, as these were overestimated in 2024 due to an error in internal data management. Before the restatement, the percentage, in 2024, of biological materials sustainably sourced and certified by a third party represented 6.7% of the total weight of used products and materials. Same internal data management error led to an underestimation of total inflows, leading to an increase of 11% of total inflows in 2024, compared to originally published data.

5.2.1.6.3 Product stewardship

Syensqo's Product Stewardship Policy, applicable to all of its operations and businesses, strives to safeguard the health of people and the environment by promoting a comprehensive approach to chemical innovation and manufacturing. Newly-acquired businesses must abide by this policy as soon as practical after acquisition. Syensqo ensures its products are developed, manufactured, distributed, used and disposed of responsibly, provides access to quality information concerning its products, meets product regulatory compliance obligations, and works with its customers to help them minimize possible risks they may identify in downstream product handling and customer end use product applications. In particular, Syensqo intends to foster research for the development of more sustainable product solutions and alternatives that benefit society and the environment, including the replacement of SVHC where feasible. Syensqo ensures that concerned employees are aware of and understand their role in product stewardship. Syensqo provides the necessary training and resources to empower employees to contribute effectively to the product stewardship approach. Syensqo's comprehensive approach to product stewardship is in line with the aims of UN SDG 12, the former UN Strategic Approach to International Chemical Management (SAICM) and the newly adopted Global Framework on Chemicals (GFC). Syensqo's practices are aligned with the ICCA Responsible Care commitment and the Cefic Safe and Sustainable-by-Design (SSbD) guidelines, emphasizing transparency, accountability and continuous improvement in sustainability practices. Syensqo monitors product stewardship performance in line with established metrics. The company's Global Product Stewardship Director is responsible for implementing this policy and working with sustainability teams to ensure it is integrated into Syensqo's operations and aligned with sustainability goals. Consideration given to the interests of key stakeholders in setting the policy and how it is made available is described in section 5.1.2 Sustainability operational governance. *[MDR-P - 65a / 65b / 65c / 65d / 65e / 65f] [E2-1 - 15b / 15c]*

Despite having no public target related to product stewardship, Syensqo tracks the effectiveness of its policies and actions related to product stewardship and has a key performance indicator to ensure that it minimizes the presence of SVHC in its marketed products. This is detailed under *Looking for safer alternatives for marketed products* below. *[MDR-T - 79d]*

Syensqo adheres to applicable regulatory requirements related to product safety in every market and country it operates in. The company strives to go beyond compliance, setting more stringent internal standards where it believes it is necessary for the protection of people and the planet. All the following short-term 2025 actions are undertaken to prevent or mitigate the risks of evolving product safety regulations and relate to the implementation of the Product Stewardship Policy. They cover all the activities of the business: research, purchasing, manufacturing, investment and M&A evaluations. *[MDR-A - 68a / 68c]*

Assessing SVHC in marketed products

Syensqo has developed a strategy to decrease, where feasible, the use of SVHC in marketed products and more broadly throughout the value chain. For this purpose, Syensqo has extended the monitoring of the SVHC in the EU REACH Candidate list and EU REACH Authorization list (annex XIV) to a worldwide scope. This has been implemented by identifying all marketed products containing a concentration above 0.1% of these substances on a worldwide basis.

(1) Restated data. Originally published data: 1,122,813 tons
(2) Restated data. Originally published data: 6.7%
(3) Restated data. Originally published data: 0.9% or 10,379 tons

In addition, since 2015, Syensqo has maintained its own reference list of substances, the Syensqo-SVHC (S-SVHC) which goes beyond the traditional EU lists (Candidate list and Authorization list) by including several lists coming from other countries such as POP Stockholm Convention, China/Banned substances for manufacturing, distribution, use, importation and exportation (MEP announcement No. 23), Korea/ISHA Harmful Substances Prohibited from Manufacturing, USA/TSCA Annex 6, Japan/ISHL Harmful substances needing permission for manufacturing and CMR 1A/1B official classifications (EU, China, Korea). Syensqo manages these lists the same way, by identifying all marketed products containing a concentration above 0.1% and on a worldwide basis. Syensqo has also established its own reference list of Substances Requiring Attention (SRA), such as substances under scrutiny by authorities, NGOs, scientists and industries due to their known hazardous properties or potential effects. This allows Syensqo to anticipate risk mitigation needs and upcoming regulatory requirements. The S-SVHC and SRA lists include SVHC and SoC as defined in accordance with the CSRD. Part of these lists are updated through a regulatory package provided by a third party and uploaded in Syensqo's SAP/EHS module. *[MDR-A - 68a / 68b] [E2-2 - AR13]*

Assessing SVHC in raw materials

Syensqo is continuously gathering the compositions of its raw materials into a single database (SAP EHS) and is performing an inventory process of raw materials used in production on a worldwide basis. Syensqo identifies raw materials containing a concentration of S-SVHC above 0.1%. *[MDR-A - 68a / 68b][E2-2 - AR13]*

Looking for safer alternatives for marketed products

Risk studies and Analysis of Safer Alternatives (ASA) for all marketed products containing S-SVHC above 0.1% placed on the market are regularly performed with the business and substances are replaced with safer alternatives where feasible. Syensqo also evaluates these products through its SPM tool (page 172), which assesses the chemical hazard and exposure associated with a chemical product in its use as one of the categories of signals on sustainability performance. Syensqo has also set two objectives. First, a new ASA covering newly-identified listed S-SVHC should be performed within one year, and second, all current ASAs should be reviewed every three years. Syensqo achieved 100% alignment with the objectives at the end of 2025. Details of Syensqo's Analysis of Safer Alternatives are given below, with a focus on SVHC according to the CSRD. *[MDR-A - 68a / 68b]*

ANALYSIS OF SAFER ALTERNATIVES

	Units	2025(1)	2024(2)	2023(3)
Analysis of safer alternatives required (Focus on SVHC according to the CSRD)	Number	14	23	18(4)
Of which completed	%	100	91	56(4)
Of which alternatives have been identified	%	50	43	60(4)

(1) 2025: According to the EU REACH authorization list (annex XIV – dated April 12, 2022) and EU REACH Candidate list (dated January 21, 2025). The perimeter covered is marketed products sold from January 2024 to December 2024.
(2) 2024: According to the EU REACH authorization list (annex XIV – dated April 12, 2022) and EU REACH Candidate list (dated January 23, 2024). The perimeter covered is marketed products sold from January 2023 to December 2023.
(3) 2023: According to the EU REACH authorization list (annex XIV – dated April 12, 2022) and EU REACH Candidate list (dated January 17, 2023). The perimeter covered is marketed products sold from April 2022 to March 2023.
(4) Not covered by the Independent Auditor's limited assurance report.

[MDR-A - 68e][MDR-M - 75 / 77c]

In 2025, 14 ASAs have been completed:

- Two led to effective replacement, through SVHC substitution, reduction below the required threshold, stopping production or through better composition knowledge.
- Five led to an "ongoing" status, meaning that an alternative has been identified and discussed with the business and/or customers for implementation.
- Seven have resulted in no available alternatives, either because no substitute is available, or the qualification process on the customer's side is too complex.

Additional commitment to phase out fluorosurfactants

Syensqo is proud to produce a vast majority of its fluoropolymers – materials that are essential for electric vehicle batteries, hybrid engines, hydrogen applications, renewable energy installations, semiconductor manufacturing, medical devices and more – without the use of fluorosurfactants. Guided by its sustainability roadmap, Syensqo has quadrupled its investment in research & innovation since 2019 to invent a new polymerization process that does not require the use of fluorosurfactants (non-fluorosurfactant technologies). Syensqo's goal is to phase out its use of fluorosurfactants globally. Syensqo's success in developing non-fluorosurfactant technologies in the USA, at its West Deptford, New Jersey facility was a major step in this journey, and Syensqo is now working toward the objective of manufacturing nearly 100% of its fluoropolymers without the use of fluorosurfactants in Spinetta Marengo, Italy by the end of 2026. Today, in Spinetta Marengo, Syensqo only manufactures limited quantities of a next generation fluorosurfactant (C6O4) while the company transitions to the new non-fluorosurfactant technology. In addition, for its manufacturing in Spinetta Marengo, Syensqo applies state-of-the-art technologies that eliminate nearly 100% of fluorosurfactant emissions. Syensqo never manufactured or sold PFOA, PFNA or PFOS. In addition, Syensqo never used PFOS or manufactured firefighting foams, which are a key source of certain PFAS in the environment. Syensqo voluntarily phased out use of PFOA and PFNA in its manufacturing processes in the USA in 2003 and 2010, respectively, and phased out use of PFOA globally in 2013.

Assessing SVHC in research & innovation projects

Syensqo uses SPM to evaluate sustainability during its R&I processes. When needed, Syensqo conducts dedicated Product Stewardship reviews, S-SVHC content checks and assesses compliance of the raw material or finished product.

For new molecules, Syensqo's dedicated team of toxicological/ecotoxicological experts is currently developing an approach that will allow the company to achieve early identification of properties of concern.

In 2025, Syensqo launched a dedicated training program covering the type of hazards that qualify for Very High Concern and the possible means to identify them early in the R&I process. 775 persons linked with new product development completed this training in 2025. *[MDR-A - 68a / 68b]*

Participating in due diligences in the mergers and acquisitions process

Product stewardship is part of due diligence for acquisitions, when needed. Questions are raised to the seller to assess the compliance of the future portfolio of products, including the presence of SVHC. For current and future financial resources required, refer to the rules laid out in section 5.1.3 Basis for preparation. *[MDR-A - 68a / 68b]*

5.2.1.6.4 SoC and SVHC metrics

Accounting policy

The metrics relate to quantity in ktons of SoC and SVHC, according to the CSRD definition. Syensqo considers marketed products sold in 2025 and raw materials purchased for production in 2025 on a global basis, mapping more than 99% in weight of those sold and procured products. 2024 metrics have been restated taking into account most recent regulatory lists. Additionally, 2024 metrics have been restated to take into account raw materials purchased for tolling. Any SVHC or SoC present above a threshold value of 0.1% in the composition of the product is taken into account in the calculation of the metrics. *Emissions* refers to air emissions or water effluents from production facilities, without any threshold. In 2025, Syensqo carried out a detailed assessment and added, in its emissions reporting system, those substances that are relevant in the company's processes, in line with the materiality concept. While the current list of substances is considered mature and allows adequate representation of the impact of emitted substances, Syensqo will continuously review and adapt the list of SoC and SVHC as needed. Emissions reporting includes only active industrial sites where Syensqo holds majority ownership or has operational control. Administrative sites and sites with no ongoing activity are excluded from Syensqo's reporting scope. This approach enhances the clarity of Syensqo's reporting and comparability across the industry. *[MDR-M - 77a]*

SOC AND SVHC

	Units	2025	2024 (restated)	2024
PROCURED IN RAW MATERIALS				
Substances of Very High Concern (SVHC)	1,000 tons	41.71(3)	43.71(3)	43.57(1)
- Variation % 2025/2024	**%**	-5%		
Substances of Concern (SoC)	1,000 tons	328.77(4)	354.89(4)	289.16(2)
- Variation % 2025/2024	**%**	-7%		
LEAVING FACILITIES AS EMISSIONS and IN PRODUCTS SOLD				
Substances of Very High Concern (SVHC)	1,000 tons	12.47(3)	14.70(3)	14.70(1)
- Variation % 2025/2024	**%**	-15%		
Substances of Concern (SoC)	1,000 tons	67.18(4)	77.61(4)	77.22(2)
- Variation % 2025/2024	**%**	-13%		

(1) 2024: For SVHC, the two following regulatory lists are taken into account: EU REACH authorization list (annex XIV – dated April 12, 2022) and EU REACH Candidate list (dated November 7, 2024).
(2) 2024: For SoC, additionally the following list is taken into account: CLP Annex VI (ATP 21) anticipating the date of application of September 1, 2025. This figure includes k tons of SVHC, which are also SoC by definition.
(3) 2025: For SVHC, the two following regulatory lists are taken into account: EU REACH authorization list (annex XIV – dated April 12, 2022) and EU REACH Candidate list (dated November 5, 2025).
(4) 2025: For SoC, additionally the following list is taken into account: CLP Annex VI (ATP 22) anticipating the date of application of May 1, 2026. This figure includes k tons of SVHC, which are also SoC by definition.

[E2-5 - 34 / 35][MDR-M - 75 / 77c]

The structural reduction in the quantity of SVHC leaving facilities as emissions and in products sold is mainly due to products sold and is in line with Syensqo's Product Stewardship approach to replace SVHC where feasible. *[MDR-M - 68e]*

Total amount of SVHC (in ktons)	Main Hazard Classes										
	Carcinogenicity, Mutagenicity, Reproductive toxicity		Endocrine Disruptor for Human Health and/or Environment	PBT[1], vPvB[2], PMT[3], vPvM[4]	Respiratory sensitization Cat. 1	Skin sensitization Cat. 1	STOT-SE[5] and STOT-RE[6], Cat. 1 and Cat. 2	Chronic hazard to aquatic environment Cat. 1 to Cat. 4	Hazardous to the ozone layer	Equivalent level of concern	TOTAL* in 2025
	Cat. 1A and 1B	Cat. 2									
That were procured	31.57	18.28	18.01	0.03	0.37	16.01	7.05	17.59	0.00	0.55	41.71
That left the facilities as emissions or in products sold	0.41	0.35	0.41	2.79	0.45	0.45	0.00	5.34	0.00	8.49	12.47

Total amount of SoC (including SVHC) (in ktons)	Main Hazard Classes										
	Carcinogenicity, Mutagenicity, Reproductive toxicity		Endocrine Disruptor for Human Health and/or Environment	PBT, vPvB, PMT, vPvM	Respiratory sensitization Cat. 1	Skin sensitization Cat. 1	STOT-SE and STOT-RE, Cat. 1 and Cat. 2	Chronic hazard to aquatic environment Cat. 1 to Cat. 4	Hazardous to the ozone layer	Equivalent level of concern	TOTAL* in 2025
	Cat. 1A and 1B	Cat. 2									
That were procured	149.68	121.37	18.01	0.03	4.36	62.20	168.07	81.17	0.00	0.55	328.77
That left the facilities as emissions or in products sold	14.74	33.14	0.41	2.79	0.55	28.94	10.18	8.72	0.00	8.49	67.18

* *A single substance may belong to several hazard classes. To avoid double counting, the total is the actual amount of substances and not the sum of the amount of all hazard classes.*

[E2-5 - 34 / 35][MDR-M - 75 / 77c]

Syensqo complies with all relevant local, national and international environmental laws and regulations and takes the necessary action to reduce SoC and SVHC emissions and effluents. Emissions represent a marginal portion of the total of SoC and SVHC leaving facilities.

(1) Persistent bioaccumulative and toxic.
(2) Very persistent, very bioaccummulative.
(3) Persistent mobile and toxic.
(4) Very persistent, very mobile.
(5) Specific Target Organ Toxicity - single exposure.
(6) Specific Target Organ Toxicity - repeated exposure.

5.2.2 Sustainable Portfolio

5.2.2.1 Circular economy

ESRS E5 | UN SDG 12

Syensqo has two material opportunities across its entire value chain. A strategic part of Syensqo's innovation focuses on increasing the use of renewable and sustainable raw materials, fostering the use of biotechnology and developing biodegradable-by-design solutions. In doing so, Syensqo advances a circular economy, addressing global challenges like climate change by decoupling economic activity from finite resource consumption. By integrating AI-driven modeling, automation and data science, Syensqo makes R&I faster, smarter and more collaborative, unlocking new possibilities for sustainable, high-performance solutions. This opportunity has a medium current and anticipated strategic effect. Secondly, as part of Syensqo's strategic pillar *Expanding the share of sustainable solutions,* the revenue growth will be increasingly driven by a higher share of sales contributing to a circular economy. The circular economy approach is a key lever to tackle global challenges like climate change. By 2030, Syensqo targets for 18% of sales to be driven by circularity, compared to 16% in 2024. This opportunity has a high current and anticipated strategic effect. *[SBM-3 - 48a / 48b / 48c]*

Syensqo's Circular Economy Policy applies to all global operations and industrial sites under Syensqo's full or majority ownership. The policy is based on three principles: prolonging product lifespan, using renewable and recycled raw materials, and enabling product recycling and reuse. With this policy, Syensqo promotes transitioning away from the use of virgin resources by expanding its use of recycled and renewable raw materials, including renewable energy, and growing Syensqo's use of technologies, such as carbon capture, re-valorization of waste materials and second life of materials. Implementation guidelines include designing for circularity, sustainable production, resource management, collaboration and innovation, education and awareness, and performance monitoring. Syensqo integrates circular economy models into its business and innovation strategies, collaborating with customers, suppliers and partners to create closed-loop ecosystems. Syensqo's circular economy activities align with UN SDG 12. Its approach is supported by partnerships with industry and cross-sector organizations to drive innovation in circular economy practices and with engagement in R&D to create new materials and processes that support circularity. Participation in cross-sector initiatives, like ASD and RSPO, is a key aspect of Syensqo's strategy to ensure responsible supply chain management and traceability (page 161). Syensqo also maintains partnerships with the Ellen MacArthur Foundation (EMF), Renewable Carbon Initiative (RCI) and the WBCSD to foster and accelerate the use of circular principles throughout its value chain, both downstream and upstream, as a key lever to minimize environmental impact. Syensqo has actively participated in EMF projects like *Product Innovation Principles and Metrics in a Circular Economy* and *Marketing Playbook for a Circular Economy.* Additionally, Syensqo is a key contributor to the WBCSD Global Circularity Protocol, the Front Runner Coalition of the GCP, Circular Transition Indicator - Guidance for the Chemical Industry and the Chemicals Transformation Roadmap. The Chief Sustainability Officer is accountable for policy implementation. Consideration given to the interests of key stakeholders in setting the policy and how it is made available is described in section 5.1.2 Sustainability operational governance. *[MDR-P - 65a / 65b / 65c / 65d / 65e / 65f][E5-1 - 15a / 15b]*

Syensqo's Sustainable Procurement Policy (page 161), including the Sustainable Sourcing Statement, supports its circularity ambitions, promoting renewable and recycled raw materials and describing its participation in cross-sector initiatives aimed at establishing standards and increasing traceability and transparency.

Syensqo has a target to achieve 18% of total revenue from sales of products contributing to the circular economy by 2030 versus a baseline of 12% in 2021, with ambitions to grow this share beyond 2030. This voluntary target is a direct result of the increasing demand from customers and stakeholders for low carbon products, optimization of resource use and renewable-based and durable products. Syensqo's circular economy approach is based on the portfolio transformation and innovation detailed in its policy which forms the basis of the indicators to monitor progress toward the 2030 goal. Sales of products contributing to the circular economy are defined as revenues generated with products that meet the three principles described in Syensqo's circular economy policy. Examples of products that are produced according to circular principles include polymer additives used to extend durability, natural and bio-based polymers and surfactants used in consumer care and agriculture markets, and recycled and bio-based polymers used in Electronics and Avanced mobility defense markets (see page 15), Syensqo's target relates to the prevention and recycling layers in the Waste Hierarchy, the increase of circular material use and, finally, to the minimization of primary raw material by leveraging renewable energy and recycled and renewable raw materials and technologies, such as carbon capture, re-valorization of waste materials and second life of materials. This 2030 target is based on the Circulytics Methodology of the EMF and is supported by the projected growth of Syensqo's circular portfolio and new product launches, as considered in the company's mid-term plan (MTP). *[MDR-T - 80a / 80b / 80c / 80d / 80e / 80f][E5-3 - 24 / 24a / 24b / 24c / 24d / 24f / 25 / 27]*

Promotion of Syensqo's current portfolio that enables circularity for its customers

By continuously working with customers and suppliers directly, Syensqo identifies opportunities for new products, alternative raw materials and innovative technologies. Specific actions are in place, with varying timelines based on each project's development. These actions include:

- Active promotion of products that incorporate renewable raw materials, such as bio-based, recycled or by-product-based materials, and utilize renewable energy in their production processes.
- A focus on extending the durability and lifespan of products without compromising their end-of-life treatment, ensuring sustainable use and disposal.
- Development of collaborative projects with customers to increase the adoption of circular products and highlight their benefits, fostering a more sustainable industry, for example, the launch in 2025 of the Polysulfone recycling technology.
- A focus on projects in Syensqo's own operations that contribute to circular practice, through waste valorization and repurposing and chemical recycling with external certifications

The progress of this action plan is measured through Syensqo's target and related metrics. *[MDR-A - 68a / 68b / 68c]*

Research & innovation and investments to increase Syensqo's portfolio

R&I is integral to launching circular solutions, which are pivotal to the company's Sustainable Growth Strategy. Syensqo continues to allocate resources to its Renewable Materials & Biotechnology Platform, focusing on renewable materials and biotechnology. Key examples of products contributing to circular sales are the ECHO product line, green solvents for Agro, natural vanillin and natural polymers for Personal Care and Home Care.

To further advance circularity principles, Syensqo is actively developing products through biotechnology and utilizing raw materials based on carbon capture technology. Collaboration with external partners, including startups, is also a key strategy to accelerate the development cycle and bring innovative solutions to market. In 2024, Syensqo invested in Bioeutectics, a startup that provides natural and high-performance solvents.

These actions cover recurring short term and medium term time horizons. While Syensqo discloses the total R&I spend of the group annually (refer to consolidated income statement page 243), specific details regarding investments in circularity used to measure progress remain strategic and confidential information. *[MDR-A - 68a /68b / 68c]*

Training and development of the organization on circular economy principles

Syensqo provides continuous training on circular economy principles to all Syensqo employees to embed a mindset of circularity and resource efficiency throughout the organization. Syensqo relies on external partnerships with the EMF and WBCSD to deliver these trainings, as well as internal training programs for various departments. In 2025, employees were trained on circularity and sustainability principles. This involved training of the organization through the EMF and through internal training modules in Syensqo's Emerging Leaders training program and the North American Foundation for Future Engineers program. The financial and other resources allocated to these recurring short-term actions are linked to Syensqo's external partnerships, as well as internal resources. *[MDR-A - 68a / 68b / 68c]*

Ensure sustainable sourcing of Syensqo's bio-based materials

See page 161.

For current and future financial resources required for all actions mentioned above, refer to the rules laid out in section 5.1.3 Basis for preparation. *[MDR-A - 69a / 69b / 69c]*

5.2.2.1.2 Circular economy metrics

Share of sales products contributing to the circular economy

Accounting policy

The method for calculation for the Syensqo One Planet *Share of sales products contributing to the circular economy* KPIs was designed based on EMF assessment and benchmarked across chemical industry standards.

The Syensqo One Planet KPI *Share of sales products contributing to the circularity economy* is calculated considering:

- Revenue from durability increase: Sales from products that increase longevity and durability in their application without compromising the end-of-life treatment. Includes products that are designed for improved performance and encourage longer use.
- Revenue from circular sourcing:
  - Sales from products made with renewable or recycled materials. Includes materials like vegetables, oils, CCU capture, by-products, food wastes, wood wastes and certified mass balance materials. The measurements adopted for calculation on rate of renewable content in product are as below:
    - Preferably, the Renewable Carbon Index (RCI) which measures the ratio of renewable carbons in the end product.
    - If precise RCI content is not available, the Bill of Materials (BOM) approach uses the actual percentage in weight of the renewable raw material used in the BOM of the end product.
  - Sales from products generated using renewable energy, calculated based on the share of renewable energy used by Syensqo's GBUs.
- Revenue from recyclability enabling: Sales from products that are designed to eliminate waste/pollution, encourage reuse and recyclability, comply with circularity criteria and enable closed loop business models.

Potential double counting is avoided by considering the above-mentioned order of priority.

Syensqo evaluates the circularity of final products based on their renewable content. The sales from renewable and recycled sources are calculated applying a weight factor between two criteria: raw materials and energy. The measurement for materials adheres to the established resource outflow methodology on material and product, while energy data is meticulously reported at site level. Sales linked to products manufactured using renewable energy are calculated by multiplying the sales at GBU level by the percentage of renewable energy.

A factor of 85% is applied to renewable-based raw materials and 15% to renewable energy. *[MDR-M - 77a]*

PERCENTAGE OF SALES CONTRIBUTING TO THE CIRCULAR ECONOMY

	Units	2025	2024	2023	2021
Sales of products contributing to the circular economy (% group sales)(3)	**%**	**17**	**16**	**14(1)(2)**	**12(1)(2)**
- Variation 2025 vs 2021	pp	5			
- Variation 2025 vs 2024	pp	1			
Sales of products based on recycled or bio-based resources or produced with renewable energy	%	12	11	10(1)(2)	7(1)(2)
Sales of products increasing longevity	%	5	5	4(1)	5(1)
Sales of products enabling recycling	%	0	0	0(1)	0(1)

Figures are rounded up to the %
(1) Not covered by the Independent Auditor's limited assurance report.
(2) Values restated for comparability on RCI calculation approach. Originally published values: 13% L (2023) and 12% (2021) for sales of products contributing to the circular economy; 8% (2023) and 7% (2021) for sales of products based on recycled or bio-based resources or produced with renewable energy.
(3) For net sales: refer to Consolidated income statement page 243.

[MDR-M - 75 / 77c]

Syensqo monitors performance against its circular economy target through regular tracking of net sales generated by products contributing to circularity, compared against annual budgeted targets as part of the business review process. In 2025, products contributing to the circular economy represented 17% of Syensqo's net sales (refer to Consolidated income statement page 243). This is consistent with the previous year, demonstrating the resilience of the portfolio, and it is 4.6 percentage points higher when compared to the 2021 baseline year. *[MDR-A - 68e] [MDR-T - 80j]*

Resource outflows

According to its circular economy approach based on portfolio transformation and innovation, Syensqo can identify products that are designed along the three circular principles mentioned in the circular economy policy. This forms the basis of Syensqo's indicator toward its 2030 target. Examples of products that are produced according to circular principles, as referenced on page 169, include polymer additives used to extend durability, natural and bio-based polymers and surfactants used in consumer care and agriculture markets, and recycled and bio-based polymers used in electronic and automotive markets. As a specialty chemical supplier, Syensqo's products are consumed and transformed by its customers. Concepts such as reparability and recyclability of its products are not applicable to chemical suppliers. Current recyclable content in Syensqo's product packaging is not substantial, due to limited scalability. *[E5-5 - 35 / 36b / 36c]*

5.2.2.2 Sustainable Portfolio Management

ESRS E1, E2, E3, E5, S4[1] | UN SDG 12

All potential negative environmental impacts related to Syensqo's value chain and its own operations, described in the previous chapters (pages 28, 154, 148, 160, 151, 161) are also relevant for this chapter. To keep this chapter comprehensible, these IROs are not repeated below.

Taking these environmental impacts of Syensqo's products into account, SPM identifies sustainable product applications with a wider social and environmental contribution. This allows Syensqo to distinguish the following two actual short-term positive material impacts related to downstream products, both with a low current and anticipated strategic effect. Through SPM, Syensqo identified its sustainable solutions:

- Contributing to a reduction of air pollutants in end-products, such as fertilizers and vehicles, and potential water pollution of end-products, for example by replacing solvent-based solution by water-based solutions (E2).
- Used in end-products that improve downstream water availability, such as water tanks for the storage of rainwater, agriculture films, water membranes and more (E3).

Certain positive downstream material impacts, identified through SPM, create the following growth opportunities for Syensqo. Through SPM, Syensqo identified growth opportunities for its sustainable solutions:

- That are contributing to downstream GHG emission reductions by enabling lightweighting, improving energy efficiency and supporting renewable energy storage (E1). This opportunity has a high current and anticipated strategic effect.
- Which are used by its customers to improve downstream resource efficiency of mining (E5). This opportunity has a low current and anticipated strategic effect.
- In the downstream agricultural industry, from grain and seed care to crop protection, plant nutrition and equipment. Creating eco-friendly, non-toxic chemical solutions to help the agricultural sector optimize performance and productivity while preserving the planet's resources is integral to Syensqo's commitment to advance the principles of sustainable agriculture (E5). This opportunity has a low current and anticipated strategic effect.
- Used in end-products that improve downstream health and safety of end-users via explosion prevention, prevention of fuel leaks, lower toxicity of products, health care products, food contamination avoidance and more (S4)[1]. This opportunity has a high current and anticipated strategic effect, and takes into account all consumers and/or end-users, rather than being limited to a specific type.

[SBM-3 - 48a / 48b / 48c][S4, SBM-3 - 9b / 10a / 10c / 10d / 12 / 33b][1]

Syensqo's SPM Policy applies to its entire product portfolio. Sustainability attributes are systematically integrated into business decision-making processes through an SPM tool. SPM is widely adopted by Syensqo's GBUs and Functions to integrate sustainability into their key processes to:

- Develop robust action plans to drive growth of the sustainable solutions portfolio and de-risk challenges, such as favoring development of products according to the principles of SSbD and sales of products limiting air and water pollution and/or improving water availability in Syensqo's downstream value chain.
- Provide evidence for sustainability claims using life cycle assessment (LCA)[2] from cradle-to-gate and cradle-to-cradle.
- Prioritize investments and resources in projects aligned with business and sustainability goals, including R&I, CapEx and mergers & acquisitions.

(1) *All relevant information related to S4 can be found under section 5.3.3 Social due diligence and Product stewardship, page 198.*
(2) *LCA is a tool for compiling inputs and outputs, along with an evaluation of the potential environmental impacts of a product system throughout its life cycle. LCA methodologies follow international standards, namely ISO 14040, ISO 14044 and ISO 14046 norms.*

The SPM methodology enhances Syensqo's business performance and sustainable growth by showing decision makers how its products contribute to sustainability in two factors:

- The environmental footprint related to production and associated risks and opportunities, based on cradle-to-gate LCA. In 2025, extensive cradle-to-gate LCAs were performed for 95% of Syensqo's products, by turnover share, placed on the market. Syensqo's LCA team manages a product database representing more than 1,200 different chemicals and materials, which is continuously updated to include the most recent industrial or innovation data.
- How their applications create benefits or challenges from a market and social perspective, based on a qualitative assessment using a cradle-to-cradle scope.

Under SPM, a sustainable solution is a product in a given application that makes a wider social and environmental contribution to the customer's performance by demonstrating a favorable balance between value and environmental impact. This approach is aligned with UN SDG 12, and is consistent with the PSA guidance of the WBCSD and the European SSbD initiative. Using the SPM Framework, Syensqo is able to monitor and track the evolution of its sustainable solutions' portfolio. The Chief Sustainability Officer is accountable for policy implementation. Consideration given to the interests of key stakeholders in setting the policy and how it is made available is described on page 124. *[MDR-P - 65a / 65b / 65c / 65d / 65e / 65f][E2-1 - 15a][E3-1 - 12b]*

As Syensqo's SPM tool considers both the environmental footprint and the social and environmental application benefits, SPM is referenced in the Climate Change Policy on page 137, Pollution Policy on page 155, Water Management Policy on page 148, and Waste Policy on page 151. The concept of SPM solutions is also integrated into Syensqo's Product Stewardship Policy on page 164.

Strengthening the impact of SPM

Syensqo does not have a target, but monitors the effectiveness of the implementation of its policy through action plans and subsequent indicators, as described below. *[MDR-T - 81b]*

Syensqo applies the SPM methodology, aligned with the SSbD principles, for early assessment of R&I projects. From 2024, SPM is also applied in the new major CapEx process, to prioritize projects with positive sustainability impact. These actions are expected to increase sales of products with better social and environmental impacts, both in production and use. In particular, Syensqo focuses on accelerating the transition to products that improve health and safety, contribute to the climate transition and improve resource efficiency, for example by offering products that contribute to e-mobility and lightweighting, sustainable agriculture, natural and renewable ingredients for Beauty and efficient mining practices, as emphasized in its strategy. SPM assessments are done in collaboration with GBUs, as described in the SPM guide. The data collected through SPM assessments (LCA, market and regulatory signals) is key to supporting customer-facing activities with fact-based information to promote and differentiate Syensqo's products in a specific application. As a member of the WBCSD, Syensqo is collaborating to develop a sector-agnostic PSA that would enable comparison and adherence to PSA beyond the Chemical Industry. In Syensqo's SPM tool, the concept of shadow cost is used to assign an internal monetary value to environmental impacts, such as GHG emissions with a carbon shadow price of €100 per CO2eq (refer to the Climate change section - Internal Carbon pricing, page 147). By applying a shadow cost, Syensqo can better assess the true sustainability performance of its products and processes, integrating environmental considerations into business decisions. This approach enables the company to identify opportunities for improvement, prioritize investments in lower-impact solutions, and support the transition toward more sustainable offerings.

Syensqo tracked the effectiveness of the impact of its SPM Policy and actions in 2025 through the yearly assessment of its portfolio and evolution of the share of revenue categorized as solutions, and through regular dialogue with users of the SPM tool. For current and future financial resources required for the action plan listed above, refer to the rules laid out on page 127. *[MDR-A - 68a / 68b / 68c / 69a / 69b / 69c][E2-2 - AR13]*

5.2.2.2.2 SPM metrics

Accounting policy

SPM assessments rely on secondary data covering the upstream value chain. They are performed every year in order to capture the most recent signals from the market and cover more than 91% of Group net sales. Percentages are calculated by dividing the share of product sales assessed as solutions, or other categories, (as defined above) with the total product sales which are coherent with Group Net sales (as disclosed in Consolidated Financial Statements).

A full description of the SPM methodology can be found in Syensqo's SPM Guide, available on the Syensqo website.

Arthur D. Little, Syensqo's partner in developing and improving its SPM methodology, performed an in-depth verification of Syensqo's market alignment assessment results. In 2025, Arthur D. Little screened Syensqo's Product Application Combinations (PACs) database and 50 PACs were selected for an independent audit, covering approximately 33% of Syensqo's global sales. As a result, 92% of these PACs (i.e. 46 PACs) were validated or rated higher. Arthur D. Little confirmed Syensqo's internal assessment for 42 PACs, while rating 4 PACs more favorably, and 4 less favorably. *[MDR-M - 77a / 77b]*

SHARE OF REVENUE BREAKDOWN BY SPM CATEGORIES

	Units	2025	2024	2023(1)
Solutions	%	65	63	60R
Potentials	%	5	6	7
Transitions	%	9	9	9
Challenges	%	12	11	12
Not evaluated	%	9	11	12R

Figures are rounded up to the %
(1) Not covered by the Independent Auditor's limited assurance report.

[MDR-M - 75 / 77c]

Syensqo Solution Sales have evolved from 63% in 2024 to 65% in 2025, demonstrating resilient sales performance of this portfolio despite the market context in 2025. Syensqo's actions to diligently apply its methodology and capture ESG market signals supports its business decisions. Syensqo aims to continuously increase the share of sustainable solutions in its portfolio in order to meet its customers and stakeholders expectations, providing sustainable, high quality, reliable and competitive products. *[MDR-A - 68e]*

5.2.2.3 EU Taxonomy

In 2025, Syensqo continued to roll out the EU Taxonomy approach consistently across the organization.

Syensqo's EU Taxonomy disclosure process follows three steps:

- The first step is a screening of eligible economic activities on which Syensqo operates, considering a materiality assessment.
- Next, each of the economic activities are assessed for EU Taxonomy alignment, comprising substantial contribution to at least one of the six environmental objectives, Do No Significant Harm (DNSH) on the five other objectives and adherence to minimum safeguards.
- Finally, the KPIs required for Taxonomy reporting are calculated and reported following required templates.

Syensqo's EU Taxonomy report, which is subject to a limited assurance engagement from its external auditors, covers 2025 and the same scope as its financial reporting perimeter.

5.2.2.3.1 Assessment of the EU Taxonomy eligibility

Based on the list of eligible activities shared by the European Commission, Syensqo has determined which of its activities are covered by the EU Taxonomy.

Syensqo analyzed the description of the activity Taxonomy Regulation (EU) 2020/852 and the subsequently published delegated acts to make the link with its SPM tool. The assessment of its SPM tool is subject to limited assurance engagement from its external auditors.

To avoid double counting with economic activities already recorded under the climate change mitigation objective, Syensqo does not report taxonomy-eligible activities under the environmental objective of climate change adaptation.

As a consequence, the analysis of its portfolio leads to the identification of the below eligible economic activities above the materiality threshold, that all fall under the environmental objective of climate change mitigation:

Economic Activity Code	Economic Activity Name	Economic Activity Description
3.6	Manufacture of other low carbon technologies (enabling activity)	Manufacture of technologies aimed at substantial GHG emission reductions in other sectors of the economy, where those technologies are not covered in Sections 3.1 to 3.5 of this Annex. Relevant for sales, CapEx and OpEx.
3.17	Manufacture of plastics in primary form (transitional activity)	Manufacture resins, plastics materials and non-vulcanisable thermoplastic elastomers, the mixing and blending of resins on a custom basis, as well as the manufacture of non-customised synthetic resins. Relevant for sales, CapEx and OpEx.

The reduction of eligible activities between 2024 and 2025 is due to the application of the 10% quantitative materiality threshold introduced by the new EU Taxonomy Delegated Act: Syensqo activities that are cumulatively below this threshold for Sales, CapEx and OpEx KPIs have been excluded from Taxonomy eligibility reporting, and from Taxonomy alignment analysis (namely activities 3.4 Manufacture of batteries, 4.3 High-efficiency co-generation of heat/cool and power from fossil gaseous fuels, 7.3 Installation, maintenance and repair of energy efficiency equipment and 7.6 Installation, maintenance and repair of renewable energy technologies). The two material eligible activities listed above correspond to different products, hence there is no possibility of double counting the same sales, or OpEx, in these two activities.

5.2.2.3.2 Assessment of EU Taxonomy alignment

For each activity identified as eligible, Syensqo assesses the technical screening criteria to determine if the activity complies with substantial contribution, the DNSH conditions and minimum safeguards that apply to all activities transversally.

Minimum safeguards

Compliance is checked at Group level, based on the CSRD compliance done on ESRS G1 Business Conduct.

The objective is to ensure that the relevant policies, procedures and systems are defined to comply with UN Guiding Principles on Business and Human rights and with the OECD Guidelines.

- Regarding human rights and grievance mechanisms: Syensqo has a public human rights policy, implements human rights due diligence and publishes progress reports. The human rights policy statement is included in operational policy documents, such as Syensqo's Code of Business Integrity, Sustainable Procurement Policy and Conflict Mineral Policy. An Ethics Helpline is available to raise human rights concerns and suspected violations. Guidance on this grievance process is accessible to all stakeholder groups.
- Regarding anti-corruption, the Group operates under an ABAC policy. All employees at risk follow regular training on best practices. Its application across the Group is overseen by a Compliance Direction. The Group has a whistleblowing system to report wrongdoing in all areas covered by the Code of Business Integrity and the ABAC policies.
- Regarding fair competition: Syensqo operates under a competition law policy.
- Regarding tax compliance: Syensqo believes it to be its corporate responsibility to pay its fair share of taxes in the countries in which it operates. The Group tax policy ensures that Syensqo applies clear and transparent compliance and reporting processes directed at collecting, paying and reporting all taxes relevant to its operations in all countries where Syensqo operates, in an accurate and timely manner. Tax risks are included in the overall risk management process.

Substantial contribution

For all Syensqo's eligible activities, the first step is to determine whether its taxonomy-eligible activities make a substantial contribution to the environmental objective of climate change mitigation. For both Syensqo's eligible activities, the criteria consist in demonstrating that the use of its products results in significant GHG emission reductions compared to existing products. The EU Taxonomy delegated act specifies that such a demonstration shall be made by having a third-party audit concluding that the cradle-to-grave life cycle analysis of Syensqo's products shows that GHG emissions are lower than the reference products they are able to replace.

- 3.6 Manufacture of other low carbon technologies: Syensqo products involved in this activity are its composites, which replace aluminium in the aerospace industry and reduce weight very significantly. Literature shows without ambiguity that the cradle-to-grave PCF of composites is much lower than aluminium, however there is no existing cradle-to-grave life cycle analysis developed yet (the aerospace industry is working on it with their suppliers, including Syensqo). In this circumstance, it is impossible for Syensqo to meet the substantial contribution criteria, as specified in the EU Taxonomy delegated act.
- 3.17 Manufacture of plastics in primary form: A portion of Syensqo's activity is derived partially from renewable feedstock and could therefore pass the substantial contribution criteria. There is no viable fossil fuel feedstock alternative available on the market for those products, because the fossil synthesis route is not cost-effective and not GHG effective. In the absence of a viable fossil-fuel alternative to compare Syensqo's product to, the EU Taxonomy regulation criteria cannot strictly be met.

Do No Significant Harm

Since the substantial contribution criteria could not be met, Syensqo does not pursue DNSH criteria.

5.2.2.3.3 Calculation of taxonomy KPIs

Three quantitative indicators are reported for eligible activities (eligibility ratio): turnover, CapEx and OpEx.

Turnover KPI:

The denominator is the total consolidated sales, including revenue from non-core activities, as disclosed in the Consolidated Income Statement.

The numerator is the Taxonomy eligible turnover. It is retrieved from Syensqo's ERP when the eligible activities are product based (manufacture of plastics in primary form), or through the SPM tool when the eligibility is based on the application of the product (manufacture of other low carbon technologies).

CapEx KPI:

Total CapEx used for the denominator of the eligibility ratio is retrieved from Syensqo Financial statements in Note F1, Information per segment, total Capital Expenditures. It includes acquisitions of property, plant and equipment, acquisition of intangible assets and payments of lease liabilities in line with IFRS 16, but excludes goodwill.

For the numerator, three categories have to be considered: (a) CapEx related to assets or processes that are associated with Taxonomy-eligible or aligned economic activities; (b) CapEx that is part of a plan to expand Taxonomy-aligned economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy aligned (CapEx plan) and (c) CapEx related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling the target activities to become low carbon or to lead to GHG reductions, and provided that such measures are implemented and operational within 18 months.

Taxonomy-eligible CapEx (category a) is retrieved directly when fully dedicated to an eligible activity. When CapEx relates to products sold on several applications, of which some are part of eligible activities, Syensqo uses the ratio of eligible sales at plant or GBU level, to calculate the proportion of eligible CapEx at the level of this plant or business unit.

Syensqo did not incur any material eligible CapEx related to categories (b) and (c) in 2025.

OpEx KPI:

The reporting covers R&D non-capitalized costs, and maintenance and repair expenses, as well as direct expenses related to day-to-day servicing of asset property and OpEx related to identified projects leading to GHG reductions. Amortizations are not considered, as they refer to CapEx spent in previous years.

The denominator is the sum of Total R&D non-capitalized costs and total plant maintenance costs. All those costs are included in and consistent with the costs reported in Financial statements Note F2, Personnel expenses and Other fixed expenses lines.

For the numerator, the same three categories described in the CapEx section have been considered.

The retrieval of OpEx in category a follows the same rules as for CapEx.

Syensqo didn't incur any eligible OpEx related to categories b and c in 2025.

5.2.2.3.4 EU Taxonomy KPIs

Financial year 2025					Breakdown by environmental objectives of Taxonomy aligned activities										
KPI (1)	TOTAL (2)	Proportion of Taxonomy eligible activities (3)	Taxonomy aligned activities (4)	Proportion of Taxonomy aligned activities (5)	Climate Change Mitigation (6)	Climate Change Adaptation (7)	Water (8)	Pollution (9)	Circular Economy (10)	Biodiversity (11)	Proportion of enabling activities (12)	Proportion of transitional activities (13)	Not assessed activities considered non-material (14)	Taxonomy aligned activities in previous financial year (N-1) (15)	Proportion of Taxonomy aligned activities in previous financial year (N-1) (16)
Text	*M€*	*%*	*M€*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*M€*	*%*
Turnover	6 347	35%	0	0%	0%	0%					0%	0%	4%	0	0%
CapEx	563	42%	0	0%	0%	0%					0%	0%	5%	0	0%
OpEx	426	44%	0	0%	0%	0%					0%	0%	8%	0	0%

REPORTED KPI (TURNOVER)

Financial year 2025					Breakdown by environmental objectives of Taxonomy aligned activities								
Economic Activities (1)	Code (2)	Taxonomy eligible KPI Turnover	Taxonomy aligned KPI (monetary value of Turnover) (4)	Taxonomy aligned KPI (Proportion of Taxonomy aligned Turnover(5)	Climate Change Mitigation (6)	Climate Change Adaptation (7)	Water (8)	Pollution (9)	Circular Economy (10)	Biodiversity (11)	Enabling activity (12)	Transitional activity (13)	Proportion of Taxonomy aligned in Taxonomy eligible (14)
Text		*%*	*M€*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*(E where applicable)*	*(T where applicable)*	*%*
Manufacture of other low carbon technologies	CCM 3.6	11%		0%							E		0%
Manufacture of plastics in primary form	CCM 3.17	24%		0%								T	0%
Sum of Alignment per objective				**0%**									
TOTAL KPI (TURNOVER)		**35%**	**0**	**0%**							**0%**	**0%**	**0%**

REPORTED KPI (CAPEX)

Financial year 2025					Breakdown by environmental objectives of Taxonomy aligned activities								
Economic Activities (1)	**Code (2)**	**Taxonomy eligible KPI (Proportion of Taxonomy eligible CapEx) (3)**	**Taxonomy aligned KPI (monetary value of CapEx) (4)**	**Taxonomy aligned KPI (Proportion of Taxonomy aligned CapEx (5)**	**Climate Change Mitigation (6)**	**Climate Change Adaptation (7)**	**Water (8)**	**Pollution (9)**	**Circular Economy (10)**	**Biodiversity (11)**	**Enabling activity (12)**	**Transitional activity (13)**	**Proportion of Taxonomy aligned in Taxonomy eligible (14)**
Text		*%*	*M€*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*(E where applicable)*	*(T where applicable)*	*%*
Manufacture of other low carbon technologies	CCM 3.6	8%		0%							E		0%
Manufacture of plastics in primary form	CCM 3.17	34%		0%								T	0%
Sum of Alignment per objective				**0%**									
TOTAL KPI (CAPEX)		**42%**	**0**	**0%**							**0%**	**0%**	**0%**

REPORTED KPI (OPEX)

Financial year 2025					Breakdown by environmental objectives of Taxonomy aligned activities								
Economic Activities (1)	**Code (2)**	**Taxonomy eligible KPI (Proportion of Taxonomy eligible OpEx) (3)**	**Taxonomy aligned KPI (monetary value of OpEx) (4)**	**Taxonomy aligned KPI (Proportion of Taxonomy aligned OpEx (5)**	**Climate Change Mitigation (6)**	**Climate Change Adaptation (7)**	**Water (8)**	**Pollution (9)**	**Circular Economy (10)**	**Biodiversity (11)**	**Enabling activity (12)**	**Transitional activity (13)**	**Proportion of Taxonomy aligned in Taxonomy eligible (14)**
Text		*%*	*M€*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*(E where applicable)*	*(T where applicable)*	*%*
Manufacture of other low carbon technologies	CCM 3.6	10%		0%							E		0%
Manufacture of plastics in primary form	CCM 3.17	34%		0%								T	0%
Sum of Alignment per objective				**0%**									
TOTAL KPI (OPEX)		**44%**	**0**	**0%**							**0%**	**0%**	**0%**

5.3 Social

5.3.1 Health and safety in Syensqo's operations

ESRS S1 & S2 | UN SDG 8

In the short term, Syensqo has both an actual positive and a potential negative material impact on its own workforce — whether its own employees, self-employed individuals or workers provided by third parties engaged in employment activities — who work at Syensqo sites. As Syensqo is a chemical company, its operations may potentially have a negative impact on the health and safety of Syensqo's workforce, which may include handling of SVHC, heavy equipment, extreme process conditions, etc. Syensqo has a low level of health and safety incidents because of a strongly embedded safety culture, which is a result of programs for occupational health and safety, industrial hygiene and employee well-being support. With respect to *value chain workers* involved in its operations, Syensqo also has a potential negative material impact in the short term. Value chain workers involved in the production of Syensqo's raw materials, handling Syensqo materials and products, working on Syensqo projects and/or on Syensqo sites might be exposed to risks of potential negative impacts on their health and safety. This also applies for some of the downstream value chains. All of these impacts have a medium current and anticipated strategic effect. Finally, there is a material risk with a medium current and anticipated strategic effect that a major accident on site or chronic exposure leads to irreversible injury or fatalities, litigation and reputational harm. *[SBM-3 - 48a / 48b / 48c][S1, SBM-3 - 13a / 13b / 14a / 14b / 14c / 14d / 16][S2, SBM-3 - 10a / 10b / 11a / 11c / 11e / 13]*

In the following text, Syensqo uses the term *contractors* to refer to self-employed individuals working at its sites, as well as to third parties providing (value chain) workers working in Syensqo operations. Since there are no actual material negative impacts identified, no preventive or mitigation actions are required. *[S1-4 - 38b]*

5.3.1.1 Policies related to health and safety in Syensqo operations

Syensqo's Responsible Care Policy and Operations Safety Policy both apply to its employees and contractors. Site managers and industrial directors are accountable for the implementation of these policies. Stakeholder interests and policy availability are described in section 5.1.2 Sustainability operational governance. *[MDR-P - 65b / 65c / 65e / 65f][S1-1 - 19][S2-1 - 16]*

Syensqo and its CEO are signatories to the ICCA's Responsible Care Global Charter®, committing to health, safety and environmental protection. In Syensqo's Responsible Care Policy, the company commits to building and operating its facilities in a manner that contributes to protecting the health and safety of employees, contractors and communities, aiming for no injuries and no environmental harm. Syensqo promotes sustainable chemical management throughout the life cycle of its products. It aims to reduce emissions, waste, consumption of energy and other resources, promote a circular economy and address climate change. It ensures adequate protection of people, property, products and information systems against security threats. Furthermore, it engages with stakeholders, cooperates with governments and organizations, and communicates openly about Syensqo's activities and environmental performance. It implements processes aligned with its procedures on occupational safety, industrial hygiene, occupational health, process safety, transport safety, environment, product safety and security, as well as the requirements of its Product Stewardship Management System, assessing safer alternatives for hazardous substances and promoting their substitution when possible. Syensqo ensures manufacturing and R&I sites have an HSE Management System consistent with Group requirements and enhanced security based on the Responsible Care Security Code. It improves its HSE processes through regular audits[1], performance indicators, and self-assessments and pursues performance improvement in high materiality issues with targets defined in its sustainability strategy. This policy has been endorsed and signed by the CEO. *[MDR-P - 65 a / 65d][S1-1 - 20b]*

(1) *HSE audits touch upon various topics like compliance with Syensqo's internal HSE procedures or regulatory compliance on operational safety, process safety, industrial hygiene, transport safety (both every five years at minimum), but also Group Security audits (upon site criticality).*

Syensqo's Operations Safety Policy and occupational safety approach is in accordance with applicable local, national and international laws. Each year, Syensqo aims to achieve zero accidents in the workplace. Syensqo's safety strategy and Minimum Requirements create a shared approach to mitigating risks. Hazard identification and risk assessments follow Group procedures, which define Minimum Requirements for methods and the hierarchy of controls. Covered topics are: chemical hazard communication, chemical risk assessment and management, noise exposure management, prevention of legionellosis, managing asbestos in facilities, respiratory protection equipment and occupational health. They also include the Syensqo Life Saving Rules, focused on lifting, excavation, traffic, personal protective equipment (PPE) and line breaking, and working in confined spaces, on powered systems or in an explosive atmosphere. Syensqo's operational safety policy aligns with the ICCA Responsible Care Global Charter, ISO HSE Standards, IndustriALL Global Union and UN SDG 8, along with national and regional standards. Syensqo's approach encompasses:

- **HSE management and reporting:** Site and Group reporting enable policy monitoring. Syensqo's HSE strategy requires each industrial site to implement a management system with risk-based procedures for health, industrial hygiene, occupational safety, process safety and the environment. Site reporting processes evaluate performance, analyze incidents and inform improvement plans, and compliance audits are undertaken by internal or external parties periodically. Sites and Group reporting allow monitoring of the policy.
- **Industrial hygiene and occupational health:** Syensqo takes a comprehensive approach to minimizing workplace risks and safeguarding employee health. This includes risk assessments and risk-based medical surveillance, pandemic preparedness, Bio Safety Planning and human biomonitoring when needed. Syensqo focuses on improving working conditions, providing an Employee Assistance program (EAP), promoting overall physical and mental health and establishing conservative in-house exposure limits for critical substances.
- **Process safety management**: Syensqo adopts a preventative, risk-based approach, with systematic analyses and timely mitigation actions for critical scenarios, to avoid high-severity incidents and reduce the Process Safety Incident rate. Each site has an Emergency Response Plan, and carries out regular drills and training to ensure effective responses to emergencies, minimizing impacts on people, communities and the environment. When an Emergency Response Plan is activated, relevant internal and external parties are informed through the application of Syensqo's crisis management procedure and the Corporate Crisis Cell (crisis alert duty 24/7) can also be activated. *[MDR-P - 65 a / 65d][S1-1 - 21 / 23]*

5.3.1.2 Processes for engaging on health and safety in Syensqo operations

Syensqo's process for engaging with its employees is described on page 187. In particular, Syensqo IndustriALL on-site audits took place on four sites in the USA in 2025, and were followed by detailed reports, with follow-up actions for site management. The European Works Council (EWC) also engaged regularly on topics related to HSE.

Specifically for health and safety matters, soliciting feedback from Syensqo's own workforce and value chain workers working at its sites is key to improving its health and safety performance. This is accomplished using different formats:

- Safety Dialogues at shop floor level, Leadership Safety Talks at Executive Level and Senior Leaders Night Shifts are encouraged as a continuous direct engagement process with workers about health and safety, especially for industrial sites. Feedback is then integrated into the yearly continuous improvement plan (see *Syensqo 2025 action plan* below). Industrial directors and site managers have operational responsibility for ensuring that this engagement happens and informs this approach.
- Events like Safety Day celebrations or well-being activities, including webinars from Syensqo's EAP, are organized by the corporate teams to cover well-being at work and at home. At the corporate level, virtual events totaling four global webinars on Men's Health and on Menopause and seven on mental health were organized in 2025, in partnership with Syensqo's EAP. Nine ad hoc training sessions took place at sites' requests on various well-being-related themes. Interventions from the EAP can also be organized to offer prompt specific support to employees on request. The head of HSE has operational responsibility for ensuring that this engagement happens and informs this approach.
- Employees can interact with a network of occupational medical professionals, which may also inform the HSE yearly improvement plan. The occupational medical professionals have operational responsibility for ensuring that this engagement happens and informs this approach.

Engagement with Syensqo employees that may be more vulnerable to potential health and safety impacts is carried out by the medical network. Any special accommodation that may be needed is discussed with the physician or nurse that is the referent for the site. *[S1-1 - 20b][S1-2 - 27 / 27a / 27b / 27c / 28][S2-2 - 22 / 22a / 22b / 22c / 22d]*

5.3.1.3 Processes for remediating impacts and channels to raise concerns related to health and safety in Syensqo operations

Syensqo provides accessible channels to raise concerns and maintain a robust grievance mechanism, supported by its comprehensive Speak Up Policy (page 209). Page 209, outlines how Syensqo tracks and addresses concerns, and how it assesses the effectiveness of this program. In 2025, Syensqo continued rolling out pilot training for contractors working on Syensqo sites, including on the Speak Up program. A QR Code for the Ethics Helpline was provided at the entrance of a site for contractors and visitors, and they had to attest that they completed the training. Each reported case is thoroughly investigated, and remedial actions are taken if necessary. If an employee has a health-related question or concern, they can contact the internal medical team for assistance. There is one contact point for each site, and the information is readily available on Syensqo's intranet. The EAP offers comprehensive support for all employees and is accessible 24/7 through phone, chat, app or SMS in requested languages and confidentially. The following services are offered: free counseling or coaching for personal and professional topics, on-line questionnaires focused on well-being, information on finding solutions such as childcare, and legal services, and support for reintegration after a parental leave. Managers get unlimited support sessions for team-related concerns. All services extend to family members living under the same roof. A series of indicators, respecting confidentiality, allow us to track the effectiveness and trust of this EAP channel, including utilization compared to industry benchmarks. In 2025, 2.58% of employees contacted the Workplace Options (WPO), which is aligned with benchmark practices (2-4%). Satisfaction surveys are sent to EAP users to gather feedback about this service. The Syensqo medical network periodically analyzes these indicators to identify trends and set yearly goals. *[S1-3 - 32 / 33][S2-3 - 27a / 27b / 27c / 27d / 28]*

5.3.1.4 Targets related to health and safety in Syensqo operations

Syensqo is dedicated to enhancing quality of life by striving for zero workplace accidents every year. Although its own workforce, workers representatives and value chain workers working at Syensqo sites have not been directly involved in setting this target, progress and insights are reported and discussed monthly with relevant workers at Syensqo sites and at ELT level. This is also regularly addressed in discussions with employee representatives. *[MDR - T 80a / 80b / 80c / 80d / 80e / 80h / 80j][S1-5 - 47a / 47b / 47c][S2-5 - 42a / 42b / 42c]*

5.3.1.5 Taking actions in relation with health and safety in its operations

To re-accelerate Syensqo's trajectory toward zero workplace injuries, Syensqo focuses on creating a safety culture by engaging people and improving risk management. Its renewed Safety Ambition, unveiled in June 2025, aims to position Syensqo by 2030 as a top quartile chemical industry safety performer, for both performance and culture of pride in how Syensqo leads and acts safely. Safety excellence is not just about fewer incidents, but also about caring for each other, building on Syensqo's five Safety Principles: A Right, A Responsibility, A Role Modelling, A Non-Negotiable, A Celebration. To achieve this, Syensqo focuses on:

- Fostering rigor and accountability through structured routines and leadership ownership (Safety Principles as the backbone, build empowerment and operational discipline as common forces, and strengthen leadership creating safety routines).
- Leveraging Group-wide data to enhance learning, insights and decision-making, fostering transparency and empowering people to perform at their best.
- Shifting to a proactive, preventive, risk-driven safety approach with shared responsibility.

These principles underpin a company-wide movement toward empowerment, ownership and consistency. By aligning leadership, systems and behavior, Syensqo is building a resilient safety culture that protects people, supports performance and secures stakeholders' trust.

2025 action plan

The action plan below describes the short-term 2025 initiatives, and these are recurring actions. The goal of this action plan is to prevent or mitigate the potential negative impact and risk related to health and safety for Syensqo's own workforce and value chain workers working at Syensqo sites. These actions are defined by the managers at global and local level management based on analysis of the KPIs, structured identification of performance gaps, root-cause considerations and managerial expertise, and are prioritized in close collaboration with the operational teams. Reinforcing the Syensqo safety culture, they also contribute to advancing the actual positive impact on health and safety at Syensqo sites. The scope is described in section 5.1.3 Basis for preparation.

To **enhance health and safety performance**, the Health and Safety team analyzes indicator trends and senior executives feedback annually to identify and prioritize site actions. These insights shape Syensqo's yearly health and safety objectives, which are set and approved by the ELT and include internal indicators. In 2025, Syensqo reorganized its central Health and Safety teams to provide closer operational site support from specialists in its different business teams. It also continued to focus on the importance of leading actions, launched an Exposure Based Safety program at several sites, a hand safety campaign and a job hazard assessment program. It increased focus on reporting of near misses, safety dialogues and Senior Leadership Talks in plants, and increasing *Life Saving Rules* (LSR) field audits. Additionally, standardized company-wide processes for incident root cause and ergonomics assessment were piloted and are being deployed globally. To measure the effectiveness of actions, a leading/lagging ratio is tracked for each site, which compares the number of leading actions (safety dialogues, inspection on life-saving rules, near misses) to the number of injuries and process safety events (first aid and reportable injuries, process events of medium category and above). This is reviewed each month by the ELT.

Out of its 69 eligible sites[1], 58 sites (84%) have at least one certified internationally-recognized health and safety management system in place, covering 87% of the associated employees on those 69 sites. Eight sites have been certified with multiple H&S Management Systems. Specifically, within the eligible sites and employees:

- ISO 45001 certification covers 39% of the sites and 49% of employees.
- RC 14001 covers 20% of the sites and 24% of employees.
- ACC RCMS covers 25% of the sites and 16% of employees.
- OSHA VPP covers 6% of the sites and 5% of employees.
- RC program by ABIQUIM in Brazil covers 3% of the sites (100% of Brazilian sites) and 5% of employees.
- Occupational Safety and Health Management System (GB/T 33000 2016) in China covers 4% of the sites and the 1% of the employees.

In addition to the above numbers, eight R&I sites have an internal HSE certification program in place, recognized by an external auditor.

In addition to this, Syensqo's **contractor management framework** is a risk-based approach to ensure alignment with its HSE standards across all operations. Contractors undergo a rigorous prequalification process that assesses their health and safety performance, certifications and compliance with statutory requirements prior to engagement. Upon approval, contractors participate in mandatory occupational health and safety training and comprehensive site-specific induction programs. Contractor performance is continuously monitored through on-site evaluations, safety audits and incident reviews. Syensqo is deploying a contractor management platform to track safety performance to drive continuous improvement and ensure adherence to standards. This integrated approach fosters shared accountability and ensures that all contracting partners operate to the same high safety expectations as Syensqo employees.

For current and future financial resources required, refer to the rules laid out in *section* 5.1.3 Basis for preparation. *[MDR-A - 68a / 68b / 68c / 69a / 69b / 69c][S1-4 - 38a / 38c / 38d / 39 / 40a / 43] [S2-4 - 32a / 32c / 32d / 33a / 33b / 33c / 34a / 35 / 38]*

(1) Eligible sites do not include administrative sites and sites with fewer than 10 people, or sites that are not under Syensqo's operational control or sites created less than three years ago.

5.3.1.6 Indicators on health and safety in Syensqo operations

Accounting policy

Syensqo uses the United States Occupational Safety and Health Administration's (OSHA) definitions of occupational accidents which comply with ESRS and enable comparisons outside Syensqo. All incidents are reported regardless of severity. If the incidents involve medical treatment beyond first aid they are classified as a RII. *[MDR - T 80g]*

The reporting scope covers all employees and contractors at sites under Syensqo's operational control, for which the Group manages and monitors safety performance. This includes Syensqo manufacturing, R&I and administrative sites, and a series of closed sites with limited activities. Syensqo uses the United States OSHA definition of a contractor. This scope is also used for the Health and Safety management system coverage metric (2024 coverage metric included Environment management system), therefore excluding employees not located on sites in scope. Syensqo's targets and internal indicators were historically measured per 200,000 hours worked. To ensure alignment with CSRD reporting standards, accident rates are additionally calculated per 1,000,000 hours worked. Employees' work hours are based on the sum of the active internal workforce (full-time equivalent) multiplied by the coefficient of 2,000 hours for all countries and sites. Contractors' actual work hours are reported monthly by all sites.

[MDR-M - 77a]

PERCENTAGE OF PEOPLE AND SITES COVERED BY HEALTH AND SAFETY MANAGEMENT SYSTEM

	Units	2025	2024
Percentage of employees covered by health and safety management system (based on legal requirements and/or certified management system)	%	100	100
Percentage of employees covered by certified health and safety management system	%	86.7	87.6(1)
Percentage of sites	%	84.1	84.1(2)

(1) Restated data. Originally published data: 98.3 (based on Health, Safety and Environment management system)
(2) Restated data. Originally published data: 96 (based on Health, Safety and Environment management system)

NUMBER OF ACCIDENTS

	Units	2025	2024	2023(1)
Fatal accidents - Employees	Number	0	0	0R
Fatal accidents - Contractors	Number	0	0	0R
RII - Employees	Number	30	43	41
Injury	Number	29	-	-
Illness	Number	1	-	-
RII - Contractors	Number	8	15	5
RII - Employees and contractors	Number	38	58	46
Injury	Number	37	-	-
Illness	Number	1	-	-

(1) Not covered by the Independent Auditor's limited assurance report.

ACCIDENT FREQUENCY RATES

	Units	2025	2024	2023(1)	2021(1)
RIIR - Employees	Medium or higher severity incidents per 200,000 hours worked	0.22	0.33	0.34	0.48
RIIR - Employees	Medium or higher severity incidents per 1,000,000 hours worked	1.11	1.64	-	-
RIIR - Employees and contractors	Medium or higher severity incidents per 200,000 hours worked	0.22	0.32	0.28R	0.45
- Variation % 2025/2024	%	-31%			
- Variation % 2025/2021	%	-51%			
RIIR - Employees and contractors	Medium or higher severity incidents per 1,000,000 hours worked	1.09	1.58	-	-

(1) *Not covered by the Independent Auditor's limited assurance report.*

*[S1-14 - 88a / 88b / 88c][MDR-T - 80f / 80j]***[MDR-M - 75 / 77c]**

Syensqo's objective of striving for zero workplace accidents is monitored via its Reportable Injury or Illness rate (RIIR). Syensqo's progress was supported by the definition of a clear safety ambition, the company-wide rollout of five safety principles, and a restructured Health and Safety governance model. This model combines corporate oversight through standardized policies, audits, and performance monitoring with strengthened GBU-level expertise and site accountability, supported by an HSE Council ensuring alignment and transparency on performance and action plans. *[MDR-T - 80j]*

5.3.2 Empowering Syensqo's employees

ESRS S1 | UN SDG 8

In the short term, Syensqo has actual positive material impacts on its own employees regarding wages, social dialogue, freedom of association, collective bargaining, work-life balance, training and skills development, diversity, gender equality and equal pay for work of equal value. At Syensqo, employee well-being and engagement is fostered by fair labor practices, fair wages and a good work-life balance. A constructive dialogue with employees and their representatives, built on trust, forms the basis for agreements, commitments and initiatives that benefit employees and their families, and ensures continuous development of human expertise alongside technological advancements like AI. This impact has a medium current and anticipated strategic effect. Second, Syensqo is fostering a fair and inclusive workplace culture with equal pay and equal opportunities for all, where employees from diverse backgrounds and with disabilities are being employed and feel valued, respected and included. Syensqo is aiming at a fair level playing field, where individuals can succeed based on their skills, qualifications and merits, while tackling gender-based conscious and unconscious mechanisms of exclusion or privilege. Feeling included, valued, and treated fairly in the workplace can lead to higher job satisfaction, positively impact employees' mental well-being, and even improve their quality of life. This impact has a low current and anticipated strategic effect. Third, Syensqo's focus on training employees and having regular performance and development reviews contributes to their personal development, opens the door to new career opportunities and can increase job satisfaction, confidence and empowerment. Both training and performance and development tools and processes are available for the entire employee population. Upskilling and re-skilling the workforce is also a necessity to move forward with the green transition and offers an opportunity to employees to develop future-proof skills. This impact also has a low current and anticipated strategic effect.

At the same time, there are two material risks concerning Syensqo's employees and both have a low current and anticipated strategic effect. The risk that organizational change fatigue could cause mental well-being to decline or loss of critical talent, which could lead to potential reputational damages and litigation. Second, not anticipating future skills could impair the development and performance of Syensqo and impede Syensqo's strategic objectives. *[SBM-3 - 48a / 48b / 48c] [S1, SBM-3 - 13a / 13b / 14a / 14b / 14c / 14d / 14e / 16]*

5.3.2.1 Policies related to empowering Syensqo's employees

Syensqo's CoBI (page 206) and Human Rights Policy (page 198) lay the foundations for its management approach for its own workforce. On page 198, the Human Rights Policy outlines alignment with relevant internationally-recognized instruments and Syensqo's general approach to respect the human rights of its own workforce, engage with its own workforce and provide remedy for human rights impacts. It explicitly mentions human trafficking, forced labour and child labour. In relation to these policies, Syensqo also has the following human rights commitments for its own workforce:

- Ensuring safe and healthy working conditions, promoting work-life balance, and expecting employees and suppliers to adhere to safety rules and promptly report any unsafe conditions.
- Implementing ethical recruitment and employment practices.
- Protecting the environment and individuals according to Syensqo's Responsible Care Policy, with similar expectations for its suppliers.
- Supporting employees' rights to freedom of association and collective bargaining.
- Providing equal opportunities, valuing a leadership that is diverse and inclusive, and prohibiting discrimination and unequal treatment, including pay.
- Zero tolerance for any form of child labor.
- Prohibiting any form of modern slavery, servitude and forced or compulsory labor including bonded labor, indentured or involuntary prison labor and any form of human trafficking, and protecting the rights of migrant workers.
- Ensuring that 100% of Syensqo employees worldwide will be paid at least a living wage in 2026.
- Supporting indigenous people rights, such as no tolerance for unlawful evictions or seizure of land, forests and waters.
- Requiring that security personnel respect human rights principles.

Finally, Syensqo's Inclusion and Non-Discrimination Policy and Ethical Recruitment and Employment Practices outline important complementary content, and are briefly described below. All of the above policies cover all Syensqo employees. *[S1-1 - 19 / 20] [S1-1 - 20 / 20a / 20b / 20c / 21 / 22]*

Syensqo's Inclusion and Non-Discrimination Policy, applicable to all Syensqo's employees and sites worldwide, outlines its approach to creating a positive impact for all Syensqo employees, by providing equal opportunity for all individuals based on their skills and abilities, and prohibiting discrimination and harassment based on racial and ethnic origin, color, sex, sexual orientation, gender identity, disability, age, religion, political opinion, national extraction, social origin or any other forms of discrimination covered by applicable laws. There is a zero-tolerance policy toward any form of violence or harassment. Syensqo embeds the following practices across the organization in order to eliminate discrimination and build a fair and inclusive culture. In addition, Syensqo conducts dialogues with relevant stakeholders in a spirit of mutual learning and sharing. Syensqo's commitment to a fair and inclusive culture extends to all areas of the business, including recruitment, compensation and benefits, professional development and promotion, social and recreational programs, Board appointments and succession planning. Syensqo values leadership that is diverse and inclusive and is committed to closing gender pay gaps. Syensqo develops specific awareness programs to support the inclusion of everyone and to make career advancement available to everyone based on their skills and abilities. This includes individuals from groups at particular risk of vulnerability or facing specific challenges, including but not limited to: women, parents, people with disabilities, members of racial, cultural, and ethnic minorities, senior employees and LGBTQ+ individuals. Syensqo partners with external organizations and community groups to broaden the pipelines of talent for vulnerable individuals to be considered in selection processes and career development. To ensure discrimination is prevented, mitigated and acted upon once detected, Syensqo relies on its robust Ethics Hotline and associated procedures. Syensqo's approach is aligned with global initiatives such as UN Global Compact, IndustriALL Global Union, the WBCSD and Responsible Care practices, as well as UN SDG 8. The Fair and Inclusive Culture Director is accountable for policy implementation and monitoring through a set of indicators covering diverse distribution of employees as well as feeling of inclusion. Consideration given to the interests of key stakeholders in setting the policy and how Syensqo makes it available is described in section 5.1.2 Sustainability operational governance. *[MDR-P - 65a / 65b / 65c / 65d / 65e / 65f][S1-1 - 24a / 24b / 24c / 24d]*

Syensqo's Ethical Recruitment and Employment Practices Policy, in addition to complying with applicable laws and regulations, respects, protects and fulfills internationally-recognized human rights. This policy applies to all recruitment and employment activities conducted by Syensqo or third-party providers. This policy complements the Syensqo CoBI, the SCoBI as well as the Human Rights Policy. It is aligned with ILO's eight core labor conventions and the ILO Declaration on Fundamental Principles and Rights at Work. Syensqo implements fair recruitment, selection and promotion processes that mitigate the risks of bias, and that are based on skills, abilities, training and expertise. No recruitment fees nor discriminatory physical exams may be required from candidates. It does not hire employees under the age of 16 years. Employees under the age of 18 are not allowed to perform hazardous work or night shifts. Terms and conditions of employment are clearly communicated to future employees in writing, in a language understandable to them and Syensqo ensures that personal data is handled in compliance with applicable privacy laws. Candidates can report any issues or concerns through the Speak Up program (page 209). Syensqo does not retain original ID documents and does not restrict employees' freedom of movement. Compensation, weekly working hours, work schedules, overtime and paid vacations are in accordance with applicable laws or collective bargaining agreements. Syensqo respects the right of all employees to form and join trade unions and bargain collectively. Only clean, healthy and safe accommodation may be provided to employees. As part of Syensqo Cares, the company provides 16 weeks of paid parental leave for all parents, irrespective of their gender, and five days of paid leave for all employees caring for sick relatives and taking care of unforeseen circumstances. The CCO is accountable for policy implementation. Consideration given to the interests of key stakeholders in setting the policy and how Syensqo makes it available is described in section 5.1.2 Sustainability operational governance. *[MDR-P - 65a / 65b / 65c / 65d / 65e / 65f]*

5.3.2.2 Processes for engaging with employees

5.3.2.2.1 Direct organizational listening is held at global and local levels

Pulse Surveys

In 2025, Syensqo conducted one Pulse survey focused on the culture of fairness, inclusion, sentiments and engagement. In compliance with the GDPR, employees are invited to self-identify according to certain characteristics, allowing us to assess results for certain groups such as managers, employees with primary care responsibilities or employees from underrepresented groups, and run intersectional analysis. The results revealed a stable feeling of inclusion compared to the previous year, as well as a reduction in exclusionary behaviors among all demographic groups. Based on the same set of data, Syensqo could identify that the likelihood of being a team manager is statistically equivalent in all demographic groups, which underlines its culture of fairness and inclusion (F&I Culture). The Head of Talent is operationally responsible for Pulse surveys. Site and team managers are responsible for analyzing and implementing remediation actions. Results are accessible to all on the intranet and insights are discussed with the senior executive level and workers representatives on request. Syensqo has considered potential barriers for engagement with Pulse surveys, by making it available in 11 languages, covering 99% of employees, and providing QR codes for shop floor employees who do not have a professional computer at their disposal. Average participation for the survey in 2025 was 70%. Syensqo measured employee satisfaction and found that 87% of employees reported that they are satisfied with Syensqo as an employer. *[S1-2 - 27 / 27a / 27b / 27c / 27e / 28]*

Employee Resource Groups (ERGs)

Syensqo's six ERGs, led and run by employees, provide a critical resource in understanding the unique challenges faced within Syensqo and in actively identifying and addressing possible processes and behaviors that contribute to inequality and exclusion. Each ERG is open to all Syensqo employees regardless of their background, characteristics or identity, and organizes its own engagement opportunities, through global and local events. ERG leaders participate in the Inclusion Activators community, creating regular opportunities for direct exchange with the Fair and Inclusive Culture Director and local *Inclusion Activators* from Syensqo's sites all over the world. In their respective mission statements, ERGs create a respectful space for employees at risk or in vulnerable situations, including women, people with disabilities, members of racial, cultural, and ethnic minorities, junior employees and LGBTQ+ individuals, as well as their colleagues, friends, family members and allies. The Fair and Inclusive Culture Director has responsibility for ensuring that this engagement can happen and informs this approach. *[S1-2 - 27 / 27a / 27 b / 27 c / 28]*

Other initiatives

In 2025, Site management and ELT organized local townhall sessions. Site managers have operational responsibility for ensuring that this engagement happens and inform this approach. Furthermore, *culture sessions* were organized to accelerate the adoption of Syensqo behaviors. Four different types of online sessions were held throughout the year, designed to help integrate these behaviors into daily work. The sessions included discussions with senior leaders, explanations of the stories behind the behaviors and an interactive live quiz to engage participants. In total, more than 50 sessions were conducted, reaching over 5,000 attendees during the year. The Head of Talent has responsibility for ensuring that this engagement can happen and informs this approach. *[S1-2 - 27 / 27a / 27b / 27c]*

5.3.2.2.2 Engagement with workers representatives

The EWC's main purpose is to discuss and disseminate information that has a significant impact on employees and the company in the European region. It is composed of one member per country that has a manufacturing facility with a minimum of 40 employees, or where Syensqo has at least 100 employees. Countries receive an additional seat per 800 employees. The Global Forum of Syensqo (GFS) brings together employee representatives from the major countries and regions in which Syensqo operates. Following the partial demerger of the Solvay Group and the emergence of Syensqo in 2023, an endorsement to the agreement was signed to continue the Global Forum at Syensqo, pursuing a journey that started in 2013 when the Solvay Group signed a Global Framework Agreement on Social Responsibility and Sustainable Development with IndustriALL. Monthly exchanges are held with the Select Committee, a subset of EWC. To follow up on business and functional matters, quarterly briefings are held on financial results with the CFO and the GFS. A plenary meeting is held each year with the full EWC and GFS, serving as a global channel for a two-way dialogue between employee representatives and senior management. The head of Labor Relations, who reports to the COPO, is operationally responsible for the social dialogue.

The effectiveness of the engagement with workers is represented through notable achievements. In 2024, Syensqo endorsed the *Syensqo Cares* agreement previously established at Solvay, which, since 2023, includes a new provision to support caregivers by allowing employees to take up to five days of paid leave to care or support a loved one in order to face unforeseen circumstances. The key highlight in 2025 was the joint visit of Syensqo representatives and IndustriALL to four sites in the USA. These annual audits ensure compliance with Syensqo's Global Framework Agreement, and reinforce the importance of social dialogue. They also serve as a reminder of Syensqo's core values, such as the commitment to preventing anti-union discrimination. After each visit, a detailed report is prepared by IndustriALL and shared with site management for follow-up actions. Additionally, this year the EWC benefited from a training week in Italy, which included site visits and the opportunity to share general recommendations. The Head of Site HR and Labor Relations has responsibility for ensuring that this engagement happens and informs this approach. *[S1-2 - 27 / 27a / 27b / 27c / 27d / 27e] [S1-8 - 63b]*

5.3.2.3 Processes for remediating impacts and channels for employees to raise concerns

Syensqo provides accessible channels to raise concerns and maintain a robust grievance mechanism, supported by its comprehensive Speak Up Policy (page 209). Page 209, outlines how Syensqo makes these channels available, how it tracks and addresses concerns, and how it assesses the effectiveness of this program. Each reported case is thoroughly investigated, and remedial actions are taken if necessary. In order to assess the level of trust toward managers, Syensqo can now rely on its Manager Impact Index, measured through its Pulse survey. The Pulse survey also assesses the awareness and trust regarding Syensqo's Speak Up culture. *[S1-3 - 32a / 32b / 32c / 32d / 32e / 33]*

5.3.2.4 Targets related to empowering Syensqo's employees

As stated in the Human Rights Policy, Syensqo's aspirations are not limited to adhering to local laws and regulations regarding minimum wages. Within the People & Communities pillar of its One Planet Program, Syensqo has committed to ensuring that all of its employees worldwide will be paid at least a living wage in 2026. This target originated from a cross-functional taskforce including employee representatives, as well as participation in the WBCSD's Business Commission Tackling Inequality (BCTI). Workers' representatives are regularly informed about the progress made against this target, and dialogue is taking place to share the improvements.

For the second year of reporting, Syensqo analyzed 100% of active employees. No employee is paid below living wage, according to a 2025 external benchmark from the WageIndicator Foundation within the scope defined in 2023. Follow-up meetings were organized with the EWC to inform them about progress toward the target and to introduce a process to manage M&As as an improvement. The methodology can be found in the accounting policy of adequate wages metrics on page 196. *[MDR-T - 80a / 80b / 80c / 80d / 80e / 80f / 80h][S1-5 - 47a / 47b / 47c]*

5.3.2.5 Taking action to empower employees

The risk related to mental well-being is managed via the recurring actions under the EAP (pages 181), which offers mental health support when needed for all employees and their families. Syensqo also offers a supportive network of occupational physicians and nurses. The positive impacts on employee wellbeing from its working conditions, its fair and inclusive culture, provided training and career development are covered under *Engagement with workers representatives* above and by the different action plans described below. This also includes how Syensqo mitigates the risk related to future employee skills. For current and future financial resources required, refer to the rules laid out in section 5.1.3 Basis for preparation. *[MDR-A - 68a / 68b / 68c][S1-4 - 43]*

5.3.2.5.1 Global inclusion initiatives in 2025

The short-term 2025 action plan was designed to create a more equitable and inclusive workplace for Syensqo's employees. It encompasses several actions.

- Mandatory Inclusive Leadership Workshops: Aimed at equipping new people managers with the necessary skills and knowledge to lead diverse teams effectively. 311 new managers have participated in this workshop.
- Launch of Team Inclusion Impulses: A booklet of 15 real-workplace scenarios to foster a culture of inclusive dialogue within teams, at all levels and in each working environment (hybrid teams, production sites, labs and administrative teams).
- Second edition of the internal Syensqo Inclusion Impulse Awards to reward and share best practices: Sites that demonstrated exceptional commitment to inclusion are recognized and celebrated by the CEO. Nineteen applications were received from sites that represent 2,700 employees.
- Equileap benchmark to assess Syensqo's gender equity strategy: Reveals that Syensqo is ranked among the top 5% of all rated companies worldwide.
- Forty men and forty women from all continents took part in global inclusive leadership programs: Aimed at unlocking their ambitions while fighting stereotypes and unintentional mechanisms of exclusion and self-exclusion.

Additional initiatives with the primary purpose of delivering positive impacts for Syensqo's own employees are undertaken at entity and site level, as well as by the ERGs. These include training programs on de-escalation skills, menopause, men's health, awareness campaigns on neurodiversity inclusion in the workplace, LGBTQ+ inclusion in the workplace and Inclusion Focus groups at site level in local languages.

To monitor and evaluate F&I Culture efforts, Syensqo has established several networks: Inclusion Activators, the F&I Culture Council and the Inclusion Impulse Forum. Their role is to oversee the implementation of F&I Culture action plans and ensure that entities are held accountable. Regular online forums were organized to engage with local sites and ERGs, promoting the sharing of best practices.

In order to identify needed and appropriate actions and ensure that Syensqo's own practices do not contribute to material negative impacts, a comprehensive F&I Culture framework, has been made available to all entities and sites, enabling them to develop tailored action plans to effectively address the impact of a fair and inclusive culture on their respective employees. This framework encompasses a wide range of considerations, and is designed to align with local regulations, cultures, and demographics. It encourages entities and sites to customize their action plans to align with the specific requirements and conditions of their local context. *[MDR-A - 68a / 68b / 68c][S1-4 - 38c / 38d / 41]*

5.3.2.5.2 Fair wages for Syensqo's employees

As part of Syensqo's ethical employment practices, Syensqo has a commitment to pay at least a living wage to all employees in 2026. Following the conclusive pilot in 2024, Syensqo decided to pursue a similar approach in 2025. Corporate Functions analyzed the employee population in ongoing dialogue with the EWC. With support from the WageIndicator Foundation, Syensqo expanded coverage beyond 2024, collected guaranteed income data, benchmarked it against relevant values and conducted case-by-case reviews where needed. The scope, methodology and results are disclosed on page 196.

Following the launch of the Syensqo Employee Shares Program in 2024, employees were able to contribute between January to December 2025. Ending in February 2027, free and matching shares will be delivered to the registered employees. The scope for this program was permanent or fixed-term Syensqo employees, up to senior management level, regardless of their seniority, in 17 participating countries representing 98.5% of Syensqo's employees. *[MDR-A - 68a / 68b / 68c][S1-4 - 38c / 38d]*

5.3.2.5.3 The Syensqo learning expedition

Syensqo's learning strategy details the organization and available resources, based on its *70/20/10* learning model (70% on the job, 20% mentoring and coaching, 10% coursework and training). It covers ethics, technical and managerial dimensions. It places emphasis on the mandatory yearly training for all employees on Ethics, Compliance and Business Integrity, for which Syensqo tracks the participation rate. For technical skills, it promotes Syensqo's academies: Star factory (industrial), Sales, Innovation, Procurement, Supply Chain, Global Shared Services and Generative AI. Various training resources promoting safety, health and well-being, and sustainability training are also available through Syensqo's structured e-learning curriculum or its partnership with the Ellen MacArthur Foundation. Rosetta Stone is Syensqo's preferred partner for language training, providing the option for employees to decide, in agreement with their management, to enroll in the format that makes the most sense for their project.

One of Syensqo's 2025 priorities was to equip Syensqo leaders with the mindset, skills and tools needed to engage with their teams, activate Syensqo's new core behaviors and make Syensqo successful. To achieve this, the Talent team launched the Leadership Expedition in March, a flexible and evolving path to help leaders grow. It is divided into three steps:

- The manager essential program: To provide skills and tools to achieve results through teamwork.
- The leadership boost: Offering opportunities to enhance skills and mindset through the leadership journey.
- The impact platform: Providing personalized training designed to provide ongoing access to resources, tools and insights for leadership growth.

These programs were made possible through a partnership with FranklinCovey. To date, 851 managers worldwide have registered to the program and 1,560 managers and talent pool members have accessed the FranklinCovey learning platform. The Net Promoter Score is high for this initiative: 9/10 is the average recommendation score while the learning app is rated 4.7/5.

Beyond the Expedition, Syensqo is committed to continuously supporting and developing leaders through additional initiatives, such as mentoring and external coaching. External coaching is primarily provided to support leaders during organizational changes and when transitioning into larger or more complex roles. *[MDR-A - 68a / 68b / 68c][S1-4 - 38c / 38d / 40a]*

5.3.2.5.4 Helping employees to advance in their careers

Syensqo considers employees to be in the driving seat of their careers. Depending on individual performance and aspirations, they may benefit from one of the continuous development approaches outlined below. Regardless of the approach, all employees should have access to opportunities, as well as a meaningful development plan, in order to continue to learn and grow.

- **Develop in role**: Most employees who are consistent *solid performers* develop new skills by being curious, expanding their current scope of work, moving laterally to gain new skills or exposure and exploring the learning opportunities available to them.
- **Development through advancement:** High-performing employees who are ready for their next move may develop in order to advance to their next role.
- **Accelerated development as part of a Talent Pool**: Individuals who have a consistent track record of high performance associated with potential and the aspiration to reach a leadership role in the organization may be identified as Top Talent. Top Talent benefits from accelerated development and access to differentiated programs to gain valuable leadership skills to take on leadership roles in the future.

In 2025, Syensqo also launched a mentorship program in which employees are invited to register as a mentee or a mentor. Results and insights from this new program will be further assessed and disclosed in the course of 2026. *[MDR-A - 68a / 68b / 68c][S1-4 - 38c / 38d]*

5.3.2.6 Own workforce metrics

5.3.2.6.1 Characteristics of Syensqo's employees

The CSRD applicable in the EU requires disclosure of the employment data below. Syensqo is an equal opportunity employer and does not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, sexual orientation, gender identity, national origin, age, disability, genetic information or any other trait protected by law.

Accounting policy

Syensqo's management approach is related to IROs of its own employees based on the number of people, regardless of their FTE (full-time employment), therefore only headcount is used.

All metrics are linked to the situation on December the 31, 2025. Employees metrics include active internal employees, it excludes trainees, students, apprentices, external people (i.e. contractors working for another company or freelance) and retired employees. Syensqo headcounts are consolidated through a single reporting tool that gathers different IT systems, measuring active internal workforce. Disclosures related to non-guaranteed hours employees are not relevant in the 2025 reporting, since this type of contract was not used in the company.

Gender information is provided by the employees themselves during the onboarding. *[MDR-M - 77a][S1-6 - 50d / 50di / 50dii / 50e]*

NUMBER OF EMPLOYEES BY GENDER

	Units	2025	2024
Men	Headcount	10,068	10,064
Women	Headcount	3,444	3,209
Other	Headcount	0	2
Not disclosed	Headcount	3	3
Total employees	**Headcount**	**13,515**	**13,278**

NUMBER OF EMPLOYEES BY COUNTRY AND BY REGION

	Units	2025	2024
Headcounts in countries representing at least 10% of workforce			
USA	Headcount	4,591	4,775
France	Headcount	2,098	2,133
China	Headcount	1,826	1,796
Headcounts by region			
Asia, Pacific and the rest of the world	Headcount	2,905	2,743
Europe	Headcount	5,213	5,096
North America	Headcount	4,779	4,966
Latin America	Headcount	618	473
Total Employees	**Headcount**	**13,515**	**13,278**

NUMBER OF EMPLOYEES BY CONTRACT TYPE

	Units	2025	2024
Number of permanent employees	**Headcount**	**12,898**	**12,686**
Women	Headcount	3,233	3,018
Men	Headcount	9,662	9,663
Other / Not disclosed	Headcount	3	5
Number of temporary employees	**Headcount**	**617**	**592**
Women	Headcount	211	191
Men	Headcount	406	401
Other / Not disclosed	Headcount	0	0
Total Employees	**Headcount**	**13,515**	**13,278**

TURNOVER

	Units	2025	2024
Employees who have left the company	Headcount	1,259	1,019
Rate of employee turnover	%	9	8

[S1-6 - 50a / 50b / 50di / 50c / 51][MDR-M - 77c]

Syensqo employs temporary workers to support our operations during periods of peak activity and to provide coverage for employees on maternity leave, sick leave, or other absences.

Syensqo's headcount in 2025 is very close to the headcount in 2024 (+2%) and Syensqo's turnover rate is in line with previous years. Part-time or reduced hours: Employees may request a contractually-agreed reduction in working hours/days (subject to business needs) with corresponding adjustments to pay, benefits and responsibilities. Headcounts are not disclosed as such in Financial statements. However, headcount disclosures are consistent with the *Wages and direct social benefits* reported in Note F2 of the Financial statements. *[S1-6 - 50f]*

5.3.2.6.2 Collective bargaining coverage and social dialogue

Accounting policy

Syensqo employees are covered by the IndustriALL agreement and the global collective agreement *Syensqo Cares* which sets minimum standards and benefits for all. Locally, other collective bargaining agreements may be in place covering specific groups of employees. Moreover, employees located in countries with legal restrictions on local employee representation still have the opportunity to connect with Syensqo's Global Forum. Internal communications are provided on this topic.

In 2025, France is the only EEA country with a number of employees greater than 10% of Syensqo's total number of employees. *[MDR-M - 77a]*

COLLECTIVE BARGAINING & WORKERS' REPRESENTATIVE COVERAGE

	Collective bargaining coverage		Social dialogue
Coverage rate	**Employees - EEA** (for countries with >50 employees representing > 10% total employees)	**Employees - Non EEA** (estimate for regions with >50 employees representing > 10% total employees.)	**Workplace representation (EEA only)** (for countries with > 50 employees representing > 10% total employees)
0-19%			
20-39%			
40-59%			
60-79%			
80-100%	France	North America, Asia Pacific and the rest of the world	France

[S1-8 - 60a / 60b / 63a][MDR-M - 75 / 77c]

5.3.2.6.3 Diversity metrics

Accounting policy

In 2025, Syensqo updated the accounting policy in order to comply with further standards.

Syensqo defines *Top Management* as the combination of *Senior Management,* including management level from S-Grade S19 to S22, and *Executives* from S-Grade 23 and above. The category *Management* corresponds to S-Grade S15 to S18 included. Measurement of employees distribution in leadership per gender is understood as the percentage of women, men, other and undeclared genders within the active internal employees as defined here above. *[MDR-M - 77a]*

WOMEN THROUGHOUT THE COMPANY

	Unit	2025	2024	2023[(1)]
Men, other and undisclosed genders in Top Management	Headcounts	1,435	1,478	
Men, other and undisclosed genders in Top Management	%	70.3	70.9	72.1
Women in Top Management	Headcounts	605	607	
Women in Top Management	%	29.7	29.1	27.9[R]
Men, other and undisclosed genders in Executives	Headcounts	124		
Men, other and undisclosed genders in Executives	%	78.0		
Women in Executives	Headcounts	35		
Women in Executives	%	22.0		
Men, other and undisclosed genders in Senior Management	Headcounts	1,311		
Men, other and undisclosed genders in Senior Management	%	69.7		
Women in Senior Management	Headcounts	570		
Women in Senior Management	%	30.3		
Men, other and undisclosed genders in Management	Headcounts	2,300		
Men, other and undisclosed genders in Management	%	63.4		
Women in Management	Headcounts	1,328		
Women in Management	%	36.6		

(1) Not covered by the Independent Auditor's limited assurance report.

SYENSQO'S HEADCOUNT BY AGE

	Units	2025	2024	2023[(1)]
Under 30 years old	Number	1,328	1,288	1,277
30–50 years old	Number	8,111	7,864[(2)]	7,433
Over 50 years old	Number	4,076	4,126[(2)]	4,392
Total headcount	**Number**	**13,515**	**13,278**	**13,102[R]**

(1) Not covered by the Independent Auditor's limited assurance report.
(2) Restated data for 50 years old. Originally published data: 7,516 and 4,474 (2024 sections were "Between 30–49 years old" and "50 years old and older").

[S1-9 - 66a / 66b][MDR-M - 75 / 77c]

In 2025, the percentage representation of women in mid and senior positions amounted to 29.7% versus 70.3% men, other and undeclared genders. The global trends are monitored by the Fair & Inclusive Culture (FIC) Council, with leaders representing each entity. By analyzing the hiring, promotion and retention rates per gender at entity level, Syensqo fine-tunes its action plan per entity to accelerate progress toward gender equity with a zero-tolerance policy on discrimination. *[MDR-A - 68e]*

5.3.2.6.4 Training, skill development and career management

Accounting policy

Training hours

In 2025, Syensqo collected learning hours through its main platform: YouGrow. This platform is fed through different sources:

- The automatic recording of learning hours through the training available on the platform.
- The transfer of training hours from other online platforms, such as Franklin Covey.
- The manual collection and transfer of training hours done on site into the platform.

All employees are eligible for targeted training for the type of position they are in and in alignment with local regulations on training.

For 2025, Syensqo's reporting encompasses training hours the company was able to record in the system and that were communicated to the team. On-the-job training was excluded to avoid biasing the average, as this type of training typically lasts several months.

Performance review

For 2025, Syensqo's reporting covers performance the company is able to record in its system. Syensqo encourages regular transparent performance and career conversations between managers and employees at every level of the organization. Today, Syensqo experiences constraints due to the limited technical possibility to record the outcome of these conversations for employees. As a result, only white collars and some plant-based employees who hold the right licenses can be recorded, explaining the results displayed below. Syensqo is working continuously to improve the number of conversations recorded and diminish IT constraints on all of its sites. *[MDR-M - 77a]*

Training and skills development metrics

	Unit	2025
The average number of training hours per employee	Hours	10h37mns
The average number of training hours for men	Hours	10h05mns
The average number of training hours for women	Hours	12h12mns
The percentage of employees that participated in regular performance and career development reviews	%	57%(1) | 93%(2)
The percentage of men that participated in regular performance and career development reviews	%	48%(1) | 92%(2)
The percentage of women that participated in regular performance and career development reviews	%	84%(1) | 94%(2)

(1) Percentage based on Syensqo's employees characteristics
(2) Percentage based on Syensqo's employees able to record performance and career conversations in IT systems

[MDR-M - 75 / 77c][S1-13 - 83a / 83b]

5.3.2.6.5 Adequate wages

Accounting policy

In 2024, the pilot year, Syensqo aligned the methodology used for adequate wages (equivalent to living wage) to match its living wage assessment methodology. In 2025, Syensqo extended the alignment by using the same population assessed for adequate wages to the one used for living wages, namely the full global employee population, excluding those employed by a business or entity acquired in the past two financial years. Moreover, as Syensqo progressed its approach, it also defined how its M&A shall be treated in its living wage target and for sustainability KPIs as a whole (see 5.1.3 Basis for preparation).

The selected benchmark provider remains the WageIndicator Foundation, which provides transparency on the composition and methodology. The selected values (in local currency) for all countries for this year's assessment are the capped 2025 benchmarks, for continued stability year-on-year. As this is the second year of reporting, Syensqo has enhanced its scope and will continue to explore further opportunities for improvement in the future. The remuneration considered for the adequate wages assessment is the annual base salary in the local currency. It corresponds to guaranteed income. For each employee in scope, their annual base salary in the local currency is measured against the yearly living wage benchmark. For employees whose annual base salary would be lower than the benchmark values, their cases are investigated with the local HR in order to confirm the accuracy of the data and check if there are additional guaranteed income elements that were not included in the annual base salary. In cases where the person is confirmed as being below benchmark after the in-depth analysis, then that person is counted as not having an adequate wage. Whenever relevant, the percentage of employees not paid on adequate wage will be calculated and reported by country. Whenever an employee is working part-time, their full-time equivalent salary is compared to the benchmark. *[MDR-M - 77a]*

In 2024, 96% of Syensqo's employees were assessed. All of these employees were paid an adequate wage in line with applicable benchmarks. In order to monitor and further advance its living wage target, Syensqo continued to work with the WageIndicator Foundation in 2025 and expanded the amount of countries in scope to reach 100% of Syensqo's employees. As a result, the full global employee population is paid an adequate wage in line with the selected benchmark. This excludes employees employed by a business or entity acquired in the past 2 financial years. With the evolved approach in 2025, this resulted in one source of gaps, following the partial acquisition of Azerys (Morocco) in 2024. The remedial action plans are currently being reviewed. However, as previously explained those will not be reflected in Syensqo's global 2025 results. *[MDR-A - 68e][MDR-T - 80j][S1-10 - 69][MDR-M - 75 / 77c]*

5.3.2.6.6 Remuneration metrics

Accounting policy

The remuneration analysis includes two metrics: gender pay gap and total remuneration ratio.

In order to be consistent across all the metrics reported for active internal employees, it excludes trainees, students, apprentices, external people, such as contractors working for another company or freelance, and retired employees.

The 2025 reporting perimeter covers 16 countries representing 98% of the number of active company employees. It includes all regular employees, both with fixed-term or long-term contracts.

Regarding the total remuneration ratio:

- For each employee, the annual total remuneration is calculated based on the sum of the key components paid in 2025. Remuneration in local currency is divided by the purchasing power parity (PPP) index in order to take into account the local cost of living across different countries.
- Total remuneration is calculated by summing the base salary, shift premiums, overtime, bonus, expatriation costs, holiday pay and key benefits (pension, medical and car), and defined contribution pension. In instances where discrepancies arise in the actual pay data extracted from the payroll system, the annual base salary (as defined and used for adequate wages on page 196) may be utilized as a reference. Termination costs and employer social charges are excluded from the total remuneration calculation.
- In situations where actual worked hours are unavailable or deemed unreliable, estimated worked hours are employed. These estimates are derived from country standard contractual hours, adjusted for the local standard paid leave, which includes public holidays and contractual leave days specific to each country.
- The remuneration ratio is calculated by dividing the CEO's 2025 total remuneration (adapted to PPP) by the median total remuneration of the employees in scope (excluding the CEO).

Regarding the gender pay gap metrics:

- To calculate the gender gap, individual hourly rates are calculated by dividing the total remuneration by the actual worked hours of the individual, where available and applicable, otherwise estimated worked hours are used.
- The average hourly rate is calculated for all men and similarly for all women. The gender gap ratio is then calculated as follows: (average hourly rate for men - average hourly rate for women)/average hourly rate for men. *[MDR-M - 77a]*

RATIO OF BASIC SALARY OF WOMEN TO MEN

	Unit	2025	2024
Gender pay gap ratio	**%**	**-4**	**-7**
Total remuneration ratio	**ratio**	**1:85**	**1:79**[(1)]

(1) Restated data. Originally published data 1:67.

The global gender gap at the end of 2025 is -4% which means that the average wages of all women is higher than the average wages of men. This is due to a higher ratio of women to men in management positions alongside a greater concentration of men in non-managerial positions. *[MDR-M - 75 / 77c][S1-16 -97a / 97b / 97c]*

As part of our ongoing efforts to strengthen data quality, improve the accuracy of reporting tools, and enhance the methodology scope, a detailed analysis of the underlying components of the core and non-core cash remuneration payments was undertaken. The review resulted in an improved mapping of the wage types, which has been applied to the 2025 data and retrospectively to the restated 2024 figures.

5.3.3 Social due diligence and Product stewardship

ESRS S2 & S4 | UN SDG 8

In Syensqo's value chain, there are three potential negative impacts in the short term. The first two impacts have a medium current and anticipated strategic effect, while the third one has a low current and anticipated strategic effect. Firstly, Syensqo sources raw materials, including mineral, petrochemical and biochemical products, and the production of agricultural products and extraction of mining materials might potentially involve child and/or forced labor in at-risk countries along the upstream and downstream value chain. Moving forward with the green transition, this potential impact is to be carefully monitored (S2). Secondly, value chain workers involved in the production of Syensqo's raw materials, handling Syensqo materials and products, working on Syensqo projects and/or on Syensqo sites might be exposed to risks of potential negative impacts on their health and safety. This also applies for some of the downstream value chains (S2). Thirdly, as a chemical company, product issues, misuse or newly identified hazards could disrupt downstream use and cause human harm (S4). Tangentially related to this third potential negative impact, Syensqo has an actual positive impact in the short term with a low current and anticipated strategic effect. As a chemical company, a lack of qualitative information on Syensqo products can lead to serious health and safety issues for the consumers and end-users. Syensqo's product stewardship programs give adequate information and technical assistance to customers, ensuring a good understanding of products and how to safely use and handle them. Syensqo manages product information centrally, and as legislation continues to evolve, the Group assesses any associated risks (S4).

Syensqo has three risks in its value chain. The first one has a low current and anticipated strategic effect, the second one a medium and the third one a high. First, the potential impact of forced or child labor in the value chain may expose Syensqo to reputational damage and potential financial consequences (S2). This risk is linked to the potential impact regarding child and/or forced labor, where information on geographies or commodities is disclosed. Second, the risk of an accident involving Syensqo's hazardous materials, during transportation, at a third-party warehouse or during tolling operations that could cause serious harm or fatality to workers in the value chain, loss/damage of assets and potentially lead to litigation and reputational damages (S2). Finally, the risk that product-related issues, including intermediates or raw materials in sensitive markets, lead to reputational consequences, and the risk that evolving regulatory changes may lead to product bans, including intermediates and raw materials, affecting Syensqo's ability to sell and source materials (S4). Addressing this risk will support Syensqo's Sustainable Growth Strategy.

All IROs related to consumers and/or end-users take into account all consumers and/or end-users, rather than being limited to a specific type.

[SBM-3 - 48a / 48b / 48c][S2, SBM-3 - 10a / 10b / 11a / 11b / 11c / 11e / 13] [S4, SBM-3 - 9a / 9b / 10ai / 10aii / 10aiii / 10aiv / 10b / 10c / 10d / 12]

The IROs related to the health and safety of downstream value chain workers, consumers and end-users are covered in section 5.3.3.2 Product stewardship. The other IROs, including transport safety, are covered under 5.3.3.1 Social due diligence. Some IROs may be relevant to both sections.

5.3.3.1 Social due diligence

Upholding health and safety and human rights in Syensqo's value chain goes beyond mere compliance with local laws and regulations; Syensqo's approach is aligned with the core ethics and values outlined in its Human Rights Policy, the SCoBI and the Conflict Minerals Policy. Consideration given to the interests of key stakeholders in setting these policies, the approval process, the accountability for implementation and how Syensqo makes them available, is described in section 5.1.2 Sustainability operational governance. *[MDR-P - 65c / 65e / 65f]*

Syensqo aims to promote responsible conduct and prevent any infringement of human rights in its own operations and value chain. The Human Rights Policy outlines Syensqo's general approach, which applies to Syensqo's own operations and value chain, to respect human rights, engage with people and enable remedy for human rights impacts. Syensqo conducts human rights risk assessments to identify and remediate potential human rights risks or negative impacts. Syensqo fosters an open dialogue with employees, trade unions, NGOs and other relevant stakeholders, both in its own operations and along the supply chain. All employees and suppliers are required to respect Syensqo's human rights commitments, outlined below. For suppliers, these requirements are also communicated through the SCoBi. Finally, Syensqo offers a global Speak Up program, led by Ethics & Compliance, that allows both internal and external parties to raise concerns, ensuring appropriate remediation is provided when necessary. Policy commitments are monitored through supplier assessments, action plans and the Speak Up program. Syensqo ensures respect for human rights through clearly allocated operational responsibilities and dedicated resources across Ethics & Compliance, Corporate Sustainability and Sustainable Procurement departments. These Functions jointly implement the company's human rights due diligence framework, including the identification, assessment and mitigation of human rights risks within operations and the supply chain. Ethics & Compliance officers also coordinate the drafting and periodic revision of human-rights-related policies, monitor evolving regulatory requirements and manage the investigation of alleged human rights violations reported through the company's grievance mechanisms. The Human Rights Policy explicitly addresses trafficking in human beings, forced labour or compulsory labour and child labour. *[MDR-P - 65a / 65b][S2-1 - 17a / 17b / 17c / 18][S4-1 - 16a / 16b / 16c]*

Syensqo's Supplier Code of Business Integrity applies to all Syensqo suppliers of goods or services, as well as their subcontractors. According to the SCoBI, Syensqo suppliers shall comply with all applicable laws and regulations and are expected to comply with the SCoBI. Syensqo wants to work with suppliers who share the belief that respect for human rights is in the interest of everyone. In all their operations, suppliers shall protect the health and safety of all persons and minimize their impact on the environment. Syensqo expects its suppliers to implement the above principles and to commit to a continuous improvement approach. In order to ensure compliance with these principles, Syensqo may request individual suppliers to perform a third-party sustainability assessment or a sustainability audit in function of their risk profile or strategic importance. *[MDR-P - 65a / 65b][S2-1 - 16 / 18]*

Through its Conflict Minerals Policy, Syensqo is committed to meeting its responsibility to respect human rights. Syensqo does not knowingly purchase products, components or materials that contain tin, tantalum, tungsten and gold (3TG) from sources that tolerate human rights violations. Syensqo does not tolerate any support for non-state armed groups in connection with the extraction, transport, trade, handling or export of minerals, nor for security personnel who act unlawfully. Where a company in the supply chain contracts security personnel, Syensqo requires that they respect human rights principles. Syensqo does not offer or receive bribes in any way. Syensqo commits to pay taxes, fees and royalties due to governments and support efforts to contribute to the effective elimination of money laundering. Examples of actions required from Syensqo suppliers include: not using 3TG from sources benefiting armed conflict, and cooperating with Syensqo's due diligence process conducted according to OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. *[MDR-P - 65a / 65b][S2-1 - 16 / 17a]*

Syensqo has additional relevant policies, described in detail in other chapters. Its Sustainable Procurement Policy (page 161) , covers the social criteria of supplier due diligence and refers to the Sustainable Sourcing Statement on the social aspects of Syensqo's responsibly sourced palm oil and derivatives. Syensqo also has an Operations Safety Policy (page 181) covering transport safety strategies that occur at supply chain level.

Through all of the above policies, Syensqo is committed to several third-party standards:

- Human Rights Policy, SCoBi and Sustainable Procurement Policy: United Nations (UN) Universal Declaration of Human Rights, the UN Global Compact, the UN Guiding Principles on Business and Human Rights, the UN Convention on the Rights of the Child and the Children's Rights and Business Principles, the International Labor Organization (ILO) Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, and the OECD Guidelines for Multinational Enterprises.
- Human Rights Policy and SCoBi: ILO eight core labor conventions and ILO Declaration on Fundamental Principles and Rights at Work, and the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families.
- Human Rights Policy: International Covenant on Civil and Political Rights and on Economic, Social and Cultural Rights UN Treaties, and the IndustriALL Global Union Framework Agreement

However, Syensqo does not have formal mechanisms in place to monitor compliance with these frameworks. *[MDR-P - 65d][S2-1 - 17 / 19][S4-1 - 17]*

5.3.3.1.1 Process for engaging with value chain workers

As Syensqo due diligence is assessing suppliers' performance in environmental, social (including health and safety and human rights topics) and ethical standards, Syensqo is indirectly taking into account the way suppliers engage with their workers and communities. Syensqo due diligence begins at the start of the commercial relationship, requiring suppliers and subcontractors to comply with Syensqo's SCoBI, or refer to their own code, if Syensqo considers it aligned. Engagement is prioritized based on the identification and assessment of risks, considering environmental and social aspects linked to country and value chain, and scores from EcoVadis, a global service provider specialized in sustainability performance assessments. Syensqo also uses compliance questionnaires on key areas like human rights and conflict minerals. The frequency of engagement depends on the type of third-party assessment used and is the buyers' responsibility. The operational responsibility for ensuring that this engagement happens lies with Procurement Function and the CPO.

Syensqo's IndustriALL Global Framework Agreement, described in detail on page 188, has a section on *Responsible relations with suppliers* that covers human rights and health and safety legislation. When audits are conducted in a chosen country to comply with Syensqo's Framework commitments, suppliers may be audited as well. The operational responsibility for ensuring that this engagement happens lies with Human Resources and the Head of Site HR & Labor Relations.

Syensqo also has ad hoc engagement initiatives, such as the living wage program, in the supply chain (page below). The operational responsibility for ensuring that this engagement happens lies with the Procurement Function and the CPO. In addition, Syensqo also has specific initiatives for certain supply chains. These include the Sustainable Guar Initiative, which aims to improve the lives of guar farmers with the NGO Technoserve as an intermediary, or the castor oil project, which aims to improve human rights in the castor oil supply chain, or Syensqo's partnership with RSPO, which promotes responsible farming practices that protect the livelihoods of smallholder farmers. The operational responsibility for ensuring that this engagement happens lies with the relevant GBU and its Sustainability Director.

Syensqo does not yet have a specific process to engage directly with downstream value chain workers on issues like child and forced labor. However, as part of our Sustainable Portfolio Management, we use our Market Alignment Questionnaire to collect feedback on value chain concerns, including those affecting workers. GBU leaders and commercial directors are responsible for ensuring this feedback informs our decisions.

[S2-2 - 22 / 22 a / 22 b / 22c / 22d]

5.3.3.1.2 Channels for value chain workers to raise concerns and processes to remediate negative impacts

Any third party, including value chain workers, can use Syensqo channels to raise concerns, and Syensqo maintains a robust grievance mechanism supported by the comprehensive Speak Up Policy (page 209), led by Ethics & Compliance. How these channels are made available is outlined on page 209, as is how Syensqo tracks and addresses concerns, and how it assesses the effectiveness of this program. Each reported case is thoroughly investigated by compliance officers and remedial actions are taken if necessary. In the palm oil value chain, Syensqo has a specific approach as Syensqo participates in cross-sector initiatives like ASD to be able to propagate grievance mechanisms across this supply chain. Syensqo strives to increase the awareness and trust of potentially-affected value chain workers, but acknowledges that this is a journey of continuous improvement.

Syensqo also leverages its supplier due diligence process. Based on supplier assessment results, Syensqo may request additional information or remedial actions and may disengage from or terminate relationships with non-compliant suppliers. Syensqo strives to strengthen its mitigation measures through deeper engagement, corrective actions and ongoing monitoring. Effectiveness is evaluated by improvements in EcoVadis scores and the closure of corrective actions. *[S2-3 - 27a / 27b / 27c / 27d / 28]*

5.3.3.1.3 Social due diligence commitments

Currently, Syensqo does not have any targets related to human rights or health and safety for value chain workers. Every year, Syensqo sets priority objectives linked to its policies. They trigger various actions and subsequent indicators that are used to evaluate their effectiveness. Where applicable, these objectives are directly translated into individual or entity-specific yearly goals. *[MDR - T - 81b][S2-4 - 33a]*

5.3.3.1.4 Taking action on social due diligence

Syensqo's 2025 short-term action plan is outlined below. For current and future financial resources required, refer to the rules laid out in section 5.1.3 Basis for preparation. *[MDR-A - 69a / 69b / 69c][S2-4 - 38]*

- **Training employees on human rights matters:** In 2025, Syensqo introduced a new dedicated human rights training module in its annual CoBI training for employees. The program provided practical guidance on identifying and managing human rights risks, including those that may arise within the supply chain, to help employees understand their role in preventing and addressing potential impacts. To ensure understanding and effective application of the material, the training included a knowledge-assessment test with a series of questions that participants were required to complete. *[MDR-A - 68a / 68b / 68c][S2-4 - 32a / 33b / 34a / 35]*
- **Conducting third-party assessments and audits to monitor critical and high-risk suppliers**: Syensqo's yearly recurring due diligence actions to mitigate potential negative impacts and risks related to health and safety and human rights leverage the chemical industry's TfS initiative. Supplier Ecovadis assessments and independent third-party audits are conducted through TfS. Syensqo's key performance indicators (see page 162), such as progress of coverage by supplier assessments for critical and high-risk suppliers and the number of assessments and audits performed in 2025, help Syensqo to track the effectiveness of this process. Follow-up actions are then prioritized to address high-risk areas, based on assessment and audit results. Syensqo can ask for additional information and remedial actions, and may disengage from non-compliant suppliers or terminate the business relationship. Syensqo has specific initiatives for certain value chains, like the castor oil project that started in 2025, which aims to improve human rights in the castor oil supply chain. *[MDR-A - 68a / 68b / 68c / 68e][S2-4 - 32a / 33b / 34a / 35]*
- **Living wage in the supply chain:** In 2025, Syensqo continued its living wage program for supply chain workers, focused on on-site suppliers (i.e. technical services, facilities, people, R&I services and IT). Participating suppliers were nominated by buyers, based on criteria such as partner level, spending, perceived willingness and contract renegotiation. The outcome of this initiative was to generate engagement. In 2025, 30 suppliers signed Syensqo's Living Wage Pledge compared to two suppliers in 2024. The team is looking forward to refining and expanding this program from 2026 onwards. *[MDR-A - 68a / 68b / 68c / 68e]*
- **Transport safety action plan:** Syensqo's Transport Safety Management system aims to reduce transportation and logistics risks that could result in significant harm to people, the environment or Syensqo's reputation during the transport of dangerous products or during loading or unloading activities (if under the responsibility of Syensqo, on or off-site). Syensqo continuously monitors and complies with transport regulations, sets standards for carriers of dangerous goods based on risk assessments, provides additional training when needed and maintains a worldwide transportation emergency response involving third-party emergency service providers. In 2025, Syensqo implemented automated controls to restrict consignments of Dangerous Goods to carriers with the highest standards of safety and compliance, and extended its assessment processes to ensure that third-party logistics partners meet similar standards for warehousing and distribution. Syensqo continued to develop and test its emergency preparedness and response procedures through additional training and regular testing across all GBUs. *[MDR-A -68a / 68b / 68c][S2-4 - 32a / 33b / 34a / 35]*
- **Forced or child labor in the downstream value chain:** Syensqo is focusing its efforts on improving its engagement process with downstream value chain workers on child and forced labor. Syensqo's GBUs and commercial teams regularly interact with customers, which allows the company to communicate its expectations, gather feedback and address concerns related to responsible labor practices as they arise. *[S2-4 - 32a / 33b / 34a / 35]*

Finally, as part of the Speak Up mechanism, Syensqo ensures effective remediation if a material negative impact should require such action. The actions described above are developed to deliver a positive effect on value chain workers. However, tracking the effectiveness of these actions in terms of intended outcome for value chain workers is either not possible, in cases like CoBI training, or not yet available, as for the Living Wage Pledge. *[S2-4 - 32d / 33c]*

5.3.3.1.5 Human rights metrics

Accounting policy

Syensqo's reporting channels are accessible to all employees and any third party, such as former employees, applicants, shareholders, self-employed persons, consultants, contractors, suppliers, customers and community members.

The Ethics and Compliance system enables systematic management of cases notified through Speak Up, where the assigned Compliance Officer records valid cases from various sources. Each case is assigned a specific category and status (substantiated or not). All received complaints are reported below regardless of their investigation status.

[MDR-M - 77a]

WORK-RELATED INCIDENTS AND/OR COMPLAINTS

	Units	2025	2024
Total number of incidents of discrimination including harassment	Number	51	56
Other human rights complaints filed through channels for people to raise concerns*	Number	1	0
Complaints filed to National Contact Points for OECD Multinational Enterprises	Number	0	0
Amount of fines, penalties and compensation for damages as a result of incidents of discrimination, including harassment and complaints filed	€	0	0
Severe human rights issues and incidents	Number	0	0
Severe alleged human rights issues and incidents that are cases of non respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises	Number	0	0
Amount of fines, penalties and compensation for severe human rights issues and incidents	€	0	0

* *These numbers are extracted from Syensqo's grievance mechanism; "Speak-Up".*

[MDR-M - 77c / 77d][S1-17 -103a / 103b / 103c / 103d / 104a / 104b][S2-4 - 36]

5.3.3.2 Product stewardship

Syensqo has a company-wide Product Stewardship Policy (page 164) outlining its commitment to promoting safe use of products throughout their life cycle. Once Syensqo products leave its control, Syensqo aims to support its customers in their efforts to accomplish these same goals with their finished products and their end user customers. Syensqo identifies, assesses and manages product-related risks and emerging regulations, and fosters research for sustainable solutions in collaboration with Syensqo suppliers and customers. Syensqo provides accurate safety and environmental information to users, offers training and resources to employees, and engages transparently with stakeholders. The Product Stewardship Policy outlines how Syensqo minimizes risk in downstream product applications, such as their impact on the health and safety of all customers and end consumers.

5.3.3.2.1 Process for engaging with value chain workers

Syensqo sales representatives are the most direct link with its customers. They collaborate with and provide insights to the Product Stewardship Director and team, who are responsible for ensuring that Syensqo engages on health and safety in its downstream value chain and that this engagement informs its approach. Syensqo provides technical assistance to help customers understand and safely use its products, offering customized safety presentations and responding to their inquiries on regulatory information. Syensqo regularly informs distributors about risks and sometimes requires written commitments against certain uses.

The Safety Data Sheet (SDS) and label are the main information channels for downstream value chain workers. The SDS covers 16 sections providing all the information useful to safely use, transport and dispose of Syensqo products, also in case of emergency, as well as regulatory information and classification and labeling. It also includes an email address for downstream users to report questions or concerns, which the Product Stewardship team promptly addresses. Syensqo has an SDS for each product, compliant with each country's requirements and languages. A so-called *United Nations* version is sent when there are no legal requirements in the country, in order to create a hazard communication safety net. SDSs are revised as necessary and at least every three years. New or updated SDSs are sent electronically to maximize accessibility and reduce printing, or manually if this is not possible. SDS sending errors are monitored to ensure no sales or sample order goes through without an SDS being sent. *[S2-2 - 22 / 22a / 22b / 22c]*

5.3.3.2.2 Channels for value chain workers to raise concerns

In addition to Syensqo general channels to raise concerns and its robust grievance mechanism supported by the comprehensive Speak Up Policy (page 209), Syensqo sales and customer service representatives represent the main channel for value chain workers to request additional product safety support. An email address and multilingual emergency phone number are available on each SDS and label to allow value chain workers to raise their questions. The share of questions related to health and safety concerns from value chain workers is quite low, but shows proof that they are aware and trust this channel. Approximately 2.3% out of 1,910 emails received in 2025 were related to health and safety concerns. In case of a request, Syensqo initially refers to the recommendations provided in the product SDS, especially around first aid, including acute or delayed effects and indication of any medical attention needed. Syensqo may also refer to recommendations for firefighting and accidental release measures, including emergency procedures. Syensqo provides tailored assistance where necessary. In the European Union, advice can also come from Poison Centers, as Syensqo products have been notified to them. In any case where distributed product quality may be an issue of concern, the company would undertake an internal investigation. Depending on the outcome of any such investigation, follow-up actions to mitigate potential health and safety concerns might include recipient customer communications and recommendations, up to a formal product recall. *[S2-3 - 27a / 27b / 27c / 27d / 28]*

5.3.3.2.3 Health and Safety commitments for value chain workers and end-users

Syensqo does not have any targets for end-users, as it nearly exclusively engages in B2B sales. Since product stewardship activities are linked to the specific hazards and risks of each product and business, Syensqo is exploring options to further extend its ambition in this context. As SDSs are the main channel of information for downstream value chain workers, Syensqo carefully monitors the effectiveness of the SDS update and automatic shipping processes. Syensqo translates the commitments of its policy into the action plans listed below, and monitors their effectiveness through indicators where applicable. *[MDR-T - 81b]*

5.3.3.2.4 Health and safety actions for value chain workers and end-users

During Syensqo’s annual goal-setting process, it defines the appropriate actions to address potential negative impacts for downstream value chain workers and potential negative impacts and risk for consumers and end users. Syensqo also assesses the way it delivers actual positive impact for consumers and end users. For the reasons explained above, Syensqo is unable to directly target end users. Instead, Syensqo focuses its efforts on tier one customers (downstream value chain workers), which indirectly benefits end users down the value chain. Syensqo provides product information to allow customers to do their own risk assessment and ensure safe use of Syensqo products, at customer sites and down the value chain up to the consumers and/or end users. Syensqo’s short-term ongoing action plan covers all raw materials, marketed products and R&I products worldwide. Actions undertaken in 2025 as part of these ongoing efforts are highlighted below. They cover chemical regulations relevant for Syensqo’s zones and markets.

- **Chemical regulation compliance and beyond:** Syensqo continues to register chemicals as per the volumes imported or manufactured. Syensqo updates dossiers where necessary, according to EU-REACH, for example, either as new information becomes available or at the request of the European Chemical Agency (ECHA). Syensqo also improves, on a voluntary basis, the quality of REACH dossiers in the framework of the Cefic Action Plan program, and conducts site compliance reviews. Syensqo sets new or more stringent exposure limits where it believes it is necessary. Syensqo ensures market compliance, such as food contact, medical device and biocides registration, and communicates it subsequently through certificates. Syensqo participates in networks to identify regulatory updates. Product Stewards are members of various trade associations and participate in webinars organized by authorities, consultants or other stakeholders to continuously increase regulatory knowledge.
- **Mitigation measures:** Syensqo continuously improves its three control processes: its in-house Product Stewardship Management System based on the US Product Safety Code; its Product Safety Management Process, aimed at identifying and prioritizing product risks, with special attention given to sensitive applications; and its strategy to decrease the use of SVHC in marketed products and more broadly throughout the entire value chain (see page 164). This includes continuous improvement of the process in place for exchanging with suppliers and gathering relevant information on raw materials: SDSs, composition disclosed, regulatory status to support Syensqo efforts to identify SoC or SVHC and better assess the compliance of Syensqo finished products. Syensqo creates mitigation plans to address new or updated regulation that may impact its ability to sell products and any cases of inappropriate use of products that may create personal or environmental damages, or major disturbance, in downstream uses.
- **Proactive stakeholder engagement:** Syensqo engages with a variety of stakeholders, including NGOs, industry associations and public authorities, to advance science-based responses to regulatory consultations. Syensqo participates in consultations on new regulatory proposals, either as a single company or through trade associations. Syensqo responds to questionnaires from investors, rating agencies and third-party assessment organizations, such as Chemsec, Ecovadis or WBCSD. Syensqo also reports on product stewardship data, in alignment with relevant regulatory frameworks.
- **Product stewardship employee engagement and training:** A training program has been developed to onboard new employees from the Product Stewardship team. It comprises an introduction to the product range, their uses, the relevant regulations and Syensqo's tools and processes. A minimum awareness program is in place for people who need to provide information to the Product Stewardship team or be aware of the product stewardship principles in their decision-making process. In 2025, Syensqo completed an initial training on product stewardship basics with 464 persons linked with new product development. Syensqo also launched a dedicated training program covering the type of hazards that qualify as Very High Concern and the possible means to identify them early in the R&I process. 775 persons linked with new product development completed the training in 2025.

The actions described above were developed to deliver a positive effect on value chain workers and mitigate potential negative effects. However, tracking the effectiveness of these actions in terms of intended outcome for value chain workers is not feasible. For current and future financial resources required, refer to the rules laid out in section 5.1.3 Basis for preparation. *[MDR-A - 68 a / 68b / 68c / 69a / 69b / 69c][S2-4 - 32a / 32c / 32d / 33a / 33b / 33c / 34a / 35]*

5.4 Governance

ESRS G1

5.4.1 Doing business in an ethical way

In the short term, Syensqo has several actual positive impacts in its own operations. First, *Explore, Advance and Impact* are the three pillars of the Syensqo Culture. These translate into behaviors that encourage employees to act in concrete ways that benefit all. Syensqo fosters a culture of integrity by upholding strong ethical values, creating a respectful and energizing work environment, and leading by example. Second, Syensqo has a well-embedded Ethics & Compliance Speak Up program that encourages all stakeholders to report potential breaches of its CoBI, its policies, its values or the law via an external, third-party, easily-accessible helpline. Cases that are reported through the Speak Up program are investigated as required by compliance officers. Disciplinary actions, corrective and preventive measures and process improvements are implemented when necessary. Third, Syensqo pursues constructive dialogue with governmental and political stakeholders as part of its commitment to developing impactful sustainable solutions with partners and through collaborations. Working with public authorities and government officials, Syensqo commits to responsible, honest and transparent action, based on its values, principles and best knowledge. Syensqo is committed to ensuring that any dialogue and advocacy complies with the CoBI, and the rules and principles set out in its policies. Syensqo is listed in the Lobby and Transparency registers of the European Union, the United States, France and Germany, and aligns with industry trade associations' codes of practice. For social and environmental supplier screening, on the other hand, Syensqo has both an actual positive and a potential negative impact across the value chain in the short term. The extraction and production of certain types of raw materials might have a potential impact on human rights, especially in conflict areas, and/or cause environmental damage in at-risk countries. To tackle human rights and environmental impacts across Syensqo's value chains, Syensqo has developed an ESG risk management approach for its supply chain. It provides a systematic approach for risk identification and risk severity assessment in more than 62 upstream value chains and their operating countries, and triggers risk mitigation action plans. In terms of animal testing, Syensqo also has an actual negative impact in the short term. As a chemical company, Syensqo must have a deep understanding of the potential hazards posed by its products in order to carry out activities safely and protect customers, users, the general public, Syensqo's workforce and the environment. To comply with new and existing chemical regulations, or to further consolidate safety data, Syensqo commissions animal tests, when necessary. All impacts have a low current and anticipated strategic effect, except for Syensqo's culture, which has a medium current and anticipated strategic effect.

There is only one material risk for Syensqo across the value chain, the risk that non-compliance with anti-bribery, anti-corruption or antitrust policies or regulations may lead to significant exposure for Syensqo. This risk is partially covered by additional entity-specific disclosures, and has a medium current and anticipated strategic effect. *[SBM-3 - 48h][SBM-3 - 48a / 48b / 48c]*

Syensqo does not have targets related to governance because of its strong existing management approach and the low effects of these sub-topics on its business. Nevertheless, Syensqo tracks the effectiveness of its policies and actions related to the above material IROs via its Speak Up process and the metrics outlined below. *[MDR-T - 81b]*

For current and future financial resources required related to the below actions, Syensqo refers to the rules laid out on page 127. *[MDR-A - 69a / 69b / 69c]*

5.4.1.1 Business ethics, corporate culture and grievance mechanism

Syensqo protects its corporate culture, through which it strives to uphold strong ethical and regulatory standards at all times, ensuring its actions align with policies, procedures and values, and actively contribute to the future of a trusted company. Integrity means fostering an environment in which every person feels confident and comfortable to speak up and raise concerns in good faith when witnessing potential breaches of law, policies, ethics and compliance standards or its CoBI. Syensqo also upholds a strong culture of ethics, compliance and business integrity in the value chain, as described in its SCoBI (page 199). Through its Anti-Bribery and Anti-Corruption (ABAC) Policy, Policy on Gifts, Entertainment, Charitable Donations and Sponsorship and its Conflict of Interest Policy, Syensqo strengthens its engagement to conduct business in an ethical way. Its grievance mechanism and the protection of whistleblowers, as described in its Speak Up Policy, encourages confidential and anonymous reporting of breaches, so Syensqo can address and remediate them. Fraud is also embedded in Syensqo's Speak Up Policy, which describes a specific entry for reporting fraud matters and how they are handled. In 2025, an internal fraud attempt management procedure was created, complementing the Speak Up program, to ensure the timely detection, investigation, escalation and closure of fraud attempts impacting transactions managed by Syensqo's Global Business Services. The procedure clearly defines roles and responsibilities, establishes structured reporting and oversight mechanisms in coordination with Ethics & Compliance and ensures consistent documentation, supervision and lessons learned to strengthen fraud prevention and control. *[G1-1 - 9]*

Consideration given to the interests of key stakeholders in setting these public policies, the approval process, the accountability for implementation and how Syensqo makes them available, is described in section 5.1.2 Sustainability operational governance. Syensqo's Ethics & Compliance department is responsible for organizing all training and communication related to the content of these policies, and is also responsible for investigating all reports that have been brought to its attention. The Ethics & Compliance department monitors these policies. All employees are responsible for familiarizing themselves and complying with the policies and supporting internal requirements, completing all assigned training in support of the policies, and obtaining guidance from Ethics & Compliance. The role of the administrative, management and supervisory bodies related to business conduct, and their expertise on business conduct matters, are described in the Governance chapter, on pages 65 and 70. *[MDR-P - 65c / 65e / 65f]*

Syensqo also has an Internal Competition Law Policy to promote and maintain fair competition in markets. Finally, its Animal Care and Use Policy ensures that it avoids animal testing whenever possible and treats animals humanely with great regard for their welfare.

2025 action plan on corporate culture and business ethics

- For corporate culture, Syensqo references the actions undertaken to establish, develop, promote and evaluate a corporate culture on page 189 and page 191 (actions & metrics under empowering Syensqo's employees).
- For business ethics, Syensqo conducted 30 engagement sessions in 2025 with its employees worldwide on ethics & compliance topics, such as the code of conduct, including awareness sessions to increase understanding on Speak Up, human rights, supply chain ESG due diligence, ABAC, compliance culture, gifts and entertainment, and conflict of interest. These engagement sessions are awareness-building initiatives organized on an ad hoc basis for diverse and global audiences. They are designed to deepen understanding of specific topics, tailored to the profile and needs of each audience. The sessions typically last one to two hours and are delivered through presentation materials facilitated and explained by a compliance officer, followed by a question-and-answer session.

[MDR-A - 68a / 68b / 68c][G1-1 - 9]

Code of Business Integrity (CoBI)

Syensqo's CoBI is the foundation for how Syensqo operates as a Group, and applies to every Syensqo employee, and to all third parties acting on Syensqo's behalf. In order to comply with the CoBI, employees must complete all assigned ethics & compliance training, seek advice when things are not clear and promptly report anything that may violate the Code or the related policies and procedures. The CoBI cannot cover every single situation, but all employees are invited to use their good judgment to make sure they are operating under the spirit of the Code. Should actual violations be observed, each team member is encouraged to take action immediately and report such situations to a supervisor, the Ethics & Compliance department, Legal or Human Resources. Syensqo's CoBI covers the following topics: speak up with no retaliation, health and safety in the workplace, inclusion, diversity and non-discrimination, harassment-free environment, conflicts of interest, use of Group assets, data privacy, an open dialogue with employees, communication with the public, use of social media, ABAC, gifts and entertainment, fair competition, financial records and accounting, insider trading, international trade, supply chain, human rights, sustainability, political contributions, and charitable activities and corporate philanthropy. Syensqo is committed to respecting and supporting human rights with regard to its employees, the communities in which it operates and its business partners, as expressed in internationally-recognized standards, including the UN Universal Declaration of Human Rights and UN Guiding Principles on Business and Human Rights. As stated in Syensqo's Human Rights Policy, Syensqo goes beyond the legal minimum age requirements, as outlined in the relevant ILO conventions and the laws of the countries where it operates, having reinforced its commitments by implementing a new requirement that employees must be at least 16 years old. *[MDR-P - 65a / 65b]*

2025 action plan on business integrity

As part of a comprehensive program to ensure adherence to ethical business standards and regulations, the Ethics & Compliance department implemented a mandatory CoBI e-learning, completed by 99%(1) of all employees in 2025, like in 2024. This is an annual mandatory training for all employees to help them understand and adhere to the CoBI. This year's web-based training provided practical information and interactive business cases on code of conduct, respectful communication, harassment, human rights, ABAC, responsible artificial intelligence, and Speak up, in line with Syensqo's policies. Additionally in 2025, Syensqo continued rolling out a training on ethical standards training for contractors that is being implemented progressively at its sites. *[G1-1 - 10g] [MDR-A - 68a / 68b / 68c / 68e]*

Anti-Bribery and Anti-Corruption Policy

Syensqo has an ABAC Policy consistent with the UN Convention against Corruption, with the purpose to provide a framework of rules and procedures to detect, prevent and address potential violations of applicable laws in the scope of anti-corruption and commercial bribery. It prohibits the exchange of bribes for business purposes and requires individuals to report instances of bribery. Syensqo has also established a Speak Up processes and an Ethics Helpline for reporting concerns or violations of bribery and corruption confidentially. In parallel, the ABAC training aims to prevent these incidents. This policy applies to all Syensqo employees as well as to all third parties acting on Syensqo's behalf, and is communicated publicly through its external corporate website. The Functions most vulnerable to corruption and bribery include the Governmental Affairs teams, due to their interactions with government officials and regulators, which can create opportunities for unethical behavior, Sales teams, due to direct client interactions and the pressure to meet targets, which may lead to unethical shortcuts, especially in high-value transactions, Procurement teams, due to their role in supplier selection and contract negotiations, handling large financial transactions, and the pressure to reduce costs, which can lead to unethical behavior, and Site Directors, with significant operational control and decision-making authority, especially in interactions with suppliers and in ensuring regulatory compliance, where external parties might attempt to influence decisions through bribery. As Syensqo considers that all managers, level S15 (junior management level adapted from the Hay Job Evaluation Methodology) and above, could be at risk for bribery and corruption, it trains its whole manager population. The process to confidentially report corruption and bribery at Syensqo is embedded in the Speak up program (page 209) and involves multiple steps, including investigation, reporting to senior management on a need to know basis, and taking appropriate action. The final report includes findings and actions to be taken. Risk monitoring results are reported to the ELT, Board members and the Audit & Risk Committee. In the event that a breach is substantiated, the policy states that the measures and disciplinary actions may be taken with the aim of remediating the breach and protecting Syensqo. The investigators are separate from the chain of management involved in the investigation when required to avoid a conflict of interest. *[G1-1 - 10h][G1-3 - 18a / 18b / 18c / 20][MDR-P - 65a / 65b]*

Short term action plan for the prevention and detection of corruption and bribery

The ABAC training is designed to emphasize Syensqo's dedication to conducting business ethically without engaging in corruption or unfair competition and minimize the risk of incidents. It covers various topics such as recognizing bribery, detecting high-risk transactions, interacting with third parties, working with distributors and sales agents, and promoting a culture of reporting concerns without fear of reprisal, as outlined in its ABAC Policy. The ABAC training is provided to employees at level S15 and above, including the ELT, which reflects 100% of functions-at-risk. The 2025 training on anti-corruption and anti-bribery was incorporated into the yearly code of conduct training and was a series of video-based micromodules including key risks and red flags, as well as scenarios for combating bribery and corruption in international business. There is no formal Board training on ABAC. However, ethics & compliance and business conduct matters are discussed on an annual basis at the Board Audit & Risk Committee.

The continuation of Syensqo's supply chain-related actions in 2025 included rolling out a specific clause in its procurement contract templates and a statement for distributors, and its ongoing supplier due diligence progress (see page 198). These actions are expected to decrease the risk of corruption and bribery in Syensqo's value chain. *[MDR-A - 68a / 68b / 68c][G1-3 - 18a / 21a / 21b / 21c]*

(1) *Employees on long-term sick leave during the yearly two-month window to complete the training are not included. However, they are expected to complete the training upon their return.*

Accounting policy

Rate of anti-corruption and anti-bribery training

Syensqo delivers ABAC training at intervals aligned with compliance requirements and organizational priorities. This training targets employees at level S15 and above, including the ELT, procurement, commercial, governmental affairs and site directors. Syensqo's YouGrow platform supports training management by enabling the Compliance Officer and HR to track completion rates and follow up with individuals who have not completed their training. The last round of training was in 2025 and was provided to all employees as part of the code of conduct training.

Convictions and fines for corruption and bribery during the reporting period

Syensqo's Legal Team conducts systematic tracking of litigation cases by region, categorizing them by type. In close collaboration with the Ethics & Compliance team, any convictions and fines pertaining to ABAC are informed and investigated. This operational framework ensures comprehensive monitoring and fortifies Syensqo's unwavering zero-tolerance policy toward unethical practices.

No breaches in procedures and standards of anti-corruption and anti-bribery triggered specific actions in 2025. *[MDR-M - 77a]*

Anti-Bribery and Anti-Corruption metrics

	Units	2025	2024
Anti-corruption and anti-bribery training completed by functions-at-risk	%	99%	0
Convictions for violation of anti-corruption and anti-bribery laws	Number	0	0
Amount of fines for violation of anti-corruption and anti-bribery laws	€	0	0

[MDR-A - 68e][MDR-M - 75 / 77a / 77c / 77d][G1-4 - 24a / 24b]

Policy On Gifts, Entertainment, Charitable Donations and Sponsorship

The purpose of Syensqo's Policy On Gifts, Entertainment, Charitable Donations and Sponsorship is to provide a framework of rules and procedures that must be followed when exchanging gifts and entertainment, making charitable donations and sponsoring events. The policy supports Syensqo's commitment to conducting business honestly and ethically in accordance with the Syensqo CoBI and the Syensqo ABAC Policy. This policy applies to all Syensqo employees. Syensqo has implemented a Gifts and Entertainment Tracking System (GETS) designed to prevent bribery-related liabilities, available on Syensqo's intranet. After submitting an approval request through GETS, Syensqo employees need to follow additional steps before moving forward with gifts, entertainment, charitable donations or event sponsorships, such as getting their manager's approval and depending on a certain threshold approval from Corporate Citizenship and Ethics & Compliance. *[MDR-P - 65a / 65b]*

2025 action plan on gifts, entertainment, charitable donations and sponsorship

As this policy is closely linked with Syensqo ABAC Policy, it references the 2025 actions for the prevention and detection of corruption and bribery (see page 207). Additionally, the Ethics & Compliance team reviewed the gift, entertainment, charitable donations and sponsorship policy in 2025. An updated version will be submitted to the ELT and published in 2026.

Conflict of Interest Policy

Syensqo has a Conflict of Interest Policy applying to all employees and to representatives and agents who act on its behalf. At Syensqo, all employees are expected to act in a fair and impartial manner in all business dealings and to place the interests of Syensqo over personal interests in matters relating to Syensqo business. The purpose of this policy is to provide the rules, principles and guidelines for avoiding any actual or potential conflict of interest or an appearance thereof. Employees may take part in activities outside their jobs, provided these activities do not create a conflict of interest. *[MDR-P - 65a / 65b]*

All employees, agents and representatives shall exercise fair, objective and impartial judgment in all business dealings and shall place the interests of Syensqo over any personal interests in matters relating to Syensqo business. They shall also avoid any transaction or situation in which personal interests conflict with the interests of Syensqo, including situations arising from the use of Syensqo's assets for personal gain or from relationships with one or more individuals or entities. They shall refrain from using nonpublic information either for personal profit or in any manner that affects or might reasonably be expected to affect Syensqo's interests adversely. They shall refrain from performing any other professional activity that affects, or might reasonably be expected to adversely affect, the performance of their employment duties or Syensqo's interests. Furthermore, they shall not use their contacts or position in the company to advance interests contrary to those of Syensqo. They shall not, through another person or entity, participate in or receive the benefits of any activity or investment that, if the same were engaged in directly by the Syensqo employee, agent or representative, would be in violation of this policy. When faced with an actual or potential conflict of interest, employees shall disclose fully and promptly such conflicts to their manager, supervisor or functional leader.

There were no specific actions related to Syensqo's conflict of interest policy in 2025.

Speak Up Policy, or Whistleblowing Policy (grievance mechanism)

Syensqo encourages employees and third parties to speak up, through its grievance mechanism, Speak Up, about any potential breaches of law, policies, ethics or its CoBI. Syensqo has a Speak Up Policy in place that ensures confidentiality and non-retaliation for those who report concerns in good faith. This policy also outlines the procedure for reporting any breaches. All matters that can be reported are listed in this policy, and notably include human rights, corruption, antitrust, harassment and discrimination, among other topics. Syensqo's reporting channels can be used to report any actual or potential breach. These reporting channels include the Syensqo Ethics Helpline, which has a feature specifically designed for anonymous reporting, an email or a phone call to the Regional Compliance Officer or the CCO.

The Syensqo Ethics Helpline is run by an experienced third-party provider and ensures easy-to-use and confidential reporting. It is available 24/7, 365 days a year and can be accessed globally by all Syensqo employees and third parties. Reports can be made in 19 languages, and no call-tracing or recording devices are used. Reporting through the Syensqo Ethics Helpline will generate a file number which allows the reporter to easily follow up on the report. Contact details of the CCO and the Regional Compliance Officers can be found in appendix three of this policy, which is published on the website. In Belgium, Italy and France, there is also a local point of contact, known as the local Whistleblowing Officer, for reporting. These local reporting channels include face-to-face meetings or anonymously reporting to the local Whistleblowing Officer via email. Syensqo's reporting channels are accessible to all employees (including Syensqo employees, former employees and candidates in a recruitment process, volunteers and trainees), as well as to any other third party (such as applicants, directors, shareholders, self-employed persons, consultants, contractors, suppliers and customers). The reporter will receive an acknowledgement of receipt of the report within seven days. Reports made through these channels will be directly addressed and handled by independent and trained ethics & compliance professionals, who take every report seriously and follow up thoroughly.

The Compliance Officer will assess the information provided in the report and, where relevant, analyze the breach(es) reported and check if it is necessary to carry out an in-depth investigation. The Compliance Officer will communicate with the reporter, ask for additional information if necessary, provide feedback and/or follow up on potential new reports. If the reporter has chosen to remain anonymous, they are encouraged to periodically check the Syensqo Ethics Helpline to learn about the status of the report (in progress or closed) or to answer any possible additional questions raised through the Syensqo Ethics Helpline. The Compliance Officer will decide whether a more in-depth investigation is needed. They will take the lead in the investigation and may be assisted by internal experts and/or external experts where appropriate. Investigations will be conducted thoroughly with due regard to the principles of confidentiality, anonymity (if applicable), objectivity, fairness to all parties involved and non-retaliation. The Compliance Officer will provide the reporter with appropriate feedback within a reasonable timeframe, not exceeding three months from the date of the acknowledgment of receipt of the report. If the investigation could not be finalized within that time frame, the reporter will receive an update. If the reporter has chosen to remain anonymous, they are encouraged to periodically check the Syensqo Ethics Helpline to learn about the status of the report (in progress or closed). Feedback will be shared taking into account confidentiality obligations.

Following the investigation, the Compliance Officer, if applicable, will prepare a report describing the investigation measures and actions to be taken. The report may be shared with the senior management of Syensqo on a need-to-know basis only. The final report will include the findings and the actions to be taken. In the event that a breach is demonstrated, relevant measures and disciplinary actions may be taken, with the aim of remediating the breach and protecting Syensqo. If the investigation shows that there is insufficient or no evidence of a breach, no further action will be taken. Process improvements may, however, still be required, as well as feedback to the implicated parties. External reporting channels can be considered if necessary, either after reporting through Syensqo channels or directly if appropriate for the specific matter.

Syensqo will maintain confidentiality and protect against retaliation, in compliance with EU law and local laws of EU countries, to ensure safe reporting of breaches or violations. Confidentiality maintains privacy of the reporter's identity, while protection against retaliation prevents adverse actions. These measures are specific to breaches outlined by local laws, and Syensqo will comply with additional protective measures required by local laws. Overall, these measures create a culture of trust and accountability. This policy and the aforementioned reporting channels and procedures are compliant with the requirements of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union Law and applicable local laws. Training on non-retaliation is foreseen for all employees as part of the annual CoBI training. The principle of non-retaliation for the reporter is reiterated during the interviews in the investigation process. This is applicable to each legal entity in the Syensqo Group ("Syensqo"). Each legal entity is defined as *the Company* for the purpose of this policy. *[MDR-P - 65a / 65b][G1-1 - 10a / 10ci / 10cii / 10e]*

2025 action plan on Speak Up Program

Through the mandatory CoBI training, 99%[(1)] of all employees were trained and informed on the Whistleblowing Policy and Speak Up Program in 2025, like in 2024. In 2025, Ethics & Compliance officers were also trained on request by experts and law firms. Cases were reviewed and investigated when necessary, and disciplinary and remedial actions were implemented when required. The outcomes of these actions are to achieve the objectives of the Speak Up Policy. *[MDR-A - 68a / 68b / 68c / 68e][G1-1 - 10ci]*

Internal Competition Law Policy

Syensqo aims to conduct business ethically and not enter into any business arrangements that eliminate or distort competition. Syensqo has a formal Internal Competition Law Policy for all employees, which stresses the importance of strict adherence to all competition laws. Any violation of this policy may result in disciplinary action, subject to, and in conformity with, applicable laws. This policy was drafted through a collaboration between in-house legal experts and external lawyers, taking into account the interests of key stakeholders. The policy was reviewed by the General Counsel (GC) and then approved by the ELT. The GC is accountable for the implementation of this policy, which is made available on the company's intranet for all employees. *[MDR-P - 65a / 65b / 65c / 65e / 65f]*

(1) *Employees on long-term sick leave during the yearly two-month window to complete the training are not included. However, they are expected to complete the training upon their return.*

Syensqo has a Competition Law Compliance Program with a zero-tolerance approach to competition law infringements. As part of its Competition Law Compliance Program, Syensqo provides a competition law toolkit on its intranet that includes up-to-date guidelines on specific areas of competition law, including guidance on dealing with competitors, dawn raids, information exchange in mergers and acquisitions transactions, swaps, price announcements and vertical relationships. To minimize cartel risks, Syensqo has a computer-based system that tracks all contacts relevant employees have with competitors through a procedure based on managerial approval. Syensqo has a dedicated legal expert for competition law within the GC Function who is responsible for implementing the Competition Law Compliance Program and is in charge of providing competition law advice and guidance, as well as deploying effective and regular communication and training on subjects related to competition law.

2025 action plan on competition law

In 2025, the dedicated expert organized general all-employee training on competition law, on the use of the computerized tracking system for meetings with competitors, and ad-hoc training for specific high-risk target employee populations, all as part of Syensqo's Competition Law Compliance Program, to achieve the objectives of its internal policy. *[MDR-A - 68a / 68b / 68c]*

Syensqo’s Animal Care and Use Policy

Syensqo provides innovative products for a wide variety of uses and a large number of users. The company requires a proper understanding of the hazards of its products in order to carry out activities and protect users, Syensqo personnel and the environment. There is growing demand from both regulatory authorities and the public for product risk and hazard assessments. Meeting these requirements often triggers a need to engage in testing, both with and without the use of animals. To comply with new and existing chemical regulations, or to further consolidate safety data, Syensqo commissioned animal tests in 2025.

Syensqo avoids animal testing whenever possible, but in cases in which animal testing is required, it commits to conducting studies that treat animals humanely, giving them the best care possible, and using all animals responsibly, with great regard for their welfare. In compliance with European cosmetic regulations, Syensqo does not perform specific testing on animals solely to support cosmetic uses. Syensqo carries out tests on animals required for all regulations and applications relating to a given substance just once, unless specifically requested otherwise by any authority worldwide. Whenever possible, Syensqo avoids the need for new studies by actively advocating for the reuse of data from studies conducted within a given framework, such as REACH, for other registration systems.

Syensqo’s Animal Care and Use Policy is to apply the *3R principles* (Replacement, Reduction and Refinement) in each case and to comply with all applicable regulations. All of Syensqo's studies comply with international standards, such as OECD guidelines. Regulatory studies are almost exclusively performed by laboratories accredited by the Association for Assessment and Accreditation of Laboratory Animal Care International (AAALAC). Once a study is underway, Syensqo staff monitor the execution and quality of the studies and maintain a continuous qualification and evaluation program for the laboratories. While studies are needed for regulatory and scientific purposes, Syensqo continues to strengthen its capabilities and understanding of alternative methodologies that do not involve vertebrate animals. Syensqo is a member of the European Partnership for Alternative Approaches to Animal Testing (EPAA), pooling efforts to accelerate alternative approaches to animal studies at national, European and global levels. It also takes part in New Approach Methods (NAMs) related working groups in professional associations, such as Cefic.

This policy is applicable to all of Syensqo operations and businesses. The Syensqo Animal Care and Use Committee (SACUC) oversees the implementation of this policy and monitors the use of animals in studies, aiming to minimize animal experimentation. The Group Product Stewardship Director is accountable for implementation, ensuring that it is effectively integrated into Syensqo's operations and aligned with Syensqo's sustainability goals. Consideration given to the interests of key stakeholders in setting the policy and how Syensqo makes it available is described in section 5.1.2 Sustainability operational governance. *[MDR-P - 65a / 65b / 65c / 65d / 65e / 65f][G1-1 - 10f]*

2025 action plan on animal care and use

To comply with new and existing chemical regulations, or to further consolidate safety data, Syensqo commissioned animal tests in 2025. Its dedicated corporate committee reviewed these animal testing activities to verify conformity with the principles and mandatory elements of the Animal Care and Use Policy and limit Syensqo's impact. *[MDR-A - 68a / 68b / 68c]*

Evaluate effectiveness of business conduct topics, corporate culture and grievance mechanism

In addition to the metrics outlined above, see page 191 for other metrics used to evaluate the performance and effectiveness of business conduct topics, corporate culture and grievance mechanism.

5.4.2 Main memberships and partnerships and policy engagement

Syensqo engages with industry groups, legislators and other key stakeholders on numerous topics related to, among other things, sustainability-related topics and economic policies that are critical to its global businesses. For example, policy positions on which Syensqo collaborates with external stakeholders include: the Green Deal, Chemical Strategy for Sustainability, circular economy, REACH, industrial policy, Critical Raw Materials Act, internal market, intellectual property, taxation, trade policy and export control.

Syensqo promotes positions that are evidence based and, when possible, aligned with other industry stakeholders. It engages on topics that are material to the company, including pollution, water resources, circular economy, consumers and end-users, and business conduct. Syensqo's main positions on these evolving topics, for which respective material IROs (see page 148, 154, 164, 169, 205) serve as a basis, are part of ongoing activities. Hence, Syensqo refers to the main positions of trade association channels like Cefic, American Chemistry Council, Plastics Europe and ICCA. *[G1-5 -29c][MDR-A - 68a / 68b / 68c]*

Syensqo is registered in the German and EU Transparency Registers:

- European Union Transparency Register: 685934152245-39
- Deutscher Bundestag Lobby Register: R005716
- Haute Autorité pour la Transparence de la vie publique (France): 922031505 (legal entity: Specialty Operations France) - H763808846 (legal entity: Solvay France) *[G1-5 -29d]*

Syensqo's Vice-President Global Government and Public Affairs is responsible for the oversight of these activities. There has been no appointment of any members of the administrative, management and supervisory bodies who held a comparable position in public administration in the last two years. *[G1-5 -29a / 30]*

5.4.3 The screening and evaluation of social and environmental performance of suppliers

Syensqo has no policies, actions or targets regarding payment terms and late payments, as it is not material for Syensqo (see Appendix I on page 213).

How Syensqo addresses social and environmental risks and impacts across its value chains is described on pages 161 and 198. These sections also contain specific action plans for risk-exposed commodities, like conflict minerals and palm oil and derivatives. Furthermore, they outline the Ecovadis assessments and independent ESG audits that form part of the 2025 supplier selection and evaluation processes, which consider both financial and ESG criteria. *[G1-2 - 15a / 15b]*

5.5 Appendices

APPENDIX I - DETAILED DMA RESULTS *[SBM-3 - 48g][IRO-2 - 59][BP-2 - 16]*

The changes in materiality compared to 2024 can be identified via the text in orange in the table below, or are explicitly described in this table.

		Double materiality			Chapters in the sustainability statements	
Sustainability matters covered in topical ESRS		Own operations	Value chain	Non-material data points	Own operations	Value chain
ESRS E1 - Climate change						
Climate change adaptation		YES	NO		Climate change	Climate change, Environmental due diligence, and SPM
Climate change mitigation		YES	YES			
Energy		YES	YES			
ESRS E2 - Pollution						
Pollution of air		YES	YES		Emissions, effluents & remediation	Environmental due diligence and Product stewardship, and SPM
Pollution of water		YES	YES			
Pollution of soil & process safety		YES[1]	NO			
Pollution of living organisms and food resources		NO	NO			
Substances of concern		YES	YES			
Substances of very high concern		YES	YES			
Microplastics		NO	NO	E2-4, DP 28b[2]		
ESRS E3 - Water and marine resources						
Water	Water consumption	YES	YES	E3-4, DP 28d[3]	Water	Environmental due diligence, and SPM
	Water withdrawals	YES	YES			
	Water discharges	YES	YES			
Marine resources	Water discharges in the oceans	NO	NO	E3-1, DP 14[4]		
	Extraction and use of marine resources	NO	NO	E3-3, DP 23b[4]		
ESRS E4 - Biodiversity and ecosystems						
Direct impact drivers of biodiversity loss	Climate Change	YES, via E1	YES		Biodiversity	Environmental due diligence
	Land-use change, fresh water-use change and sea-use change	NO	YES	E4-2, DP 24 c[4] E4-5, DP 38[5]		
	Direct exploitation	NO	NO			
	Invasive alien species	NO	NO			
	Pollution	YES, via E2	YES			
	Others	NO	NO			
Impacts on the state of species	Examples: Species population size	NO	YES			
	Examples Species global extinction risk	NO	YES			
Impacts on the extent and condition of ecosystems	Examples: Land degradation	NO	NO			
	Examples: Desertification	NO	NO			
	Examples: Soil sealing	NO	NO			
Impacts and dependencies on ecosystem services		NO	NO			

Sustainability matters covered in topical ESRS		Double materiality: Own operations	Double materiality: Value chain	Double materiality: Non-material data points	Chapters in the sustainability statements: Own operations	Chapters in the sustainability statements: Value chain
ESRS E5 - Circular economy						
Resources inflows, including resource use		YES		E5-4, DP 31c[6]	Circular Economy, Environmental due diligence, and SPM	
Resource outflows related to products and services		YES		E5-5, DP 36c[7]		
Waste		YES	YES		Waste	Environmental due diligence
ESRS S1 - Own workforce						
ESRS S2 - Workers in the value chain						
Working conditions	Health and safety	YES	YES		Workers' health and safety & Social due diligence	
	Secure employment	NO	NO		Empowering Syensqo's employees	Social due diligence
	Working time	NO	NO			
	Adequate wages	YES	NO			
	Social dialogue	YES	NO			
	Freedom of association	YES	NO			
	Collective bargaining	YES	NO			
	Work-life balance	YES	NO			
Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	YES	NO			
	Training and skills development	YES	NO			
	Employment and inclusion of persons with disabilities	NO	NO			
	Measures against violence and harassment in the workplace	NO	NO			
	Diversity	YES	NO			
Other work-related rights	Child labour	NO	YES			
	Forced labour	NO	YES			
	Adequate housing	NO	NO			
	Privacy	NO	NO			
	Water and sanitation	N/A	NO			
ESRS S3 - Affected communities is no longer a material topic for Syensqo, compared to 2024. These IROs are now much better embedded into other chapters of the sustainability statements that are at the origin of these IROs related to affected communities.						
ESRS S4 - Consumers and end-users						
Information-related impacts for consumers and/or end-users	Privacy	N/A	NO		N/A	Social due diligence and Product stewardship, and SPM
	Freedom of expression	N/A	NO			
	Access to (quality) information	N/A	YES			
Personal safety of consumers and/or end-users	Health and safety	N/A	YES			
	Security of a person	N/A	NO			
	Protection of children	N/A	NO			
Social inclusion of consumers and/or end-users	Non-discrimination	N/A	NO			
	Access to products and services	N/A	NO			
	Responsible marketing practices	N/A	NO			

Sustainability matters covered in topical ESRS		Double materiality: Own operations	Double materiality: Value chain	Double materiality: Non-material data points	Chapters in the sustainability statements: Own operations	Chapters in the sustainability statements: Value chain
ESRS G1 - Business conduct						
Corporate culture		YES	NO		Doing business in an ethical way	
Protection of whistleblowers		YES	NO			
Animal welfare		YES	NO			
Political engagement (including lobbying activities)		YES	NO	G1-5, DP 29 (b)(8)		
Management of relationships with suppliers including payment practices	Incentives on engagement with suppliers *(entity-specific)*	NO	NO			
	Payment terms *(entity-specific)*	NO	NO	G1-2, DP 14(9) G1-6(9)		
	The screening and evaluation of social and environmental performance of suppliers *(entity-specific)*	YES	NO			
Corruption and bribery	Prevention and detection including training	YES	YES			
	Incidents	YES	YES			
Antitrust / Anti-competition *(entity-specific)*		YES	NO			

(1) For non-ongoing operations/activities only.
(2) E2-4, DP 28b: Microplastics generated or used by the undertaking is not a material topic based on the DMA results.
(3) E3-4, DP 28d: An approach on water storage at Group level is not viable for Syensqo, given the size in volume that would be required. Additionally, the sites with the highest demand for water withdrawal represent 12% of the total sites, meaning that the contribution of water storage from 88% of the sites is not significant in a corporate level analysis. On the other hand, water storage shall remain a best practice recommended for small sites under hydric stress in the frame of the Group policy on water risks mitigation. This is in accordance with the industry best practices of developing local solutions for specific situations.
(4) E3-1, DP 14 & E3-3, DP 23b & E4-2, DP 24 c: Marine resources, sustainable oceans and seas are not material topics based on the DMA results.
(5) E4-5, DP 38: Land-use change, fresh water-use change and sea-use change is not a material topic for Syensqo's own operations based on the DMA results.
(6) E5-4, DP 31 (c) is not material for packaging: Syensqo's annual packaging spend and volume is relatively low, and this is largely due to its strategic use of bulk packaging and the reuse of packaging whenever possible.
(7) E5-5, DP 36 (c) Products: Products sold that are consumed and transformed by customers, makes the concept of recyclability of Syensqo's chemicals inapplicable. Packaging: Syensqo's annual packaging spend and volume is relatively low, and this is largely due to its strategic use of bulk packaging and the reuse of packaging whenever possible.
(8) G1-5, DP 29 (b) is not material: As specified in Syensqo's CoBI, the Group does not take part in party political activities nor does it make financial or in-kind contributions to policymakers. Hence, Syensqo has no material IRO and nothing to report. However, Syensqo does engage in a constructive debate with public authorities on subjects of legitimate interest to Syensqo. Only those employees specifically authorized to do so will carry out these activities. In this respect, Syensqo may support non-governmental organizations. Syensqo respects the freedom of its employees to make their own political decisions. Any personal participation or involvement by an employee in the political process must be on an individual basis, on the employee's own time and at the employee's personal expense.
(9) G1-2, DP 14 and G1-6: Late payments (to SME's) and payment practices are not material topics based on the DMA results.

APPENDIX II - INCORPORATION BY REFERENCE *[IRO-2 - 56]*

The following table lists the ESRS disclosure requirements in ESRS 2 and in the topical standards which are material to Syensqo and which have guided the preparation of Syensqo's sustainability statements. Further details can be found above in Appendix I - Detailed DMA results. The table can be used to navigate to information relating to a specific disclosure requirement in the annual report.

Disclosure requirement	Page
ESRS 2	
ESRS 2 - BP-1	125
ESRS 2 - BP-2	125
ESRS 2 - GOV-1	55
ESRS 2 - GOV-2	56
ESRS 2 - GOV-3	77
ESRS 2 - GOV-4	133
ESRS 2 - GOV-5	112
ESRS 2 - SBM-1	12
ESRS 2 - SBM-2	128
ESRS 2 - SBM-3	130
ESRS 2 - IRO-1	130
ESRS 2 - IRO-2	213
ESRS E1	
ESRS 2, E1 SBM-3	134
ESRS 2, E1 IRO-1	134
E1-1	135
E1-2	137
E1-3	139

Disclosure requirement	Page
E1-4	138
E1-5	142
E1-6	142
E1-7	147
E1-8	147
ESRS E2	
ESRS 2, E2 SBM-3	154
ESRS 2, E2 IRO-1	154
E2-1	155
E2-2	161
E2-3	155
E2-4	157
E2-5	164
ESRS E3	
ESRS 2, E3 SBM-3	148
ESRS 2, E3 IRO-1	148
E3-1	148
E3-2	149
E3-3	148
E3-4	150

Disclosure requirement	Page
ESRS E4	
ESRS 2, E4 SBM-3	160
ESRS 2, E4 IRO-1	130
E4-2	137, 155
E4-3	N/A
E4-4	N/A
ESRS E5	
ESRS 2, E5 SBM-3	169
ESRS 2, E5 IRO-1	130
E5-1	151, 169
E5-2	151, 169
E5-3	151, 169
E5-4	163
E5-5	152
ESRS S1	
ESRS 2, S1 SBM-2	128
ESRS 2, S1 SBM-3	180
S1-1	181, 186
S1-2	181, 186
S1-3	182, 188

Disclosure requirement	Page
S1-4	180, 189
S1-5	182, 188
S1-6	191
S1-8	193
S1-9	194
S1-10	196
S1-14	184
S1-16	197
S1-17	202
ESRS S2	
ESRS 2, S2 SBM-2	128
ESRS 2, S2 SBM-3	180
S2-1	180, 198
S2-2	181, 200
S2-3	182, 200
S2-4	183, 200
S2-5	182
ESRS S3	
ESRS 2, S3 SBM-2	128
ESRS 2, S3 SBM-3	130

Disclosure requirement	Page
S3-1	N/A
S3-2	N/A
S3-3	N/A
S3-4	N/A
S3-5	N/A
ESRS S4	
ESRS 2, S4 SBM-2	128
ESRS 2, S4 SBM-3	130
S4-1	198
S4-2	N/A
S4-3	N/A
S4-4	N/A
S4-5	N/A
ESRS G1	
ESRS 2, G1 SBM-3	205
ESRS 2, G1 IRO-1	130
G1-1	205
G1-2	212
G1-3	207
G1-4	208
G1-5	212

APPENDIX III - DATA POINTS THAT DERIVE FROM OTHER EU LEGISLATION *[IRO-2 - 56]*

The table below includes all the data points that derive from other EU legislation, as listed in ESRS 2 Appendix B, indicating where the data points can be found in Syensqo's report and which data points are assessed as *Not material.*

Disclosure requirement and related data points	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page in sustainability statements
ESRS 2 GOV-1 - 21d	X		X		66
ESRS 2 GOV-1 - 21e			X		59
ESRS 2 GOV-4 - 30	X				133
ESRS 2 SBM-1 - 40di	X	X	X		17
ESRS 2 SBM-1 - 40dii	X	X			17
ESRS 2 SBM-1 - 40diii	X		X		17
ESRS 2 SBM-1 - 40div			X		17
ESRS E1-1 - 14				X	135
ESRS E1-1 - 16g			X		137
ESRS E1-4 - 34	X	X	X		138
ESRS E1-5 - 37, 38	X				144
ESRS E1-5 - 40 to 43	X				144
ESRS E1-6 - 44	X	X	X		147
ESRS E1-6 - 53 to 55	X	X	X		147
ESRS E1-7 - 56				X	147
ESRS E1-9 - 66			X		*Phase-in extension*
ESRS E1-9 - 66a, 66c		X			*Phase-in extension*
ESRS E1-9 - 67 (c)		X			*Phase-in extension*
ESRS E1-9 69			X		*Phase-in extension*
ESRS E2-4 - 28	X				158 *28b is not material*
ESRS E3-1 - 9	X				148
ESRS E3-1 - 13	X				*Not applicable*
ESRS E3-1 - 14	X				*Sustainable oceans and seas are not material*
ESRS E3-4 - 28c, 29	X				150
ESRS 2- IRO 1 - E4 - 16ai, 16b, 16c	X				160
ESRS E4-2 - 24b	X				Quick-fix
ESRS E4-2 - 24c	X				*Sustainable oceans and seas are not material*
ESRS E4-2 - 24d	X				Quick-fix
ESRS E5-5 - 37d	X				154
ESRS E5-5 - 39	X				154
ESRS 2- SBM3 - S1 - 14f, 14g	X				*Child & Forced labour is not identified as a material/significant risk for Syensqo's own operations*

Disclosure requirement and related data points	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page in sustainability statements
ESRS S1-1 - 20	X				180
ESRS S1-1 - 21		X			181
ESRS S1-1 - 22	X				186
ESRS S1-1 - 23	X				181
ESRS S1-3 - 32c	X				188
ESRS S1-14 - 88b, 88c	X		X		185
ESRS S1-14 - 88e	X				*Phase-in extension*
ESRS S1-16 - 97a, 97b	X		X		197
ESRS S1-17 - 103a, 104a	X				202
ESRS 2 - SBM3 – S2 - 11b	X				198
ESRS S2-1 - 17, 18	X				198
ESRS S2-1 - 19 *(Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph)*	X		X		198
ESRS S2-1 - 19 *(Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8, paragraph)*			X		198
ESRS S2-4 - 36	X				202
ESRS S3-1 - 16	X				*Not material*
ESRS S3-1 - 17	X		X		*Not material*
ESRS S3-4 - 36	X				*Not material*
ESRS S4-1 - 16	X				198
ESRS S4-1 - 17	X		X		198
ESRS S4-4 - 35	X				Quick-fix
ESRS G1-1 - 10b, 10d	X				*Not applicable, as Syensqo has policies on anti-corruption, anti-bribery and protection of whistleblowers*
ESRS G1-4 - 24a	X		X		208
ESRS G1-4 - 24b	X				208

APPENDIX IV - NOT PART OF THE SUSTAINABILITY STATEMENT

NUMBER OF ACCIDENTS

	Units	2025(1)	2024(1)	2023(1)
LTII - Employees	Number	15	16	13
LTII - Employees and contractors	Number	20	17	15

ACCIDENT FREQUENCY RATES

	Units	2025(1)	2024(1)	2023(1)
LTIIR - Employees	Accidents per 200,000 hours worked	0.11	0.10	0.12
LTIIR - Employees and contractors	Accidents per 200,000 hours worked	0.11	0.11	0.09

NUMBER OF LOST DAYS

	Units	2025(1)
Employees	Number	1,039
Employees and contractors	Number	1,435

(1) Not covered by the Independent Auditor's limited assurance report.

Syensqo uses the United States Occupational Safety and Health Administration's definitions of occupational accidents, covering these indicators:

- Lost Time Injury or Illness (LTII): A work-related injury or illness that results in a work interruption of one or more days, not including the day of the accident
- Lost Time Injury and Illness Rate (LTIIR): The number of LTIIs resulting from an accident per 200,000 work hours.

For more information related to Employees, contractors and worked hours definitions and methodologies, see the accounting policy on page 159.

06

FINANCIAL STATEMENTS

6 FINANCIAL STATEMENTS

6.1 Consolidated financial statements

Syensqo SA/NV (the "Company" or "Syensqo") is a public limited liability company governed by Belgian law and listed on Euronext Brussels. The principal activities of the Company, its subsidiaries, joint ventures and associates (jointly the "Group" or "Syensqo Group") are described in note F1 Revenue and Segment Information.

The Syensqo Group operates 62 sites in 30 countries, employs nearly 13,000 employees and delivered net sales of €5.8 billion in 2025. Syensqo SA is the Group's ultimate parent with its registered office located at Rue de la Fusée 98, B – 1130 Brussels, Belgium.

On March 13, 2026, the Board of Directors authorized the consolidated financial statements for issuance.

Main events and changes in the consolidation scope

Share buyback program

On September 30, 2024, the Group announced the Board approval of a plan to commence a new share buyback program for a value of up to €300 million. The purpose of the program is to further enhance Syensqo's capital structure and efficiency, canceling all shares repurchased as part of the program.

The program is carried out under the terms and conditions approved by the Extraordinary General Shareholders' meeting held on December 8, 2023. It is conducted in accordance with applicable regulations and executed by an independent intermediary. The program is executed in numerous independent tranches.

On November 5, 2024, the Group launched the first tranche of the €300 million buyback program. The Group completed this first tranche on November 27, 2024 and acquired 658,488 Syensqo shares for a total price of €50 million. All these acquired shares were cancelled in December 2024. On December 4, 2024, the Group launched the second tranche of the €300 million buyback program and acquired 185,000 shares for a price of €14 million.

During 2025, the Group ran the completion of the second, third and fourth tranches of the buyback program. As part of these share buyback programs, Syensqo purchased 1,687,027 shares in 2025 (Tranche 2: 470,783 shares, Tranche 3: 784,328 shares, Tranche 4: 431,916 shares), for a total value of €116 million.

The Group progressively cancels all shares acquired through the share buyback program (with 1,111,656 shares cancelled in the first half of 2025 and no shares cancelled in the second half of the year). The cancellation of the shares resulted in a reduction of retained earnings of €77 million during 2025.

See note F24 Equity and F26 Share - based payments.

Financing- Cytec, Senior and Hybrid Bonds

On February 1, 2025, the Group redeemed the 3.95% Senior Notes due 2025 issued by Cytec Industries Inc. (CUSIP: 232820 AK6) (the "Cytec 2025 Bonds"). The redemption was implemented in accordance with the terms and conditions of the bonds. The bonds were redeemed at a price of 100% of the principal amount (US$ 163 million), plus accrued and unpaid interest thereon to, but not including, the redemption date (being US$ 2 million).

On May 28, 2025 Syensqo completed a senior bond issuance for a nominal amount of €1.2 billion, split into two tranches of €600 million maturing in 2031 and 2035, respectively. As of December 31, 2025 these bonds are presented as part of the non-current financial debt. They were initially recognized for the nominal amounts less the issuance costs (€1,192 million) and are measured at amortized cost, considering their effective interest rates.

See note F29 Financial Instruments.

On December 2, 2025 exercising the first call option, Syensqo repaid Perpetual Hybrid bonds for €500 million of the principal amount together with interest accrued thereon at the Prevailing Rate, i.e. €9 million. As of December 31, 2025 there are no perpetual bonds on the statement of financial position of Syensqo.

See note F24 Equity.

Restructuring plan

In the context of the tariff announcements and global trade tensions, Syensqo accelerated its plans to adapt the organization to focus on projects that will accelerate growth. As a result, consultation processes were opened on May 12, 2025, including a proposed reduction of approximately 200 positions. Consistent with the strategic transformation launched in November 2024, Syensqo announced in September 2025 a new restructuring plan to refocus the research and innovation projects on customer and business needs, targeting faster time to market and improving returns and streamlining its operating model, including a proposed reduction of approximately 200 additional positions. In 2025, provisions for restructuring costs for €101 million were recognized and pension plan curtailments of €5 million (see F27 Employee Benefits).

See note F28 Provisions.

Edison

In August 2025 Syensqo received a second round of compensation from Edison following a decision of the International Chamber of Commerce (ICC) Tribunal in Geneva, Switzerland. The outcome follows more than 10 years of legal proceedings in relation to claims of environmental breaches by Edison in the context of the acquisition of the Italian company Ausimont in 2002.

The first award ordering Edison to pay €92 million in 2023 for costs, losses and damages suffered by Solvay - now Syensqo - relates to the period up to the end of 2016. The second payment of damages by Edison awarded and received in August 2025 (€92 million) relates to a second phase in the arbitration for costs, losses and damages suffered by the company from January 2017 onwards. This compensation primarily explains the evolution of the “Results from legacy remediation and major litigations” compared to 2024. See note F4.

Tariffs and Geopolitical dynamics

Evolving tariffs and geopolitical dynamics are leading to reduced visibility as customers adapt to broader demand uncertainty. Based on current information and subject to potential changes in tariffs, the Group continues to believe that its global manufacturing footprint and proximity to customers, coupled with its mitigation actions should serve as well to manage its direct exposure to these headwinds, with limited impacts for the year ending December 31, 2025.

Divestment Oil & Gas Business Unit

Syensqo announced on October 31, 2025, that it had entered into an agreement to divest its Oil & Gas Business Unit to SNF Group, a specialty chemical company headquartered in France and a global leader in polyacrylamide production, for an Enterprise Value of €135 million.

In this context, management concluded that the conditions to classify the business as held for sale and as a discontinued operation were met as of that date, for the following reasons:

- The Oil & Gas business was available for immediate sale and could be sold to the buyer in its current condition.
- The actions to complete the sale were initiated and expected to be completed within one year from the date of initial classification. The transaction was ultimately completed on January 2, 2026.
- The buyer had been identified with a binding agreement having been signed on October 30, 2025.

The transaction was subject to customary closing conditions, completion of local consultation processes with employee representatives and regulatory approval. The transaction was completed on January 2, 2026. As the Oil & Gas Business Unit represents a major line of business within the Syensqo Group, its results are reported as “Results from discontinued operations” for the 2025 financial year and comparative periods, in the consolidated statement of profit or loss. In the consolidated statement of financial position, the assets and liabilities related to the Oil & Gas Business Unit as of December 31, 2025 have been reclassified as assets and liabilities held for sale. In the consolidated statement of cash flows, the cash-flows present both continuing and discontinued operations.

The expected gain on divestment before taxes is approximately €40 million including the recycling of the CTA and following the impairment reversal of €20 million recognized in 2025 (see note F20 Impairment).

Please refer to note F7 Discontinued operations, F14 Cash flows from Discontinued Operations and F23 Assets held for sale for further details.

Consolidated income statement

The 2024 amounts have been restated due to the discontinued operations. See note F7

In € million	Notes	2025	2024
Sales	*(F1)*	**5,969**	**6,445**
of which revenue from non-core activities	*(F1)*	207	283
of which net sales		5,762	6,162
Cost of goods sold		-4,123	-4,283
Gross profit		**1,846**	**2,162**
Commercial costs		-297	-290
Administrative costs		-586	-682
Research and development costs		-295	-334
Other operating gains and (losses)	*(F3)*	-139	-162
Earnings from associates and joint ventures	*(F19)*	19	21
Operating expenses related to ERP rebuild project	*(F4)*	-35	0
Results from portfolio management and major restructuring	*(F4)*	-352	-187
Results from legacy remediation and major litigations	*(F4)*	35	-18
EBIT		**195**	**510**
Cost of borrowings	*(F5)*	-123	-112
Interest on loans and short term deposits	*(F5)*	23	22
Other gains and (losses) on net indebtedness	*(F5)*	-11	-4
Cost of discounting provisions	*(F5)*	-31	-17
Result from equity instruments measured at fair value		-12	-7
Profit/(loss) for the year before taxes		**42**	**392**
Income taxes	*(F6)*	-127	-352
Profit/(loss) for the year from continuing operations		**-85**	**40**
Profit/(loss) for the year from discontinued operations	*(F7)*	**25**	**-46**
Profit/(loss) for the year		**-60**	**-5**
attributable to:			
• Syensqo share		-62	-5
• non-controlling interests		2	0
Basic earnings per share from continuing operations (€)		-0.82	0.39
Basic earnings per share from discontinued operations (€)		0.22	-0.44
Basic earnings per share (€)	*(F8)*	-0.60	-0.05
Diluted earnings per share from continuing operations (€)		-0.82	0.39
Diluted earnings per share from discontinued operations (€)		0.22	-0.44
Diluted earnings per share (€)	*(F8)*	-0.60	-0.05

Consolidated statement of comprehensive income

In € million	Notes	2025	2024
Profit/(loss) for the year		**-60**	**-5**
Other comprehensive income			
Gains and losses on hedging instruments in a cash flow hedge	*(F9)*	3	40
Currency translation differences - Subsidiaries and joint operations	*(F9)*	-540	213
Share of other comprehensive income of associates and joint ventures	*(F9)*	-26	6
Recyclable components		**-564**	**260**
Gains and losses on equity instruments measured at fair value through other comprehensive income	*(F9)*	0	-3
Remeasurements of the net defined benefit liability	*(F9)*	63	-78
Share of other comprehensive income of associates and joint ventures	*(F9)*	0	0
Non-recyclable components		**63**	**-81**
Income tax relating to recyclable and non-recyclable components	*(F9)*	-11	-10
Other comprehensive income/(loss), net of related tax effects	*(F9)*	**-511**	**168**
Comprehensive income/(loss) for the year		**-571**	**163**
attributable to:			
• Syensqo share		-569	161
• non-controlling interests		-2	2

Consolidated statement of cash flows

The amounts below include both continuing and discontinued operations. The comparative figures for 2024 have not been restated.

In € million	Notes	2025	2024
Profit/(loss) for the year		**-60**	**-5**
Adjustments to profit / (loss) for the year		1,143	1,278
• Depreciation, amortization and impairments	*(F2)*	694	732
• Earnings from associates and joint ventures	*(F19)*	-19	-21
• Other non-operating and non-cash items	*(F10)*	-7	7
• Additions and reversals of employee benefits and provisions	*(F27, F28)*	189	84
• Net financial charges & gains and losses on investments measured at fair value through P&L		154	119
• Income tax expense/income	*(F6.F)*	133	357
Changes in working capital	*(F11)*	11	-123
Use of provisions and payments for employee benefits	*(F27, F28)*	-233	-148
Dividends received from associates and joint ventures	*(F19)*	6	20
Income taxes paid (excluding income taxes paid on sale of investments)	*(F6.F)*	-90	-181
Cash flow from operating activities		**779**	**841**
of which cash flow related to the Partial Demerger and portfolio management and ERP Rebuild		*-242*	*-122*
Acquisition (-) of subsidiaries	*(F12)*	0	-4
Acquisition (-) of investments - Other	*(F12)*	-17	-3
Loans to associates and non-consolidated companies and related parties		-1	-5
Sale (+) of subsidiaries and investments	*(F12)*	18	13
Acquisition (-) of tangible and intangible assets (capex)	*(F12)*	-535	-624
of which capital expenditures required for the Partial Demerger and ERP Rebuild	(F12)	*-38*	*-14*
of which property, plant and equipment	*(F12)*	*-431*	*-509*
of which intangible assets	*(F12)*	*-105*	*-115*
Sale (+) of property, plant and equipment and intangible assets	*(F12)*	4	9
Dividends from equity instruments measured at fair value		2	2
Cash flow from investing activities		**-529**	**-612**
Capital injections / reimbursements from non-controlling interests		0	9
Repayment of perpetual hybrid bonds		-500	0
Acquisition (-) / sale (+) of treasury shares		-117	-137
Increase in borrowings	*(F30)*	1,668	1,315
Repayment of borrowings	*(F30)*	-678	-1,566
Changes in other financial assets	*(F30)*	10	-22
Payment of lease liabilities	*(F30)*	-66	-61
Net interests paid		-79	-74
Coupons paid on perpetual hybrid bonds	*(F24)*	-22	-13
Dividends paid to Syensqo shareholders		-166	-170
Dividends paid to non-controlling interests	(F25)	-7	-2
Other	*(F13)*	-14	0
Cash flow from financing activities		**28**	**-723**
Net change in cash and cash equivalents		**278**	**-493**
Currency translation differences		-63	2
Cash reclassified to held-for-sale		-13	0
Opening cash balance		659	1,150
Closing cash balance	*(F30)*	**861**	**659**

Consolidated statement of financial position

In € million	Notes	December 31, 2025	December 31, 2024
ASSETS			
Intangible assets	(F15)	1,379	1,639
Goodwill	(F16, F20)	2,469	2,659
Property, plant and equipment	(F17)	3,397	3,729
Right-of-use assets	(F18)	170	188
Equity instruments measured at fair value	(F29)	64	86
Investments in associates and joint ventures	(F19)	186	208
Other investments		17	13
Deferred tax assets	(F6)	361	391
Other loans and other assets		166	137
Other financial instruments	(F30)	0	30
Non-current assets		**8,208**	**9,079**
Inventories	(F21)	1,081	1,273
Trade receivables	(F29)	788	948
Income tax receivables		42	51
Other financial instruments	(F29)	76	67
Other receivables	(F22)	259	297
Cash and cash equivalents	(F30)	861	659
Current assets		**3,107**	**3,294**
Assets held for sale	**(F23)**	**189**	**0**
TOTAL ASSETS		**11,504**	**12,373**
EQUITY & LIABILITIES			
Share capital	(F24)	1,352	1,352
Share premiums	(F24)	1,022	1,022
Other reserves		3,680	5,059
Non-controlling interests	(F25)	38	50
TOTAL EQUITY		**6,091**	**7,482**
Employee benefits	(F27)	319	395
Provisions	(F28)	311	314
Deferred tax liabilities	(F6)	326	381
Other non-current financial debt	(F30)	2,861	1,822
Other liabilities		22	50
Non-current liabilities		**3,838**	**2,961**
Provisions	(F28)	190	219
Other current financial debt	(F30)	100	293
Trade payables	(F29)	816	1,001
Income tax payables		78	25
Other liabilities	(F31)	341	392
Current liabilities		**1,525**	**1,929**
Liabilities associated with assets held for sale	(F23)	**49**	**0**
TOTAL EQUITY AND LIABILITIES		**11,504**	**12,373**

Consolidated statement of changes in equity

	Equity attributable to equity holders of the parent												
							Revaluation reserve (fair value)						
In € million	**Notes**	**Share capital**	**Share premiums**	**Treasury shares**	**Perpetual hybrid bonds**	**Retained earnings**	**Currency translation differences**	**Equity instruments measured at fair value through other compre-hensive income**	**Cash flow hedges**	**Defined benefit pension plan**	**Total other reserves**	**Non-controlling interests**	**Total equity**
December 31, 2023		**1,352**	**1,022**	**-59**	**494**	**5,079**	**-302**	**8**	**-39**	**12**	**5,193**	**42**	**7,608**
Profit/(loss) for the year						-5					**-5**	0	**-5**
Items of other comprehensive income	*(F9)*					0	217	-10	38	-79	**167**	2	**168**
Comprehensive income						***-5***	***217***	***-10***	***38***	***-79***	***161***	***2***	***163***
Capital increase												9	***9***
Share based payment						19					**19**		**19**
Dividends						-170					**-170**	-2	**-173**
Coupons of perpetual hybrid bonds						-13					**-13**		**-13**
Acquisition (-) / sale (+) of treasury shares				-137							**-137**		**-137**
Cancellation of treasury shares				64		-64							
Other				4		2	0	-		0	**6**		**6**
December 31, 2024		**1,352**	**1,022**	**-129**	**494**	**4,848**	**-85**	**-2**	**-1**	**-67**	**5,059**	**50**	**7,482**
Profit/(loss) for the year						-62					**-62**	2	**-60**
Items of other comprehensive income	*(F9)*					0	-562	0	2	54	**-507**	-4	**-511**
Comprehensive income						**-62**	**-562**	**0**	**2**	**54**	**-569**	**-2**	**-571**
Share based payment						-5					**-5**		**-5**
Dividends						-166					**-166**	-7	**-173**
Perpetual hybrid bonds reimbursement					-494	-6					**-500**		**-500**
Coupons of perpetual hybrid bonds						-22					**-22**		**-22**
Acquisition (-) / sale (+) of treasury shares				-117							**-117**		**-117**
Cancellation of treasury shares				77		-77							
Other			0	14		-14						-3	**-4**
DECEMBER 31, 2025		**1,352**	**1,022**	**-155**		**4,497**	**-647**	**-2**	**1**	**-13**	**3,680**	**38**	**6,091**

The accompanying notes F1-F38 are an integral part of these consolidated financial statements.

6.2 Notes to the consolidated financial statements

IFRS general accounting policies

6.2.1.1 Basis of preparation

This information was prepared in accordance with European Regulation (EC) 1606/2002 on the application of international accounting standards dated July 19, 2002. The Group's consolidated financial statements for the year ended December 31, 2025 were prepared in accordance with IFRS (International Financial Reporting Standards) as published by the International Accounting Standards Board (IASB), and endorsed by the European Union.

The accounting standards applied in the consolidated financial statements for the year ended December 31, 2025 are consistent with those used to prepare the consolidated financial statements for the year ended December 31, 2024. The Group has not early adopted any other standards, interpretations or amendments that have been issued but are not yet effective.

Standards, interpretations and amendments applicable for the first time in 2025

Below are the standards, interpretations and amendments that became effective as of January 1, 2025 and which are relevant to the Group.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

In August 2023 the IASB issued the amendments to IAS 21 which are effective for annual periods beginning on or after January 1, 2025 and specify when a currency is exchangeable into another currency and, consequently, when it is not, how an entity determines the exchange rate to apply when a currency is not exchangeable, and the disclosures an entity provides when a currency is not exchangeable. This amendment is not expected to have a material impact on the Group's consolidated financial statements.

Standards, interpretations and amendments applicable for the first time after 2025

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Consolidated Financial Statements and which may have an impact on the Group are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 *Presentation of Financial Statements*. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

IFRS 18 also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after January 1, 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. The Group will not early adopt this standard.

The Group is currently working to identify all impacts these amendments will have on the primary financial statements and notes to the financial statements.

Based on the preliminary assessment, some of the initial expected material impacts on the Group's consolidated financial statements are, as follows:

- Earnings from associates and joint ventures and Interests on lendings and short term deposits, will be classified in the investing activities.
- New disclosure will be added: (a) management-defined performance measures; (b) specified expense by nature; and (c) a reconciliation for each line item in the statement of profit or loss between the restated amounts applying IFRS 18 and the amounts previously presented applying IAS 1.

Amendments to IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments

This amendment clarifies classification and measurement rules, particularly for financial assets with contingent features and introduces a new policy choice for derecognizing financial liabilities.

Other key amendments include clarifying the derecognition of financial liabilities, guidance on basic lending arrangements, and enhanced disclosures for equity investments at fair value through other comprehensive income (FVTOCI).

The amendments are applicable for annual periods beginning on or after January 1, 2026. This amendment is not expected to have a material impact on the Group's consolidated financial statements.

6.2.1.2 Basis of measurement and presentation

The consolidated financial statements are presented in millions of euros, which is also the functional currency of the parent company. Rounding differences may occur in respect of individual amounts or percentages.

The preparation of the consolidated financial statements requires the use of estimates and assumptions that have an impact on the application of accounting policies and the measurement of amounts recognized in the consolidated financial statements. The areas for which the estimates and assumptions are material with respect to the consolidated financial statements are presented in the section Critical accounting judgments and Key sources of estimation uncertainty.

6.2.1.3 Principles of consolidation

6.2.1.3.1 Consolidation scope

General

The consolidated financial statements incorporate the financial statements of the Company, and:

- entities controlled by the Company (including through its subsidiaries) and that hence qualify as subsidiaries;
- arrangements over which the Company (including through its subsidiaries) exercises joint control, and that qualify as joint ventures;
- entities over which the Company (including through its subsidiaries) has significant influence and that hence qualify as associates.

Where necessary, adjustments are made to the financial statements of the investees so as to align their accounting policies with those of the Group.

In accordance with the principle of materiality, certain companies, which are not of a significant size, have not been included in the consolidation scope. Companies are deemed not to be significant when, during two consecutive years, they do not exceed any of the three following thresholds in terms of their contribution to the Group's accounts:

- sales of €15 million;
- total assets of €7.5 million;
- headcount of 75 persons.

Companies that do not meet these criteria are, nevertheless, consolidated where the Group believes that they have a potential for rapid development, or where they hold shares in other companies that are consolidated based on the above criteria.

In the aggregate, the non-consolidated companies have an immaterial impact on the consolidated financial statements of the Group including the operating cash flows and earnings before interest and tax.

The full list of companies can be obtained at the Company's head office.

Investments in subsidiaries

A subsidiary is an entity over which the Group has control. Control is achieved when the Group has (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. To assess whether the Group has control, potential voting rights are taken into account. Subsidiaries are fully consolidated. The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition and up to the effective date of disposal.

Intra-group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity. Non-controlling interests are initially measured, either at fair value (full goodwill method), or at the non-controlling interests' proportionate share in the recognized amounts of the acquiree's identifiable net assets (proportionate goodwill method). The choice of measurement is made on an acquisition-by-acquisition basis. Subsequent to the acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about relevant activities require the unanimous consent of the parties sharing control.

The results, assets and liabilities of associates and joint ventures are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, on initial recognition, investments in associates and joint ventures are recognized in the consolidated statement of financial position at cost, and the carrying amount is adjusted for post-acquisition changes in the Group's share of the net assets of the associate or joint venture, less any impairment of the value of individual investments. Goodwill relating to the associate or joint venture is included within the carrying amount of the investment and is assessed for impairment as part of that investment.

Losses of an associate or joint venture in excess of the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture) are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Where a Group entity transacts with an associate or joint venture of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate or joint venture.

After application of the equity method, the Group reviews its investments in associates and joint ventures for impairment. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group performs its analysis and calculates any impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognizes the loss in the consolidated income statement.

6.2.1.4 Foreign currencies

The individual financial statements of each Group entity are prepared in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each Group entity are expressed in euros (EUR), which is the presentation currency of the Group's consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entities' functional currency are recognized at the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the closing rate. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rate when the fair value was measured. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of the initial transactions.

Exchange differences are recognized in profit or loss in the period in which they arise except for:

- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognized initially in other comprehensive income under "currency translation differences"; and
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see note F29 Financial instruments and financial risk management for hedge accounting policies).

The main exchange rates used are:

		Year-end rate		Average rate	
1 Euro =		December 31, 2025	December 31, 2024	2025	2024
Brazilian Real	BRL	6.443	6.421	6.310	5.824
Yuan Renminbi	CNY	8.216	7.586	8.122	7.788
Pound Sterling	GBP	0.873	0.829	0.857	0.847
Indian Rupee	INR	105.671	88.983	98.548	90.550
Japanese Yen	JPY	184.115	163.048	169.051	163.845
Korean Won	KRW	1,693.655	1,530.079	1,605.535	1,474.903
Mexican Peso	MXN	21.122	21.545	21.676	19.816
US Dollar	USD	1.176	1.039	1.130	1.082

6.2.1.5 Climate Change

In preparing the Consolidated Financial Statements, Syensqo's management has considered the impacts of climate change, particularly in the context of the disclosures included in the environment section of the Sustainability statements (see section 5.2.1.1 Climate Change). The One Planet roadmap is structured around four priorities: climate change, environmental stewardship, sustainable portfolio, and people & communities. For climate, the targets to be achieved by 2030 are:

- Achieve carbon neutrality in its operations (Scope 1 and Scope 2) by 2040. This combines a reduction of GHG emissions by at least 80% compared to the 2021 baseline and by compensating residual, hard-to-abate GHG emissions with high-integrity credits in line with the recommendations of the United Nations' High Level Expert Group on Net Zero Emissions Commitments of Non-State Actors.
- By 2030, reduce Scope 1 and 2 GHG emissions by 42% as compared to 2021 and reduce Focus 5 categories of Scope 3 GHG emissions 25% as compared to 2021. The Focus 5 categories include (1) purchased goods and services, (2) fuel and energy-related activities [both upstream] as well as (3) processing, (4) use and (5) end-of-life treatment of sold products [downstream]. These categories represent 78% of our total Scope 3 emissions.
- By 2035, reduce Scope 1 and 2 GHG emissions by 60% compared to 2021, which is halfway between our 2030 goal and the minimum reduction level for 2040.

Our 2030 goals have been validated by the Science Based Targets initiative (SBTi) and are consistent with limiting global warming to 1.5°C in line with the Paris Agreement. The emission reduction targets cover all GHG emissions for Scope 1, Scope 2 and Focus 5 categories of Scope 3 in the GHG inventory boundaries of the company and are gross targets.

Syensqo has an internal carbon price policy under which a €100 per metric ton CO_2 is applied to all Scope 1 and 2 greenhouse gas emissions and serves as an input cost into all capital expenditure investment decisions, irrespective of prevailing market prices. This approach ensures that all investments contribute positively to the resilience of the Group in the face of climate-related transition risks and are also oriented toward achieving carbon neutrality. The Group's exposure to the carbon price risk in compliance markets is partially hedged by forward purchases of European Union Allowances (EUA) as further discussed in the Other market risks section of the Financial Statements of the Annual Integrated Report (See Note F29 financial instruments and financial risk management).

In addition to the strategic direction, policies and commitments, it is important to note that Syensqo management is taking actions aligned with its climate change goals and that sustainability goals are part of the targets for short term and long-term incentive schemes (See Note F26 Share based payments). These are extensively developed in the Sustainability Statements section and in the Corporate Governance Statement of the Annual Integrated Report.

Several Scope 1 and 2 projects were initiated over the last years (see section 5.2.1.1 Climate Change - Climate-related actions):

- Syensqo develops tailored energy transition roadmaps for plants, created collaboratively by energy experts and site teams, and considering local energy market conditions and regulations. By the end of 2025, plants representing 87% of our total energy consumption have Star Factory (see Environmental Chapters of this Annual Report) energy transition plans, including roadmaps to enable the use of renewable energy, energy efficiency gains, the electrification of our processes or the reduction of process emissions.
- Decarbonization actions since 2021 have achieved a structural annual reduction of 532 ktCO_2 by the end of 2025, or 25% of the 2021 baseline year, a decrease of 68ktCO_2 compared to Syensqo performance in 2024. Key actions in progress are expected to deliver an additional reduction of 110 ktCO_2 or 5% of the 2021 baseline in the years to come. They include: construction of a biomass boiler in Saint-Fons, France, replacing gas-fired boiling and using locally-sourced wood waste from building demolition and waste furniture; upgrading the chiller technology and continuing progress to reduce process emissions in Spinetta Marengo, Italy.
- Long-term solar and wind power purchase agreements, generally accounted for as executory own use contracts, and long-term contracts to purchase Renewable Energy Certificates, recorded in operating expenses. In 2025, 80% of the electricity purchased and consumed globally originates from renewable sources, reaching 100% in the USA, Brazil, Belgium, Netherlands, Thailand and China (for industrial sites).

As disclosed in the sustainability statements (see section 5.2.1.1 Climate Change - Climate-related actions), Syensqo has allocated financial resources for project investments for the period 2025 – 2040 in the context of Scope 1 and Scope 2 in the amount of €800 million, to be executed either directly or through non-consolidated schemes.

Syensqo is actively increasing the share of renewables in its energy mix, which reaches 17% in 2025. This limits Syensqo's exposure to the price fluctuation of fossil fuel energy.

Additionally, as mentioned in the sustainability statements (see section 5.2.1.1 Climate Change - Climate-related actions), Syensqo has invested in growth initiatives for solutions enabling to avoid emissions in our value chain in the amount of €79 million for 2025 for the key actions in implementation. Those initiatives are dedicated to lightweighting with composite materials, electrification with batteries and green hydrogen.

Financial resources needed for planned actions are included in the company cash plan. Effective allocation is contingent on the future financial performance of the company.

Syensqo management has also considered the impact of climate change in making some key estimates within the consolidated financial statements, including the execution of the One Planet strategy, which is included in the budgets, mid-term plan and long-term forecasts, which are used to:

- estimate future cash flows used in impairment assessments of the carrying value of non-current assets (such as intangible assets and goodwill) (see Note F20 Impairment);
- estimate future profitability used in the assessment of the recoverability of deferred tax assets (see Note F6 Deferred taxes), provisions, etc. In terms of forward-looking statements, as discussed in the climate-related financial considerations of the sustainability statements, climate change impacts are integrated into financial estimations and strategic decision making, including future cash flow projections for impairment tests, profitability assessments for deferred tax asset recoverability, and scenario analysis for transition and physical risks associated with different climate scenarios.

Syensqo management completed its scenario analysis and review of the climate-related transition and physical risks in 2023. For transition risks, the scenario analysis focuses on total emissions (Scope 1+2+3) and exposure to climate sensitive markets. The main takeaway is robust growth in both scenarios, 1.5°C and 3°C, with generally good resilience to cost increases (see section 5.2.1.1 Climate Change - Climate scenario analysis - Resilience analysis). The Specialty Polymers business has the most significant opportunities in the 1.5°C scenario.

Overall, physical risks are moderate in both scenarios 3°C and 4°C for the six sites with the highest exposure to contribution margin. In 2025, Syensqo strengthened its risk assessment with the Climate Resilience Tracker Report produced for Syensqo by FM, the company's property insurer. The Climate Resilience Tracker identifies the Syensqo sites most exposed to risks of asset damage and business interruption with a particular focus on flood, freeze, wind, wildfire, collapse, and hail (see section 5.2.1.1 Climate Change - Assessment on physical risks).

In summary, Syensqo's climate change risks and opportunities mentioned above were considered as part of the reporting judgments and estimates, but did not have a material impact on the consolidated financial statements for the periods presented. Further, Syensqo concludes that the climate change risk does not impact the going concern assessment at December 31, 2025. Additional information can be found in Notes F17 Property, Plant and Equipment, F18 Right-of Use Assets and Lease Obligations and F21 Inventories.

6.3 Critical accounting judgments and key sources of estimation uncertainty

6.3.1 Critical accounting judgments

ERP implementation

In 2025, the Group launched a new project to implement a single ERP system using SAP S/4 HANA. SAP S/4HANA serves as the digital core, standardising financial, manufacturing and supply chain processes. The decision to expense or capitalize the costs incurred requires judgment. Refer to note F4 and F15 for further details.

6.3.2 Key sources of estimation uncertainty

Impairment

The Group performs annual impairment tests on (groups of) CGUs to which goodwill has been allocated, and each time there are indicators that their carrying amount might be higher than their recoverable amount. This analysis requires management to estimate the future cash flows expected to be generated by the CGUs and a suitable discount rate in order to calculate present value. The recoverable amount is highly sensitive to discount and growth rates.

Further details are provided in note F16 Goodwill and F20 Impairment.

Deferred tax assets

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profits will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits.

The Group has €5.5 billion (€5.3 billion in 2024) of tax losses carried forward for which no deferred tax assets were recognized. These losses relate to subsidiaries that have a history of losses, do not expire, and may not be used to offset taxable income elsewhere in the Group. The subsidiaries do not have any taxable temporary differences that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognize deferred tax assets on these tax losses carried forward.

Further details are provided in Note F6.C. Deferred taxes in the consolidated statement of financial position and F6.D Other Information.

Defined benefit obligations - General

The actuarial assumptions used in determining the defined benefit obligations at December 31 as well as the annual cost can be found in note F27 Employee benefits. All main employee benefits plans are assessed annually by independent actuaries. Discount rates and inflation rates are defined centrally by management. The other assumptions (such as future salary increases and expected rates of medical care cost increases) are defined at a local level. All plans are supervised by the Group's central Human Resources department with the help of a central actuary to check the reasonableness of the results and ensure consistency in reporting. All assumptions are reviewed at each reporting date.

Further details are provided in note F27 Employee benefits.

Environmental provisions

Environmental provisions are managed and coordinated jointly by the Environmental Rehabilitation department and the Finance department. In case of environmental impacts stemming from historical production activities, generally, no provision is recognized for remediation works beyond the 20 years due to the inherent high level of uncertainty as to the timing and amount.

The forecasts of expenses are discounted to their present value. The discount rates fixed by geographical area correspond to the average risk-free rate on 10-year government bonds or the inflation rate if higher. These rates are set annually by the Finance Department and can be revised based on the evolution of economic parameters of the country involved. To reflect the passage of time, the provisions are increased each year at the discount rates described above.

Further details are provided in note F28 Provisions.

Provisions for litigations

Any significant litigations (post M&A and other, including threat of litigation) are reviewed by Syensqo's in-house lawyers with the support, when appropriate, of external counsels at least every quarter together with the Finance and Insurance Departments. This review includes an assessment of the need to recognize provisions, disclose contingent liabilities and/or contingent assets.

Further details are provided in note F28 Provisions and F33 Contingent assets, liabilities and financial guarantees.

Leases – Identifying whether a contract includes a lease

The Group enters into various contracts to obtain goods and services. Determining whether those contracts include a lease requires judgment. Elements that are considered include assessing whether or not there is an identified asset. To make the determination the Group considers whether or not it has the right to obtain substantially all of the economic benefit of the asset(s) throughout the period of use. Additionally, the Group assesses the extent of its decision-making rights and the existence of any substantive substitution rights. All facts and circumstances relevant to the assessment are considered and the identification of a lease is determined with the support of the departments that have the relevant knowledge, and which mainly includes the GBU management. Refer to note F18 Right-of-use assets and lease obligations for the leases that were identified by the Group and accounted for in accordance with IFRS 16 *Leases*.

Leases – Assessment of lease term

Determining the lease term requires judgment. Elements that are considered include assessing the probability that early termination options or extension options will be exercised. All facts and circumstances relevant to the assessment are considered, and the main ones have been described in note F18 Right-of-use assets and lease obligations. Lease terms are determined with the support of the departments that have the relevant knowledge, and that mainly includes the Purchasing department, and the Facilities department.

NON-IFRS (UNDERLYING) METRICS

In addition to IFRS accounts, Syensqo also presents alternative performance indicators to provide a more consistent and comparable indication of the Group's underlying financial performance and financial position, as well as cash flows. These indicators provide a balanced view of the Group's operations and are considered useful to investors, analysts and credit rating agencies as these measures provide relevant information on the Group's past or future performance, position or cash flows. These indicators are generally used in the sector it operates in and therefore serve as a useful aid for investors to compare the Group's performance with its peers.

See Glossary for definitions of adjustments (IFRS vs Underlying metrics) and Business Review for more information and reconciliation with IFRS figures.

Notes to the consolidated income statement

NOTE F1

REVENUE AND SEGMENT INFORMATION

Accounting policy

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer.

Sale of goods: Contracts can be short term (including based only on a purchase order) or long term, some have minimum off-take requirements. As the Group is in the business of selling advanced materials and specialty chemicals, contracts with customers generally concern the sale of goods. As a result, revenue recognition generally occurs at a point in time when control of the chemicals is transferred to the customer, generally on delivery of the goods.

Contracts that contain minimum off-take requirements obligate customers to pay shortfall payments if the required volumes, as defined in the contracts, are not purchased. Shortfall payments are recognised as revenue when the likelihood of the customer purchasing the minimum volume becomes remote subject to renegotiation of the contract and collectability.

The revenue of the Group consists mainly of sales of chemicals, which qualify as separate performance obligations. Value-added services – mainly customer assistance services – corresponding to Syensqo's know-how are rendered predominantly over the period that the corresponding goods are sold to the customer.

Variable consideration: some contracts with customers provide trade discounts or volume rebates. Trade discounts and volume rebates give rise to variable consideration under IFRS 15, and are required to be estimated at contract inception and subsequently at each reporting date. IFRS 15 requires the estimated variable consideration to be constrained to prevent overstatement of revenue.

Moment of recognition of revenue: revenue is recognized when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. Substantially all revenue stems from performance obligations satisfied at a point in time, i.e. The sale of goods. Revenue recognition for those takes into account the following:

- The Group has a present right to payment for the asset;
- The customer has legal title to the asset;
- The Group has transferred physical possession of the asset;
- The customer has the significant risks and rewards of ownership of the asset (in this respect, incoterms are considered); and
- The customer has accepted the asset.

Products sold to customers generally cannot be returned, other than for performance deficiencies. Customer acceptance clauses are in many cases a formality that would not affect the Group's determination of when the customer has obtained control of the goods. Revenue from services is recognized in the period those services have been rendered.

The Group sells its chemicals to its customers, (a) directly, (b) through distributors, and (c) with the assistance of agents. When the Group delivers a product to distributors for sale to end customers, the Group evaluates whether that distributor has obtained control of the product at that point in time. No revenue is recognized upon delivery of a product to a customer or distributor if the delivered product is held on consignment. Indicators of consignment inventory include:

- The product is controlled by the Group until a specified event occurs, such as the sale of the product to a customer of the distributor or until a specified period expires;
- The Group is able to require the return of the product or transfer the product to a third party (such as another distributor); and
- The distributor does not have an unconditional obligation to pay for the product (although he might be required to pay a deposit).
- Agents facilitate sales and do not purchase and resell the goods to the end customer.

Warranties: warranties provide a customer with assurance that the related product will function as the parties intended because it complies with agreed-upon specifications. Substantially all warranties do not provide the customer with a service in addition to the assurance that the product complies with agreed-upon specifications, and are hence accounted for in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

Licensing: In case of performance obligations relating to licensing intellectual property (IP), the Group assesses if it grants a right to access the IP as it exists throughout the license period or a right to use the IP as it exists at the point in time at which the license is granted. If the performance obligation is to grant a right to access, then the related revenue is recognized over the license period; otherwise, it is recognized at a point in time, i.e. when the license period starts or when the customer starts using the IP. The Group assesses if the license provided can be considered as being distinct in the context of the contract. If not, the license will have to be bundled with other goods or services provided in the contract.

An Operating Segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker and for which discrete financial information is available. Syensqo's chief operating decision maker is the Chief Executive Officer.

General

The Group organizes its structure and groups the businesses around their similarities in financial performance, products and production processes. These groups of businesses (the operating segments) are aggregated into reportable segments when they are similar with respect to their underlying business, competencies and technologies, application, product characteristics and customer portfolio.

The Group announced in May 2025 that reporting segments were changed to align with the announced intention to divest the Oil & Gas and Aroma Performance global business units, previously reported under the segment "Consumer and Resources" together with Novecare and Technology Solutions. Starting from the first quarter of 2025, Oil & Gas and Aroma Performance were disclosed in a new reportable segment called "Other Solutions" and the "Consumer and Resources" segment was renamed "Performance and Care". The reclassification was driven by changes in the internal management reporting structure. This reorganization led to a restatement of prior period segment information to ensure comparability. The restated segment disclosures align with the requirements of IFRS 8.

The Group has identified four reportable segments:

- Materials, consisting of the GBUs Composite Materials and Specialty Polymers. The Materials segment offers a unique portfolio of high-performance polymers and composite technologies used primarily in sustainable mobility applications. Its solutions enable weight reduction and enhance performance while improving CO_2 and energy efficiency. Major markets served include next-generation mobility in automotive and aerospace, healthcare and electronics.
- Performance & Care, consisting of the Novecare and Technology Solutions GBUs. This new name denotes the segment's customer value proposition (i.e., enhanced performance, improved efficiency, and optimized resource utilization in applications), while "care" reflects the segment's focus on sustainability, with an emphasis on natural, renewable, and biodegradable solutions. Novecare's portfolio of surface chemistry solutions and deep formulation and application expertise, is dedicated to innovations for natural and sustainable solutions spanning the home and beauty care, coatings and agricultural end markets. Technology Solutions is a global leader in specialty mining reagents and technical services to maximize performance in metal extraction and mineral processing.
- Other Solutions, consisting of the GBU Aroma Performance after the presentation of Oil & Gas as "Discontinued operations". Aroma Performance is the world's largest integrated producer of synthetic and natural vanillin and a global leader in the hydroquinone market.
- Corporate & Business Services (CBS) includes corporate and other business services, such as research and innovation, cogeneration units dedicated to the Syensqo activities, new business development (NBD) activities and the Peroxides activities in Zhenjiang.

External group net sales by segment and by GBU

The 2024 amounts have been restated due to the discontinued operations. See note F7.

In € million	2025	2024
Materials	**3,473**	**3,772**
Specialty Polymers	2,289	2,590
Composite Materials	1,184	1,182
Performance & Care	**2,008**	**2,070**
Novecare	1,346	1,390
Technology Solutions	662	680
Other Solutions	**281**	**321**
Aroma Performance	281	321
Corporate & Business Services	**0**	**0**
CBS and NBD	0	0
TOTAL	**5,762**	**6,162**

There are no individual customers that contribute 10% or more to the Group's revenue or any individual segment's revenue in either 2025 or 2024.

Sales by market

Sales by market are presented in the Business Review, see note B1.

Revenue from non-core activities

This revenue primarily comprises commodity and utility third party transactions, and other revenue, considered to not correspond to Syensqo's core business, such as the sales of the Peroxides business in the Zhenjiang entity.

Total consolidated sales, including revenue from non-core activities and the sales of the Oil & Gas GBU reported within the "Results from Discontinued Operations", for a total amount of €6,347 million are used as the denominator in the computation of the Eligible Turnover KPI and other data points for the EU Taxonomy and the Sustainability Statements which include the contribution of the Oil & Gas activities.

Net sales by country and region

The sales disclosed below are allocated based on the customers' location.

The 2024 amounts have been restated.

In € million	2025	%	2024	%
Belgium	60	1%	58	1%
Germany	388	7%	415	7%
Italy	217	4%	236	4%
France	202	4%	194	3%
Netherlands	28	0%	31	0%
Spain	68	1%	60	1%
European Union - Other	238	4%	274	4%
European Union	**1,202**	**21%**	**1,269**	**21%**
Europe - Other	**242**	**4%**	**245**	**4%**
United States	1,765	31%	1,863	30%
Canada	76	1%	68	1%
North America	**1,841**	**32%**	**1,930**	**31%**
Brazil	239	4%	243	4%
Mexico	140	2%	154	2%
Latin America - Other	123	2%	130	2%
Latin America	**503**	**9%**	**527**	**9%**
Australia	61	1%	69	1%
China	796	14%	905	15%
Hong Kong	29	1%	80	1%
India	154	3%	154	2%
Indonesia	53	1%	68	1%
Japan	238	4%	266	4%
Saudi Arabia	4	0%	8	0%
South Korea	202	4%	220	4%
Thailand	43	1%	40	1%
Turkey	54	1%	52	1%
Other	340	6%	331	5%
Asia and rest of the world	**1,975**	**34%**	**2,192**	**36%**
TOTAL	**5,762**	**100%**	**6,162**	**100%**

Information per segment

The 2024 amounts have been restated.

2025 - In € million	Materials	Performance & Care	Other Solutions	Corporate & Business Services	Group Total
Income statement items					
Net sales (including inter-segment sales)	3,473	2,008	284	0	5,765
• Inter-segment sales	0	0	-3	0	-3
Net sales	3,473	2,008	281	0	5,762
Revenue from non-core activities	110	20	9	69	207
Gross profit	1,242	556	46	2	1,846
Administrative expenses	-246	-135	-16	-188	-585
Commercial expenses	-178	-109	-11	0	-297
Research & Development	-145	-70	-3	-78	-295
Other recurring operating gains & losses	-28	5	-2	11	-15
Earnings from associates and joint ventures	11	6	0	2	19
Underlying EBIT	**657**	**253**	**14**	**-251**	**672**
Underlying EBITDA[(1)]	**986**	**358**	**24**	**-180**	**1,187**
Depreciation and amortization	-329	-105	-10	-71	-515
Amortization of intangible assets resulting from PPA					-123
Results from Energy novation					-2
Operating expenses related to ERP rebuild project					-35
Results from portfolio management and major restructuring					-352
Results from legacy remediation and major litigation					35
EBIT					**195**

2025 - In € million	Materials	Performance & Care	Other Solutions	Corporate & Business Services	Group Total
Statement of financial position and other items					
Capital expenditures[(2)]	351	102	13	84	550
Investments	0	1	1	15	17
Inventories	709	295	70	7	1,081
Trade receivables	459	249	42	39	788
Trade payables	358	266	42	151	816

(1) Underlying EBITDA is a key performance indicator followed by management (see Business Review section for further details).
(2) Capital expenditures include Acquisitions of property, plant and equipment, Acquisition of intangible assets and Payments of lease liabilities. This amount, together with the amount of Capital expenditures of the Oil & Gas GBU is the amount used as the denominator for the Eligibility CapEx ratio presented in the Taxonomy KPIs in the Sustainability Statements (€563 million).

2024 - In € million	Materials	Performance & Care	Other Solutions	Corporate & Business Services	Group Total
Income statement items					
Net sales (including inter-segment sales)	3,772	2,070	325	0	6,166
• Inter-segment sales	0	0	-4	0	-4
Net sales	3,772	2,070	321	0	6,162
Revenue from non-core activities	142	18	8	114	283
Gross profit	1,474	629	48	12	2,162
Administrative expenses	-252	-166	-27	-237	-681
Commercial expenses	-169	-110	-12	0	-290
Research & Development	-152	-76	-5	-102	-334
Other recurring operating gains & losses	-47	12	-0	20	-15
Earnings from associates and joint ventures	11	8	0	2	21
Underlying EBIT	**865**	**297**	**5**	**-304**	**862**
Underlying EBITDA(1)	**1,185**	**407**	**22**	**-228**	**1,385**
Depreciation and amortization	-320	-110	-17	-76	-523
Amortization of intangible assets resulting from PPA					-134
Results from Energy novation					-13
Operating expenses related to ERP rebuild project					0
Results from portfolio management and major restructuring					-187
Results from legacy remediation and major litigation					-18
EBIT					**510**

31 December 2024 - In € million	Materials	Performance & Care	Other Solutions	Corporate & Business Services	Group Total
Statement of financial position and other items					
Capital expenditures(2)	436	105	14	91	646
Investments	0	2	0	5	7
Working capital					
Inventories	815	333	119	6	1,273
Trade receivables	510	290	99	49	948
Trade payables	422	303	90	187	1,001

(1) Underlying EBITDA is a key performance indicator followed by management (see Business Review section for further details).
(2) Capital expenditures include Acquisitions of property, plant and equipment, Acquisition of intangible assets and Payments of lease liabilities. This amount, together with the amount of Capital expenditures of the Oil & Gas GBU is the amount used as the denominator for the Eligibility CapEx ratio presented in the Taxonomy KPIs in the Sustainability Statements (€671 million).

NON-CURRENT ASSETS, CAPITAL EXPENDITURES AND INVESTMENTS BY COUNTRY AND REGION

The 2024 amounts have been restated for Capital expenditures and investments.

	Non-current assets				Capital expenditures and investments			
In € million	December 31, 2025	%	December 31, 2024	%	2025	%	2024	%
Belgium	236	3%	212	2%	-36	6%	-4	1%
Germany	42	1%	43	1%	-3	1%	-3	0%
Italy	474	6%	467	5%	-80	14%	-82	12%
France	2,058	27%	2,025	24%	-182	32%	-258	38%
European Union - Other	50	1%	51	1%	-6	1%	-4	1%
European Union	**2,860**	**37%**	**2,798**	**33%**	**-307**	**54%**	**-352**	**52%**
Europe - Other	**151**	**2%**	**159**	**2%**	**-14**	**2%**	**-21**	**3%**
United States	3,740	49%	4,501	53%	-184	32%	-199	33%
Canada	170	2%	181	2%	-15	3%	-18	3%
North America	**3,910**	**51%**	**4,682**	**55%**	**-199**	**35%**	**-217**	**35%**
Brazil	38	0%	39	0%	-3	1%	-4	1%
Latin America - Other	12	0%	10	0%	-3	0%	-5	1%
Latin America	**49**	**1%**	**49**	**1%**	**-5**	**1%**	**-9**	**1%**
Thailand	8	0%	8	0%	-1	0%	-1	0%
China	444	6%	518	6%	-34	6%	-38	6%
South Korea	16	0%	20	0%	-1	0%	-4	1%
India	191	2%	228	3%	-4	1%	-11	2%
Singapore	2	0%	2	0%	-1	0%	0	0%
Japan	3	0%	2	0%	-1	0%	-1	0%
Other	49	1%	53	1%	0	0%	-1	0%
Asia and rest of the world	**711**	**9%**	**831**	**10%**	**-42**	**7%**	**-56**	**8%**
TOTAL	**7,682**	**100%**	**8,521**	**100%**	**-567**	**100%**	**-654**	**100%**

Non-current assets are those other than deferred tax assets, loans and other assets, other financial instruments and post-employment benefit assets. Capital expenditures and investments include acquisitions of property, plant and equipment, right-of-use assets, intangible assets and investments in subsidiaries and other investments (joint ventures and associates).

NOTE F2

CONSOLIDATED INCOME STATEMENT BY NATURE

The 2024 amounts have been restated.

In € million	Notes	2025	2024
Net sales	*(F1)*	5,762	6,162
Revenue from non-core activities	*(F1)*	207	283
Raw materials, utilities and consumables used		-2,501	-2,681
Changes in inventories		-39	11
Personnel expenses		-1,490	-1,479
Wages and direct social benefits		*-1,136*	*-1,143*
Employer's contribution for social insurance		*-260*	*-263*
Pensions and insurance benefits		*-72*	*-56*
Other personnel expenses		*-21*	*-18*
Depreciation, amortization and impairment	*(*)*	-708	-667
Other variable logistics expenses		-154	-188
Other fixed expenses		-630	-639
Addition and reversal of provisions (excluding employee benefit provisions)	*(F28)*	-176	-185
Income from Edison award	*(F4, F28)*	92	0
M&A costs and gains and losses on disposals	*(F4)*	-187	-83
Earnings from associates and joint ventures	*(F19)*	19	21
EBIT		**195**	**510**

Other fixed expenses mainly include costs of services, licenses, and professional fees.

* DEPRECIATION, AMORTIZATION AND IMPAIRMENTS

In € million	2025	2024
Cost of goods sold	359	358
Administrative costs	54	58
Research and development	82	88
Other operating gains and losses	143	153
(of which PPA)	*123*	*134*
Results from Portfolio and Major Restructuring (Impairments)	70	9
TOTAL DEPRECIATION, AMORTIZATION AND IMPAIRMENTS CONTINUING OPERATIONS	**708**	**667**
Results from Discontinued Operations	(13)	65
TOTAL DEPRECIATION, AMORTIZATION, IMPAIRMENTS IN CASH FLOW STATEMENT	**694**	**732**

See note F20 Impairments for more details on impairment losses.

NOTE F3

OTHER OPERATING GAINS AND LOSSES

The 2024 amounts have been restated.

In € million	2025	2024
Start-up and preliminary study costs	-17	-24
Capital gains/losses on sales of property, plant and equipment and intangible assets	0	1
Net foreign exchange gains and losses	-2	-5
Amortization of intangible assets resulting from PPA	-123	-134
Other	2	1
Other operating gains and losses	**-139**	**-162**

Other operating gains and losses for the years ended December 31, 2025 and 2024 includes mainly the recurring amortization of the PPA for Cytec (the non-cash impact of amortization charges on intangible assets resulting from purchase price allocation).

NOTE F4

RESULTS FROM PORTFOLIO MANAGEMENT AND MAJOR RESTRUCTURINGS, LEGACY REMEDIATION AND MAJOR LITIGATIONS, OPERATING EXPENSES RELATED TO ERP REBUILD PROJECT

Accounting policy

Results from portfolio management and major restructurings include:

- gains and losses on the sale of subsidiaries, joint ventures, and associates that do not qualify as discontinued operations;
- acquisition costs of new businesses;
- one-off operating costs related to internal management of portfolio (carve-out of major lines of businesses);
- gains and losses on the sale of real estate not directly linked to an operating activity;
- restructuring charges driven by portfolio management and by major reorganizations of business activities, including impairment losses resulting from the shutdown of an activity or a plant;
- impairment losses (reversals) resulting from testing of CGUs.

Results from legacy remediation and major litigations include:

- the remediation costs not generated by on-going production facilities (shut-down of sites, discontinued productions, previous years' pollution); and
- the impact of significant litigations.

Operating expenses related to ERP rebuild project include:

- the implementation cost related to the new ERP system SAP S/4 HANA expensed in the year in which these costs are incurred if they don't meet the criteria for capitalization.
- the licensing agreements to use cloud software (treated as service contracts).
- Software as a service (SaaS) solutions implementation cost. The key criterion to assess when determining whether the costs incurred should be expensed, relates to control. As the Group does not obtain control over the underlying software or infrastructure, the related licensing and software fees are expensed as incurred.

The 2024 amounts have been restated.

In € million	2025	2024
Restructuring costs and impairment	-165	-103
Impairment	-70	-9
Restructuring costs	-95	-94
Separation and M&A costs and gains and losses on disposals	-187	-84
Results from portfolio management and major restructuring	**-352**	**-187**

In 2025, impairment losses mainly related to the CGU Aroma (Other Solutions) for €41 million and other non-performing assets for €29 million. In 2024, the impairment losses after the presentation of Oil & Gas as "Discontinued operations" mainly related to other non-performing assets for €9 million. See note F20 Impairment.

In 2025, the restructuring costs are primarily related to the right-sizing plans announced in May and September 2025, in the context of tariff announcements and global trade tensions, totalling €101 million partially offset by €5 million related to curtailments.

The related restructuring provision is based on a reduction of approximately 400 positions, primarily in France, the United States, Belgium and Italy. See note F28 Provisions.

In 2024, the restructuring costs are primarily related to the right-sizing plan announced by the Group in November 2024 to adapt its organization, better meet the evolving needs of its customers and focus on projects that will accelerate growth. The related restructuring provision is based on a reduction of approximately 400 positions, primarily in France, the United States, Belgium and Italy. See note F28 Provisions.

In 2025 and 2024, Separation and M&A costs mainly relate to separation costs related to information technology, following the Partial Demerger from Solvay. In 2025, the TSA with Solvay came to an end and therefore the IT separation was completed. This accounts for the significant increase in costs compared to 2024.

In € million	2025	2024
Major litigations	34	-27
Remediation costs and other costs related to non-ongoing activities	1	9
Results from legacy remediation and major litigations	**35**	**-18**

In August 2025 Syensqo received a second round of compensation from Edison following a decision of the International Chamber of Commerce (ICC) Tribunal in Geneva, Switzerland. The outcome follows more than 10 years of legal proceedings in relation to claims of environmental breaches by Edison in the context of the acquisition of the Italian company Ausimont in 2002. The payment of damages by Edison awarded and received in August 2025 (€92 million) relates to a second phase in the arbitration for costs, losses and damages suffered by the Company from January 2017 onwards. This compensation primarily explains the evolution of the "Results from legacy remediation and major litigations" in 2025 compared to 2024.

In 2024, the remediation results reflect the net reversal of environmental provisions following a revision in the estimates for future remediation expenses.

Operating expenses related to ERP rebuild project

In 2025, Syensqo launched a new project to implement a single ERP system using SAP S/4 HANA. The design and implementation of this new ERP system will require a significant investment of personnel and financial resources, including substantial expenditures for external consultants and software. As of December 31, 2025, the Group has entered into several licensing, implementation and application hosting agreements with external providers. The total implementation cost incurred for the year ending December 31, 2025 is €54 million. An amount of €19 million has been capitalized in accordance with IAS 38 requirements (see note F15 Intangibles). The remaining implementation costs for an amount of €35 million are recognized as expenses and relate to the administrative tasks, data migration, implementation of SaaS solutions and training costs.

The total expected cash spend for 2026 is €100 million.

NOTE F5

NET FINANCIAL CHARGES

Accounting policy

Interest on borrowings is recognized in costs of borrowings as incurred, with the exception of borrowing costs directly attributable to the acquisition, construction and production of qualifying assets (see note F17 Property, Plant and Equipment).

Net foreign exchange gains or losses on financial items and changes in fair value of derivative financial instruments related to net indebtedness are presented in "Other gains and losses on net indebtedness", with the exception of changes in fair value of derivative financial instruments that are hedging instruments in a cash flow hedge relationship, and which are recognized on the same line as the hedged item, when the latter affects profit or loss.

The 2024 amounts have been restated.

In € million	2025	2024
Cost of borrowings	-111	-101
Result on settlement of cash flow hedges	0	1
Interest expense on lease liabilities	-12	-12
Interest on loans and short term deposits	23	22
Foreign exchange gains / losses	-2	1
Interest element of Financial Instruments	-6	-6
Other gains and losses on net indebtedness	-3	1
Net cost of borrowings	**-111**	**-95**
Cost of discounting provisions	-27	-37
Impact of change of discount rate on provisions	-4	20
Result from equity instruments measured at fair value	-12	-7
Net financial charges	**-154**	**-118**

Details are included in note F30 Net indebtedness.

Cost of borrowings:

- In 2025, the Group recorded in the cost of borrowings €102 million on interest related to the senior notes. Of this amount, €62 million related to the US senior notes and €40 million related to the EUR senior notes. Included in the €40 million is €26 million related to the senior notes issued in May 2025 by Syensqo SA. In 2024, the Group recorded in the cost of borrowings €57 million of interest, of which €36 million related to the US$ 1.2 billion senior notes issued in June 2024 and €31 million of interest on the two drawdowns on the "bridge-to-bond" credit facilities.
- Interest on the commercial papers amounted to €4 million (issued during 2025, none outstanding at December 31, 2025) compared to €2 million in 2024.

The cost of discounting provisions relates to post-employment benefits (net of the expected return on plan assets) and to environmental provisions and its decrease is largely attributable to the evolution of the applicable discount rates (see also note F27 Employee Benefits and note F28 Provisions).

NOTE F6

INCOME TAXES IN THE INCOME STATEMENT AND THE STATEMENT OF FINANCIAL POSITION

Accounting policy

Current taxes

The current tax payable is based on taxable profit of the year. Taxable profit differs from profit as reported in the consolidated income statement because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred taxes

Deferred taxes are recognized for temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and their corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are generally recognized for all deductible temporary differences, to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are generally recognized for all taxable temporary differences.

No deferred tax liabilities are recognized following the initial recognition of goodwill. In addition, no deferred tax assets or liabilities are recognized with respect to the initial recognition of an asset or liability in a transaction, which is not a business combination and affects neither accounting profit nor taxable profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, joint ventures, and associates, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets other than tax loss carryforwards are analyzed on a case by case basis, taking into account all relevant facts and circumstances. For example, a zero taxable profit, after deducting the amounts paid to retirees under a defined benefit plan and for which a deductible temporary difference existed, can justify the recognition of the underlying deferred tax assets. Recognition of deferred tax assets for tax loss carryforwards requires a positive taxable profit during the year that enables the utilization of tax losses that originated in the past. Because of uncertainties inherent to predicting such positive taxable profit, recognition of deferred tax assets from tax loss carryforwards is based on a case by case analysis, which is usually based on five-year profit forecasts.

The corporate tax reporting team, which monitors the Group deferred tax positions, is involved in assessing deferred tax assets.

Further details are provided in note F6.C.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognized amounts and when the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred taxes for the period

Current and deferred taxes for the period are recognized as an expense or income in profit or loss, except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognized outside profit or loss, or when they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in the accounting for the business combination.

F6.A. Income taxes

The income taxes (net expense) recognized in the consolidated income statement decreased by €225 million in 2025 compared to 2024. The income taxes (net expense) recognized in other comprehensive income increased by €(1) million in 2025 compared to 2024, mainly due to the movement in employee benefit liabilities (see note F27 Employee benefits).

The 2024 amounts have been restated.

In € million	2025	2024
Current taxes related to current year	-141	-142
Provisions for tax litigations	-1	-5
Other current taxes related to prior years	-5	1
Current taxes	**-147**	**-146**
Changes in deferred tax assets recognition (a)	-40	-173
Deferred tax income on amortization of PPA step-ups	29	32
Deferred tax impact of changes in the nominal tax rates	-3	1
Deferred taxes related to prior years	-3	3
Other deferred taxes (b)	37	-69
Deferred taxes	**20**	**-206**
Income taxes recognized in the consolidated income statement	**-127**	**-352**
Income taxes on items recognized in other comprehensive income	-11	-10

The expense for current taxes is stable in 2025 compared to 2024. The current taxes include €2 million of Top-Up Tax (see below).

(a) The changes in the deferred tax assets recognition mainly results from:

- a reversal of the valuation allowance on the disallowed interest (€52 million) offset by the valuation allowance on Property, plant and equipment (€(61) million) in the United States;
- a revision of the forecasts of utilization of tax losses carried forward in the holding companies (€(35) million in 2025, €(111) million in 2024).

(b) The other deferred taxes mainly include:

- the recognition of deferred taxes on tax losses of the period in the United States (€39 million) and the limited utilization of deferred taxes on tax losses in the holding companies (€(4) million in 2025, (€(15) million in 2024);
- other net increases and reversals of other temporary differences.

US Tax Matters Agreement

In connection with the Partial Demerger, Syensqo and Solvay entered into a US Tax Matters Agreement (the "US TMA") intended to (among other things) preserve the tax-free treatment of the Partial Demerger and of the separation of the US Specialty Businesses and the US Essential Businesses (the "US Spin-Off") for US federal income tax purposes.

Under the US TMA, Syensqo and Solvay were prohibited from taking actions that were reasonably expected to cause the Partial Demerger or US Spin-Off (or certain associated transactions) to fail to qualify for their intended US tax treatment, or that could jeopardize the conclusions of, or that were inconsistent with, the IRS ruling or the tax opinion discussed above.

Additionally, the parties were generally prohibited (subject to certain exceptions in the US TMA), for the two-year period following completion of the Partial Demerger, from engaging in certain acquisitions, mergers, liquidations, sales, and redemption transactions with respect to their respective stock and assets that could have jeopardized the tax-free status of the Partial Demerger or the US Spin-Off for US federal income tax purposes.

Neither Solvay's nor Syensqo's obligations under the US TMA were limited in amount or subject to any cap.

All commitments and restrictions under the US TMA prohibiting the Parties from engaging in certain transactions for the two-year period following the completion of the Partial Demerger, expired on December 31, 2025. As of that date, Syensqo was not aware of any breach or alleged breach of its obligations under the US TMA and had not received any notice from Solvay relating to a breach or alleged breach thereof.

Developments in International Taxation: Pillar Two

Based on our assessment, Chile, United Arab Emirates and Luxembourg are the only jurisdictions that would fall out of scope for the TCSH. Based on the full Pillar 2 calculation that was performed, €2 million Top-Up Tax has been accrued for in the current taxes in 2025.

F6.B. Reconciliation of the income tax expense

The effective income tax expense has been reconciled with the theoretical tax expense obtained by applying to the pre-tax profit of each Group entity the nominal tax rate prevailing in the country in which it operates.

The 2024 amounts have been restated.

In € million	2025	2024
Profit/(Loss) for the year before taxes	42	392
Earnings from associates and joint ventures	19	21
Profit/(Loss) for the year before taxes excluding earnings from associates and joint ventures	**23**	**371**
Reconciliation of the tax income/(expense)		
Total tax income/(expense) of the Group entities computed on the basis of the respective local nominal rates	-14	-109
Weighted average nominal rate	64%	29%
Withholding taxes	-12	-43
Tax effect of changes in nominal tax rates	-3	1
Changes in deferred tax assets recognition	-40	-173
Tax effect of permanent differences	4	-14
Gain and losses with no tax expense and income	-52	-9
Non-deductible impairment of goodwill	0	0
US taxes disconnected from profit for the year before taxes	0	-1
Provisions for tax litigations	-1	-5
Other tax effect of current and deferred tax adjustments related to prior years	-7	4
Tax effect on distribution of dividends	0	-4
Effective tax income/(expense)	-127	-352
Effective tax rate	306%	90%

The increase in the weighted average nominal rate is the consequence of the mixed impact between positive and negative results before taxes in different countries. The change in the effective tax rate in 2025 compared to 2024 is mainly impacted by a low result and consequently, a higher weight of the changes in the recognition of deferred tax assets and the tax losses with no tax income in the holding companies.

F6.C. Deferred taxes in the consolidated statement of financial position

2025 - In € million	Opening balance	Recognized in income statement	Recognized in other comprehensive income	Exchange rate effect	Other acquisition/ disposal	Closing balance
Temporary differences						
Employee benefits obligations	**63**	-10	-10	-2	0	**40**
Provisions	**121**	-3	0	-8	0	**110**
Property, plant and equipment	**-178**	-53	0	20	1	**-210**
Intangible assets	**-123**	44	0	13	0	**-66**
Right-of-use assets	**-30**	-2	0	2	0	**-29**
Lease liabilities	**32**	1	0	-2	0	**30**
Goodwill	**33**	-9	0	-4	0	**20**
Other temporary differences	**-59**	40	-1	1	1	**-19**
Tax losses	**143**	-2	0	-4	0	**137**
Tax credits	**9**	12	0	-2	0	**20**
TOTAL (NET AMOUNT)	**11**	**20**	**-11**	**13**	**1**	**34**

2024 - In € million	Opening balance	Recognized in income statement	Recognized in other comprehensive income	Exchange rate effect	Other acquisition/ disposal	Closing balance
Temporary differences						
Employee benefits obligations	**36**	27	-1	0	0	**63**
Provisions	**149**	-33	0	5	0	**121**
Property, plant and equipment	**-139**	-33	0	-7	0	**-178**
Intangible assets	**-139**	24	0	-8	0	**-123**
Right-of-use assets	**-34**	6	0	-1	0	**-30**
Lease liabilities	**33**	-3	0	1	0	**32**
Goodwill	**46**	-16	0	3	0	**33**
Other temporary differences	**8**	-57	-10	0	1	**-59**
Tax losses	**260**	-118	0	0	0	**143**
Tax credits	**12**	-3	0	1	0	**9**
TOTAL (NET AMOUNT)	**233**	**-206**	**-10**	**-6**	**0**	**11**

The significant components of the deferred tax assets and deferred tax liabilities at the end of 2025 and 2024 are as follows:

	2025				
In € million	Deferred tax assets	Deferred tax liabilities	Net deferred taxes before write-down	Write-down of deferred tax assets (unrecognized portion)	Net deferred taxes
Employee benefits obligations	78	-65	**13**	27	**40**
Provisions	118	0	**117**	-7	**110**
Property, plant and equipment	54	-200	**-146**	-64	**-210**
Intangible assets	252	-250	**1**	-67	**-66**
Right-of-use assets	-2	-28	**-30**	1	**-29**
Lease liabilities	32	0	**31**	-1	**30**
Goodwill	21		**21**	-1	**20**
Other	130	-148	**-18**	-1	**-19**
Temporary differences	**681**	**-691**	**-10**	**-113**	**-123**
Operational losses	1,319		**1,319**	-1,211	**108**
Non-operational losses	237		**237**	-208	**29**
Tax losses	**1,556**	**0**	**1,556**	**-1,419**	**137**
Tax credits carried forward	**75**	**0**	**75**	**-55**	**20**
Netting deferred taxes	-365	365	**0**		**0**
Deferred taxes	**1,947**	**-326**	**1,621**	**-1,587**	**34**

	2024				
In € million	Deferred tax assets	Deferred tax liabilities	Net deferred taxes before write-down	Write-down of deferred tax assets (unrecognized portion)	Net deferred taxes
Employee benefits obligations	97	-64	**33**	29	**63**
Provisions	122	-1	**121**	0	**121**
Property, plant and equipment	84	-193	**-109**	-69	**-178**
Intangible assets	255	-309	**-54**	-68	**-123**
Right-of-use assets	-1	-29	**-30**	1	**-30**
Lease liabilities	34	-1	**33**	-1	**32**
Goodwill	35		**35**	-1	**33**
Other	134	-137	**-3**	-56	**-59**
Temporary differences	760	**-736**	25	**-166**	**-141**
Operational losses	1,325		**1,325**	-1,197	**128**
Non-operational losses	226		**226**	-211	**15**
Tax losses	**1.551**		**1,551**	**-1,408**	**143**
Tax credits carried forward	78		**78**	-69	**9**
Netting deferred taxes	-355	355	**0**		**0**
Deferred taxes	**2,033**	**-381**	**1,653**	**-1,642**	**11**

The evolution of the net deferred taxes between 2025 and 2024 mainly relates to the following items:

- deferred taxes on employee benefit obligations: €40 million at year-end 2025, €63 million at year-end 2024. The decrease is mainly explained by the change in assumptions mainly in the United States (€(8) million);
- deferred taxes on provisions: €110 million at year-end 2025, €121 million at year-end 2024. The decrease is mainly due to the valuation allowances in the United States (€(8) million);
- deferred taxes on intangible assets: €(66) million at year-end 2025, €(123) million at year-end 2024. The evolution mainly reflects the tax impact of amortization of the step-up of intangible assets resulting from Purchase Price Allocation (€29 million) and some impairments (see note F15 Intangible Assets);
- deferred taxes on goodwill: €20 million at year-end 2025, €33 million at year-end 2024 mainly explained by the depreciation of Oil & Gas goodwill in the United States;
- deferred taxes on other temporary differences: €(19) million at year-end 2025 (€(59) million at year-end 2024). The increase is mainly due to the reversal of the valuation allowances on the disallowed interest in the United States (€52 million);
- deferred taxes on operational and non-operational tax losses: €137 million at year-end 2025 (€143 million at year-end 2024). The change is explained by a revision of the forecasts of utilization of tax losses carried forward in the holding companies (€(35) million) offset mainly by the recognition of deferred taxes on the tax losses of the period in the United States (€39 million).

Deferred tax liabilities on unremitted earnings were recognized in the Other Temporary differences for €(63) million at year-end 2025 (€(65) million at year-end 2024). The amounts of deferred tax liabilities not recognized, provided that the Group controls the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future were: €13 million at year-end 2025 (€12 million at year-end 2024).

Recognized deferred taxes for which utilization depends on future taxable profits in excess of the profit arising from the reversal of existing taxable temporary differences within entities that have suffered a tax loss in either current or preceding years in the related tax jurisdiction, amount to €55 million at year-end 2025 (€40 million at year-end 2024). The decrease is mainly due to changes in profit situations in 2025. This recognition is supported by favorable expectations of future taxable profits.

F6.D. Other information

For the majority of the Group's tax loss carry forwards, deferred tax assets were written down. The unrecognized tax losses are mainly located in countries where they can be carried forward indefinitely.

The tax losses carried forward generating deferred tax assets are given below by expiration date.

In € million	2025	2024
Within 1 year	7	10
Within 2 years	1	1
Within 3 years	0	0
Within 4 years	8	6
Within 5 or more years	234	86
No time limit	302	456
TOTAL OF LOSSES CARRIED FORWARD WHICH HAVE GENERATED RECOGNIZED DEFERRED TAX ASSETS	**553**	**559**
Tax losses carried forward for which deferred tax assets were written down (unrecognized portion)	5,493	5,268
TOTAL OF TAX LOSSES CARRIED FORWARD	**6,046**	**5,827**

At the end of 2025, the tax losses carried forward of €553 million (€559 million in 2024) have generated deferred tax assets for €137 million (€143 million in 2024). The tax losses carried forward on which the deferred tax assets were written down are largely due to the holding companies. The increase in 2025 compared to 2024 is due to reduced expected utilization of tax losses carried forward in the next five years in the holding companies.

F6.E Presentation of the tax effect relating to each item of other comprehensive income

Note: the table below presents the total other comprehensive income items for the aggregate of the shares of Syensqo and the non-controlling interests (NCI).

	2025		
In € million	Before-tax amount	Tax expense (-)/ income	Net of tax amount
Effective portion of gains and losses on hedging instruments in a cash flow hedge	22	-1	21
Recycling to the income statement	-19		-19
Gains and losses on hedging instruments in a cash flow hedge (see note F29)	3	-1	2
Currency translation differences arising during the year	-539		-539
Recycling of currency translations differences relating to foreign operations disposed of in the year	4		4
Other movement of currency translation differences (NCI) relating to foreign operations	-4		-4
Currency translation differences - Subsidiaries	-539		-539
Share of other comprehensive income of associates and joint ventures	-26		-26
Recyclable components	**-563**	**-1**	**-564**
Gains and losses on equity instruments measured at fair value through other comprehensive income	0	0	0
Remeasurements of the net defined benefit liability (see notes F6 & F27)	63	-10	54
Non-recyclable components	**63**	**-10**	**54**
Other comprehensive income/(loss)	**-499**	**-11**	**-510**

	2024		
In € million	Before-tax amount	Tax expense (-)/ income	Net of tax amount
Effective portion of gains and losses on hedging instruments in a cash flow hedge	25	-2	23
Recycling to the income statement	15		15
Gains and losses on hedging instruments in a cash flow hedge (see note F29)	40	-2	38
Currency translation differences arising during the year	211		211
Other movement of currency translation differences (NCI) relating to foreign operations	2		2
Currency translation differences - Subsidiaries	213		213
Share of other comprehensive income of associates and joint ventures	6		6
Recyclable components	**260**	**-2**	**257**
Gains and losses on equity instruments measured at fair value through other comprehensive income	-3	-7	-10
Remeasurements of the net defined benefit liability (see notes F6 & F27)	-78	-1	-79
Non-recyclable components	**-81**	**-8**	**-89**
Other comprehensive income/(loss)	**178**	**-10**	**168**

F6.F Income taxes in the consolidated statement of cash flows

Income tax expense in 2025 amounts to €133 of which €127 million for continuing operations and €6 million for discontinued operations (€357 million in 2024 of which €352 million for continuing operations and €5 million for discontinued operations).

Income tax paid in 2025 amounts to €90 million (€181 million in 2024). The income tax paid has decreased compared to previous years due to decreased profits mainly in France and due to phasing in Italy.

NOTE F7

DISCONTINUED OPERATIONS

Accounting policy

A discontinued operation is a component of the Group which the Group has disposed of, or which is classified as held for sale, and which:

- represents a separate major line of business or geographical area of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

A component of the Group consists of operations and cash flows, which can be clearly distinguished operationally and for financial reporting purposes, from the rest of the Group.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss. The consolidated statement of profit or loss is restated for prior periods presented.

Cash flows from discontinued operations are included in the consolidated statement of cash flows and are disclosed separately.

All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

The 2025 EBIT includes an impairment reversal of €20 million to reflect the higher fair value less costs to sell as expressed by the disposal agreement concluded with SNF Group. The impairment reversal of €20 million was allocated to intangible fixed assets (€4 million) and tangible fixed assets (€16 million). See note F20 Impairment.

2025 - In € million	Oil and Gas
Income statement items	
Net sales	378
EBIT	31
Financial result	0
Tax	-6
Profit/(loss) from discontinued operations	25
attributable to:	
Syensqo share	22
non-controlling interests	3

2024 - In € million	Oil and Gas
Income statement items	
Net sales	401
EBIT	-38
Financial result	-1
Tax	-6
Profit/(loss) from discontinued operations	-46
attributable to:	
Syensqo share	-46
non-controlling interests	1

NOTE F8

EARNINGS PER SHARE

Accounting policy

The basic earnings per share are obtained by dividing profit for the year by the weighted average number of ordinary shares outstanding during the reporting period. The weighted average number of ordinary shares excludes the treasury shares held by the Group over the reporting period.

The diluted earnings per share are obtained by dividing profit for the year, adjusted for the effects of dilutive potential ordinary shares, by the weighted average number of ordinary shares, also adjusted by the number of dilutive potential ordinary shares attached to the issuance of share options.

The number of dilutive potential ordinary shares is calculated for the weighted average number of share options outstanding during the reporting period as the difference between the average market price of ordinary shares during the reporting period and the exercise price of the share option. Share options have a dilutive effect only when the average market price is above the exercise price (share options are "in the money").

Number of shares (in units)	**2025**	**2024**
Weighted average number of ordinary shares (basic)	102,498,570	104,769,297
Dilution effect	365,821	654,281
Weighted average number of ordinary shares (diluted)	102,864,390	105,423,578

	2025		**2024**	
	Basic	**Diluted**	**Basic**	**Diluted**
Profit/(loss) for the year from continuing operations	-84,993	-84,993	40,461	40,461
Profit/(loss) for the year from discontinued operations	25,175	25,175	-45,672	-45,672
Profit/(loss) for the year	-59,818	-59,818	-5,211	-5,211
Earnings per share from continuing operations (€)	-0.82	-0.82	0.39	0.39
Earnings per share from discontinued operations (€)	0.22	0.22	-0.44	-0.44
Earnings per share (€)	-0.60	-0.60	-0.05	-0.05

Full data per share, including dividend per share, can be found in the Business Review section.

The average market price during 2025 was €69.65 (€80.99 for 2024) per share.

For the purpose of calculating diluted earnings per share, there were no adjusting elements to the profit for the year (Syensqo share).

Share options that were out of the money, and therefore antidilutive for the period presented were excluded from the calculation of diluted earnings per share (see note F26 Share-based payments).

In 2025, the following share options were out of the money, and therefore antidilutive for the period presented, but could potentially dilute basic earnings per share in the future.

Antidilutive share options per plans	Date granted	Exercise price (in €)	Number of share options granted	Number of share options outstanding
2017	February 23, 2017	92,09	65,107	0
2018	February 27, 2018	93,60	111,381	103,004
2019	February 27, 2019	80,31	106,390	97,949
2020	February 26, 2020	79,28	214,381	186,803
2021	February 24, 2021	79,09	152,978	152,978
2022	September 28, 2022	84,34	271,500	271,500
TOTAL			**909,451**	**812,234**

In 2024, the share option plans SOP 2022, SOP 2018 and SOP 2017 were out of the money and therefore antidilutive.

Antidilutive share options per plan	Date granted	Exercise price (in €)	Number of share options granted	Number of share options outstanding
2017	February 23, 2017	92.09	65,107	61,198
2018	February 27, 2018	93.60	111,381	103,004
2022	September 28, 2022	84.34	271,500	271,500
TOTAL			**447,988**	**435,702**

Notes to the consolidated statement of comprehensive income

NOTE F9

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME CURRENCY TRANSLATION DIFFERENCES

Accounting policy

For the purpose of presenting consolidated financial statements at the end of each reporting period, the assets and liabilities of the Group's foreign operations are expressed in euros using closing rates. Income and expense items are translated at the average exchange rates for the period except when the impact of applying the average rate is materially different from applying the spot rate at the respective transactions' dates, in which case the latter is applied. Exchange differences arising, if any, are recognized in other comprehensive income as "currency translation differences".

In case of a capital decrease of a subsidiary without loss of control, or a capital decrease of an equity method investee or a joint operation without modification of the share of the equity interest held in that investee, then no accumulated exchange differences are reclassified from equity to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated into the Group's presentation currency at the closing rate.

In 2025, the total currency translation loss amounts to €562 million, compared to a gain of €217 million in 2024. This loss is primarily attributable to the depreciation of the US Dollar, which resulted in a loss of €503 million. Additionally, the depreciation of the Indian Rupee led to a loss of €36 million. Other notable negative impacts include the Canadian Dollar with a loss of €7 million, the Singapore Dollar with €5 million, and the Japanese Yen with €4 million. Conversely, some currencies contributed positively, such as the Mexican Peso with a gain of €4 million, the British Pound with €3 million, and the Chilean Peso with €2 million, all relative to the Euro.

The Group has assessed Argentina as a hyperinflationary economy in the context of IAS 29 *Financial Reporting in Hyperinflationary Economies* ("IAS 29"). Accordingly, the Group has reviewed the reporting from its affiliates in Argentina and where necessary restated them in line with IAS 29 using an index based on the IPC (Consumer Price Index) published by the National Institute of Statistics and Censuses (INDEC). The adjustments resulting from the application of IAS 29 do not have a significant impact on the Group's consolidated financial statements.

Notes to the consolidated statement of cash flows

NOTE F10

OTHER NON-OPERATING AND NON-CASH ITEMS

The other non-operating and non-cash items in 2025 (€-7 million) mainly relate to long-term incentives (€-5 million) and other non-cash gains (€-2 million) related to the gain on sale of fixed assets.

The other non-operating and non-cash items in 2024 (€7 million) mainly relate to long-term incentives and other non-cash gains.

NOTE F11

CHANGES IN WORKING CAPITAL

In € million	2025	2024
Inventories	41	2
Trade receivables	54	-39
Trade payables	-51	44
Other receivables/payables	-33	-130
Changes in working capital	**11**	**-123**

In 2025, the positive working capital evolution is a result of strong working capital discipline, leading to the reduction of inventories and overdues.

In 2024 the changes in working capital (Other receivables/payables) included the payment to the New Jersey Department of Environmental Protection (€(167) million) for the remediation agreement resolving certain PFAS related claims in the area near the Group's West Deptford site.

NOTE F12

CASH FLOWS FROM INVESTING ACTIVITIES – ACQUISITION/DISPOSAL OF ASSETS AND INVESTMENTS

2025 - In € million	Acquisitions	Disposals	Total
Investments	-16	18	1
Subsidiaries	0	7	7
Other	-17	11	-6
Property, plant and equipment/Intangible assets	**-535**	**4**	**-531**
TOTAL	**-552**	**22**	**-530**

2024 - In € million	Acquisitions	Disposals	Total
Investments	-7	13	6
Subsidiaries	-4	9	5
Other	-3	4	1
Property, plant and equipment/Intangible assets	**-624**	**9**	**-615**
TOTAL	**-631**	**22**	**-609**

2025

The acquisition of property, plant and equipment and intangible assets (€(535) million) relates to the maintenance of production sites (Maintenance, Safety, HSE), R&I (lab equipment, pilot units, research costs capitalization) and capacity expansion projects, of which the main ones are:

- Specialty Polymers: Polyvinylidene Fluoride (PVDF) capacity increase in Tavaux (France).
- Specialty Polymers: Non-fluorosurfactant perfluoroelastomer capacity increase in Spinetta (Italy).
- Composite Materials: Adhesives capacity increase in Havre de Grace (USA).

2024

The acquisition of property, plant and equipment and intangible assets (€(624) million) relates to the maintenance of production sites (Maintenance, Safety, HSE), R&I (lab equipment, pilot units, research costs capitalization) and capacity expansion projects, of which the main ones are:

- Specialty Polymers: Polyvinylidene Fluoride (PVDF) capacity increase in Tavaux (France).
- Novecare: IRIS intermediate chemical production in Melle (France).
- O&G: Friction reducers' production capacity in West Texas (USA).

NOTE F13

OTHER CASH FLOWS FROM FINANCING ACTIVITIES

The other cash flows from financing activities €-14 million in 2025 mainly relate to other financial expenses.

NOTE F14

CASH FLOW FROM DISCONTINUED OPERATIONS

At December 31, 2025, the Oil & Gas business unit was classified as a disposal group held for sale and as a discontinued operation. See note F7 Discontinued operations, F23 Assets held for sale.

The net cash flows of Oil & Gas for the year are presented below:

In € million	2025	2024
Cash flow from operating activities	8	29
Cash flow from investing activities	-9	-21
Cash flow from financing activities	-7	-13
Net change in cash and cash equivalents	**-8**	**-5**

The reduction of the cash flows from operating activities in 2025 compared to 2024 was mainly caused by reduced operating results and unfavorable working capital evolution. Capital expenditure was lower in 2025 compared to 2024, explaining the evolution of the cash flows from investing activities.

Notes to the consolidated statement of financial position

NOTE F15

INTANGIBLE ASSETS

Accounting policy

Intangible assets acquired or developed internally are initially measured at cost. The cost of an acquired intangible asset comprises its purchase price, import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, and any directly attributable cost of preparing the asset for its intended use. Subsequent expenditure on intangible assets is capitalized only if it is probable that it will increase the future economic benefits associated with the specific asset. Other expenditure is expensed as incurred.

After initial recognition, intangible assets are measured at cost less accumulated amortization and impairment losses, if any.

Intangible assets are amortized on a straight-line basis over their estimated useful lives, which do not exceed the contractual period, if any. The estimated useful lives, residual values and amortization methods are reviewed at each year-end, and any changes in estimates are accounted for prospectively.

Patents and trademarks	2-20	years
Software	3-5	years
Development expenditures	2-5	years
Customer relationships	5-29	years
Other intangible assets - Technologies	5-20	years

Amortization expense is included in the consolidated income statement within cost of goods sold, administrative costs, research and development costs and other operating gains and losses.

The asset is tested for impairment if (a) there is a trigger for impairment, and (b) annually for projects under development (see note F20 Impairment).

Intangible assets are derecognized from the consolidated statement of financial position on disposal or when no future economic benefits are expected from their use or disposal. The gain or loss arising from the derecognition of an intangible asset is recognized in profit or loss at the moment of derecognition.

Research and development (R&D) costs

Research costs are expensed in the period in which they are incurred.

Development costs are capitalized if, and only if, all the following conditions are fulfilled:

- the cost of the asset can be reliably measured;
- the technical feasibility of the product has been demonstrated;
- the product or process will be placed on the market or used internally;
- the assets will generate future economic benefits (a potential market exists for the product or, where it is to be used internally, its future utility has been demonstrated);
- the technical, financial and other resources required to complete the project are available.

The Group distinguishes between the following phases of an R&D project, depending on whether it is a new product/process or a customization for incremental innovation:

- Feasibility is the research phase during which the technical, industrial, market and business feasibility are assessed.
- Scale up followed by Industrialization are part of the development phase during which it is continuously assessed whether the criteria for capitalization are met.
- The last phase is Production and Commercialization. When this phase is reached, capitalization stops and amortization commences.

Development costs comprise employee expenses, the cost of materials and services directly attributable to the projects, and an appropriate share of directly attributable fixed costs including, and where applicable, borrowing costs. The intangible assets are amortized as from the moment they are available for use, i.e. When they are in the location and condition necessary for them to be capable of operating in the manner intended by management. Development costs, which do not satisfy the above conditions are expensed as incurred.

Patents, trademarks and customer relationships

Those intangible assets have mainly been acquired through business combinations. Customer relationships consist of customer lists.

Cloud solutions (ERP ongoing implementation)

IFRS accounting standards do not provide specific guidance on whether a cloud computing arrangement provides the customer a resource that it can control (i.e., an intangible asset). One situation in which an intangible asset for a software license exists in a cloud computing arrangement (and is therefore substantive) is when both of the following are met at the inception of the arrangement:

- The customer has the contractual right to take possession of the software during the hosting period without significant penalty; and
- It is feasible for the customer to run the software on its own hardware or contract with another party unrelated to the supplier to host the software.

The Group capitalizes the software license in a cloud computing arrangement when the above two conditions are met and includes this in Other intangible assets. As the Group holds intellectual property rights to (i) the detailed solution design and key decision documents, and (ii) internally developed customizations, these are recognized as intangible assets.

Other intangible assets

Other intangible assets mainly include technology acquired separately or in a business combination, as well as the ERP ongoing implementation.

In € million	Development costs	Patents and trademarks	Customer relationships	Other intangible assets	Total
Gross carrying amount					
December 31, 2023	**484**	**1,071**	**1,763**	**585**	**3,904**
Additions	82	1		32	115
Disposals and closures	-20	-1		-1	-22
Currency translation differences	14	52	99	31	196
Other	1	25	0	-20	5
December 31, 2024	**562**	**1,148**	**1,862**	**627**	**4,199**
Additions	64	7		33	105
Disposals and closures	-21	-2		0	-23
Currency translation differences	-29	-103	-193	-60	-385
Other	7	11	0	-12	6
Transfer to assets held for sale	-37	-41	0	-335	-412
DECEMBER 31, 2025	**546**	**1,020**	**1,669**	**254**	**3,490**
Accumulated amortization					
December 31, 2023	**-231**	**-652**	**-886**	**-477**	**-2,245**
Amortization	-47	-63	-91	-12	-213
Impairment		0	0	-11	-11
Disposals and closures	20	1		1	22
Currency translation differences	-5	-29	-49	-27	-111
Other	0	0	-25	22	-3
December 31, 2024	**-263**	**-744**	**-1,050**	**-504**	**-2,560**
Amortization	-42	-63	-81	-11	-197
Impairment	0	0	0	-15	-15
Reversal of impairment	0	0		4	4
Disposals and closures	21	2		0	23
Currency translation differences	11	63	102	53	229
Other	0	0	0	6	6
Transfer to assets held for sale	28	39	0	334	401
DECEMBER 31, 2025	**-246**	**-704**	**-1,029**	**-132**	**-2,110**
Net carrying amount					
December 31, 2023	253	419	877	109	1,659
December 31, 2024	299	404	812	124	1,639
DECEMBER 31, 2025	**301**	**316**	**640**	**121**	**1,379**

Intangibles mainly relate to the intangibles acquired through the acquisition of Cytec. The average remaining useful life of Cytec's assets is 7 years.

The line "Other" in Gross carrying amount mainly includes reclassification of intangible assets under construction (reported as part of the Other intangible assets) to the appropriate categories when they are ready for intended use in 2025 and in 2024.

The impairment loss recognized in 2025 relates to intangible assets within the Corporate and Business Services (€9 million) and within Aroma Performance Activity (€6 million) and is partly offset by a reversal of the impairment recognized in 2024 on intangible assets in the Oil and Gas CGU. The impairment loss recognized in 2024 related to intangible assets in the Oil and Gas CGU. See note F20 Impairment.

NOTE F16

GOODWILL

Accounting policy

Goodwill

Goodwill arising in a business combination is recognized as an asset at the date that control is obtained (the acquisition date). Goodwill is measured as the excess of the sum of:

(a) the consideration transferred;

(b) the amount of any non-controlling interests in the acquiree; and

(c) in a business combination achieved in stages, the acquisition date fair value of the previously held equity interest in the acquiree, over the share acquired by the Group in the fair value of the entity's identifiable net assets at the acquisition date.

Goodwill is not amortized but is tested for impairment on an annual basis, and more frequently if there are any impairment triggers identified.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) in accordance with IAS 36 *Impairment of Assets*.

These tests consist of comparing the carrying amount of the assets or (groups of) CGUs with their recoverable amount. The recoverable amount of an asset or a (group of) CGU(s) is the higher of its fair value less costs of disposal and its value in use. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognized on goodwill shall not be reversed in a subsequent period.

Assets held for sale include their related goodwill.

On disposal of an operation within a CGU to which goodwill has been allocated, the goodwill associated with the operation disposed of is included in the determination of the profit or loss on disposal. It is measured on the basis of the relative values of the operation disposed of and the portion of the CGU retained, unless another method better reflects the goodwill associated with the operation disposed of.

Goodwill – overview

In € million	Total
December 31, 2023	**2,560**
Acquisitions	7
Currency translation differences	94
Impairment	-2
December 31, 2024	**2,659**
Acquisitions	0
Currency translation differences	-190
Disposals	0
Impairment	0
DECEMBER 31, 2025	**2,469**

The currency translation differences in 2025 and 2024 mainly relate to the Cytec goodwill expressed in US dollars.

Goodwill by (groups of) CGU(s)

Goodwill acquired in a business combination is allocated to the CGUs or groups of CGUs that are expected to benefit from that business combination.

	2025					
In € million	At beginning of the period	Acquisitions	Impairment	Reclassification	Currency translation differences	At the end of the period
(Groups of) CGUs						
Composite Materials	**684**			0	-75	**609**
Novecare	**668**	0	0	0	-21	**647**
Technology Solutions	**848**		0	0	-89	**759**
Specialty Polymers	**446**			0	-4	**442**
Energy Services	**12**					**12**
TOTAL GOODWILL	**2,659**	**0**	**0**	**0**	**-190**	**2,469**

	2024					
In € million	At beginning of the period	Acquisitions	Impairment	Reclassification	Currency translation differences	At the end of the period
(Groups of) CGUs						
Composite Materials	**646**			0	39	**684**
Novecare	**656**	7	-2	0	8	**668**
Technology Solutions	**803**		0	0	46	**848**
Specialty Polymers	**444**			0	2	**446**
Energy Services	**12**					**12**
TOTAL GOODWILL	**2,560**	**7**	**-2**	**0**	**94**	**2,659**

See note F20 Impairment.

NOTE F17

PROPERTY, PLANT AND EQUIPMENT

Accounting policy

Items of property, plant and equipment are initially measured at cost. The cost of an item of property, plant and equipment comprises its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. If applicable, the cost comprises borrowing costs during the construction period.

After initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

Items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. The components of an item of property, plant and equipment with different useful lives are depreciated separately. Land is not depreciated. The estimated useful lives, residual values and depreciation methods are reviewed at each year end, also taking into account the potential impact of climate change including the execution of the One Planet Strategy (see Note Climate Change in the IFRS general accounting policies). Any changes in estimates are accounted for prospectively.

Buildings	30-40	years
Fixtures and equipment		
IT equipment	3-5	years
Machinery and equipment	10-20	years
Transportation equipment	5-20	years

Depreciation expense is included in the consolidated income statement within cost of goods sold, administrative costs, and R&D costs.

The asset is tested for impairment if there is a trigger for impairment (see note F20 Impairment).

Items of property, plant and equipment are derecognized from the consolidated statement of financial position on disposal or when no future economic benefits are expected from their use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is recognized in profit or loss at the moment of derecognition.

Subsequent expenditure

Subsequent expenditure related to items of property, plant and equipment is capitalized only if it is probable that it will increase the future economic benefits associated with the specific asset. Other expenditure is expensed as incurred. Subsequent expenditure incurred for the replacement of a component of an item of property, plant and equipment is only recognized as an asset when it satisfies the recognition criteria mentioned above. The carrying amount of replaced items is derecognized.

Repair and maintenance costs are recognized in the consolidated income statement as incurred.

Regarding its industrial activity, Syensqo incurs expenditure for major repairs over several years for most of its sites. The purpose of this expenditure is to maintain the proper working order of certain installations without altering their useful life. This expenditure is considered as a specific component of the item of property, plant and equipment and is depreciated over the period during which the economic benefits are expected to be obtained, i.e. the major repairs' intervals.

Dismantling and restoration costs

Dismantling and restoration costs are included in the cost of an item of property, plant and equipment if the Group has a legal or constructive obligation to dismantle or restore. They are depreciated over the useful life of the items to which they pertain.

Generally, Syensqo's obligation to dismantle and/or restore its operating sites is only likely to arise upon the discontinuation of a site's activities. A provision for dismantling of discontinued sites or installations is recognized when there is a legal obligation (due to a request or injunction from the relevant authorities), or when there is no technical alternative than to dismantle, so as to ensure the safety compliance of the discontinued sites or installations.

In € million	Land and buildings	Fixtures and equipment	Other tangible assets	Property, plant and equipment under construction	Total
Gross carrying amount					
December 31, 2023	**1,528**	**5,518**	**186**	**939**	**8,172**
Additions	14	76	4	471	565
Disposals and closures	-3	-87	-8	0	-98
Currency translation differences	48	186	5	15	254
Other	63	382	25	-469	2
December 31, 2024	**1,650**	**6,076**	**212**	**957**	**8,895**
Additions	24	78	10	283	396
Disposals and closures	-8	-137	-6	0	-151
Currency translation differences	-116	-420	-16	-31	-583
Other	45	234	13	-372	-80
Transfer to assets held for sale	-60	-174	-13	-31	-278
DECEMBER 31, 2025	**1,536**	**5,656**	**200**	**807**	**8,199**
Accumulated depreciation					
December 31, 2023	**-700**	**-3,825**	**-152**		**-4,678**
Depreciation	-50	-314	-17		-381
Impairment	-11	-47	0		-59
Reversal of impairment	1	5	0		7
Disposals and closures	3	87	8		98
Currency translation differences	-21	-124	-5		-150
Other	-1	0	-1		-3
December 31, 2024	**-779**	**-4,220**	**-167**		**-5,166**
Depreciation	-47	-318	-18		-383
Impairment	-9	-45	0		-54
Reversal of impairment	0	16	0		16
Disposals and closures	8	128	6		142
Currency translation differences	51	280	13		343
Other	2	71	1		74
Transfer to assets held for sale	65	150	13		227
DECEMBER 31, 2025	**-711**	**-3,938**	**-153**		**-4,802**
Net carrying amount					
December 31, 2023	828	1,693	34	939	3,494
December 31, 2024	871	1,856	45	957	3,729
DECEMBER 31, 2025	**825**	**1,718**	**47**	**807**	**3,397**

Cash flows related to major investments are disclosed in note F12 Cash flows from investing activities – acquisition/disposal of assets and investments.

The impairment loss in 2025 mainly relates to the tangible fixed assets in CGU Aroma for €35 million and to impairment losses on tangible fixed assets for €19 million for abandoned development projects. See note F20 Impairment.

The impairment loss in 2024 mainly relates to the tangible fixed assets in CGU Oil and Gas for €44 million. See note F20 Impairment.

The line "Other" in Gross carrying amount mainly includes reclassification of property, plant and equipment under construction to the appropriate categories when they are ready for intended use.

NOTE F18

RIGHT-OF-USE ASSETS AND LEASE OBLIGATIONS

Accounting policy

Definition of a lease

At inception of a contract, which generally coincides with the date the contract is signed, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group's leased assets relate mainly to buildings, transportation equipment, and industrial equipment.

Lease term

The Group determines the lease term as the non-cancellable period of a lease, together with both:

- periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and
- periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

In its assessment, the Group considers the impact of the following factors (non-exhaustive):

- contractual terms and conditions for the optional periods, compared with market rates;
- significant leasehold improvements undertaken (or expected to be undertaken) over the term of the contract;
- costs relating to the termination of the lease, including relocation costs, costs of identifying another underlying asset suitable for the Group's needs, costs of integrating a new asset into the Group's operations, and termination penalties;
- the importance of that underlying asset to the Group's operations, including the availability of suitable alternatives;
- conditionality associated with exercising the option (i.e. When the option can be exercised only if one or more conditions are met), and the likelihood that those conditions will exist; and
- past practice.

Right-of-use asset and lease liability

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date, which is the date that the lessor makes the asset available for use by the Group except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. The right-of-use assets are presented separately in the consolidated statement of financial position, and the lease liabilities are presented as part of financial debt.

Right-of-use asset

The right-of-use asset is initially measured at cost, which comprises:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentive received; and
- any initial direct costs incurred by the Group.

After the commencement date, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses. Right-of-use assets are depreciated using the straight-line depreciation method, from the commencement date to (a) the end of the useful life of the underlying asset, in case the lease transfers ownership of the underlying asset to the Group by the end of the lease term, or the lease contains a purchase option that the Group is reasonably certain to exercise, or (b) the earlier of the end of the useful life and the end of the lease term, in all other cases.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the respective Group entity's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for early terminating the lease, if the Group is reasonably certain to exercise an option to early terminate the lease.

Service components (e.g. Utilities, maintenance, insurance) are excluded from the measurement of the lease liability.

After the commencement date, the lease liability is measured by:

- increasing the carrying amount to reflect interest on the lease liability;
- reducing the carrying amount to reflect the lease payments made; and
- remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect the impact from a revised index or rate.

In € million	Land and Buildings	Transportation equipment	Industrial equipment	Other tangible assets	Total
Gross carrying amount					
December 31, 2023	**176**	**85**	**134**	**13**	**407**
Additions	16	12	9	4	42
Disposals and closures	-9	-7	-3	-1	-20
Currency translation differences	5	2	6	1	14
Other	8	5	10	0	24
Transfer to assets held for sale	0	0	0	0	0
December 31, 2024	**195**	**98**	**156**	**17**	**467**
Additions	13	15	11	6	45
Disposals and closures	-6	-5	-2	0	-13
Currency translation differences	-13	-6	-12	-1	-33
Other	9	3	4	1	17
Transfer to assets held for sale	-5	-25	0	-1	-32
DECEMBER 31, 2025	**194**	**81**	**156**	**20**	**450**
Accumulated depreciation					
December 31, 2023	**-89**	**-55**	**-68**	**-5**	**-219**
Depreciation	-33	-17	-19	-3	-72
Impairment	0	0	0	0	0
Disposals and closures	9	7	3	1	20
Currency translation differences	-3	-2	-3	0	-9
Other	1	0	0	0	1
Transfer to assets held for sale	0	0	0	0	0
December 31, 2024	**-117**	**-67**	**-88**	**-8**	**-279**
Depreciation	-24	-19	-17	-4	-64
Impairment	0	0	0	0	0
Disposals and closures	6	5	2	0	13
Currency translation differences	10	4	7	1	21
Other	0	0	1	0	1
Transfer to assets held for sale	4	21	0	1	26
December 31, 2025	**-121**	**-56**	**-95**	**-10**	**-281**
Net carrying amount					
December 31, 2023	85	30	66	7	188
December 31, 2024	79	31	69	9	188
DECEMBER 31, 2025	**73**	**25**	**61**	**10**	**170**

The Group primarily leases buildings that include office buildings, and warehouses. Those leases are generally long-term leases and may include extension options. The Group leases transportation equipment, which mainly relate to utility assets.

Lease contracts generally are negotiated by the local teams and contain a wide range of different terms and conditions. Many lease contracts contain extension options and/or early termination options to provide the Group with operational flexibility. Such options are taken into account when determining the lease term and the lease liability when it is reasonably certain that they will be exercised.

If the Group exercised its extension options not currently included in the lease liability, the present value of additional payments would amount to €45 million at December 31, 2025 (€55 million at December 31, 2024).

Lease contracts signed but not yet started at the end of 2025 amount to €37 million.

Total cash outflows for leases amount to €79 million (€74 million in 2024), of which €66 million (€61 million in 2024) related to payment of lease liabilities and €12 million (€13 million in 2024) of finance expenses. Information on the corresponding lease liabilities of €204 million (€230 million in 2024) can be found in the note F30 Net indebtedness. Information on the finance expense related to lease liabilities can be found in note F5 Net financial charges.

NOTE F19

INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

The list of associates and joint ventures is available in the note F38 List of companies included in the consolidation scope.

The associates and joint ventures not classified as held for sale/discontinued operations are accounted for under the equity method of accounting.

	December 31, 2025			December 31, 2024		
In € million	Associates	Joint ventures	Total	Associates	Joint ventures	Total
Investments in associates and joint ventures	9	176	**186**	8	200	**208**
Earnings from associates and joint ventures	2	17	**19**	2	19	**21**

INVESTMENTS IN ASSOCIATES

The only associate of the Group in 2025 and 2024 is the consortium Exeltium in France.

In € million	2025	2024
January 1	**8**	**6**
Profit for the year	2	2
Dividends received	0	0
Currency translation differences	0	0
Other	0	0
December 31	**9**	**8**

In € million	December 31, 2025	December 31, 2024
Statement of financial position		
Non-current assets	**480**	**568**
Current assets	**416**	**440**
of which cash and cash equivalents	*183*	*207*
Non-current liabilities	**609**	**724**
of which non-current financial debt	*609*	*724*
Current liabilities	**207**	**218**
of which current financial debt	*0*	*0*
Investments in associates	**9**	**8**

Income statement	2025	2024
Sales	866	689
Depreciation and amortization	0	0
Interest on loans and short term deposits	-53	-42
Profit for the year from continuing operations	**26**	**17**
Profit for the year	**26**	**17**
TOTAL COMPREHENSIVE INCOME	**26**	**17**
Dividends received	**0**	**0**

INVESTMENTS IN JOINT VENTURES

In € million	2025	2024
January 1	**200**	**201**
Additions	0	0
Capital increase / (decrease)	-8	-7
Profit for the year	17	19
Dividends received	-6	-20
Currency translation differences	-28	8
(Impairment) / Impairment reversal	0	0
Other	1	0
DECEMBER 31	**176**	**200**

In 2025 and 2024, the currency translation differences mainly relate to the evolution of the Indian Rupee compared to the Euro.

The joint ventures had no contingent liabilities or capital commitments as at December 31, 2025 and 2024.

The tables below present the summary of the statement of financial position and income statement of the material joint ventures.

December 31, 2025 In € million	Hindustan Gum & Chemicals Ltd	EECO Holding and subsidiaries	Strata - Syensqo Advanced Material JV LLC	P.T. Syensqo Manyar
Ownership interest	50%	33%	50%	50%
Operating Segment	Performance & Care	Corporate & Business Services	Materials	Materials
Statement of financial position				
Non-current assets	15	16	82	1
Current assets	248	14	11	15
Cash and cash equivalents	223	9	4	4
Non-current liabilities	8	0	0	1
Non-current financial debt	0	0	0	0
Current liabilities	16	5	5	4
Current financial debt	0	5	0	0
Investments in joint ventures	120	7	44	5
2025 income statement				
Sales	44	0	25	28
Depreciation and amortization	-2	-3	0	0
Cost of borrowings	0	-1	0	0
Interest on loans and short-term deposits	19	0	0	0
Income taxes	-3	-1	0	-1
Profit for the year from continuing operations	10	7	19	3
Profit for the year	10	7	19	1
Other comprehensive income	0	0	-5	-1
TOTAL COMPREHENSIVE INCOME	**10**	**8**	**15**	**1**
Dividends received	2	4	0	1

Other comprehensive income mainly comprises the currency translation differences.

December 31, 2024 In € million	**Hindustan Gum & Chemicals Ltd**	**EECO Holding and subsidiaries**	**Strata - Solvay Advanced Material JV**	**Solvay Manyar, Gresik**
Ownership interest	50%	33%	50%	50%
Operating Segment	Performance & Care	Corporate & Business Services	Materials	Materials
Statement of financial position				
Non-current assets	14	26	82	1
Current assets	291	21	14	12
Cash and cash equivalents	258	4	10	5
Non-current liabilities	8	0	0	1
Non-current financial debt	0	0	0	0
Current liabilities	20	18	0	1
Current financial debt	0	17	0	0
Investments in joint ventures	139	8	48	5
2024 income statement				
Sales	49	0	31	20
Depreciation and amortization	-1	-4	0	0
Cost of borrowings	0	-1	0	0
Interest on loans and short-term deposits	19	1	0	0
Income taxes	-5	-1	0	0
Profit for the year from continuing operations	14	5	20	2
Profit for the year	14	5	20	1
Other comprehensive income	0	0	2	0
TOTAL COMPREHENSIVE INCOME	**14**	**6**	**22**	**1**
Dividends received	18	1	0	0

Other comprehensive income mainly comprises the currency translation differences.

NOTE F20

IMPAIRMENT

Accounting policy

General

At the end of each reporting period, the Group reviews whether there is any indication that assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

The recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate. Future cash flows are adjusted for risks not incorporated into the discount rate.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset (or CGU) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss. An impairment loss recognized for goodwill shall not be reversed in a subsequent period.

Assets other than non-current assets held for sale

In accordance with IAS 36 *Impairment of Assets*, the recoverable amount of property, plant and equipment, intangible assets, right-of-use assets, CGUs or groups of CGUs, including goodwill, and equity method investees corresponds to the higher of their fair value less costs of disposal, and their value in use. The latter equals the present value of the future cash flows expected to be derived from each asset, CGU or group of CGUs, and equity method investees and is determined using the following inputs:

- business plan approved by management based on growth and profitability assumptions, taking into account past performances, forecast changes in the economic environment and expected market developments, including opportunity and risks resulting from climate change (taking into account the One Planet strategy - see note Climate change in the IFRS general accounting policies) and environmental regulations such as products phasing out. For further details, refer to the Risk Management Section. Such business plan generally covers five years, unless management is confident that projections over a longer period are reliable;
- consideration of a terminal value determined based on the cash flows obtained by extrapolating the cash flows of the last years of the business plan referred to above, affected by a long-term growth rate deemed appropriate for the activity and the location of the assets;
- discounting of expected cash flows at a rate determined using the weighted average cost of capital formula.

Discount rate

Weighted average cost of capital (WACC) for 2025 was computed considering a set of peers for the Syensqo Group and is based on the same methodology applied in 2024. Short-term WACC, used to discount the expected cash flows of the initial four years, was computed based on prevailing discount rates and long term WACC, used to discount the expected cash flows of the fifth year and the Terminal Value, was based on a 2-year average of equity risk premiums, risk-free interest rates and default spreads.

	2025	2024
Short-term WACC	8.7%	8.2%
Long-term WACC	8.8%	8.5%

Long-term growth rates

The long-term growth rates used for the impairment tests remain unchanged versus the prior period.

Based on the long-term growth prospects, the long-term growth rates were thus set for all the periods presented, at:

- 2% for the Specialty Polymers CGU and 3% for the Composite Materials CGU;
- 1% for the other CGUs in the segment Performance & Care (excluding Technology Solutions, for which 1.5% was used) and for Aroma Performance in the segment Other Solutions.

Other key assumptions are specific to each CGU (utility price, volumes, margin, etc.).

Impairment Test 2025

The impairment tests performed at CGU level at December 31, 2025, using value in use, were based on the budgets approved by the Syensqo Board and the Mid Term Plans. The tests resulted in an impairment loss recognized for the Aroma CGU (Other Solutions) following the US Dollar devaluation against the Euro, continued commercial competitive pressure. This had a compounding effect on the terminal value even if the long term growth rate assumption for this business remains unchanged.

The impairment loss of €41 million was allocated to intangible fixed assets (€6 million) and tangible fixed assets (€35 million).

Regarding the Oil & Gas CGU, an impairment reversal of €20 million has been booked in the fourth quarter 2025 and reported as part of the "Results from discontinued operations" to reflect the higher fair value less costs to sell as expressed by the disposal agreement concluded with SNF Group. The impairment reversal of €20 million was allocated to intangible fixed assets (€4 million) and tangible fixed assets (€16 million).

The impairment tests performed at asset level resulted in additional impairment losses for €29 million in the GBU Specialty Polymers (€20 million) and in relation to Research Platforms (Corporate and Business Services - €9 million) for development projects that were abandoned due to their risk profile and uncertain outcome.

Impairment Test 2024

The impairment tests performed at CGU level at December 31, 2024, using value in use, were based on the budgets approved by the Syensqo Board and the Mid Term Plans. The tests resulted in an impairment loss recognized for the group of CGUs Oil & Gas (Consumer & Resources) following the subdued business performance in 2024 driven by continuous decline in the stimulation segment materialized in reduced volumes sold for friction reducers, together with increased competition and a customer shift towards more cost-effective products. This had a compounding effect on the terminal value even if the long term growth rate assumption for this business remains unchanged.

The impairment loss of €55 million was allocated to intangible fixed assets (€11 million) and tangible fixed assets (€44 million).

Regarding the Aroma CGU, although the profitability has improved, the long-term prospects remain uncertain and the impairments recorded in 2023 were not reversed in 2024.

Sensitivity and break-even Analysis

Considering the impairment losses for Composite Materials and Technology Solutions recorded in 2020 and the consequently higher risk of impairment in case of changes in the Discount rate and Long-term growth assumptions used for their test, and for the other CGUs having a difference between value in use and carrying amount (headroom) below 10% of their carrying amounts (Novecare), the following sensitivity analyses are reported.

Composite Materials (Materials)

In € billion		December 31, 2025		December 31, 2024	
		Assumptions:		Assumptions:	
		Discount rate =	8.8%		Discount rate = 8.5%
			Long term growth rate = 3%		Long term growth rate = 3%
Sensitivity to:		Impact on recoverable amount	Revised headroom	Impact on recoverable amount	Revised headroom
Discount rate	-1%	0.5	0.9	0.6	0.9
Discount rate	+1%	-0.4	-0.0	-0.4	-0.2
Long term growth rate	-1%	-0.3	0.1	-0.3	-0.1
Long term growth rate	+1%	0.4	0.7	0.5	0.7

	Discount rate		Long term growth rate	
	Base rate	Break-even rate	Base rate	Break-even rate
DECEMBER 31, 2025	**8.8%**	**9.7%**	**3.0%**	**1.7%**
December 31, 2024	8.5%	8.9%	3.0%	2.4%

Further sensitivity analysis on the EBITDA margin assumptions indicates that the headroom for this CGU would reduce to zero if the EBITDA margin used in the terminal value were to decline by more than 2.5%.

Technology Solutions (Performance & Care)

In € billion		December 31, 2025		December 31, 2024	
		Assumptions:		Assumptions:	
		Discount rate =	8.8%		Discount rate = 8.5%
			Long term growth rate = 1.5%		Long term growth rate = 1.5%
Sensitivity to:		Impact on recoverable amount	Revised headroom	Impact on recoverable amount	Revised headroom
Discount rate	-1%	0.2	0.3	0.3	0.4
Discount rate	+1%	-0.2	-0.1	-0.2	-0.2
Long term growth rate	-1%	-0.1	-0.0	-0.2	-0.1
Long term growth rate	+1%	0.2	0.3	0.2	0.3

	Discount rate		Long term growth rate	
	Base rate	Break-even rate	Base rate	Break-even rate
DECEMBER 31, 2025	**8.8%**	**9.3%**	**1.5%**	**0.8%**
December 31, 2024	8.5%	8.8%	1.5%	1.1%

Further sensitivity analysis on the EBITDA margin assumptions indicates that the headroom for this CGU would reduce to zero if the EBITDA margin used in the terminal value were to decline by more than 1.8%.

Novecare (Performance & Care)

In € billion		December 31, 2025		December 31, 2024	
		Assumptions:		Assumptions:	
		Discount rate =	8.8%		Discount rate = 8.5%
			Long term growth rate = 1.0%		Long term growth rate = 1.0%
Sensitivity to:		Impact on recoverable amount	Revised headroom	Impact on recoverable amount	Revised headroom
Discount rate	-1%	0.2	0.3	0.3	0.4
Discount rate	+1%	-0.2	-0.1	-0.2	-0.1
Long term growth rate	-1%	-0.1	-0.0	-0.1	-0.0
Long term growth rate	+1%	0.2	0.3	0.2	0.3

	Discount rate		Long term growth rate	
	Base rate	Break-even rate	Base rate	Break-even rate
DECEMBER 31, 2025	**8.8%**	**9.3%**	**1.0%**	**0.2%**
December 31, 2024	8.5%	8.9%	1.0%	0.3%

Further sensitivity analysis on the EBITDA margin assumptions indicates that the headroom for this CGU would reduce to zero if the EBITDA margin used in the terminal value were to decline by more than 1%.

NOTE F21

INVENTORIES

Accounting policy

Cost of inventories includes the purchase, conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of inventories is determined by using the weighted average cost method.

Inventories are measured at the lower of purchasing cost (raw materials and merchandise) or production cost (work in progress and finished goods) and net realizable value. Net realizable value represents the estimated selling price, less all estimated costs of completion and the estimated costs necessary to make the sale.

CO_2 emission rights

With respect to the mechanism set up by the European Union to encourage manufacturers to reduce their greenhouse gas emissions, carbon dioxide (CO_2) emission rights are granted to the Group at no charge. The Group is also involved in Clean Development Mechanism (CDM) under the Kyoto protocol. Under these projects, the Group has deployed facilities in order to reduce greenhouse gas emissions at the relevant sites in return for Certified Emission Reductions (CER).

In the absence of any IFRS regulating the accounting treatment of CO_2 emission rights, the Group applies the Trade/Production model, according to which CO_2 emission rights are presented as inventories if they will be consumed in the production process within the next 12 months, or as derivatives if they are held for trading.

In light of its centralized CO_2 emission rights' portfolio management, for emission rights that are substitutable between subsidiaries, the Group's financial statements reflect the Group's net position. If this net position is negative, a provision is recognized, measured based on the market price of the CO_2 emission rights at the reporting date.

Energy savings certificates (ESCs)

Energy savings certificates are presented as inventory items in Finished goods. They are measured at weighted average cost. As their cost is not separately identifiable, and as they are a by-product, they are measured at their net realizable value upon initial recognition.

In € million	December 31, 2025	December 31, 2024
Finished goods	762	900
Raw materials and supplies	379	441
Work in progress	15	13
TOTAL	**1,157**	**1,354**
Write-downs	-76	-81
NET TOTAL	**1,081**	**1,273**

Inventory write-downs are included in the cost of goods sold in the consolidated income statement.

In 2025, inventories were reclassified to assets held-for-sale for €45 million, resulting from the reclassification of the Oil & Gas business as a disposal group.

NOTE F22

OTHER RECEIVABLES (CURRENT)

In € million	December 31, 2025	December 31, 2024
VAT and other taxes	143	189
Advances to suppliers	12	21
Financial instruments - operational	15	14
Insurance premiums	30	21
Loan receivables	2	4
Other	56	47
Other current receivables	**259**	**297**

Financial instruments – operational includes held for trading and cash flow hedge derivatives (see note F29.A. Overview of financial instruments).

NOTE F23

ASSETS HELD FOR SALE

Accounting policy

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. For a sale to be highly probable, management should be committed to a plan to sell the asset (or disposal group), an active program to locate a buyer and complete the plan should be initiated, the asset (or disposal group) should be actively marketed at a price which is reasonable in relation to its current fair value, the sale should be expected to be completed within one year from the date of classification, and actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and their fair value less costs to sell. Any excess of the carrying amount over the fair value less costs to sell is recognized as an impairment loss. Depreciation of such assets is discontinued as from their classification as held for sale. Prior period consolidated statements of financial position are not restated to reflect the new classification of a non-current asset (or disposal groups) as held for sale.

2025 - In € million	Notes	Oil and Gas
Statement of financial position		
Intangible assets	*(F15)*	5
Property, plant and equipment	*(F17)*	51
Right-of-use assets	*(F18)*	5
Other loans and other assets		3
Inventories	*(F21)*	45
Trade receivables	*(F29)*	58
Other financial instruments with third parties	*(F29)*	4
Other receivables	*(F22)*	5
Cash and cash equivalents	*(F30)*	13
Assets held for sale		**189**
Employee benefits	*(F27)*	2
Deferred tax liabilities	*(F6)*	1
Other non-current financial debt	*(F30)*	3
Other provisions	*(F28)*	1
Other current financial debt	*(F30)*	3
Trade payables	*(F29)*	28
Income tax payables		1
Other liabilities	*(F31)*	9
Liabilities associated with assets held for sale		**49**

Net carrying amount of the disposal group	**140**

Included in other comprehensive income	
Currency translation differences	31
Defined benefit plans	2
Other comprehensive income	**34**

On October 30, 2025, the Group entered into an agreement to dispose of its Oil & Gas business unit (Segment "Other Solutions") for an enterprise value of €135 million. As a result, the Group has reclassified the related assets and liabilities of this disposal group to respectively "assets held-for-sale" and "liabilities associated with assets held-for-sale". The transaction was subsequently completed on January 2, 2026.

The Group did not classify any disposal groups as held-for-sale for the reporting period ending December 31, 2024.

NOTE F24

EQUITY

Accounting policy

Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issuance of new share capital are directly recognized in equity as a deduction, net of tax, from the equity issuance proceeds.

Reserves

The reserves include:

- treasury shares;
- perpetual hybrid bonds that qualify as equity absent any unavoidable contractual obligation to repay the principal and interest of the perpetual hybrid bonds (no maturity, interest is payable annually but can be deferred indefinitely at the issuer's discretion);
- retained earnings;
- currency translation differences from the consolidation process relating to the translation of the financial statements of foreign operations prepared in a non-euro functional currency to the euro presentation currency;
- the impacts of the fair value remeasurement of equity instruments measured at fair value through other comprehensive income;
- the impacts of the fair value remeasurement of financial instruments documented as hedging instruments in cash flow hedges;
- actuarial gains and losses related to defined benefit plans.

Non-controlling interests

Those represent the share of non-controlling interests in the net assets and comprehensive income of subsidiaries of the Group, and correspond to the interests in subsidiaries that are not held by the Company or its subsidiaries.

NUMBER OF SHARES (IN UNITS)

	December 31, 2025	December 31, 2024
Shares issued and fully paid	103,921,273	105,032,929
Treasury shares held	1,972,774	1,579,830

Per December 31, 2025, the capital of the Company amounted to €1,352 million, represented by 105,032,929 ordinary shares with no designated par value, fully paid up. Share premium of €1,022 million resulted from a percentage allocation of the total share premium that existed in the Solvay Group prior to the Partial Demerger. The percentage applied (85.10%) was based on the fiscal percentage dictated by the Belgian law for partial demergers ("scission partielle").

In 2025 the Group completed the second, third and fourth tranches of the share buyback program. The Group purchased 1,687,027 Syensqo shares for a total of €116 million. 1,111,656 shares were cancelled in 2025 and 182,427 shares were distributed in the framework of the share-based payment plans. Refer to Main Events for further details on the share buyback programs.

All treasury shares have been deducted from consolidated shareholder's equity.

Perpetual hybrid bonds

At the effective date of the Partial Demerger, Syensqo was substituted as issuer of (i) the €500,000,000 Undated Deeply Subordinated Fixed to Reset Rate Perp-NC5.5 Bonds with first call date on December 2, 2025 (ISIN: BE6324000858) (the "2025 Hybrid Bonds").

In € million	Issuance date	Nominal value	%	Annual coupon	First call / reset date
Hybrid bond NC5.5*	September 2, 2020	500	2.500%	13	December 2, 2025/ March 2, 2026

All perpetual hybrid bonds were classified as equity absent any unavoidable contractual obligation to repay the principal and interest of the perpetual hybrid bonds, specifically:

- No maturity, yet the issuer had a call option at every reset date to redeem the instrument;
- At the option of the issuer, interest payments could be deferred indefinitely.

The coupons related to the perpetual hybrid bonds were recognized as equity transactions and were deducted from equity upon declaration (see consolidated statement of changes in equity).

Should Syensqo have elected not to pay any interest to the perpetual hybrid bondholders, then any payment of dividends to the ordinary shareholders or repayment of ordinary shares would trigger a contractual obligation to pay previously unpaid interests to the perpetual hybrid bondholders.

Tax impacts related to the perpetual hybrid bonds were recognized in profit or loss.

The first call option was exercised on December 2, 2025. Syensqo repaid €500 million of the principal amount together with interest accrued thereon at the Prevailing Rate, i.e. €9 million. As of December 31, 2025 there are no perpetual bonds on the statement of financial position of Syensqo.

NOTE F25

NON-CONTROLLING INTERESTS

The amounts disclosed below are fully consolidated amounts and do not reflect the impacts from elimination of intragroup transactions.

At the end of 2025, the following subsidiaries have non-controlling interests totaling €38 million.

In € million	Syensqo (Zhenjiang) Chemicals Co Ltd	ENERGY SOLUTIONS HENGCHANG (ZHANGJIAGANG) SPECIALTY CHEMICALS CO., LTD	Syensqo Nicca Ltd	Cogénération Tavaux S.A.S.	Synorb Battery Materials LLC
Non-controlling ownership interest	9%	30%	40%	67%	49%
Statement of financial position					
Non-current assets	121	19	0	0	23
Current assets	186	24	3	0	0
Non-current liabilities	1	1	0	0	0
Current liabilities	58	15	0	0	0
Income statement					
Sales	195	98	9	0	0
Profit for the year	13	11	0	-11	1
Other comprehensive income	-17	-2	0	0	-1
TOTAL COMPREHENSIVE INCOME	**-5**	**9**	**0**	**-11**	**0**
Dividends paid to non-controlling interests	2	5	0	0	0
Share of non-controlling interest in the profit for the year	1	3	0	-3	0
Accumulated non-controlling interests	18	8	1	0	11

In € million	Syensqo (Zhenjiang) Chemicals Co Ltd	ENERGY SOLUTIONS HENGCHANG (ZHANGJIAGANG) SPECIALTY CHEMICALS CO., LTD	Syensqo Nicca Ltd	Cogénération Tavaux S.A.S.	Synorb Battery Materials LLC
Non-controlling ownership interest	9%	30%	40%	67%	49%
Cash flow from operating activities	20	9	0	3	-1
Cash flow from investing activities	1	49	0	3	-4
Cash flow from financing activities	-22	-56	0	-9	1

Energy Solutions Hengchang Specialty Chemicals Co, Ltd. is a company that is part of the Oil & Gas business.

At the end of 2024, the following subsidiaries have non-controlling interests totaling €50 million.

In € million	Solvay (Zhenjiang) Chemicals	Solvay Hengchang Zhangjiagang Special Chem	Solvay Nicca	Cogeneration Tavaux	Synorb Battery Materials
Non-controlling ownership interest	9%	30%	40%	67%	49%
Statement of financial position					
Non-current assets	137	21	0	17	23
Current assets	211	79	3	4	4
Non-current liabilities	1	1	0	0	0
Current liabilities	68	65	0	10	2
Income statement					
Sales	231	98	10	0	0
Profit for the year	26	3	0	3	-7
Other comprehensive income	8	1	0	0	0
TOTAL COMPREHENSIVE INCOME	**34**	**4**	**0**	**3**	**-6**
Dividends paid to non-controlling interests	1	1	0	0	0
Share of non-controlling interest in the profit for the year	2	1	0	0	-3
Accumulated non-controlling interests	21	10	1	6	12

In € million	Solvay (Zhenjiang) Chemicals	Solvay Hengchang Zhangjiagang Special Chem	Solvay Nicca	Cogeneration Tavaux	Synorb Battery Materials
Non-controlling ownership interest	9%	30%	40%	67%	49%
Cash flow from operating activities	58	12	1	11	-7
Cash flow from investing activities	-32	-29	0	-3	-15
Cash flow from financing activities	-27	17	0	-6	18

NOTE F26

SHARE-BASED PAYMENTS

Accounting policy

Syensqo has set up compensation plans, including equity-settled and cash-settled share-based compensation plans.

In its equity-settled plans, the Group receives services as consideration for its own equity instruments. The fair value of services rendered by employees in consideration for the granting of equity-instruments represents an expense. This expense is recognized on a straight-line basis in the consolidated income statement over the vesting periods relating to these equity-instruments with the recognition of a corresponding adjustment in equity. The fair value of services rendered is measured based on the fair value of the equity-instruments on the grant date. It is not subsequently remeasured. At each reporting date, the Group re-estimates the number of share options likely to vest. The impact of the revised estimates is recognized in profit or loss against a corresponding adjustment in equity.

In its cash-settled plans, the Group acquires services by incurring a liability to transfer to its employees rendering those services amounts that are based on the price (or value) of equity instruments (including shares or share options) of the Group. The fair value of services rendered by employees in consideration for the granting of share-based payments represents an expense. This expense is recognized on a straight-line basis in the consolidated income statement over the vesting periods relating to these share-based payments with the recognition of a corresponding adjustment in liabilities. At each reporting date, the Group re-estimates the number of options likely to vest, with the impact of the revised estimates recognized in profit or loss. The Group measures the services acquired and the liability incurred at the fair value of the liability. Until the liability is settled, the Group remeasures the fair value of the liability at the end of each reporting period and at the date of settlement, with any changes in fair value recognized in profit or loss for the period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions. No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share (further details are given in Note F8 Earnings per share).

Awards on shares of the Solvay Group

The awards granted on shares of the Solvay Group are not in scope of IFRS 2 Share based payment plans. Management has established the below accounting policy for these awards.

For the awards granted on Solvay Group shares, a liability was recognized and measured based on the fair value of the Solvay Group awards at each reporting date. On initial recognition of the liability at the Partial Demerger date, a corresponding entry was recognized in equity for the vesting period that has passed to date and the remaining amount was recognized as Other Receivables. This asset represents the services that have yet to be rendered by the beneficiaries. The asset is amortized to the consolidated income statement over the remaining vesting period of the plans.

The costs of the awards related to the Solvay Group are presented within operational (Administrative) expenses. The fair value fluctuation on the liability will be presented in Financial Results together with the fair value fluctuation on the hedging options/shares, which will partially hedge the impact.

The liability is remeasured to its fair value at each reporting date. This applies equally to vested plans so long as there remains outstanding (unexercised) options.

The liabilities related to the fully vested plans are disclosed as current given that the beneficiaries may exercise their awards at any time. The liabilities related to the unvested plans are disclosed as non-current.

Effects of the Partial Demerger - amendments to the plans

As part of the Partial Demerger in 2023, amendments were made to the existing long term incentive plans. The long term incentive plans were modified by the Board, based on either of the two following approaches:

1. Shareholder approach – Existing awards were adjusted to entitle beneficiaries to receive one share of the Solvay Group and one share of the Syensqo Group.
2. Employer approach – Existing awards were adjusted to entitle beneficiaries to receive a certain number of awards of their future employer (i.e. either the Syensqo Group or the Solvay Group).

Stock option plans (Shareholder approach)

All outstanding stock options were converted into options on both the Solvay Group and Syensqo Group shares. The options can be exercised individually on each Group's shares with the exception of the 2022 SOP, which is a basket option i.e. the option is exercised on both Group's shares simultaneously.

The 2022 SOP is not classified as an equity settled plan due to the basket option feature. This plan is treated similarly to the awards on Solvay Group shares. At the date of the Partial Demerger, the fair value of the 2022 SOP was recalculated using the Monte Carlo model and the plan was reclassified. In 2024, a liability of €8 million was recognized, with corresponding entries to equity (€3 million) and Other Receivables (€5 million).

The exercise prices of all the stock options (excluding the 2022 SOP) were reset at the Partial Demerger date taking into consideration the Solvay Group and Syensqo Group closing share prices at December 11, 2023. As per Belgian law requirements, the sum of new exercise prices of the Solvay and Syensqo options equal the original exercise price of the plans.

2022 PSU plan (Shareholder approach)

The performance metrics were measured for the full year 2022 and 2023. The PSUs were converted to RSUs by applying an extrapolation method to the third performance year (2024). The vesting period remains unchanged. The RSUs vested at the end of December 2024 and the shares of the Solvay Group and the Syensqo Group were delivered to the beneficiaries in Q1 2025.

2023 PSU and RSU (Employer approach)

The performance metrics were measured for the full year 2023. For the performance years 2024 and 2025, new KPIs were set and approved by the Syensqo Board in Q1 2024. The vesting period remains unchanged. To ensure the beneficiaries were not disadvantaged by the amendments to the plan, the number of PSUs and RSUs per beneficiary was adjusted taking into account the 30 day post-demerger average share price of the Solvay and Syensqo Groups.

The PSUs and RSUs vested at the end of December 2025 and the Syensqo Group shares related to the RSU 2023 plans will be delivered to the beneficiaries in Q1 2026. As the performance metrics for PSU 2023 plans were not achieved, the previously recognised PSU 2023 expenses were reversed in 2025.

2022 ESPP (Employer approach)

To ensure the beneficiaries were not disadvantaged by the amendments to the plan, the number of free and matching shares per beneficiary was adjusted taking into account the 30 days post-demerger average share price of the Solvay and Syensqo Groups. The vesting period remains unchanged. The ESPP free and matching shares vested at the end of September 2024 and were delivered to the participants in October 2024.

Awards on Solvay Group shares

For the awards granted on Solvay Group shares, a liability was recognized at the Partial Demerger date based on the fair value of the Solvay Group awards at that date (€14 million). A corresponding entry was recognized in equity (€7 million) for the vesting period that had passed to date and the remaining amount was recognized as Other Receivables (€7 million). This asset represents the services that have yet to be rendered by the beneficiaries. The asset will be amortized to operational (Administrative) expenses in the consolidated income statement over the remaining vesting period of the plans.

The costs of the awards related to the Solvay Group (€3 million) (€5 million in 2024) are presented within operational (administrative) expenses in the IFRS EBIT/EBITDA. The fair value fluctuation on the liability (€6 million) (€6 million in 2024) is presented in Financial Results.

Stock Option Plan

Prior to the Partial Demerger, all the stock option plans were equity settled. Following the Partial Demerger, the Group also has to account for awards granted on the Solvay Group shares. There were no stock option plans granted in 2024 and 2025.

Syensqo - Stock Option Plan

For 2025:

Share option plans - Syensqo	2021	2020	2019	2018	2017
Number of share options granted and still outstanding at December 31, 2024	152,978	186,803	97,949	103,004	61,198
Granted share options	0	0	0	0	0
Forfeitures of rights and expiries	0	0	0	0	-61,198
Share options exercised	0	0	0	0	0
Number of share options at December 31, 2025	152,978	186,803	97,949	103,004	0
Share options exercisable at December 31, 2025	**152,978**	**186,803**	**97,949**	**103,004**	**0**
Exercise price of Syensqo options (in €)	79.09	79.28	80.31	93.60	92.08
Fair value of Syensqo options at modification date (in €)	20.55	19.77	18.39	11.61	9.36

	2025	
	Number of share options	Weighted average exercise price
January 1	**601,932**	**83.15**
Granted during the year		
Forfeitures of rights and expiries during the year	-61,198	
Exercised during the year	0	-
December 31	**540,734**	**82.14**
EXERCISABLE AT DECEMBER 31	**540,734**	

For 2024:

Share option plans – Syensqo	2021	2020	2019	2018	2017
Number of share options granted and still outstanding at December 31, 2023	152,978	214,381	106,390	103,004	61,198
Granted share options					
Forfeitures of rights and expiries					
Share options exercised		-27,578	-8,441		
Number of share options at December 31, 2024	152,978	186,803	97,949	103,004	61,198
Share options exercisable at December 31, 2024		**186,803**	**97,949**	**103,004**	**61,198**
Exercise price of Syensqo options (in €)	79.09	79.28	80.31	93.60	92.08
Fair value of options (in €) at modification date	20.55	19.77	18.39	11.61	9.36

	2024	
	Number of share options	Weighted average exercise price
January 1	**637,951**	**82.95**
Granted during the year		
Forfeitures of rights and expiries during the year		
Exercised during the year	-36,019	79.52
December 31	**601,932**	**83.15**
EXERCISABLE AT DECEMBER 31	**448,954**	

Solvay - Stock Option Plan

For 2025:

Share option plans - Solvay	2021	2020	2019	2018	2017
Number of share options granted and still outstanding at December 31, 2024	152,978	72,944	64,434	28,163	6,788
Granted share options	0	0	0	0	0
Forfeitures of rights and expiries	0	0	0	0	-6,788
Share options exercised	-81,581	-35,830	-45,582	-19,001	0
Number of share options at December 31, 2025	71,397	37,114	18,852	9,162	0
Share options exercisable at December 31, 2025	**71,397**	**37,114**	**18,852**	**9,162**	**0**
Exercise price of Solvay options (in €)	16.49	16.52	16.74	19.51	19.19
Fair value of Solvay options at measurement date (in €)	6.89	7.63	8.47	7.33	-

	2025	
	Number of share options	Weighted average exercise price
January 1	**325,307**	**16.86**
Granted during the year		
Forfeitures of rights and expiries during the year	-6,788	
Exercised during the year	-181,994	16.87
December 31	**136,525**	**16.86**
EXERCISABLE AT DECEMBER 31	**136,525**	

For 2024:

Share option plans - Solvay	2021	2020	2019	2018	2017
Number of share options granted and still outstanding at December 31, 2023	152,978	214,381	119,052	103,004	60,895
Granted share options					
Forfeitures of rights and expiries					
Share options exercised		-141,437	-54,618	-74,841	-54,107
Number of share options at December 31, 2024	152,978	72,944	64,434	28,163	6,788
Share options exercisable at December 31, 2024		**72,944**	**64,434**	**28,163**	**6,788**
Exercise price of Solvay options (in €)	16.49	16.52	16.74	19.51	19.19
Fair value of options (in €) at December 31, 2024	13.11	13.27	13.33	11.23	11.88

	2024	
	Number of share options	Weighted average exercise price
January 1	**650,310**	**17.28**
Granted during the year		
Forfeitures of rights and expiries during the year		
Exercised during the year	-325,003	17.69
December 31	**325,307**	**16.86**
EXERCISABLE AT DECEMBER 31	**172,329**	

Basket option - Stock Option Plan

For 2025:

Share option plans	2022
Number of share options granted and still outstanding at December 31, 2024	271,500
Granted share options	0
Forfeitures of rights and expiries	0
Share options exercised	0
Number of share options at December 31, 2025	271,500
Share options exercisable at December 31, 2025	0
Exercise price of Basket options (in €)	84.34
Fair value of basket options at measurent date (in €)	**12.16**

	2025	
	Number of share options	Weighted average exercise price
January 1	**271,500**	**84.34**
Granted during the year		
Forfeitures of rights and expiries during the year		
Exercised during the year		
December 31	**271,500**	**84.34**
EXERCISABLE AT DECEMBER 31		

For 2024:

Share option plans – Basket options	2022
Number of share options granted and still outstanding at December 31, 2023	271,500
Granted share options	
Forfeitures of rights and expiries	
Share options exercised	
Number of share options at December 31, 2024	271,500
Share options exercisable at December 31, 2024	
Exercise price of options (in €)	84.34
Fair value of options (in €) **at December 31, 2024**	**22.77**

	2024	
	Number of share options	Weighted average exercise price
January 1	271,500	84.34
Granted during the year		
Forfeitures of rights and expiries during the year		
Exercised during the year		
December 31	**271,500**	**84.34**
EXERCISABLE AT DECEMBER 31		

In 2025, the share options resulted in a total income of €4 million (2024: €3 million of income) recognized in the consolidated income statement as the net of: an expense of €3 million (€3 million in 2024), as part of administrative costs and a net financial income related to the remeasurement of the liability for €6 million (€6 million in 2024). The carrying amount of the liability for stock options on Solvay Group shares at December 31, 2025 is €4 million (2024: €10 million).

Weighted average remaining contractual life of the share option plans:

In years	2025	2024
2017	0.0	0.2
2018	0.2	1.2
2019	1.2	2.2
2020	2.2	3.2
2021	3.1	4.1
2022	2.0	3.0

Performance Share Units Plan (PSU)

In 2025, the Board of Directors offered to executive staff a Performance Share Unit Plan, with the objective of promoting long-term success and to increase the focus on sustainable performance for the benefit of the Syensqo Group and its stakeholders. All the managers involved subscribed to the PSU offered to them in 2025 with a grant date fair value of €68.18 representing the average Syensqo Group stock market price of the share for the 30 days prior to the offer. The PSU plan 2025 is an equity-settled share-based plan with a 3-year vesting period, after which shares will be issued, if vesting conditions are met.

The table below includes information on the PSU plans.

Performance share units	Plan 2025	Plan 2024	Plan 2023
Number of PSUs	126,629	169,772	171,998
Grant date	20/03/2025	27/03/2024	07/03/2023
Vesting date	01/01/2028	01/01/2027	01/01/2026
Vesting period	01/01/2025 to 31/12/2027	01/01/2024 to 31/12/2026	01/01/2023 to 31/12/2025
Performance	40% of the initial granted PSUs are subject to the achievement of Year-over-Year Underlying EBITDA growth target for each of the 3 (2025, 2026, 2027) performance years ending on December 31, 2027	40% of the initial granted PSUs are subject to the achievement of Year-over-Year Underlying EBITDA growth target for each of the 3 (2024, 2025, 2026) performance years ending on December 31, 2026	40% of the initial granted PSUs are subject to the achievement of Year-over-Year Underlying EBITDA growth target for each of the 3 (2023, 2024, 2025) performance years ending on December 31, 2025
Conditions	40% of the initial granted PSUs are subject to the sustained and /or improved ROCE % of the Company for each of the 3 (2025, 2026, 2027) performance years	40% of the initial granted PSUs are subject to the sustained and /or improved ROCE % of the Company for each of the 3 (2024, 2025, 2026) performance years	40% of the initial granted PSUs are subject to the sustained and /or improved ROCE % of the Company for each of the 3 (2023, 2024, 2025) performance years
	20% of the initial granted PSUs are subject to the reduction of GHG absolute emissions during the same 3 years (2025, 2026, 2027)	20% of the initial granted PSUs are subject to the reduction of GHG absolute emissions during the same 3 years (2024, 2025, 2026)	20% of the initial granted PSUs are subject to the reduction of GHG absolute emissions during the same 3 years (2023, 2024, 2025)
	Achievement of the plan is measured for each separate performance year. The score achieved for each individual year is acquired definitively, whatever the achievement of the other years	Achievement of the plan is measured for each separate performance year. The score achieved for each individual year is acquired definitively, whatever the achievement of the other years	Achievement of the plan is measured for each separate performance year. The score achieved for each individual year is acquired definitively, whatever the achievement of the other years
Validation of performance conditions	By the Board of Directors	By the Board of Directors	By the Board of Directors

In 2025, the impact on the consolidated income statement regarding PSUs amounts to a gain of €22 million. This includes the cost (compensation expense and social charges) related to the PSU 2025 plan (€3 million). This cost is however offset by the gain coming from the reversal of the PSU 2023 and the PSU 2024 plans for a total amount of €15 million. Performance metrics on both plans will not be met and as a result the cumulative expense recognized till December 31, 2024, was reversed in 2025. Furthermore, there was a gain from the pay-out of the PSU 2022 plan of €9 million.

In 2024, the impact on the consolidated income statement regarding PSUs amounts to a cost of €11 million. Included in the 2024 PSU cost is €5 million related to the PSU 2024 equity-settled plan and €6 million related to the 2023 PSU plan.

At December 31, 2025, there were 415,072 PSUs outstanding of which, 124,501 PSUs are related to the new 2025 equity-settled plan, 144,335 PSUs are related to the 2024 equity-settled plan and 146.236 PSUs are related to the 2023 equity-settled plan.

At December 31, 2024, there were 306,763 PSUs outstanding of which, 154,369 PSUs are related to the 2024 equity-settled plan.

Restricted Share Units (RSU)

In 2025, the Board of Directors offered to executive staff two Restricted Share Unit Plans, with the objective of encouraging beneficiaries to remain employed by the Group by allowing them to become shareholders of the Group. All the managers involved subscribed to the RSUs offered to them in 2025 with a grant date fair value of €68.18 representing the average Syensqo Group stock market price of the share for the 30 days prior to the offer. The Restricted Share Units offered in 2025 are equity-settled share-based plans with a vesting date of December 31, 2027, after which shares will be issued, if vesting conditions are met.

In 2025, the impact on the consolidated income statement of the RSUs amounts to a cost of €6.5 million and includes the cost of the RSU 2025, RSU 2024 and RSU 2023 plans. All these plans are equity settled plans on Syensqo Group shares.

At December 31, 2025, there were 253,072 RSUs outstanding, out of which 120,492 RSUs on the 2025 plan, 65,917 RSUs on the 2024 plan and 66,663 RSUs on the 2023 plan.

In 2024, the impact on the consolidated income statement of the RSUs amounted to a cost of €15 million and included the cost of the converted 2022 PSU plan post the Partial Demerger.

The carrying amount of the liability for the 2022 RSU plan on awards on Solvay Group shares amounted to €2 million at the end of 2024.

The carrying amount of the liability for the 2022 PSU plan on awards on Solvay Group shares amounted (converted into RSUs) to €4 million at the end of 2024.

At December 31, 2024, there were 70,463 RSUs, 88,615 RSUs and 168,348 RSUs outstanding for the 2024, 2023 and 2022 equity settled plan, respectively on Syensqo Group shares.

At December 31, 2024, there were 168,348 RSUs outstanding on Solvay Group shares.

Employee Stock Purchase Plan (ESPP)

2025

In October 2024, Syensqo launched a new Employee Stock Purchase Plan (ESPP 2025), which allows the invited employees to purchase Syensqo Group shares on preferential terms. At the end of the offer period 2,290 employees subscribed to the plan. The grant date fair value of €73,51 represents the average stock market price of the share for the 30 days prior to the offer.

This Syensqo ESPP is an equity-settled share-based payment plan with a cash-settled portion related to the good leavers (as an exception). Syensqo will grant one free share for joining the plan. For every two shares that an employee buys, Syensqo will also grant one matching share. These shares will vest after two years (vesting period starts on the date of the first monthly contribution and ends on January 31, 2027).

At December 31, 2025, 46,487 free and matching shares were granted to the employees. The total impact on the consolidated income statement of the ESPP amounted to a cost of €2 million in 2025.

2024

In September 2022, Solvay launched its first employee share purchase plan. By participating in the plan, employees have the opportunity to purchase Solvay Group shares on preferential terms. 27.7% of employees subscribed to the plan offered to them in 2022 with a grant date fair value of €82.85 representing the average stock market price of the share for the 30 days prior to the offer. In accordance with IFRS 2 requirements, the fair value of the ESPP had been updated to €64.55, being the initial grant date fair value adjusted by the weighted average closing price of both Groups for the 30 days post the Partial Demerger (78% of the initial grant date fair value allocated to Syensqo).

These employees received one free Syensqo Group share for joining the plan as well as one matching share for every two shares purchased. The ESPP is an equity-settled share-based plan with a vesting date of September 30, 2024, after which the free and matching shares were issued, if vesting conditions were met.

At December 31, 2024, 54,542 free and matching shares were granted to the employees. The total impact on the consolidated income statement of the ESPP amounted to a cost of €1 million in 2024.

NOTE F27

EMPLOYEE BENEFITS

Accounting policy

General

The Group's employees are offered various post-employment benefits, other long-term employee benefits, and termination benefits as a result of legislation applicable in certain countries, and contractual agreements entered into by the Group with its employees or constructive obligations.

The post-employment benefits are classified as defined contribution or defined benefit plans.

Defined contribution plans

Defined contribution plans involve the payment of fixed contributions to a separate entity, and release the employer from any subsequent obligation, as this separate entity is solely responsible for paying the amounts due to the employee. The expense is recognized when an employee has rendered services to the Group during the period.

Defined benefit plans

Defined benefit plans concern all plans other than defined contribution plans, and include:

- Post-employment benefits: pension plans, other post-employment obligations and supplemental benefits such as post-employment medical plans.

Taking into account projected final salaries on an individual basis, post-employment benefits are measured by applying a method (projected unit credit method) using assumptions involving discount rate, life expectancy, turnover, wages, annuity revaluation and medical cost inflation. The assumptions specific to each plan take into account the local economic and demographic contexts.

The discount rates are interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension obligation.

The amount recognized under post-employment obligations corresponds to the difference between the present value of future obligations and the fair value of the plan assets funding the plan, if any. If this calculation gives rise to a deficit, an obligation is recognized in liabilities. Otherwise, a net asset limited to the lower of the surplus in the defined benefit plan and the present value of any future plan refunds or any reduction in future contributions to the plan is recognized. Therefore the amount at which such an asset is recognized in the statement of financial position may be subject to a ceiling.

The defined benefit cost consists of service cost and net interest expense (based on discount rate) on the net liability or asset, both recognized in profit or loss, and remeasurements of the net liability or asset, recognized in other comprehensive income.

Service cost consists of current service cost, past service cost resulting from plan amendments or curtailments and settlement gains or losses.

The interest expenses arising from the reverse discounting of the benefit obligations, the financial income on plan assets (determined by multiplying the fair value of the plan assets by the discount rate) as well as interest on the effect of the asset ceiling are recognized on a net basis in the net financial charges (cost of discounting of provisions).

Remeasurements of the net liability or asset consist of:

- actuarial gains and losses on the benefit obligations arising from experience adjustments and/or changes in actuarial assumptions (including the effect of changes in the discount rate) recognized in other comprehensive income;
- Changes as a consequence of plan amendments, recognized in profit or loss;
- the return on plan assets (excluding amounts in net interest) and changes in the limitation of the net asset recognized.

Other long-term employee and termination benefits

Other long-term employee benefits related to long service benefits granted to employees according to their seniority in the Group. Termination benefits include early pension plans. Other long-term employee and termination benefits are accounted for in the same way as post-employment benefits but remeasurements are fully recognized in the net financial charges during the period in which they occur.

The actuarial calculations of the main post-employment obligations and other long-term benefits are performed by independent actuaries.

LIABILITY BY TYPE OF BENEFITS

In € million	December 31, 2025	December 31, 2024
Post-employment benefits	224	291
Other long-term benefits	93	103
Termination benefits	1	1
TOTAL EMPLOYEE BENEFITS	**319**	**395**

Post-employment benefits

A. Defined contribution plans

For defined contribution plans, the Group pays contributions to publicly or privately administered pension funds or insurance companies.

B. Defined benefit plans

Defined benefit plans can be either funded via outside pension funds or insurance companies (funded plans) or financed within the Group (unfunded plans). Unfunded plans have no plan assets dedicated to them.

The net liability results from the net of the provisions and the asset plan surplus.

In € million	December 31, 2025	December 31, 2024
Provisions	224	291
Asset plan surplus	-63	-44
Net liability	**161**	**246**

	2025	2024
Operational expense	1	-6
Finance expense	10	9

The operating expense includes the impact of the group annuity contract and current service cost for €16 million (€18 million in 2024) (see also B.3.).

B.1. Management of risks

Over recent years, the Group has reduced its exposure to defined benefit plan obligations stemming from future services by converting existing plans into pension plans with a lower risk profile (hybrid plans, cash balance plans and defined contribution plans) or by closing them to new entrants or future accrual.

The Group continuously monitors its risk exposure, focusing on the following risks:

Asset volatility

Equity instruments, even though expected to outperform corporate bonds in the long-term, create volatility and risk in the short-term. To mitigate this risk, the allocation to equity instruments is monitored using Assets and Liabilities Management techniques, to ensure it remains appropriate given the respective schemes' and Group's long term objectives.

Changes in bond yields

A decrease in corporate bond yields will increase the carrying amount of the plans' liabilities. For funded schemes this impact will be partially offset by an increase in the fair value of the plan assets. Corporate bond yields are highly dependent on global and local market situations, the decisions of central banks and the political situation.

The main events that are currently impacting the financial markets are:

- the perspective of slow growth in the world with a fragmentation by geographic zones;
- wide global wave of government debt supply, in particular across the US and Europe;
- persistent inflation and recent volatility in some geographies erodes fixed income returns and increases investors' demand for higher yields;
- stubborn inflation may prevent central banks cutting rates significantly, particularly in the US where growth is robust;
- concerns on US administration's policies and decisions on tariffs;
- continuing political instability due to the war in Gaza, Ukraine and tension with China.

Inflation risk

The defined benefit obligations are linked to inflation, and as a result, higher inflation may lead to an increase in the benefit obligation (although, in most cases, caps on the level of inflationary increases are in place to protect against extreme inflation). A limited part of the assets are either unaffected by or only partially correlated with inflation, meaning that an increase in inflation will also increase the plans' net liabilities.

The inflation rate in each country is based on the Global Economic Consensus Forecast (GCF) with the exception of the UK, where the information is derived from the Bank of England. Long-term inflation assumptions remain unchanged in the Eurozone in comparison to 2024. In the UK, the outlook for the retail price index and consumer price index decreased slightly compared to 2024 (see Actuarial assumptions used in determining the liability).

Life expectancy

The majority of the schemes' obligations are to provide benefits for the life of the member. Increases in life expectancy will therefore increase the plans' liabilities.

Regulatory risk

Especially with respect to funded plans, the Group is exposed to the risk of external funding following regulatory constraints. This should not impact the defined benefit obligation but could expose the Group to a potential significant cash outlay.

B.2. Description of obligations

The provisions have been set up to cover post-employment benefits granted by most Group companies in line, either with local rules and /or with established practices, which generate constructive obligations.

The largest post-employment plans in 2025 and 2024 are in the United Kingdom, the United States, France and Belgium.

These four countries represent 95% of the total defined benefit obligations and represent 99% of the total recognized plan assets.

	December 31, 2025				
In € million	Defined benefit obligations	Recognized plan assets	Net liability/(asset)	Ratio plan assets on defined benefit obligations	of which asset surplus recognized in the balance sheet
United Kingdom	861	845	17	98%	1
United States	307	284	23	92%	54
France	94	18	76	19%	0
Belgium	89	91	-2	102%	3
Other countries	65	17	47	27%	5
TOTAL	**1,416**	**1,255**	**161**	**89%**	**63**

	December 31, 2024				
In € million	Defined benefit obligations	Recognized plan assets	Net liability/(asset)	Ratio plan assets on defined benefit obligations	of which asset surplus recognized in the balance sheet
United Kingdom	936	891	45	95%	0
United States	383	321	62	84%	37
France	107	20	87	19%	0
Belgium	81	79	2	98%	1
Other countries	70	19	51	27%	6
TOTAL	**1,576**	**1,330**	**246**	**84%**	**44**

United Kingdom

The Group sponsors a few defined benefit plans in the United Kingdom; the largest one is the Rhodia Pension Fund (the Fund). This is a final salary funded pension plan, with entitlement to accrue a percentage of salary per year of service. It was closed to new entrants in 2003 and replaced by a defined contribution plan. Following a consultation with active members, the company confirmed that the defined benefits will cease to future accrual with effect from December 31, 2026.

Broadly, at year-end 2025, about 9% of the defined benefit obligations are attributable to current employees, 26% to former employees and 65% to current pensioners.

The Fund functions and complies with UK legislation under a large regulatory framework. The Pensions Regulator has a risk-based approach to regulation and a code of practice, which provides practical guidance to trustees and employers of defined benefit schemes on how to comply with the scheme funding requirements. In accordance with UK legislation, the Fund is subject to Scheme Specific Funding, which requires that pension plans are funded prudently.

The Fund is governed by a Board of Trustees. They manage the Fund with prudent and fair judgment. The Trustees determine the liabilities used for Statutory Funding Objectives based on prudent actuarial and economic assumptions. Any shortfall or deficit once these liabilities have been deducted from the Fund's assets must be reduced by additional contributions and in a timeframe determined in accordance with the employer's ability to pay and the strength of covenant or contingent security being offered by the employer.

The Fund is subject to a triennial valuation cycle for funding purposes. This valuation is performed by the scheme actuary in line with UK regulations and is discussed between the Trustees and the sponsoring employer to agree the valuation assumptions and a funding plan. The last completed valuation was as of January 1, 2024, which established a fixed contribution rate of pensionable pay for active members plus a deficit recovery plan, which aims to fully fund the scheme's technical provisions over a period of time. Recovery contributions were increased so that the plan is expected to be fully funded by the end of 2030 in accordance with local regulations.

The guarantee provided by the Group (£160 million / €183 million) is based on local regulations and exceeds the recognized liability – See note F33 Contingent assets, liabilities and financial guarantees for more information.

In June 2023, the High Court handed down a decision (Virgin Media Limited v NTL Pension Trustees II Limited and others) which potentially has implications for the validity of amendments made by pension schemes, including Syensqo's UK defined benefit plans, which were contracted-out on a salary-related basis between April 6, 1997 and the abolition of contracting-out in 2016. In July 2024 the Court of Appeal upheld the original decision. Then in 2025 the UK Department for Work and Pensions announced that it will introduce legislation to allow retrospective confirmation of historic benefit changes.

The pension plan Trustees and advisers have completed a review of the plan amendments to check whether any may fall into the scope of the ruling. Based on this investigation, the Group believes that amendments made to the plans in the relevant period are not in the scope of the UK High Court Ruling and therefore the Ruling does not expose the Group's UK defined benefit plans to any new risks that would have a significant impact on the consolidated financial statements as at December 31, 2025.

The Group will continue to monitor developments to decide whether any further actions are required.

France

The group sponsors several defined benefit plans in France. The largest plans are the French compulsory retirement indemnity plan and four closed top hat plans. More than 92% of the liabilities for the top hat plans are attributable to current pensioners. Three of the top hat plans are partially funded.

In accordance with French legislation, adequate guarantees have been provided.

United States

The Group sponsors four defined benefit pension plans in the United States: one qualified plan following the merger of two qualified plans in 2023 and three non-qualified plans. A qualified plan is an employer-sponsored retirement plan that qualifies for special tax treatment under Section 401(a) of the Internal Revenue Code. At this moment all defined benefit plans are closed to new entrants where newly hired employees are eligible to participate in a defined contribution plan. Note that the qualified defined benefit pension plan is funded while the three non-qualified defined benefit pension plans are unfunded. The qualified plan makes up the vast majority of the pension liabilities as of December 31, 2025.

The Group's plans are in compliance with local laws regarding audited financial statements, governmental filings, and Pension Benefit Guaranty Corporation insurance premiums where applicable. The qualified plan is reviewed and monitored locally by fiduciary committees for purposes of plan investments and administrative matters.

For the US qualified plan, the Group's contributions take into account minimum (tax-deductible) funding requirements as well as maximum tax-deductible contributions, both regulated by the tax authorities.

Certain eligible participants may elect to receive their pension in a single lump sum payment instead of a monthly annuity payment.

Broadly, at year-end 2025, about 61% of the defined benefit obligations are attributable to current employees, 28% to former employees for whom benefit payments have not yet commenced and 11% to current pensioners. These percentages are after reflecting the group annuity contract that was completed in August 2024.

In 2025, in the United States, the Group contributed to two multiemployer pension plans under collective bargaining agreements that cover certain of its union-represented employees. Each of the multiemployer plans is a defined benefit pension plan, both of which were in green zone status for 2025. Neither of the multiemployer plans provide an allocation of its assets, liabilities, or costs among contributing employers. Neither of the multiemployer plans provides sufficient information to permit Syensqo, or other contributing employers, to account for the multiemployer plan as a defined benefit plan. Accordingly, the company accounts for its participation in each of the multiemployer plans as if it were a defined contribution plan. For 2024 and 2025, the annual contributions paid for each multiemployer plan were less than €0.3 million and represented less than 5% of total plan contributions. Multiemployer plan contributions for 2026 are also expected to be less than €0.3 million for each plan.

An asset surplus is recognized in the consolidated statement of financial position for the United States.

Belgium

The Group sponsors two defined benefit plans in Belgium. These are funded pension plans. The plan for executives has been closed since the end of 2006, and the plan for the White and Blue collars has been closed since 2004. The past service benefits provided under these plans continue to be adapted each year considering annual salary increase and inflation ("dynamic management"). In accordance with market practice in Belgium, because of favorable retirement lump sum taxation, most benefits are paid as lump sum.

Furthermore, the Group sponsors two open defined contribution plans, classified as defined benefit plans for accounting purposes due to the minimum guarantees explained hereafter. These are funded pension plans, which are open since the beginning of 2007 for the one in favor of the executives and since the beginning of 2005 for the one in favor of the White and Blue collars. Participants may choose to invest their contributions amongst four different investment funds (from "Prudent" to "Dynamic"). However, regardless of their choices, the Belgian law foresees that the employer must guarantee a return on employer contribution and on personal contribution, creating that way a potential liability for the Group. Since 2016 the return is a variable rate defined by legislation and reviewed annually, within a range (1.75% and 3.75%). This rate was set at 1.75% between 2016 and 2024, and from January 1, 2025 increased to 2.5%. To value the Group liabilities of those plans, an estimated average return over the duration of the plans is used. Since the increase of the minimum guaranteed return was anticipated last year, there is no significant change in the average return and Group liabilities due to the new rate. At the end of 2025, the net liability recognized in the consolidated statement of financial position concerning these plans is not material.

The Group's plans are setup through a multiemployer pension fund with assets and pension liabilities held in a section separated from other sponsoring companies. The fund operates in compliance with local laws regarding minimum funding, investments principles, audited financial statements, governmental filings, and governance principles. The fund is managed through a General Assembly and a Board of Directors delegating day-to-day activities to an operational committee.

Other Plans

The majority of the obligations relate to pension plans. In some countries (mainly the United States), there are also post-employment medical plans, which represent 5% (5% in 2024) of the total defined benefit obligation.

B.3. Financial impacts

Changes in net liability

In € million	2025	2024
	246	**189**
Net expense recognized in P&L - Defined benefit plans	11	3
Actual employer contributions / direct actual benefits paid	-26	-27
Acquisitions and disposals	0	0
Remeasurements before impact of asset ceiling	-63	77
Change in the effect of the asset ceiling limit on remeasurements	0	0
Reclassifications	0	1
Currency translation differences	-7	3
Transfer to (liabilities associated with) assets held for sale	1	0
Net amount recognized at end of period	**161**	**246**

Remeasurements (including the impact of asset ceiling) €(63) million comprise:

- the favorable investment return on plan assets (excluding interests reported in the consolidated income statement) for €(42) million;
- the change in discount rates €(12) million, mainly a decrease in the United States and an increase in the Eurozone;
- the decrease in inflation rate €(21) million for United Kingdom;
- other remeasurements due to changes in the other financial assumptions, demographic and experience effects for €11 million.

Net expense

In € million	2025	2024
Current service costs	16	18
Past service costs (including curtailments and settlements)	-18	-27
Service costs	**-2**	**-9**
Interest cost	76	84
Interest income	-66	-75
Net interest	**10**	**9**
Administrative expenses paid	3	3
Net expense recognized in P&L - Defined benefit plans	**11**	**3**
Remeasurements recognized in other comprehensive income	-63	77

The service costs and administrative expenses of these benefit plans are recognized within cost of sales, administrative costs, research & development costs or operating gains and losses and results from major litigations and legacy remediation, and the net interest is recognized as a finance expense.

In 2025 the Group's current service costs amounted to €16 million (€18 million in 2024), of which €11 million (€13 million in 2024) related to funded plans and €5 million (€5 million in 2024) related to unfunded plans.

Net liability

In € million	December 31, 2025	December 31, 2024
Defined benefit obligations - Funded plans	1,231	1,367
Fair value of plan assets at end of period	-1,255	-1,330
Deficit / surplus (-) for funded plans	**-24**	**38**
Defined benefit obligations - Unfunded plans	185	209
Deficit / surplus (-)	**161**	**246**
Amounts not recognized as asset due to asset ceiling (recognized in other comprehensive income)	0	0
Net liability (asset)	**161**	**246**
Provision recognized	224	291
Asset recognized	-63	-44

Changes in defined benefit obligations

In € million	2025	2024
Defined benefit obligation at beginning of period	**1,576**	**2,042**
Current service costs	16	18
Past service costs (including curtailments)	-5	-8
Interest cost	76	84
Employee contributions	2	2
Settlements	-13	-448
Acquisitions and disposals (-)	0	0
Remeasurements in other comprehensive income	-21	-23
Actuarial gains and losses due to changes in demographic assumptions	0	37
Actuarial gains and losses due to changes in financial assumptions	-31	-89
Actuarial gains and losses due to experience	10	28
Actual benefits paid	-116	-156
Currency translation differences	-91	75
Reclassification and other movements	0	-10
Transfer from/to (liabilities associated with) assets held for sale	-7	0
Defined benefit obligation at end of period	**1,416**	**1,576**
Defined benefit obligations - Funded plans	1,231	1,367
Defined benefit obligations - Unfunded plans	185	209

Changes in the fair value of plan assets

In € million	2025	2024
Fair value of plan assets at beginning of period	**1,330**	**1,853**
Interest income	66	75
Remeasurements in other comprehensive income	42	-100
Return on plan assets (excluding amounts in net interests including on asset surplus)	42	-100
Employer contributions	27	27
Employee contributions	2	2
Administrative expenses paid	-3	-3
Acquisitions / Disposals (-)	0	0
Settlements	0	-429
Actual benefits paid	-117	-155
Currency translation differences	-84	72
Reclassification and other movements	0	-10
Transfer from/to (liabilities associated with) assets held for sale	-8	0
Fair value of plan assets at end of period	**1,255**	**1,330**
Actual return on plan assets (including on asset surplus)	107	-25

In 2025, the total return on plan assets, i.e. including interest income, is a gain of €107 million against a loss of €(25) million in 2024.

In 2025, the Group's cash contributions amounted to €27 million (€27 million in 2024) of mandatory contributions to funds and direct benefits payments. No voluntary cash contributions were made in 2025, nor in 2024.

Future benefits paid

The Group's benefit payments from the defined benefit plan in the future years are expected to be approximately as follows (in € million):

Period	Total	Eurozone	United Kingdom	United States	Other
2026	122	16	65	39	2
2027	115	10	67	36	2
2028 - 2030	353	52	200	95	6

Categories of plan assets

	December 31, 2025	December 31, 2024
Equities	19%	31%
Bonds	66%	59%
Properties and infrastructures	10%	4%
Cash and cash equivalents	4%	4%
Derivatives	0%	0%
Others	1%	2%
TOTAL	**100%**	**100%**

With respect to the invested assets, it should be noted that these assets do not contain any direct investment in the Group shares or in property or other assets occupied or used by the Group. This does not exclude the Group shares being included in mutual investment fund type investments.

Changes in asset ceiling

In € million	2025	2024
Effect of the asset ceiling limit at beginning of period	0	0
Change in the effect of the asset ceiling limit on remeasurements	0	0
Effect of the asset ceiling limit at end of period	0	0

Actuarial assumptions used in determining the liability

Some of the retirement plans that the Group has in place provide annuity payments that are adjusted on a regular basis to mitigate the effects for cost of living increases.

The salary growth assumption is used to determine what will be the salary at the end of the career of the individuals, as the defined benefit plans take into account the last salary of the individuals. This assumption includes impacts of both inflation and merit increases.

The pension growth assumption defines the expected future adjustments for these annuity payments. The plan defines how these annuity payments will be adjusted, and might be linked to inflation. Pension growth assumptions mainly apply for the defined benefit retirement plans in the United Kingdom and France.

The long term inflation assumption is presented separately as salary growth and pension growth assumptions encompass more variables than inflation.

	Eurozone		UK		USA	
	2025	2024	2025	2024	2025	2024
Discount rates	**4.10%**	3.40%	**5.50%**	5.50%	**5.20%**	5.50%
Expected rates of future salary increases	**2.44%-4.13%**	1.80%-4.58%	**2.30%**	2.60%	**4.30%**	4.30%
Inflation	**1.80% - 2.00%**	1.80% - 2.00%	**2.70%**	3.00%	**2.40%**	2.20%
Expected rates of pension growth	**0.00% - 2.00%**	0.00% - 2.00%	**2.60%**	2.90%	**N/A**	N/A

Actuarial assumptions used in determining the annual cost

	Eurozone		UK		USA	
	2025	2024	2025	2024	2025	2024
Discount rates	**3.40%**	3.25%	**5.50%**	4.50%	**5.50%**	4.75%
Expected rates of future salary increases	**1.80%-4.58%**	2.00% - 4.58%	**2.60%**	2.25%	**4.30%**	4.30%
Inflation	**1.80% - 2.00%**	2.00% - 2.25%	**3.00%**	2.75%	**2.20%**	2.25%
Expected rates of pension growth	**0.00% - 2.00%**	0.00% - 2.25%	**2.90%**	2.65%	**N/A**	N/A

Actuarial assumptions regarding future mortality are based on recent country specific mortality tables. These assumptions translate at January 1, 2025 into an average remaining life expectancy in years for a pensioner retiring at age 65:

In years	Belgium	France	United Kingdom	United States
Retiring at the end of the reporting period				
Male	19	25	21	21
Female	22	29	23	23
Retiring 20 years after the end of the reporting period				
Male	20	28	22	22
Female	24	32	24	24

For most countries the mortality assumptions reflect actual scheme experience and/or the Group's expectations in terms of future mortality improvements.

The actuarial assumptions used in determining the employee benefits obligation at December 31, 2025 are based on the following employee benefits liabilities durations:

	Eurozone	United Kingdom	United States
Duration in years	10.9	10.5	6.7

Sensitivities on the defined benefits obligation for the post-employment benefits

Each sensitivity amount is calculated assuming that all other assumptions are held constant. The economic factors and conditions often affect multiple assumptions simultaneously.

Sensitivity to a change of percentage in the discount rates:

In € million	0.25% increase	0.25% decrease
Eurozone	-4	4
United Kingdom	-21	21
United States	-5	5
Others	-1	1
TOTAL	**-31**	**31**

Sensitivity to a change of percentage in the inflation rates:

In € million	0.25% increase	0.25% decrease
Eurozone	4	-4
United Kingdom	17	-17
United States	0	0
Others	0	0
TOTAL	**21**	**-21**

Sensitivity to a change of percentage in salary growth rates:

In € million	0.25% increase	0.25% decrease
Eurozone	2	-2
United Kingdom	0	0
United States	0	0
Others	0	0
TOTAL	**2**	**-2**

Sensitivity to a change of one year on mortality tables – The table shows impacts when the age of all beneficiaries increases or decreases by one year:

In € million	Age correction +1 year	Age correction -1 year
Eurozone	-4	4
United Kingdom	-33	33
United States	-2	2
Others	-1	1
TOTAL	**-40**	**40**

NOTE F28

PROVISIONS

Accounting policy

General

Provisions are recognized when (a) the Group has a present obligation (legal or constructive) as a result of a past event, (b) it is probable that the Group will be required to settle the obligation, and (c) a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount is the present value of expenditures required to settle the obligation. Impacts of changes in discount rates are generally recognized in the financial result.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received when the Group settles the obligation.

Restructurings

A restructuring provision is recognized when the Group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

Environmental remediation costs

Environmental liabilities are mainly related to non-ongoing activities (shut-down sites, discontinued activities or divested activities where Syensqo maintains certain commitments) and, to a lower extent, to ongoing activities (see comments below).

An environmental provision is recognized, in accordance with IAS 37, when there is a current legal or constructive obligation resulting from past events which will result in a probable outflow of resources (expenses / cash-outs) to settle it and for which a reliable estimate of such outflows and timing can be made.

The environmental expenses encompass, but are not limited to, the following key matters

- Sampling and analytical costs for soil and groundwater monitoring;
- Cost related to dismantling when required to meet a remediation or permit obligation;
- Asbestos removal when obligated by regulation;
- Environmental investigations and studies (Risk Assessments, Phase I and II soil and groundwater);

The closing amount of the environmental provisions is based on the net present value of the future cash flows needed, for current and future years, to settle remediation obligations. Forecast expenditures are based on external consultant estimates, where appropriate and possible. Future expenditures are forecast and revised biannually and validated quarterly by Syensqo finance and suitably qualified industrial experts led by the Group Health, Safety and Environment ("HSE") Director and benefit from inputs of legal department staff for the evolution of Environmental Regulations.

In the absence of probable obligations, a contingent liability may be disclosed to represent the future possible liability. In some cases, contingent liabilities cannot be quantified. See Note F33 Contingent assets, liabilities and financial guarantees.

In € million	Restructuring	Environment	Litigation	Other	Total
December 31, 2024	**104**	**292**	**34**	**103**	**533**
Additions	104	15	14	69	203
Reversals of unused amounts	0	-5	0	-17	-22
Uses	-101	-30	-2	-58	-192
Increase/decrease through discounting	0	18	0	0	18
Currency translation differences	-2	-30	-4	-2	-38
Acquisitions and changes in consolidation scope	0	0	0	0	0
Transfer to liabilities associated with assets held for sale	-1	0	0	0	-1
Other	0	0	0	0	0
DECEMBER 31, 2025	**104**	**260**	**41**	**95**	**501**
Of which current provisions	51	52	41	46	190

Management expects provisions to be used (cash outlays) as follows:

In € million	up to 5 years	between 5 and 10 years	beyond 10 years	Total
Total provisions for environment	143	48	69	260
Total provisions for litigation	41			41
Total provisions for restructuring and other	199			199
DECEMBER 31, 2025	**383**	**48**	**69**	**501**

Restructuring provisions

Following the initiatives launched in November 2024 to adapt the global Syensqo organization to better meet the evolving needs of its customers and focus on projects that will accelerate growth, the Group announced additional global restructuring initiatives during 2025, with announcements in May and September 2025 and a new restructuring plan in the plant of Tavaux, France.

Additional provisions for restructuring costs for €104 million have been recognized during the year 2025. This includes €3 million related to the Oil & Gas discontinued operations.

Environmental provisions

These provisions amount to €260 million at the end of 2025, compared with €292 million at the end of 2024.

The environmental provisions in 2025 relate mainly to remedial activities pertaining to the per- and polyfluoroalkyl substances (PFAS) related to the West Deptford, New Jersey site (€108 million).

The variation of Environmental provisions was also impacted by:

- the reversal of unused amounts for €(5) million mainly due to the downward revision of future remediation expenses;
- uses of provision for €(30) million.

The breakdown of the environmental provisions and related uses for the main Countries/Regions is reported here below:

	December 31, 2025			December 31, 2024		
In € million	Provisions	In %	Use of provisions	Provisions	In %	Use of provisions
Italy	27	10%	-3	28	10%	-4
Rest of Europe	7	3%	-2	7	2%	-2
North America	223	86%	-25	254	87%	-41
Rest of the world	2	1%	0	3	1%	0
TOTAL	**259**	**100%**	**-30**	**292**	**100%**	**-47**

HSE cross-indemnities

The Separation Agreement signed in 2023 contains provisions allocated to the Syensqo Group for certain operating costs, closed or divested sites, including sites for which provisions have been established in the Solvay Group's consolidated financial statements, and cross-indemnity obligations applicable where a party incurs claims, liabilities or expenses for sites allocated to the other party in the Separation Agreement.

The cross-indemnity provision within the Separation Agreement defines the nature of the environmental liabilities and costs that are indemnified. Such costs include management of environmental claims, remediation obligations and related actions. The Separation Agreement also provides additional provisions such as submitting claims and protections aimed at avoiding double recoveries.

At the end of 2025, the cross-indemnity provisions amounted to €45 million (€47 million in 2024) and the related indemnification assets have been recognized in Other non-current assets and Other Receivables.

Provisions for litigation

Provisions for litigation refer to indirect tax and legal exposures. They amount to €41 million in 2025 (€34 million in 2024). See section 4. Litigation and the note F33 Contingent Assets, Liabilities and Financial guarantees for additional information.

Other provisions

Other provisions amount to €95 million in 2025 (€103 million in 2024).

The Syensqo Group and the Solvay Group entered into a transition services agreement (the "TSA"), effective from the date of the Partial Demerger for a non-renewable term of 24 months, whereby the Syensqo Group and the Solvay Group would, to the extent that certain business functions and corporate functions had not been separated prior to the Partial Demerger date, each provide to the other various services and support on an interim transitional basis.

In particular, given that the Syensqo Group did not have certain internal corporate functions fully in place at the date of the Partial Demerger (such as finance, legal, tax, human resources, payroll, IT and other support services), the Solvay Group provided support with such matters under the terms of the TSA. At the time of the Partial Demerger it was agreed that, upon termination of the TSA, the Syensqo Group would bear wind-down charges covering certain restructuring costs incurred by the Solvay Group. The related provision amounted to €39 million at the end of 2024, was partially settled in 2025 for €14 million and the final amount to be paid in Q1 2026 is estimated at €22 million.

The additions to Other provisions in 2025 mainly related to fees due to early termination of contracts for €23 million, accrued an paid during the period, and to onerous contracts.

NOTE F29

FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Accounting policy

General

Financial assets and liabilities are recognized when, and only when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

Financial assets are classified, at initial recognition, and subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price, which is the case for substantially all trade receivables.

A financial asset is classified as current when the cash flows expected to flow from the instrument mature within one year.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments).
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments). The Group does not have any debt instruments measured at fair value through OCI.
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments).
- Financial assets at fair value through profit or loss.

Financial assets at amortized cost (debt instruments)

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired. The Group's financial assets at amortized cost includes trade receivables, loans and other marketable securities.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment. The Group elected to classify irrevocably its non-listed equity investments under this category.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss. This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognized as other income in the statement of profit or loss when the right of payment has been established.

Equity investments in partnerships of investment funds are measured in the consolidated statement of financial position at fair value with gains and losses recognized in profit or loss. Based on the analysis of the characteristics of these funds the Group determined that they were not eligible for the FVTOCI option and therefore are accounted for at FVTPL.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

For instruments quoted in an active market, the fair value corresponds to a market price (level 1). For instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving instruments which are substantially the same (level 2), or discounted cash flow analysis including, to the greatest possible extent, assumptions consistent with observable market data (level 3). However, in limited circumstances, cost of equity instruments may be an appropriate estimate of their fair value. That may be the case if insufficient more recent information is available to measure fair value, or if there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

Impairment of financial assets

The impairment loss of a financial asset measured at amortized cost is calculated based on the expected loss model, representing the weighted average of credit losses with the respective risks of a default occurring as the weights. Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables that do not contain a significant financing component (i.e. substantially all trade receivables), the loss allowance is measured at an amount equal to lifetime expected credit losses. Those are the expected credit losses that result from all possible default events over the expected life of those trade receivables, using a provision matrix that takes into account historical information on defaults adjusted for the forward-looking information per customer. The Group considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is fully impaired when there is no reasonable expectation of recovering the contractual cash flows.

Impairment losses are recognized in the consolidated income statement.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

The Group classifies financial liabilities that arise from supplier finance arrangements within Trade and other payables in the statement of financial position if they have a similar nature and function to trade payables. This is the case if the supplier finance arrangement is part of the working capital used in the Group's normal operating cycle, the level of security provided is similar to trade payables and the terms of the liabilities that are part of the supply chain finance arrangement are not substantially different from the terms of trade payables that are not part of the arrangement. Cash flows related to liabilities arising from supplier finance arrangements that are classified in Trade and other payables in the consolidated statement of financial position are included in operating activities in the consolidated statement of cash flows.

For the purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss

  This category includes financial guarantee contracts and derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. The Group has not designated any financial liability as at fair value through profit or loss.

- Financial liabilities at amortized cost (loans and borrowings)

  This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

Derivative financial instruments

The Group enters into a variety of derivative financial instruments (forward, future, option, collars and swap contracts) to manage its exposure to interest rate risk, foreign exchange rate risk, and commodity risk (mainly utility and CO_2 emission rights price risks).

As explained above, derivatives are initially recognized at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in income or expense, unless the derivative is designated and effective as a hedging instrument. The Group designates certain derivatives as hedging instruments of the exposure to variability in cash flows with respect to a recognized asset or liability or a highly probable forecast transaction that could affect profit or loss (cash flow hedges).

A derivative with a positive fair value is recognized as a financial asset whereas a derivative with a negative fair value is recognized as a financial liability. Derivative instruments (or portions of them) are presented as non-current assets or non-current liabilities if the remaining maturity of the underlying settlements is more than twelve months after the reporting period. Other derivative instruments (or portions of them) are presented as current assets or current liabilities.

Hedge accounting

The Group designates certain derivatives and embedded derivatives, in respect of interest rate risk, foreign exchange rate risk, Syensqo share price risk, and commodity risk (mainly utility and CO_2 emission rights price risks), as hedging instruments in a cash flow hedge relationship.

At the inception of the hedge relationship, there is a formal designation and documentation of the hedging relationship and the Group's risk management objective and strategy for undertaking the hedge. So to apply hedge accounting: (a) there is an economic relationship between the hedged item and the hedging instrument, (b) the effect of credit risk does not dominate the value changes that result from that economic relationship, and (c) the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

The requirement under (a) above that an economic relationship exists means that there is an expectation that the value of the hedging instrument and the value of the hedged item will systematically change in the opposite direction in response to movements in either the same underlying (or underlyings that are economically related in such a way that they respond in a similar way to the risk that is being hedged).

Cash flow hedges

The effective portion of changes in the fair value of hedging instruments that are designated in a cash flow hedge is recognized in other comprehensive income.

The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.

The cash flow hedge reserve is adjusted to the lower of the following (in absolute amounts):

(i) the cumulative gain or loss on the hedging instrument from inception of the hedge; and

(ii) the cumulative change in fair value (present value) of the hedged item (i.e. The present value of the cumulative change in the hedged expected future cash flows) from inception of the hedge.

The amount that has been accumulated in the cash flow hedge reserve is accounted for as follows:

(i) if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the Group removes that amount from the cash flow hedge reserve and includes it directly in the initial cost or other carrying amount of the asset or the liability. This is not a reclassification adjustment and hence it does not affect other comprehensive income;

(ii) for cash flow hedges other than those covered by (i), that amount is reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment in the same period or periods during which the hedged expected future cash flows affect profit or loss (for example, in the periods that interest income or interest expense is recognized or when a forecast sale occurs);

(iii) however, if that amount is a loss and the Group expects that all or a portion of that loss will not be recovered in one or more future periods, it immediately reclassifies the amount that is not expected to be recovered into profit or loss as a reclassification adjustment.

Most hedged items are transaction related. The time value of options, forward elements of forward contracts, and foreign currency basis spreads of financial instruments that are hedging the items affect profit or loss at the same time as those hedged items.

Hedge accounting is discontinued prospectively when the hedging relationship (or a part of a hedging relationship) ceases to meet the qualifying criteria (after taking into account any rebalancing of the hedging relationship, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised.

When the Group discontinues hedge accounting for a cash flow hedge it accounts for the amount that has been accumulated in the cash flow hedge reserve as follows:

- if the hedged future cash flows are still expected to occur, that amount remains in the cash flow hedge reserve until the future cash flows occur. However, if that amount is a loss and the Group expects that all or a portion of that loss will not be recovered in one or more future periods, it immediately reclassifies the amount that is not expected to be recovered into profit or loss as a reclassification adjustment;
- if the hedged future cash flows are no longer expected to occur, that amount is immediately reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment. A hedged future cash flow that is no longer highly probable to occur may still be expected to occur.

F29.A. Overview of financial instruments

The following table presents the financial assets and liabilities according to their classification under IFRS 9.

		December 31, 2025	December 31, 2024
In € million	Classification	Carrying amount	Carrying amount
Non-current assets - Financial instruments		**167**	**209**
Equity instruments measured at fair value through other comprehensive income	Financial assets measured at fair value through other comprehensive income	30	31
Equity instruments measured at fair value through profit or loss	Financial assets measured at fair value through profit or loss	34	55
Loans and other non-current assets (excluding pension fund surpluses)	Financial assets measured at amortized cost	103	122
Financial instruments - Operational		**0**	**1**
Derivative financial instruments designated in a cash flow hedge relationship	Cash-flow hedge	0	1
Current assets - Financial instruments		**1,743**	**1,691**
Trade receivables	Financial assets measured at amortized cost	788	948
Loans short-term portion	Financial assets measured at amortized cost	3	4
Other financial instruments		76	67
Other marketable securities >3 months	Financial assets measured at amortized cost	72	58
Currency swaps	Held for trading	1	1
Other current financial assets	Financial assets measured at amortized cost	3	8
Financial instruments - Operational		**15**	**14**
Held for trading	Held for trading	2	5
Derivative financial instruments designated in a cash flow hedge relationship	Cash-flow hedge	13	9
Cash and cash equivalents	Financial assets measured at amortized cost	861	659
Total assets - Financial instruments		**1,910**	**1,899**
Non-current liabilities - Financial instruments		**2,873**	**1,865**
Financial debt		2,861	1,822
Bonds/Senior notes	Financial liabilities measured at amortized cost	2,707	1,647
Other non-current debts	Financial liabilities measured at amortized cost	8	7
Lease liabilities IFRS 16 - Non-current portion	Lease liabilities measured at amortized cost	146	168
Other liabilities	Financial liabilities measured at amortized cost	11	43

		December 31, 2025	December 31, 2024
In € million	Classification	Carrying amount	Carrying amount
Financial instruments - Operational		**1**	**0**
Derivative financial instruments designated in a cash flow hedge relationship	Cash flow hedge	1	0
Current liabilities - Financial instruments		**922**	**1,312**
Financial debt		**100**	**293**
Short-term financial debt	Financial liabilities measured at amortized cost	38	230
Currency swaps	Held for trading	3	1
Derivative financial instruments designated in a cash flow hedge relationship	Cash flow hedge	0	0
Lease liabilities IFRS 16 - Current portion	Lease liabilities measured at amortized cost	58	62
Trade payables	**Financial liabilities measured at amortized cost**	**816**	**1,001**
Financial instruments - Operational		**5**	**19**
Held for trading	Held for trading	1	4
Derivative financial instruments designated in a cash flow hedge relationship	Cash flow hedge	5	15
Total liabilities - Financial instruments		**3,795**	**3,177**

The category “Held for trading” contains derivative financial instruments that are used for management of foreign currency risk. Contracts which have been documented as hedging instruments (hedge accounting under IFRS 9 *Financial Instruments*) or which meet the exemption criteria for own use are not included in the category “Held for trading”. Equity instruments measured at fair value through OCI and through profit or loss pertain to the Group’s New Business Development (NBD) activity: the Group has built a Corporate Venturing portfolio, which consists of direct investments in start-up companies and of investments in venture capital funds. If the Group does not have significant influence or joint control, the investments are measured at fair value according to the valuation guidelines published by the European Private Equity and Venture Capital Association. The impacts of the direct investments are recognized in other comprehensive income while the venture capital funds are generally recognized through profit and loss.

Equity instruments measured at fair value through profit or loss also include the Solvay shares (amounting to €8 million as of December 31, 2025, and €12 million as of December 31, 2024) contributed upon the Partial Demerger for the Long Term Incentive Plans for which the beneficiaries will receive Solvay shares.

F29.B. Fair value of financial instruments

Valuation techniques and assumptions used for measuring fair value.

Accounting policy

Quoted market prices are available for financial assets and financial liabilities with standard terms and conditions that are traded on active markets. The fair values of derivative financial instruments are equal to their quoted prices, if available. In case such quoted prices are not available, the fair value of the financial instruments is determined based on a discounted cash flow analysis using the applicable yield curve derived from quoted interest rates matching maturities of the contracts for non-optional derivatives. Optional derivatives are fair valued based on option pricing models, taking into account the present value of probability weighted expected future payoffs, using market reference formulas.

The fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

Fair value of financial instruments measured at amortized cost (excluding IFRS 16 lease liabilities)

In € million	December 31, 2025		December 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Non-current assets - Financial instruments	103	103	122	122
Loans and other non-current assets (except pension fund surpluses and long-term inventory balance)	103	103	122	122
Non-current liabilities - Financial instruments	-2,727	-2,781	-1,697	-1,723
Bonds/Senior notes	-2,707	-2,762	-1,647	-1,673
Other non-current debts	-8	-8	-7	-7
Other liabilities	-11	-11	-43	-43

The carrying amounts of financial assets and liabilities are estimated to reasonably approximate their fair values, due to the short term to maturity.

Financial instruments measured at fair value in the consolidated statement of financial position

The table "Financial instruments measured at fair value in the consolidated statement of financial position" provides an analysis of financial instruments that, subsequent to their initial recognition, are measured at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable. Financial instruments, classified as held for trading and as hedging instruments in cash flow hedges are mainly grouped into Levels 1 and 2. They are fair valued based on forward pricing and swap models using present value calculations. The models incorporate various inputs including foreign exchange spot and interest rates of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. The equity instruments measured at fair value through OCI and through profit and loss are presented within Level 1 and 3. The fair value of the instruments presented under Level 3 is measured based on the guidelines recommended by The International Private Equity and Venture Capital Valuation (IPEV).

In accordance with the Group internal rules, the responsibility for measuring the fair value level resides with (a) the Treasury department for the non-utility derivative financial instruments, and the non-derivative financial liabilities, (b) the Sustainable Development and Energy department for the utility derivative financial instruments and (c) the Finance department for non-derivative financial assets.

The Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. During the year, no such transfers have occurred.

Financial instruments measured at fair value in the consolidated statement of financial position

	December 31, 2025			
In € million	Level 1	Level 2	Level 3	Total
Held for trading		**3**		**3**
Foreign currency risk		1		1
Syensqo share price		2		2
Index				
Equity instruments measured at fair value through profit or loss	**8**		**27**	**34**
Solvay Group Shares	8			8
New Business Development			27	27
Cash flow hedges		**13**		**13**
Foreign currency risk		10		10
Utility risk				
CO_2 risk		3		3
Equity instruments measured at fair value through other comprehensive income			**30**	**30**
New Business Development			30	30
Total assets	**8**	**16**	**56**	**80**
Held for trading		**-4**		**-4**
Foreign currency risk		-4		-4
Index				
Cash flow hedges		**-6**		**-6**
Foreign currency risk		-1		-1
Utility risk		-5		-5
CO_2 risk				
TOTAL LIABILITIES		**-10**		**-10**

	December 31, 2024			
In € million	Level 1	Level 2	Level 3	Total
Held for trading		**6**		**6**
Foreign currency risk		1		1
Syensqo share price		3		3
Index		1		1
Equity instruments measured at fair value through profit or loss	**12**		**43**	**55**
Solvay Group Shares	12			12
New Business Development			43	43
Cash flow hedges		**10**		**10**
Foreign currency risk		3		3
Utility risk		7		7
Equity instruments measured at fair value through other comprehensive income			**31**	**31**
New Business Development			31	31
Total assets	**12**	**15**	**74**	**101**
Held for trading		**-4**		**-4**
Foreign currency risk		-3		-3
Index		-1		-1
Cash flow hedges		**-15**		**-15**
Foreign currency risk		-13		-13
CO_2 risk		-3		-3
TOTAL LIABILITIES		**-20**		**-20**

Movements of the period

Reconciliation of level 3 fair value measurements of financial assets and liabilities.

	2025		
	At fair value through profit or loss	At fair value through other comprehensive income	Total
In € million	Equity instruments	Equity instruments	
January 1	**43**	**31**	**74**
Total gains or losses			
• Recognized in profit or loss	-3		-3
• Recognized in other comprehensive income		-3	-3
Acquisitions	5		5
Capital decreases	-20	2	-17
DECEMBER 31	**27**	**30**	**56**

	2024		
	At fair value through profit or loss	At fair value through other comprehensive income	Total
In € million	Equity instruments	Equity instruments	
January 1	**49**	**26**	**75**
Total gains or losses			
• Recognized in profit or loss	-7		-7
• Recognized in other comprehensive income		-3	-3
Acquisitions	0	2	2
Capital increases	1	5	6
DECEMBER 31	**43**	**31**	**74**

Income and expenses of financial instruments recognized in other comprehensive income

Income and expenses on financial instruments recognized in other comprehensive income include the following:

	Cash flow hedges							
	Foreign currency risk		Commodity risk		Interest rate risk		Total	
In € million	2025	2024	2025	2024	2025	2024	2025	2024
January 1	**-9**	**6**	**1**	**-19**	**7**	**-29**	**-1**	**-42**
Recycling from other comprehensive income of derivative financial instruments designated in a cash flow hedge relationship	-25	1	6	15	0	0	-19	15
Effective portion of changes in fair value of cash flow hedge	44	-16	-8	5	-14	36	22	25
DECEMBER 31	**9**	**-9**	**-1**	**1**	**-7**	**7**	**2**	**-1**

Conventionally, (+) indicates an increase and (-) a reduction in equity.
Foreign Currency and Commodity risks recycling is recognized in the group income statement above gross margin
Interest rate risk recycling is recognized in the group income statement in the charge of net debt

F29.C. Capital management

See 2 Capital, shares and shareholders in respect of capital in the Corporate Governance statement chapter of this annual report.

The Group manages its funding structure with the objective of safeguarding its ability to continue as a going concern, optimizing the return for shareholders, maintaining an investment-grade rating, and minimizing the cost of debt.

The capital structure of the Group consists of equity (see note F24 Equity) and of net debt (see note F30 Net indebtedness). The Perpetual hybrid bonds are nevertheless considered as debt in the Group's Underlying metrics.

Besides the statutory minimum equity funding requirements that apply to the Company's subsidiaries in the different countries, Syensqo is not subject to any additional legal capital requirements.

The Treasury department reviews the capital structure on an ongoing basis under the authority and the supervision of the Chief Financial Officer. As appropriate, the Legal department is involved to ensure compliance with legal and contractual requirements.

F29.D. Financial risk management

The Group is exposed to movements of different market risks of which mainly:

- liquidity risk;
- foreign exchange;
- interest-rate risk;
- counterparty risk;
- pension obligation risk;
- tax litigation risk;
- utility & CO_2 price risk.

The Group's senior management oversees the management of these risks and is supported by the Treasury department (non-commodity risks), Sustainable Development and Procurement department that advise on financial risks and the appropriate financial risk governance framework for the Group. Those departments provide assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

The Group maintains a prudent financial profile and pursues a conservative financial discipline, with strong liquidity reserves. It regularly monitors the Group's counterparties' ratings (banking institutions with high credit worthiness with exposure thresholds, customers risk and cash collection control procedures, etc.). The Group also uses derivative financial instruments to hedge clearly identified foreign exchange, interest rate, index, utility price and CO_2 emission rights price risks (hedging instruments). All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. However, the required criteria to apply hedge accounting are not met in all cases.

In addition, Syensqo has defined a clear pension governance and pension plan optimization review (see examples in Note F27) and also performs strict control processes for tax regulation compliance and transfer pricing policies.

Foreign currency risks

The Group is a multi-specialty chemical company with operations worldwide, and hence undertakes transactions denominated in foreign currencies. Consequently, the Group is exposed to exchange rate fluctuations. In 2025, the Group was mainly exposed to US Dollar, Chinese Yuan, Mexican Peso, Brazilian Real and Japanese Yen.

To mitigate its foreign currency risk, the Group has defined a hedging policy that is essentially based on the principles of financing its activities in local currency and hedges the transactional exchange risk at the time of invoicing (risk which is certain). The Group constantly monitors its activities in foreign currencies and hedges, where appropriate, the exchange rate exposures on expected cash flows (risk which is highly probable) based on measures of volatility across the group's currency exposures.

Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange contracts or, when appropriate, other derivatives like currency options.

In the course of 2025, the €/US$ exchange rate moved from 1.0394 at the start of January to 1.1757 at the end of December.

A fluctuation of (0.10) to the US$/€ exchange rate, would generate in 2025 about €65 million (€100 million in 2024) variation to the EBITDA. 50% of this variation is at conversion level and 50% at transaction level, the latter being hedged. EBITDA is the key non-IFRS metric for operational performance as defined in the glossary.

At the end of 2025, a strengthening of the US dollar vs euro would increase the net debt by approximately €90 million (€138 million in 2024) per 0.10 US$/€ fluctuation. Conversely, a weakening of the US dollar vs euro would decrease the net debt by approximately €76 million (€113 million in 2024) per 0.10 US$/€ fluctuation.

The Group's currency risk can be split into two categories: translation and transactional risk.

Translation risk

The translation exchange risk is the risk affecting the Group's consolidated financial statements related to investees operating in a currency other than the EUR (the Group's presentation currency).

During 2025 and 2024, the Group did not hedge the translation exchange risk of foreign operations.

Transactional risk

The transactional risk is the exchange risk linked to a specific transaction, such as a Group entity buying or selling in a currency other than its functional currency.

To the largest extent possible, the Group manages the transactional risk on receivables and borrowings centrally and locally when centralization is not possible.

The choice of borrowing currency depends mainly on the opportunities offered by the various markets. This means that the selected currency is not necessarily that of the country in which the funds will be invested. Nonetheless, operating entities are financed essentially in their functional currencies.

In emerging countries, it is not always possible to borrow in local currency, either because funds are not available in local financial markets, or because the financial conditions are too onerous. In such a situation, the Group has to borrow in a different currency. Nonetheless, the Group considers opportunities to refinance its borrowings in emerging countries with local currency debt.

Derivatives are initially recognized at fair value at the date a derivative contract is entered into and are classified into the two categories described below:

Held for trading

The transactional risk is managed either by spot or forward contracts. Unless documented as hedging instruments (see above), derivative financial instruments are classified as held for trading.

In 2025, the notional amounts transacted to manage the transactional risk are:

- a short position of €(463) million (compared to €(382) million in 2024);
- a long position of €480 million (compared to €150 million in 2024).

The following table details the notional amounts of the Group's derivatives contracts outstanding at the end of the period:

In € million	Notional amount [1]		Fair value assets		Fair value liabilities	
December 31	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Held for trading long position	480	150	0	0	-2	0
Held for trading short position	-463	-382	1	1	-2	-3
TOTAL	**17**	**-232**	**1**	**1**	**-4**	**-3**

(1) Long/(short) positions (if the foreign exchange transaction does not involve the functional currency, both notional amounts are considered).

Cash flow hedge

The Group uses derivatives to hedge identified foreign exchange rate risks. It documents those as hedging instruments unless it hedges a recognized financial asset or liability when generally no cash flow hedge relationship is documented. Most hedges are transaction related.

At the end of 2025, the Group had mainly hedged highly probable sales in foreign currencies (short position) in a nominal amount of US$ 481 million (€409 million) and JP¥ 6,997 million (€38 million). All cash flow hedge contracts that exist at the end of December 2025 will be settled within the next 12 months, and will impact profit or loss during that period with the exception of the long-term hedges.

At the end of 2024, the Group had mainly hedged highly probable sales in foreign currencies (short position) in a nominal amount of US$ 244 million (€235 million) and JP¥ 6,916 million (€42 million).

The following table details the notional amounts of Syensqo's derivatives contracts outstanding at the end of the period. The Group hedges its net currency exposure.

NOTIONAL AMOUNTS

In € million	Notional amount of the instrument [1]	Notional amount of the risk exposure [1]	Percentage of exposure hedged	Average hedge exchange rate per risk category	Cash flow hedge reserve	Fair value of the hedging instrument	
	December 31, 2025						
					Equity	Assets	Liabilities
Cash flow hedges - Forecasted sales and purchases [3]							
JPY/EUR	-26	-84	31% [2]	167.26	3	3	0
JPY/USD	-12	-40	30% [2]	141.70	1	1	0
Total JPY	-38	-124			4	4	0
USD/CAD	-36	-60	60% [2]	1.37	0	0	0
USD/CNY	-19	-143	13% [2]	7.01	0	0	0
USD/EUR	-251	-415	60% [2]	1.17	2	2	0
USD/GBP	-51	-86	60%	0.75	0	0	0
USD/MXN	-52	-87	60% [2]	19.24	3	3	0
Total USD	-409	-791			5	6	-1
TOTAL	**-447**	**-915**			**9**	**10**	**-1**

(1) Long/(short) positions.
(2) In compliance with Group Treasury Policy the percentage of hedged exposure will reach the progressive minimum compliance level of 60% in 2025.
(3) The Hedging instruments are located in the line item: "Other Receivables" and "Other Liabilities" in the statement of financial position.

Hedge relationships are seldom perfect. Therefore, ineffectiveness could arise with the result that changes in the fair value or cash flows of the hedged item that are attributable to a hedged risk and the hedging instrument do not offset within a period. The sources of hedge ineffectiveness that could potentially affect the hedging relationship during its term are listed below:

- A reduction in the amount of the forecast sales resulting in quantity or notional amount differences – the hedged item and hedging instrument are based on different quantities or notional amounts.
- A significant change in the credit risk of parties.
- Timing differences – the hedged item and hedging instrument occur or are settled at different dates.

In 2025, no hedge ineffectiveness was recognized in the consolidated income statement.

In € million	Notional amount of the instrument [1]	Notional amount of the risk exposure [1]	Percentage of exposure hedged	Average hedge exchange rate per risk category	Cash flow hedge reserve	Fair value of the hedging instrument	
	December 31, 2024						
					Equity	Assets	Liabilities
Cash flow hedges - Forecasted sales and purchases [3]							
JPY/EUR	-26	-97	27% [2]	161.76	0	0	0
JPY/USD	-16	-60	27% [2]	146.13	1	1	0
Total JPY	-42	-157			1	1	0
USD/CAD	-16	-47	35% [2]	1.37	-1	0	-1
USD/CNY	-34	-92	36% [2]	6.94	-1	0	-1
USD/EUR	-161	-537	30% [2]	1.10	-7	0	-7
USD/MXN	-38	-123	30% [2]	19.63	-3	0	-3
USD/KRW	13	56	24% [2]	1,327.05	1	1	0
Total USD	-235	-768			-11	1	-12
TOTAL	**-277**	**-924**			**-10**	**3**	**-13**

(1) Long/(short) positions.
(2) In compliance with Group Treasury Policy the percentage of hedged exposure will reach the progressive minimum compliance level of 60% in 2025.
(3) The Hedging instruments are located in the line item: "Other Receivables" and "Other Liabilities" in the statement of financial position.

Interest rate risks

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. Interest rate risk is managed at Group level by maintaining an appropriate mix between fixed and floating rate borrowings, which so far are mainly fixed (directly or after the execution of interest rate swaps whenever they are deemed appropriate).

Interest rate exposure by currency is summarized below:

In € million	December 31, 2025			December 31, 2024		
Currency	**Fixed rate**	**Floating rate**	**Total**	**Fixed rate**	**Floating rate**	**Total**
Financial debt						
EUR	-1,777	-32	-1,809	-646	-13	-659
USD	-1,133	-4	-1,137	-1,429	-5	-1,435
Other	-10	-5	-15	-18	-4	-21
Total	**-2,920**	**-41**	**-2,961**	**-2,093**	**-22**	**-2,115**
Cash and cash equivalents						
EUR		410	410		304	304
USD		164	164		143	143
THB		8	8		13	13
CNY		171	171		76	76
JPY		21	21		26	26
Other		88	88		98	98
Total		**861**	**861**		**659**	**659**
Other financial instruments						
EUR		34	34		36	36
CNY		39	39		58	58
Other		2	2		3	3
Total		**76**	**76**		**97**	**97**
TOTAL	**-2,920**	**896**	**-2,024**	**-2,093**	**734**	**-1,359**

After the successful refinancing in 2024, during which the Group converted floating-rate debt (Bridge to Bond) into fixed-rate debt through US $1.2 billion bonds, the Group issued in 2025 two new euro denominated bonds for a total of €1.2 billion. These bonds are presented as part of the non-current financial debt. They were initially recognized for the nominal amounts less the issuance costs (€1,192 million) and are measured at amortized cost, considering their effective interest rates.

At the end of 2025, approximately €2,920 million of the Group's gross debt was at fixed-rate, and is largely comprised of:

- Senior EUR Bonds for a total of €1,700 million (€500 million, 2027, €600 million, 2031 and €600 million, 2035) with total carrying amount of €1,691 million;
- Senior US$ notes for a total of US$ 1,200 million (US$ 600 million, 2029 and US$ 600 million, 2034) for a total carrying amount of €1,016 million;
- IFRS 16 lease liabilities of €204 million.

At the end of 2024, approximately €2,093 million of the Group's gross debt was at fixed-rate, and is largely comprised of:

- Senior EUR Bonds for a total of €500 million, maturing in 2027 (carrying amount of €498 million);
- Remaining portion (US$ 163 million) of the US$ senior notes 2025 of US$ 250 million (carrying amount of €157 million);
- Senior US$ notes 2029 US$ 600 million (carrying amount of €576 million);
- Senior US$ notes 2034 US$ 600 million (carrying amount of €574 million);
- Commercial Paper of €50 million;
- IFRS 16 lease liabilities of €230 million.

Interest rate volatility at the end of 2025 compared to 2024

The sensitivity to interest rate volatility on the floating gross financial debt remains insignificant at the end of 2025, similar to 2024, due to the group refinancing during 2024 where the Group exchanged debt at floating rate to fixed rate.

Interest rate risk hedged by instrument accounted for as held for trading

In 2025 and 2024, there are no outstanding interest rate instruments accounted for as held for trading.

Interest rate risk hedged by instrument accounted for as a hedging instrument in a cash flow hedge

In 2025, there are no outstanding interest rate instruments accounted for under cash flow hedges.

Other market risks

Utility and CO_2 price risks

The Group purchases a large portion of its gas and electricity needs in Europe and the United States based on fluctuating liquid market indices.

In order to reduce the cost volatility, the Group has developed a policy for exchanging variable price against fixed price through derivative financial instruments. Most of these hedging instruments can be documented as hedging instruments of the underlying purchase contracts.

Similarly, the Group's exposure to the CO_2 price is partially hedged by forward purchases of European Union Allowances (EUA). Forward purchases with physical delivery for use in the Group's operations are qualified as own use contracts (not derivatives). Cash flow hedge accounting is applied for contracts that do not meet the "own use" criteria.

Finally, some exposure to gas and electricity prices may arise from the production of electricity on sites (mostly from cogeneration units in Europe), which can be hedged by means of forward purchases and forward sales or optional schemes. In this case, cash flow hedge accounting is applied.

Financial hedging of utility and CO_2 emission rights price risks is managed centrally by Syensqo Energy GhG on behalf of the Group entities.

The following tables detail the notional principal amounts and fair values of utility and CO_2 derivative financial instruments outstanding at the end of the reporting period.

The amounts presented in the tables hereafter include hedging needs of the GBUs of the Group that are sourced through Syensqo Energy GHG, and not the full Group utility hedging needs.

	December 31, 2025											
	Notional amount of the instrument [1]	Notional amount of the instrument (in units)		Notional amount of the risk exposure	Notional amount of the risk exposure (in units)		Percentage of exposure hedged	Average hedge price per risk category		Cash flow hedge reserve	Fair value of the instrument - Asset	Fair value of the instrument - Liability
Cash flow hedge	In € million (except where indicated)											
Standard Quality Gas	41.96	1,683,520	MWh	140.57	6,987,311	MWh	24%	24.93	EUR/MWh	-5	0	-5
CO_2	44.61	549,000	Tons	204.25	2,226,000	Tons	25%	81.26	EUR/Ton	3	3	0
TOTAL										**-2**	**3**	**-5**

(1) The hedging instruments are located in the line item: "Other Receivables" and "Other Liabilities" in the consolidated statement of financial position.

	December 31, 2024											
	Notional amount of the instrument [1]	Notional amount of the instrument (in units)		Notional amount of the risk exposure	Notional amount of the risk exposure (in units)		Percentage of exposure hedged	Average hedge price per risk category		Cash flow hedge reserve	Fair value of the instrument - Asset	Fair value of the instrument - Liability
Cash flow hedge	In € million (except where indicated)											
Standard Quality Gas	48.33	2,065,157	MWh	186.75	7,748,763	MWh	27%	23.4	EUR/MWh	7	7	0
CO_2	46.85	609,000	Tons	198.97	2,640,532	Tons	23%	76.93	EUR/Ton	-3	0	-3
TOTAL										**4**	**7**	**-3**

(1) The hedging instruments are located in the line item: "Other Receivables" and "Other Liabilities" in the consolidated statement of financial position.

Hedge relationships are seldom perfect. Therefore, ineffectiveness could arise with the result that changes in the fair value or cash flows of the hedged item that are attributable to a hedged risk and the hedging instrument do not offset within a period. The sources of hedge ineffectiveness that could potentially affect the hedging relationship during its term are listed below:

- A reduction in the amount of the forecast consumption resulting in quantity or notional amount differences – the hedged item and hedging instrument are based on different quantities or notional amounts.
- A significant change in the credit risk of parties.

In 2025, no hedge ineffectiveness was recognized in the consolidated income statement. By comparison between 2025 and 2024 Gas exposure decreased due to the fact the Group estimated exposure has reduced following announced M&A activities in the future. CO_2 exposure is reduced since the hedged volumes are considered for one year less.

The sensitivities of commodity derivative financial instruments as of December 31, 2025 are presented below.

The sensitivities were defined based on the price levels and volatility levels of each commodity. These assumptions do not constitute an estimation of future market prices and the sensitivities presented are not representative of future changes in the Group's equity and results.

In € million	December 31, 2025		
	Price change	Other comprehensive income	Profit or loss
Natural gas	+10€/MWh	17	
Natural gas	-10€/MWh	-17	
CO_2 Emission rights	+5€/T	3	
CO_2 Emission rights	-5€/T	-3	

In € million	December 31, 2024		
	Price change	Other comprehensive income	Profit or loss
Natural gas	+10€/MWh	21	
Natural gas	-10€/MWh	-21	
CO_2 Emission rights	+5€/T	3	
CO_2 Emission rights	-5€/T	-3	

Credit risk

The Group continuously monitors the credit risk of important business partners.

The Group engages in transactions only with financial institutions of high creditworthiness (investment grade, selected based on major rating systems). The Group monitors and manages exposures to financial institutions within approved counterparty credit limits and credit risk parameters in order to mitigate the risk of default. For financial guarantees, see note F33 Contingent assets, liabilities and financial guarantees.

For the commercial transactions, external customer risk and cash collection is also monitored by a professional network of credit managers and cash collectors located in the Group's various operating regions and countries. Their controls are supported by a set of detailed procedures and managed through Corporate and GBU Credit Committees.

The Group recognizes expected credit losses on all of its trade receivables.

The Group classifies the customers and their related receivables in various rating classes, based on the risks' grading attributed to the customers and on the aging balance of receivables. As such, for all receivables overdue below six months, the Group considers percentages within a range between 0.005% and 4.023%, depending on the rating class. For all receivables overdue in excess of six months, the Group considers a rate of 50% or of 100%, depending on the rating class. The customer's grading is reviewed annually for customers assessed as low risk profile, and every six months for customers assessed as higher risk profile.

There is no significant concentration of credit risk at Group level because the receivables' credit risk is spread over a large number of customers and markets.

The ageing of trade receivables, financial instruments - operational, loans and other non-current assets is as follows:

December 31, 2025			With expected loss allowance, not credit-impaired				
In € million	Total	Credit-impaired	not past due	less than 30 days past due	between 30 and 60 days past due	between 60 and 90 days past due	more than 90 days past due
Trade receivables	798	2	746	33	7	2	8
Trade receivables - allowance	-10	-2	-2	-0			-6
Trade receivables - net	788	0	744	33	7	2	2
Financial instruments - operational	15		15				
Loans and other non-current assets	176	10	166	0			
Loans and other non-current assets - allowance	-10	-10					
Loans and other non-current assets - net	166	0	166	0	0	0	0
TOTAL	**969**	**0**	**925**	**33**	**7**	**2**	**2**

December 31, 2024			With expected loss allowance, not credit-impaired				
In € million	Total	Credit-impaired	not past due	less than 30 days past due	between 30 and 60 days past due	between 60 and 90 days past due	more than 90 days past due
Trade receivables	962	10	904	37	5	1	5
Trade receivables - allowance	-15	-10	-2	0			-3
Trade receivables - net	948	0	903	37	5	1	2
Financial instruments - operational	15		15				
Loans and other non-current assets	173	7	166				
Loans and other non-current assets - allowance	-7	-7					
Loans and other non-current assets - net	166	0	166				
TOTAL	**1,129**	**0**	**1,084**	**37**	**5**	**1**	**2**

The table below presents the allowances on trade receivables:

In € million	2025	2024
January 1	**-15**	**-15**
Additions	-5	-3
Uses	5	0
Reversal	2	4
Currency translation differences	1	0
Transfer to assets held for sale	2	
DECEMBER 31	**-10**	**-15**

Liquidity risk

Liquidity risk relates to the Group's ability to service and refinance its debt (including notes issued) and to fund its operations.

This depends on its ability to generate cash from operations and not to overpay for acquisitions.

The Audit and Risk Committee gives its opinion on the appropriate liquidity risk management for the Group's short, medium and long term funding and liquidity management requirements.

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecasts and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Group staggers the maturities of its financing sources over time in order to limit amounts to be refinanced each year.

The following tables detail the Group's remaining contractual maturity for its financial liabilities with contractual repayment periods.

The following tables present undiscounted amounts (nominal value):

In € million	31 December 2025				
Outflows of cash	**Total**	**Within one year**	**In year two**	**In years three to five**	**Beyond five years**
Trade payables	**816**	816			
Dividends payables	**0**	0			
Financial instruments - operational	**6**	6	0	0	
Other non-current liabilities	**11**		10	1	1
Financial debt	**2,769**	41	505	512	1,711
Leasing debt	**203**	56	39	60	48
TOTAL	**3,807**	**920**	**553**	**573**	**1,760**
Interests on financial debt and lease liabilities	**798**	128	126	282	263
Total outflows of cash	**4,605**	**1,048**	**679**	**855**	**2,023**

In € million	31 December 2024				
Outflows of cash	**Total**	**Within one year**	**In year two**	**In years three to five**	**Beyond five years**
Trade payables	**1,001**	1,001			
Financial instruments - operational	**19**	19	0	0	
Other non-current liabilities	**43**	0	10	22	11
Financial debt	**1,891**	231	3	1,080	577
Leasing debt	**230**	62	42	63	63
TOTAL	**3,184**	**1,313**	**56**	**1,165**	**651**
Interests on financial debt and lease liabilities	**584**	95	90	215	184
TOTAL OUTFLOWS OF CASH	**3,768**	**1,408**	**145**	**1,381**	**834**

The main change in Financial debt in 2025 compared to 2024 resulted from the issuance of two EUR bonds (€1.2 billion) in May 2025.

Trade payables include €53 million (compared to €56 million in 2024) due to suppliers that have signed up for a supply chain financing program, under which the suppliers can elect to receive a discounted early payment from the partner bank rather than being paid in line with the agreed payment terms.

If the option is taken, the Group's liability is assigned by the supplier to the partner bank. The value of the Group's liability remains unchanged. The Group assesses each arrangement against indicators to determine if the liabilities which suppliers have sold to the partner bank under the supplier financing scheme continue to meet the definition of trade payables or should be classified as financial debt. On December 31, 2025 and 2024, the liabilities met the criteria of Trade Payables.

In € million	December 31, 2025	December 31, 2024
Carrying amount of trade payables that are subject to supplier finance arrangements	59	70
Of which suppliers have received payment	53	56

Weighted average payment term (days)	December 31, 2025	
	Suppliers part of supplier financing arrangements	Suppliers not part of supplier financing arrangements
Raw materials and packaging	105	63
Logistics	100	64
Technical goods, Energy and other	107	55

Weighted average payment term (days)	December 31, 2024	
	Suppliers part of supplier financing arrangements	Suppliers not part of supplier financing arrangements
Raw materials and packaging	98	61
Logistics	98	59
Technical goods, Energy and other	110	49

The Group performed a detailed assessment of the payment ranges of suppliers who are not part of the supplier financing arrangements by segregating the suppliers according to industry. The assessment indicated that there are numerous key suppliers across the industries that provide the Group with payment terms that are similar to those that the Group receives under the supplier financing arrangements. The suppliers of technical goods, energy and other purchases, part of suppliers financing arrangements, are not representative (around 3% of the total spend). Over 96% of the supplier chain financing arrangements were entered in the sector of raw materials, packaging and logistics.

Changes in liabilities that are subject to supplier finance arrangements are primarily attributable to additions resulting from purchases of goods and services and subsequent cash settlements. There were no material non-cash changes in these liabilities.

The Group does not face a significant liquidity risk as a result of its supplier finance arrangements given the limited amount of liabilities subject to supplier finance arrangements and the Group's access to other sources of finance on similar terms.

Syensqo's liquidity amounts to €2.5 billion including €0.9 billion of cash and cash equivalents and €1.5 billion undrawn revolving credit facilities (€1.2 billion syndicated and €0.3 billion bilateral, all are multi-year).

In addition, Syensqo has access to a Belgian Treasury Bill program for €1.0 billion (no outstanding balance on December 31, 2025, €50 million outstanding balance on December 31, 2024).

NOTE F30

NET INDEBTEDNESS

The Group's net indebtedness is the balance between its financial debts and other financial instruments, and cash and cash equivalents.

In € million	December 31, 2025	December 31, 2024
Financial Debt	2,961	2,115
Cash and cash equivalents	-861	-659
Other Financial Instruments	-76	-97
Net Indebtedness	**2,024**	**1,359**

The financial debt at the end of 2025 is composed of:

- the EUR senior bonds (nominal: €500 million/2027, €600 million/2031, €600 million/2035);
- the US$ senior 144A notes (nominal: US$600 million/2029, US$600 million/2034);
- the IFRS 16 lease liabilities (€204 million);
- other financial debt (€49 million, excluding lease debt) mainly short term and largely related to accrued interests on the new senior EUR bonds issued in May 2025.

The financial debt at the end of 2024 is composed of:

- the senior EUR bonds 2027 (€500 million nominal), senior US$ Cytec notes 2025 (US$163 million nominal), senior US$ 144A notes 2029 (US$600 million nominal) and senior US$ 144A notes 2034 (US$600 million nominal);
- the IFRS 16 lease liabilities (€230 million);
- commercial paper (€50 million nominal);
- other financial debt (€30 million, excluding lease debt) mainly short term.

Syensqo is Investment Grade rating Baa1/P2 (stable outlook) by Moody's and BBB+/A2 (stable outlook) by Standard & Poor's as of the 2025 closing.

Financial debt: main borrowings

	December 31, 2025						December 31, 2024	
In € million (except where indicated)	Nominal amount	Coupon	Maturity	Secured	Amount at amortized cost	Fair value	Amount at amortized cost	Fair value
Senior EUR bond Syensqo SA (issuance €500m)	500	2.75%	2027	No	499	502	498	501
Senior EUR bond Syensqo SA (issuance €600m)	600	3.38%	2031	No	596	598		
Senior EUR bond Syensqo SA (issuance €600m)	600	4.00%	2035	No	596	600		
Total senior EUR bonds	**1,700**				**1,691**	**1,700**	**498**	**501**
Senior US$ senior notes Cytec Industries Inc. (issuance US$ 250 million)*			2025	No			157	157
Senior US$ notes (144A;US$ 600 million)	510	5.65%	2029	No	509	529	576	586
Senior US$ notes (144A;US$ 600 million)	510	5.85%	2034	No	507	533	574	586
Total senior US$ senior notes	**1,021**				**1,016**	**1,062**	**1,307**	**1,329**
Commercial Paper							50	50
Other borrowings from third parties					49	49	30	30
Lease debt					204	204	230	230
TOTAL					**2,961**	**3,016**	**2,115**	**2,140**

* *fully repaid in February 2025.*

There are no instances of default on the above-mentioned financial debts. There are no financial covenants, neither on Syensqo SA, nor on any of the Group's holding companies.

The Cytec 2025 senior notes were fully repaid in February 2025, resulting in the release of the guarantee provided by Solvay SA as well as the related counter-guarantee provided by Syensqo.

Other financial instruments

In € million	December 31, 2025	December 31, 2024
Non-current other financial instruments	0	30
Current other financial instruments	76	67
Currency swaps	1	1
Other marketable securities > 3 months	72	60
Other current financial assets	3	6
Other financial instruments	76	97

The other marketable securities > 3 months include the bank drafts position and Long Term Deposit with maturity in May 2026.

The other current financial assets mainly relate to current accounts with related parties.

Cash and cash equivalents

In € million	December 31, 2025	December 31, 2024
Cash	496	476
Term deposits	148	182
Marketable securities < 3 months	218	
Cash and cash equivalents	861	659

In 2025, the Group invested in two money market funds (MMFs) located in Belgium and China. These funds are redeemable at short notice and are not subject to a risk of loss of principal. Accordingly, they are classified as marketable securities with original maturities of less than three months and reported as cash and cash equivalents as of December 31, 2025. The nominal value of these MMFs as of December 31, 2025 is €218 million in total. The carrying amount equals their nominal value, as the fair value approximates cost due to the short-term maturity and daily liquidity of the instruments.

By their nature, the carrying amount of cash and cash equivalents is equal to, or a very good proxy of, its fair value.

Changes in financial debt and in other financial instruments arising from financing activities

In 2025

In € million	2024 Total	2025 Cash flows from increase of borrowings	Cash flows from repayment of borrowings	Changes in foreign exchange rates	Changes in other current financial assets	Transfer from non-current to current	Payment of lease liabilities	Other	Transfer to Held for sale	Total
Bonds/Senior notes	1,647	1,193		-133						2,707
Other non-current debts	7	5		-1		-3				8
Long term leasing debt	168			-11		-70		62	-3	146
Non-current financial debt	**1,822**	**1,198**		**-145**		**-73**		**62**	**-3**	**2,861**
Current financial debt	**293**	**470**	**-678**	**-17**		**73**	**-66**	**29**	**-3**	**100**
Total financial debt	**2,115**	**1,668**	**-678**	**-162**			**-66**	**91**	**-7**	**2,961**
Other non-current financial instruments	-30					30				0
Currency swaps	-1									-1
Other marketable securities > 3 months	-60			5	9	-30			4	-72
Other current financial assets	-6				1			2		-3
Other financial instruments	**-97**			**5**	**10**			**2**	**4**	**-76**
TOTAL	**2,018**	**1,668**	**-678**	**-157**	**10**		**-66**	**92**	**-2**	**2,885**

The financial debt increased from €2,115 million at the end of 2024 to €2,961 million at the end of 2025.

The other non-current financial instruments: €(30) million were transferred to other marketable securities > 3 months.

The other financial instruments decreased from €(97) million at the end of 2024 to €(76) million at the end of 2025.

The above variations are explained by:

- Cash flows from increase of borrowings €1,668 million is mainly explained by the issuance of €1,200 million of Senior Debt, the issuance of €315 million commercial paper and the drawdown on credit facilities of €150 million; The issuance of Senior Debt was used to repay, amongst others, the legacy perpetual hybrid bond of €500m in December 2025, classified as equity in 2024;
- Cash flows from repayment of borrowings €(678) million is mainly explained by the repayment of the Senior note of Cytec US$ (163) million, repayment of the commercial paper €(365) million and repayment of the drawdown on credit facilities of €(150) million;
- Impact due to conversion of instruments denominated in currencies other than the Euro of €(157) million, which includes €(162) million in the Financial debt and €5 million in other financial instruments;
- Changes in other current financial assets represented €10 million mainly explained by the decrease of Chinese bank drafts for €9 million;
- In 2025, a total amount of €(103) million was transferred from non-current to current:
  - Leases €(70) million;
  - Term deposit €(30) million;
  - Other long term debt €(3) million.
- Payment of lease liabilities (€66 million);
- Other changes in financial debt for a total of €92 million were mainly due to the increase of the lease obligations (€62 million) and €25 million are related to accrued interest payables.

In 2024

In € million	2023 Total	2024 Cash flows from increase of borrowings	Cash flows from repayment of borrowings	Changes in foreign exchange rates	Changes in other current financial assets	Transfer from non-current to current	Payment of lease liabilities	Other	Total
Bonds/Senior notes	645	1,104		49		-151			1,647
Other non-current debts	1,348			16		-1,357			7
Long term leasing debt	166			5		-70		67	168
Non-current financial debt	**2,159**	**1,104**		**70**		**-1,578**		**67**	**1,822**
Current financial debt	**154**	**211**	**-1,566**	**8**		**1,578**	**-62**	**-30**	**293**
Total financial debt	**2,313**	**1,315**	**-1,566**	**78**			**-62**	**37**	**2,115**
Other non-current financial instruments	-30								-30
Currency swaps	-3							2	-1
Other marketable securities > 3 months	-37			-1	-22				-60
Other current financial assets	-9							3	-6
Other financial instruments	**-79**			**-1**	**-22**			**5**	**-97**
TOTAL	**2,234**	**1,315**	**-1,566**	**77**	**-22**		**-62**	**42**	**2,018**

The financial debt in 2024 decreased from €2,313 million at the end of 2023 to €2,115 million at the end of 2024.

The Other non-current financial instruments remained unchanged.

The other financial instruments increased from €(79) million at the end of 2023 to €(97) million at the end of 2024.

The above variations are explained by:

- Cash flows from increase of borrowings €1,315 million is mainly explained by the issuance of US$ 1,200 million of Senior Debt and the issuance of €150 million commercial paper of which €50 million have been extended until June 2025;
- Cash flows from repayment of borrowings €(1,566) million is mainly explained by the repayment of the bridge-to-bond facilities €(1,355) million, repayment of the commercial paper €(100) million and reduction in working capital facilities in Brazil, India and Peru €(28) million;
- Impact due to conversion of instruments denominated in currencies different from the EURO of €77 million, which includes €78 million in the Financial debt and €(1) million in other financial instruments;
- Changes in other current financial assets represented €(22) million mainly explained by the increase of Chinese bank drafts in €(22) million;
- In 2024 a total amount of €(1,578) million was transferred from non-current to current:
  - Bridge-to-bond facility: two drawdowns (€(600) million and US$ (816) million);
  - Senior note of Cytec for US$ (163) million;
  - Leases €(70) million;
- Payment of lease liabilities (€62 million).
- Other changes in financial debt for a total of €42 million were mainly due to the increase of the lease obligations (€67 million), partially compensated by settlement of the interest rate hedging instrument (Treasury Lock, valued at €(29) million at 31 December 2023) and €3 million are related to accrued interest receivables.

NOTE F31

OTHER LIABILITIES (CURRENT)

In € million	December 31, 2025	December 31, 2024
Wages and benefits debts	159	185
VAT and other taxes	58	62
Social security	29	31
Financial instruments - operational	5	19
Insurance premiums	16	14
Advances from customers	36	29
Other	38	53
Other current liabilities	**341**	**392**

Financial instruments – operational include held for trading and cash flow hedge derivatives (see note F29.A. Overview of financial instruments).

Other Required Disclosures

NOTE F32

COMMITMENTS TO ACQUIRE PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

In € million	December 31, 2025	December 31, 2024
Commitments to acquire property, plant and equipment and intangible assets	77	243

At December 31 2025, the amount mainly refers to commitments for the acquisition of property, plant and equipment for production line and plant improvements.

At December 31 2024, the amount mainly refers to commitments for the acquisition of property, plant and equipment, including the Tavaux PVDF expansion plan.

NOTE F33

CONTINGENT ASSETS, LIABILITIES AND FINANCIAL GUARANTEES

In € million	December 31, 2025	December 31, 2024
Contingent assets		
Guarantees for pensions	170	154
Environmental contingent liabilities	5	5
Contingent liabilities	**175**	**159**

Contingent Liabilities

Contingent liabilities of €5 million above relate to environmental remediation matters that can be estimated with sufficient reliability.

Guarantees

Financial guarantees are contracts that require the Group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

In order to avoid double counting, only guarantees in excess of liabilities recognized or disclosures made elsewhere in the Group's consolidated financial statements are disclosed in this note.

Guarantees for pensions

The net value of the guarantee for pensions relates to the main UK Pension Fund (£160 million €183 million less the deficit of £11 million €13 million) – See note F25.B.2. Description of obligations. This guarantee applies to the pension liability measured based on a local UK regulatory basis (prudential basis) plus an allocation for market risk, which is higher when compared to the IAS 19 methodology. The probability of the guarantee being called is considered to be highly remote.

Litigation

As a result of the diverse nature of its activities, and the geographic footprint of its operations, Syensqo is exposed to legal risks, particularly in the areas of product liability, contractual relations, antitrust laws, patent disputes, tax assessments and environmental matters. In this context, litigation is a normal recurring feature of Syensqo's operating business, both to protect against claims, some of which Syensqo believes to be without merit, and to defend the rights and interests of the Group.

The proceedings summarized below represent the material matters pending against Syensqo regardless of the merits of the claims and the strengths of Syensqo's defenses. The list focuses on the matters with the highest financial risks. The list relates to environmental proceedings, while Syensqo is also engaged in commercial litigation. There can be no assurance regarding the outcome of any proceeding described below; Syensqo will continue to vigorously defend itself based on the merits of its defenses while opportunistically seeking consensual resolution in appropriate cases.

For certain cases, Syensqo has created reserves or provisions in accordance with appropriate accounting governing rules and policies, to cover financial risk and defense costs (see the section "Provisions for litigation to the consolidated financial statements" in this report). Syensqo does not ordinarily disclose the extent to which provisions are made in relation to individual proceedings, because this would be prejudicial to our interests. In addition, Syensqo maximizes all available insurance coverage. Adverse outcomes of material contested matters, individually or in the aggregate, could exceed the amounts of applicable provisions or insurance coverage and could have a material adverse effect on the financial position of the Group.

Legal proceedings

- **PFAS:** As of December 31, 2025, Syensqo Specialty Polymers USA LLC ("SSP"), was a defendant in 244 separate lawsuits relating to its use of per- and polyfluoroalkyl substances (PFAS). While the total number of lawsuits significantly increased in 2025 compared to 2024, most new cases (203) were filed by a single law firm against many different defendants and are currently stayed in a multidistrict litigation (MDL). At this stage, the risks for Syensqo can not be determined because the cases are stayed in court and discovery of the alleged basis for the claims has not yet started. As soon as more information is available, the potential exposure of Syensqo as one of many defendants can be assessed.
- **Spinetta site, Italy:** The Public Prosecutor's Office filed an indictment request on November 8, 2023 for alleged culpable environmental disaster (directed against two managers and Syensqo Specialty Polymers Italy SpA, "SSPI"). The case is pending before the Judge of the Preliminary Hearing who will decide whether the case will be taken to trial (the next hearing is scheduled in Q1 2026). Of the 394 different civil parties who joined this criminal procedure in 2024 to claim damages, only 22 parties remain. Settlement discussions are ongoing with these remaining civil parties (including with the Piedmont Region and the Italian Ministry of Environment).
- **Spinetta site, Italy:** In 2024 the Province of Alessandria issued a decision whereby it ordered the remediation and environmental restoration of the external areas of the Spinetta Marengo site in Italy and allocated the clean-up liabilities for such areas between SSPI. and Edison S.p.A. (the former owner of the site) as follows: Syensqo (together with Edison) is jointly and severally liable for groundwaters contamination according to certain percentages (on average 80% for Edison) and split for type of contaminant. Both Edison and Syensqo have challenged the decision of the Province of Alessandria before the administrative courts and the litigation is still ongoing.
- **Edison award:** In March 2026, Edison informed Syensqo of its intention to file an application to re-open the arbitration procedure in Switzerland.
- **Bussi site, Italy:** Edison was recognized by the competent administrative authorities as the "sole and exclusive polluter" of both the Bussi industrial site (which Solvay sold in 2016 but was formerly owned by Edison) and the Tirino River, but administrative litigation initiated by Edison is still pending before administrative courts. SSPI joined these proceedings.

NOTE F34

RELATED PARTIES

Balances and transactions between Syensqo SA and its subsidiaries have been eliminated in consolidation and are not disclosed in this note.

The main transactions with related parties are described in detail herein and the related amounts are presented in the tables below.

Sale and purchase transactions

	Sale of goods		Purchase of goods	
In € million	2025	2024	2025	2024
Associates	0	0	-28	-37
Joint ventures	14	9	-3	-17
Other related parties	13	9	-6	-5
TOTAL	**27**	**18**	**-37**	**-59**

In € million	Amounts owed by related parties		Amounts owed to related parties	
December 31	2025	2024	2025	2024
Associates	5	4	6	4
Joint ventures	1	0	1	0
Other related parties	4	4	6	9
TOTAL	**10**	**8**	**13**	**12**

Compensation of key management personnel

Key management personnel is composed of all members of the Board of Directors and members of the Executive Leadership Team.

In accordance with IAS 24, the key management personnel are those having the authority and responsibility for planning, directing and controlling activities of Syensqo businesses directly or indirectly.

Amounts due in respect of the year (compensation) and obligations existing at the end of the year in the consolidated statement of financial position:

In € million	December 31, 2025	December 31, 2024
Wages, charges and short-term benefits	4	3
Long-term benefits	0	-
Cash-settled share-based payments liability	0	0
TOTAL	**4**	**3**

Expenses of the year:

In € million	2025	2024
Wages, charges, short-term benefits and others	21	9
Termination benefit	22	1
Long-term benefits	0	-
Share-based payments expenses	0	9
TOTAL	**42**	**19**

Excluding employer social charges and taxes.

Please refer to the Compensation Report for further details.

NOTE F35

DIVIDENDS PROPOSED FOR DISTRIBUTION

The Board of Directors will propose to the "General Shareholders' Meeting" a gross dividend of €1.62 per share.

The dividends proposed for distribution, but not yet recognized as a distribution to equity holders amount to €165 million.

NOTE F36

EVENTS AFTER THE REPORTING PERIOD

Accounting policy

Events after the reporting period which provide evidence of conditions that existed at the end of the reporting period (adjusting events) are recognized in the consolidated financial statements. Events indicative of conditions that arose after the reporting period are non-adjusting events and are disclosed in the notes if material.

On February 27, 2026, Syensqo SA announced its decision to exercise its make-whole redemption option to redeem its Euro 500 million 2.75% Fixed Rate Bonds due December 2, 2027 with ISIN BE6282460615 (the "bonds"), following notification to the Agent and the Calculation Agent, the National Bank of Belgium, and the Luxembourg Stock Exchange, where the bonds are listed.

The redemption will occur on March 31, 2026. Syensqo SA will redeem all outstanding bonds at the make-whole redemption amount plus accrued interest up to the redemption date. The redemption amount will be determined and calculated by the Calculation Agent and notified thereafter to the bondholders as per the conditions of the bonds.

NOTE F37

SERVICES PROVIDED BY THE STATUTORY AUDITOR AND RELATED PERSONS

For the year ending December 31, 2025 audit and other professional services were performed by EY Réviseurs d'Entreprises.

The yearly 2025 audit fees for Syensqo SA were set at €1.4 million (€1.4 million in 2024) for the audit of the statutory and consolidated accounts and at €0.6 million (€0.6 million in 2024) for the audit required by the Corporate Sustainability Reporting Directive. Additional audit fees for Syensqo affiliates in 2025 amount to €2.7 million (€2.3 million in 2024). Supplementary non-audit fees for €3.5 million (€2.7 million in 2024) were engaged in 2025 by Syensqo SA and affiliates.

With regard to non-audit fees only (€4.1 million for Belgian entities - cumulative over the 3-year term of office), the Audit & Risk Committee notes that the total of these fees - mainly due to major work in connection with the exploration of the US listing - exceeded the 70% mark (in application of article 3:64/2 of the CSA) over the entire 3-year term of office of the statutory auditor (2023-2025). In this regard, EY Réviseurs d'Entreprises requested and obtained a waiver for the years 2025 and 2026 from the Collège de Supervision des Réviseurs d'Entreprises on 14 July 2025 in accordance with article 3:64/2 of the CSA. This letter has been provided to the Audit & Risk Committee. The Audit & Risk Committee has received from the statutory auditor the declarations and information necessary to satisfy itself of its independence.

NOTE F38

LIST OF COMPANIES INCLUDED IN THE CONSOLIDATION SCOPE

The Group consists of Syensqo SA and a total of 132 investees.

Of these 132 investees, 84 are fully consolidated, 6 are accounted for under the equity method, whilst the other 42 do not meet the criteria of significance.

In accordance with the concept of materiality, certain companies (Other Investments), which are insignificant, have not been included in the consolidation scope. They are measured at cost and tested for impairment on an annual basis, which is considered a good proxy of their fair value. For more information, refer to Principles of consolidation.

	December 31, 2024		December 31, 2025
ARGENTINA			
SYENSQO ARGENTINA S.A.	100	(a)	100
AUSTRALIA			
CYTEC ASIA PACIFIC HOLDINGS PTY Ltd	100		100
CYTEC AUSTRALIA HOLDINGS PTY Ltd	100		100
BELGIUM			
SYENSQO PARTICIPATIONS BELGIQUE SA	100	(a)	100
SYENSQO SA	100		100
SYENSQO SPECIALTY POLYMERS BELGIUM SA / NV	100	(a)	100
SYENSQO STOCK OPTION MANAGEMENT SA	100		100
BRAZIL			
ESPECIALIDADES QUIMICAS E MATERIAIS DE PERFORMANCE DO BRASIL LTDA	0	(b)	100
QUIMICOS E SOLUCOES SUSTENTAVEIS DO BRASIL S.A	100		100
CANADA			
CYTEC CANADA Inc.	100		100
CHINA			
CYTEC ENGINEERED MATERIALS (SHANGHAI) Co. Ltd	100		100
CYTEC INDUSTRIES (SHANGHAI) Co. Ltd	100		100
ENERGY SOLUTIONS HENGCHANG (ZHANGJIAGANG) SPECIALTY CHEMICALS Co., Ltd.	70	(a)	70
SYENSQO (CHINA) CO Ltd	100		100
SYENSQO (SHANGHAI) INTERNATIONAL TRADING Co., Ltd.	100		100
SYENSQO (ZHANGJIAGANG) SPECIALTY CHEMICALS CO LTD	100		100
SYENSQO (ZHENJIANG) CHEMICALS Co., Ltd.	90,65	(a)	90,65
SYENSQO HONG KONG Ltd	100		100
SYENSQO SPECIALTY POLYMERS (CHANGSHU) Co., Ltd.	100	(a)	100
ZHUHAI SYENSQO SPECIALTY CHEMICALS CO LTD	100		100
CHILE			
CYTEC CHILE Ltda.	100		100

	December 31, 2024		December 31, 2025
FRANCE			
COGENERATION TAVAUX S.A.S.	33,33	(c)	0
SPECIALTY OPERATIONS FRANCE S.A.S	100		100
SYENSQO ENERGIE FRANCE S.A.S.	100	(a)	100
SYENSQO ENERGY GHG S.A.S	100	(a)	100
SYENSQO FINANCE FRANCE S.A.S	100	(a)	100
SYENSQO FRANCE S.A.	100	(a)	100
SYENSQO LABORATOIRE DU FUTUR S.A.S.	100	(a)	100
SYENSQO PARTICIPATIONS S.N.C	100	(a)	100
GERMANY			
CYTEC ENGINEERED MATERIALS GmbH	100		100
EUROPEAN CARBON FIBER GMBH	100	(c)	0
SYENSQO SPECIALTY POLYMERS GERMANY GMBH	100		100
INDIA			
SYENSQO SPECIALTIES INDIA PRIVATE LIMITED	100	(a)	100
INDONESIA			
PT. CYTEC INDONESIA	100		100
ITALY			
SYENSQO SOLUTIONS ITALIA S.p.A.	100	(a)	100
SYENSQO SPECIALTY POLYMERS ITALY S.p.A.	100	(a)	100
JAPAN			
SYENSQO JAPAN, LTD.	100	(a)	100
SYENSQO NICCA, LTD.	60	(a)	60
SYENSQO SPECIALTY POLYMERS JAPAN K.K.	100	(a)	100
LUXEMBOURG			
CYTEC LUXEMBOURG INTERNATIONAL HOLDINGS Sarl	100		100
HORTENSIA RE S.A.	100	(a)	100
SYENSQO FINANCE LUXEMBOURG S.A.	100	(a)	100
SYENSQO LUXEMBOURG S.à.r.l.	100	(a)	100
MEXICO			
CYTEC DE MEXICO SA de CV	100		100

	December 31, 2024	December 31, 2025
NETHERLANDS		
CYTEC INDUSTRIES B.V.	100	100
SYENSQO SOLUTIONS NEDERLAND B.V.	100 [(a)]	100
NEW ZEALAND		
SYENSQO NEW ZEALAND LIMITED	100 [(a)]	100
PERU		
CYTEC PERU S.A.C.	100	100
PORTUGAL		
SYENSQO BIOTECNOLOGIA PORTUGAL – UNIPESSOAL LDA	100 [(a)]	100
SYENSQO PORTUGAL, UNIPESSOAL, LDA	100 [(a)]	100
SINGAPORE		
SYENSQO AMINES CHEMICALS Pte. Ltd.	100 [(a)]	100
SYENSQO ASIA PACIFIC Pte. Ltd	100 [(a)]	100
SOUTH KOREA		
JINYOUNG BIO CO LTD	100	100
SYENSQO KOREA Co., Ltd.	100 [(a)]	100
SPAIN		
SYENSQO SERVICIOS SP S.L.	100 [(a)]	100
SWITZERLAND		
SPEPRO SPECIALITY PRODUCTS AG	100	100
THAILAND		
SYENSQO (BANGPOO) SPECIALTY CHEMICALS LTD	100 [(a)]	100
SYENSQO CHEMICALS (THAILAND) LIMITED	100 [(a)]	100
TURKEY		
SYENSQO ISTANBUL KIMYA TICARET VE SANAYI LTD. STI.	100 [(a)]	100
UNITED ARAB EMIRATES		
CYTEC NIBRAS LLC	100	100
UNITED KINGDOM		
ADVANCED COMPOSITES GROUP INVESTMENTS Ltd	100	100
CYTEC ENGINEERED MATERIALS Ltd	100	100
CYTEC INDUSTRIAL MATERIALS (DERBY) Ltd	100	100

	December 31, 2024	December 31, 2025
CYTEC INDUSTRIAL MATERIALS (MANCHESTER) Ltd	100	100
CYTEC UK HOLDINGS Ltd	100	100
OLDBURY ENERGY SOLUTIONS (UK) LTD	100	100
SYENSQO HOLDINGS LIMITED	100 (a)	100
SYENSQO INTERNATIONAL HOLDINGS Ltd	100 (a)	100
SYENSQO SOLUTIONS UK LIMITED	100 (a)	100
UMECO Ltd	100	100
UNITED STATES		
AUSIMONT INDUSTRIES INC.	100	100
CEM DEFENSE MATERIALS LLC	100	100
CYTEC ENGINEERED MATERIALS Inc.	100	100
CYTEC GLOBAL HOLDINGS Inc.	100	100
CYTEC INDUSTRIAL MATERIALS (OK) Inc.	100 (c)	0
CYTEC INDUSTRIES Inc.	100	100
CYTEC KOREA Inc.	100	100
CYTEC TECHNOLOGY Corp.	100	100
ENERGY SOLUTIONS (US) LLC	100	100
GARRET MOUNTAIN INSURANCE Co.	100	100
SYENSQO AMERICA LLC	100 (a)	100
SYENSQO FINANCE (AMERICA), LLC	100 (a)	100
SYENSQO HOLDING INC.	100 (a)	100
SYENSQO SPECIALTY POLYMERS USA, LLC	100 (a)	100
SYENSQO USA LLC	100 (a)	100
SYENSQO-INDIA HOLDING INC.	100 (a)	100
SYNORB BATTERY MATERIALS LLC.	51	51

(a) Companies that changed their name in 2025.
(b) Companies that entered the scope in 2025.
(c) Companies that exited the scope in 2025.

List of companies accounted for by applying the equity method of accounting

Indicating the percentage holding.

Joint ventures

BELGIUM		
EECO HOLDING SA		33,33
INDIA		
HINDUSTAN GUM & CHEMICALS LTD		50
INDONESIA		
P.T. SYENSQO MANYAR	(a)	50
ITALY		
COGENERATION SPINETTA S.r.l.		33,33
UNITED ARAB EMIRATES		
STRATA - SYENSQO ADVANCED MATERIALS JOINT VENTURE LLC	(a)	50

(a) Companies that changed their name in 2025.

Associates

FRANCE	
Exeltium S.A.S.	11,5

6.4 Summary financial statements of Syensqo SA

The annual financial statements of Syensqo SA are presented in summary format below. In accordance with the Belgian Code of Companies and Associations, the annual financial statements of Syensqo SA, the management report and the statutory auditor's report will be filed with the National Bank of Belgium.

These documents are also available free of charge on the internet or upon request sent to:

Syensqo SA
Rue de la Fusée 98
B – 1130 Brussels

The balance sheet of Syensqo SA at the end of the year 2025 presented below is based on a dividend distribution of € 1.62 per share.

At the end of 2025, Syensqo SA still has one Branch, SYENSQO SA - ITALIAN BRANCH (Viale Lombardia 20, 20021 Bollate, Italy).

The accounts of Syensqo SA are prepared in accordance with Belgian generally accepted accounting principles.

The main activities of Syensqo SA consist of holding and managing a number of investments in Group companies, providing various services to Group companies and financing the Group's activities from the bank and bond markets. Syensqo SA also has a Group internal factoring activity without recourse. As a result, Syensqo SA owns and manages Group's trade receivables from customers based in Europe and in Asia. It manages the research center in Brussels and a very limited number of commercial activities not undertaken through subsidiaries.

BALANCE SHEET OF SYENSQO SA (SUMMARY)

In € million	December 31, 2025	December 31, 2024
ASSETS		
Fixed assets	**9,748**	**9,201**
Start-up expenses and intangible assets	70	45
Tangible assets	92	86
Financial assets	9,586	9,070
Current assets	**1,368**	**1,493**
Inventories		
Trade receivables	482	509
Other receivables	307	561
Short-term investments and cash equivalents	557	403
Accrued income and deferred charges	22	20
Total assets	**11,116**	**10,693**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity	**7,630**	**7,581**
Capital	1,352	1,352
Share premiums	1,022	1,022
Reserves	1,725	1,802
Net income carried forward	3,531	3,406
Provisions and deferred taxes	**83**	**120**
Financial debt	**1,724**	**1,052**
• due in more than one year	1,701	1,001
• due within one year	23	51
Trade payables	**90**	**112**
Other liabilities	**1,562**	**1,817**
Accrued charges and deferred income	**27**	**11**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**11,116**	**10,693**

At the end of December 2025, total assets amount to € 11,116 million. The variation compared to December 31, 2024 was € 548 million, mainly consisting of:

- the net increase of financial assets for € 516 million, mainly due to the capital increase in Syensqo Holding Inc. for €1,5 billion and impairments of investments for €734 million, in the context of the restructuring of the funding of the Group operations in the USA;
- the reduction of other receivables (-255M€) mainly due to the evolution of internal bank accounts with the Group subsidiaries;
- the increase of short-Term investments and cash equivalents for € 155 million, mainly due to investments in Money Market Funds (€ 100 million).

The variation in Shareholders equity of €48 million results in the profit of the year of € 288 million, the cancellation of shares for € (77) million and the dividend proposed for distribution in 2026 of € (163) million.

The variation in Financial debt compared to December 31, 2024 was € 672 million, primarily explained by the issuance of two new EUR Senior bonds in May 2025 (€1,200 million) and the repayment of a perpetual Hybrid Bond (€500 million) in December 2025.

Other liabilities decreased by €255 million compared to December 31, 2024 mainly due to the evolution of the internal bank accounts with the Group subsidiaries.

INCOME STATEMENT OF SYENSQO SA (SUMMARY)

In € million	2025	2024
Sales		
Other operating income	822	780
Operating expenses	-803	-771
Operating profit / (loss)	**19**	**9**
Financial income and expenses	273	-213
Profit / (loss) for the year before taxes	**292**	**-204**
Income taxes	-4	-11
Profit / (loss) for the year	**288**	**-215**
Profit / (loss) for the year available for distribution	**288**	**-215**

For 2025, the net result of Syensqo SA is a profit amounting to € 288 million.

This result includes:

- the operating profit of € 19 million;
- a net financial income of € 273 million, resulting from dividends received for € 1,045 million less impairment of shares for €734 million and net impact of interest and foreign exchange losses for €39 million;
- income taxes of € (4) million.

PROFIT AVAILABLE FOR DISTRIBUTION

In € million	2025	2024
Profit / (loss) for the year available for distribution	288	-215
Carried forward	3,406	3,792
Total available to the General Shareholders' Meeting	3,694	3,576
Appropriation		
Gross dividend	163	170
Carried forward	3,531	3,406
TOTAL	**3,694**	**3,576**

EY Bedrijfsrevisoren
EY Réviseurs d'Entreprises
Kouterveldstraat 7b bus 001
B - 1831 Diegem

Tel: +32 (0) 2 774 91 11
ey.com

Statutory auditor's report to the general meeting of Syensqo SA for the year ended 31 December 2025

In the context of the statutory audit of the Consolidated Financial Statements) of Syensqo SA (the "Company") and its subsidiaries (together the "Group"), we report to you as statutory auditor. This report includes our opinion on the consolidated statement of the financial position as at 31 December 2025, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended 31 December 2025 and the disclosures including material accounting policy information (all elements together the "Consolidated Financial Statements") as well as our report on other legal and regulatory requirements. These two reports are considered one report and are inseparable.

We have been appointed as statutory auditor by the founders of the Company on 27 February 2023, being the date of incorporation. Our mandate expires at the shareholders' meeting that will deliberate on the Consolidated Financial Statements for the year ending 31 December 2025. We performed the audit of the Consolidated Financial Statements of the Group during 3 consecutive years.

Report on the audit of the Consolidated Financial Statements

Unqualified opinion

We have audited the Consolidated Financial Statements of Syensqo SA, that comprise of the consolidated statement of the financial position on 31 December 2025, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows of the year and the disclosures including, material accounting policy information, which show a consolidated balance sheet total of € 11.504 million and of which the consolidated income statement shows a loss for the year of € 60 million.

In our opinion, the Consolidated Financial Statements give a true and fair view of the consolidated net equity and financial position as at 31 December 2025, and of its consolidated results for the year then ended, prepared in accordance with the IFRS Accounting Standards as adopted by the European Union and with applicable legal and regulatory requirements in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing ("ISA's") applicable in Belgium. In addition, we have applied the ISA's approved by the International Auditing and Assurance Standards Board ("IAASB") that apply at the current year-end date and have not yet been approved at national level. Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the Consolidated Financial Statements" section of our report.

We have complied with all ethical requirements that are relevant to our audit of the Consolidated Financial Statements in Belgium, including those with respect to independence.

We have obtained from the Board of Directors and the officials of the Company the explanations and information necessary for the performance of our audit and we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current reporting period.

These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon, and consequently we do not provide a separate opinion on these matters.

Defined benefit obligations

Description of the key audit matter

The net defined benefit obligations mainly relate to post-employment pension plans and amount to € 161 million as at 31 December 2025, and are disclosed in note F27 of the Consolidated Financial Statements. It consists of gross defined benefit obligations (€ 1.416 million) offset partially by plan assets (€ 1.255 million). The largest plans in 2025 are in the United Kingdom, which represents 59% of the total defined benefit obligations of the Group. This area is important to our audit because of the magnitude of the amounts, management's judgment involved in determining actuarial assumptions (more in particular discount rate, inflation rate and mortality table) and plan assets' fair values and the technical expertise required to evaluate these obligations and properly reflect the impacts in the Consolidated Financial Statements in accordance with IAS 19 "Employee Benefits".

Summary of the procedures performed

- We determined the appropriateness of the discount rates, inflation rate and mortality assumptions used in estimating the net defined benefit pension plan obligation;
- We involved our actuarial specialists to assist us to perform our audit procedures, which include, amongst others, evaluating management's methodology used to develop the discount rates, inflation rates and mortality assumptions for consistency with prior periods;
- We assessed the appropriateness of the discount rates, inflation rate selected by management by benchmarking against rates independently developed by our actuarial specialists;
- We assessed the appropriateness of the mortality assumption by obtaining sensitivity analysis to the change in scaling factor independently calculated by our actuaries;
- We compared the gross defined benefit obligation calculated by the company to our independently developed estimate;
- We confirmed the fair value of plan assets based on banks and funds external reports received independently from fund managers and performed valuation testing of the underlying holdings on sample basis;
- We assessed the adequacy of the disclosures presented in note F27 of the consolidated financial statements based on the requirements of IAS 19.

Impairment of goodwill and other non-current assets of the CGU's Technology Solutions, Composite Materials, Novecare and Aroma Performance

Description of the key audit matter

Following the Group's past acquisitions, significant goodwill has arisen, amounting to € 2.469 million as at 31 December 2025, which represents 21% of the consolidated total assets.

As described in notes F16 (Goodwill) and F20 (Impairment), the Company reviews the carrying amounts of its cash generating units ("CGU's") annually or more frequently if impairment indicators are present. Based on the headroom that exists per CGU as well as sensitivity analyses performed on the valuation and assumptions used in the impairment assessment, we have determined the impairment of goodwill and other non-current assets to be a focus area of our audit of the following CGU's: Technology Solutions, Composite Materials, Novecare and Aroma Performance. The impairment assessment involves a comparison of the estimated value in use of the CGU to its carrying amount.

The assessment is a judgmental process which requires estimates concerning the projected future cash flows associated with the CGU, the weighted average cost of capital ("WACC") and the growth rate of revenue and costs to be applied in determining the value in use. This area is important to our audit because of the magnitude of the amounts, the judgments, and the technical expertise required to perform the impairment testing of long-term assets.

Summary of the procedures performed

- We evaluated management definition of CGUs and Groups of CGUs and allocation of goodwill to those for the purpose of impairment testing;
- We have assessed the methodology and clerical accuracy of the discount rate by comparison to (i) peer-group information, (ii) the Group's cost of capital and (iii) relevant risk factors, and the long term growth rate by comparing with shadow computation performed by our valuation experts;
- We tested the reasonableness of projected cash flows considering the Group's historic forecasting accuracy and compared these projections with the 2026 budget approved by the Board of Directors and the mid-term plan;
- We have involved our internal valuation specialists on our team to analyze, test and assess the mathematical accuracy of the valuation model and the abovementioned critical assumptions used in the valuation model and assessed the reasonableness of impairment loss booked during the period;
- We have assessed the Group reconciliation of the value in use derived from the impairment tests to the market capitalization;
- We assessed the sensitivity analyses prepared by management, including changes to the discount rate, long-term growth rate and other key assumptions, to assess their impact on available headroom, and performed additional sensitivity analyses to other assumptions;
- We have considered additional impairment or reversal of impairment indicators and triggers by reading minutes of the board of directors' meetings, and held regular discussions with the management and the audit committee;
- We assessed the appropriateness and completeness of the disclosures in the Notes to the Consolidated Financial Statements in accordance with IAS 36.

Responsibilities of the Board of Directors for the preparation of the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the Consolidated Financial Statements that give a true and fair view in accordance with the IFRS Accounting Standards and with applicable legal and regulatory requirements in Belgium and for such internal controls relevant to the preparation of the Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of Consolidated Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, and provide, if applicable, information on matters impacting going concern, The Board of Directors should prepare the financial statements using the going concern basis of accounting, unless the Board of Directors either intends to liquidate the Company or to cease business operations, or has no realistic alternative but to do so.

Our responsibilities for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance whether the Consolidated Financial Statements are free from material misstatement, whether due to fraud or error, and to express an opinion on these Consolidated Financial Statements based on our audit. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with the ISA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

In performing our audit, we comply with the legal, regulatory and normative framework that applies to the audit of the Consolidated Financial Statements in Belgium. However, a statutory audit does not provide assurance about the future viability of the Company and the Group, nor about the efficiency or effectiveness with which the board of directors has taken or will undertake the Company's and the Group's business operations. Our responsibilities with regards to the going concern assumption used by the board of directors are described below.

As part of an audit in accordance with ISA's, we exercise professional judgment and we maintain professional skepticism throughout the audit. We also perform the following tasks:

- identification and assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, the planning and execution of audit procedures to respond to these risks and obtain audit evidence which is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatements resulting from fraud is higher than when such misstatements result from errors, since fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining insight in the system of internal controls that are relevant for the audit and with the objective to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluating the selected and applied accounting policies, and evaluating the reasonability of the accounting estimates and related disclosures made by the Board of Directors as well as the underlying information given by the Board of Directors;
- conclude on the appropriateness of the Board of Directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, whether or not a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's or Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going-concern;
- evaluating the overall presentation, structure and content of the Consolidated Financial Statements, and evaluating whether the Consolidated Financial Statements reflect a true and fair view of the underlying transactions and events.

We communicate with the Audit Committee within the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the audits of the subsidiaries. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities.

We provide the Audit Committee within the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee within the Board of Directors, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our report, unless the law or regulations prohibit this.

Report on other legal and regulatory requirements

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation and the content of the Board of Directors' report on the Consolidated Financial Statements, and other information included in the annual report.

Responsibilities of the auditor

In the context of our mandate and in accordance with the additional standard to the ISA's applicable in Belgium, it is our responsibility to verify, in all material respects, the Board of Directors' report on the Consolidated Financial Statements, and other information included in the annual report, as well as to report on these matters.

Aspects relating to Board of Directors' report and other information included in the annual report

The Board of Directors' report on the Consolidated Financial Statements contains the consolidated sustainability information that is subject to our separate reasonable and limited assurance reports. This section does not cover the assurance on the consolidated sustainability information included in the annual report.

In our opinion, after carrying out specific procedures on the Board of Directors' report, the Board of Directors' report is consistent with the Consolidated Financial Statements and has been prepared in accordance with article 3:32 of the Code of companies and associations.

In the context of our audit of the Consolidated Financial Statements, we are also responsible to consider whether, based on the information that we became aware of during the performance of our audit, the Board of Directors' report and other information included in the annual report, being:

- Strategy

contain any material inconsistencies or contains information that is inaccurate or otherwise misleading. In light of the work performed, there are no material inconsistencies to be reported.

Independence matters

Our audit firm and our network have not performed any services that are not compatible with the audit of the Consolidated Financial Statements and have remained independent of the Company during the course of our mandate.

The fees related to additional services which are compatible with the audit of the Consolidated Financial Statements as referred to in article 3:65 of the Code of companies and associations were duly itemized and valued in the notes to the Consolidated Financial Statements.

European single electronic format ("ESEF")

In accordance with the standard on the audit of the conformity of the financial statements with the European single electronic format (hereinafter "ESEF"), we have carried out the audit of the compliance of the ESEF format with the regulatory technical standards set by the European Delegated Regulation No 2019/815 of 17 December 2018 (hereinafter: "Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with the ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format (hereinafter 'the digital consolidated financial statements') included in the annual financial report available on the portal of the FSMA (https://www.fsma.be/en/stori).

It is our responsibility to obtain sufficient and appropriate supporting evidence to conclude that the format and markup language of the digital consolidated financial statements comply in all material respects with the ESEF requirements under the Delegated Regulation.

Based on the work performed by us, we conclude that the format and tagging of information in the digital consolidated financial statements of Syensqo SA per 31 December 2025 included in the annual financial report available on the portal of the FSMA (https://www.fsma.be/en/stori) are, in all material respects, in accordance with the

ESEF requirements under the Delegated Regulation.

Other communications.

- This report is consistent with our supplementary declaration to the Audit Committee as specified in article 11 of the regulation (EU) nr. 537/2014.

Diegem, 25 March 2026

EY Bedrijfsrevisoren BV
Statutory auditor
Represented by

Marie Kaisin *
Partner
*Acting on behalf of a BV/SRL

26MK0008

EY Bedrijfsrevisoren
EY Réviseurs d'Entreprises
Kouterveldstraat 7B 001
B - 1831 Diegem

Tel: +32 (0) 2 774 91 11
ey.com/be

Statutory Auditor's limited assurance report on Syensqo SA's consolidated Sustainability statement

At the attention of the general meeting of the shareholders

As part of the limited assurance engagement on the consolidated sustainability statement of Syensqo SA (the "Company" or the "Group"), we are providing you with our report on this engagement.

We were appointed by the General Meeting of 23 May 2024, in accordance with the proposal of the Board of Directors and 'issued on the recommendation of the audit committee and on presentation to the works council' of Syensqo SA, to carry out a limited assurance engagement on the Company's sustainability information, included in Sustainability Statements of the Annual Integrated Report 2025 as of 31 December 2025 and for the year ended on that date (the "sustainability statement").

Our mandate expires on the date of the general meeting deliberating on the annual financial statements closed as at 31 December 2025. We have carried out our assurance engagement on the sustainability statement of Syensqo SA for 2 consecutive financial years.

Limited assurance conclusion

We have conducted a limited assurance engagement on the sustainability statement of Syensqo SA.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the sustainability statement, in all material respects:

- is not prepared in accordance with the requirements referred to in Article 3:32/2 of the Belgian Code of Companies and Associations, including compliance with applicable European sustainability information standards (the European Sustainability Reporting Standards ("ESRSs"))
- Is not compliant with the process carried out by the Company ("the Process") to identify the information included in the sustainability statement in accordance with the ESRS's as set out in section 5.1.5 Double Materiality; and
- is not compliant with the requirements of Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation") as disclosed in subsection 5.2.2.3 EU Taxonomy within the environmental section of the management report.

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance engagements other than audits or reviews of historical financial information* ("ISAE 3000 (Revised)"), applicable in Belgium and *issued* by the International Auditing and Assurance Standards Board.

Our responsibilities under this standard are further described in the Statutory Auditor's responsibilities section of our report related to our limited assurance engagement under the section "Statutory Auditor's responsibilities".

We have complied with all ethical requirements relevant to the assurance of sustainability engagement in Belgium, including those relating to independence.

The firm applies International Standard on Quality Management 1 ("ISQM 1"), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have obtained from the Company's Board of Directors and its appointees the explanations and information necessary for our limited assurance engagement.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Besloten vennootschap
Société à responsabilité limitée
RPR Brussel - RPM Bruxelles - BTW-TVA BE0446.334.711-IBAN N° BE71 2100 9059 0069
*handelend in naam van een vennootschap:/agissant au nom d'une société

A member firm of Ernst & Young Global Limited

Responsibilities of the Board of Directors in relation to the preparation of sustainability information

The Board of Directors of the Company is responsible for designing and implementing a process to identify the information reported in the sustainability statement in accordance with the ESRS and for disclosing this Process in note 5.1.5 Double Materiality of the sustainability statement. This responsibility includes:

- understanding the context in which the Company's activities and business relationships take place and developing an understanding of its affected stakeholders.
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the entity's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

The board of directors of the Company is further responsible for the preparation of the sustainability statement, which contains the sustainability information as determined in the Process:

- in accordance with the requirements referred to in Article 3:32/2 of the Belgian Code of Companies and Associations, including compliance with applicable ESRS's;
- in compliance with the requirement provided by Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation") as described in the disclosures in 5.2.2.3 EU Taxonomy within the environmental section of the management report.

This responsibility includes:

- designing, implementing and maintaining such internal control that the Board of Directors determines is necessary to enable the preparation of the Sustainability statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

The Board of Directors are responsible for overseeing the Company's sustainability reporting process.

Inherent limitations in preparing the sustainability statement

In reporting forward-looking information in accordance with ESRS, the board of directors of the Company is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Company. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected. Actual results are likely to differ from projections because the future events will not generally occur as expected, and such differences could be material.

Statutory Auditor's responsibilities relating the limited assurance engagement on the sustainability information

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the sustainability statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the sustainability statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), as applicable in Belgium, we exercise professional judgment and maintain professional skepticism throughout the engagement. The work performed in an engagement with a view to obtaining limited assurance is less extensive than in the case of an engagement with a view to obtaining reasonable assurance. The procedures performed in a limited assurance engagement for which we refer to the 'Summary of work carried out' section which differ in nature and timing are less extensive compared to a reasonable assurance engagement. We therefore do not express a reasonable audit opinion in the frame of this engagement.

As the forward-looking information included in the Sustainability Information, and the assumptions on which it is based, relate to the future, they may be affected by events that may occur and/or by actions taken by the Company. Actual results are likely to differ from the assumptions made, as the events assumed will not necessarily occur as expected, and such differences could be material. Accordingly, our conclusion does not guarantee that the actual results reported will correspond to those contained in the forward-looking sustainability information.

Our responsibilities in respect of the Sustainability statement, in relation to the Process, include:

- understanding the Process but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Company's description of its Process, as disclosed in note 5.1.5 Double Materiality.

Our other responsibilities in respect of the Sustainability statement include:

- To understand the Company's control environment and the processes and information systems relevant to the preparation of sustainable information, but without evaluating the design of specific control activities, obtaining substantive information on their implementation or testing the effectiveness of the internal control measures in place;
- Identify areas where material misstatements of sustainability information are likely to occur, whether due to fraud or error; and
- Designing and performing procedures responsive to where material misstatements are likely to arise in the sustainability statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the Sustainability statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process through:
  - Requesting information to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents), as well as assessing the Company's internal documentation of its Process; and
- Evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Company was consistent with the description of the Process set out in note 5.1.5 Double Materiality.

In conducting our limited assurance engagement, with respect to the sustainability statement, we:

- Obtained an understanding of the Company's reporting processes relevant to the preparation of its sustainability statement by:
  - interviewing management and relevant staff responsible for consolidating and implementing internal control measures related to sustainability information;
  - when deemed appropriate, obtaining supporting documentation for the relevant reporting processes
- Evaluated whether the information identified by the Process is included in the sustainability statement;
- Evaluated the compliance of the structure and the preparation of sustainability information with ESRS standards;
- Performed inquires of relevant personnel and analytical procedures on selected information in the sustainability statement;
- Performed substantive assurance procedures, based on a sample, on selected information in the sustainability statement;
- For the following locations contributing to the quantitative information included in the sustainability information, we have carried out limited detailed testing of the data collection and calculation processes, as well as validation procedures related to the quantitative information in question, either on site or through remote connection, based on professional judgement and on a sample basis: Atequiza Jalisco, Changshu, Melle, Ospiate, Piedmont, Saint-Fons, Tavaux, Willow Island, Zhangjiagang Ya, Zhenjiang Songl and Spinetta;
- Evaluated assurance information on the methods for developing estimates and forward-looking information; evaluated as described in the section 'responsibilities of the statutory auditor regarding the assurance engagement with limited assurance regarding sustainability information;
- Obtained an understanding of the Company's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability statement;
- Reconciling inputs to revenue, capital expenditure, and operating expenses, with underlying financial information of the Company;

Statements regarding independence

Our audit firm and our network have not performed any engagements that are incompatible with the limited assurance engagement, and our audit firm has remained independent of the company during our term of office.

Diegem, 25 March 2026

EY Réviseurs d'Entreprises SRL
Statutory Auditor
represented by

Marie Kaisin*
Partner
* Acting on behalf of an SRL

26MK0007

EY Bedrijfsrevisoren
EY Réviseurs d'Entreprises
Kouterveldstraat 7B 001
B - 1831 Diegem

Tel: +32 (0) 2 774 91 11
ey.com/be

TO THE GENERAL SHAREHOLDERS' MEETING OF THE COMPANY SYENSQO SA

Independent accountant's assurance report

Scope

We have been engaged by Syensqo SA (the "Company") to perform a "reasonable assurance engagement in accordance with the International Standard on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ("ISAE 3000 revised"), hereafter referred to as "the Engagement", on Syensqo SA's sustainability indicators listed in Appendix (the "Subject Matter") of the accompanying annual report 2025 (the "Report") for the period from 1 January 2025 to 31 December 2025.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform reasonable assurance procedures on the remaining information included in the Report, and accordingly, we do not express an opinion on this information.

Criteria applied by Syensqo SA

In preparing the Subject Matter, Syensqo SA applied the Greenhouse Gas Protocol (GHG Protocol) Corporate Standard (the "Criteria").

Syensqo SA's responsibilities

Syensqo's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a reasonable assurance opinion on the Subject Matter based on the evidence we have obtained.

We conducted our reasonable assurance engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000'), and the terms of reference for this engagement as agreed with Syensqo on 15 September 2025. ISAE 3000 revised requires that we plan and perform our engagement to express an opinion on whether we are aware of any material modifications that need to be made to the Subject Matter for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

Shape the future
with confidence

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements.
This standard requires us to design, implement, and manage a quality management system, including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a reasonable assurance engagement vary in nature and timing from and are more in extent than for a limited assurance engagement. Consequently, the level of assurance obtained in a reasonable assurance engagement is substantially higher than the assurance that would have been obtained had a limited assurance engagement been performed.

A reasonable assurance engagement consists of conducting substantive analytics and test of details, including performing walkthroughs.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

Our procedures included amongst other:

- Obtaining an understanding of the reporting processes for the Subject Matter;
- Evaluating the consistent application of the Criteria;
- Interviewing relevant staff at local level responsible for data collection, reporting and calculation of the Subject Matter;
- Interviewing management and relevant staff at corporate level responsible for consolidating and carrying out internal control procedures on the Subject Matter;
- Interviewing relevant staff responsible for reporting the Subject Matter in the Report;
- Determining the nature and extent of the assurance procedures for each of the locations contributing to the Subject Matter. Based on our scoping assessment, 10 sites (Melle, Changshu, Ospiate, Piedmont, Saint-Fons, Tavaux, Willow Island, Zhangjiagang Ya, Zhenjiang Songl and Spinetta) were

EY
Shape the future with confidence

visited to visually inspect operations, to validate the data and evaluate the design and implementation of data collection and calculation processes as well as inspecting of documents on a sample basis.

For the remaining locations contributing to the sustainability indicators listed in Appendix, procedures were carried out centrally to review the reasonableness of the data collection, data calculation, and data validation procedures;

- Obtaining information that the Subject Matter reconciles with underlying records of the Company;
- Evaluating, on a test basis, and reconciling the Subject Matter to relevant internal and external supporting documentation;
- Performing an analytical review of the data and trends in the Subject Matter for consolidation at corporate level and the data reported by the sites;
- Evaluating the overall presentation of the Subject Matter in the Report.

We also performed such other procedures as we considered necessary in the circumstances.

Opinion

In our opinion, the Syensqo SA sustainability indicators listed in Appendix for the period from 1 January 2025 to 31 December 2025 are presented, in all material respects, in accordance with the Criteria.

Diegem, 25 March 2026

EY Réviseurs d'Entreprises SRL
Represented by

Marie Kaisin*
Partner
* Acting on behalf of an SRL

26MK0010

Shape the future
with confidence

Appendix

Topic	KPI	Result
GHG emissions	Gross scope 1 GHG emissions	1.2 Million tCO2eq
GHG emissions	Gross location-based scope 2 GHG emissions	0.6 Million tCO2eq
GHG emissions	Gross market-based scope 2 GHG emissions	0.3 Million tCO2eq
GHG emissions	Gross scope 1 & 2 market-based GHG emissions	1.5 Million tCO2eq

DECLARATION BY THE PERSONS RESPONSIBLE

The Board of Directors hereby declares that, to the best of its knowledge:

- The financial statements, prepared in accordance with International Financial Reporting Standards ("IFRS"), give a true and fair view of the assets, liabilities, financial position and earnings of the issuer and of the entities included in the consolidation;
- The sustainability statement has been prepared in accordance with the European Sustainability Reporting Standards as required by article 3:32/2 of the Belgian Code of Companies and Associations as well as with Article 8 of EU Regulation 2020/852.;
- The management report includes an accurate review of the business developments, earnings, and financial position of the issuer and of the entities included in the consolidation, as well as a description of the main risks and uncertainties that these entities face.

Heike van de Kerkhof

Chair of the Board of Directors

H.v.d. Kerkhof

Mike Radossich

Chair of the Executive Leadership Team and Chief Executive Officer

GLOSSARY

Please note that terms and acronyms used in the Sustainability Statements and not mentioned in this glossary, are aligned with definitions of the CSRD (Annex II, Acronyms and Glossary of Terms, Table 2 - Terms defined in the ESRS).

Additional voluntary contributions related to employee benefits plan

Contributions to plan assets in excess of mandatory contributions to employee benefits plans. These payments are discretionary and are driven by the objective of value creation. These voluntary contributions are excluded from free cash flow as they are deleveraging in nature as a reimbursement of debt.

Adjustments

Each of these adjustments made to the IFRS results is considered to be significant in nature and/or value. Excluding these items from the profit metrics provides readers with relevant additional information on the Group's underlying performance over time because it is consistent with how the business' performance is reported to the Board of Directors and the Executive Committee. These adjustments consist of:

- Results from portfolio management and major restructurings;
- Results from legacy remediation and major litigations;
- Amortization of intangible assets resulting from Purchase Price Allocation (PPA) and inventory step-up in gross margin;
- Net financial results related to changes in discount rates, coupons of hybrid bonds deducted from equity under IFRS and debt management impacts (mainly including gains/(losses) related to the early repayment of debt;
- Adjustments of equity earnings for impairment gains or losses and unrealized foreign exchange gains or losses on debt;
- Results from equity instruments measured at fair value;
- Gains and losses, related to the management of the CO_2 hedges not accounted for as Cash Flow Hedge, deferred in adjustments until the maturity of the economic hedge;
- Remeasurement of the long-term incentive plans related to Solvay Group shares and of the related hedging instruments;
- Tax effects related to the items listed above and tax expense or income of prior years;
- All adjustments listed above apply to both continuing and discontinuing operations, and include the impacts on non-controlling interests.

Basic earnings per share

Net income (Syensqo's share) divided by the weighted average number of shares, after deducting own shares purchased to cover stock option programs.

Capital expenditure (CapEx)

Cash paid for the acquisition of tangible and intangible assets presented in cash flows from investing activities, and cash paid on the lease liabilities (excluding interests paid), presented in cash flows from financing activities. This indicator is used to manage capital employed in the Group.

Cash conversion

A ratio used to measure the conversion of EBITDA into cash according to the formula (Underlying EBITDA +/- Changes in working capital - Sustenance CapEx) / (Underlying EBITDA). Sustenance capital expenditure includes capital expenditures for maintenance, for the implementation of the One Planet strategy and for Digital Transformation initiatives, as well as payment of lease liabilities.

CDP

Carbon Disclosure Project is a global non-profit that runs the world's only independent environmental disclosure system for companies, capital markets, cities, states and regions to manage their environmental impacts.

CGU

Cash-generating unit.

CoBI

Code of Business Integrity.

Code of conduct

Syensqo is committed to responsible behavior and integrity, taking into account the sustainable growth of its business and its good reputation in the communities in which it operates.

Contractors

Contractors include self-employed individuals working at our sites, as well as all third-party providers supplying workers involved in our operations.

Cradle-to-gate

Cradle-to-gate refers to a life cycle assessment (LCA) boundary that covers a product's journey from the "cradle" (raw material extraction) up to the point it leaves the production gate.

Cradle-to-cradle

Cradle-to-cradle refers to a life cycle assessment (LCA) boundary that covers a product's journey from the "cradle" (raw material extraction) through the product use, up to the disposal or recycling at the end of life.

CTA

Currency Translation Adjustment.

Diluted earnings per share

Net income (Syensqo's share) divided by the weighted average number of shares adjusted for effects of dilution.

Discontinued operations

Component of the Group which the Group has disposed of or which is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations;
- Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations;
- Is a subsidiary acquired exclusively with a view to resale.

Dividend yield (gross)

Gross dividend divided by the closing share price on December 31.

Dividend yield (net)

Net dividend divided by the closing share price on December 31.

DJ EURO STOXX

Dow Jones Euro Stoxx is a pan-European stock index which includes the 326 most important shares of the general Dow Jones index, belonging to eleven countries of the Eurozone.

DJ STOXX

Dow Jones Stoxx is a European stock index composed of the 665 most important European shares.

EBIT

Earnings before interest and taxes. Performance indicator that is a measure of the Group's operating profitability irrespective of the funding's structure.

EBITDA

Earnings before interest and taxes, depreciation and amortization. The Group has included EBITDA as an alternative performance indicator because management believes that the measure provides useful information to assess the Group's operating profitability as well as the Group's ability to generate operating cash flows.

Eco-profile

A description of the magnitude and significance of the environmentally relevant inputs and outputs (including, as appropriate, raw materials, intermediate products, emissions and waste) associated with a product throughout its lifecycle.

EcoVadis

EcoVadis is a globally trusted provider of business sustainability ratings, assessing companies' sustainability performance and helping organizations manage ESG risk and compliance and drive sustainability improvement across their company and value chain.

Employee

An individual who is in an employment relationship with the undertaking according to national law or practice.

Equity per share

Equity (Syensqo share) divided by the number of outstanding shares at year end (issued shares - treasury shares).

EURONEXT

Global operator of financial markets and provider of trading technologies.

Free cash flow

Cash flows from operating activities (excluding cash flows linked to acquisitions or disposals of subsidiaries, cash outflows of Voluntary Pension Contributions, as they are deleveraging in nature as a reimbursement of debt and cash flows related to internal management of portfolio such as one-off external costs of internal carve-out and related taxes), cash flows from investing activities (excluding cash flows from or related to the acquisitions and disposals of subsidiaries), and other investments, and excluding loans to associates and non-consolidated investments, and recognition of factored receivables), payment of lease liabilities, and increase/decrease of borrowings related to environmental remediation. Prior to the adoption of IFRS 16, operating lease payments were included within free cash flow. Following the application of IFRS 16, because leases are generally considered to be operating in nature, free cash flow incorporates the payment of the lease liability (excluding the interest expense). Excluding this item in the free cash flow would result in a significant improvement of free cash flow compared to prior periods, whereas the operations themselves have not been affected by the implementation of IFRS 16. It is a measure of cash generation, working capital efficiency and capital discipline of the Group.

Free cash flow conversion

Calculated as the ratio between the free cash flow to Syensqo shareholders of the last rolling 12 months (before netting of dividends paid to noncontrolling interest) and underlying EBITDA of the last rolling 12 months.

Free cash flow to Syensqo shareholders

Free cash flow after payment of net interests, coupons of perpetual hybrid bonds, dividends to non-controlling interests and capital injections and capital reimbursements from/to non-controlling interests. This represents the cash flow available to Syensqo shareholders, to pay their dividend and/or to reduce the net financial debt.

FTSEUROFIRST 300

The FTSEurofirst 300 Index tracks the equity performance across the region of the 300 largest companies ranked by market capitalization in the FTSE Developed Europe Index.

GBU

Global business unit.

Gearing ratio

A measure of capital structure and is defined as Underlying net debt / (underlying net debt + Equity - Hybrid bonds in equity)

Global Business Services (GBS)

Global Business Services (GBS) is Syensqo's integrated global operating model that delivers end-to-end, digitally enabled business services across core corporate and functional areas (Finance, Procurement and HR). GBS combines standardized processes, functional expertise, and data-driven capabilities to drive operational excellence, enable business transformation, and support Syensqo's growth and sustainability ambitions at scale. Powered by people and data, GBS acts as a strategic partner to the business, moving beyond traditional back-office services to deliver measurable top- and bottom-line value globally.

IBA

Internal bank accounts.

ICCA

International Council of Chemistry Associations.

IFRS

International Financial Reporting Standards.

Integrated reporting

This is a process founded on integrated thinking, which results in a periodic integrated report by an organization about value creation over time and related communications regarding aspects of value creation.

ISCC Plus

ISCC PLUS is a voluntary certification scheme designed to validate sustainability characteristics of alternative feedstocks.

ISO 9001

The ISO 9001 standard defines a set of requirements for the establishment of a system of quality management in an organization, whatever its size and activity.

ISO 14001

The ISO 14001 family addresses various aspects of environmental management. It provides practical tools for companies and organizations looking to identify and control their environmental impact and constantly improve their environmental performance.

ISO 14040

The ISO 14040 standard covers life cycle assessment (LCA) studies and life cycle inventory (LCI) studies.

LCA

Life Cycle Assessment.

Leverage ratio

Net debt / underlying EBITDA of the last 12 months. Underlying leverage ratio = underlying net debt / underlying EBITDA of the last 12 months.

Living wage

Syensqo's commitment to pay an adequate wage to all employees by 2026. The terms "adequate wage" and "living wage" are used interchangeably throughout the document.

Loss prevention process

Loss prevention aims at maintaining production flow and profitability of the plants by providing risk mitigation. It also contributes to increasing the protection of people and the environment.

LTII

Lost Time Injury or Illness: A Work Related Injury or Illness that results in a work interruption of one or more days, not including the day of the accident.

LTIIR

Lost Time Injury and Illness Rate: number of Lost Time Injury and Illnesses resulting from accidents per 200,000 work hours.

Mandatory contributions to employee benefits plans

For funded plans, contributions to plan assets correspond to amounts required to be paid during the respective period, in accordance with agreements with trustees or regulation, as well as, for unfunded plans, benefits paid to beneficiaries.

Materiality

Organizations are faced with a wide range of sustainability matters on which they could report. The relevant topics pertain to the undertaking's material actual or potential, positive or negative impacts on people or the environment over the short-, medium- and long-term., or if it generates risks or opportunities that affect (or could reasonably be expected to affect) the undertaking's financial position, financial performance, cash flows, access to finance or cost of capital over the short, medium or long term. Sustainability matters relevant from one or both dimensions merit inclusion in the annual report. Materiality is the threshold at which aspects become sufficiently important that they should be reported.

Natural currency hedge

A natural currency hedge is an investment that reduces the undesired risk by matching cash in and outflows.

Near miss

Accident or collision narrowly avoided.

Net cost of borrowings

Cost of borrowings netted with interest on loans and short-term deposits, as well as other gains (losses) on net indebtedness.

Net financial charges

Net cost of borrowings, and costs of discounting provisions (namely, related to post-employment benefits and Health Safety and Environmental liabilities).

Net financial debt (IFRS)

(IFRS) net debt = Non-current financial debt + current financial debt – cash & cash equivalents – other financial instruments (current and non-current).

Underlying net debt reclassifies as debt 100% of the hybrid perpetual bonds, considered as equity under IFRS. It is a key measure of the strength of the Group's financial position and is widely used by credit rating agencies.

Net pricing

The difference between the change in sales prices versus the change in variable costs.

Net sales

Sales of goods and value added services corresponding to Syensqo's know-how and core business. Net sales exclude Revenue from non- core activities.

Net working capital

Includes inventories, trade receivables and other current receivables, netted with trade payables and other current liabilities.

NSIW

Industrial waste not treated in a sustainable way

Occupational accident

Accident which occurred during the execution of a work contract with Syensqo. Accidents on the way to/from home are not considered as work related except if at the time of the accident, the worker was traveling for Syensqo.

OCI

Other Comprehensive Income.

OECD

Organisation for Economic Co-operation and Development.

Open innovation

Innovation that is enriched with outside expertise, through partnerships with the academic world and by shareholdings in start-ups, either directly or via investment funds.

Operational deleveraging

Reduction of liabilities (net debt or provisions) through operational performance only, i.e. excluding impacts from acquisitions and divestitures, as well as remeasurement impacts (changes of foreign exchange, inflation, mortality and discount rates).

Organic growth

Growth of Net sales or underlying EBITDA excluding scope changes (related to small M&A not leading to restatements) and forex conversion effects.

The calculation is made by rebasing the prior period at the business scope and forex conversion rate of the current period.

OSHA VPP

Voluntary Protection Programs (VPP), of the US Occupational Safety and Health Administration (OSHA), promote effective worksite-based safety and health.

PCF

Product Carbon Footprint

PP

Unit of percentage points, used to express the evolution of ratios.

PPA

Purchase Price Allocation (PPA) accounting impacts related to acquisitions, primarily for Rhodia and Cytec.

Pricing power

The ability to create positive net pricing.

Product stewardship

A responsible approach in managing risks throughout the entire life cycle of a product, from the design stage to the end of life.

PSA

Portfolio Sustainability Assessment

PSM

Process safety management.

PSU

Performance Share Unit.

REACH

REACH is the European Community Regulation on chemicals and their safe use (EC 1907/2006). It deals with the registration, evaluation, authorization, and restriction of chemical substances. The law entered into force on June 1, 2007.

Research & innovation (R&I)

Research & development costs recognized in the income statement and as capital expenditure before deduction of related subsidies, royalties and depreciation and amortization expense. It measures the total cash effort in research & innovation, regardless of whether the costs were expensed or capitalized.

Research & innovation intensity

Ratio of research & innovation / net sales.

Responsible care®

Responsible Care® is the global chemical industry's unique initiative to improve health, environmental performance, enhance security, and to communicate with stakeholders about products and processes.

Result from legacy remediation and major litigations

It includes:

- The remediation costs not generated by on-going production facilities (shut-down of sites, discontinued productions, previous years' pollution), and
- The impact of significant litigations.

Results from portfolio management and major restructuring

It includes:

- Gains and losses on the sale of subsidiaries, joint operations, joint ventures, and associates that do not qualify as discontinued operations;
- Acquisition costs of new businesses;
- One-off operating costs related to internal management of portfolio (carve-out of major lines of businesses);
- Gains and losses on the sale of real estate not directly linked to an operating activity;
- Restructuring charges driven by portfolio management and by major reorganization of business activities, including impairment losses resulting from the shutdown of an activity or a plant;
- Impairment losses resulting from testing of Cash Generating Units (CGUs).

It excludes non-cash accounting impact from amortization and depreciation resulting from the purchase price allocation (PPA) from acquisitions.

Revenue from non-core activities

Revenues primarily comprising commodity and utility trading transactions and other revenue, considered to not correspond to Syensqo's know-how and core business.

RII

Reportable Injury & Illness: work-related injury or illness resulting from an accident with severity above first aid, according to US OSHA 29 CFR 1904.

RIIR

Reportable Injury & Illness rate: number of reportable injury or illness per 200,000 work hours.

ROCE

Return on Capital Employed, calculated as the ratio between underlying EBIT (before adjustment for the amortization of PPA) and capital employed.

Capital employed consists of net working capital, tangible and intangible assets, goodwill, rights-of-use assets, investments in associates & joint ventures and other investments, and is taken as the average of the situation at the end of the last 4 quarters.

ROE

Return on equity.

SAELs

Syensqo Acceptable Exposure Limits.

Safety data sheets (SDS)

Safety Data Sheets are the main tool for ensuring that manufacturers and importers communicate enough information along the supply chain to allow safe use of their substances and mixtures.

SBTi

Science Based target initiative.

SCoBI

Supplier Code of Business Integrity

SDG

United Nations Sustainable Development Goals.

Seveso regulations

The Control of Major Accident Hazards Involving Dangerous Substances Regulations. These regulations (often referred to as "COMAH Regulations" or "Seveso Regulations") give effect to European Directive 96/82/EC. They apply only to locations where significant quantities of dangerous substances are stored.

SoC

Substance of Concern

Societal stakeholders

Societal stakeholders are individuals, groups, or organizations outside of a company who are affected by, or have an interest in, the company's activities, decisions, and impact on society.

SOCRATES

Global tool for industrial hygiene management.

SOP

Stock Option Plan.

SPM

The Sustainable Portfolio Management (SPM) is a fact-based tool that evaluates the risk & opportunities of our portfolio. It considers the social & environmental impact of our operations and the sustainability market signals, even weak ones, to anticipate their impact and develop the right answers in a timely way.

It is designed to guide business decisions and priorities for value creation.

SSbD

Safe and Sustainable by Design is a voluntary approach to guide the innovation process for chemicals and materials, announced in December 2022 by the European Commission.

SVHC

Substance of Very High Concern (SVHC) is a chemical substance, the utilization of which within the European Union has been proposed to become subject to legal authorization under the REACH regulation.

Underlying

Underlying results are deemed to provide a more comparable indication of Syensqo's fundamental performance over the reference periods. They are defined as the IFRS figures adjusted for the "Adjustments" as defined above. They provide readers with additional information on the Group's underlying performance over time as well as the financial position and they are consistent with how the business' performance and financial position are reported to the Board of Directors and the Executive Committee.

Underlying net debt

Underlying net debt reclassifies as debt 100% of the perpetual hybrid bonds, considered as equity under IFRS.

Underlying tax rate

Income taxes / (Result before taxes – Earnings from associates & joint ventures) – all determined on an Underlying basis. The adjustment of the denominator regarding associates and joint ventures is made as these contributions are already net of income taxes. This provides an indication of the tax rate across the Group.

Velocity

Total number of shares traded during the year divided by the total number of listed shares, using the Euronext definition.

Velocity adjusted by free float

Velocity adjusted as a function of the percentage of the listed shares held by the public, using the Euronext definition.

Voluntary pension contributions

Contributions to plan assets in excess of Mandatory Contributions to employee benefits plans. These payments are discretionary and are driven by the objective of value creation. These voluntary contributions are excluded from free cash flow as they are deleveraging in nature as a reimbursement of debt.

WACC

Weighted Average Cost of Capital.

WBCSD

World Business Council for Sustainable Development.

SHAREHOLDERS' DIARY

MAY 5, 2026

Ordinary General Shareholders' Meeting

MAY 15, 2026

First quarter 2026 earnings

MAY 18, 2026

Proposed dividend payment date

JULY 30, 2026

First half year 2026 earnings

NOVEMBER 5, 2026

First nine months 2026 earnings

Layout, concept and production: *WordAppeal, France* / ***Printing:*** *Cousto, Belgium* / ***Publication management:*** *Syensqo Investor Relations*

Credits: *@Syensqo, iStock*

Ce rapport est également disponible en français.

Printed on FSC paper.

SYENSQO

ADVANCING HUMANITY