

Integrated Report



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How to navigate this report

Summarized by Clarita^{AI}

Clarita^{AI} is an AI assistant created by Clariant. Summaries at the beginning of chapters were generated by Clarita and are indicated by this blue headline.

Learn more about Clarita in the chapter »A purpose-led strategy« of the Management Report.

Disclosures assured by KPMG

✓ | The Management Report (including the Sustainability Statement) includes disclosures mandated by Art. 964b of the Swiss Code of Obligations that were assured by KPMG. Text passages are marked by a check mark at the beginning and a vertical line at the end. Tables and graphics are marked by a check mark. |

Disclosures audited by KPMG

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The Chairman and CEO Review



Conrad Keijzer
Chief Executive Officer (CEO)

Ben van Beurden
Chairman

Conrad, what were the main challenges Clariant faced in 2025, and how did the company navigate them?

Conrad Keijzer: 2025 was characterized by a persistent low-demand environment and we are pleased with how Clariant responded to these challenging conditions. While we saw some moderation in inflation, global demand across key sectors remained subdued. The anticipated recovery in consumer durable goods spending did not materialize. Our industry continues to face significant oversupply in certain markets, as China has built up significant local capacity in recent years.

Amidst these headwinds, our sales of CHF 3.915 billion were flat in local currencies. We maintained strict pricing discipline and initiated the execution of our new CHF 80 million performance improvement program, which has already delivered CHF 50 million in savings in 2025. Together with effective price management and cost productivity across the company, these measures improved our EBITDA margin before exceptional items by 180 basis points to 17.8%.

This builds on three consecutive years of EBITDA improvement, both in absolute and margin terms, which underscores the success of our transformation. The numbers tell a compelling story: We have achieved 320 basis points of improvement from 14.6% in 2023 to 17.8% in 2025. What particularly pleases me is that every business unit and all corporate functions contributed to this achievement.

The recorded net loss of CHF 41 million is due to a non-cash cumulative translation adjustment (CTA) of CHF 230 million, stipulated by IFRS following our Venezuela divestment. This has no impact on cash or operating performance. Without this exceptional effect, we would have reported a Group profit of CHF 189 million.

Ben, how do you assess the broader chemical industry landscape in 2025?

Ben van Beurden: 2025 was again a challenging year for the chemical industry, dominated by uncertainty from the ongoing war in Ukraine and unresolved trade tensions.

We are seeing a fragmented regional picture. China's chemicals sector was relatively robust, but US recovery has been delayed, and Europe remained under pressure from energy prices three to five times higher than the US and weak domestic demand.

Against this backdrop, our performance demonstrates resilience and strategic clarity. The fundamentals Conrad described – margin expansion, cost discipline, and substantial operational progress – show that even in difficult markets, a well-executed strategy delivers results.

Clariant's financial position has strengthened considerably. We reduced net debt to CHF 1.414 billion and our leverage ratio at 2.03x, down from 2.25x, indicating our commitment to maintain investment grade rating. This improved financial flexibility, combined with robust cash generation, positions us well to invest in our strategic growth priorities while maintaining reliable shareholder distributions.

Based on our strong financial performance in 2025, the Board of Directors recommends a regular distribution of CHF 0.42 per share to the Annual General Meeting on 1 April 2026. We maintain this distribution level, demonstrating our commitment to providing reliable returns to shareholders while preserving financial flexibility in an uncertain environment.

Beyond the financial performance, what other highlights stand out from 2025, Conrad?

Conrad Keijzer: Let me highlight three important metrics: our employee and customer Net Promoter Scores, and our safety performance.

Our employee Net Promoter Score increased by 9 points to +34, surpassing our target by 4 points, with all business units and functions showing improvement. We achieved a 7-percentage point increase in overall engagement to 69% in our January 2025 survey.

Our January 2026 employee engagement survey showed an impressive 87% score in engagement, placing us now in the top quartile of the industrial sector benchmarks. This tells me that despite external challenges, our efforts to foster a new culture are paying off.

Helped by a diligent role out of our commercial excellence programs, our Customer Net Promoter Score increased to 50, up from 45 in 2024, placing us in the top quartile among peers. We received outstanding scores for product quality, technical support, and customer service.

Last but not least: safety. Our DART rate – Days Away, Restricted, or Transferred – reached 0.13 in 2025, down 24% from 0.17, marking our third straight year of improvement. This performance positions us also in the industry's top quartile, according to the American Chemistry Council's database.

However, we are committed to a zero-accident culture, so we can never be satisfied as long as we are not incident free. The safety of our employees therefore will remain our most important priority.

»While the debate around sustainability has intensified, we are convinced that the point of no return is already behind us. Companies that stay the course will shape the future and gain enduring competitive advantage.«

Conrad Keijzer
Chief Executive Officer (CEO)

Ben, how do you see Clariant's achievements connecting to broader market trends?

Ben van Beurden: Our performance demonstrates that we are aligned with fundamental megatrends that reshape our industry and the global economy. We operate in an environment defined by regional economic shifts, changing demographics, accelerating digitalization, and above all, decarbonization and growing demand from health- and sustainability-conscious consumers.

These megatrends are driving real changes in customer behavior. Our strengthened customer engagement, even in difficult markets, shows we are addressing needs that matter deeply. Customers increasingly value our partnerships and are willing to pay for solutions that help them meet sustainability commitments and navigate energy transition challenges.



Conrad Keijzer
Chief Executive Officer (CEO)

Conrad, could you provide more details on the performance of the business units?

Conrad Keijzer: Each business unit faced different market dynamics, but they all contributed to our margin improvement:

Care Chemicals, our largest business unit with sales of CHF 2.112 billion, maintained flat local currency sales with pricing discipline and a 1% scope impact from the Lucas Meyer Cosmetics acquisition. Growth in Crop Solutions, Mining Solutions, and Personal & Home Care offset declines in Industrial Applications. EBITDA margin improved to 19.3%, up 100 basis points, demonstrating strong operational execution.

Catalysts saw local currency sales decline 2% to CHF 816 million, driven by lower volumes and stable pricing. Strong growth in Ethylene catalysts and Syngas & Fuels offset weakness in Specialties and Propylene. Despite lower sales, the business achieved a remarkable EBITDA margin improvement to 20.8%, up 340 basis points.

Adsorbents & Additives delivered CHF 987 million in sales, flat in local currency, with 1% pricing gains offsetting volume declines. Continued improvement in Additives did not fully offset weakness in Adsorbents, where delayed US renewable fuel regulation impacted volumes. The EBITDA margin before exceptional items reached 17.1%, up 130 basis points.

Conrad, Clariant introduced differentiated segment steering in 2024, assigning each business to one of five strategic mandates – »Boost,« »Outgrow,« »Grow at Market,« »Turnaround,« or »Harvest.«. What updates can you share on how segments are performing against their strategic mandates?

Conrad Keijzer: The differentiated steering model has really proven its value. It gives us a clear view of where to focus and how to allocate resources more effectively. Each segment knows exactly what its role is – whether that's driving above-market growth, improving profitability, or improving cash generation – and that clarity is helping us move faster and make better decisions.

In 2025, we saw growth in targeted segments across all business units. What particularly excites me are the clear turnaround stories we have achieved in Coatings & Adhesives and Polymer Solutions which significantly improved their profitability and their competitive position. This demonstrates that our systematic approach to portfolio management is working and that we can successfully turn around underperforming businesses through focused execution.

What progress did Clariant make on its sustainability agenda?

Conrad Keijzer: While the debate around sustainability has intensified and policy-driven headwinds have emerged, we are convinced that the point of no return is already behind us. The transformation toward more sustainable business models will not reverse and companies that stay the course will shape the future and gain enduring competitive advantage.

I am particularly proud that we achieved a 9% reduction in greenhouse gas emissions across all three categories – Scope 1, 2, and 3. This puts us well ahead of our trajectory, and we have updated our targets accordingly to reflect our accelerated progress and increased ambition.

One standout solution is our automated Product Carbon Footprint engine, »ClimiMate.« Using primary site data and supplier-specific emission factors, it offers unmatched transparency, helping customers make informed, low-carbon choices. Encouragingly, many are willing to pay a premium for lower-footprint products, creating tangible commercial advantage.

We have made steady progress on diversity, with female representation in management rising from 16% in 2021 to 25% in 2025, towards our 2030 ambition of over 30%. Leaders with national origin outside Europe increased from 32% to 37%, advancing toward our 40% ambition.

Our external recognition has further strengthened. I am very pleased that we improved our scores in two important sustainability ratings: Clariant is now among the top 1% of all companies rated by Ecovadis and by Carbon Disclosure Project (CDP).

Given your experience with sustainability transformations, what is your perspective on Clariant's approach, Ben?

Ben van Beurden: Having led large-scale sustainability transformations, I have learned that sustainability is not just about setting targets – it is about transforming operations, building partnerships across the value chain, and creating solutions that customers value and are willing to pay for.

What Conrad described with the ClimiMate engine is exactly the kind of practical innovation that matters. It is not just measurement for measurement's sake – it creates commercial value and transparency that enables customers to make better decisions.

We are also leveraging digital innovation to drive sustainability outcomes. The CLARITY™ cloud-based service portal for Catalyst customers is a good example: It provides customers with 24/7 real-time catalyst performance monitoring and plant optimization and is now serving over 800 users across 220 customer plants across 38 countries. This kind of digital transformation creates value for customers while advancing sustainability goals.

»The most important step in this transformation was our commitment to customer centricity and innovation leadership. Customers are willing to pay a premium for solutions that help them meet sustainability commitments.«

Ben van Beurden
Chairman of the Board of Directors

Conrad Keijzer: Building on Ben's point about innovation, we are pleased with our progress against this important objective. Clariant achieved an Innovation Rate of 18.8% in 2025, up from 16.9% in 2024, and we are on track toward our target of around 20% by 2027.

What I find particularly encouraging is that innovation is becoming a true driver of organic growth and products from our innovation pipeline are clearly outgrowing the rest of our portfolio. In 2025, we invested CHF 125 million in R&D, representing 3% of our sales.

We are intensifying supplier partnerships to co-develop innovations meeting the highest environmental and ethical standards. At our Clariant 2025 Supplier Innovation Day, we invited early-stage involvement of our key suppliers and we launched an interactive collaboration platform.



Ben van Beurden
Chairman

These investments in innovation are yielding results that customers recognize.

L'Oreal recognized us with their supplier excellence award, and Unilever recognized us with their Innovation Award for our TexCare™ polymer innovation, which enables effective laundry cleaning in 15 minutes at room temperature, significantly reducing energy and water consumption.

We were also acknowledged as number one in our industry for artificial intelligence integration in the chemical and pharmaceutical industry Germany (»VAA – Fach- und Führungskräfte Chemie« survey). Since launching our own artificial intelligence tool ClaritaAI in 2023, it has become an essential partner in our labs, production sites, and offices – accelerating discovery, simplifying processes, and enhancing customer relationships.

Ben, there has been significant focus on the claims in relation to infringement of competition law on the ethylene purchasing market. What can you tell stakeholders?

Ben van Beurden: What I can state unequivocally is that Clariant firmly refutes these claims and will adamantly defend its position in the proceedings. Clariant has substantiated economic evidence that the conduct of the parties did not produce any effect on the market.

I want to emphasize that the resulting weak performance of the share price does not at all reflect our actual performance. When you look at our operational execution – margin expansion, cash generation, innovation progress, customer and employee engagement – the business is performing well and executing its strategy. We remain focused on delivering the strategic and financial targets we have set, which we believe will be reflected in valuation over time.

Looking ahead to 2026, what is your outlook for the industry and for Clariant?

Ben van Beurden: Let me start with the macroeconomic picture. There are limited indications for a significant economic recovery in 2026. We expect overall GDP growth of 2.8%. However – and this is important – growth in the chemical industry is currently decoupled from GDP growth. Trade policy developments and geopolitical risks continue to create significant uncertainty in global markets.

Looking at chemical market fundamentals, they continue to show a challenging landscape across major regions. The world's value-added output for chemicals is expected to be 1.9% in 2026, with clear weakness in the US at -0.6% and in Europe at +0.5%. Even in China, growth rates are well below previous years' levels at 2.7%. We expect softer industrial production in Europe and 3–4% inflation, driven primarily by wages.

That said, there are positive signals. Outlooks forecast 2026 growth in copper production, construction, and automotive, especially electric vehicles. We also see potential in data centers, consumer electronics recovery, and gradual improvement in renewable fuels demand, supporting our adsorbents products.

Conrad Keijzer: Given this mixed picture, we are setting realistic guidance for 2026 while continuing to deliver on our purpose lead growth strategy with discipline.

We are continuing the execution of the CHF 80 million savings program – we expect to deliver roughly another CHF 20 to CHF 30 million this year, bringing us to the full run-rate target. There will be a negative sales impact from portfolio pruning of around 1% at Group level, reflecting our commitment to focus on attractive, profitable and sustainable segments.

Beyond that, we expect slight underlying growth in Care Chemicals and slight growth in Adsorbents & Additives, while Catalysts is expected to remain at a similar level. In a raw material environment with volatile costs, we will also focus on pricing to protect our margins.

Taking all these factors together, we are guiding for around flat sales in local currency and a further improvement of the EBITDA margin to around 18% before exceptional items. This represents another step toward our medium-term targets and demonstrates our commitment to further expand profitability even in a challenging demand environment.

There are significant changes coming to the Board of Directors in 2026. Can you explain the rationale, Ben?

Ben van Beurden: The Board decided to reduce its size from eleven to eight members starting in 2026, aligning with Clariant's streamlined operations and addressing investor concerns regarding independence, tenure, and gender diversity.

In support of these efforts, five directors – Roberto Gualdoni, Geoffery Merszei, Eveline Saupper, Peter Steiner, and Konstantin Winterstein – decided not to stand for reelection at the AGM on 1 April 2026. I want to thank them for their valuable service to Clariant.

The Board proposes two new candidates: Regula Wallimann and Albert Manifold. Their extensive experience in finance and leadership will be important assets, ideally complementing the six members standing for re-election.

Finally, looking beyond 2026, what is your confidence in Clariant's medium-term trajectory?

Ben van Beurden: Our strategic shift into a focused specialty chemicals company presents exciting growth opportunities. The most important step was our commitment to customer centricity and innovation leadership.

This focus allows us to help our customers reduce their greenhouse gas emissions and save energy with our innovative and sustainable products. For these kinds of solutions, customers are willing to pay a premium, which strengthens our competitiveness. This is not theoretical – we are seeing this dynamic play out in practice, as mentioned with the carbon footprint transparency driving commercial value.

Our three Innovation Arenas – Health- and Sustainability-conscious Consumers and Brands, Energy Transition, and Circularity – are aligned with irreversible global trends. These are not short-term opportunities; they represent fundamental shifts in how our customers operate and what end-consumers demand. We are positioned to capture a disproportionate share of the growth in these areas.

Conrad Keijzer: Building on Ben's point, I can clearly confirm our commitment to customer centricity and innovation leadership. We are committed to deliver our mid-term targets which reflect a further step up in profitability from the current roughly 18% to the 19–21% range. Our purpose-led growth strategy has delivered results in a challenging environment, marked by the war on Ukraine, inflation, surging gas prices in Europe, and tariffs. We have increased absolute EBITDA and EBITDA margins year-by-year thanks to our performance improvement programs and through pricing, as we continue to deliver recognized value to our customers.

In terms of free cash flow conversion, we have already delivered 42% in 2025, up from 32% in 2024 and already exceeding our 2027 target, and we expect to maintain this minimum level going forward.

We are positioned to grow above market with our innovation sales growing faster than our portfolio. Our international footprint, with the new plants for care chemicals and additives in Daya Bay, China, that we started up last year, position us well for continued growth in China.

Finally, our top quartile customer net promoter score and top quartile employee engagement scores show we have built a strong foundation to drive sustainable growth above the market when market conditions normalize.

The chemical industry will continue to face some challenges, but Clariant has the strategy, the portfolio, the innovation pipeline, the execution capability, and the people to outperform and create value for all stakeholders in the years ahead.

Presenting the Executive Leadership Team

Under the leadership of Chief Executive Officer (CEO) Conrad Keijzer, the Executive Steering Committee (ESC) includes the CEO, the Chief Financial Officer (CFO), the President of the Business Unit Care Chemicals and the region Americas, the President Designate of the Business Unit Care Chemicals and the region Americas, the President of the Business Unit Catalysts and the region APAC, as well as the President of the Business Unit Adsorbents & Additives and the region EMEA.

Together with the Chief Human Resources Officer, Chief Strategy & Technology Officer, and the General Counsel, the Executive Steering Committee (ESC) forms the Executive Leadership Team (ELT).

Angela Cackovich
President Adsorbents & Additives and EMEA,
Member of the ESC



Richard Haldimann
Chief Strategy & Technology Officer,
Member of the ELT



Oliver Rittgen
Chief Financial Officer (CFO),
Member of the ESC



Jens Cuntze
President Catalysts and APAC,
Member of the ESC



Conrad Keijzer
 Chief Executive Officer (CEO),
 Member of the ESC

Christian Vang
 President Care Chemicals and Americas,
 Member of the ESC



Priya Thaman
 Chief Human Resources Officer,
 Member of the ELT

Marcelo Lu
 President Designate Care Chemicals and Americas,
 Member of the ESC



Judith Bischof
 General Counsel,
 Member of the ELT

Clariant on the Capital Markets

The Clariant share at a glance

SHARE DETAILS

Valor symbol	CLN
Valor number	1214263
ISIN	CH0012142631
Trading currency	CHF
Stock exchange	SIX Swiss Exchange
Nominal value	CHF 1.34
Security type	Registered share
Dividend 2025	0.42
Free float (%)	63.3
Bloomberg	CLN SW
Reuters	Reuters CLN.VX
Index member	MSCI Equity Switzerland Index SMI Mid SMI Expanded SPI SPI Extra SPI ex SLI SPI ESG Weighted SPI ESG Swiss All Share Index UBS 100 Index SPI Select Dividend 20 Index
Country	Switzerland

DATA PER SHARE

Five-year overview and dividend	2025	2024	2023	2022	2021
Number of registered shares issued	331 939 199	331 939 199	331 939 199	331 939 199	331 939 199
Number of shares eligible for a dividend	328 875 656	328 285 611	328 848 494	329 016 801	329 116 487
Price at the end of the year (CHF)	7.16	10.09	12.42	14.65	19.00
High of the year (CHF)	11.18	15.15	16.18	20.40	20.50
Low of the year (CHF)	6.57	9.66	12.30	13.90	17.07
Market capitalization at year end (CHF m)	2 377	3 349	4 123	4 863	6 307
Basic earnings per share (CHF)	-0.23	0.74	0.51	0.26	1.04
Distribution per share (CHF)	0.42 ¹	0.42 ¹	0.42 ¹	0.42 ¹	0.40 ¹

¹ Through capital reduction by way of par value reduction

SMIM market performance in 2025

The Swiss Market Mid Cap Index (SMIM or SMI MID) comprises the 30 largest and most liquid mid-cap stocks on the Swiss equity market that are not included in the blue-chip Swiss Market Index. The SMIM began 2025 on a positive note, driven by early indications of improving economic conditions, particularly in Europe. While the initial threats of tariffs by the United States drove the index down to its lowest point of the year in April, it recovered quickly and was up around 6% halfway through the year. The index continued to trade positively in the second half of 2025 and hit its highest point in December.

The SMIM closed the 2025 financial year at 2975 points on 31 December 2025, which corresponds to an increase of 13.3% versus the end of the previous year. Closing at 1 031 points, the STOXX® Europe 600 Chemicals (SX4P) decreased by 4.3% across the same period.

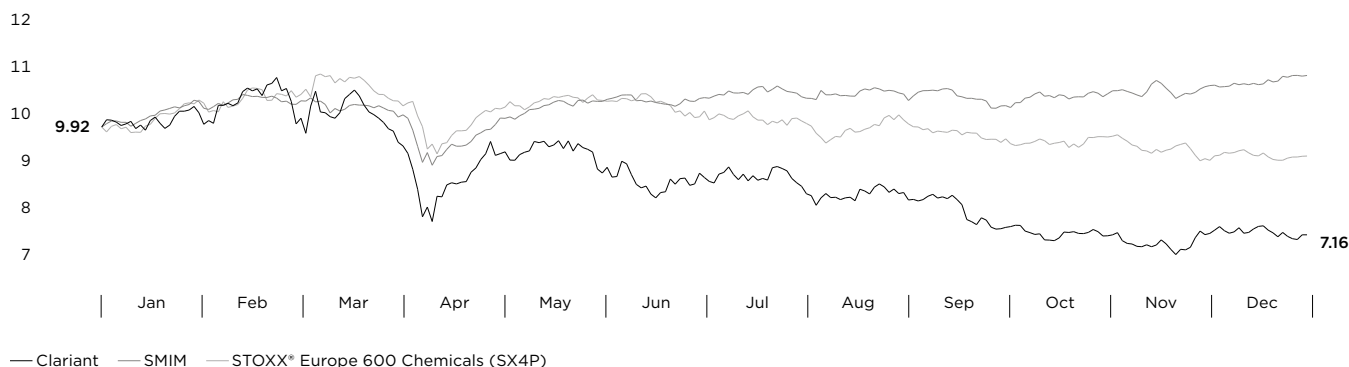
Clariant share price in 2025

The Clariant share price ended the year 2025 at CHF 7.16. This corresponds to a decrease of 29.0% compared to the closing price of the previous year, CHF 10.09. Including the CHF 0.42 distribution to shareholders, the total shareholder return (TSR) amounted to -25.7% in 2025.

After opening the year at CHF 10.11, the Clariant share price traded positively in the early months of 2025, reaching its highest point of the year at CHF 11.18 on 24 February. The market turmoil triggered by the initial threats of tariffs by the United States drove the share price down in March and April. Following a slight recovery in May, the share price traded gradually lower over the course of the year, as investors held an underweight position on the chemical sector given the challenging macroeconomic environment and short-term growth perspectives. Clariant's strong financial performance was also unable to offset the uncertainty surrounding the claims for damages against four companies, including Clariant, in relation to infringement of competition law on the ethylene purchasing market. This uncertainty presented a strong negative overhang and limited the willingness of investors to engage with and buy into the stock. As a result, the share price reached its lowest point of the year, CHF 6.57, on 11 November. A slight improvement in the last month of the year saw Clariant's shares end the year with a closing price of CHF 7.16.

The combined share price performance of Clariant's European peers was largely flat for 2025, driven by a select number of peers recovering significantly from weakness in the prior year. Overall, the broader MSCI Europe Chemicals Index decreased by 6.5% in 2025.

CLARIANT SHARE PRICE PERFORMANCE 1 JANUARY-31 DECEMBER 2025 IN CHF



Dividend policy

Clariant's dividend policy remains unchanged. The Group is committed to an attractive payout ratio while targeting a reliable, sustainably growing and funded dividend in Swiss francs on the back of profitable growth.

Dividend proposal for 2025

The Board of Directors recommends a regular distribution of CHF 0.42 per share to the Annual General Meeting 2026 based on the Group's performance in 2025. This distribution is proposed to be made through a capital reduction by way of a par value reduction.

Shareholder structure

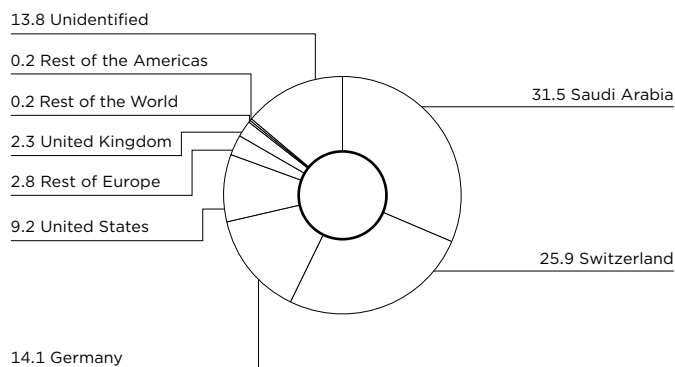
In 2025, Clariant maintained its well-diversified and stable shareholder structure. SABIC remained a major shareholder, holding 31.5% since 9 September 2020. Konstantin Winterstein and Elisabeth Prinzessin zu Sayn-Wittgenstein also remained significant shareholders with 5.157% since September 2024.

UBS was a significant shareholder in Clariant, most recently disclosing a holding of 5.037% in December 2025. Blackrock also remained a significant shareholder, with its latest disclosure in December 2025 indicating a holding of 3.102%. A list of shareholders that held 3% or more of voting rights in Clariant Ltd on 31 December 2025 can be found in the → **Corporate Governance Report**.

Current information about significant shareholders of Clariant can be found on the → **SIX Exchange website**. The free float factor of the Clariant share on the SIX Swiss Exchange as of 31 December 2025 was set at 63.34%.

Subject to certain limitations on voting by nominees, each registered share entitles the holder to one vote at the General Meeting. Shareholders have the right to receive dividends and other such rights as granted by the Swiss Code of Obligations. However, only shareholders entered in the Clariant share register may exercise their voting rights. Shareholders who, alone or together, hold at least 0.5% of the share capital or the votes may request that an item be included on the agenda or that a proposal relating to an agenda item be included in the notice convening the General Meeting. Such a request, specifying the agenda item and the proposal or proposals, must be received by the Company in writing at least 45 calendar days prior to the 31st Annual General Meeting on 1 April 2026.

GEOGRAPHIC DISTRIBUTION OF SHAREHOLDINGS IN %



Analyst coverage

In the 2025 financial year, Clariant was actively covered by 19 analysts tracking the financial performance of Clariant on behalf of their respective companies. Their analyses served as the basis for the performance estimates and recommendations published in the 2025 financial year. At the end of 2025, eleven analysts had a neutral recommendation on Clariant, six analysts recommended buying the share, and two recommended selling. The average target price of the 19 actively covering analysts was CHF 9.51, representing an upside of 32.8% from the 2025 closing price of CHF 7.16. The target price range was between CHF 5.70 and CHF 15.50 on 31 December 2025. To facilitate an independent and transparent assessment of performance, Clariant provides analysts and investors with market consensus figures. This consensus is based solely on analyst estimates and in no way reflects the opinion of Clariant. An up-to-date analyst consensus is available in the Investor Relations section of the → **Clariant website**. This information reflects analyst forecasts as of 31 December 2025 and will change on a continuing basis.

BONDS

Issue	CHF 2026 Bond	CHF 2027 Bond	CHF 2027 Bond	CHF 2028 Bond	CHF 2028 Bond
ISIN code	CH0469273541	CH1331113501	CH1210198144	CH1423036925	CH1290870901
Valor symbol and number	CLN19, 46927354	CLN241, 133111350	CLN22, 121019814	CLN25, 142303692	CLN23, 129087090
Exchange	SIX Swiss Exchange	SIX Swiss Exchange	SIX Swiss Exchange	SIX Swiss Exchange	SIX Swiss Exchange
Amount	CHF 200 million	CHF 200 million	CHF 175 million	CHF 125 million	CHF 150 million
Structure	Senior unsecured	Senior unsecured	Senior unsecured	Senior unsecured	Senior unsecured
Issued	April 2019	March 2024	September 2022	April 2025	September 2023
Coupon	1.125 %	2.375 %	2.717 %	1.550 %	2.750 %
Maturity	15 April 2026	30 March 2027	24 September 2027	4 April 2028	22 September 2028

Issue	CHF 2030 Bond	CHF 2031 Bond	CHF 2033 Bond	CHF 2034 Bond
ISIN code	CH1494626331	CH1331113519	CH1423036933	CH1494626349
Valor symbol and number	CLN252, 149462633	CLN243, 133111351	CLN251, 142303693	CLN253, 149462349
Exchange	SIX Swiss Exchange	SIX Swiss Exchange	SIX Swiss Exchange	SIX Swiss Exchange
Amount	CHF 200 million	CHF 150 million	CHF 140 million	CHF 100 million
Structure	Senior unsecured	Senior unsecured	Senior unsecured	Senior unsecured
Issued	November 2025	March 2024	April 2025	November 2025
Coupon	1.650 %	2.750 %	2.100 %	2.200 %
Maturity	28 November 2030	28 March 2031	4 April 2033	29 May 2034

Debt market and credit ratings

In April 2025, Clariant successfully placed a CHF 265 million dual senior unsecured bond. The first tranche of CHF 125 million had a three-year tenure at a rate of 1.550%, while the second tranche of CHF 140 million had an eight-year tenure at a rate of 2.10%. This was followed by the successful placement of a CHF 300 million dual senior unsecured bond in November 2025. The first tranche of CHF 200 million had a five-year tenure at a rate of 1.650%, while the second tranche of CHF 100 million had a tenure of eight and a half years at a rate of 2.20%. The proceeds of these bonds were earmarked for refinancing and general purposes.

Clariant maintains its commitment to a solid investment grade credit rating, supported by its robust balance sheet, with a targeted Net Debt of 2.0x EBITDA.¹ At the end of 2025, this stood at 2.03. Clariant's commitment was reflected in the company being rated »BBB-« long-term, »A-3« short-term, and with a »stable« outlook by S&P Global (solicited).

An overview of the most recent credit ratings of Clariant bonds can be found in the → **Investor Relations** section of the Clariant website.

¹ Defined as Net Debt/Total Group EBITDA b.e.i.

Dialogue with the capital market

Clariant's corporate strategy is aimed at generating long-term value enhancement. That is why continuous and open communication with all capital market participants is important. Clariant primarily used physical meetings as well as virtual formats, such as video or telephone conferences, for this dialogue in 2025. Clariant connects with institutional investors and rating agencies in various one-on-one meetings as well as at roadshows and conferences worldwide. For private investors, the company provides insight during the Annual General Meeting.

Clariant – a sustainable investment

The Clariant shares are attractive for investors focusing on companies with a strong ESG performance. The Group is listed in the FTSE4Good Index, which measures the performance of companies demonstrating specific ESG practices, and in the SPI ESG index of Swiss companies with a standardized and well-founded sustainability profile.

Several leading ESG rating agencies consider Clariant best in class within the chemical industry. Their ratings particularly recognize the company's innovation power for sustainable products, Clariant's business ethics, and the comprehensive measures in place to address relevant sustainability issues. Clariant actively participates in several ESG ratings and is listed in numerous sustainability indices. The methodologies used by rating agencies and index providers are updated on a regular basis. Clariant adapts to these updates in a timely manner to align with changing requirements.

Clariant's sustainability performance is evaluated regularly by EcoVadis. Clariant also participates in the CDP (formerly »Carbon Disclosure Project«), one of the most widely used environmental disclosure platforms globally. An »A« rating qualifies companies for the »CDP A-list« that recognizes best-in-class performance. Both ratings focus on supply chains and on climate-related and environmental issues, providing important external feedback about Clariant's strategic progress with regard to these topics. They are also taken into consideration by financial market participants, customers, suppliers, and other external stakeholders.

Clariant's overall EcoVadis score improved to 84 out of 100, compared to 78 out of 100 in the prior year. Accordingly, Clariant now belongs to the top 1% of EcoVadis performers in its sector and across industries (prior year: top 2%). As the partner of the chemical industry initiative »Together for Sustainability« (TfS), EcoVadis also evaluates the sustainability performance of Clariant's suppliers. → **Read more in »ESRS S2: Workers in the Value Chain.«**

In 2025, Clariant improved its CDP results in all three categories, reaching leadership-level scores. The Group received »A« scores in the categories »Climate« (prior year: A-) and »Forests« (prior year: B), and an »A-« score in the category »Water« (prior year: B). With these results, Clariant belongs to the top 1% of the 22 000 companies that disclosed data through CDP in 2025.

In 2025, Clariant remained in the second-best category AA of the Morgan Stanley Capital International (MSCI) ESG Rating and among the top 10% of companies covered in the regular ESG corporate ratings of Institutional Shareholder Services (ISS). The Sustainalytics ESG Risk Rating for Clariant changed from 17.8 (Low Risk) to 22.2 (Medium Risk). This corresponds to a ranking in the 88th percentile of companies in the chemical industry, compared to the 96th percentile in the prior year.

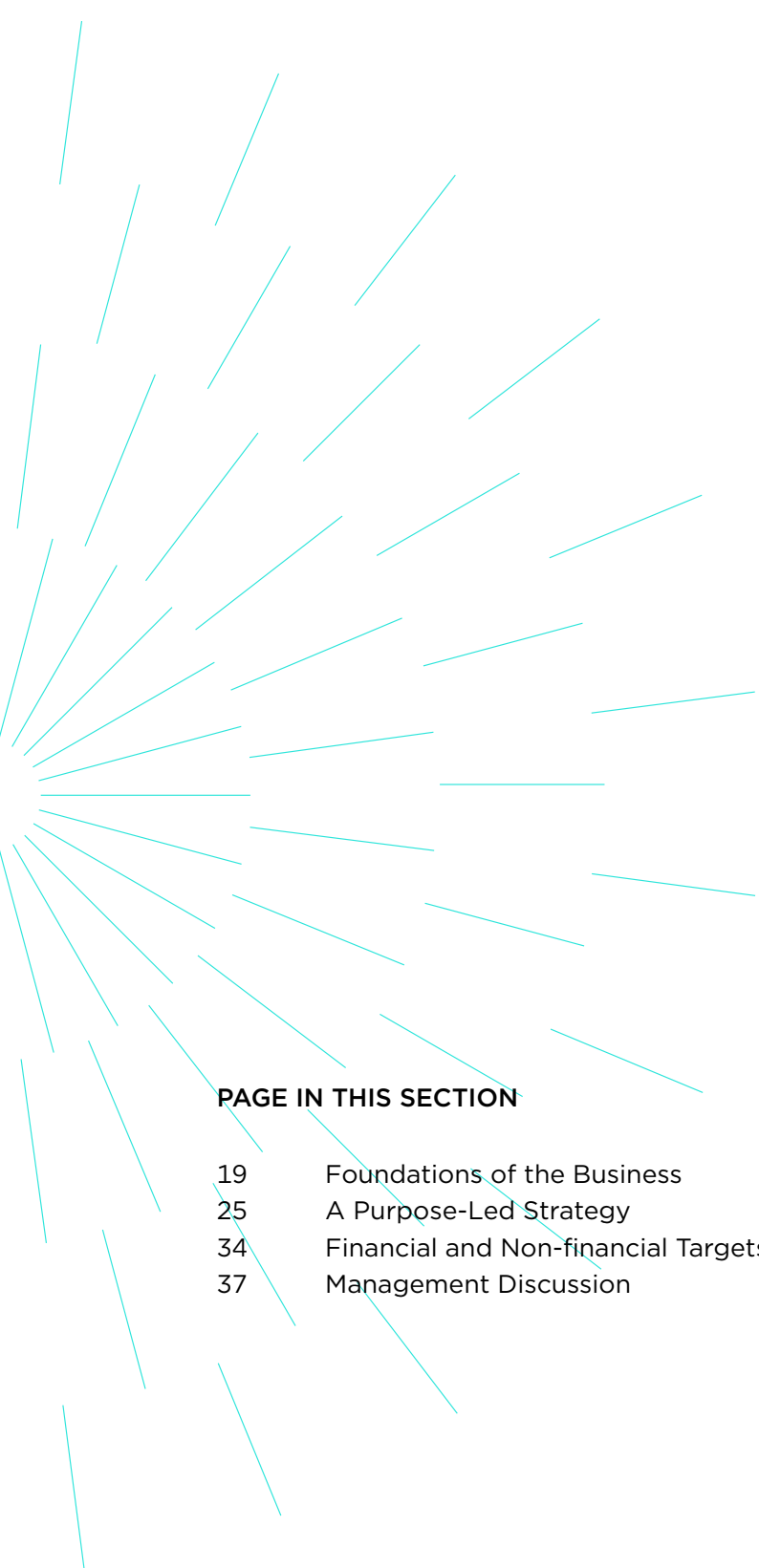
Management Report

Between challenges and solutions

In the Management Report, we feature the management perspective on the business development in 2025, explain how the three business units have created value in the financial year, and provide comprehensive information about Clariant's material topics.

Challenges

Solutions



PAGE IN THIS SECTION

19	Foundations of the Business
25	A Purpose-Led Strategy
34	Financial and Non-financial Targets
37	Management Discussion

Foundations of the Business

✓ | As one of the world's leading specialty chemical companies, Clariant aspires to be at the forefront of sustainable change. This is reflected in Clariant's purpose, »Greater chemistry – between people and planet.« This purpose leads Clariant's strategy with its four dimensions:

- Customer focus
- Innovative chemistry
- Leading in sustainability
- People engagement

→ Read more about Clariant's purpose-led strategy.

Clariant contributes to value creation with innovative and sustainable solutions for customers from many industries. The portfolio is designed to meet very specific needs with as much precision as possible. Research & Development at Clariant creates solutions with unique value propositions that address challenges, for example, to fight climate change and protect planet and people. Clariant's products play an important role in energy efficiency, in the use of renewable raw materials, in emission-free mobility, and in the conservation of finite resources. |

Clariant is exposed to attractive end markets with strong demand for innovative and sustainable products. The Group mainly addresses consumer, industrial, and chemical process markets. Over the past years, Clariant has actively focused on growing its sales to consumer-facing end markets. For 2025, these end markets represented about 44 % of the total, up from 36 % in 2021. Personal & Home Care is Clariant's single largest end market, and accounts for about half of the consumer end-market exposure. Coatings & Adhesives, Agriculture & Food, and Electrical & Electronics are also relevant consumer markets. Sales to industrial end markets, such as Automotive, Oil, Building & Construction, Aviation, and Mining, amounted to about 35 %, down from about 47 % in 2021. Within these industrial end markets, none account for more than 10 % of sales, giving Clariant an overall well-balanced end-market exposure. Sales to chemical process end markets predominantly come from the Catalysts business and were around 21 % of the 2025 total.

The Group benefits from a strong and balanced global presence, with about 40 % of its sales in 2025 generated in Europe and the Middle East. The Americas and Asia-Pacific each generated around 30 % of sales in 2025. Clariant pursues a local-for-local production and procurement strategy. Key production sites in all these regions are complemented by regional technical support centers and contract R&D centers. With its global footprint, Clariant is therefore well-placed to provide local content to global and local customers. Sales contributions from the Americas and the Middle East & Africa have increased in recent years, while the sales contribution from APAC has remained consistently strong. The sales contribution from Europe has declined, reflecting the Group's growth, asset allocation, and focus on other regions.

There are a number of reasons why Clariant is able to create value over the long term. Highly skilled employees are Clariant's most important resource. The Group's success depends on their motivation to foster innovation and long-lasting relationships with customers, suppliers, and partners. Clariant's success also relies on its ability to understand customer needs and market trends along the entire value chain, to develop solutions that address those needs, and to capture the value created.

Organizational Structure

✓ | Clariant is headquartered in Muttenz, Switzerland. On 31 December 2025, the Group employed a total workforce of 10 281. In the 2025 financial year, Clariant's operations comprised the Business Units Care Chemicals, Catalysts, and Adsorbents & Additives. These are categorized based on the nature of the business, similar market and industry dynamics, technology and applications used, and a comparable customer approach. |

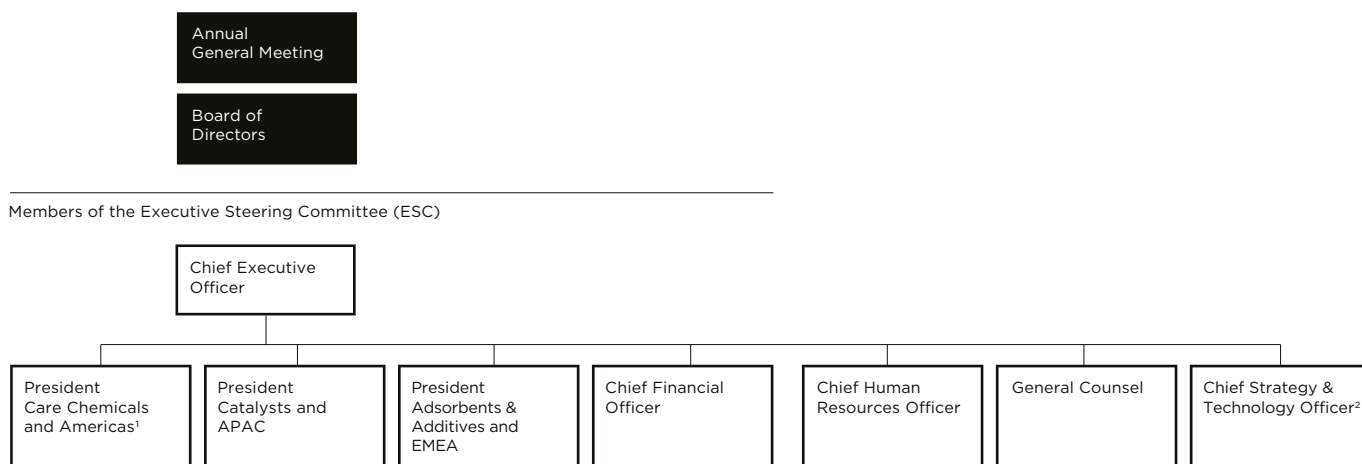
Each business has strong market positions with attractive growth and margin profiles, supported by a strong sustainability offering.

✓ BUSINESS UNITS

Business Unit Care Chemicals	Business Unit Catalysts	Business Unit Adsorbents ¹ & Additives
Business Segment Personal & Home Care	Business Segment Propylene	Business Segment Adsorbents EMEA
Business Segment Crop Solutions	Business Segment Ethylene	Business Segment Adsorbents APAC
Business Segment Industrial Applications	Business Segment Syngas & Fuels	Business Segment Adsorbents Americas
Business Segment Base Chemicals	Business Segment Specialties	Business Segment Additives Coatings & Adhesives
Business Segment Oil Services		Business Segment Additives Polymer Solutions
Business Segment Mining Solutions		

1 The Adsorbents business is primarily divided into the EMEA, APAC, and Americas regions, with local representatives for Purification, Foundry & Specialties, and Cargo & Device Protection.

✓ CLARIANT ORGANIZATIONAL STRUCTURE



□ Members of the Executive Leadership Team (ELT)³

- 1 A President Designate for Business Unit Care Chemicals and the region Americas joined the Executive Steering Committee on 1 January 2026. There will be a transition phase in 2026 due to the retirement of the current Business President.
- 2 As of February 2025, the functions of Chief Technology & Sustainability Officer and Chief Corporate Development Officer have been merged into the function Chief Strategy & Technology Officer.
- 3 In addition to the ELT, the following roles report directly to the CEO: Head of Communications, Head of M&A, and Head of Procurement.

Executive Steering Committee and Executive Leadership Team

✓ | The Board of Directors has delegated the management of Clariant Ltd and the Group to the Executive Steering Committee (ESC). Under the leadership of the CEO, the ESC includes the CEO, the CFO, and the Presidents Care Chemicals and Americas, Catalysts and APAC, and Adsorbents & Additives and EMEA.

The Executive Leadership Team consists of the members of the ESC together with the Chief Human Resources Officer, the General Counsel, and the Chief Strategy & Technology Officer. The latter function was introduced in February 2025 and combines the former functions of Chief Technology & Sustainability Officer and

Chief Corporate Development Officer. All key functions are combined in this team to facilitate strategic decision-making. More information about the organizational structure can be found in the → [Corporate Governance Report](#). |

Long-Term Value for all Stakeholders

Clariant's business model reflects how the company creates long-term value for all stakeholders – customers, employees, shareholders, and the environment, as → [the figure »Business Model«](#) depicts. It offers a detailed overview of the company's multidimensional approach to value creation, covering both tangible and intangible, financial and non-financial aspects of the business.

BUSINESS MODEL

Input

Resources and relationships that Clariant draws upon for its business activities

125

R&D spend in CHF m

>280

Active innovation projects

>45

Scientific collaborations

1 323

Raw material procurement in CHF m

2.33

Raw materials procured in m t

73

Production sites

92%

Raw material spend covered by sustainability evaluations

10 281

Staff in FTEs at year end

8.70

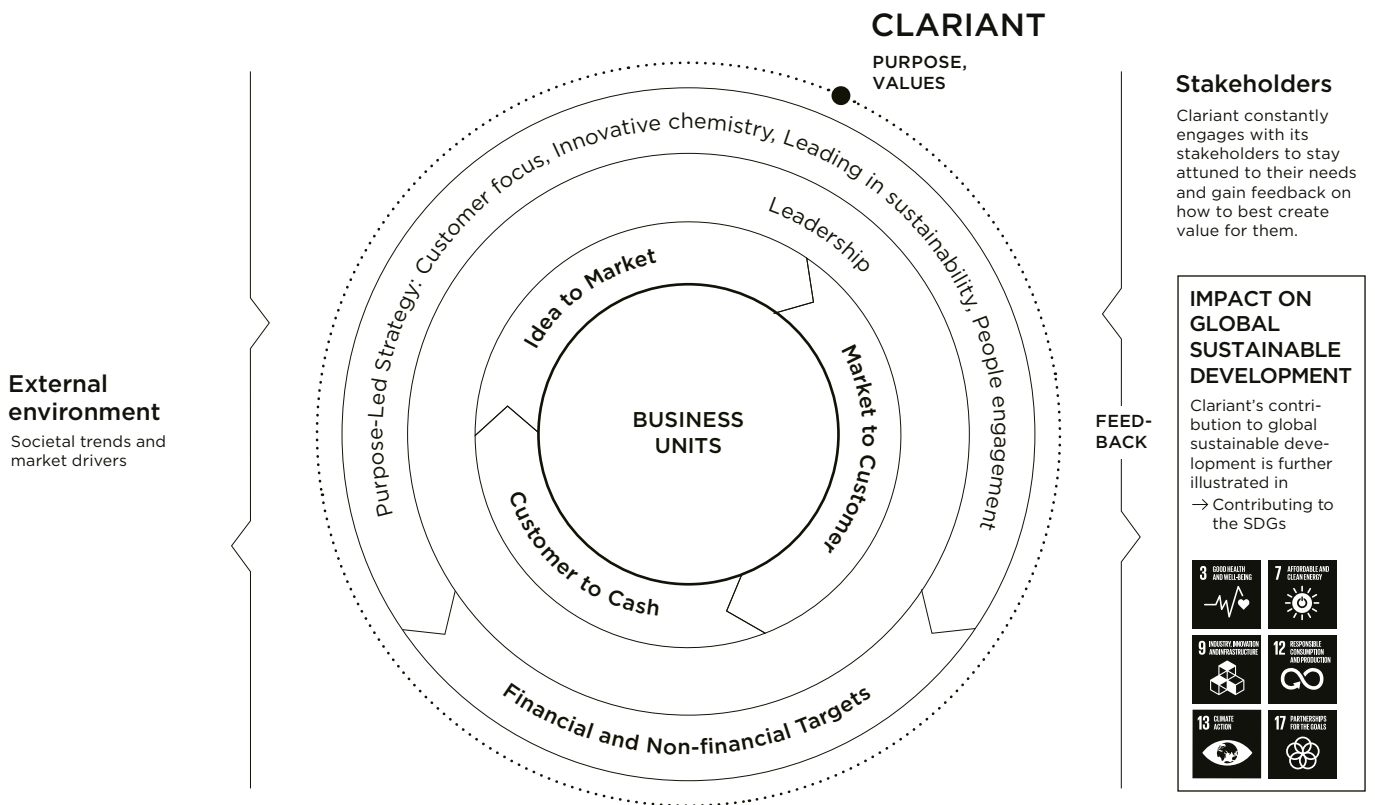
Average number of training hours per person for employees

668

Energy consumption in kWh/t production

1.86

Water intake in m³/t production



Output

Results from Clariant's business activities

3 915

Sales in CHF m

0%

Growth in local currencies¹

16.4%

EBITDA margin

17.8%

EBITDA before exceptional items margin

6.9%

Return on invested capital (ROIC)

18.8%

Innovation rate

>2 400

Patents at year end

3.50

Production volume in m t

0.12

Lost-time accident rate (LTAR)

1.42

Wastewater in m³/t production

0.43

Scope 1 & 2 GHG emissions in m t CO₂e²

3.73

Scope 3 GHG emissions in m t CO₂e³

¹ Excluding hyperinflation accounting countries Argentina and Türkiye

² Market-based, excluding biogenic CO₂ emissions

³ For purchased goods and services (Category 1) and end-of-life treatment of sold goods (Category 12)

Business Units

Clariant operates in three business units: Care Chemicals, Catalysts, and Adsorbents & Additives.

Care Chemicals

The Business Unit Care Chemicals consists of the Business Segments Personal & Home Care, Crop Solutions, Industrial Applications, Base Chemicals, Oil Services, and Mining Solutions. The business unit has a clear focus on highly attractive, high-margin, and low-cyclicality segments. It serves consumer end markets, such as Personal & Home Care, Coatings & Adhesives, and Agriculture & Food. Industrial end markets served include Oil, Building & Construction, Aviation, and Mining. The business unit employs around 3500 FTEs across 4 contract R&D centers and 15 key production sites globally.

Catalysts

The Business Unit Catalysts includes the Business Segments Propylene and Ethylene (Petrochemicals), Syngas & Fuels, and Specialties. The business unit contributes significantly to value creation in our customers' operations, ensuring that finite raw materials and energy are used efficiently and sustainably and, in turn, ensuring the quality and yield of processes. Process technology partners as well as research and university partners contribute to its strong market position. The business unit employs around 2000 FTEs and has 10 contract R&D centers worldwide and 14 key production sites.

Adsorbents & Additives

The Business Unit Adsorbents & Additives comprises the Business Segments Adsorbents EMEA, Adsorbents APAC, and Adsorbents Americas, as well as Coatings & Adhesives and Polymer Solutions in Additives. The business unit creates value through enhanced sustainability benefits, for example, by enabling material circularity and by reducing customers' dependency on fossil resources to reduce CO₂ emissions. Consumer end markets served include Personal & Home Care, Coatings & Adhesives, Agriculture & Food, and Electrical & Electronics. Automotive, Oil, Building & Construction, Aviation, and Mining are important industrial end markets. The business unit has 9 dedicated contract R&D centers, 33 key production sites, and 58 Clariant mines that are operated at the highest sustainability standards for excavating the clay material used by the Adsorbents business. The business employs around 2500 FTEs.

→ [Read more about how global megatrends impact Clariant's business units.](#)

Core Processes for Value Creation

There are three core processes in Clariant's process landscape: the innovation process »Idea to Market,« the commercial process »Market to Customer,« and the operations process »Customer to Cash.« They form an integrated system to create value through innovation and product development, customer engagement and market development, and operational excellence and fulfillment.

Idea to Market

This process involves scouting global trends as presented in → »[Growth Plans until 2027](#),« identifying business opportunities, exploring unmet customer needs, developing products, and commercializing and monitoring business performance. It is essential for developing a well-filled product pipeline that delivers innovations to address customer needs.

Innovative chemistry is one of the four dimensions of Clariant's purpose-led strategy. The Group aims to deliver sustainable products with outstanding technical performance. To find these solutions, Clariant prioritizes understanding market and customer needs through close collaboration.

Idea to Market integrates sustainability at every step from sustainability and policy trends to production, use, and disposal, making sure that each innovative product meets the demands of the customers and Clariant's own sustainability ambitions. Clariant's Portfolio Value Program (PVP) methodology assesses the sustainability profile of the project and product portfolio, anticipating customers' requests, upcoming legislation, and trends. Based on 39 sustainability criteria covering all life cycle phases, PVP determines the benefits and risks of product application. The assessment allows Clariant to design and promote new solutions with less carbon footprint and greater handprint. PVP also identifies products with an outstanding sustainability profile for recognition with the EcoTain™ classification. On the other hand, Clariant classifies products with unmitigated or significant sustainability risks as non-sustainable and develops roadmaps to replace these products with more sustainable alternatives. This is the basis for the continuous sustainability upgrade of Clariant's portfolio, which simultaneously lowers regulation risk and provides growth opportunities for sustainable alternatives. → [Read more about Clariant's PFAS-free Additives portfolio.](#)

Market to Customer

This process includes assessing market attractiveness, developing clear value propositions, and capturing the value created through the relationship-building and sales processes. To achieve a seamless customer experience, these steps are well-connected and focused on customer needs. The company constantly builds and adapts its marketing and sales capabilities, optimizes its pricing, and continues to strengthen its customer relationships, supported by digitalization. For example, Clariant conducts customer satisfaction surveys to understand how customers perceive the company's operational, commercial, and innovation performance. More information on the 2025 survey can be found in the → **»Management Discussion.«**

Customer to Cash

This process balances supply and demand, optimizing sourcing for spend effectiveness, monitoring production efficiency, and delivering finished goods to customers on time and in full to achieve safe, reliable, and efficient operations that support profitable growth.

Clariant continuously optimizes its operational chain. The company fosters process efficiency using digitalization, improves CAPEX efficiency with so-called front-end loading, and responds to customer needs and changes in market environments with agile approaches. Beyond that, Clariant strengthens its overall profitability with continuous cost savings in procurement; with safe, functional operations; and by further integrating sustainability into the value chain.

Clariant continues to build integrated end-to-end supply chains, connecting the commercial with the operational value chain. The company translates customer requirements into demand planning, using an agile mindset as well as digital solutions and technology, including machine learning, demand sensing, and advanced analytics.

Clariant aims to source materials responsibly by maintaining high ethical, social, and environmental standards throughout the supply chain. The sourcing strategy focuses on transparency and risk mitigation. Clariant seeks to minimize impacts, ensure fair practices, and support suppliers in improving sustainability through assessments and audits. Key suppliers are invited to join a TfS assessment via EcoVadis. In 2025, 92 % of the direct spend for raw materials came from suppliers that were covered by shared sustainability ratings.

A Purpose-Led Strategy

Summarized by Clarita^{AI}

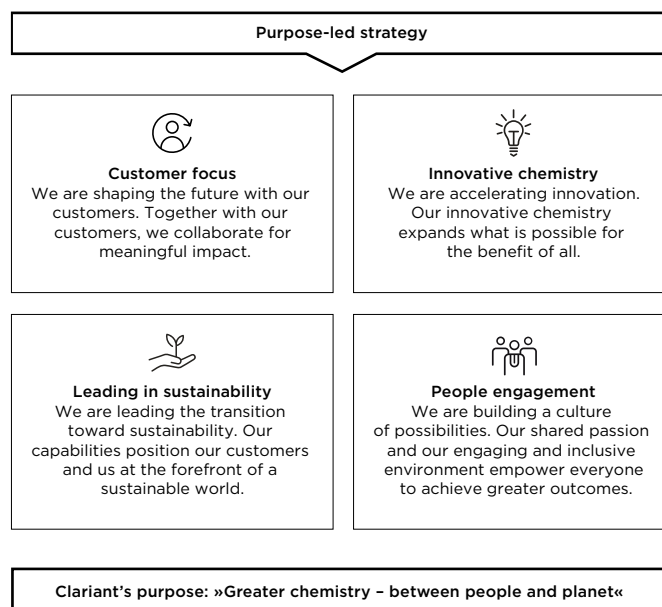
- + Strategy pillars: Customer focus, Innovative chemistry, Leading in sustainability, and People engagement.
- + The company targets 4–6 % annual local currency sales growth (normalized market: 2–4 %) driven by three Innovation Arenas: Health- and Sustainability-conscious Consumers and Brands, Energy Transition, and Circularity.
- + Customer Net Promoter Score increased from 45 to 50; Innovation Rate reached 18.8 % (vs. 16.9 % in 2024); Scope 1&2 emissions reduced by 42 % and Scope 3 by 28 % from 2019 baseline; 45 million tons CO₂e avoided through Clariant catalysts.
- + Ranked #1 in AI adoption in German chemical/pharmaceutical industry (2025); CLARITY™ operates in 220+ customer plants across 38 countries

Clariant targets sustainable top-quartile results in terms of growth, profitability, sustainability, and people. Based on its purpose, »Greater chemistry – between people and planet,« Clariant unveiled a purpose-led strategy with four dimensions, accompanied by financial and non-financial targets, in alignment with its top-quartile ambition. The strategy reflects Clariant's ambition to create value with sustainability-driven innovation, putting customers, employees, and the planet at the center of all activities. Clariant's purpose, »Greater chemistry,« is firmly embedded in the Clariant brand and serves as a unifying foundation for the company's strategy and positioning.

Strategic Dimensions

Clariant's innovation power, customer proximity, and its uniquely qualified and experienced people enable the Group to deliver products with an outstanding technical and sustainability performance. This is reflected in Clariant's purpose, »Greater chemistry – between people and planet.« This purpose leads Clariant's strategy. (See the figure »Clariant's Purpose-Led Strategy.«)

CLARIANT'S PURPOSE-LED STRATEGY



The purpose-led strategy establishes four strategic dimensions:

- **Customer focus:** Customer centricity is an important differentiator to stay ahead of the competition. By delivering market-leading tailored sustainable innovations that translate into tangible customer benefit, Clariant brings meaningful sustainability to customers while addressing their needs at the same time. To understand customer needs and develop corresponding solutions, Clariant focuses on building strong customer relationships.
- **Innovative chemistry:** At Clariant, chemistry stands for unique solutions that redefine what conventional wisdom considers possible. In line with its focus on ever increasing innovation and specialization, Clariant has an innovation pipeline of high-performance solutions throughout its three business units. These solutions are strongly linked to customer-driven sustainability requirements, as the trend to replace products with more sustainable alternatives is continuing, particularly in combination with performance and value creation. Continuously investing in R&D is crucial for future success and for business growth above market growth.
- **Leading in sustainability:** Innovation and sustainability are systematically linked at Clariant. Customers and stakeholders around the globe are demanding sustainable solutions while moving away from products and investments that have a negative sustainability footprint. Policies and regulations around the globe, in areas such as chemicals management, climate and energy, circular economy, and product legislation, are driving the transformation of chemical companies and entire value chains. By integrating sustainability into the product design process, Clariant is in an excellent position to benefit from this ongoing shift. The company continues to promote new solutions, taking into account the holistic full-value-chain approach to sustainability. Sustainability is a key priority for Clariant's operations and for its procurement of raw materials and energy. Clariant brings these benefits to its customers by making them part of the product offering, with certified sustainable products or in the form of TFS-compliant TÜV-certified product carbon footprints (PCFs).
- **People engagement:** Appreciation for people lies at the core of Clariant's holistic approach to value creation. A culture of dialogue and mutual respect; dedication to sustainable, innovative technologies; and continuous transparency and integrity are key characteristics of Clariant's stakeholder engagement. The company values customer relationships and ongoing dialogue with suppliers, shareholders, and public authorities and policy circles, as the figure »Examples of Stakeholder Engagement« shows. Clariant is particularly committed to engaging with employees at all levels. Through the lens of people-centricity and by making the well-being of employees a priority, Clariant fosters a culture where people feel valued. By actively promoting diversity, inclusiveness, mutual appreciation, empowerment, and safety at work, Clariant creates an environment where everyone can contribute and develop their talents to their fullest potential. The excellent work and commitment of Clariant's global team is a key competitive factor.

Clariant achieved substantial progress in executing its purpose-led growth strategy centered on "Greater chemistry – between people and planet". Built on four strategic pillars – customer focus, innovative chemistry, leading in sustainability, and people engagement – the strategy reflects Clariant's integrated approach to creating value for all stakeholders. By shaping the future alongside customers, accelerating innovation that expands what is possible, leading the transition toward sustainability, and building a culture of possibilities that empowers every individual, Clariant is driving transformative change across the chemical industry while balancing business growth with environmental responsibility and social impact.

With a strong execution of our commercial excellence programs, Clariant delivered a further improvement in the satisfaction of its customers, measured by the customer Net Promoter Score (cNPS). In 2025, this cNPS increased to 50 in 2025 versus 45 in 2024, with the company receiving outstanding scores for »product quality,« »technical support,« and »customer service.« Overall, this score placed Clariant in the top quartile among peers»

Upholding its commitment to innovative chemistry, Clariant demonstrated a strong improvement in innovation sales, reaching 18.8%, marking a significant rebound from the 16.9% recorded in 2024. This trajectory reflects the strength of Clariant's innovation pipeline. The company maintained its commitment to research and development with sustained investments of 3% of sales in 2025. This dedication to innovation was further validated by customers and industry associations through multiple awards and recognitions received throughout the year.

Clariant's leading position in sustainability was reflected by the achievement of leadership-level scores across all environmental categories of the Carbon Disclosure Project (CDP), which is one of the most widely used environmental disclosure platforms globally. The company also made strong progress on its aim to reduce Scope 1 and Scope 2 greenhouse gas (GHG) emissions. From a 2019 baseline, Clariant has reduced its Scope 1 and 2 emissions by 42%, and its Scope 3 (3.1 and 3.12) emissions by 28% (thereof Scope 3.1 emissions reduced by 31%), already putting the company below its 2030 Scope 3 target.

Clariant's commitment to its people also showed an impact in 2025, as employee engagement (as measured by the employee Net Promoter Score) improved by over 30 points since 2023. In addition, the company achieved a DART (Days Away, Restricted, or Transferred) rate of 0.13 in 2025, down from 0.17 in 2024. This improvement placed Clariant in the top quartile of the chemical industry globally and reflects high awareness of and continued commitment to safety, training, and accountability.

Clariant targets organic growth, accompanied by bolt-on acquisitions that strengthen the company's existing core specialty businesses, across these four dimensions.

Growth Plans until 2027

During the Investor Day 2024, Clariant outlined its approach to profitable growth until 2027. The Group considers the following key global megatrends as having an impact on the industry and on customers:

- **Regional shifts:** Growth in Asia-Pacific and the Middle East is significantly outpacing growth in Europe.¹ The chemicals market in these regions is expected to grow at around twice the pace of the rest of the world for the period up to 2029. Clariant expects this trend to also impact its own growth pattern, as the company is well positioned in these regions.
- **Health, wellness, and sustainability:** Consumers and brand owners increasingly focus on health, wellness, and sustainability. They make informed and conscious buying decisions and seek products with superior performance and a favorable sustainability profile. As a result, sustainable products typically grow at twice the rate of other products.^{2,3}
- **Changing demographics:** Changing demographics will result in an expected 66 % growth rate² in the population over 65 by 2030. This shift will drive healthy-ageing demands.
- **Digitalization and automation:** Digitalization offers opportunities for innovation and improved efficiency, with a projected USD 80-140 billion productivity gain² through generative AI in the chemicals sector alone.
- **Decarbonization:** The chemical industry contributes around 7 % to global carbon emissions.² Decarbonization is a key topic for regulators and for Clariant's customers.

¹ As per Oxford Economics Insights as of December 2025

² Statistics based on McKinsey research for Clariant

³ As measured for grocery products over the past five years, with a higher multiple in non-food categories.

Supported by these megatrends, three Innovation Arenas will deliver innovation-fueled growth:

- **Health- and Sustainability-conscious Consumers and Brands:** There is an increased awareness of societal, environmental, and health issues among younger consumer generations and brand owners. Brands that deliver on this promise continue to outgrow the average of the market. The second cohort of consumers addressed in this arena consists of recent retirees who are in good health and are looking to maintain their health and youthful appearance. This cohort plays an increasingly important role due to the ageing populations in North America, Europe, and China – and it will have the highest share of disposable income by 2030, driving sales of pharmaceuticals and high-value cosmetics. Both cohorts, as well as sustainability-driven brands, are considering environmental impact when making purchase decisions and are looking for sustainability and performance of their products. This shift is fueling rapid growth in eco-friendly goods, particularly in non-food sectors, as certifications and sustainable packaging gain influence. This Innovation Arena is especially relevant for the Business Units Care Chemicals and Adsorbents & Additives. Clariant's top projects in this arena include high-performance sustainable active and functional ingredients for cosmetics; the expansion of the VitiPure™ product range for excipients; and high-quality PFAS-free and PTFE-free additive solutions.
- **Energy Transition:** Energy generation accounts for 73 % of all GHG emissions worldwide. Clariant is uniquely positioned to drive the energy transition through innovative solutions, e.g., in the decarbonization of hard-to-abate industries, transportation, electrification with renewable energy, and the emerging hydrogen economy. In 2025, 45 million tons of CO₂e were avoided through the use of Clariant catalysts. And areas such as decarbonization of the steel industry, the scale-up of sustainable aviation fuel, and the development of the hydrogen economy create opportunities across businesses of Clariant. Clariant's advanced materials energy storage and high-voltage management support the widespread adoption of renewable energy sources like wind and solar power. This Innovation Arena is especially relevant for the Business Units Catalysts and Adsorbents & Additives. The top projects in this area are adsorbents for the purification of raw materials for biodiesel and sustainable aviation fuels (SAFs); flame retardants for electrical connectors driven by the electrification trends, e.g., in electric vehicles; and catalysts for the hydrogen economy. Clariant expects the hydrogen economy and electrification to be critical by 2030 and beyond.

- **Circularity:** By redefining the life cycle of products, Clariant can help its customers turn waste into valuable resources. Regulatory shifts toward banning single-use plastics and resource scarcity are two important drivers for the circular economy. Consumer and industrial markets are pivoting to renewable or post-consumer recycled raw materials, and Clariant accelerates the adoption of circular solutions across industries. This Innovation Arena is especially relevant for all business units, with the greatest impact expected in Adsorbents & Additives and in Care Chemicals. Clariant's top projects include additives that enable carpet recycling, such as Licocene™, and the development of bio-based solutions that protect plastics from damage during use and recycling, such as Hostanox™ and AddWorks™. Clariant expects circularity to have most of its business impact beyond 2027.

Clariant expects these three Innovation Arenas to deliver about 1.5% annual sales growth, in addition to the 0.5% from geographical expansion and the baseline annual market growth of about 2% to 4%. Altogether, these three factors therefore constitute Clariant's targeted growth rate of 4% to 6% until 2027 under normalized trading conditions.

The company structures its research activities within the Innovation Arenas in five Innovation Platforms. They are defined as the key technology areas, skills and resources, intellectual property, and infrastructure that Clariant leverages to develop new products. More information on the Innovation Platforms can be found in the chapter → »ES – Sustainable Innovation« of the Sustainability Statement.

Complementing its strong ties to different partner networks, Clariant strives to collaborate closely with partners in the supplier industry to develop solutions that are more sustainable with respect to the entire value chain. Thus, the company's innovation team is collaborating closely with Procurement to create opportunities for joint supplier innovation.

Clariant's profitable growth is driven by the megatrends described above. To better steer the business, Clariant analyzed the individual segments according to clear criteria, including market attractiveness, financial performance, and competitive strength. As a result, the Group implemented a differentiated segment steering. Each business has its own strategic mandate to optimize its value creation. The five strategic mandates differ with respect

to target setting and asset allocation. Furthermore, as disclosed during the Investor Day 2024, the mandates assume market growth of 2% to 4%, which the chemicals industry has seen in the past under normalized trading conditions.

FEATURED STORY



Bringing strategy to life, one site at a time

Understanding a company's strategy is one thing. Seeing how your daily work contributes to it is quite another. This is why Clariant launched the »Chemistry of Clariant Days« – a global event series designed to transform strategic objectives into tangible actions that every employee can embrace and drive forward.

Organized by site managers and local HR colleagues, each event is hosted by members of the Clariant Leadership Team who share deep dives into strategic objectives and connect them with personal insights. The dynamic on-site sessions – ranging from half-day to full-day formats – begin with a strategy update and Q&A session, followed by interactive exercises that translate strategy into daily actions and teamwork.

Sessions across the world – from Shanghai, China, to Pratteln, Switzerland, to São Paulo, Brazil – demonstrated the power of this approach: Employees engaged in lively discussions covering topics from EBITDA margin targets to sustainability goals, then participated in a strategy game that helped them see their role in the bigger picture.

The »Chemistry of Clariant Days« continue into 2026, providing employees worldwide with opportunities to deepen their understanding of Clariant's purpose-led growth strategy, strengthen engagement and belonging, and enhance collaboration across teams.

[Learn more](#)

DIFFERENTIATED SEGMENT STEERING ACROSS CLARIANT'S BUSINESS UNITS

	 Boost	 Outgrow	 Grow with Market	 Turnaround	 Harvest
Care Chemicals	Pharma	Cosmetics, Mining	Home Care, Crop Solutions, Coatings, Special Industrial Applications, Oil Services, Base Chemicals (Aviation & Refinery)		Base Chemicals (Construction & Others)
Adsorbents & Additives		ADS Americas ¹ , Polymer Solutions	ADS APAC ¹ , Coatings & Adhesives	ADS EMEA ¹	
Catalysts			Specialties, Ethylene, Propylene, Syngas & Fuels		
Investor Day 2024 ambition	+ 9 % Sales CAGR 2024-27	+ 7 % Sales CAGR 2024-27	+ 2-4 % Sales CAGR 2024-27	Margin improvement focus	Cash generation focus

¹ The Adsorbents business is primarily divided into the EMEA, APAC, and Americas regions, with local representatives for Purification, Foundry & Specialties, and Cargo & Device Protection.

- **Boost:** Clariant aims to allocate resources to rapidly accelerate growth and to increase, potentially even multiply, the market share.
- **Outgrow:** Clariant will leverage its strong competitive position or scale in attractive markets to drive growth. The ambition for these segments is to grow faster than the market.
- **Grow with market:** Clariant aims to secure its long-term market position and to ensure sustained value contribution to the Group portfolio.
- **Turnaround:** As these segments are currently facing profitability challenges, Clariant intends to implement cost saving measures. Once profitability has been achieved, these businesses will become growth candidates again.
- **Harvest:** The mandate is to extract value from the current asset base and to primarily focus on cash flow generation.

The mandate of each segment is reviewed annually in the context of the strategy review process. This review takes into consideration actual results in sales and profitability, as well as broader developments in the market environment and updated business expectations. Based on this review, the Board of Directors approves the updated segment mandates. In 2025, the strategy review process resulted in the following changes:

- »Polymer Solutions« from »Turnaround« to »Outgrow«
- »Coatings & Adhesives« from »Turnaround« to »Grow with Market«
- »Syngas & Fuels« from »Outgrow« to »Grow with Market«

More information on developments within the business units in the 2025 financial year can be found in the → »Management Discussion.«

Digitalization

Digitalization plays an important role in all core processes for value creation. It is a cornerstone for enhancing speed and efficiency in R&D, innovation, and production, while delivering superior customer experiences at every touchpoint. Digitally steered production processes optimize efficiency, raw material delivery, plant throughput, and energy use. Clariant's IT infrastructure operates on standardized cloud-based platforms, enabling agile adaptation of new technologies. All Clariant employees have remote access to their digital work environment. Enhanced data access capabilities for scientists and researchers enable seamless collaboration across global teams.

AI is going to be a key lever for innovation. Clariant is at the forefront of the industry regarding the application of AI and was rated #1 in AI adoption within the German chemical and pharmaceutical industry in 2025 in a survey by the association Verband angestellter Akademiker und leitender Angestellter der chemischen Industrie e. V. (VAA). Clariant's AI governance ensures safe exploration of AI's potential and full compliance with the EU AI Act.

The Group's generative AI »Clarita« has become a strategic platform since it was introduced in 2023. The platform adds value in all four strategic dimensions:

- **Customer focus:** Clarita provides high-quality customer insights for faster and personalized service. The tool has been very well received internally at Clariant and is currently in the process of being rolled out to all customer-facing employees.
- **Leading in sustainability:** Clarita automatically simplifies data collection, supports analysis, interprets results, combines findings, and detects outliers, ultimately proposing measures to improve operational performance and save energy and costs.
- **Innovative chemistry:** With access to over 30 years of research reports, patents, and relevant literature, Clarita is a powerful support in research. It is able to construct workable hypotheses and design experiments that accelerate time to market.
- **People engagement:** Clarita exemplifies secure, democratized access to AI tools with fully secure access to internal sources. With comprehensive training options, learning formats, and a recently launched »Ambassador« program, Clariant spreads AI expertise across all regions and units. Approximately 55% of the white collar staff use Clarita regularly.

CLARITY™ serves as another example of digitalization at Clariant. This AI-enabled platform is powered by Navigance, a Clariant digital solutions provider. CLARITY™ is offered across all Clariant catalyst applications and provides insights into the catalyst performance at any plant. Customers are able to optimize plant performance parameters regarding efficiency, sustainability, and safety. Launched in 2021, CLARITY™ is already used in over 220 customer plants across in 38 countries. The new update CLARITY™ Prime features additional digital services, including advanced predictive tools, interactive »what if« scenario analysis, and catalyst-specific benchmarking capabilities.

Clariant Sustainability Strategy

With sustainability as one of the key pillars in Clariant's purpose, sustainability is not treated as a program, but as decision-making principles embedded in Clariant's business model. From board-room oversight and capital allocation to product design and front-line engagement, Clariant applies a system-based approach with measurable results. Clariant's sustainability standards and expectations are outlined in the Sustainability Policy that Clariant has set globally for its own operations and for suppliers. To ensure continued progress toward its long-term sustainability targets, a balanced incentive system, including → **key non-financial performance indicators**, supports the execution of Clariant's sustainability strategy. The → **Board of Directors** oversees this progress.

Clariant's sustainability strategy transforms its product portfolio as well as its own operations. Both levels – portfolio and operations – are closely linked to decouple business growth from sustainability impacts. On the level of the product portfolio, Clariant addresses customer needs with value propositions that are based on more than a decade of sustainability-driven portfolio steering. Chemicals are an essential part in many value chains, which means that the chemical industry can play a significant role in promoting more sustainable solutions. By providing products with an increased sustainability profile, Clariant can support its customers in achieving their own ambitions. Clariant's key areas of sustainability focus are defined by the annually updated double materiality matrix and its risks, impacts, and opportunities. Key sustainability-related opportunities are reflected in three Innovation Arenas, as described above, and align Clariant's innovation activities with megatrends to drive customer transformation.

»Clariant's growth is powered by innovation in three arenas: creating safer, more sustainable products; enabling the energy transition; and advancing circularity. With digitalization sharpening how we work and deliver for our customers, we are creating new growth opportunities while keeping safety at the core of everything we do.«

Richard Haldimann
Chief Strategy & Technology Officer
Member of the ELT

Clariant's own operations serve as the foundation for credible, future-ready innovation, minimizing risks and impacts. Clariant focuses on three key areas of influence:

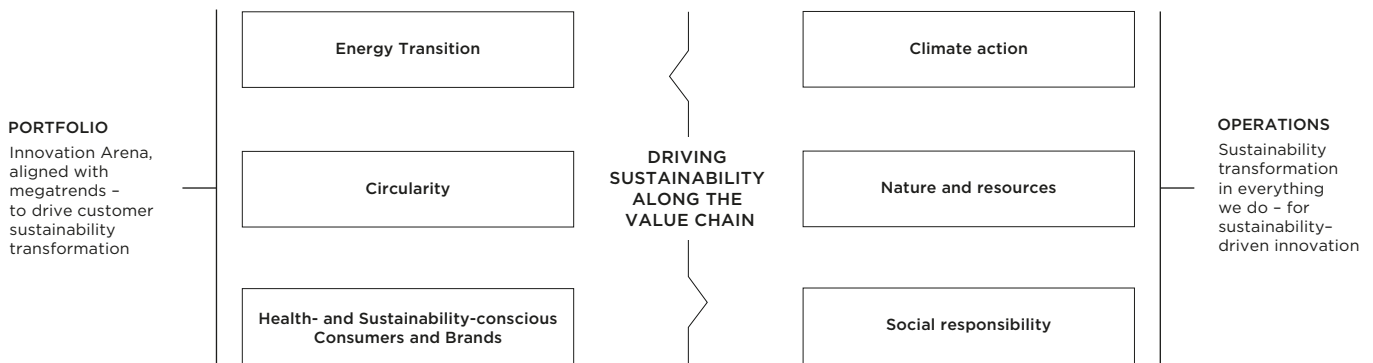
- **Climate action:** Clariant makes its SBTi 1.5° GHG emission reductions progress transparent in its reporting and relevant to its customers by providing them with the PCFs of all its products. The Group executes its transition toward net-zero 2050. It scouts new technologies for emission reduction potential and fosters strategic supplier engagement to identify low carbon solutions. AI plays an important role with respect to climate action, e.g., by making economic net-zero modeling a standard and by uncovering hidden energy-saving potentials.
- **Nature and resources:** The Group executes initiatives to meet its 2030 target metrics related to water, wastewater, and hazardous waste. Clariant has entered into commitments related to the use of palm oil derivatives and other bio-based raw materials. There are ongoing efforts to increase circularity and to develop KPIs and targets related to biodiversity.

- **Social responsibility:** Clariant fosters a zero-accident culture. The Group promotes employee growth through innovative learning approaches, employee engagement, and volunteer programs in Clariant's communities. It has entered into a living-wage commitment to ensure fair compensation. It executes measures to achieve Diversity, Equity, and Inclusion targets and is actively supporting employer resource groups.

Clariant measures progress in these key areas of influence with KPIs that are described in the chapter → »Financial and Non-financial Targets.«

More information can be found in the chapter → »ESRS 2: General Disclosures« in the Sustainability Statement.

DRIVING GROWTH



CLARIANT'S PRIORITY SUSTAINABLE DEVELOPMENT GOALS



Contributing to the SDGs

Clariant is committed to contributing to the Sustainable Development Goals (SDGs) of the United Nations. These 17 goals outline a clear path to a more sustainable future and offer key business opportunities for the company.

While Clariant contributes in some respect to every SDG, six priority SDGs were identified. Four of these SDGs were paired, as their relevance to Clariant cannot be evaluated independently. (See the figure »Clariant's Priority Sustainable Development Goals.«)

In addition to this list, the Business Units Care Chemicals and Adsorbents & Additives also contribute to SDG 2 »Zero Hunger« as businesses focus on providing sustainable and economic solutions for the → **agricultural industry**. Moreover, the Business Unit Care Chemicals also contributes to SDG 6 »Clean Water and Sanitation« and SDG 15 »Life on Land.«

Additional information is provided in the figure »Examples of Clariant's Activities and Products Contributing to the SDGs.«

EXAMPLES OF CLARIANT'S ACTIVITIES AND PRODUCTS CONTRIBUTING TO THE SDGs

3 GOOD HEALTH AND WELL-BEING 	→ AddWorks LXR 548 phenol-free stabilizer reduces chemical migration in medical plastics, enhancing patient safety → Clariant wins Gulf Energy awards for chromium-free HySat™ catalyst and EDHOX™ Technology, advancing safer, sustainable petrochemical production	7 AFFORDABLE AND CLEAN ENERGY 	→ Clariant launches »ClimiMate« engine, delivering automated product carbon footprint data through digital platform ClariHub → Clariant introduces Safewing™ MP I LFD PLUS 88, eliminating harmful silicones while reducing aviation deicing emissions
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	→ TexCare™ One Terra enables ultra-concentrated laundry capsules with 74 % renewable carbon, reducing resource use and energy consumption → Clariant's Licoène™ Terra polymers transform carpet production with recyclable hot-melt technology and 80 % energy reduction → Clariant commits to 100 % non-GMO, deforestation-free soy sourcing for lecithin-based cosmetic ingredients by 2030 → Clariant's Puebla site achieves 93 % wastewater reuse, significantly reducing freshwater consumption in water-stressed region → Sustainability specialist's Malaysia field visit with Earthworm Foundation strengthens Clariant's palm oil supply chain transparency and community engagement	13 CLIMATE ACTION 	→ Clariant launches Synergen™ Soil, optimizing water use efficiency in agriculture to combat climate-driven water scarcity
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	→ Digital Formulation Factory accelerates sustainable coating development, reducing raw material waste and energy consumption in R&D → CLARITY™ Prime delivers AI-powered catalyst monitoring, optimizing performance and reducing energy consumption across petrochemical operations → Exolit™ AP flame retardants protect lives and infrastructure for 50 years, advancing fire safety with sustainable, melamine-free innovations → Lucas Meyer Cosmetics launches nature-based ingredients—Melicica™, GlowCytocin™, and Pickmulse™—combining scientific efficacy with sustainable, biodiversity-positive sourcing	17 PARTNERSHIPS FOR THE GOALS 	→ Clariant's »30 acts of kindness« initiative funds employee-nominated community projects globally, supporting education, inclusion, and social empowerment → Clariant's Climate Campaign delivers EnviCat N₂O-S to GNFC, cutting 44 000 tons CO₂ equivalent monthly from nitric acid production → Chemistry of Clariant Days connects employees globally to purpose-led growth strategy through interactive sessions, strengthening engagement and collaboration

Supporting Social Responsibility Through the Clariant Foundation

The Clariant Foundation was established by Clariant in 2014 and extends the purpose »Greater chemistry – between people and planet« beyond commercial activities. It is a purely philanthropic nonprofit organization based in Switzerland. It operates under independent management and supports organizations and projects worldwide.

The foundation supports selected projects in the fields of education, culture and the arts, science and research, and social commitment with a special focus on underprivileged children and teenagers. It also complements voluntary social activities by Clariant and Clariant employees.

In 2025, the Clariant Foundation provided core funding for 39 projects in 10 countries. It also supported an initiative launched by Clariant to thank the communities that have welcomed the Group in its 30-year history.

Through its activities, the Clariant Foundation contributes especially to the SDGs 4 »Quality Education,« SDG 5 »Gender Equality,« and SDG 8 »Decent Work and Economic Growth.« → [Read more about the »Clariant Foundation.«](#)

FEATURED STORY



30 Acts of Kindness

To celebrate Clariant's 30th anniversary in 2025, the Group and the Clariant Foundation launched »30 Acts of Kindness« – inviting employees worldwide to nominate local social projects for funding of CHF 3 000 each.

The funded projects reflect diverse community needs across the globe. For example, initiatives in Brazil ranged from empowering women entrepreneurs to providing theater classes and sports equipment for underprivileged children. In China, teams helped improve education and living conditions for low-income families while supporting local environmental workers. Projects in Germany included supporting inclusive sports programs for children with disabilities, raising awareness for voluntary firefighters, and assisting children from low-income families.

Clariant's volunteering policy enabled employees to also contribute time on-site – turning the anniversary celebration into meaningful community engagement.

[Learn more](#)

Financial and Non-financial Targets

The four dimensions of the purpose-led strategy are reflected in Clariant's medium-term financial and non-financial targets. They reflect Clariant's ambition to achieve top-quartile results in specialty chemicals in terms of growth, profitability, sustainability, and people.

For the medium-term, Clariant's financial targets are to grow its top line with a 4–6% compound annual growth rate (CAGR, in a normalized market of 2–4% growth) and to increase its EBITDA margin to 19–21%. In addition, Clariant introduced a cash conversion target, which sees the company reach a free cash flow (FCF)

conversion ratio of around 40% – a figure that Clariant defines as cash flow from operating activities minus CAPEX (PP&E and IA), divided by EBITDA. Clariant reinforced these targets at its Investor Day in 2024 and aims to achieve them by 2027 at the latest.

Clariant has also set a number of medium- and long-term non-financial targets. Clariant's medium-term targets reflect the defined growth ambition, supported by innovation rate and a portfolio shift towards sustainability, based on Clariant's Portfolio Value Program (PVP).

Clariant's 2030 targets include key targets, which are also linked to the global incentive schemes, key objectives for diversity and inclusion, and environmental targets in operations.

KEY FINANCIAL AND NON-FINANCIAL TARGETS

Key financial targets

MEDIUM-TERM TARGETS (BY 2027 AT THE LATEST)

4-6 %

Sales growth¹ (CAGR)

19-21 %

EBITDA margin
ambition

40 %

FCF conversion
expectation²

Key non-financial targets

PORTFOLIO TARGETS 2027

20 %

Innovation Rate

85 %

of portfolio classified
as sustainable

DE&I TARGETS 2030

>30 %

Female representation
(Management)

>40 %

Leaders with national
origin outside Europe

TARGETS 2030

27.5 %

Reduction in Scope 3
emissions by 2030^{3,4}

46.9 %

Reduction in
Scope 1 & 2 emissions
by 2030³

Top Quartile

Employee Safety
Performance (TRIR⁶)

Top Quartile

Employee Net
Promoter Score
(eNPS) by 2030

Included in short-term
incentive plan

Included in long-term
incentive plan

OPERATIONS TARGETS 2030

-20 %

Water intake⁵

-40 %

Landfilled
nonhazardous waste⁵

-25 %

Wastewater
generation⁵

-25 %

Hazardous waste⁵

100 %

of sites in areas of
high water stress
apply advanced
water management

-30 %

Nitrogen oxide
(NOx) emissions⁵

- 1 Under normalized trading conditions with a market growth of 2-4 %
- 2 Defined as (cash generated from operating activities - CAPEX (PPE and IA))/EBITDA
- 3 SBTi approved
- 4 The Scope 3 target is limited to Categories 1 and 12
- 5 Intensity target (impact per tonne of production)
- 6 TRIR = Total recordable incident rate

All business units have developed a roadmap toward these 2030 sustainability goals, including projects, implementation timeline, and investment requirements for 2025 and up to 2030.

Clariant has also set itself a long-term net-zero target for Scope 1 and 2 emissions by 2050. You can find more information in the chapter → »ESRS E1: Climate Change.«

Levers for Success

With organic local currency sales growth of 4% per annum in a very challenging market environment, Clariant outperformed the peer group average between 2021 and 2024. The Group's top-line medium-term target is underpinned by tangible growth levers, assuming market growth of 2–4% under normalized trading conditions. The three Innovation Arenas are expected to deliver around 1.5% growth per annum. In addition, the planned APAC and MEA geographic expansion is expected to deliver around 0.5% growth per annum. Executing on these initiatives will therefore add an additional 2% growth per annum for Clariant, over and above chemical industry market growth.

Since 2021, Clariant has been delivering resilient margins above the peer group average. Top-line growth will drive improved operational leverage on the back of the reduced cost base and will be strengthened by margin-enhancing growth from the Innovation Arenas. Self-help measures will also contribute to margin improvement. During 2025, Clariant completed the CHF 175 million savings identified as part of its performance programs and announced at its Capital Markets Day in 2021. During its Investor Day in November 2024, Clariant announced a performance

improvement program aimed to achieve an additional CHF 80 million in savings by 2027 at the latest. By the end of 2025, CHF 50 million of these savings had already been realized through key levers such as selling, general, and administrative cost reductions; asset footprint optimization; operational efficiency; and savings from procurement programs. Each business unit and corporate function will contribute to delivering this target.

Capital Expenditure (property, plant, and equipment; intangible assets) amounted to CHF 146 million in 2025. In the medium term, Clariant targets average CAPEX (PP&E and IA) spend between CHF 150 million and CHF 200 million annually. Of this amount, 40% is earmarked for expansion projects in the business units, and 20% for decarbonization measures in Clariant's own operations.

Clariant has been showing progress toward delivering its targeted free cash flow (FCF) conversion ratio, defined as cash generated from operating activities minus PP&E and IA CAPEX, divided by EBITDA, of around 40% through capital and cost discipline. Since setting the target back in 2021, the company delivered an FCF conversion rate in the mid-30s. In 2025, this improved significantly toward 42%, delivering the first of the company's medium-term targets.

Management Discussion

Summarized by Clarita^{AI}

- + Sales of CHF 3 915 million were flat in local currency (-6% in Swiss francs), EBITDA margin before exceptional items increased 180 basis points to 17.8%, and free cash flow conversion reached 42%.
- + The program delivered CHF 50 million in cost savings during 2025, exceeding half of the CHF 80 million total target, with margin improvements across all business units (Care Chemicals 19.3%, Catalysts 20.8%, Adsorbents & Additives 17.1%).
- + Scope 1 and 2 emissions decreased 42% and Scope 3 emissions decreased 28% from 2019 baseline, while 88% of the product portfolio was classified as sustainable or EcoTain™ (up 4 percentage points from 2024).

Geopolitical and Economic Environment

In 2025, the global economy was defined by geopolitical fragmentation and an uneven pace of economic activity. The economic environment was volatile, especially because of regional conflicts and escalating trade tensions, notably coming from US tariffs.

Inflation showed a mixed picture across key geographies. In the US, inflation eased in the beginning of the year before picking up over the summer as the impact of tariffs became apparent, settling in at 2.7% for the year. Europe saw a more obvious deflationary trend over the course of the year towards 2.1%. In China, inflation levels of 0.1% remained very low as underlying domestic consumer demand was weak. Over the course of the year, interest rates declined in the US Europe, and China as central banks eased policy. Overall, global interest rates remained relatively high, constraining investment and housing markets.

Global economic growth in 2025, as measured by Gross Domestic Product (GDP), was 2.9% and continued to vary significantly over different regions. Growth in the US was resilient at 2.2%, particularly considering the impact of tariffs on consumer spending. This development was supported by AI-related investments and an easing of interest rates. In China, GDP grew by 4.8%, largely driven by an increased focus on exports as Chinese consumer demand remained muted. In Europe, economic growth remained at a low level of 1.4% with significant variations among the different countries.

Key drivers for this year's global economic growth included significant spending on AI, evidenced by strong orders for semiconductors and data centers. Outside of this tech investment, capital expenditure in other sectors was more muted. The contribution from services continued to outperform manufacturing, evidenced by Services Purchasing Managers Index (PMI) being comfortably above 50 globally, while Manufacturing PMI levels were around or below 50, indicating little to no growth in the industrial output.

Currency movements in 2025 had a more significant impact on Clariant's reported figures compared to prior years. This was the result of fluctuations in the US dollar, the Indian rupee, the Brazilian real, the Euro, and the Chinese yuan versus the Swiss franc, Clariant's reporting currency.

GDP GROWTH AND INFLATION RATE

in %	2025 GDP growth	2025 inflation rate
US	2.2	2.7
EU27	1.4	2.1
China	4.8	0.1

Source: Oxford Economics

Group results

Sales - Actual vs. Guidance

For the full year 2025, Clariant expected a moderation in general inflation but no significant economic recovery due to persistent macroeconomic challenges, uncertainties, and risks, which included potential trade tensions and tariffs. The company therefore anticipated 3% to 5% growth in local currency¹ sales for the year, with the economic environment at the start of the year implying a growth rate toward the bottom end of this range.

Care Chemicals and Adsorbents & Additives were expected to grow, while sales in Catalysts were expected to be at levels similar to those of 2024.

¹ All references to local currency growth, pricing, volumes and scope exclude the impact from hyperinflation countries Argentina and Türkiye. All references to currency include a net impact from hyperinflation countries Argentina and Türkiye.

As the trade tensions increased significantly in the beginning of 2025, Clariant assessed that a direct impact on its performance was manageable due to its local-for-local production footprint. Indirectly, however, these tensions had a negative impact on the global demand environment, consumer sentiment, and industrial production. As a result, plant utilization rates remained below average, and refill orders in Catalysts shifted. Furthermore, consumer spending was more moderate.

As part of its CHF 80 million performance improvement program announced during the Investor Day in 2024, Clariant decided to close two sites and two production lines in its Care Chemicals and Adsorbents & Additives businesses as part of its footprint optimization strategy and portfolio pruning. Furthermore, the company signed and closed on the divestment of its legal entity in Venezuela. While beneficial to profitability and the company's long-term positioning, these decisions had a near-term impact on sales. Clariant also saw a product program at a large customer come to an end at a time when its new product innovations had not yet picked up similar traction.

These external and internal factors saw the company revising its sales outlook over the course of the year. The anticipated 3% to 5% growth in local currency was slightly adjusted to a range of 1% to 3% in the middle of the year and subsequently narrowed to the lower end of this range after the first nine months. Sales in Care Chemicals and Adsorbents & Additives were expected to grow slightly, while sales in Catalysts were expected to be slightly below the levels of 2024.

Actual Group sales in 2025 amounted to CHF 3 915 million, versus CHF 4 512 million in the previous year. This represents flat sales in local currency¹ and a 6% decrease in Swiss francs. Pricing was stable, while organic volumes decreased by 1%. Scope added 1% and reflected the continued positive contribution of Lucas Meyer Cosmetics. Currency had a net -6% impact, particularly driven by changes in the US dollar, the Indian rupee, the Brazilian real, and the Euro against the Swiss franc.

Local currency sales in the Europe, Middle East & Africa region decreased by 2%, driven by weakness in Europe and Germany in particular. Care Chemicals sales in the region were stable, while Catalysts and Adsorbents & Additives declined. Sales in the Americas increased by 2%, as strong growth in Catalysts, particularly in the United States, more than offset a decline in Adsorbents & Additives, while Care Chemicals was flat. Sales in Asia-Pacific declined slightly by 1% as growth in Adsorbents & Additives and Care Chemicals was unable to offset lower Catalysts sales in China in particular.

Profitability – Actual vs. Guidance

For the full year 2025, Clariant expected to further improve its profitability by delivering an EBITDA margin before exceptional items of between 17% and 18%. Exceptional items for the year included restructuring charges of around CHF 75 million related to the performance improvement program announced during the company's Investor Day in November 2024. These programs were

expected to deliver run-rate savings of around CHF 80 million through business unit and corporate actions by the end of 2027, with a significant part of these savings targeted in 2025. Other exceptional items for 2025 were expected to be around CHF 20 million. Reported EBITDA margin for 2025 was therefore expected to be between 15.0% and 15.5%.

Clariant consistently improved its EBITDA margin before exceptional items during each quarter of 2025, constantly underpinning its profitability guidance. For the full year 2025, EBITDA before exceptional items increased by 5% to CHF 697 million from CHF 663 million in the prior year. This represented an improvement in EBITDA margin before exceptional items of 180 basis points to 17.8%, driven by the performance improvement programs and cost productivity across all Business Units and Corporate functions. Cost savings from the Investor Day performance improvement program contributed CHF 50 million, thus already delivering over half of the targeted CHF 80 million total savings in 2025. Reported EBITDA for 2025 decreased to CHF 643 million, as restructuring charges of CHF 63 million being booked during the year were partially offset by one-off gains from the portfolio pruning measures. Reported EBITDA margin of 16.4% increased by 60 basis points compared to 2024.

Order Situation

Across the Clariant portfolio, the order situation and visibility thereof vary significantly. Under normal trading conditions, the Catalysts business has the best order book visibility, as maintenance stops for refill or new projects as first fill are planned far in advance. However, with low plant utilization rates and a decline in new projects in 2025, the business was less stable as orders shifted over the quarters and some into next year. Overall, volumes in the Business Unit Catalysts declined 2% in 2025.

The order situation in Care Chemicals and Adsorbents & Additives during 2025 was impacted by overall market uncertainty, aggravated by tariffs. Overall, customers decided to order more frequently but in smaller sizes. In Care Chemicals, volumes organically declined by 1% due to uncertainty in the industrial-facing end markets in particular. In Adsorbents & Additives, volumes declined by 1% as the continued recovery in Additives was unable to offset a decline in Adsorbents, where a temporary delay in implementation of renewable fuel regulations impacted demand in the United States.

Cash Flows

Net cash generated from operating activities for the total Group in 2025 amounted to CHF 419 million versus CHF 418 million in the full year 2024. Free cash flow, defined as cash generated from operating activities minus capital expenditures (PP&E and IA CAPEX), was CHF 273 million compared to CHF 209 million in 2024. This improvement was driven by disciplined capital expenditure and resulted in a free cash flow conversion rate (FCF / EBITDA) of 42% for full year 2025, well above the 32% of a year ago, and saw Clariant deliver on the first of its medium-term targets, a conversion rate above 40%.



Q&A

Oliver Rittgen
Chief Financial Officer (CFO)
Member of the ESC

Clariant improved profitability and cash generation, while sales were flat. How do you assess the company's performance?

I'm pleased with our execution in 2025. While the macroeconomic environment remained challenging, we delivered on what we can control. Our EBITDA margin before exceptional items improved, despite flat sales, for the third year in a row, now by 180 basis points to 17.8%, and we achieved a free cash flow conversion of 42% – reaching our medium-term target two years early. This demonstrates the strength of our performance improvement programs and disciplined cost management.

You often speak about a “triangle of value creation.” Can you explain what that means?

The triangle of value creation is a framework for creating sustainable shareholder value. It has three equally important elements: growth, margin, and cash. You need all three working together. In 2025, while sales were flat, we significantly strengthened the other two pillars – EBITDA b.e.i. margin and free cash flow conversion. In order to see all three elements of the triangle working in harmony, we need to focus on growth driven by innovation which is independent of a medium-term market recovery.

Let's talk about EBITDA margin. What drove such a strong improvement in a difficult environment?

This improvement came from rigorous execution of our performance improvement program, which delivered CHF 50 million in savings in 2025. We focused on optimizing our cost structure, improving operational efficiency, and better managing our manufacturing footprint. Importantly, all three business units contributed to margin expansion, which really drove a joint effort towards our future performance.

Despite the improved EBITDA, you reported a negative net income. What happened?

This is predominantly an accounting matter related to the divestment of our operations in Venezuela. We recorded an effect of CHF 230 million cumulative translation adjustment (CTA) in our financial result as a transfer from our other comprehensive income. This is where we recorded the effects from translating assets and liabilities & equity from local currency to our reporting currency, the Swiss Franc, before. It's important to understand that this is a non-cash accounting issue, with no impact on our operational performance or cash generation. On an underlying basis, excluding this one-time CTA impact, we delivered a positive net income of CHF 189 million for the year and hence, we were able to propose a stable distribution of CHF 0.42 to our shareholders.

You mentioned achieving your free cash flow conversion target early. How significant is that?

Very significant. Reaching 42% free cash flow conversion in 2025 – two years ahead of our medium-term target – demonstrates our operational discipline in working capital and capital expenditure management. We generated CHF 273 million in free cash flow, up from CHF 209 million in 2024. This strong cash generation enabled us to continue deleveraging, bringing our net debt to EBITDA ratio down to 2.0x. This was an improvement compared to 2.25x recorded in the prior year and indicates our commitment to maintaining an investment grade rating.

Customer Survey

Clariant conducts annual customer satisfaction surveys to understand how its customers perceive the company's operational, commercial, and innovation performance. In the 2025 customer satisfaction survey, Clariant's Net Promoter Score (NPS) improved from 45 to 50. This places Clariant in the top quartile compared to relevant industry peers. The results indicated a high customer satisfaction across all touchpoints covered in the survey. The highest promoter scores relate to product quality and customer service. The survey also revealed that sustainability, energy efficiency, and innovation rank high among customers' future needs.

Sustainability Achievements

Clariant's → **non-financial targets** reflect the four dimensions of the purpose-led strategy. In 2025, the Group made progress with respect to all of the sustainability targets and was recognized externally for its measurable progress.

In May 2025, Clariant's Scope 1, 2, and 3 emissions were successfully revalidated by SBTi, formalizing the Group's increased ambition to reduce its emissions. Specifically, the Scope 1 and 2 target for 2030 was revalidated from -42% to -46.9%, and the Scope 3 target from -14% for Scope 3.1 to -27.5% for combined Scope 3.1 and 3.12 emissions (all targets related to baseline year 2019). From a 2019 baseline, the Group now has reduced its Scope 1 and 2 emissions by -42%, and its Scope 3 (3.1 and 3.12) emissions by -28% (thereof Scope 3.1 emissions reduced by -31%), already putting the company below its 2030 Scope 3 target. The impact immediately decreases the carbon footprints of products that Clariant offers to the market. Clariant products supported emissions reduction in the value chain – especially in hard-to-abate sectors – with 45 million t CO₂ avoided.

Clariant earned external recognition for its sustainability progress in 2025: With improved EcoVadis scores, Clariant is placed in the top 1% of all companies assessed. The Group's Carbon Disclosure Project (CDP) scores also improved, earning Clariant a place on the »A-List« for climate and forests and an »A-« score in water – a combined result that puts Clariant in the top 1% of all organizations assessed by CDP. For greater detail refer to the chapter → »Clariant on the Capital Markets.«

Clariant also proved to be fully on track with respect to its operational targets for 2030 (all values as impact per ton of production). In 2025, the Group reduced its water intake by 18%, wastewater generation by 15%, and hazardous waste by 7% compared to the 2019 baseline and already overachieved its 2030 target with reducing landfilled nonhazardous waste by 84%, and nitrogen oxide emissions by 35%.

The employee net promoter score (eNPS) is an important indicator of the engagement of Clariant's employees and measured annually. In 2025, it increased from 25 to 34. The global initiative »Chemistry of Clariant« was launched in 2025 to further foster this engagement by informing all employees about Clariant's strategy and sustainability approach.

With respect to employee safety, Clariant achieved a reduction of DART cases by over 60% since 2021, thereby maintaining its top quartile position in safety performance. The Group also strengthened its safety management system with a strong safety deviation reporting culture (>55 000 in 2025), and introduced a Global Safety Academy to further strengthen the safety culture globally.

Clariant increased female representation in management from 24.5% to 25.4%. The diversity and inclusion culture was further strengthened by growing engagement in the two employee working groups WIN (Women Inclusion Network) and PRIDE.

Based on Clariant's Portfolio Value Program (PVP), 88% of the product portfolio was classified as sustainable or EcoTain™ in 2025. This represents a 4% increase compared to 2024.

Clariant's efforts to be »Leading in Sustainability« were also illustrated by new initiatives. For example, the Group introduced the »Innovation and Sustainability Award.« This award recognizes projects and products that exemplify how sustainability-driven innovation is embedded in operations and in Clariant's product portfolio. One project and one product out of over 100 entries received an award.

The »Supplier Innovation Day 2025« was another milestone for delivering sustainability-driven innovation. This first-time event served to align Clariant's strategic goals with the capabilities of its suppliers.

Additionally, Clariant was officially certified as a global Living Wage employer by the Fair Wage Network in 2025. This certificate places Clariant among a selected group of companies worldwide.

Clariant's comprehensive people-oriented approach, strong global strategy, and clear, measurable results earned the Group the 2025 European Responsible Care Award in the category »Rethink operational excellence: Corporate leadership culture« with its initiative: »Greater Chemistry: Corporate Leadership Culture.«

You can find more detailed information about Clariant's sustainability efforts in the → »Sustainability Statement.«

FEATURED STORY



Celebrating Great Compounds

Clariant runs a state-of-the-art manufacturing site in Daya Bay, China. It was put into operation in 2011 as Clariant's first ethoxylation plant in Asia – and it has been playing a crucial role in the company's »In China, for China« approach ever since.

Daya Bay has undergone multiple strategic developments in recent years, driven by Clariant's intention to grow its sales from geographical expansions in line with regional shifts. The facilities produce Clariant's Exolit™ OP flame retardants as well as pharmaceutical excipients, surfactants, soil release polymers, and other specialty chemicals for personal and home care applications.

Two recent strategic decisions underline the importance of Daya Bay for Clariant: The Group invested CHF 100 million to meet the growing demand in Asia for flame retardants, particularly from the

e-mobility sector. A second investment of CHF 80 million served to expand the manufacturing capabilities of the Business Unit Care Chemicals in one of its key growth markets.

In November 2025, Daya Bay celebrated the successful completion of both investment projects: The additional production line for flame retardants went into full operation, and Business Unit Care Chemicals inaugurated brand new production facilities. These include a second spray tower to expand pharmaceutical capabilities and an additional reactor for the existing multipurpose plant. The expansions position Business Unit Care Chemicals as a key supplier of pharmaceutical ingredients and excipients as well as specialty chemicals required by the personal care, home care, paints and coatings, industrial lubricants, and crop protection sectors across the region.

[Learn more](#)

Business Unit Care Chemicals

For the full year 2025, sales in Care Chemicals were flat in local currency¹ and decreased by 6% in Swiss francs. Pricing was stable, while organic volumes were down 1%. Scope contributed 1%, representing the continued successful contribution from Lucas Meyer Cosmetics. Sales grew strongest in Crop Solutions, followed by Mining Solutions and Personal & Home Care. Sales declined in Industrial Applications, Oil Services and Base Chemicals as customer demand was impacted by overall market uncertainty, including tariffs.

The EBITDA margin before exceptional items in the full year 2025 increased to 19.3% from 18.2% in 2024, driven by benefits from the performance improvement programs. On a reported basis, the EBITDA margin increased to 18.3% from 18.0%. Restructuring charges of CHF 29 million were recognized in 2025.

¹ All references to local currency growth, pricing, volumes, and scope exclude the impact from hyperinflation countries Argentina and Türkiye. All references to currency include a net impact from hyperinflation countries Argentina and Türkiye.

»Our focus on combining performance with sustainability enables customers to meet today's demands while building a more responsible future.«

Christian Vang

President Care Chemicals and Americas
Member of the ESC

Over the course of the year, the Care Chemicals business launched many new products.

In Personal & Home Care, the largest segment, innovations and product launches came from both the successful integration of Lucas Meyer Cosmetics as well as from across the existing portfolio. A milestone in the integration process was the official launch of »Clariant Beauty,« the new personal care positioning combining expertise from Clariant and Lucas Meyer Cosmetics to deliver sustainable and high-performance cosmetic solutions. Leveraging the combined strength of both portfolios, a number of noteworthy new solutions were introduced to the market. GlowCytocin™, an active ingredient derived from a dormant bulb of Hyacinthus flower, was designed to target the skin cells' oxytocin receptors, reducing wrinkles and increasing skin luminosity. Another example was Melicica™, a natural skin repair ingredient extracted from Jelly Bush honey, also known as Australian Manuka honey. It is particularly rich in potent bioactive compounds and provides numerous skin repair benefits ranging from reduced scar visibility to improved overall skin appearance. Both products reflect characteristics of the megatrend »health- and sustainability-conscious consumers and brands,« which Clariant identified as a key growth driver.

The Care Chemicals business participated in the in-cosmetics Global in Amsterdam, one of the leading cosmetic trade shows for personal care ingredients. Following their successful integration, Clariant's Beauty team saw some of their most innovative active and functional ingredients being recognized by the industry, winning a total of six innovation awards. These included Pickmulse™, a surfactant-free emulsifier derived from organic quinoa, as well as the newly introduced GlowCytocin™ and Melicica™. Furthermore, the official event report indicated that the Clariant exhibition was among the most visited or scanned from a

total of over 1000. Further industry recognition and awards for Pickmulse™, CycloRetin™, and GlowCytocin™ came at events including in-cosmetics Asia in Bangkok, Thailand, and Personal Care and Homecare Ingredients (PCHI) in Guangzhou, China.

With the introduction of Aristoflex™ SUN, Clariant presented a solution to sunscreen formulation challenges by combining superior UV defense with luxurious sensory benefits. It is an innovative rheology modifier – or thickening agent – that addresses the growing »skinification of sun care« trend, in which sun protection is treated like skincare. Additionally, Clariant enhanced its offering for UV filters with Eclipsogen™ CAP, a stable encapsulation system for UV filters. This product series is suitable for cold-procession formulations, enhances sun protection factor performance, and offers a light feel on the skin.

Significant progress was also made in 2025 as Clariant rapidly grew its offering for the pharmaceutical industry, in line with its strategic mandate to boost sales in this segment. Clariant introduced several new high-performing pharmaceutical excipients to its VitiPure™ range. These newly introduced excipients can be used for different applications, such as for sensitive active pharmaceutical ingredients, parenteral formulations, and applications where the final formulation needs to be colorless. All these new solutions were part of the broader package of Clariant's pharmaceutical products that the business showcased at several leading trade shows across the globe, including CPhI Global in Frankfurt, Germany; regional CPhI India and CPhI China events; DCAT Week in New York City; and many more. In addition, Health Care application labs were opened at the Clariant Innovation Center in Frankfurt, Germany, enabling further contracted innovation and product development.

Within its Crop Solutions business, Clariant introduced innovative solutions addressing global agricultural challenges through sustainable technology. The newly launched adjuvant Synergen™ Soil improves agricultural water management by optimizing moisture distribution throughout soil, creating optimal growing conditions, supporting healthy roots, and maximizing plants' potential for robust growth. This technology is further supported by the Synergen™ Guard product line, including Synergen™ Guard 100. This performance booster significantly improves the effectiveness of natural crop protection products. With a growing global population and the challenges that climate change is posing to agriculture and food security, biologicals have emerged as a more sustainable alternative to conventional pesticides to enhance yields while using fewer resources.

Through the signing of a strategic partnership with Nippon Paint, Clariant also further stepped up its offering to industrial markets in 2025. This extended a cooperation that dates back to 2011 and will particularly focus on supporting China's coating and construction industries in their transition toward green, low-carbon operations. Clariant also launched three innovative additions to its Hostaglist™ product line that deliver superior performance in water-based

lubricant applications. These address the growing market demand for such water-based alternatives to traditional mineral oil-based products, while maintaining and delivering the high standards required in today's competitive manufacturing environment.

Clariant also made further progress in helping enable the oil and gas industry to meet the growing demand for energy in a more sustainable and responsible manner. With the introduction of HYTREAT™ Eco, the company provides its customers with a solution that combines powerful anti-agglomerant technology meeting strict North Sea biodegradability and aqua-toxicity standards. The product is effective at low dosages in preventing blockages caused by unwanted gas hydrate crystals and reduces operating costs in comparison to alternative products. In addition, Clariant strengthened its regional position with the opening of a new bulk storage and transfer base located near Stavanger in Dusavik, Norway. The base will be key for supply and support activities to the major energy and maritime clusters that operate in the Norwegian North Sea sector.

Over the course of 2025, Clariant was also recognized for its commitment to innovation and dedication to its customers. Unilever awarded Clariant with its Home Care Innovation Award for the enhanced cleaning benefits that Clariant's TexCare™ soil release polymer technology provides to Unilever's Persil™ Wonder Wash™. The technology enables effective cleaning in only 15 minutes and at low temperatures, highlighting the successful collaboration on sustainable innovations for high-performance consumer products.

From L'Oréal, Clariant received the Jury's Special Prize for Advocacy for its Living Wage initiative during its Green Vibes Awards – a recognition celebrating suppliers that make outstanding contributions to sustainability and social progress. This special prize was awarded to Clariant for going beyond the transformation of its own operations and advocating and inspiring action across the value chain. It recognizes Clariant's leadership in promoting fair wages and social equity and motivating other companies to join the Living Wage movement to drive meaningful change throughout the industry.

FEATURED STORY



A Big Step Toward Smaller Capsules

Laundry detergent capsules have changed the way consumers do laundry, as they offer convenience and pre-measured dosing. As these capsules are getting smaller and smaller, the brands face more challenges for ingredient compatibility and high efficiency at such ultra-concentrated levels.

To deliver superior cleaning power while supporting sustainability goals, Clariant developed TexCare™ One Terra, a multifunctional soil release polymer specifically designed for ultra-concentrated laundry detergent liquids and capsules.

TexCare™ One Terra is highly compatible with the specific and high-surfactant compositions used in concentrates. It is effective even at very low dosages, which enables manufacturers to further reduce capsule sizes and save resources. By delivering superior performance at low temperatures, TexCare™ One Terra helps reduce household energy consumption. Made from waste-based feedstocks, the polymer has a Renewable Carbon Index of 74 % and high biodegradability.

[Learn more](#)

Brazilian oil firm Petrobras awarded Clariant with its »Best Suppliers Award« in the chemical products category. This award acknowledged exceptional performance in product quality, environmental safety and health affairs (ESHA), delivery performance, and contract management, where Clariant achieved an outstanding score on Petrobras's Supplier Performance Index (IDF). Global mining company Anglo American recognized Clariant with annual outstanding supplier awards in the categories of Sustainability and Supplier Relationship Management. These awards continued a long-standing successful business relationship in the mining industry, as Clariant received these awards for the fifth time in both of these categories, demonstrating the customer-centric behavior of the team to drive continuous improvement and positive community impact.

Business Unit Catalysts

For the full year 2025, sales in Catalysts decreased by 2% in local currency¹ and by 8% in Swiss francs. As pricing was stable, this decline was driven by lower volumes due to anticipated weak new-build activities in the industry and shifts in the regular refill cycles due to low utilization rates of production facilities. At a segment level, growth in Ethylene catalysts and Syngas & Fuels did not offset declines in Propylene and Specialties.

The EBITDA margin before exceptional items in the full year 2025 improved materially by 340 basis points to 20.8% from 17.4% in 2024, driven by effective price and cost management and contributions from performance improvement programs. On a reported basis, the EBITDA margin increased to 20.1% from 19.7%. Restructuring charges of CHF 6 million were recognized in 2025.

Clariant's innovative catalysts continued to help customers reduce carbon emissions. The continued cooperation with Midrex, one of the world leaders in direct reduction ironmaking technology and aftermarket solutions, saw both partners intensify their joint efforts to decarbonize the steel industry. Clariant's REFORMEX™ catalysts, together with MIDREX™ Reformers, are at the heart of MIDREX™ direct reduced iron (DRI) technology. A low-carbon alternative to conventional coal-based ironmaking, natural gas-based DRI converts natural gas with recycled CO₂ and H₂O to generate reducing gas for the production process and avoids around one ton of CO₂ per ton of crude steel. In 2025, both partners agreed to intensify their focus on natural gas-based DRI, as it is a critical bridge technology supporting the transition of the steel industry toward net-zero production.

Clariant catalysts continued to play a key role in several green methanol projects. Its MegaMax™ 900 methanol synthesis catalyst was successfully started up at European Energy's e-methanol plant. Located in Kasso, Denmark, the facility is one of the world's first and largest commercial e-methanol plants, using biogenic CO₂ and green hydrogen to produce up to 42 000 tons of green methanol annually. Clariant's Applied Catalyst Technology (ACT) technical service team provided support throughout the startup procedure, overseeing the catalyst loading, reduction, and startup.

A collaboration with Repsol meant that a range of Clariant's syngas purification catalysts and its highly active MegaMax™ methanol synthesis catalysts will be combined with technology provider Enerkem's advanced waste gasification process in a pioneering methanol plant in El Morell near Tarragona, Spain. This project, called Ecoplanta, will be the first of its kind in Europe to convert municipal waste into renewable methanol. Scheduled for completion in 2029, the plant will use 400 000 tons of nonrecyclable solid municipal waste annually to produce 240 000 tons of methanol.

»We deliver solutions that enhance process efficiency, reduce energy consumption, and drive operational excellence with both our leading catalysts as well as our digital catalyst process technology tool CLARITY™. The combination of these innovations translates into measurable results that create tangible value for our customers today.«

Jens Cuntze
 President Catalysts and APAC
 Member of the ESC

Clariant also saw its ShiftMax™ 100 RE catalyst powering INERATEC's advanced e-fuels production plant, »ERA ONE« in the industrial park Hoechst near Frankfurt, Germany. The facility recycles approximately 8 000 tons of CO₂ annually and transforms it into up to 2 500 tons of synthetic fuels and waxes. This production capacity represents one of the largest Power-to-Liquids operations globally, positioning both companies at the forefront of sustainable fuel technology innovation.

¹ All references to local currency growth, pricing, volumes, and scope exclude the impact from hyperinflation countries Argentina and Türkiye. All references to currency include a net impact from hyperinflation countries Argentina and Türkiye.

Through a strategic cooperation agreement with Shanghai Boiler Works, Clariant agreed to jointly foster innovation in sustainable energy solutions. The partners will combine their expertise to advance green energy projects in China. The agreement is the result of close and successful cooperation in Shanghai Electric's new biomass-to-green methanol plant in Taonan, China. In addition to supplying its MegaMax™ catalysts, Clariant provided technical on-site support during the successful startup of the plant with an annual capacity of 50 000 tons. The second phase of the project, with an annual capacity of 200 000 tons of green methanol and 10 000 tons of Sustainable Aviation Fuel (SAF), is expected to start production in 2027.

During 2025, Clariant also highlighted the impact of its Climate Campaign, during which it offered a complimentary load of the EnviCat™ N₂O-S catalyst to companies to inspire them to transition toward climate neutrality. One of the winners was India's Gujarat Narmada Valley Fertilizers & Chemicals Limited (GNFC), a pioneering force in India's fertilizer and chemical industry. Following successful installation at GNFC's nitric acid plant in Gujarat, India, Clariant's EnviCat™ N₂O catalyst demonstrated exceptional performance, reducing N₂O emissions by 44 000 tons per month of CO₂e. This serves as another example of the effectiveness of the catalyst, which is designed as a drop-in solution that can be easily installed without disrupting manufacturing processes and effectively removes N₂O and other nitrogen oxides.

Clariant also achieved a significant milestone with its SynDane™ 3142 LA catalyst at Wanhua Chemical's maleic anhydride plant in Yantai, China. Since startup in 2024, the catalyst has consistently delivered high yields, reduced by-product formation, and lowered energy consumption. This translated into operational cost savings and improved environmental performance in one of the world's largest maleic anhydride units with a production capacity of 200 000 tons per year. It has an advanced double-alpha design, which is a specialized physical configuration of the catalyst that offers key benefits such as enhanced reaction selectivity and improved flow dynamics, enabling more efficient and sustainable chemical production.

With the launch of Styromax™ UL-100, Clariant introduced a groundbreaking catalyst for styrene monomer production, a key building block in the chemical industry. This production process involves the energy-intensive dehydrogenation of ethylbenzene and requires significant amounts of steam. With Styromax™ UL-100, Clariant's most advanced ethylbenzene dehydrogenation catalyst to date and developed through strategic collaboration with Technip Energies, customers can achieve unprecedented benefits, including superior catalyst activity with high selectivity, reduced energy consumption, lower operating costs, and enhanced sustainability performance.

Clariant's ongoing and long-standing commitment to innovation was honored with two awards at the 2025 Gulf Energy Information Excellence Awards. The company won »Best Catalyst Technology« for its chromium-free HySat™ catalyst platform for hydrogenation processes. The HySat™ Cr-free catalyst platform is a major innovation, eliminating hazardous hexavalent chromium (Cr VI), a substance of very high concern (SVHC) under REACH regulations. The strong performance of these innovative catalysts across various industrial applications, including alcohol production and chemical manufacturing processes, has been validated through commercial adoption and repeat customer orders. With the HySat™ Cr-free catalyst platform, manufacturers can enhance workplace safety, meet regulatory requirements, and maintain high-quality production standards in their operations. At the same event, Clariant also shared the »Best Petrochemical Technology« prize with its partner Linde for their jointly developed EDHOX™ technology. This technology uses OxyMax™ E, a proprietary heterogeneous catalyst, to convert ethane and oxygen into polymer-grade ethylene and glacial acetic acid in a single-step process. This not only delivers a reduced environmental impact but also offers cost advantages over conventional methods.

During the year, Clariant also invested in further enhancing customer proximity. In addition to regional customer seminars, such as a Styrene Seminar in China and an Ethylene catalysts event in the United States, the highlight in Catalysts was its flagship event, »Defining the Future 2025.« The conference brought together 220 participants, including industry leaders, experts, and customers, who represented 79 companies from 30 countries worldwide. It provided an ideal platform for addressing critical industry challenges and exploring innovative solutions that will shape the future of catalysis.

FEATURED STORY



Digital Intelligence for Smarter Production

In the chemical industry, catalyst performance can make or break operational efficiency. Plant operators face constant challenges: Unplanned downtime, inefficient operations, and increased energy consumption can impact both profitability and environmental footprint. Traditional monitoring approaches often detect issues only after they have affected performance, leading to costly interventions and production losses.

Clariant's CLARITY™ Prime addresses these challenges through an AI-powered platform for monitoring catalyst performance. Recently expanded to now serve syngas, PDH, styrene, and ethylene plants, this digital service provides 24-hour catalyst monitoring, performance forecasting, benchmarking, and direct access to technical experts. It was developed by Navigance, a Clariant digital solutions company.

The platform combines actual operational data with predictive scenarios: By continuously analyzing operational parameters, CLARITY™ Prime can detect patterns invisible to traditional monitoring systems, enabling plant operators to make informed decisions that optimize catalyst performance, extend service life, reduce energy consumption, and minimize unplanned shutdowns. It includes automated alerting on catalyst-related events, so that plant operators can tackle identified problems early and proactively and act fast with mitigation recommendations by Clariant experts. It also features performance prediction tools for various catalysts to create what-if scenarios, plan turnaround cycles, and prevent plant upsets. Along with that, catalyst-specific benchmarking helps to identify potential for operational improvements.

In November 2025, SECCO Petrochemicals became the latest company to adopt this technology, signing a ten-year agreement to implement CLARITY™ Prime at its 900-KTA ethylene plant in Shanghai, China. The partnership marks a significant expansion of Clariant's digital services footprint in China, one of the world's most important regions for petrochemical production.

[Learn more](#)

Business Unit Adsorbents & Additives

For the full year 2025, sales in Adsorbents & Additives were flat in local currency¹ and decreased by 4% in Swiss francs. Pricing increased by 1%, while volumes decreased by 1%. Sales growth in Additives offset a decline in Adsorbents.

In 2025, the EBITDA margin before exceptional items increased to 17.1% from 15.8% due to positive pricing and contributions from the performance improvement programs. The reported EBITDA margin improved to 16.0% from 15.1%. Restructuring charges of CHF 15 million were recognized in 2025.

In Adsorbents, Clariant pushed ahead with its innovative Adaptable PyOil Upgrading technology, generating first commercial sales during 2025. The technology uses both Clariant adsorbents and catalysts to unlock the full potential of pyrolysis oil, which is the result of a thermal decomposition process that breaks down different plastic polymers. To improve the quality of such pyrolysis oil, various grades of Clarit™ adsorbents are used to remove contaminants and impurities, while minimizing operational expenses and environmental impact. Thereafter, Clariant's HDMax™ catalysts further enhance the oil quality through hydro-treatment, resulting in high-quality feedstock that is steam-cracker compatible. This powerful, adaptable solution is especially developed for removing a wide range of impurities from pyrolysis oil, regardless of process configuration or plastic waste feedstock. Used together, the adsorbents extend the lifetime of the catalysts.

Clariant also received the Strive 35 – Sustainability Award by ADM, a global leader in innovative solutions from nature. Clariant Adsorbents Brazil was one of six suppliers selected from approximately 40 000 global suppliers and 500 strategic partners, and recognized for delivering high-quality, sustainable performance across environmental, social, and economic criteria while consistently meeting contractual obligations, KPIs, and delivery targets. This award underscored the strength of the partnership, with Clariant delivering the purification solutions that help ADM improve feedstock quality in edible oils.

¹ All references to local currency growth, pricing, volumes, and scope exclude the impact from hyperinflation countries Argentina and Türkiye. All references to currency include a net impact from hyperinflation countries Argentina and Türkiye.

In Additives, Clariant celebrated a significant milestone as its Exolit™ AP range of flame retardants marked its 50th anniversary. Ever since its first batch was produced in Germany in 1975, the Exolit™ AP product line has pioneered flame retardant technology. What began as a groundbreaking solution has evolved into a comprehensive portfolio that sets industry standards for performance and reliability. The recent and successful launch of melamine-free Exolit™ AP marks a significant step forward in more sustainable flame-retardant technology. This solution is free of melamine and SVHCs and demonstrates Clariant's commitment to meeting stringent safety and sustainability demands while maintaining superior fire resistance across multiple Passive Fire Protection (PFP) solutions, such as fire stop systems and intumescent coatings, as well as flame-retardant applications like insulation panels. This development responds to the rising demand from health- and sustainability-conscious consumers and brands, including those who are actively seeking safer alternatives to products containing substances of concern.

A strategic joint venture was announced in November 2025 with FUHUA, a renowned leading Chinese enterprise in the integrated chemical manufacturing sector, with a focus on developing innovative nonhalogenated flame retardants. The cooperation aims to create next-generation phosphorus-based flame retardants to serve several industries, including the building and construction industry, the automotive industry, and the electrical and electronics industry, directly addressing the tightening technical and regulatory environment in these sectors. This enables Clariant to continue to drive forward its position as a technology leader in the additives sector.

Clariant also improved its ability to meet the growing demand for high-quality stabilizers. Together with its joint venture partner Beijing Tiangang Auxiliary Co, the company increased the production capacity for its Nylostab™ S-EED™ stabilizer with a second production line in Cangzhou, China. This strategic investment enables Clariant to better serve customers in both the textile and the engineering plastics industries throughout China and the broader Asian market. Furthermore, it opens up further growth in a new application area – artificial turf for sports fields. By enhancing durability and color retention under intensive UV exposure and frequent cleaning schedules, Nylostab™ S-EED™ significantly extends the longevity of polyamide artificial turf installations.

With the introduction of a new AddWorks™ PPA product line, Clariant delivered a new generation of PFAS-free polymer processing aids designed specifically for polyolefin extrusion applications. This addresses the industry's growing need for more sustainable alternatives to conventional fluoropolymer-based processing aids while maintaining strong performance standards.

The new products are readily commercially available, offering manufacturers a timely solution as regulatory restrictions on PFAS substances continue to tighten worldwide, without compromising essential product qualities. The treated plastics maintain their clarity, strength, and surface properties needed for printing, sealing, and handling in packaging applications.

FEATURED STORY



Sticking to a Circular Carpet Future

Every year, about 1.8 million tonnes of carpet waste are generated in the United States alone, and 89% of this waste ends up in landfills. As most carpet materials are not biodegradable, they remain in landfills for the long term.

This waste could be reduced significantly, since most carpet face fibers are technically recyclable. The problem lies underneath: The latex-based carpet backings that have been the standard in carpet production for decades create a complex, inseparable composite once they are combined with pile fibers.

Clariant's Licocene™ polymers offer a solution to this problem. Unlike conventional carpet binders, these innovative polymers enable the creation of fully recyclable carpets by replacing traditional latex backings with hot-melt technology. Licocene™ creates strong bonds between carpet fibers and backing materials while maintaining separation properties that allow for effective recycling. The hot-melt application process has additional sustainability advantages, as it consumes 80% less energy than latex-based methods and generates no wastewater.

The Licocene™ Terra line, which is now available, is produced using mass balance-certified renewable feedstocks. It has a lower CO₂ footprint than conventional Licocene™ grades and is free of palm oil derivatives and animal ingredients. Selected Licocene™ Terra products are certified under OEKO-TEX® ECO PASSPORT.

[Learn more](#)

»We transform industry challenges into opportunities. Our solutions deliver measurable environmental and performance benefits that create lasting value for our customers.«

Angela Cackovich

President Adsorbents & Additives and EMEA
Member of the ESC

Ceridust™ 1310 is an innovative wax solution designed to address the increasing supply chain complexities facing formulators who rely on carnauba wax for printing ink applications. The product demonstrates Clariant's understanding of market challenges and commitment to providing reliable solutions for its customers. While carnauba wax remains a valuable renewable resource, it has seen significant supply and price volatility for formulators due to its supply chain challenges, including harvesting limitations and climate dependencies. With Ceridust™ 1310, Clariant delivered an innovative bio-based, micronized rice bran wax that delivers outstanding performance across a range of high-end applications. As the product is manufactured through controlled industrial processes, it ensures consistent quality that helps formulators avoid the production adjustments often needed with naturally sourced waxes.

In 2025, Clariant also once more participated in the K Show, the leading trade show for plastics and rubber, held every three years. For eight days, all leading industry players gathered in Düsseldorf, Germany. The Clariant team presented its leading Additives solutions for high-voltage e-mobility components, stabilizers, and much more.

Clariant's position as a global leader in halogen-free flame retardant solutions was recognized by Schneider Electric with a 2025 Outstanding Supplier Award at its Global Supplier Day in Copenhagen, Denmark. Notably, Clariant received this recognition despite not being a direct supplier, highlighting the strategic importance of Clariant's innovative flame retardant technologies, particularly Clariant's Exolit™ OP Technology, in Schneider's upstream value chain. The partnership between both companies embodies forward-thinking collaboration across multiple fronts. The companies have jointly focused on transitioning to safer, halogen-free flame retardant systems through the integration of high-circularity and low-toxicity materials, supporting Schneider Electric's environmental goals and strengthening their product stewardship credentials.

Outlook

For the full year 2026, Clariant expects macroeconomic challenges, uncertainties, and risks to remain. Clariant therefore expects sales in local currency to be around flat as the company looks to offset a negative top-line impact for the Group of 1% (2% in Care Chemicals) from its portfolio pruning in the prior year. Slight growth is expected in Care Chemicals (underlying) and Adsorbents & Additives, while sales in Catalysts are expected to be at levels similar to those of 2025.

Clariant expects an EBITDA margin before exceptional items of around 18% in 2026. The CHF 80 million performance improvement program, as announced during the company's Investor Day in November 2024, is expected to deliver most of the remaining cost savings during the year, after CHF 50 million savings were achieved in 2025. Clariant also expects to continue to achieve a free cash flow conversion of around 40% in 2026.

Clariant reiterates its commitment to its medium-term targets, to be achieved by 2027 at the latest: 4–6% local currency sales growth (in a normalized market of 2–4%); 19–21% reported EBITDA margin; and around 40% free cash flow conversion.

The company is well-positioned to deliver these medium-targets, as top-line growth will drive improved operational leverage on the back of the reduced cost base and will be strengthened by margin-enhancing growth from the Innovation Arenas. As outlined above, Clariant will also implement incremental cost measures and productivity improvements.

Sustainability Statement

(part of Management Report)

Between purpose and impact

Our sustainability statement offers a concise overview of how we embed sustainability into our core strategy. It explains which material impacts, risks and opportunities we face in line with the principle of double materiality, and how we address them through our policies, actions, metrics and targets. At the same time, it provides transparency for our stakeholders, demonstrating how our sustainability performance supports long-term value creation and regulatory compliance. The statement is supplemented by disclosures in reference with ESRS, GRI, TCFD, and Art. 964b of the Swiss Code of Obligations.

Purpose

Impact

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ESRS 2 – General Disclosures

Summary of the chapter General Disclosures:

- An overview of Clariant's sustainability management approach, including its policies, actions, and progress toward sustainability goals as it transitions to the new European Sustainability Reporting Standards (ESRS)
- A detailed explanation of the company's double materiality assessment process, which identifies and prioritizes material impacts, risks, and opportunities (IROs) related to sustainability
- Information on Clariant's Portfolio Value Program (PVP), a strategic tool used to systematically evaluate and steer the product portfolio toward increased sustainability
- Insights into how Clariant integrates sustainability into its business strategy, including product innovation, stakeholder engagement, and reporting frameworks

ESRS 2-BP-1 – General Basis of Sustainability Statement

In 2025, Clariant transitioned to a more comprehensive sustainability reporting framework to align with evolving regulatory requirements and stakeholder expectations. In addition to the company's longstanding reporting in reference with the Global Reporting Initiative (GRI) and in reference to the Swiss Code of Obligations, the 2025 report also includes disclosures in reference with the new European Sustainability Reporting Standards (ESRS). The 2025 report continues to reflect a dual approach, where the ESRS framework is applied to cover new and more stringent disclosure requirements while alignment with the GRI and Swiss Code of Obligations reporting requirements is maintained. Two subsidiaries of Clariant are assessed to be within the scope of the Corporate Sustainability Reporting Directive (CSRD) in the coming years. Clariant therefore plans to issue a CSRD-compliant report at the Group level to fulfil the requirements. Where the partial application of these frameworks is relevant in this report, specific references to the applicable sections are provided (see → »ESRS Disclosure Requirement Index«).

This transition allows Clariant to enhance transparency, provide more granular insights into sustainability impacts, and improve the alignment of its reporting with stakeholders' expectations. The chapter titles primarily reflect terminology from the ESRS.

Key Changes and Additions Under Expanded ESRS-Alignment

The ESRS framework requires additional disclosure on several sustainability matters. As Clariant continues to transition toward full ESRS compliance, the company is committed to refining its sustainability reporting process.

Key changes to the previous year's report include:

- **Double materiality:** The double materiality assessment (DMA) was refined in 2025 to further align with the approach specified in the ESRS, which changes the disclosure requirements to be reported.
- **Sharpened focus on value chain:** The ESRS necessitates a more comprehensive analysis of Clariant's value chain, both upstream (suppliers) and downstream (customers and end users). This is reflected in the revised 2025 DMA.

In subsequent reporting periods, the business model and strategy will further align with the evolving expectations of stakeholders and regulators.

Clariant did not omit specific information on the grounds that this information corresponds to intellectual property, know-how, or the results of innovation.

Appendices and Cross-References

For a detailed overview of how Clariant's disclosures map to the respective standards (ESRS, GRI, Swiss Code of Obligations), please refer to the → disclosure indices (ESRS, GRI, Swiss Code of Obligation, UNGC).

Scope of Consolidation

The sustainability statement has been prepared on a consolidated basis, covering all subsidiaries and entities within the reporting boundary. When deviating from this boundary, this is indicated along the respective data. This approach provides a comprehensive view of the company's sustainability efforts across the entire group, including all subsidiaries and associated entities. The scope of consolidation for the sustainability statement aligns with the company's financial statements, ensuring consistency across financial and sustainability disclosures. Please refer to the Notes to the Consolidated Financial Statements for the list of → Significant Subsidiaries.

Value Chain Consideration

✓ Clariant's sustainability statement incorporates both upstream and downstream value chain impacts, risks, and opportunities. They have been assessed through the double materiality assessment (DMA) process. The DMA methodology and its outcomes are explained in this chapter.

ESRS 2-BP-2 – Background Information

For the purposes of reporting, Clariant adheres to the ESRS 1 time horizons, which are as follows:

- Short term: The year 2025
- Medium term: The period from 2026 to 2030
- Long term: Starting from 2031

In instances where Clariant deviates from these ESRS 1 time horizons, definitions of and reasons for applying alternative time horizons are provided.

Clariant has utilized sector-average data and other proxies for key performance indicators related to Scope 3 emissions, where upstream and/or downstream value chain data was estimated through the use of indirect sources. (See the → »Climate Change« chapter.) The rationale for the selection and the basis for the preparation of the sector-average data or other proxies are provided in the corresponding chapter. The level of accuracy of each of the metrics from indirect sources is also provided in the respective chapters. In instances where Clariant relied on proxies and plans to enhance data accuracy by transitioning from indirect to direct data sources, those plans are outlined. Indirect data sources were used for the Scope 3 categories 3.1, 3.3, 3.4 and 3.9.

In addition, Clariant identified the following specific quantitative metrics, which contain a high level of measurement uncertainty:

- percentage of biological materials
- number of active innovation projects

Further details on these sources of uncertainty are provided in the respective chapters. Clariant has provided details on the key assumptions, approximations, and judgments used in the measurements of each identified quantitative metric and monetary amount. These considerations are outlined in the relevant sections of the report to ensure transparency in how the data was calculated.

Clariant has identified the following material errors from prior reporting periods:

The first relates to the number of significant spills in 2024, which was previously reported as 11 cases but has been corrected to 10 cases. The overstatement resulted from a data interpretation error, whereby an aggregated row summing the severity scores was inadvertently read as an individual event during data consolida-

tion, leading to the reporting of one additional case. As a result, the correct number of significant spill cases in 2024 is 10. The second relates to Scope 3 emissions. For Scope 3.3, a methodological error was identified and corrected, and prior year figures were recalculated to ensure consistency and comparability. For Scope 3.12, a refinement of the calculation methodology resulted in significant changes to previously reported figures; prior year data has been updated accordingly. All corrections have been reflected in the comparative information presented in this sustainability statement.

Clariant will review and refine the baseline of its sustainability targets if changes such as acquisitions, divestments, or methodology changes contribute to a difference of +/-5% of the total compared to the previous reporting period. A standard operating procedure (SOP) on sustainability target review describes the process in detail. In 2025, there were no such changes.

This sustainability statement contains disclosures stemming from the application of the ESRS framework, the Swiss Code of Obligations (Article 964a), and the Task Force on Climate-related Financial Disclosures (TCFD), as well as from the partial application of the Global Reporting Initiative (GRI) framework. A detailed overview of all disclosures is provided in the respective indices. The disclosures listed in the GRI index identify information included in this sustainability statement in addition to the information prescribed by the ESRS. Information incorporated by reference to content outside this sustainability statement is clearly identified and specifies the relevant section of the Integrated Report where the information can be found. The following disclosure requirements partially refer to sections outside the sustainability statement:

- ESRS 2-BP-1.5 (list of important subsidiaries) disclosed in → **Notes to the Consolidated Financial Statements**
- ESRS 2-GOV-1.21, 1.23; G1-5 (information on administrative, management, and supervisory bodies) disclosed in Corporate Governance Report
- ESRS 2-SBM-1.40 (information on general strategy and sustainability strategy) disclosed in chapters Foundations of the Business, A Purpose-Led Strategy, and Management Discussion of the Management Report
- ESRS 2-SBM-1.40 (information on financial performance of business segments) disclosed in Financial Report
- ESRS 2-SBM-3.48 (quantitative information on resilience of strategy and business model) disclosed in chapter Financial and Non-Financial Targets of the Management Report

ESRS 2-GOV-1, GOV-2, and GOV-3 – Role of Administrative, Management, and Supervisory Bodies

The Board of Directors includes eleven nonexecutive members. The Executive Steering Committee (ESC) includes five executive members: the CEO, the CFO, and three Business Presidents. They are supported by the General Counsel, the CHRO, and the CSTO. Together, they all form the Executive Leadership Team (ELT). The ESC and the Board of Directors constitute Clariant's administrative, management, and supervisory bodies. More information on Clariant's administrative, management, and supervisory bodies as well as on its members' various expertise and qualifications can be found in the → »Corporate Governance Report,« which includes detailed biographic information and a competence matrix of the Board of Directors.

The company recognizes the importance of diverse perspectives. It has representation of employees or other workers on its administrative and management bodies in Switzerland. In some Clariant legal entities, as in the German legal entities of Clariant, employees have representation in their management and supervisory bodies. For details on the composition of the administrative, management, and supervisory bodies, please read the → »Group Management« chapter of the Corporate Governance Report.

Clariant's Board of Directors and Group Management is composed of members with extensive experience across key sectors, products, and geographic regions relevant to the company's global operations. This diverse expertise ensures effective leadership and strategic decision-making consistent with Clariant's business objectives. The members of the BoD are experienced in sustainability matters through their role in the specific BoD-led committees, such as the ISC. Clariant's BoD is composed of 100% independent members, ensuring strong governance and impartial oversight. Detailed information on BoD composition, including gender and the specific experience of each member and their independence, is available in the → »Corporate Governance Report.« Information on the role of the ESC and the BoD related to business conduct and their expertise on business conduct matters is provided in chapter → »G1 – Business Conduct.«

SUPERVISORY BODIES

	2025	2024
Composition of members of administrative, management, and supervisory bodies		
Number of executive members of administrative and management body (ESC)	5	5
Number of nonexecutive members of administrative and management body (ESC)	0	0
Number of executive members of supervisory body (Board)	0	0
Number of nonexecutive members of supervisory body (Board)	11	11
Percentage of members of administrative, management, and supervisory bodies by gender¹		
Female (ESC)	20	20
Male (ESC)	80	80
Female (Board)	27	27
Male (Board)	73	73
Not reported (Board) ²	0	0
Percentage of independent board members	100	100
Percentage of variable remuneration dependent on sustainability-related targets and (or) impacts	20	30

¹ Average ratio of female to male: ESC 1:4 and Board 1:3.7

² »Not reported« includes employees who identify outside the binary gender categories, as well as those who have selected »unreported« or »unknown« in our HR system if they prefer not to disclose their gender. Gender data can be updated by both HR and the employee.

✓ Management's Role and Responsibility for Impacts, Risks, and Opportunities (IROs)

The Executive Leadership Team (ELT) leads the oversight of the IROs through the Strategic Management Process (SMP). Additionally, the risks are increasingly integrated within the Enterprise Risk Management (ERM) framework. The ELT presents and discusses the SMP with the Board of Directors (BoD) for further guidance. I

Key aspects of how the ELT, in collaboration with the BoD, manages the IROs:

- **Tracking:** Specific monitoring of environmental and social impacts and targets.
- **Evaluation:** Annual SMP and ERM processes assess risks and opportunities.
- **Delegation:** Ongoing management of IROs is assigned to respective business functions.
- **Reporting:** ELT and ESC members report directly to the BoD, ensuring effective communication of strategic decisions.
- **Controls:** The Global Function Sustainability Affairs manages and consolidates IROs, with the Chief Strategy & Technology Officer (CSTO) holding ultimate responsibility. The CSTO reports to the ESC and the Innovation and Sustainability Committee (ISC) as well as the BoD.
- **Target setting and monitoring:** The ELT collaboratively establishes targets related to material IROs, which are then approved by the BoD. Regular progress updates are provided during BoD meetings, ensuring alignment with strategic objectives.

The ISC charter describes the overall responsibilities of the Board Committee, which include the management of the impacts, risks, and opportunities. Further details can be found in the »Corporate Governance Report.« Continuous engagement aligns sustainability issues with company metrics, targets, and processes. External experts provide additional insights and training when needed. The CEO receives targeted briefings on regulatory landscape, risks, and opportunities, as well as ESG-related issues, from the Head of Government Affairs. Material sustainability topics (IROs) are regularly reviewed and integrated into Clariant's overall strategy. This structure ensures comprehensive oversight and effective management of sustainability matters across Clariant's operations.

Information Provided to and Sustainability Matters Addressed by Management

The administrative, management, and supervisory bodies, including relevant committees, are informed about material impacts, risks, and opportunities (IROs) regularly through multiple channels:

Regular updates:

- The Project Lead of the Integrated Report updates the Executive Leadership Team (ELT) and Board of Directors (BoD) twice in each annual reporting cycle.
- The Chief Strategy & Technology Officer (CSTO) provides in-depth explanations on specific sustainability issues, updating the ISC on specific topics six times per year.
- All IRO-related policies are reviewed and approved by an ELT member or Group Function Head before implementation.

Strategic integration:

- The Board actively considers IROs during the annual Strategic Management Process (SMP).
- Material IROs are integrated into project selection and business opportunity evaluations. This process allows for the identification of trade-offs and resource planning.

Comprehensive review:

- The BoD and relevant committees address all material IROs annually.
- Every material IRO is reviewed by the ELT and BoD as part of the Integrated Report preparation.

The continuous monitoring and consideration of all significant IROs in strategic decision-making ensure that Clariant's administrative, management, and supervisory bodies are well-informed about material IROs, enabling effective oversight and alignment with sustainability objectives.

Integration of Sustainability-related Performance in Incentive Schemes

Success in achieving the sustainability targets is rewarded by short- and long-term bonus scheme incentives set by the BoD. Scope 1 & 2 emission reduction and eNPS (employee Net Promoter Score) have been key performance indicators (KPIs) in the long-

term incentive plan for top management. Scope 3 and DART rate (Days Away from Work, Restricted, or Transferred) have been part of the short-term incentive plan. Since 2024, site-specific sustainability targets have started to be rolled out for most employees directly involved in the production processes as part of Clariant's site bonus plans.

The Executive Leadership Team (ELT) and Management Levels 1-4 are incentivized via the Clariant Long-Term Incentive Plan (CLIP) for Scope 1 & 2 and eNPS with a weighting of 17 % each. The target is set for a three-year period.

All management employees are incentivized annually for Scope 3 short-term target achievement with a weighting of 10 % and for the DART rate (Days Away from Work, Restricted, or Transferred) with a weighting of 10 %. Employees in Production, Maintenance, Warehouse, and Quality are incentivized via the site bonus plan, where environmental targets are weighted individually from 10–30 %. Please find more details in the → »Compensation Report.«

ESRS 2-GOV-4 – Statement on Due Diligence

The following list provides an overview of information on due diligence provided in this sustainability statement:

Core Elements of Due Diligence (acc. ESRS 1 §61)

a) Embedding due diligence in governance strategy and business model

- ESRS 2 – General Disclosures – ESRS 2-GOV-1, GOV-2, and GOV-3 – Role of Administrative, Management, and Supervisory Bodies
- ESRS 2 – General Disclosures – SBM-3 – Material Impacts, Risks, and Opportunities (IROs) and Their Interaction with Strategy and Business Model
- E1 – Climate Change – E1-2 – Policies
- E2 – Pollution – E2-1 – Policies
- E3 – Water – E3-1 – Policies
- E4 – Biodiversity and Bio-Based Economy – E4-2 – Policies Related to Biodiversity
- E5 – Circular Economy – E5-1 – Policies Related to Circular Economy
- S1 – Own Workforce – S1-SBM-3 – Material IROs and their Interaction with Strategy and Business Model
- S1 – Health and Safety – S1-1 – Policies
- S1 – DE&I – S1-1 Policies
- S1 – Human Rights – S1-1 – Policies
- S2 – Workers in the Value Chain – S2-1 – Policies
- G1 – Business Conduct – IRO-1 – Description of the Processes to Identify and Assess Material Business Conduct-related Impacts, Risks, and Opportunities
- G1 – Business Conduct – G1-1 – Policies

b) Engaging with Affected Stakeholders in All Key Steps of Due Diligence

- ESRS 2 – General Disclosures – SBM-2 – Interests and Views of Stakeholders
- ESRS 2 – General Disclosures – IRO-1 – Description of Process to Identify Material IROs
- E1 – Climate Change – E1-3 – Actions
- E3 – Water – E3-2 – Actions and Resources Related to Water
- E4 – Biodiversity and Bio-Based Economy – E4-2 – Policies Related to Biodiversity
- E4 – Biodiversity and Bio-Based Economy – E4-3 – Actions
- E5 – Circular Economy – IRO-1 – Description of IROs
- E5 – Circular Economy – E5-2 – Actions
- S1 – Human Rights – S1-2 – Processes for Engaging with Own Workers and Workers' Representatives about Impacts
- S1 – DE&I – S1-2 – Processes for Engaging with Own Workers and Workers' Representatives About Impacts
- S2 – Workers in the Value Chain – S2-1 – Policies
- S2 – Workers in the Value Chain – S2-2 – Processes for Engaging with Value Chain Workers About Impacts
- S2 – Workers in the Value Chain – S2-3 – Processes to Remediate Negative Impacts, and Channels for Value Chain Workers to Raise Concerns
- G1 – Business Conduct – G1-1 – Policies
- G1 – Governance – G1-3 – Focus Areas

c) Identifying and assessing adverse impacts

- ESRS 2 – General Disclosures – IRO-1 – Description of Process to Identify Material IROs
- ESRS 2 – General Disclosures – SBM-3 – Material Impacts, Risks, and Opportunities (IROs) and Their Interaction with Strategy and Business Model
- E1 – Climate Change – IRO-1 – Impacts, Risks, and Opportunities
- E2 – Pollution – IRO-1 – Description of Process to Identify IROs
- E3 – Water – IRO-1 – Description of Process to Identify IROs
- E4 – Biodiversity and Bio-Based Economy – IRO-1 – Description of Process to Identify IROs
- E5 – Circular Economy – IRO-1 – Description of IROs
- S1 – Human Rights – S1-1 – Policies
- S1 – DE&I – S1-3 – Processes to Remediate Negative Impacts, and Channels for Own Workers to Raise Concerns
- S2 – Workers in the Value Chain – S2-3 – Processes to Remediate Negative Impacts, and Channels for Value Chain Workers to Raise Concerns
- G1 – Business Conduct – G1-1 – Policies

d) Taking actions to address those adverse impacts

- ESRS 2 – General Disclosures – IRO-1 – Description of Process to Identify Material IROs
- E1 – Climate Change – E1-1 – Transition Plan and Other Climate Policies
- E2 – Pollution – E2-2 – Actions and Resources Related to Pollution of Water
- E3 – Water – E3-2 – Actions and Resources Related to Water
- E4 – Biodiversity and Bio-Based Economy – E4-2 – Policies Related to Biodiversity
- E4 – Biodiversity and Bio-Based Economy – E4-3 – Actions
- E5 – Circular Economy – E5-2 – Actions
- S1 – Health and Safety – S1-3 Processes to Remediate Negative Impacts, and Channels for Own Workers to Raise Concern
- S1 – Health and Safety – S1-4 Taking Action on Material Impacts on Own Workforce, and Approaches to Mitigating Material Risks and Pursuing Material Opportunities Related to Own Workforce, and Effectiveness of Those Actions
- S1 – Human Rights – S1-1 – Policies
- S1 – Human Rights – S1-4 – Taking Action on Material Impacts on Own Workforce, and Approaches to Mitigating Material Risks and Pursuing Material Opportunities Related to Own Workforce, and Effectiveness of Those Actions
- S1 – Diversity – S1-4 – Taking Action on Material Impacts on Own Workforce, and Approaches to Mitigating Material Risks and Pursuing Material Opportunities Related to Own Workforce, and Effectiveness of Those Actions
- S2 – Workers in the Value Chain – S2-3 – Processes to Remediate Negative Impacts, and Channels for Value Chain Workers to Raise Concerns
- G1 – Business Conduct – G1-1 – Policies

e) Tracking the effectiveness of those efforts and communicating

- E1 – Climate Change – E1-3 – Actions
- E2 – Pollution – E2-3 – Targets related to pollution of water,
- E2 – Pollution – E2-4 – Measuring Pollution of Water
- E3 – Water – IRO-1 – Description of Process to Identify IROs
- E4 – Biodiversity and Bio-Based Economy – IRO-1 – Description of Process to Identify IROs
- E4 – Biodiversity and Bio-Based Economy – E4-4 – Metrics and Targets
- E5 – Circular Economy – E5-4 – Resource Inflows
- S1 – Health and Safety – S1-5 – Targets Related to Managing Material Negative Impacts, Advancing Positive Impacts, and Managing Material Risks and Opportunities
- S1 – Human Rights – S1-1 – Policies
- S1 – Diversity – S1-5 – Targets Related to Managing Material Negative Impacts, Advancing Positive Impacts, and Managing Material Risks and Opportunities
- S2 – Workers in the Value Chain – S2-3 – Processes to Remediate Negative Impacts, and Channels for Value Chain Workers to Raise Concerns
- G1 – Business Conduct – G1-3 – Focus Areas
- G1 – Business Conduct – G1-4 – Incidents of corruption or bribery

ESRS 2-GOV-5 – Risk Management and Internal Controls over Sustainability Reporting

Clariant has identified several key risks related to sustainability reporting. They include:

- Misstatement risk
- Incorrect data risk
- Subjective claims risk

The mitigation strategies and controls to manage the identified risks related to sustainability reporting encompass several key components:

- **Highest responsibility:** The CSTO holds the ultimate responsibility for overseeing the sustainability reporting process, ensuring accountability and strategic alignment.
- **Standard operating procedures (SOPs):** Clariant has established an overarching process instruction on sustainability reporting, outlining clear governance, procedures, and methodologies. The specifics of the procedures are detailed in established SOPs for each material topic, outlining clear procedures and methodologies for data collection, analysis, and reporting.
- **Four-eyes principle:** To enhance accuracy and transparency, the four-eyes principle is applied, requiring that all significant data, reports, and risk assessments are reviewed by multiple individuals before finalization. This ensures thorough review processes and supports the accurate identification of potential risks.
- **Data automation:** Specific software is increasingly utilized to automate data collection and processing, minimizing manual errors and ensuring efficiency in the reporting process.

These features collectively contribute to a robust framework for managing risks and maintaining internal controls related to sustainability reporting. To further strengthen the internal control process, the implementation of a risk-control matrix (RCM) for ESG reporting purposes is being assessed. Also, Clariant employs a comprehensive risk assessment approach that incorporates several key elements:

- **Proofreading and review:** The risk assessment results are subject to proofreading by various internal stakeholders, including the Executive Leadership Team (ELT), and external consultants, such as Kirchhoff Consult. This annual multilayered review process enhances the reliability of the risk assessment and ensures that significant risks are appropriately prioritized.
- **External assurance:** Selected material quantitative metrics and qualitative statements undergo external limited assurance to mitigate potential risks from inaccuracies or misrepresentations. Clariant integrates feedback received from the assurance process into its reporting processes.

ESRS 2-SBM-1 – Strategy, Business Model, and Value Chain

Clariant's purpose-led strategy incorporates several key elements that directly address sustainability matters. For detailed information on our Sustainability Strategy, including upcoming challenges such as geopolitical risks and climate-related impacts and the critical solutions we plan to implement, please refer to the → »A Purpose-Led Strategy« and → »Management Discussion« chapters. The → »A Purpose-Led Strategy« chapter also outlines Clariant's approach to managing sustainability risks and advancing sustainability goals through specific projects and initiatives.

Clariant's overall management approach to sustainability can be categorized into three aspects: performance, planet, and people.

✓ | Management Approach – Performance

Although business growth and profitability are a shared responsibility between all management functions, Clariant's Board of Directors (BoD) defines the Group's overall direction. It has delegated the executive management of this strategy to the Executive Steering Committee (ESC), which is responsible for implementing, monitoring, and improving the financial and operational management strategy. Read more in → »Executive Steering Committee and Executive Leadership Team.« Clariant's Strategic Management Process (SMP) ensures that each business unit executes the corporate strategy.

Clariant has made it a priority to set and refine its strategic approach to sustainability in driving sustainability along the life cycle from operations to portfolio. (Read more in → »A Purpose-Led Strategy.«) The Group's efforts center around the ambition to be safe and sustainable in everything Clariant does. This comprises the target of zero accidents and the development of a safe and sustainable product portfolio. Based on this foundation, there are three key priorities in operations: drive climate actions, reduce impact on nature and resources, and create social value. Clariant's material topics (read more in → »Double Materiality Assessment«) correspond to these priorities. The opportunities for Clariant's growth through sustainability-driven innovations centers around the three Innovation Arenas: Energy Transition, Circularity and Health, and Sustainability-conscious Consumers and Brands. These sustainability-related goals apply across all significant groups of products and services, customer categories, geographical areas, and relationships with stakeholders of Clariant.

Management Approach – Planet

The Board of Directors (BoD) has overall accountability for Clariant's environmental, social, and governance priorities.

The Innovation and Sustainability Committee (ISC), a BoD committee tasked with the oversight of innovation and sustainability matters, sets sustainability and innovation objectives and strategies, with a focus on sustainability-related priorities in environment and safety, including climate, forest, water, and biodiversity portfolio implications as well as the related risk and impact management. The ISC monitors the progress on sustainability

KPIs, including Scope 1, 2, and 3 emission reductions and the corresponding roadmaps, as well as progress on occupational health and safety. The chair of the ISC must be a member of the BoD. The ISC is composed of four members of the BoD. The Chief Executive Officer (CEO) and the Chief Strategy & Technology Officer (CSTO) are permanent guests. The direct responsibility for the implementation of the strategy lies with the CEO.

The innovation and sustainability KPIs and progress of material topics within the dimension »planet« are reviewed quarterly in the Innovation and Sustainability Meeting (ISM), comprising the CSTO; the innovation and operation heads of the business units (BUs); key global functions, like Sustainability Affairs, Environmental Safety & Health Affairs (ESHA) and Product Stewardship; in addition to the CEO and the BoD delegate of the ISC as permanent guests. Material proposals and conclusions from the ISM are discussed in the ELT and, if they are of strategic relevance, they are brought to ISC and the Board of Directors.

To ensure the implementation and execution of the innovation and sustainability strategies, the Chief Strategy & Technology Officer is supported by the Global Functions Global Sustainability Affairs; Global Environmental Safety and Health Affairs (ESHA) and Integrated Group System Management (IGSM); Global Product Stewardship; Strategy and Innovation Systems; and Engineering & Process Technology (EPT); as well as the Head of Government Affairs & Advocacy. He is responsible for Group-wide innovation and sustainability policies, processes, tools and reporting, regulatory compliance, strategies, and standards, and coordinates their implementation.

The innovation heads of the business units have a dotted line to the CSTO, facilitating the implementation of company-wide policies, systems, and processes, such as the rollout of a company-wide ELN system, the training of Innovation Green Belts, and the harmonization of a company-wide innovation process. Clariant regularly reviews its innovation approach as part of its Strategic Management Process (SMP). [I](#)

Sustainability Affairs (SA) empowers Clariant to lead in sustainability by setting the global sustainability strategy while defining policies, establishing clear governance, setting targets, providing the required tools and thought leadership, and aligning the individual business roadmaps with the strategy. Sustainability is additionally embedded into the existing management and governance structures as well as into the core processes of the company. Additionally, SA ensures transparent ESG reporting.

[I](#) Specialized ESHA teams set the standards for environmental protection and resources. They ensure via audits that the executing business units and country organizations who have full operational responsibility adhere to them.

The Global Function Product Stewardship is responsible for all relevant regulatory aspects of the company's portfolio throughout product life cycles. In addition, local and regional teams play an integral role by supporting business and external customer communication in all regulatory issues regarding the management of chemicals. [I](#)

Group Strategy and Innovation Systems defines and steers Clariant's corporate strategy, including sustainability-driven innovation portfolio transformation also leveraging public funding opportunities. The group establishes strategic management systems and performance review frameworks that provide critical input for strategic direction and decision-making across the organization. By implementing scientific information management systems with AI integration and designing strategic roadmapping processes, the team drives sustainable innovation at a global scale.

Management Approach – People

The progress of the material topic Diversity, Equity, and Inclusion (DE&I) within the dimension »people« is steered by the DE&I Steering Team, which is chaired by the Chief Executive Officer and the Chief Human Resources Officer, and comprises six additional senior leaders. The purpose of the DE&I Steering Team is to set the direction of DE&I and monitor progress and outcomes yearly. In addition to the global goals, each business unit and global function is establishing specific action plans and will review achievements twice a year. → [Read more in »Diversity, Equity, and Inclusion.«](#) To foster an inclusive workplace, Clariant is supporting Employee Resource Groups (ERGs), which are sponsored by members of the Executive Leadership Team.

Business ethics has been anchored in the value »Act with integrity.« Clariant's business units are responsible for managing business ethics and compliance in their daily operations. Group Compliance supports the business units in adhering to Clariant's ethical standards by providing the Ethics and Integrity Framework, communication, tools, training, and advice. The oversight of the topic is within the quarterly Ethics and Risk Management Committee, which consists of the CEO as its Chair, as well as the CFO, the General Counsel, the Chief Human Resources Officer (CHRO), the Chief Strategy and Technology Officer, the Head of Compliance as its secretary, and the Head of Internal Audit as a standing guest. → [Read more in »Business Conduct.«](#)

The Group Function Sustainability Affairs, together with Group Compliance, reports on human rights measures and KPIs to the Ethics and Risks Management Committee. (→ [Read more in »Human Rights.«](#))

Sustainability Management at Clariant: Policies

Central to Clariant's sustainability management are its policies, defined as a set or framework of general objectives and management principles that Clariant uses for decision-making. A policy implements Clariant's strategy or management bylaws related to a material sustainability matter. Each policy has clearly defined responsibilities, perimeters of application, and objectives – linked, when applicable, to measurable targets.



Clariant's policy-setting process considers the interests of key stakeholders, including customers, employees, regulators, and the broader community. Clariant makes its policies accessible to all relevant internal stakeholders through internal communication channels and makes them available to all relevant external stakeholders by either providing them upon request or online. This approach guarantees that both those potentially affected by the policies and those responsible for their implementation have full access to the necessary information, supporting organization-wide understanding and adherence to these important guidelines. The policy table at the end of this chapter provides an overview of all official policies relevant to Clariant's material IROs:

Business Model and Value Chain

Clariant operates a B2B business model focused on the production and sale of specialty chemical products. Centrally positioned in the value chain, with upstream and downstream channels on either side of its own operations, Clariant serves various industries, including industrial sectors, consumer markets, and other manufacturers. The company's key raw materials include ethylene, propylene, ethylene oxide (EO), propylene oxide (PO), and a range of bio-based specialty chemicals, which are essential inputs for its product offerings across multiple value chains. (Read more in → **»Foundations of the Business.«**) Clariant's quarterly performance management process ensures that, for all inputs, a critical review regarding availability, relevance, and integration in the business strategy and its execution is conducted. The same process ensures that, for all outputs, a critical review regarding benefits and progress in line with the business strategy is conducted.

During the reporting period, Clariant continued to optimize its product portfolio to align with its Sustainability Strategy: In 2025, Clariant introduced new product lines focused on sustainable solutions. For example, Clariant launched innovative PFAS-free polymer processing aids for more sustainable polyolefin extrusion. Clariant also worked with Technip Energies to introduce new catalysts for unprecedented low steam-to-oil ratios in styrene production, significantly reducing steam consumption while maintaining optimal production rates. At the same time, Clariant discontinued certain products that no longer aligned with its sustainability goals or had lower environmental performance, ensuring that the portfolio remains consistent with the company's long-term strategy. These changes reflect Clariant's ongoing commitment to sustainability and innovation in its product offerings. Clariant operates in the Americas, APAC, and EMEA. The total number of Clariant employees by geographical area is disclosed in chapter → **»S1 – Own Workforce«**. For more details on Clariant's significant products, services, markets, and consumer groups, as well as any changes to them, see the → **»Foundations of the Business«** chapter.

STRATEGY

	2025	2024
Total number of employees (head count) ¹	10 449	10 846
Total revenue (m CHF)	3 915	4 152

¹ Full-Time Equivalent (FTE) counts employees on paid or unpaid leave as 0 FTE, while active employees are counted at their relative FTE value (e.g., 0.5 for part-time, 1.0 for full-time). Headcount counts each employee with 'Active', 'Paid Leave', or 'Unpaid Leave' status as 1 headcount. For Integrated Reporting, employees with 'Active' status only are considered for headcount.

As an international chemical company, Clariant is operating in markets and countries with different chemical regulations. Clariant is closely monitoring emerging regulations and uses Marketing Restriction Sentinels to ensure that the product and service offerings remain compliant with local regulations. This applies, for example, to biocides, for which EU regulations are more restrictive compared to other regions in which Clariant operates. Clariant follows its global policies on sustainability and human rights and the Code of Ethics.

Sector-based Revenue

The entire business of Clariant falls under the ESRS sector classification »Chemicals« as defined by the draft European Sustainability Reporting Standard SEC1 from March 2023. This alignment allows for consistent reporting across sustainability and financial frameworks. In terms of segment reporting under IFRS 8, Clariant's revenue is broken down into three key business units, which represent the company's reportable segments: Care Chemicals, Catalysts, and Adsorbents & Additives. For a detailed reconciliation of revenue by segment in accordance with IFRS 8, please refer to the → **Segments section of the »Financial Report.«**

Clariant's core activities are primarily focused on chemical production, which falls under Division 20.2 of Annex I to Regulation (EC) No. 1893/2006. The related revenues from these activities form a significant portion of Clariant's overall business. For more details on the financial performance of this segment, please refer to the revenue breakdown provided and the → **segments table in the »Financial Report.«**

Growing Demand for Sustainability Products and Solution

Consumer and customer demand for sustainable products remained high in 2025. In response to this development, Clariant continuously brings forward sustainable solutions that do not compromise on performance or on the company's commitment to fulfilling other customer needs. Read more in chapter → **»ES – Sustainable Innovation.«**

PVP CATEGORIZES THE CLARIANT PORTFOLIO IN FOUR CATEGORIES

	SUSTAINABLE	TRANSITIONAL	NON-SUSTAINABLE
Frontrunners of the market segment standing out for their sustainability excellence performance	Products with a positive sustainability contribution	Products with material sustainability risks without more sustainable viable alternatives; have active R&D projects to achieve sustainable solutions	Products with material sustainability risks with more sustainable viable alternatives in the market, require phase-out within five years

Product Sustainability Goals and Strategy

Clariant applies its Portfolio Value Program (PVP) to assess and categorize the sustainability performance of its product and project portfolio. Products identified as non-sustainable through this process are slated for phaseout within the next five years. This process is applied universally across all regions and applications, ensuring alignment with Clariant's sustainability objectives and long-term strategy. Clariant's sustainability-related goals are closely aligned with PVP's material topics, and significant products, services, markets, and customer groups are evaluated as part of the PVP assessment.

Portfolio Value Program (PVP)

Since 2012, Clariant's PVP has served as the strategic tool for evaluating and steering the portfolio toward increased sustainability. PVP is applicable to strategically relevant portfolios and the project pipeline, and plays a pivotal role in:

- Providing Clariant with insights by offering a comprehensive understanding of sustainability drivers while also identifying and addressing sustainability challenges and improvement opportunities within the existing and upcoming portfolio.
- Enabling a proactive early warning system that identifies solutions potentially vulnerable to regulatory impacts and negative market perceptions. For products identified as having material sustainability concerns, mitigation options or plans must be developed. This reflects our commitment to responsible business practices.
- Establishing a robust foundation of sustainability evidence, anchored in reliable criteria. This foundation facilitates collaborative engagement with key stakeholders and ensures a transparent and credible approach to sustainable solutions. It underscores Clariant's dedication to delivering and communicating sustainable practices with integrity and accountability.

The product and project portfolios are continuously assessed according to PVP requirements. The PVP screening methodology employs a two-sided assessment approach, which compares each product against the market average and holistically evaluates each product across 39 criteria. This approach establishes a »checks and balances« system that ensures a balanced assessment between market-based performance and absolute bene-

fit-risk, reducing the risk of misleading results. Aligned with both present and future sustainability requirements, the PVP criteria mirror Clariant's 1+5 priorities, ensuring a robust evaluation that covers a cradle-to-grave thinking.

As part of PVP, Clariant categorizes the portfolio into four segments, taking sustainability-related aspects into account: EcoTain, Sustainable, Transitional, and Non-Sustainable. A full description of the PVP methodology and how it is applied, including the definition of the relevant portfolio, can be found in the PVP Guide, available at → »Portfolio Value Program (PVP) website«.

In 2025, Clariant received the ACC Sustainability Leadership Award for its PVP activities. This second prestigious honor underscores the tool's ongoing importance in Clariant's proactive approach to sustainable product management and innovation prioritization.

PVP is aligned with the latest version of the sectoral Portfolio Sustainability Assessment (PSA 2.0) framework of the World Business Council for Sustainable Development (WBCSD), as reviewed by the Environmental Resources Management (ERM) consultancy: »the PVP reflects the comprehensive scope of PSA 2.0, while adapting the methodology for enhanced sustainability assessment and decision-making. Although the systems use different terminology, they share common objectives in advancing portfolio sustainability transitions.«

In alignment with the voluntary ambitions of the International Council of Chemical Associations (ICCA)¹ to »guide product portfolios toward more sustainable solutions,« Clariant has, since 2023, supported the shaping and execution of WBCSD initiatives aiming to develop a sector-agnostic standardized methodology to assess sustainability risks and opportunities and steer the product/service portfolio toward sustainable solutions along the value chain and across sectors.

¹ At its fifth session, the International Conference on Chemicals Management (ICCM5) adopted the Global Framework on Chemicals to guide stakeholders in achieving the sound management of chemicals and waste. To demonstrate industry's commitment to this framework, the ICCA released three high-level ambitions in the fall of 2024: (1) By 2030, we have provided access to available data on the safety and sustainability of our products. (2) By 2030, we have supported 30 countries in their implementation of effective chemical management systems. (3) By 2030, we will guide product portfolios, including processes, toward sustainable solutions.

KEY AREAS COVERED BY PVP'S 39 CRITERIA

Raw Materials	Own Production	Use Phase	End of Life
GHG and water footprint	GHG emissions and water consumption	GHG and other emissions and water consumption	Biodegradability and compostability
Chemical hazard profile	Chemical hazard profile and hazardous waste	Levels of solvents and VOCs	End-of-life evaluation, whether supports reuse or recycling of articles
Use of renewable raw materials, and if food-competing, certified, or genetically modified	Use of recycled material and recycling of side products	Supporting transition to bio-economy	Partnerships and collaboration along the value chain: EU Taxonomy
Impact on biodiversity; sustainable sourcing; traceability; and scarcity	Waste generation	Supporting customers to use fewer resources, shift to a circular economy, and use circular packaging	
	Material efficiency	Third certification of product; overall sustainability benefit to customers	
		Waste and wastewater generation	
		Material efficiency and additional performance features	

In 2025, the key achievements of PVP were:

- Screening of 77% of sales achieved in 2025, reflecting expanded and more robust screening coverage following a refined assessment scope
- Achievement of targets (for more details refer to the chapter → »Substances of Very High Concern«):
- An annual review and risk control for 100% of transitional sales across all phases of the product life cycle
- A defined phaseout roadmap (roadmap identifying non-sustainable products, possible substitutes, and phaseout plans) for 100 % of non-sustainable sales

Regular training on PVP internally as well as with external audiences ensures the level of understanding required. Internal training covered the onboarding of new colleagues, department-specific training, and an introduction to the Clariant Innovation Green Belt Training. External training has been customer-specific, as well as in specific forums to foster discussion and transparency on the topic.

SUSTAINABILITY PORTFOLIO CLASSIFICATION

	Total 2025	2024 ³
Product portfolio screened for sustainability performance via PVP (% of eligible sales) ¹	77.0	71.1
Screened products meeting internal sustainability definition, EcoTain™ + Sustainable (sales %) ²	88.3	84.8
Screened products in Transitional classification (sales %) ²	7.5	6.2
Screened products in Non-Sustainable classification (sales %) ²	4.2	9.0

¹ »Eligible sales« are defined as total sales, excluding products that are out of scope for PVP and therefore do not count toward the target (e.g., internal transfers, non-product-allocable sales, pilot production, service sales, non-consolidated joint ventures, and (after risk assessment) raw materials without value-add and by-products/waste sold externally).

² Disregards »not screened« products

³ 2024 KPIs updated following refined assessment scope

Clariant Designators

Clariant's product sustainability designators help orient customers and value chains to the sustainability benefits of our products and solutions. They can be found across Clariant's sustainable product portfolio and target market and customer needs. In addition to meeting minimum market expectations on sustainability, products and solutions distinguished with sustainability designators deliver confirmed contributions in some particularly important sustainability areas, such as renewable resource-based ingredients, plastics recycling, and circularity.

Terra: Found on products and solutions with significant content based on renewable resources, featuring biomass-balance certification or real renewable content of at least 50 % RCI (Renewable Carbon Index)

Vita: Found on products and solutions based on renewable resources, with real renewable content of at least 98% RCI (Renewable Carbon Index); a biomass-balance approach is not allowed

Circle: Found on products with the primary purpose of supporting the reduction, reuse, or recycling of plastic products, demonstrating a beneficial and validated performance above the market standard

FEATURED STORY



Five decades of fire protection

For half a century, Clariant's Exolit™ AP flame retardants have been essential for protecting lives and property across various applications, mainly in protective coatings for steel structures in high-rise buildings and industrial installations. Why protect steel from fire? The reason is simple: At higher temperatures, it loses strength, which can cause entire buildings to collapse.

The Exolit™ AP legacy began in 1975 at the Knapsack site in Germany, which then belonged to Hoechst AG. In 1983, Exolit™ AP 462 introduced micro-encapsulation of the flame-retarding particles, making the product even more durable and reliable over time.

After Clariant acquired Hoechst AG's specialty chemicals business in 1997, the Exolit™ AP range soon became an important part of Clariant's product portfolio.

In 2015, Exolit™ AP 435 entered the market and soon became the industry benchmark for shelf-life stability, maintaining low viscosity of fire-protection coatings even in cold environments and after long storage.

In recent years, the Exolit™ AP family has grown further. It now includes melamine-free products such as Exolit™ AP 422A and Exolit™ AP 418.

By anticipating regulatory changes and meeting stringent fire safety standards without compromising on performance, Exolit™ AP continues protecting what matters most – while building a more sustainable future.

[Learn more](#)

ESRS 2-SBM-2 – Interests and Views of Stakeholders

An open and constructive dialogue with Clariant's stakeholders and participation in numerous sustainability and innovation collaborations activate the company's purpose, »Greater chemistry – between people and planet.« By participating actively in sustainability initiatives, such as the World Business Council for Sustainable Development (WBCSD), the Global Impact Coalition (GIC), the Renewable Carbon Initiative (RCI), the Roundtable on Sustainable Palm Oil (RSPO), the Action for Sustainable Derivatives (ASD), GC3 (Green Chemistry and Commerce Council), Together for Sustainability (TfS), Responsible Care®, the UN Global Compact, and the Hydrogen Council, Clariant is driving sustainability forward in general. Clariant supports transparency and is a supporter of the Task Force on Climate-related Financial Disclosures (TCFD) and the Circular Plastics Alliance (CPA). It also actively participates in external ratings and rankings. The ratings include CDP, EcoVadis, Sustainalytics, and others. → [Read more in »Clariant on the Capital Markets.«](#)

Sustainability Highlights 2025

- Winner of the ACC Sustainability Leadership Award
- Winner of Responsible Care award (corporate leadership culture)
- CDP: »A« categories in Climate, Forest, and Water, including a place on the A-List
- EcoVadis: rated in the top 1% of all companies
- SBTi-approved renewed and more ambitious Scope 1, 2 & 3 targets
- Certified as global Living Wage Employer
- High application rate for new internal Innovation & Sustainability Award

Clariant's Engagement in Public Policy Dialogue

The continuous engagement of Clariant representatives in trade associations, industry coalitions, and sustainability organizations is aimed at fostering trust and collaboration with stakeholders, and advocating for system changes that support Clariant strategic goals and sustainability ambition. Clariant is a member of numerous trade associations at the international level (ICCA), at the EU level (Cefic), and at the national level with national chemical industry associations such as ABIQUIM in Brazil, CPCIF in China, Verband der Chemischen Industrie (VCI) in Germany, the American Chemistry Council (ACC) in the US, and Scienceindustries, the Swiss association for the chemical, pharmaceutical, and biotech industries.

Clariant supports ambitious science-based and consistent policies, recognizing the importance of a fit-for-purpose legislative environment that can also further enable and incentivize the chemical industry's transition to net zero, as well as to safer and more sustainable chemicals. In 2025, Clariant has been addressing various policy areas across several jurisdictions. These policies include chemicals management, product regulations, energy and climate change, and policies that drive the transition to a circular and more sustainable economy.

TYPES OF STAKEHOLDER ENGAGEMENT

Stakeholders	Forms of engagement	Purpose
Suppliers	– Directly through the procurement team – Via the Together for Sustainability (TfS) initiative	– Identify more sustainable products and services – Secure a resilient and economically viable supply chain
Customers	– Engaged through the sales team – Feedback collected via customer surveys	– Understand customers' needs – Develop more sustainable solutions – Communicate Clariant's product offerings
Employees	– Net Promoter Score (eNPS) survey – Employee Resource Groups (ERGs) – Specific Coffee Connect meetings of the senior management with all management levels – Townhall meetings of the ELT members and their respective organizations, offering opportunities for Q&A	– Foster an engaged, motivated, and inclusive workforce whose voices are heard
Shareholders	– Annual General Meeting (AGM)	– Inform shareholders of Clariant's financial results and overall performance
Investors	– Quarterly calls – Direct communication	– Enable Clariant to provide updates on the strategy, progress toward emission reduction, and financial results
Policymakers	– Clariant engages with policymakers at the regional, national, and local levels, directly or indirectly via industry associations	– Advocate for system changes that support Clariant's strategic goals and sustainability ambition
Affected communities	– Clariant provides local contacts and access to its whistleblower reporting channel »Integrity Line« on the Clariant website	– Provide affected communities with the means to raise questions or concerns to Clariant

Clariant's Advocacy strategy is coordinated by the Head of Government Affairs and the Head of Product Stewardship. Clariant also has topic-specific steering groups where legislative and regulatory matters are discussed and advocacy activities are steered. These topics are regularly reviewed in the Group's Innovation and Sustainability Meeting (ISM).

Clariant's CEO, Conrad Keijzer, is a board member of the International Council of Chemical Associations (ICCA) and the European Chemical Industry Council (Cefic) and the American Chemistry Council (ACC).

Outcomes and Further Steps Ahead

The outcomes of stakeholder engagement are integral to Clariant's Strategic Management Process (SMP). Insights gathered from stakeholders inform the development of strategies and guide business execution, ensuring that the company addresses the needs and expectations of its stakeholders effectively. Clariant's understanding of the interests and views of key stakeholders is shaped by their engagement outcomes, which are analyzed during the due diligence and materiality assessment processes. These insights are incorporated into the SMP, ensuring that the company's strategy and business model align with stakeholder expectations and priorities. This approach helps Clariant address relevant issues while fostering sustainable business practices.

The company remains committed to executing its strategy while continuously monitoring the market landscape for potential opportunities or necessary adjustments. Since there are no planned amendments to Clariant's strategy or business model, there are no immediate implications for stakeholder relationships or perceptions. The company remains focused on executing its existing strategy while actively monitoring the market for potential opportunities that may arise in the future, ensuring that stakeholder interests continue to be addressed.

The Board of Directors (BoD) receives an annual update on sustainability-related topics, which includes insights into the interests and views of affected stakeholders, to ensure that the BoD is well-informed about stakeholder perspectives. This enables the BoD to make informed decisions regarding the company's sustainability impacts.



✓ ESRS 2-SBM-3 – Material Impacts, Risks, and Opportunities (IROs) and Their Interaction with Strategy and Business Model

The following table lists Clariant’s material impacts, risks, and opportunities (IROs) identified through the updated double materiality assessment (DMA) in 2025. ¹ The topics were identified as material, either because of impact materiality, financial materiality, or both. Their location along the value chain and the time horizon for the point at which an IRO is expected to materialize for the first time are shown in the topical chapters. With the updated DMA, Clariant refined all definitions of potentially material IROs for the first time, as the IROs defined in the previous DMA corresponded to sub- and sub-sub-topics. Therefore, the material IROs identified with the updated DMA cannot be meaningfully compared to the previous reporting period.

Article 964b of the Swiss Code of Obligations requires undertakings to prepare and publish a report that covers the following five areas:

- environmental matters (with particular focus on emissions targets);
- social issues;
- employee-related issues;
- respect for human rights; and
- combating corruption.

The table below also indicates which entity-specific or ESRS-prescribed sustainability topics and, accordingly, which of the above-mentioned areas prescribed by the Swiss Code of Obligations each IRO pertains to. All topics listed in the right-hand column in the table below were identified as relevant for non-financial reporting in compliance with Article 964b of the Swiss Code of Obligations, based on Clariant’s DMA.

MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES

Name	Type	Topic	Sub- Topic	Article 964b Swiss Code Content Requirement
Chapter: E1 – Climate Change				
Increasing expectations of capital providers concerning climate adaptation readiness	Risk	E1 – Climate change	Climate change adaptation	Environmental matters, energy
Costs of transition to low-carbon technologies	Risk	E1 – Climate change	Climate change mitigation	Environmental matters, energy
Contribution to climate change through release of GHG emissions	Actual negative impact	E1 – Climate change	Climate change mitigation; energy	Environmental matters, energy
Products enabling energy savings and low-emission processes	Actual positive impact	E1 – Climate change	Climate change mitigation; energy	Environmental matters, energy
Lower energy costs through process efficiency and fossil fuel reduction	Opportunity	E1 – Climate change	Energy	Environmental matters, energy
Market opportunities through energy-saving products	Opportunity	E1 – Climate change	Energy	Environmental matters, energy
Chapter: E2 – Pollution				
Release of pollutants from upstream processes	Actual negative impact	E2 – Pollution	Pollution of air	
Release of chemicals during upstream chemical processing and own operations	Actual negative impact	E2 – Pollution	Pollution of water	
Potential human health risks from downstream handling of substances of very high concern	Potential negative impact	E2 – Pollution	Substances of very high concern	
Chapter: E3 – Water				
Potential contribution to water scarcity through water demand	Potential negative impact	E3 – Water and marine resources	Water (water withdrawals; water consumption)	
Chapter: E4 – Biodiversity and Bio-Based Economy				
Contribution to biodiversity loss through land-use change due to palm oil sourcing	Actual negative impact	E4 – Biodiversity and ecosystems	Direct impact drivers of biodiversity loss (land-use change, fresh water-use change, and sea-use change)	
Contribution to biodiversity loss through land-use change due to bentonite mining	Actual negative impact	E4 – Biodiversity and ecosystems	Direct impact drivers of biodiversity loss (land-use change, fresh water-use change, and sea-use change)	
Chapter: E5 – Circular Economy				
Use of nonrenewable raw materials	Actual negative impact	E5 – Circular economy	Resource inflows, including resource use	
Market opportunities through products that facilitate recycling	Opportunity	E5 – Circular economy	Resource outflows related to products and services	
Generation of hazardous waste	Actual negative impact	E5 – Circular economy	Waste	
Chapter: ES – Sustainable Innovation				
Sustainability-related innovation fostered within Clariant's supply chain	Potential positive impact	Entity-specific	Sustainable innovation	Social issues
Integration of sustainability in governance structures, enabling sustainable product innovation	Potential positive impact	Entity-specific	Sustainable innovation	Social issues
Market opportunities through innovation in sustainable consumer products, energy transition, and circularity	Opportunity	Entity-specific	Sustainable innovation	Social issues
Chapter: S1 – Own Workforce				
Commitment to pay at least a living wage to own employees	Potential positive impact	S1 – Own workforce	Working conditions (adequate wages)	
Representation of employee interests due to employee engagement	Potential positive impact	S1 – Own workforce	Working conditions (social dialogue)	
Employee benefits supporting work-life balance	Actual positive impact	S1 – Own workforce	Working conditions (work-life balance)	
Work-related injuries at Clariant sites	Actual negative impact	S1 – Own workforce	Working conditions (health and safety)	
Potential health benefits from comprehensive healthcare initiatives	Potential positive impact	S1 – Own workforce	Working conditions (health and safety)	

Gender pay gap	Actual negative impact	S1 - Own workforce	Equal treatment and opportunities for all (gender equality and equal pay for work of equal value)
Reduction in productivity and innovation due to inadequate training and development offerings	Risk	S1 - Own workforce	Equal treatment and opportunities for all (training and skills development)
Increase in innovation and competitiveness due to a diverse workforce	Opportunity	S1 - Own workforce	Equal treatment and opportunities for all (diversity)
Chapter: S2 – Workers in the Value Chain			
Hazardous working conditions and exposure to dangerous environments in upstream supply chains	Actual negative impact	S2 - Workers in the value chain	Working conditions (health and safety)
Gender inequality risks in upstream chemical supply chains	Potential negative impact	S2 - Workers in the value chain	Equal treatment and opportunities for all (gender equality and equal pay for work of equal value)
Risk of child and forced labor in upstream supply chains	Potential negative impact	S2 - Workers in the value chain	Other work-related rights (child labor; forced labor)
Risk of child and forced labor in downstream supply chains	Potential negative impact	S2 - Workers in the value chain	Other work-related rights (child labor; forced labor)
Chapter: G1 – Business Conduct			
Informed customer decisions through transparent product communication	Actual positive impact	G1 - Business conduct	Corporate culture
Potential corruption incidents across the value chain	Potential negative impact	G1 - Business conduct	Corruption and bribery (incidents)

Interaction with Strategy and Business Model

Clariant addresses the IROs listed above through specific strategies and responses, which are each detailed in the corresponding chapters as shown in the table above. These actions are integrated into the business model, value chain, and decision-making processes as follows:

- **Current and anticipated effects:** The identified material IROs have direct effects on the Clariant business model and value chain, influencing product innovation, operational efficiency, and market positioning. Anticipated effects include shifts in regulatory landscapes, resource availability, and customer preferences, which Clariant continuously monitors and incorporates into its strategic planning.
- **Response to effects:** Clariant has implemented measures to mitigate risks, capitalize on opportunities, and address sustainability impacts across its operations and value chain. This includes aligning product portfolios with sustainability goals, enhancing resource efficiency, and fostering collaboration with suppliers and customers.
- **Strategic adjustments:** While specific actions to address IROs are managed at a granular level within the respective business units, Clariant remains agile in adapting its overall strategy. This includes ongoing monitoring and adjustments in line with the evolving sustainability landscape, ensuring that Clariant can effectively navigate emerging risks and capitalize on sustainability-driven opportunities.

More detailed descriptions of the material IROs and information on how they interact with Clariant's strategy and business model can be found in the topical chapters below. Alongside these IRO descriptions, comprehensive details are provided regarding the actions taken, targets established, and progress achieved during 2025.

Resilience of Strategy to Address IROs When developing its business strategies, Clariant evaluates the resilience of its business models across economic, ecological, and social dimensions, carefully assessing their potential impacts, risks, and opportunities. Clariant regularly assesses the impact of material risks and opportunities as part of its Strategic Management Process (SMP), aligning them with long-term sustainability goals. This involves:

- **Qualitative analysis:** Clariant's strategy integrates the PVP (Portfolio Value Program), which assesses and classifies products according to sustainability criteria. This ensures the company can respond to risks related to regulatory changes, environmental impact, and shifting customer preferences.
- **Quantitative analysis:** Clariant quantifies its resilience through metrics related to environmental impacts (carbon emissions, water usage, waste generation), social impacts (DART, eNPS, DE&I metrics), product sustainability performance, and financial performance, applying the short-, medium-, and long-term time horizons described above. Detailed information on the metrics and targets applied on the basis of the resilience analysis is provided in the → »Financial and Non-financial Targets« chapter.

- Overall, Clariant's resilience is grounded in the company's ability to adapt to market changes and regulatory shifts while maintaining a focus on sustainability. More information on the results of Clariant's resilience assessment is provided in the topical chapters E1 – Climate Change, E2 – Pollution, E3 – Water, E4 – Biodiversity and Bio-Based Economy, E5 – Innovation and Technological Advances, and S2 – Workers in the Value Chain.

✓ ESRS 2-IRO-1 – Description of Process to Identify Material IROs

In 2025, Clariant carried out a comprehensive update of its double materiality assessment (DMA), building on the methodology established in 2023 and Clariant's 2024 DMA update. While the 2024 DMA update focused on identifying material matters at sub- and sub-sub-topic-levels for each value chain step, the DMA update in 2025 further refined the assessment to individual IRO descriptions and detailed, reasoned assessments, taking into consideration relevant regulatory developments. Clariant plans to continue reviewing its materiality assessment annually with respect to evolving stakeholder expectations and regulatory requirements as well as emerging sustainability issues and changes in business strategy and stakeholder input. |

Methodologies and Assumptions to Identify the IROs

Clariant conducted its DMA at the Clariant Group level. The following graph depicts the activities, business relationships, geographies, and materials or chemicals that the DMA focused on, as these give rise to the heightened risk of adverse impacts on people and the environment.

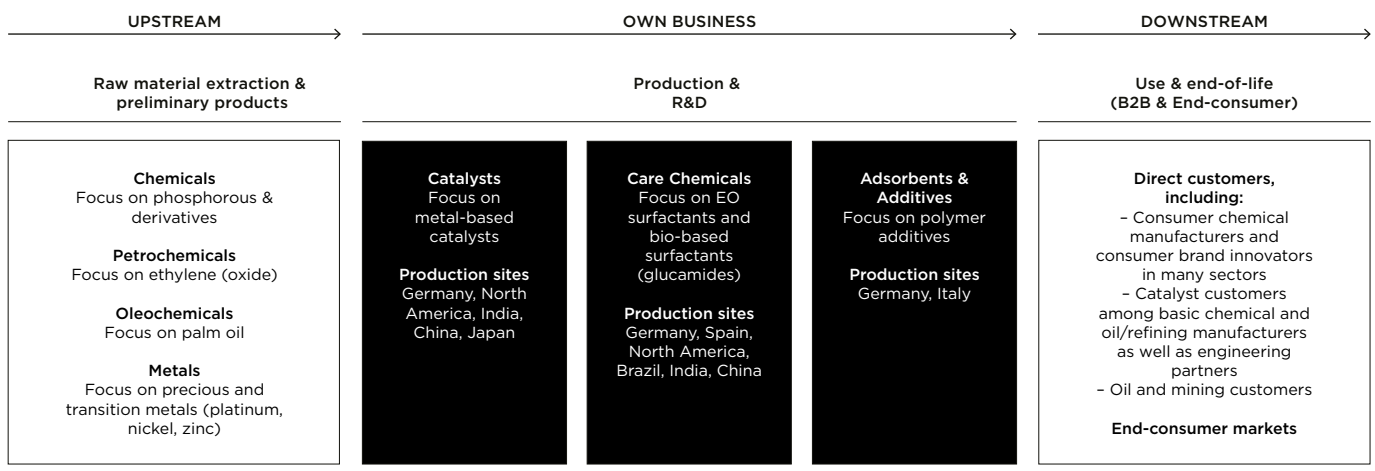
The DMA consisted of three steps:

- Compiling a comprehensive list of sustainability matters that might be relevant to Clariant's stakeholder groups or impact its business and associated industries, based on the list of ESRS topics (including sub- and sub-sub-topics) as well as potentially relevant entity-specific matters;
- Defining potentially material IROs; Assessing potentially material impacts; and
- Assessing potentially material risks and opportunities.

Across all steps, the views of affected stakeholder were considered through both direct and indirect inputs.

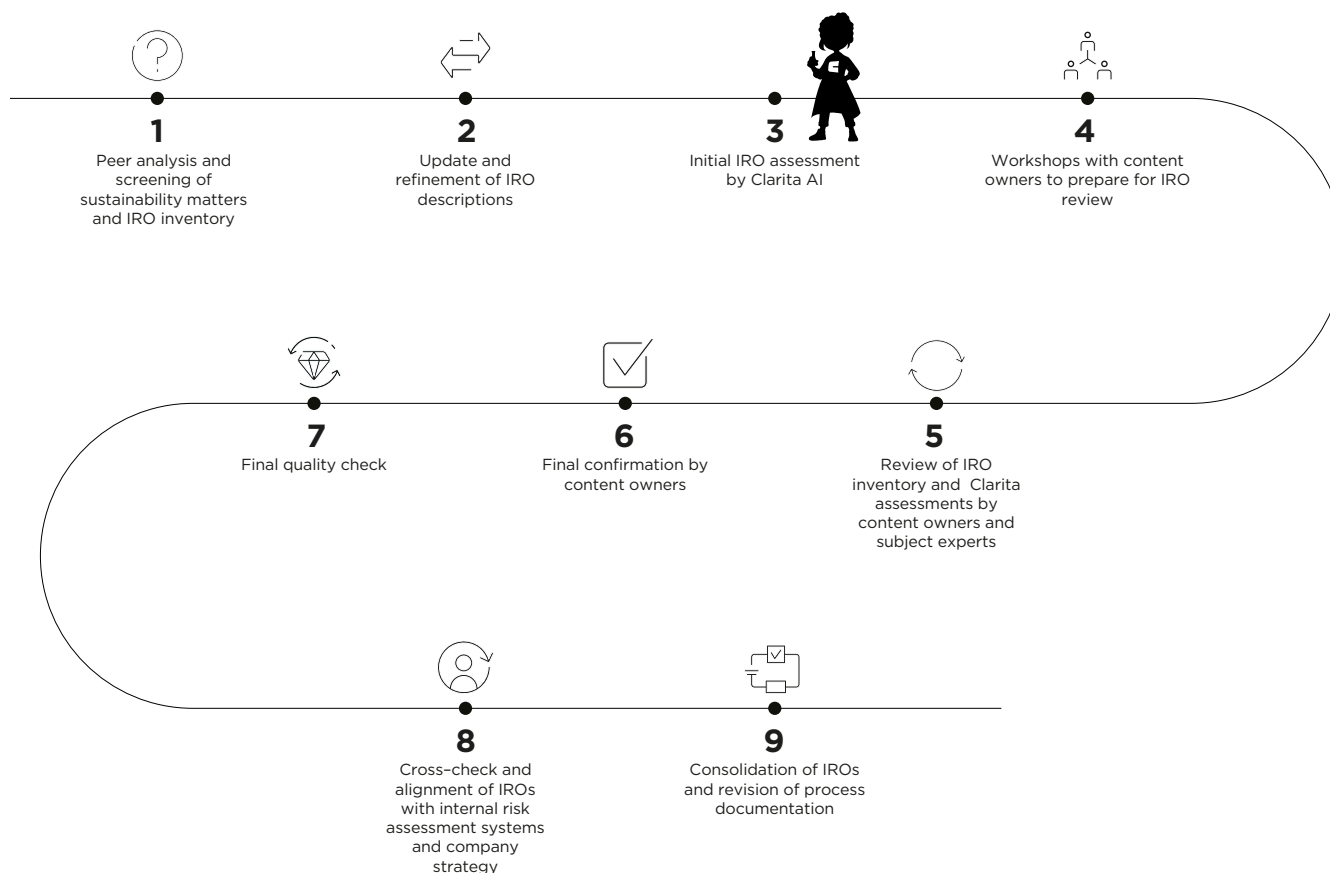
- Direct input involving internal stakeholders:** Eighteen internal stakeholders, across various departments, identified and evaluated the actual and potential impacts, risks, and opportunities in Clariant's operations and across its value chain, including upstream and downstream activities.
- Direct input involving external stakeholders:** Nineteen interviews were conducted with customers, suppliers, NGOs, sustainability experts, and financial institutions. Financial institutions provided insights from a financial materiality perspective, while other external stakeholders contributed to the impact perspective.
- Indirect input:** Clariant used a comprehensive range of input parameters to support its materiality assessment process so that the assessment is grounded in robust data and aligned with both internal and external expectations. Key input parameters included internal reports and sustainability-related performance data; environmental assessments, including product carbon footprints (PCFs) and climate-related impact reports; external benchmarks, such as the MSCI Materiality Map and relevant SASB Standards; and feedback from the CSR Risk Check tool. As the DMA encompasses Clariant's full value chain, including upstream (suppliers) and downstream (customers) activities, both global operations and region-specific data were incorporated to ensure a complete view of the company's impacts, risks, and opportunities.

VALUE CHAIN



The overall process of Clariant's 2025 DMA update is depicted below.

DOUBLE MATERIALITY ASSESSMENT (DMA) UPDATE



✓ Impact Materiality

Through desk research based on indirect input parameters and through summarized inputs from external stakeholder consultations held in 2023 together with external consultants, Clariant created a shortlist of potentially material topics from an impact-perspective and defined potentially material impacts. The shortlist did not include sub-topics such as »social inclusion of consumers and/or end-users« due to Clariant's B2B focus. An analysis of industry peers confirmed that »sustainable innovation« is a relevant entity-specific topic for Clariant as it participates in the specialty chemical sector.

Using the summarized inputs from consultations with external stakeholders as well as indirect input parameters, internal specialists for each topic area, assisted by Clariant's in-house AI Clarita, then evaluated each potentially material impact according to severity/magnitude and likelihood following the requirements under ESRS 1, paragraphs 45 and 46. A resulting impact score then allowed Clariant to rank all impacts and apply a pre-defined materiality threshold to determine its material impacts. In line with ESRS 2, application requirement 11, severity took precedence over likelihood in evaluations of human rights-related impacts.

Financial Materiality

Taking into account input from interviews with financial institutions and the impacts and dependencies identified through the impact materiality assessment, internal experts at Clariant then defined potentially material risks and opportunities. With the assistance of Clarita, Clariant's risk management experts then assessed each risk or opportunity based on its potential magnitude and likelihood, following Clariant's Enterprise Risk Management (ERM) classifications (very low: CHF 1 million to CHF 10 million, low: CHF 10 million to CHF 50 million, medium: CHF 50 million to CHF 100 million, high: CHF 100 million to CHF 250 million, very high >CHF 250 million)). When defining potentially material risks and opportunities, the internal experts also considered risks and opportunities that may arise from potentially or actually material impacts and dependencies. The findings were reviewed by external consultants. Their feedback was incorporated, and the findings were then consolidated and presented to top management for review and validation. Additional steps taken in the context of specific sustainability matters (climate change, pollution, water, biodiversity, and governance) are described in the relevant topical chapters below. |

After determining material IROs from an impact and financial materiality perspective, Clariant conducted an assessment to determine the materiality of information to be disclosed at both disclosure requirement and data point levels in relation to material IROs. The assessment focused on considering users' decision-making needs as well as the significance of the information in relation to the matter it purports to depict or explain, as prescribed by ESRS 1 section 3.2.

Currently, the identification and assessment of impacts and risks is managed by the Group Function Sustainability Affairs. The management of all impacts, risks, and opportunities is integrated in the overall strategy and reflected in the defined actions and targets that are presented in the topical chapters. Additionally, the management of climate-related risks is taken into account with the same prioritization as other types of risks. Clariant is working

on integrating the remaining sustainability-related risks in its enterprise risk management (ERM) process with the same prioritization in the future. Opportunities are identified, assessed, and managed within the Clariant Strategic Management Process (SMP) through strategic growth initiatives that are continuously identified and executed. Information on the criteria used in the process of identifying material IROs in relation to business conduct matters, including location, activity, sector, and the structure of the transaction, can be found in chapter → »G1 – Business Conduct.«

The → Index is presented at the end of this Integrated Report and indicates the location of all applicable ESRS Disclosure Requirements, selected GRI disclosures, disclosures in accordance with Art. 964b of Swiss Code of Obligations, "entity specific" KPIs and TCFD disclosures.

»Earning CDP ›A‹ scores in all three categories — water, climate, and forests — and a place on the A-List is a significant milestone for Clariant. It confirms that our sustainability transformation is delivering measurable impact, embedded in how we operate and support our customers across their value chains.«

Bettina Siggelkow

Head of Sustainability Affairs

Policies relevant to Clariant's material IROs

Policy	Purpose	Scope	Most senior level accountable	Availability	Applicability across Sustainability statement	Relevant frameworks and/or stakeholders
Code of Ethics	The company's Code of Ethics is the foundation for all employees and is embedded directly into Clariant's employment contracts. The code establishes clear ethical standards and provides a specific system for reporting and addressing human rights violations throughout the organization. It sets out that Clariant will not tolerate any form of child labor, forced labor, and human trafficking, in line with international standards and applicable national law.	All employees and relevant business partners, such as agents (acting on our behalf) and distributors.	CEO (overall), BoD (approval), ESC/ELT and Global Compliance (rollout)	Online (publicly available on Clariant.com in several languages) and intranet	S1 Sub-Chapter I – Valuing Employees; S1 Sub-Chapter II – Health and Safety; S1 Sub-Chapter III – Human Rights; S1 Sub-Chapter IV – Diversity, Equity, and Inclusion; G1 – Business Conduct	UN Guiding Principles on Business and Human Rights; International Labour Organization's Declaration on Fundamental Principles and Rights at Work; emerging regulatory frameworks across multiple jurisdictions, including Article 964ff. of Switzerland's Code of Obligations, the Norwegian Transparency Act, and Germany's Lieferkettensorgfaltspflichtengesetz (LkSG)
Sustainability Policy	The purpose of the Clariant Sustainability Policy is to embed sustainability at the core of the company's purpose and business model. It provides guidance for identifying, developing, and implementing safe and sustainable solutions across operations, products, and value chains. The policy establishes a framework for managing environmental, social, and governance impacts and risks, fostering innovation and resilience, and contributing to long-term value creation. Through this policy, Clariant ensures that sustainability is integrated into governance structures, decision-making, and daily business practices, thereby supporting transparency, stakeholder trust, and responsible growth. The policy is structured around Clariant's three core sustainability principles: People – ensuring respect for human rights, health, safety, ethical behavior, diversity, and community engagement. Planet – driving climate action, resource efficiency, circularity, sustainable bio-economy, and pollution prevention. Performance – enabling responsible sourcing, innovation, governance, education, balanced incentives, and long-term economic success.	Clariant employees and Tier 1 suppliers	Chief Strategy and Technology Officer	Via company intranet and online (publicly)	E1 – Climate Change E2 Sub-Chapter I – Pollution of Water E2 Sub-Chapter II – Substances of Very High Concern E3 – Water E4 – Biodiversity E5 – Circular Economy ES – Sustainable Innovation S1 Sub-Chapter II – Health and Safety	UN Sustainable Development Goals (SDGs), Responsible Care, Together for Sustainability (TfS) initiative – an industry-leading initiative driven by chemical procurement specialists, GHG Protocol, Paris Agreement on 1.5°C, Kunming-Montreal Global Biodiversity Framework, UN Global Compact
QESH Policy	The QESH Policy establishes Clariant's overarching framework for Quality, Environmental, Safety, Health, Emergency, and Insurance Risk Management. Its purpose is to ensure that all operational processes are conducted safely, sustainably, and in compliance with internal and external requirements. It promotes continuous improvement in safety performance, environmental protection, and product quality, while maintaining business continuity and fulfilling customer expectations. The policy also serves to embed risk-based thinking, prevent harm to people and the environment, and align site-level practices with Clariant's Purpose-Led Strategy and global sustainability goals. Clariant's QESH policy implementation is monitored through risk-based audit programs, with follow-up actions continuously tracked. Global Function ESHA/IGSM conducts risk-based internal operational assessment audits annually at selected operational sites following an audit plan, while audit documentation ensures evidence of compliance and traceability of all records.	Applies to all Clariant-operated workplaces and activities – including owned, rented, and leased sites; units on third-party sites; fully consolidated joint ventures; off-site work and business travel; as well as on-site contractors.	For the Health and Safety perspective, the BU Operations Management, as Clariant's most senior function responsible for the policy's implementation, and the respective site managers are responsible for implementing the policy.	Via company intranet	E2 Sub-Chapter I – Pollution of Water E2 Sub-Chapter II – Substances of Very High Concern E3 – Water E5 – Circular Economy S1 Sub-Chapter II – Health and Safety	Clariant made the transition from the current OSHAS 18001 certification to ISO 45001 in 2020. In 2024, it carried out audits in accordance with ISO 45001. The certificate confirming compliance with the standard is available at → clariant.com/en/Company/Corporate-Governance/Principles-and-Certifications .
Global Employment Policy	The purpose of the Global Employment Policy is to ensure that Clariant provides fair, safe, and equitable working conditions across all its operations worldwide. It sets out the company's commitment to respecting internationally recognized human rights and labor standards, prohibiting child and forced labor, and upholding freedom of association and collective bargaining. The policy aims to foster an inclusive and diverse workplace where employees are treated with dignity and respect, free from discrimination or harassment, and where equal opportunities for development and advancement are promoted. It provides a framework for managing employment-related risks, strengthening employee engagement and well-being, and ensuring compliance with applicable laws and international conventions. By embedding these principles into day-to-day management practices, Clariant seeks to create long-term value for employees, communities, and the company as a whole, while supporting global sustainability objectives.	All employees and interns	Chief Human Resources Officer	Via company intranet and online (publicly)	S1 Chapter I – Valuing Employees, S1 Chapter III – Human Rights, S1 Chapter IV – Diversity, Equity, and Inclusion	Aligned with emerging regulatory frameworks across multiple jurisdictions, including Article 964ff. of Switzerland's Code of Obligations, the Norwegian Transparency Act, and Germany's Lieferkettensorgfaltspflichtengesetz (LkSG); UN Global Compact; ILO Conventions; Global Reporting Initiative (GRI); national equal opportunity frameworks (e.g., AGG, EEOC)

Policy	Purpose	Scope	Most senior level accountable	Availability	Applicability across Sustainability statement	Relevant frameworks and/or stakeholders
Human Rights Policy	Clariant's Group Policy on Human Rights outlines its commitments to promoting and respecting human rights, particularly within its own workforce. The policy includes principles of nondiscrimination, inclusivity, equal opportunity, equal pay, accessibility, zero tolerance for harassment, diverse representation, and inclusive benefits. Clariant pursues an iterative approach to DE&I, aligning initiatives with the needs of its workforce. Key components include leadership diversity tracking, inclusive leadership training, regular pay equity analysis, support of Employee Resource Groups (ERGs), and inclusive family support policies. These programs aim to promote an inclusive culture and equitable opportunities for all employees.	Applies to all employees of Clariant worldwide, supervised workers, as well as contractors, suppliers, and business partners.	Ethics and Risks Management Committee	Publicly available on Clariant's website; embedded in supplier contracts and internal guidelines.	S1 Chapter III – Human Rights S1 Chapter IV – Diversity, Equity, and Inclusion S2 – Workers in the Value Chain E2 – Sub Chapter I – Pollution of Water E3 – Water	UN Guiding Principles on Business and Human Rights; International Labour Organization's Declaration on Fundamental Principles and Rights at work; UN Global Compact; ILO Core Conventions (esp. 138, 182); OECD Guidelines for MNEs; ISO Occupational Health and Safety Guidelines; Responsible Care® initiative Aligned with emerging regulatory frameworks across multiple jurisdictions, including Switzerland's Obligationsrecht (OR), the Norwegian Transparency Act, and Germany's Lieferkettensorgfaltspflichtengesetz (LkSG)
Building the Workforce	The Building the Workforce Policy creates a structured framework for fostering continuous learning and development for all employees, enabling them to realize their full potential while supporting Clariant's strategic targets and values, in addition to establishing systematic talent management and succession planning processes to ensure organizational sustainability.	The Building the Workforce Policy, which entails people development, applies to all employees globally.	Chief HR Officer	Via the company intranet, the Building the Workforce Policy is available to all employees through the company's document management system. This system ensures that all employees, regardless of department or location, can easily access the guidance they need.	S1 Chapter I – Valuing Employees	Department Talent & Culture, Learning Administrators, Local HR Partner, GHRBP, BU / GF Learning SME, BU / GF / GBS, People Managers, all Employees
Global Policy on Sustainable Palm Oil	The Global Policy on Sustainable Palm Oil outlines Clariant's No Deforestation, No Peat, and No Exploitation (NDPE) commitments and timebound targets for sourcing sustainable palm oil-based raw materials. It describes Clariant's expectations of suppliers, such as NDPE compliance. The policy also outlines the verification mechanisms and noncompliance measures the company is taking. It reflects the company's efforts to achieve a sustainable, profitable long-term business with palm-based chemical products.	Applies to all palm oil, palm kernel oil, and their derivatives used globally by Clariant; covers its entire supply chain: direct suppliers, entire operations and supply chain of suppliers	Chief Strategy & Technology Officer	Shared with relevant suppliers and promoted in day-to-day discussions with oleochemical suppliers	E4 – Biodiversity and Bio-Based Economy	Round Table on Sustainable Palm Oil (RSPO) certification; the Sustainable Palm Oil Choice (SPOC) initiative's No Deforestation, No Peat, and No Exploitation (NDPE) commitment Environment, customers, suppliers, local communities, NGOs
Supplier Code of Ethics	Clariant expects suppliers, business partners, and their contractors to fully endorse the principles of the Supplier Code of Ethics and to join Clariant in reducing negative environmental and social impacts. This goal is achieved by evaluating and continuously improving the sustainability performance and increasing the ESG resilience of our supply chain through our membership in the Together for Sustainability Initiative.	Applies to all direct and indirect suppliers and service providers globally; required for relevant new and renewed supply agreements	Head of Procurement	Via company intranet and online (publicly)	E2 – Sub Chapter I – Pollution of Water E3 – Water S2 – Workers in the Value Chain	UN Sustainability Development Goals (SDGs)
Chemicals Regulatory Compliance	The policy establishes Clariant's framework for chemical regulatory compliance for the purpose of managing regulatory compliance and product safety throughout product life cycles, ensuring products are safe for human health and the environment, and maintaining compliance with global chemical regulations.	Global	Chief Strategy & Technology Officer	Via Intellex	E2 – Sub Chapter II – Substances of Very High Concern	Chemical control regulations; dangerous goods control regulations; value chain communication requirements; stakeholders; internal and external, such as suppliers, customers, regulatory authorities



Policy	Purpose	Scope	Most senior level accountable	Availability	Applicability across Sustainability statement	Relevant frameworks and/or stakeholders
Global Function T&S Policy	✓ The T&S Policy defines the scope, management structure, authorities, roles, responsibilities, and risk management of the Global Function Strategy and Technology (S&T) organization. The process for monitoring the implementation of the policy involves reviews through internal audits and the use of performance metrics aligned with sustainability objectives. Metrics and risk management reports are generated to track progress. Periodic assessments by the sustainability governance team are part of the monitoring framework. Hierarchically, the Global Function Policy is ranked below Clariant's Management Bylaws, but above other mandatory document categories issued by the Global Function, such as Subject Matter Policies, Process Instructions, Standard Operating Procedures, and Instructions. The Global Function is responsible for corporate innovation processes, including idea to market (I2M), innovation training and tools, sales and margin tracking, innovation targets, and metrics proposals. It provides hands-on project support for strategic sustainability-driven innovation projects by using agile customer-focused innovation approaches. I	S&T	Chief Strategy & Technology Officer	Company intranet; supplied to external stakeholders upon request	E1 – Climate Change ES – Sustainable Innovation	Environment, customers
Innovation Handbook	✓ The Innovation Handbook provides innovation practitioners within Clariant (Project Leader, Innovation Champion, Project Champion, and team members) and stakeholders with an overview of the company's innovation strategy and defines its innovation processes and tools. It covers topics such as innovation definition, the Idea-to-Market (I2M) process, innovation culture, innovation governance, innovation portfolio management, innovation project portfolio management, and the metrics used to measure innovation success. I The Innovation Handbook defines Clariant's Idea-to-Market (I2M) process as the core framework for managing innovation from ideation to commercialization. Its key objectives are to translate business strategy into innovative products and services, identify unmet customer needs, and develop competitive solutions to address those needs and enable successful market entry.	Clariant (globally)	Chief Strategy & Technology Officer	Company intranet; supplied to external stakeholders in the context of joint innovation projects	E1 – Climate Change ES – Sustainable Innovation	Environment, customers
Anti-Bribery, Anti-Corruption, and Anti-Money Laundering (ABAC AML) Policy	The Anti-Bribery, Anti-Corruption, and Anti-Money Laundering (ABAC AML) Policy defines and prohibits unacceptable practices such as bribery, corruption, facilitation payments, and money laundering, and sets rules for employee conduct in high-risk interactions with public officials and third parties. It applies to all subsidiaries, with particular emphasis on procurement, sales, and business development, where exposure to corruption risks is highest. To mitigate these risks, the policy is supported by targeted training programs and compliance measures tailored to high-risk areas.	All employees and relevant businesses	ESC/ELT (approval), Global	Intranet, available to employees	G1 – Business Conduct	The policy aligns with the OECD Convention on Combating Bribery, the Swiss Criminal Code, the UK Bribery Act, the US Foreign Corrupt Practices Act, and the United Nations Convention against Corruption (UNCAC).
Global Family Support Policy	Clariant's Global Family Support Policy covers parental leave, childcare support, and care for dependants. The policy ensures employees with family responsibilities are not disadvantaged compared to those without. Family responsibilities come in many forms and affect each of us differently, be it welcoming a new child, caring for a loved one, supporting a partner, or navigating complex family journeys like fertility treatment or pregnancy loss. This policy reflects a more inclusive and supportive approach to family leave, ensuring that everyone has the flexibility and time they need to care for those who matter most.	All employees	Chief Human Resources Officer	Intranet	S1 Sub-Chapter IV – Diversity, Equity, and Inclusion	
Flexible Remote Working Policy	The Flexible Remote Working Policy provides and regulates options for flexible working (remote work, flexible hours, part-time, etc.) for Clariant employees. This helps those who have additional responsibilities, such as parents, people caring for elderly relatives, or employees with disabilities, removing structural barriers to participation and advancement. Flexible working breaks geographical and commuting constraints. This allows Clariant to hire from a wider, more diverse candidate pool, including people living in remote locations, those with mobility or health constraints, and those who require nonstandard working patterns.	All employees	Chief Human Resources Officer	Intranet	S1 Sub-Chapter IV – Diversity, Equity, and Inclusion	

E1 – Climate Change

Summarized by Clarita^{AI}

- + In 2025, Clariant reduced its Scope 1 and 2 emissions by 11% compared to 2024, to 433 thousand t CO₂e. Gross Scope 3 emissions reduced by 9% compared to 2024 to 4.31 million t CO₂e. Clariant has significantly progressed towards its 2030 targets, as its Scope 1+2 emissions are now 42% lower than in 2019 (2030 target = 46.9%), and its Scope 3 emissions are 28% below the 2019 baseline, already achieving its target of 27.5% reduction by 2030.
- + Decarbonization strategy targets at net-zero scope 1 and 2 emissions by 2050 with energy efficiency, coal phase-out by 2030 and further stepwise increase of renewable electricity to 100%.
- + Financial allocation for the transformation totals CHF 30 million (2020 – 25), CHF 30 million (2026 – 30), and up to CHF 750 million after 2030.
- + Avoided emissions reached 45 million t CO₂ equivalents in 2025.

✓ Climate change is widely recognized as one of the greatest challenges of our time, with greenhouse gas (GHG) emissions at record levels and visible impacts such as droughts, heat waves, melting glaciers, and biodiversity loss. In response, the global community established the Paris Agreement in 2015, aiming to limit warming to 1.5°C. At COP29 in 2024, nations committed to triple climate finance for developing countries but fell short of consensus on phasing out fossil fuels, even as global emissions continue to rise. Most governments and jurisdictions are pursuing ambitious policy agendas as part of their climate mitigation and adaptation efforts: to reduce emissions, improve energy efficiency, increase renewable energy, and expand clean tech. These developments determine the context in which Clariant implements its climate strategy. Clariant is fully committed to operating sustainably and reducing the climate impact of its business activities in line with these international frameworks. |

It continuously optimizes operations to cut GHG emissions and addresses climate issues along its entire value chain, aligning its business with evolving regulations and stakeholder expectations. Consequently, sustainability is of strategic importance to Clariant and is embedded at the highest levels of governance. For more information, see chapter → »ESRS2 – General Disclosures.«

Climate targets are also linked to management performance evaluations and incentive plans. Climate-related performance metrics such as GHG emission reduction targets (see section E1-4 below) are integrated into the remuneration framework for executives and senior management. Notably, targets for reducing emissions are incorporated into management's yearly performance goals. Reducing Scope 3, Category 1 emissions was included as a short-term incentive criterion for relevant leadership also in 2025, directly connecting bonus payouts to progress on supplier-related emissions. For more details, please see chapter → »ESRS2 – General Disclosures.«

✓ E1-SBM-3 and IRO-1 – Impacts, Risks, and Opportunities and Their Identification

Clariant's double materiality assessment (DMA) confirmed that climate change, encompassing both mitigation and adaptation, and energy use are material topics for the company. Clariant's GHG emissions, especially those from raw materials and product end of life, constitute a material negative impact on global climate change, whereas its development of low-carbon products represents both a positive impact and market opportunity. The DMA also highlighted energy-related transition factors as material: The company's reliance on fossil-based energy can exacerbate energy scarcity (negative impact), yet Clariant's support for renewable energy (e.g., via green power procurement) creates a positive impact by expanding clean energy supply. Additionally, by reducing dependence on volatile fossil fuel markets, Clariant can gain opportunities through greater energy security and cost stability. The table below shows all climate-related impacts, risks, and opportunities identified as material for Clariant's business and its stakeholders. For a detailed discussion of the process and outcome of Clariant's last materiality assessment, see chapter → »ESRS2 – General Disclosures.«

✓ MATERIAL IROs RELATED TO CLIMATE CHANGE

Type	Definition	Topic	Value Chain Location			Time Horizon		
			⌆	CLARIANT	⌇	>	>>	>>>
Risk (physical)	Increasing expectations of capital providers concerning climate adaptation readiness	Climate change adaptation		■				■
Risk (transitory)	Costs of transition to low-carbon technologies	Climate change mitigation		■				■
Actual negative impact	Contribution to climate change through release of GHG emissions	Climate change mitigation; energy	■	■	■	■		
Actual positive impact	Products enabling energy savings and low-emission processes	Climate change mitigation; energy			■	■		
Opportunity	Lower energy costs through process efficiency and fossil fuel reduction	Energy		■			■	
Opportunity	Market opportunities through energy-saving products	Energy			■		■	

Description of IROs

Increasing expectations of capital providers concerning climate adaptation readiness: Investors increasingly assess companies based on their preparedness for physical climate risks like flooding and extreme heat. Inadequate adaptation measures may undermine investor confidence in Clariant and lead to divestment decisions. This can result in reduced access to capital and increased financing costs for Clariant.

Costs of transition to low-carbon technologies: Clariant is committed to reduce Scope 1 and 2 emissions 46.9% by 2030 from a 2019 base year and to reach net zero for Scope 1 and 2 emissions by 2050. Meeting these goals requires substantial investment in low-carbon technologies. Key areas include energy efficiency measures such as heat integration, digitization, and more efficient equipment, as well as process innovations like natural drying in production. The largest share of investment is linked to the shift toward renewable energy, which involves upgrading infrastructure and installing new systems for biomass-based steam generation, electrification, and the use of alternative fuels such as biomethane.

Contribution to climate change through the release of GHG emissions: GHG emissions are released throughout Clariant's entire value chain. Upstream, suppliers rely on fossil fuels for extracting metals and producing petrochemicals, both of which are energy-intensive and emit significant greenhouse gases. Palm-based oleochemical sourcing also adds methane emissions during effluent treatment. Clariant's operations use fossil energy for combustion and production processes, and generate indirect emissions through purchased electricity and steam, especially in regions where the energy supply is fossil-driven. Downstream, emissions arise during product use by industrial customers in energy-intensive sectors and by consumers in everyday activities, with fossil fuels causing the greatest climate impact.

Products enabling energy savings and low-emission processes:

Clariant supports climate change mitigation by developing products that reduce GHG emissions and energy consumption across various end markets. Its portfolio includes low-carbon solutions such as advanced catalysts that improve process efficiency, selectivity, and yield, thereby lowering energy demand in industrial applications. These innovations increasingly enable the use of green electricity and support electrification trends in chemical production. In addition, Clariant offers bio-based and renewable feedstock-based products such as surfactants and coatings that help reduce embedded emissions in consumer goods. Other product innovations, including soil release polymers and flame retardants, contribute to lower energy use during application and align with broader energy transition goals. Through these developments, Clariant enables significant emission reductions in both industrial and consumer sectors.

Lower energy costs through process efficiency and fossil fuel reduction: The implementation of more efficient production and distribution processes contributes to reduced energy consumption and may result in savings on energy cost.

Market opportunities through energy-saving products: Clariant's products enable energy efficiency and sustainable technologies. As part of its innovation agenda, Clariant focuses on developing products that can be used in the development of renewable fuels, such as biodiesel and sustainable aviation fuels; flame retardants for e-mobility and electronics; and catalytic technologies for the green/blue hydrogen economy, including hydrogen, ammonia, and methanol production. These offerings strengthen Clariant's market position, leading to potential revenue growth through market expansion. |

FEATURED STORY



Catalyzing change, one load at a time

Nitric acid production is essential for fertilizer manufacturing, but it comes with a significant environmental challenge: nitrous oxide (N₂O) emissions. This greenhouse gas has a global warming potential nearly 300 times greater than CO₂, making it a critical target for climate action in the chemical industry.

To accelerate the transition toward climate neutrality, Clariant offered complimentary loads of EnviCat N₂O-S catalyst to the winners of the »Climate Campaign.« Among these winners was Gujarat Narmada Valley Fertilizers & Chemicals Limited (GNFC).

Following the successful installation at GNFC's nitric acid plant in Gujarat, India, in 2024, the results were remarkable: EnviCat N₂O-S reduced N₂O emissions by 44 000 tonnes of CO₂ equivalent per month. This achievement demonstrates the catalyst's exceptional performance in real-world industrial conditions.

The catalyst's design as a drop-in solution proved particularly valuable, allowing easy installation without disrupting ongoing manufacturing processes. By effectively removing N₂O and other nitrogen oxides, EnviCat N₂O-S enables fertilizer producers to significantly reduce their carbon footprint while maintaining operational efficiency.

[Learn more](#)

✓ | Climate Scenario Analysis and IRO Identification

Clariant's double materiality assessment, last updated in 2025, involved screening its entire operations and value chain for actual and potential GHG emissions hotspots. Almost all of Clariant's GHG emissions consist of CO₂. In 2025, these accounted for 95% of its scope 1 and 2 emissions, while 1% accounted for N₂O and 4% for fugitive emissions, which are hydrofluorocarbon compounds (HFCs) used as refrigerants. Internally, all production sites track energy usage and associated CO₂ emissions monthly, feeding into a centralized system for monitoring and benchmarking (see »Sustainable Operations Cockpit« in section E1-3, below). Through

this process, Clariant has identified that the vast majority of its GHG footprint resides in Scope 3 (value chain) emissions. In fact, over 85% of Clariant's 2025 total Scope 3 emissions come from Category 1 (purchased goods and services) and Category 12 (end-of-life treatment of sold products). These two upstream and downstream categories are the largest contributors to Clariant's carbon impact, owing to the fossil-derived raw materials it sources and the emissions released when customers dispose of or treat Clariant's products.

By screening its activities, Clariant has also identified specific operations with significant climate impacts, such as energy-intensive processes (e.g., drying of minerals) and use of fossil fuels (natural gas, coal) at certain sites. This comprehensive screening enables Clariant to target hotspots – for example, a site in China roughly halved its energy use per ton of product by switching to solar drying for bentonite clay. This is described in more detail in section E1-3, below. The outcome of the assessment guides the focus of Clariant's transition plan and risk management efforts (see section E1-1, below).

Climate Scenarios and Scientific Basis

Clariant's climate strategy and risk management are grounded in scientific climate scenarios. Clariant's climate scenario analysis, conducted in 2024, informed Clariant's transition plan, especially regarding its net-zero scenario-aligned emissions reduction targets for Scope 1 and 2 by 2050 and its decarbonization roadmap (see section E1-1, below). Furthermore, the analysis informed the identification and assessment of climate-related risks and opportunities. Thereby, Clariant also briefly assessed the resilience of its strategy and business model in relation to climate change across all own operations (excluding those of joint ventures not consolidated within Clariant). The scenario analysis did not extend to scenarios concerning physical climate risks in value chain operations.

Climate-related risks and opportunities are generally categorized into physical and transitory risks and opportunities. Physical risks arise from effects of climate change, such as extreme weather (storms, heavy precipitation) or chronic changes (temperature changes or sea level rise). Transition risks arise in the transition to a lower carbon economy and include policy and legal, technology, market, and reputational risks. Examples are changing political frameworks, technological developments, and changing market expectations. The transition to a lower carbon economy also presents opportunities for Clariant's business. In this regard, Clariant considers climate mitigation solutions as a growth opportunity within the innovation arena »energy transition« (see chapter → »ES – Sustainable Innovation«).

The table below provides an overview of the climate scenarios employed in the climate scenario analysis and, consequently, in the assessments of climate risks and opportunities.

SUMMARY OF CLIMATE SCENARIOS USED IN CLARIANT'S CLIMATE SCENARIO ANALYSIS

Scenario / Warming by 2100	Source	Carbon Price 2023 (EU)	Renewable Energy Share 2050	Key Characteristics
Net Zero/1.5 °C	IEA NZE/ IPCC SSP1-1.9	€130-200/tCO ₂ e	70 - 80 %	Rapid decarbonization/strong mitigation; stringent policies; coordinated global action; technology transformation; substantial shifts in energy systems, industrial processes, and consumer behavior. Physical impacts are moderated but not eliminated, with some locked-in climate effects still occurring.
1.8 °C	IPCC SSP1-2.6	€100-150/tCO ₂ e	60 - 70 %	Rapid decarbonization/strong mitigation; stringent policies; coordinated global action; technology transformation; substantial shifts in energy systems, industrial processes, and consumer behavior. Physical impacts are moderated but not eliminated, with some locked-in climate effects still occurring.
2.4 °C	IPCC SSP2-4.5	€50-80/tCO ₂ e	40 - 50 %	A future that falls short of the Paris Agreement. Moderate mitigation, fragmented policies, slower technology adoption, and continued reliance on fossil fuels in many regions. Physical impacts become more pronounced, with increased frequency of extreme weather events affecting global supply chains.
4 °C	IPCC SSP5-8.5	€15-30/tCO ₂ e	20 - 30 %	High physical impacts and high-emission future. Minimal policy intervention, continued growth in fossil fuel use, and limited clean technology deployment. Physical impacts are severe, with significant increases in extreme weather events, chronic climate changes, and potential system tipping points.

Clariant's scenario analysis uses short- (2025), medium- (2030), and long-term horizons (2050 and 2100) so that risk and opportunity assessments, near-term operational plans, interim 2030 climate targets, and the company's 2050 net-zero ambition are all tested against a range of plausible climate futures. The selected scenarios span from ambitious mitigation with rapid transition to limited climate action and high physical risk outcomes. This allows for the identification and assessment of both physical and transitory risks, addressing the concerns of regulators, investors, and other stakeholders. All scenarios used draw directly from the latest IPCC and IEA publications, which represent the scientific consensus on climate projections and energy system transitions.

Clariant annually reviews and updates its scenario selection to incorporate the latest scientific developments. The results are presented to the Executive Steering Committee and the Board of Directors as part of strategic planning and consulted in capital allocation decisions for major investments. The identified transition opportunities and needs for physical risk mitigation collectively influence the company's R&D priorities. Furthermore, the physical and transitory climate risks identified through the scenario analysis are incorporated into Clariant's Enterprise Risk Management system, thus shaping site-specific adaptation plans, the product portfolio management and innovation pipeline, and financial planning – e.g., through scenario-based assumptions for carbon pricing and energy costs. Through this comprehensive approach to climate scenario analysis, Clariant ensures its strategy remains resilient across a range of potential climate futures while positioning the business to capitalize on the opportunities presented by the transition to a low-carbon economy.

The scenario analysis considered four groups of forces most relevant to a specialty chemical producer:

- Policy drivers include GHG emissions reduction targets, emerging carbon pricing schemes (ETS or carbon taxation), and carbon-border mechanisms; mandates and incentives for clean technologies; product-specific regulations; and expanded and more complex ESG disclosure requirements. Government policies and incentives have spurred investment in the energy transition and accelerated the global race for clean tech leadership.
- Macroeconomic variables cover GDP growth, urbanization, consumer demand for sustainable products, and a shift toward regional supply chains.
- Energy-system factors encompass the speed of renewable energy dissemination, the electrification of industry, the development of a hydrogen economy, and energy price volatility.
- Technology drivers comprise advances in low-carbon chemistry, carbon capture, recycling, and digital efficiency tools.

These drivers matter to Clariant because Clariant's energy-intensive, globally distributed operations must navigate diverse policy regimes, and its product portfolio contains both climate-solution enablers and carbon-intensive products.

Clariant recognizes several limitations of its scenario analysis and corresponding assessments:

- The regional climate model uncertainty is higher for precipitation projections than for temperature.
- Precipitation projections are less certain than temperature estimates.
- Compound climate events are hard to quantify.
- Transition risk assessment has higher confidence for short- and medium-term projections than for long-term outcomes.

- Socioeconomic responses add uncertainty in the long term, and breakthrough-technology pathways remain unpredictable.
- Transition risk assessment occurred on the basis of global rather than region-specific scenario analysis.

Physical Risks

For its assessment of physical climate risks, Clariant considered the abovementioned scenarios and time horizons, placing particular emphasis on the 4°C scenario. The assessment focused on seven key hazard categories: tropical cyclones, river flood, sea level rise, fire weather stress, drought stress, heat stress, and precipitation stress. Clariant utilized a combination of global climate models and downscaled regional projections to evaluate site-specific exposures to changing climate conditions. This involved:

- Geospatial resolution: site-specific coordinates for all 69 Clariant production facilities worldwide, enabling precise hazard exposure assessment
- Climate hazard data: MunichRe's climate risk assessment platform, which provides hazard projections at 30x30 km grid resolution
- Expert insight from Group Function ESHA and Sustainability Affairs

The assessment quantified both acute extreme weather event probabilities and chronic climate parameter changes, translating these into operational risk scores for each site. The graph below shows the distribution of hazard levels among sites for each hazard category.

CLIMATE PORTFOLIO ASSESSMENT¹



1 Figures refer to the share of locations taken into account.
2 4 °C Scenario (IPCC, RCP 8.5)

LIST OF SITES WITH HIGHEST RISK EXPOSURE, BASED ON ASSESSMENT WITH MUNICH RE SOFTWARE AND IPCC DATA

	Drought stress	Fire weather	Heat stress	Precipitation
Baroda	■	■	■	■
Bonthapally			■	
Clear Lake				■
Cimapag				■
Cochin				■
Coatzacoalcos			■	
Daya Bay				■
Doha	■	■	■	
Jiangsu				■
Jiaxing				■
Kashipur			■	■
Medan			■	■
Reserve				■
Novara				■
Pohang				■
Jinshan				■
Shizuoka				■
Toyama				■
Zarate				■
Zhenjiang				■

For its highest-risk sites, Clariant conducted an additional risk assessment specifically for the scenario that covers a 1.5°C temperature increase by 2050. This analysis showed that the sites mostly face exposures to risks of heavy precipitation and heat stress. Furthermore, the analysis revealed that these higher risk exposures are already foreseeable on the medium-term horizon under a moderate warming scenario. The results of the more detailed assessment are shown below.

Furthermore, the scenario analysis showed that heavy rainfall and storms could threaten facilities and supply chains – for example, through flood damage to on-site infrastructure, disrupted logistics, or production interruptions due to shortages of relevant intermediate products, raw materials, or operating supplies. Risks of supply chain disruptions are especially prevalent with raw materials sourced from a single region. This applies to bio-based raw materials such as palm oil, which is crucial for Business Unit Care Chemicals. Chronic climate changes like rising average temperatures and water scarcity may also affect operations, for example, through limited process water availability or reduced cooling capacity.

To manage these physical risks, Clariant has already implemented protective measures at high-risk sites, such as flood barriers and updated emergency response plans, and continues to develop site-specific adaptation plans. In doing so, Clariant also addresses the risk of failing to meet increasing expectations of capital providers concerning climate adaptation readiness.

Another growing concern is insurance capacity: The increasing frequency and severity of natural catastrophes can strain insurers and drive up insurance costs or even limit coverage availability. Clariant anticipates rises in premiums and is improving its own risk mitigation (e.g., flood defenses, business continuity planning) in case certain risks become uninsurable. Through its ERM process, the company regularly evaluates physical climate risks to prioritize resilience measures.

While Clariant has not suffered major operational losses from climate events to date, it remains vigilant. The detailed climate risk assessment of sites at highest risk informed additional climate adaptation planning. The analysis confirmed that only minor additional measures were needed beyond those already in place, thanks to thorough risk preparation in previous years. Physical risks are expected to intensify over time, and Clariant's strategy of enhancing infrastructure robustness and emergency preparedness is key to safeguarding its facilities and communities.

Transition Risks

The transition to a low-carbon economy, under a 1.5°C scenario, presents a spectrum of risks to Clariant's business, including policy and legal changes, technological shifts, market dynamics, and reputational factors. One significant transition risk is rising energy and carbon costs, especially under the rapid decarbonization and strong mitigation scenarios. Energy markets have been highly volatile in recent years, and external factors (geopolitical crises, supply shocks, extreme weather) can spike energy prices. Energy intensive industries and fossil fuels are increasingly subject to carbon pricing mechanisms, which means Clariant could face higher operating costs as more countries impose carbon taxes or

cap-and-trade systems. These risks are expected to materialize primarily over the long term (beyond 2030). Clariant's mitigation measures include diversifying energy sources, increasing renewable energy procurement, and hedging against price fluctuations.

Another transition risk is the cost of adopting new low-carbon technologies. Achieving deep emissions cuts in operations (beyond incremental efficiency) requires substantial capital investments in new equipment (e.g., electrification of processes, biomass boilers) and R&D for sustainable raw materials. These expenditures, if not managed, could affect profitability. Clariant addresses this through long-term planning and participates in cross-industry collaborations to share the burden and gain scale advantages in innovation.

Regulatory changes beyond the abovementioned carbon pricing also pose risks: Evolving climate regulations and product standards (e.g., bans on certain high-emission materials) could necessitate rapid product reformulation or capital market access. Clariant mitigates this by closely monitoring policy developments and engaging in industry initiatives to stay ahead of regulatory trends.

Lastly, market and reputational risks were considered: Customer preferences are shifting toward low-carbon products, and failure to innovate could erode Clariant's market share. Conversely, proactive climate action enhances Clariant's reputation and customer trust. Overall, Clariant's transition risk management focuses on reducing dependency on fossil fuels, investing in innovation, and strategic planning to thrive under more stringent carbon constraints.

Opportunities Through Decarbonization, Product Innovation, and Market Changes

Clariant recognizes substantial business opportunities in the global shift to a climate-neutral economy and the energy transition. One major opportunity lies in low-emission products and technologies that help customers reduce their carbon footprint. A significant portion of Clariant's portfolio already consists of carbon-saving solutions – for example, catalysts that enable cleaner fuels or chemical processes, and bio-based additives that replace petrochemicals. Under the IEA's Net Zero 2050 scenario, demand for such low-carbon solutions is expected to surge due to policy and consumer pressures. More information on how Clariant pursues innovation projects within its dedicated energy transition innovation arena can be found in the → **»Sustainable Innovation«** chapter.

Clariant is leveraging this trend: By developing carbon-neutral or carbon-reduced products, it can expand market share and tap into new revenue streams. For instance, Clariant's halogen-free flame retardants support the transition to electric vehicles (EVs) by enabling safer batteries and charging systems. As EV adoption and infrastructure grow, also thanks to strong support from authorities and policy incentives, the demand for such enabling materials is set to rise, potentially delivering medium financial impact for Clariant by 2028.

Another opportunity is expansion of renewable energy use in Clariant's operations, which not only cuts emissions but also yields cost stability. By investing in on-site solar installations and Power Purchase Agreements (PPAs) for green electricity, Clariant reduces its exposure to fossil fuel price volatility and upcoming carbon costs. In 2025 the company achieved 76% renewable electricity and is targeting 80–90% by 2030 (see section E1-5, below), which differentiates Clariant as a low-carbon supplier and can strengthen customer relationships. This proactive decarbonization is expected to deliver low but positive financial impacts in the short term, while positioning Clariant for above-industry growth as markets increasingly prefer sustainable products.

Additionally, operational efficiency improvements present opportunities: Clariant has a track record of significant savings through efficiency (2019–25). Continued focus on process optimization, digitalization, and yield improvement can further reduce costs and emissions, contributing to competitiveness.

In sum, Clariant can leverage opportunities by innovating greener products that meet evolving customer needs, streamlining operations for cost and carbon advantages and strategic market positioning in a decarbonizing economy. These opportunities reinforce the business case for sustainability at Clariant, aligning climate action with growth and value creation. |

✓ E1-2 – Strategic Approaches and Policies

Clariant's Sustainability Policy provides the overarching framework for the climate change mitigation and adaptation as well as the energy efficiency and renewable energy deployment efforts in place to manage its material climate- and energy-related IROs in own operations and along the value chain. This policy, central to Clariant's purpose of »Greater chemistry – between people and planet,« defines the company's commitments and approaches to managing sustainability, innovation, and climate topics.

The policy emphasizes Clariant's commitment to its validated Science Based Targets initiative (SBTi) targets on Scopes 1, 2, and 3, and explicitly sets Clariant's climate objective of achieving net-zero emissions (Scopes 1 and 2 by 2050) and intermediate targets across all three scopes by 2030, aligning with the Paris Agreement. Therefore, it forms the basis of Clariant's transition plan, the net-zero roadmap. Also, the Sustainability Policy emphasizes Clariant's commitment to continuously upgrade the product portfolio toward greater sustainability, which is steered by the Portfolio Value Program (PVP). For more information on this policy, see chapter → **»ESRS2 – General Disclosures.«** |

Furthermore, several policies implementing Clariant's innovation strategy are also relevant for managing its climate-related IROs. These policies are described in a separate → **chapter on sustainability-related innovation**. The replacement of fossil fuels with

bio-based alternatives results in lower product carbon footprints, benefiting the downstream value chain and also addressing material opportunities and the material positive impact related to energy efficiency and low-emission processes.

Suppliers are also bound by Clariant's Supplier Code of Ethics, which explicitly sets expectations on Clariant's suppliers for reducing their and their suppliers' environmental impact, sharing emissions data, and minimizing emissions and waste. Adherence to this policy is monitored by Clariant's Procurement team, which also sets relevant and measurable improvement objectives and targets for the suppliers. For more information on the Supplier Code of Ethics, see chapter → »ESRS2 – General Disclosures.«

Standard Operating Procedures

✓ Clariant communicates its climate and energy policies internally through Standard Operating Procedures (SOPs). The Chief Strategy and Technology Officer (CSTO) oversees execution, aligning with Clariant's sustainability goals. |

Clariant considers the following five such SOPs as policies in their own right, as they have become instrumental for implementing Clariant's climate strategy.

- The SOP covering Clariant's Energy Management System effectively serves as Clariant's internal »Energy Policy.«
- In line with the Sustainability Policy, the SOP for carbon footprinting specifies that Clariant's Scope 1, 2, and 3 emissions are calculated according to the GHG Protocol and the »Guidance for Accounting & Reporting Corporate GHG Emissions in the Chemical Sector Value Chain« issued by the World Business Council for Sustainable Development (WBCSD), as well as the EcoBeauty Score Consortium methodology. It provides company-specific details on the application of standards, which include Clariant's processes and roles and responsibilities when it comes to carbon footprinting. It also specifies that for the consolidation of the overall emissions, Clariant follows the financial control approach.
- The SOP on the use of electricity from renewable sources spells out a preference for Power Purchase Agreements (PPAs) and Green Tariffs over unbundled RECs to ensure a reliable transition to green electricity. Another relevant SOP concerns Climate Risk Management, embedding a climate risk assessment into ERM, as noted in the above section on Clariant's scenario analysis.
- The SOP PCF Calculation with CliMate describes methodology and governance of how the Product Carbon Footprint calculation is executed at Clariant by means of the CliMate PCF Engine. It ensures that Clariant PCFs are of a high quality, and their calculation is compliant with the Together for Sustainability (TfS) Guideline. This facilitates comparability of PCFs in the supply chain of the chemical industry and contributes to decarbonization.

- The Supplier Sustainability and Risk Assessment Process SOP describes how suppliers' environmental performance is measured through structured assessments and audits, focusing specifically on emissions to air, climate change impacts, and resource efficiency. It enables Clariant to identify high-risk suppliers, establish measurable improvement objectives, including for carbon reduction, and implement corrective action plans that align with Clariant's science-based climate targets.

E1-1 and E1-4 – Transition Plan and GHG Reduction Targets

To implement its climate strategy, Clariant's Sustainability Policy entails a climate transition plan that charts a course to limit warming to 1.5°C – in line with the Paris Agreement and the European Climate Law – regarding Scope 1 and 2 emissions, and to limit warming to well below 2°C regarding Scope 3 emissions. Clariant is not excluded from the EU Paris-aligned benchmarks. Central to this plan are the science-based GHG reduction targets described below.

Targets and Milestones

By 2030, Clariant aims to reduce absolute Scope 1 and 2 emissions by 46.9% and Scope 3 emissions (Categories 1 and 12) by 27.5% from a 2019 baseline. Clariant uses the SBTi's methodology for target setting and updating. The targets are based on conclusive scientific evidence. They were last updated in 2024 after Clariant updated its 2019 baseline values to account for cumulative changes since then. (For more details, see section → »E1-4, E1-5, and E1-6 – Metrics and Targets.«) These updated targets, validated by SBTi in 2025, are even more far-reaching than the previous -40%/-14% targets set in 2021. The targets cover all Clariant-owned production sites worldwide (financial control approach) and relevant upstream and downstream value chain elements; standalone offices and warehouses are excluded due to immateriality.

In addition, the company commits to net-zero Scope 1 and 2 emissions by 2050. Clariant has also set interim checkpoints: Internal targets for 2026 have been defined that are in line with the upgraded 2030 trajectory, ensuring a steady glidepath.

To bridge the gap between the 2030 targets and Clariant's 2050 net-zero ambition, the following interim milestones apply – reflecting a linear decrease from 2030 to 2050 that is in line with limiting warming to 1.5°C:

- 2035: Achieve a 60% reduction in Scope 1 and 2 emissions compared to 2019
- 2040: Achieve a 73% reduction in Scope 1 and 2 emissions compared to 2019
- 2045: Achieve an 87% reduction in Scope 1 and emissions compared to 2019
- 2050: Achieve net-zero Scope 1 and 2 emissions

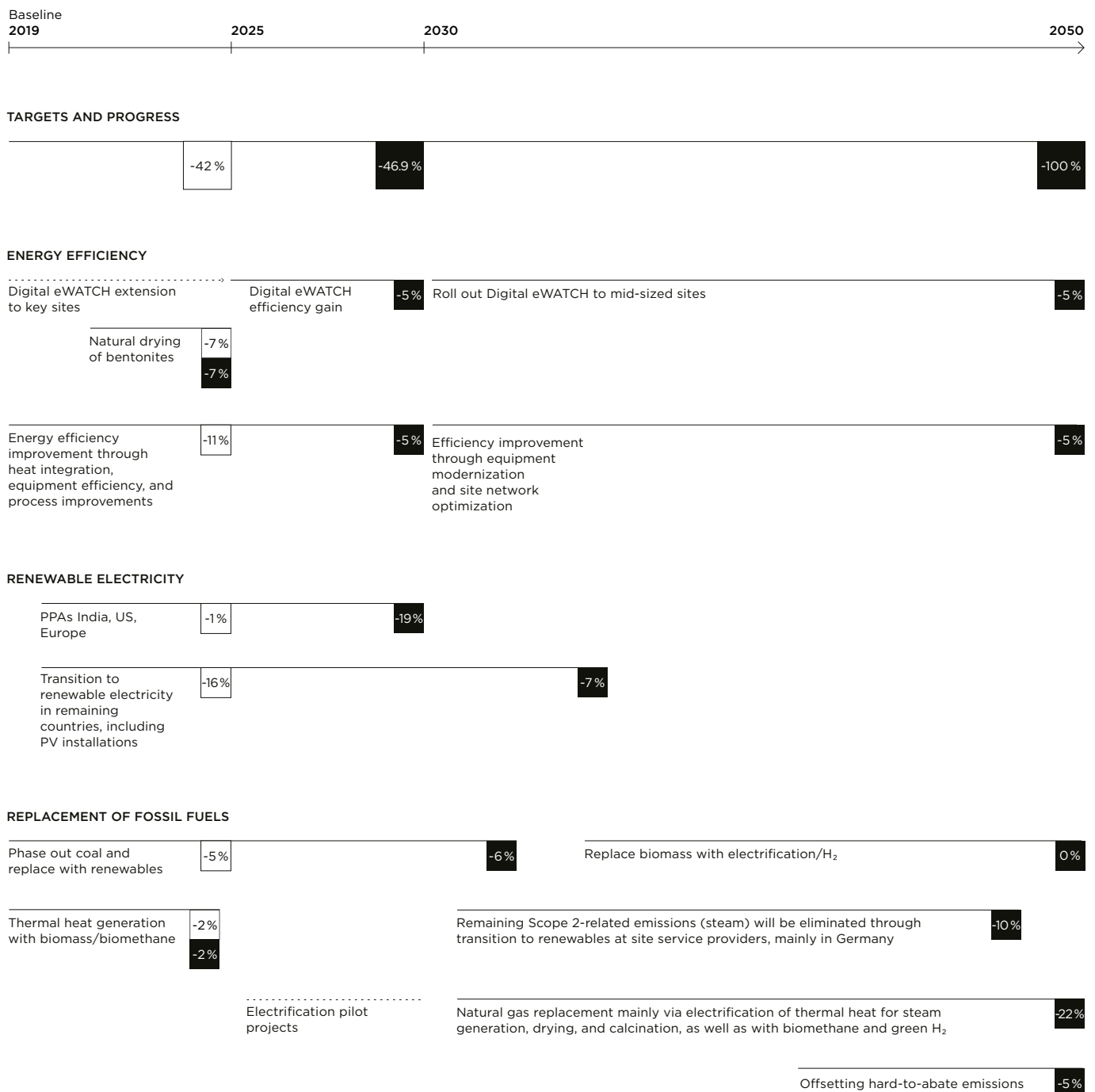
A complete overview of Clariant's climate targets along with metrics on Clariant's GHG emissions is provided in section → »E1-6 – Emissions Metrics and Targets,« below.

Scope 1 and 2 Emissions: Decarbonization Levers

Clariant's transition plan for climate change mitigation, its »Net-Zero Roadmap,« is built on three decarbonization levers for Scope 1 and 2 emissions, each quantified for its contribution toward the 2030 and 2050 targets mentioned above and in

section → »E1-6 – Emissions Metrics and Targets.« Clariant's actions to achieve these targets (see → section »E1-3«) can be clustered along these three decarbonization levers. The chart below provides an overview of Clariant's Scope 1 and 2 GHGs Net-Zero Roadmap:

CLARIANT'S SCOPE 1 & 2 GHGs NET-ZERO ROADMAP



— Workstream to sustainably reduce GHGs - - - Preparatory step GHG reduction 2025 vs. 2019 (achieved)¹ GHG reduction vs. 2019 (target)¹

¹ Potential growth-related emissions must be reduced as well.

As shown above, the three levers are:

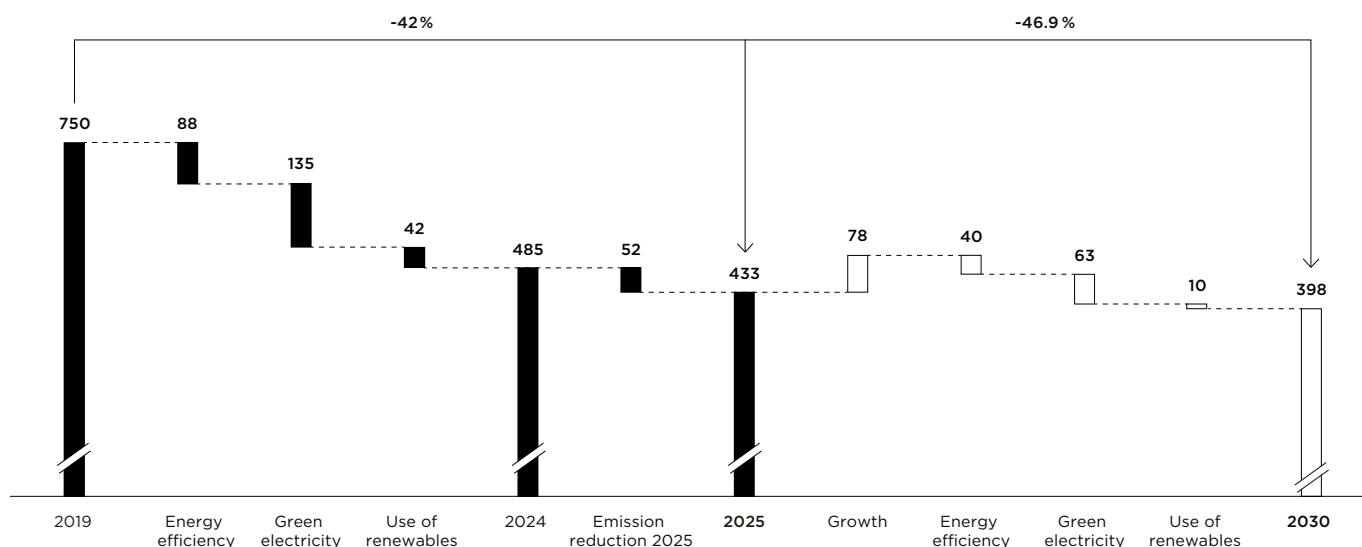
Energy Efficiency: Improving energy efficiency is the foundational lever, expected to deliver roughly 10% of the required Scope 1 and 2 reductions by 2030, and another 10% by 2050. Several energy-saving projects are underway, supported by programs such as YEE and eWATCH™. Digitalization and AI play a growing role – Clariant's Digital eWATCH™ initiative and the deployment of its AI assistant »Clarita« are optimizing processes in real time, identifying energy-saving measures and anomalies. For example, advanced analytics of production data have proposed process adjustments that reduce energy intensity without impacting output. Specific high-impact measures include heat integration (reusing waste heat from exothermal reactions) and switching to natural sun drying for certain products, notably bentonite clays, instead of fuel-based drying. By continuously driving efficiency, Clariant also offsets emission growth from any production increases. As shown in section →»E1-3 – Actions«, efficiency projects (large and small) already cut significant amounts of CO₂e since the net-zero roadmap's base year 2019.

Green Electricity: Transitioning to renewable electricity is another major lever. Clariant plans to source 100% green electricity well before 2050, with an interim goal of 90% by 2030. The remaining 10% allows for grid or location constraints. As shown in the chart above, the roadmap projects Power Purchase Agreements (PPAs) and Renewable Energy Certificates (RECs) to be the main contributors of the needed Scope 2 reduction by 2030. Certificates (both bundled with energy and unbundled) are used where direct green supply is not available. This lever not only reduces emissions but also hedges against carbon pricing.

Replacement of Fossil Fuels (Fuel Switching): The third lever constitutes replacing fossil fuels, notably coal, diesel, and natural gas, used for heat and steam with low-carbon alternatives. Clariant has already started this transition. Clariant already replaced most of its coal usage over the past five years, mainly with natural sun drying and biomass fuels. This enabled one major site (Bonthalpally, India) to achieve net-zero Scope 1 and 2 emissions in 2023. Phasing out the remaining coal by 2030 is expected to contribute roughly 5 – 6% of the 2030 emission reduction. Natural gas, which is currently Clariant's primary energy source for process heat, is harder to substitute. Clariant's plan is to progressively replace natural gas with renewable alternatives: Electrification of processes (where feasible) will begin with pilot projects after 2025, and the use of biomethane (renewable gas) is being scaled up. Natural gas has been largely replaced with biomethane at Suzano, Brazil. Clariant is also exploring green hydrogen for specific high-heat applications, though this will depend on future availability and cost. Where direct replacement is not yet possible, Clariant employs efficiency improvements and interim fuel switches from coal to cleaner natural gas as a bridge toward biofuel or electrification. Any residual hard-to-abate emissions will be neutralized through high-quality carbon offsets as a last resort by 2050 at the latest.

The graph below provides an overview of achieved and planned scope 1 and 2 GHG emissions reductions by scope 1 and 2 decarbonization levers:

CLIMATE CHANGE MITIGATION ACHIEVED AND PLANNED BY SCOPE 1 AND 2 DECARBONIZATION LEVER IN KT CO₂E



Scope 3 Emissions: Targets

As shown in section → »E1-4, E1-5, and E1-6 – Metrics and Targets,« Clariant commits to reducing Scope 3 GHG emissions from Categories 1 and 12 by 27.5 % by 2030 from a 2019 base year. For Category 1, this target covers all purchasing activities related to raw materials, process chemicals, packaging, and other goods. Category 12 covers the end-of-life treatment of Clariant's products. Together, these categories represent 87 % of all Scope 3 emissions of 2019. The target applies to the global value chain, including all regions where Clariant sources materials and all markets where its products are sold and eventually disposed of.

Clariant identified supply chain decarbonization and product change as key levers for achieving the Scope 3 emissions target. Clariant is well on its way toward achieving the 2030 target, and is in the process of creating a roadmap further refining these levers as well as identifying additional levers and reduction potential to ensure the 2030 target is achieved. Key actions using the levers identified thus far include close collaboration with suppliers to procure raw materials with lower product carbon footprints (PCFs), product carbon footprint management, and collaboration with customers and partners along the value chain. For detailed descriptions and results, see section → »E1-3 – Actions« and section → »E1-4, E1-5, and E1-6 – Metrics and Targets,« accordingly.

Target Setting, Monitoring, and Review Methodology

The target periods shown in section → »E1-4, E1-5, and E1-6 – Metrics and Targets« are strategically aligned with Clariant's business planning horizons:

- Short-term targets (2026) align with the immediate operational planning cycle.
- Medium-term targets (2030) align with the strategic business horizon.

This alignment ensures that our sustainability ambitions are fully integrated into our business strategy and operational planning, supporting both climate commitments and long-term business success.

✓**I** The target-setting process involved robust analysis of operations and growth projections. Clariant's climate team worked with each business unit to model emission reduction potential and needed investments, while assuming continued business growth so that targets remain achievable even as production volumes increase. Oversight of target implementation is rigorous: Progress is reported quarterly to the Innovation and Sustainability Meeting (ISM), the Innovation and Sustainability Committee (ISC), and the Board. In these meetings, countermeasures are defined, if needed, and internal targets are set and reviewed annually in light of any new climate science developments or business changes. This disciplined approach to milestones helps Clariant remain on track. Notably, Clariant's Scope 1 and 2 emissions reductions are well ahead of a linear trajectory (2019–2030), giving confidence in reaching the 2030 goal. The same applies to Clariant's Scope 3 emissions. For further details, see section → »E1-4, E1-5, and E1-6 – Metrics and Targets.« **I**

Regarding emissions management, Clariant foresees no long-term locked-in emissions for Scope 1 and 2, provided the infrastructure is properly upgraded according to plan. Process-related emissions are particularly relevant for the Gendorf site, with most classified as Scope 3 downstream emissions due to the sale of generated CO₂ to third-party companies. In the long term, Clariant aims to eliminate these process CO₂ emissions by transitioning to carbon-neutral raw materials such as bio-based ethylene.

Except for a strategic investment to increase bulk chemical storage capacity and handling for the North Sea Oil service market, Clariant made no significant strategic investments in 2025 due to coal-, oil-, and gas-related economic activities. On the contrary, Clariant divested parts of the oil-related business in the US.

Information on Clariant's investments and funding supporting the actions of the net-zero roadmap is provided in section → »E1-1 and E1-3 – Financial Resources Allocated for Climate Actions.«

E1-3 – Actions

✓ In 2025, Clariant continued to implement a suite of initiatives to reduce energy consumption and improve efficiency across its operations, in line with the net-zero roadmap. The following table provides an overview. |

Key action	Description and year of completion	Scope of action	Overall progress in 2025, CAPEX (M CHF) if applicable, and how we track effectiveness
Energy management and efficiency measures	Various energy efficiency measures identified and implemented based on - Tracking of energy consumption and GHG emissions and visualization in dashboard; - Improvement program »YEE« to find optimization potential in yields and energy use of production units established in 2012; - Energy management initiative eWATCH™, running since 2013, to identify energy-saving opportunities across operations; - Knowledge sharing-tool “CEIG” Further details below	Own operations, global	YEE: CHF 80 million in cumulative savings by 2025 – CHF 3.2 million in 2025 alone, including CHF 1.5 million in direct energy cost savings eWATCH™: 175 projects tracked in 2025, achieving CHF 4.4 million in additional savings that year; accumulated total savings of CHF 54.8 million Resulting energy efficiency measures: e.g., steam efficiency was improved in Kashipur and Panjin with the replacement of the steam traps and improved lagging resulting in 6 kT CO₂e reduction in 2025.
Renewable electricity measures	Photovoltaic (PV) panels installed at various sites Power purchase agreements (PPAs) secured Multi-year green electricity supply contracts implemented Renewable energy certificates (RECs) purchased for multiple sites Further details below	Own operations, global	In 2025, the following measures were implemented: PV panels installed at a facility in Australia Ten-year PPAs supplying wind/solar power for operations in the United States and India. An additional PPA was established for Baroda, India, with savings of 1kT CO₂. Multi-year green electricity supply contract for two sites in China implemented, reducing the corresponding emissions by 17 kT CO₂e Significant reduction of 28 kT CO₂e was achieved by changing the supplier for all sites in Germany.
Replacement of fossil fuels	Clariant replaces coal with biomass or nature-based solutions (natural drying), and natural gas with biomethane. Sites are designed or retrofitted to be fuel flexible (i.a. for green hydrogen). Electrification of gas-fueled processes in pilot-phase. Further details below.	Own operations, global	1 800 t reduction in CO₂ emissions through biomethane use in 2025 The use of biomass was extended reducing 3.6 ktCO₂e in 2025. In addition, the transition to low carbon steam at two sites in Germany contributed a reduction of 9.6 kT CO₂e in 2025.
Low-carbon energy in the upstream value chain and process improvements at Clariant's suppliers	Ongoing process: Effect a shift of suppliers' power sources toward low-carbon alternatives and emission savings through process improvements in our upstream value chain	Upstream (Scope 3.1)	Clariant has reduced its Scope 3.1 emissions by 46kT in 2025 because suppliers have switched to low-carbon energy sources and increased process efficiency as a result of Clariant's supplier engagement.
Raw material choice	Source 100 % responsibly sourced palm oil by 2030	Upstream (Scope 3.1)	Clariant has sourced 47 % RSPO-certified palm oil in 2025, reducing Clariant's scope 3 emissions by 16.6 kT.
Raw material choice / circularity	Ongoing process: Identify and introduce opportunities for raw materials with lower carbon footprint into the supply chain	Upstream (Scope 3.1)	Clariant included recycled platinum in its catalyst supply chain in 2025, resulting in a 4kT reduction.
Product Portfolio and a shift toward lower-carbon products	Ongoing process: Steer portfolio toward more sustainable products and effectively reduce Scope 1, 2, and 3 emissions	Upstream, downstream, and own operations	Designated product ranges (e.g., Vita and Terra products) that use renewable feedstocks, providing real alternatives to products based on fossil carbon and effectively lowering the PCF of the products



Energy Management and Efficiency Measures

Central to Clariant's energy management and efficiency measures is its Sustainable Operations Cockpit (SOC), created to enable monthly tracking of energy consumption and GHG emissions. It combines energy consumption data for all production sites with conversion and emission factors. It also enables more granular reporting using individual conversion factors at the site and plant levels. All conversion factors are centrally managed to ensure data harmonization and accuracy. The SOC also tracks energy and utility supply to third parties at sites where Clariant serves as a service provider. The SOC also allows user-friendly data visualization to analyze trends and perform benchmarking as a basis for improvement. The tool was successfully audited upon implementation and is subject to evaluation as part of our yearly limited assurance process.

To complement this monitoring, Clariant employs the Clariant Production System – Yield, Energy, Environment (YEE) program, a holistic continuous improvement approach focused on resource efficiency and waste reduction. YEE establishes mandatory standards and conducts »maturity assessments« of production units to find optimization potential in yields and energy use.

Another key pillar is eWATCH™, an energy management initiative running since 2013. Under eWATCH™, specialized energy teams perform systematic assessments at sites to identify energy-saving opportunities across operations (covering processes, equipment, and behavioral aspects). The program encourages a structured approach, evaluating improvements in operating procedures, maintenance, and employee practices, and often involves external energy experts to validate technical savings potential. Clariant has recently upgraded »eWATCH™ goes digital« by deploying advanced metering and AI analysis, further enhancing the granularity of energy monitoring (for instance, by detecting anomalies in energy use of specific equipment via machine learning). Indeed, since 2023, Clariant has successfully used AI (the Clarita AI assistant) to analyze energy-intensive processes with hybrid machine-learning/LLM models, which automatically suggest efficiency measures to engineers.

Another knowledge-sharing tool is the Clariant Energy Intelligence Guide (CEIG), which compiles best practices, case studies, and guidance on energy optimization for operations teams worldwide.

These systems and programs have led to numerous concrete measures. Some notable energy efficiency projects implemented include natural air-drying of bentonite clay (using solar heat and ambient air instead of fuel-fired dryers), heat integration (capturing exothermic reaction heat to generate steam or preheat processes), and equipment upgrades, such as upgrades to efficient burners, steam traps, heat pumps, and air compressors.

Renewable Electricity

Clariant's progress in increasing the share of green electricity in its energy mix was achieved through multiple approaches: Clariant installed on-site solar PV panels at several facilities to generate its own renewable electricity. At the same time, Clariant secured long-term PPAs to directly source renewable energy from new projects. These PPAs not only deliver additional renewable capacity to the grid but also lock in energy prices, providing a hedge against future energy cost volatility. In regions or sites where on-site generation or PPAs are not immediately feasible, Clariant purchases RECs to cover electricity consumption with green attributes. By 2025, Clariant procured RECs (guarantees of origin) for multiple sites. Clariant prioritizes bundled RECs (tied to energy supply contracts) or direct green tariffs where possible, to ensure additionality and reliability, using unbundled RECs as a transitional measure.

Replacement of Fossil Fuels

To tackle direct emissions from fuel use (Scope 1), Clariant is actively replacing high-carbon fossil fuels with cleaner or renewable alternatives. A major success has been the phasing-out of coal from its energy mix. Recognizing coal's high carbon intensity, Clariant committed to eliminate coal usage. Several sites that historically relied on coal boilers have transitioned to alternative fuels. Notably, a large production site in India has already achieved climate neutrality (net-zero in Scope 1 and 2) by converting its coal-fired steam generation to biomass. The remaining minor coal usage will be fully phased out by or before 2030, with biomass (from sustainable sources) as the primary replacement.

In parallel, Clariant is reducing dependence on natural gas, its main fuel for process heat. Most significantly, Clariant has begun using biomethane (biogas upgraded to pipeline quality) to displace a portion of its natural gas consumption. Over the next decade, Clariant will continue expanding biomethane offtake contracts or on-site biogas generation to further curtail fossil gas use.

Additionally, Clariant keeps an eye on green hydrogen as a future fuel. If affordable green H₂ becomes available, it could replace natural gas for high-heat applications or serve as feedstock for steam generation at certain sites. Clariant's sites are generally being designed or retrofitted to be »fuel-flexible« so they can accommodate hydrogen or other new energy sources in the future.

Another avenue is electrification of processes. Certain operations currently burning gas for heat could be electrified and powered by renewable electricity. Clariant started a pilot phase in 2025 for electric boilers and heaters, especially for processes with lower temperature requirements or where new installations are planned.

Scope 3 Reduction Levers and Actions

Clariant's Scope 3 reduction efforts concentrate on Category 1 (purchased goods and services) and Category 12 (end of life of sold products), which together account for the vast majority of Clariant's Scope 3 emissions. On an ongoing basis, Clariant engages with suppliers to decarbonize its supply chain and thus achieve its Scope 3 target in various ways at various stages.

Clariant is pursuing numerous activities for reducing its Scope 3 upstream and downstream emissions. These include reduction opportunities with upstream suppliers, for instance, the introduction of low-carbon power at supplier production facilities; the reduction of Scope 3 emissions through raw material selection, for example, the procurement of RSPO-certified palm oil or the introduction of recycled precious metals in our catalysts; and the strategic move toward more sustainable products in the product portfolio.

Identification of opportunities is supported by the data available in the CliMate engine as well as in the PVP (see the → **»General Disclosures«** chapter), and Clariant provides its employees and its suppliers with training to help identify and execute reduction opportunities.

Shifting the Portfolio Toward More Sustainable Products

Clariant's Portfolio Value Program (PVP) is used as a strategic tool for steering the product portfolio toward improved sustainability. This includes phasing out non-sustainable products and shifting toward sustainable products, which tend to be in the specialty sector. This lowers the overall Scope 3 footprint by a) moving away from non-sustainable products which tend to have volumes, toward specialty ones and b) decreasing the individual product carbon footprints by replacing fossil-based raw materials with bio-based ones where feasible. In addition, Clariant worked closely with its joint venture (JV) business partners to align ambitions and aspirations toward reducing GHG emissions and making reduction targets achievable.

Clariant's innovation portfolio is heavily oriented toward enabling the low-carbon transition, with numerous projects in catalysts, materials, and chemicals that address climate challenges taking place across Clariant's three innovation arenas:

- Health- and sustainability-conscious consumers and brands;
- Energy transition;
- Circularity.

These are described in detail in chapter → **»ES – Sustainable Innovation.«** Many projects within these innovation areas involve actively engaging suppliers as strategic partners in the co-development of safer, more sustainable materials and processes beyond Clariant's own operations, as well as providing Clariant's customers with innovative products containing less carbon and/or increasing amounts of renewable carbon sources that help reduce the reliance on fossil-based carbon. Clariant is in the process of quantifying achieved and expected Scope 3 emissions reductions associated with product change. → **Read more in »General Disclosures.«**

Low-Carbon Raw Materials

Around 59% of Clariant's 2019 carbon footprint (Scope 3) comes from purchased raw materials. In the future, an increasing share of renewable and/ or recycled raw materials will replace fossil-based resources, potentially leading to reduced GHG emissions.

In 2025, Clariant undertook several steps to replace conventional raw materials with low-carbon alternatives. This includes obtaining ethylene oxide derivatives from renewable sources in the joint venture with India Glycols, switching toward recycled propylene glycol and precious metals, and moving toward fully sustainable RSPO-certified palm oil.

Raw Materials Produced with Low-Carbon Energy and Process Improvements at Suppliers

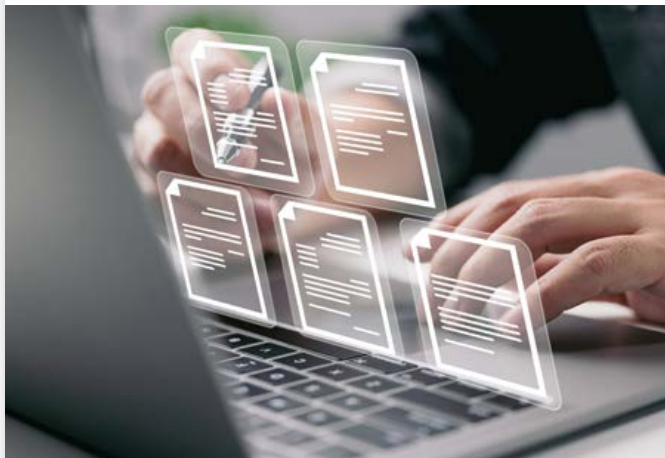
Clariant is actively engaging with its suppliers to increase the share of low-carbon energy used at the upstream production facilities. The initial focus is on high energy-intensive raw materials such as phosphorous-based chemicals. In 2025, Clariant was able to reduce its Scope 3.1 emissions by 46kT by effecting its suppliers to purchase low carbon electricity and increase process efficiency. Additionally, renewable energy certificates (RECs) have been purchased for a significant amount of oxygen in use.

A systematic approach to engaging with value chain partners is ongoing. Supplier engagement to support emission reduction remains a key priority over the next years. Clariant has focused on increasing transparency in its value chain and has achieved a 57% share of supplier-specific emission factors in total scope 3.1 emissions and 83% sales coverage of readily available PCFs in 2025 for our customers to provide a basis for targeted action. Clariant uses the data to actively engage with its strategic raw material suppliers to continuously identify reduction opportunities and act to actually reduce their emissions.

Engagement Within External Stakeholder Groups for Industry Alignment on Reduction Pathways

Clariant recognizes that progress toward ambitious reduction goals will be faster if the chemical industry works collaboratively to identify reduction opportunities and share best practices. To help create aligned reduction pathways for key supply chains in the longer term, Clariant participates in diverse partnerships and institutional platforms in the area of climate change and energy transition, such as the Hydrogen Council, the Renewable Carbon Initiative (RCI), the World Business Council on Sustainable Development (WBCSD), and the EU Renewable and Low-Carbon Fuels Alliance (RLCF). In addition, Clariant also participates in the Together for Sustainability (TfS) Work Stream 5 on Scope 3 GHG emissions and specifically in work package 2, which is dedicated to designing a PCF data collection and sharing approach for the chemical industry: The SIGREEN platform. In 2025, Clariant started a pilot phase to actively use SIGREEN for PCF sharing with industry partners, and the PCFs for more than 100 products were successfully shared with customers. Clariant expects this to incentivize supply chain partners to develop low-carbon alternatives.

FEATURED STORY



Transparency at your fingertips

Many companies want to understand and reduce their carbon footprint. This means tracking emissions from their own operations and accounting for the carbon impact of raw materials they purchase. Until recently, obtaining reliable product carbon footprint (PCF) data from suppliers was a time-consuming challenge.

Clariant's »CliMate« engine for automated PCF calculation transforms this process with an innovative approach to PCF transparency. »CliMate« uses primary operations data from Clariant sites and emission factors that are mainly based on supplier data and data from industry average databases. Since 2025, »CliMate« has also been TÜV-approved for its alignment with the TfS PCF Guideline 3.0, enabling interoperable carbon footprint reporting across the chemical industry and beyond.

PCF data for Clariant's Additives products is now available on demand, while information for Care Chemicals products can even be accessed directly through ClariHub, Clariant's digital customer platform. The high number of PCF downloads from ClariHub shows that customers value this approach. Clariant's PCF information can also be accessed via the technical platform SiGREEN, which many TfS participants use for the secure and efficient exchange of emission data.

The benefits extend beyond mere compliance. With access to detailed PCF information, customers can better understand the environmental impact of their purchases, make more sustainable product selections, and develop effective carbon reduction strategies.

[Learn more](#)

Within WBCSD, Clariant has contributed to an update of the Guidance on Avoided Emissions. The guidance is provided by WBCSD to better support businesses and investors who want to assess and communicate the impact of their low-carbon solutions and portfolios – beyond the GHG inventory footprint.

Through its membership in TfS, a chemical sector collaboration to build sustainable chemical supply chains, Clariant contributed to a chemical industry guideline on product carbon footprinting and corporate GHG emission accounting published in November 2022. In September 2025, Clariant's methodology for PCF calculation was certified compliant with the latest version (3.0) of the TfS guideline, which was published in December 2024. Harmonization and standardization give Clariant a clear view of emission hotspots and allow targeted action; while also allowing consumers and the wider market to assess the climate impacts of products, incentivizing the development of low-carbon alternatives.

Creating Transparency to Enable Targeted Action: CliMate

Clariant developed an internal engine called CliMate to calculate the PCFs of its own products, in addition to corporate emissions. The calculation methodology is based on the ISO 14067:2018 standard and complies with the requirements in the most recent Together for Sustainability (TfS) PCF Guideline. The methodology has been validated by the independent organization TÜV Rheinland. The certification can be found under certified products by means of the ID 0000082466 at → www.certipedia.com.

CliMate and the associated dashboards enable Clariant to manage its progress in reducing Scope 3 emissions by monitoring PCF improvements in its supply chains over time. The large share of supplier-provided primary emission factors allows Clariant to identify hotspots and target actions with key suppliers to reduce the impact of raw materials with high EFs. Clariant's current PCF portfolio coverage will expand to ever-wider application areas as supporting information becomes increasingly available from suppliers through the company's supplier engagement program. This allows Clariant to further reduce emissions from the sourcing of raw materials in line with its Scope 3 targets. For achieved Scope 3 reductions, see section → »E1-4, E1-5, and E1-6 – Metrics and Targets.«

Educational Webinars and Trainings

As part of its supplier engagement actions in 2025, Clariant continued to provide comprehensive trainings to all climate-relevant business units and to suppliers on topics such as carbon pricing, Scope 3 best practices, and Clariant's climate targets, measures, and progress.



E1-1 and E1-3 – Financial Resources Allocated for Climate Actions

Clariant has a comprehensive financial framework to ensure the successful implementation of our climate action plans through 2030 and beyond, as shown in the table below.

FINANCIAL FRAMEWORK

Capex	Amount
Capex allocated for Scope 1 & 2 emissions reductions 2020-2025	CHF 30 million
Capex planned for scope 1 & 2 emissions reductions 2026-2030	CHF 30 million
Capex planned for scope 1 & 2 emissions reductions 2026-2050	CHF 750 million

Clariant is strategically aligning its financing instruments with sustainability goals through KPI-linked mechanisms that underscore the company's commitment to sustainable business practices. This approach serves multiple objectives: meeting growing investor demand for sustainable investments, articulating Clariant's sustainability strategy through financing choices, and opening additional funding sources.

The table below provides an overview of Clariant's two main sustainable finance instruments active in 2025.

Clariant's sustainability transition depends on several external factors across key domains. From a financial perspective, maintaining access to competitive green financing markets is essential to fund our transformation initiatives. In the market domain, accessing affordable renewable energy represents a fundamental requirement for reducing our carbon footprint and meeting our climate targets. A comprehensive and stable regulatory landscape plays a crucial role, as stable renewable energy incentives and continued support for industrial decarbonization provide the

necessary framework for long-term planning and investment. Technologically, the availability of new technologies supporting the transformation on a commercial scale is vital, including next-generation industrial heat pumps, thermal heat batteries, and electric storage solutions that will enable us to decarbonize our operations effectively.

Clariant's Board of Directors oversees Clariant's climate finance strategy, including the issuance and management of sustainable finance instruments. The CFO oversees all capital expenditures, as described in the Capital Expenditure Policy. The CFO and Chief Strategy and Technology Officer jointly review the allocation of proceeds from sustainable finance instruments quarterly within the quarterly performance review cycle, ensuring alignment with our climate objectives. Semiannually, the performance against the environmental KPIs linked to the green financing is monitored by the Sustainable Finance Steering Committee and reported to the investors. This governance structure ensures transparency and accountability in how we finance our climate transition.

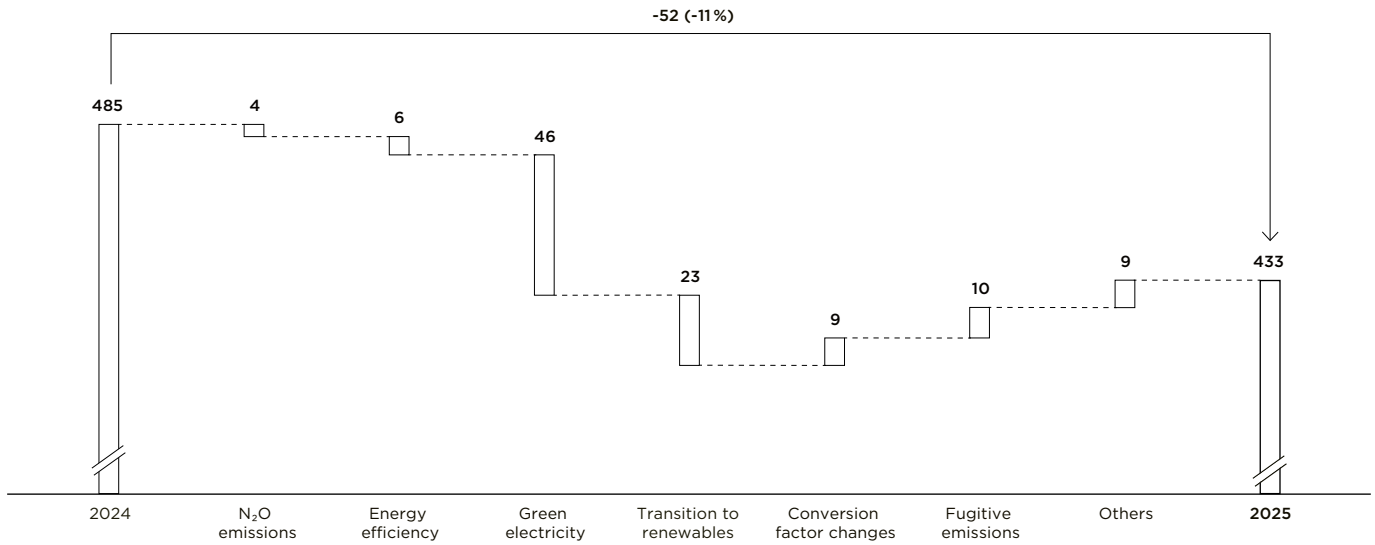
Clariant manages the financial risks associated with our climate transition through a comprehensive approach that includes diversified funding sources, phased investment planning, and strategic use of sustainable finance instruments. Our sustainable finance strategy helps mitigate transition risks by securing long-term funding for climate initiatives at favorable rates.

We balance climate investments with other capital allocation priorities through our integrated capital planning process, which incorporates our internal carbon price of CHF 100 per ton of CO₂ in relevant investment decisions (see section E1-8). This ensures that our climate commitments remain financially sustainable while delivering on our environmental objectives.

FINANCE INSTRUMENTS

Instrument	Green Bond Program	Sustainability-Linked Loan Facility
Description	CHF 200 million green bond with proceeds allocated to eligible assets under Clariant's Green Financing Framework, which include: • Circular economy adopted products • Production technologies and processes • Certified eco-efficient products • Renewable energy and energy efficiency • Pollution prevention and control External validation (available online for transparency): • ISS ESG confirmed alignment with Green Bond Principles and Green Loan Principles • S&P Global Ratings assigned a BBB- rating to the bond Clariant's first green bond was priced in 2022 with a volume of CHF 175 million, a coupon of 2.717 %, and a 2027 maturity date.	CHF 450 million revolving credit facility agreement with Skandinaviska Enskilda Banken, Citibank, BNP Paribas, Commerzbank, Credit Suisse, Deutsche Bank, and UBS acting as bookrunners and mandated lead arrangers. The interest rate is linked to four KPIs: Scope 1, Scope 3.1, water intake intensity, and diversity.
Issuance	September 2024	March 2023
Maturity	7 years	5 years with two one-year extension options

SCOPE 1 AND 2 GHG REDUCTIONS 2025 COMPARED TO 2024 IN KT CO₂E



✓ E1-4, E1-5, and E1-6 – Metrics and Targets

In 2025, Clariant again made good progress at implementing the 2030 roadmap for Scope 1 and 2 emissions. Despite several adverse effects, a net Scope 1 and 2 emission reduction of 11% could be realized, as shown above. [I](#)

Figures on energy consumption of the sites in Germany and Spain are regularly audited according to ISO 50001 by an external company. Other than that, the metrics shown in this section are not externally validated.

Energy Consumption

As a chemical company, Clariant's whole operation is in the high climate-impact sector. The consumption of energy by Clariant is in the form of process heat, steam, cooling, and electricity.

✓ [I](#) Clariant uses direct primary energy sources to generate process heat and steam or has them supplied by site service providers. Its primary energy source is natural gas, while coal is used only in very few locations. In addition, sustainable biomass is used, replacing coal. Clariant requires steam to heat reactors and separators, such as distillation columns. Wherever possible, it applies the remaining heat of the resulting condensate for steam generation or internal heating. The company also needs energy for drying as a part of its mineral processing. For this application, fossil energy sources have partially been substituted by natural drying with sun and wind. [I](#)

✓ The table below provides an overview of Clariant's energy consumption. |

ENERGY CONSUMPTION

in m kWh unless stated otherwise

	2025	2024	2023	2019
Total energy consumption including supply to 3rd party	2 413¹	2 429	2 463	2 627
Energy supplied to 3rd party	77²	70	73	
Total energy consumption within the organization	2 336	2 359	2 390	2 627
Total fuel consumption within the organization	1 154	1 267	1 380	1 656
Oil	47	58	86	151
Natural gas	1 058	1 147	1 184	1 271
Coal	49	62	110	234
Other fossil fuel sources	0	0	0	0
Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources	638	628³	n.a.	n.a.
Total electricity consumption	508	511	503	507
thereof nonrenewable sources	122 ³	168.5	198	457
thereof from nuclear sources	17	n.a.	n.a.	n.a.
thereof renewable sources	387	342	305	50
thereof renewable grid share	122	98	100	
thereof renewable green electricity supply contract	118	1	1	20
thereof renewable PPA	14	39	43	6
thereof renewable REC	124	196	157	24
thereof renewable self-generated	8	8	4	0
Total steam consumption from outside the organization	541	464	438	420
thereof from renewable sources	8	5	0	0
Total nonrenewable energy consumption	1 809³	1 899	2 016	2 533
thereof from fossil sources	1 792	n.a.	n.a.	n.a.
thereof from fossil sources (%)	99.1%	n.a.	n.a.	n.a.
thereof from nuclear sources	17	n.a.	n.a.	n.a.
Share of nuclear sources in total energy consumption (%)	0.7%	n.a.	n.a.	n.a.
Share of nonrenewable sources in total energy consumption (%)	77%	81%	84%	96%
Fuel consumption from renewable sources, including biomass	132	125	n.a.	n.a.
Biofuel (e.g., wood waste, agricultural waste, landfill gas)	132	118	68	45
Total renewable energy consumption	527	465	373	95
Share of renewable sources in total energy consumption	23%	20%	16%	4%
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (%)	17%	15%	n.a.	n.a.
Consumption of self-generated non-fuel renewable energy	8	n.a.	n.a.	n.a.
Share of contractual instruments of scope 2 emissions	24%	24%	21%	5%
Specific energy consumption in kWh/t production	668	657	630	656
Specific energy consumption in kWh/CHF net revenue	0.597⁴	0.568	0.546	0.599
Total energy consumption from activities in high climate impact sectors	2 336	2 359	n.a.	n.a.
Energy intensity from activities in high climate impact sectors (total energy consumption per net revenue)	0.597	0.568	n.a.	n.a.

¹ All values are based on upper heating value

² 62 m kWh steam and 15 m kWh electricity supplied

³ Nonrenewable sources include fossil and nuclear sources

⁴ Net revenue see Consolidated Income Statement

Emissions

Clariant discloses emissions from the consolidated accounting group, including the parent company and fully consolidated subsidiaries. Emissions from investees, such as associates, joint ventures, and unconsolidated subsidiaries that are not fully consolidated in the financial statements, are not relevant to Clariant's emissions reporting, as these entities are not controlled by Clariant.

✓ The following tables show all emissions-relevant metrics and targets. |

SCOPE 1 & 2 GHG EMISSIONS

in thousand tons CO ₂ equivalents	2019	2023	2024	Total 2025	Milestones and Targets			
					2025	2026	2030	Annual % target / base year
Scope 1								
Stationary combustion	338	257	228	204				
Mobile combustion	12	13	13.7	12				
Process emissions	16	8	15.6	14				
Fugitive emissions	11	10	7.5	17				
Total Scope 1	377	288	265	248				
Scope 2								
Electricity market-based	230	133	106	60				
Electricity location-based	241	242	228	224				
Steam	143	118	114	125				
Scope 2 market-based	373	251	220	185				
Scope 2 location-based	383	360	342	349				
Scope 1 & 2 GHG emissions market-based	750	539	485	433	460	412	398	4.26
Scope 1 & 2 GHG emissions location-based	760	648	607	597				
Total Biogenic CO₂ emission	21	42	64	70				
Greenhouse gas emissions (Scope 1 & 2 market-based, CO ₂ equivalents) (in kg CO ₂ e/CHF net revenue) ¹	0.157 ²	0.123	0.117	0.111				
Greenhouse gas emissions (Scope 1, CO ₂ equivalents) (in kg CO ₂ e/CHF net revenue) ¹	0.085 ²	0.066	0.064	0.063				
Greenhouse gas emissions (Scope 2 market-based, CO ₂ equivalents) (in kg CO ₂ e/CHF net revenue) ¹	0.072 ²	0.057	0.053	0.047				
Greenhouse gas emissions (Scope 2 location-based, CO ₂ equivalents) (in kg CO ₂ e/CHF net revenue) ¹	0.074 ²	0.082	0.082	0.089				

¹ For net revenue, see Consolidated Income Statement.

² Based on actual figures in 2019, not considering rebaselining

GROSS SCOPES 1, 2, 3, AND TOTAL GHG EMISSIONS

in million tons CO ₂ equivalents					Milestones and Targets					
	2019	2023	Total 2024	Total 2025	Target 2025	Target 2026	Target 2030	Absolute reduction	Reduction vs. base year % ¹	Annual % target / base year
Scope 1 GHG emissions										
Gross Scope 1 GHG emissions	0.38	0.29	0.27	0.25	n.a.	n.a.	n.a.	-0.13	-34%	n.a.
Percentage of Scope 1 from regulated emission trading	2%	1%	2%	3% ²	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Scope 2 GHG emissions										
Gross Scope 2 GHG emissions										
Gross location-based Scope 2 GHG emissions	0.38	0.36	0.34	0.35	n.a.	n.a.	n.a.	-0.03	-8%	n.a.
Gross market-based Scope 2 GHG emissions	0.37	0.25	0.22	0.19	n.a.	n.a.	n.a.	-0.18	-50%	n.a.
Total Scope 1 & 2 location-based GHG emissions	0.76	0.65	0.61	0.60	n.a.	n.a.	n.a.	-0.16	-21%	n.a.
Total Scope 1 & 2 market-based GHG emissions	0.75	0.54	0.49	0.43	0.46	0.41	0.40	-0.32	-42%	-4.26
Significant Scope 3 GHG emissions										
3.1 Purchased goods and services	3.51	2.70	2.58	2.41	2.51	2.42	2.54	-1.10	-31%	-2.5
3.3 Fuel- and energy-related activities (not included in Scope 1 or 2)	0.24 ³	0.23 ³	0.20 ³	0.18 ³	n.a.	n.a.	n.a.	-0.06	-25%	n.a.
3.4 Upstream transportation and distribution	0.40	0.37	0.40	0.32	n.a.	n.a.	n.a.	-0.08	-20%	n.a.
3.9 Downstream transportation and distribution	0.17	0.11	0.11	0.08	n.a.	n.a.	n.a.	-0.09	-54%	n.a.
3.12 End-of-life treatment of sold products	1.68 ³	1.38 ³	1.43 ³	1.32	1.43 ⁴	1.32	1.22 ⁴	-0.36	-21%	-2.5
Scope 3 GHG emissions										
Gross Scope 3 GHG emissions ⁵	6.00	4.80	4.72	4.31	n.a.	n.a.	n.a.	-1.69	-28%	
Target relevant scope 3 categories (3.1 and 3.12)	5.19	4.08	4.01	3.73	3.94	3.74	3.76	-1.46	-28%	n.a.
Total GHG emissions										
Total GHG emissions (location-based)	6.76	5.45	5.33	4.91	n.a.	n.a.	n.a.	1.85	-27%	n.a.
Total GHG emissions (market-based)	6.75	5.34	5.20	4.75	0.46	0.41	n.a.	2.00	-30%	n.a.
Intensity value of Scope 3 GHG emissions (in kg CO ₂ e/CHF net revenue) ⁶	0.93 ⁷	1.08	1.16	1.10	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Intensity value of Scope 1, 2 & 3 GHG emissions (location-based) (in kg CO ₂ e/CHF net revenue) ⁶	1.09 ⁷	1.24	1.28	1.25	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Intensity value of Scope 1, 2 & 3 GHG emissions (market-based) (in kg CO ₂ e/CHF net revenue) ⁶	1.09 ⁷	1.20	1.27	1.21	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

¹ Percentage of total Greenhouse gas emissions reduction (as of emissions of base year)

² Rounded to the nearest integer

³ Emissions restated for previous years due to method refinement.

⁴ Target adjusted to reflect recalculated Scope 3.12 emissions

⁵ Includes Categories 1, 3, 4, 9, and 12 only

⁶ For net revenue, see Consolidated Income Statement

⁷ Based on actual figures in 2019, not considering rebaselining, therefore not comparable with subsequent years

Emissions Calculation Method

✓ Clariant calculates its Scope 1, 2, and 3 emissions according to the GHG Protocol and the »Guidance for Accounting and Reporting Corporate GHG Emissions in the Chemical Sector Value Chain« issued by the World Business Council for Sustainable Development (WBCSD), following the financial control approach. |

Clariant reports Scope 1 and 2 emissions from all global production sites. Laboratories, offices, and warehouses are included in the reporting only when located within Clariant-owned production sites. Standalone locations are excluded, as they contribute less than 1% of total emissions.

Scope 1 emissions primarily result from stationary combustion of natural gas, with additional contributions from oil products, coal, biofuels, mobile combustion in transportation, process-related emissions (including N₂O), and fugitive emissions from refrigerants. Scope 2 emissions result from purchased electricity and steam.

Clariant applies the market-based approach while also reporting location-based emissions. Market-based calculations utilize conversion factors from supplier-specific information and contractual instruments for green electricity procurement. For location-based calculations, Clariant uses emission factors from the IEA, and EPA eGRID factors for US operations. The same factors

are used in a few cases where no market-based factors are available. In 2025, Scope 1 emissions from regulated EU ETS emissions trading were at 2.5% of the total Scope 1 emissions. Carbon offsets are only used to eliminate the hard-to-abate emissions, which account for less than 5% of the remaining emissions. GHG removals and avoided emissions are not included in emission reduction targets.

✓ **I** For Scope 3, Category 1 emissions, Clariant uses emission factors from secondary LCA databases, such as Ecoinvent, or other internally verified sources when supplier-specific data is unavailable. Global warming potential (GWP) characterization factors from Intergovernmental Panel on Climate Change Assessment Reports 5 and 6 (IPCC AR5 and AR6) with a 100-year time frame are used and expressed in kg of CO₂ equivalents per input unit. Where no data are available, extrapolations are used. This allows Clariant to generate transparency, identify hotspots and reduction opportunities in the value chain, influence suppliers, and work on innovation. **I**

Clariant conducted a comprehensive rebaselining project in 2024 due to cumulative changes exceeding ±5% in baseline emissions across Scope 1, 2, and 3 emissions. The total market-based emissions in 2019 increased to 6.75 million tons CO₂e, and the location-based emissions to 6.76 million tons CO₂e in 2024. In 2025, Scope 3, Category 12 was recalculated again for current and previous years as a result of continuous data quality improvement.

More information can be found in Clariant's emissions calculation methodology report, available online at → www.clariant.com/-/media/Files/Sustainability/Climate-Change/Clariant-Scope-1-3-methodology-EN-2025.pdf

E1-7 – Carbon Credits

GHG removals and GHG mitigation projects financed through carbon credits are only applied by Clariant to offset hard-to-abate remaining emissions of sites that are net-zero. In 2025, Clariant offset residual emissions of 159 tons CO₂e of the Bonthapally site in India.

E1-8 – Internal Carbon Pricing

Clariant has continuously used an internal carbon-pricing system since 2021 as a shadow price in the evaluation of CAPEX projects, applying a minimum threshold of CHF 1 million. The internal carbon price is applied to analyze strategic industrial investments across the Group and to steer investment decisions under our operational excellence program toward lower carbon solutions. It enables us to compare scenarios using different processes to determine their impact on CAPEX and OPEX. Additionally, this pricing mechanism serves to enhance employee awareness, drive behavioral changes, promote energy efficiency, and identify and seize low-carbon opportunities. Clariant increased its internal carbon price in 2023 from CHF 50 to CHF 100 per ton of CO₂, in line with the evolution

of the EU ETS carbon price levels and in line with the 1.5°C scenario. It is also in line with the carbon price applied by peers. The Executive Committee annually reviews the use of the internal carbon price, checks its relevance, and adjusts the value if necessary to align with evolving market conditions and regulatory developments. This allows Clariant to assess the impact and opportunity of investments regarding the impacts on Scope 1 and 2 targets. The internal carbon price is used for investment decisions globally and in all fully consolidated entities. Investment projects can be GHG-neutral or lead to an increase or decrease in GHG emissions. The carbon price covers greenhouse gas emissions across Scope 1 and 2, but not Scope 3, and is applied to investments that have an impact on CO₂ emissions, be it an increase or a decrease. This means that investments in growth and energy efficiency are concerned. In addition to financial KPIs, a sustainability KPI is used to assess and prioritize the attractiveness of an investment. The absolute impact of the investment on Clariant's GHG inventory is assessed on an empirical scale and used as a KPI. The final investment decision is influenced through the awarding of a high score for sustainability compared to financial KPIs. In case of additional CO₂ emissions, the carbon price decreases the attractiveness of investments and vice versa. The internal carbon price (AR65) is not used in impairment tests, in fair value measurements, or in accounting estimates.

In 2025, there were two projects with a spend greater than CHF 1 million relevant under the carbon pricing scheme. However, the impact will materialize in the next years. The CO₂ impact is estimated at 10.7 kT of CO₂ in Scope 1. This covers 4% of the baseline of Scope 1 emissions and 5% of the Scope 1 emissions in 2025.

Avoided Emissions

In the accounting for greenhouse gas emissions as well as the calculation of environmental footprints of businesses, the concept of avoided emissions has gained importance in recent years. It had been recognized that accounting only for emissions in the production chain from the raw materials to the finished product («cradle to gate») lacks the positive impact a product can have in its application by enabling technology alternatives with significantly lower emission footprints compared to conventional technologies. These savings of emission footprint in the application phase can be significant and a key aspect in climate mitigation, especially for hard-to-abate emissions industries.

Clariant has largely based its approach to calculate avoided emissions on the recommendations by the World Business Council on Sustainable Development (WBCSD). According to the WBCSD guidelines, only products and services that pass a number of criteria gates qualify. In particular, products need to enable technologies that offer significantly reduced emissions and represent a meaningful contribution to the global effort to significantly reduce GHG emissions toward 2050.

Accounting Method

Clariant only counts avoided emissions from products being used and operated in a given reporting year. We do not include future avoided emissions from business that has been awarded in the reporting year, but which will only operate and contribute to avoided emissions in later years.

Avoided Emissions in the Hard-to-Abate Sector

In Business Unit Catalysts, Clariant includes the following technologies in the calculation of avoided emissions: reforming catalysts used in the production of direct reduced iron (DRI); catalysts for the removal of N₂O emissions from nitric acid plants; and catalysts used in syngas-based processes, such as the production of methanol and ammonia either with electrolytic hydrogen from renewable electricity (green processes) or through the capture and sequestration of process CO₂ emissions (blue processes). In all these cases the Clariant catalysts enable processes that offer a

substantial decrease in emissions (at least 50%) compared to the conventional benchmark process that is currently dominating the market. Clariant calculates the emission savings per ton of product produced (DRI iron, methanol, HNO₃, etc.) relative to the benchmark processes and multiplies this by the annual production tonnage that the catalysts supported in 2025.

The benchmark processes are conventional steel production using the Blast Furnace-Basic Oxygen Furnace (BF-BOF) route, conventional syngas processes through steam methane reforming without carbon capture, and nitric acid production without catalytic N₂O abatement. In 2025, the avoided emissions achieved through the Business Unit Catalysts in the defined applications are shown in the table below.

AVOIDED EMISSIONS		
	2025	2024
Avoided emissions (million tons CO ₂ e)	45	40

E2 – Pollution

Summarized by Clarita^{AI}

- + Clariant set a target to decrease wastewater generation by 25 % by 2030 (from 1.66 m³/t in 2019 to 1.24 m³/t), achieving 1.42 m³/t in 2025 and reducing total discharge from 6.7 million m³ to 5.0 million m³.
- + The company achieved zero cases of noncompliance with water-discharge limits in 2025 (compared to two in 2023 and five in 2024) and maintained zero noncompliance incidents with health, safety, labeling, and marketing regulations for three consecutive years.
- + Clariant established 2025 targets requiring 100 % of non-sustainable sales to have phase-out roadmaps completed within five years after PVP classification and 100 % of transitional sales to undergo annual review and risk control.

Pollution in all its forms is a critical global challenge that directly affects ecosystems, human health, and long-term economic stability. At Clariant, protecting people and the environment is fundamental. Every product undergoes comprehensive safety and risk assessment as part of our stewardship approach, which supports sustainable chemistry – designing and producing effective, safe, and environmentally responsible chemical solutions. This commitment is reflected in our innovation roadmaps and in the growing strategic role of Product Stewardship, which now goes beyond compliance to proactively address emerging regulatory and sustainability risks.

Clariant also recognizes that its activities can contribute to environmental impacts such as microplastic pollution. While current assessments indicate that microplastics are not a material topic for Clariant compared to other environmental priorities, the company remains fully aware of the associated risks and societal concerns. Accordingly, Clariant continues to monitor scientific and regulatory developments closely and integrates relevant considerations into its product stewardship processes to ensure responsible management of this issue.

E2-SBM-3 and IRO-1 – Description of IROs and Interaction with Strategy and Business Model

As part of Clariant's commitment to sustainability, a thorough double materiality analysis was conducted. Across all production sites, the company combines inputs from its biodiversity risk assessment with internal knowledge about business activity-based type and quantity of water pollutants discharged by the operational sites to provide site-level understanding of pollution-relevant issues. For the upstream and downstream value chain, Clariant has evaluated key business activities to identify material polluting activities, focusing on where the company is most likely to be connected to pollution-related impacts through its value chain. Key water pollution impacts for Clariant can stem from regulatory limit exceedances in the priority pollutants identified in the wastewater released, such as excessive organic compounds represented with chemical oxygen demand (COD) released mainly from Care Chemicals sites, suspended solids mainly from Adsorbents sites, and heavy metals mainly from Catalyst sites. Additional water pollution risks and impacts can arise from potential spills and leakages from wastewater pipelines transporting contaminated industrial effluents within and outside the facilities. Such events could lead to localized contamination of surface water or groundwater if containment systems fail. Through the assessment, Clariant identified one material actual negative impact related to pollution of water, one material potential negative impact related to substances of very high concern, and one material actual negative impact related to pollution of air. Please refer to the →»General Disclosures« chapter for details of the DMA process, including disclosure of the screening and stakeholder consultations performed.

MATERIAL IROs RELATED TO POLLUTION

Type	Definition	Topic	Value Chain Location			Time Horizon		
			⌆	■	⌇	>	»	»»
Actual negative impact	Release of chemicals during upstream chemical processing and own operations	Pollution of water	■	■		■		
Potential negative impact	Potential human health risks from downstream handling of substances of very high concern	Substances of very high concern			■	■		
Actual negative impact	Release of pollutants from upstream processes	Pollution of air	■			■		

Within the double materiality assessment, stakeholder interests were considered through both direct and indirect inputs. As of today, the assessment does not include any broader engagement of potentially affected communities.

Release of chemicals during upstream and own operations

chemical processing: Chemical releases in both upstream production and Clariant's own operations activities can negatively affect water quality. Upstream, wastewater discharge, accidental spills of oil-based products, and improper waste handling during chemical processing may lead to the entry of toxic substances into water bodies. Chemical exposure can harm ecosystems and elevate health risks for surrounding communities. In Clariant's own operations, the release of pollutants such as metals can negatively impacts aquatic environments. Even at low concentrations, metals are toxic to aquatic life and can accumulate in organisms, rising through the food chain.

Potential human health risks from downstream handling of substances of very high concern:

Human health may be negatively affected in Clariant's downstream value chain. The handling and further processing of products containing substances of very high concern may lead to environmental release through emis-

sions, leakage, or improper disposal. Such incidents can result in direct or indirect harm to human health, for example, through contaminated water sources, inhalation of hazardous substances, or skin contact with toxic residues.

Release of pollutants from upstream processes:

Actual negative impact on air quality due to the release of hazardous pollutants, such as sulfur oxides, nitrogen oxides, and hazardous air pollutants, can occur during the upstream chemical production of ethylene and ethylene oxide. Chemical manufacturing results in the release of air pollutants such as sulfur oxides, nitrogen oxides, and hazardous air pollutants. These emissions largely originate from fuel combustion and the processing of raw materials.

The material impact of release of pollutants from upstream processes was identified at a relatively late stage of Clariant's updated double materiality assessment of 2025. Due to resulting time constraints, this sustainability statement does not disclose further information on Clariant's management of this impact as mandated by the ESRS. Some information on the management of this impact can be found in the → »**Management Report.**« Further management processes are being developed continuously.

E2 Sub-Chapter I – Pollution of Water

Water pollution is a growing global challenge that poses significant threats to ecosystems, human health, and economic stability. Across industries, increasing water contamination can cause both environmental impact and affect business continuity. With the United Nations highlighting water as a critical component of the Sustainable Development Goals (SDG 6), there is a global imperative for industries to adopt responsible practices to safeguard this precious resource.

In the chemical industry, water pollution has far-reaching impacts, from potential contamination of water bodies to the extensive energy and resources required for treatment. This places chemical manufacturers at the forefront of efforts to mitigate pollution risks and enhance sustainable practices.

For Clariant, water stewardship is an integral part of its commitment to sustainability. As a leader in the specialty chemicals sector, the company acknowledges its role in addressing global water pollution challenges. This chapter delves into Clariant's targeted actions to minimize water pollution, focusing on its innovative approaches, risk management strategies, and forward-looking policies to protect water resources throughout its value chain.

E2-1 – Policies Related to Pollution of Water

Clariant's commitment as a signatory of the Responsible Care initiative plays a key role in addressing water-related pollution risks. Under the initiative's principles, Clariant adheres to stringent global standards for pollution prevention, focusing on improving water quality and minimizing discharges across operations. This includes implementing advanced water treatment technologies, reducing pollutant loads, and ensuring compliance with local and international water permits. The pollutants addressed in the policies described encompass the common ones identifiable in wastewater. These include pathogens (like bacteria and viruses), nutrients (nitrogen and phosphorus), organic matter, synthetic chemicals (such as pharmaceuticals, pesticides, and PFAS), inorganic chemicals (like heavy metals), microplastics, and sediments. By integrating these measures into its operations, Clariant

proactively mitigates the risks of water pollution. This safeguards ecosystems, thereby contributing to regulatory compliance and addressing stakeholder concerns regarding water resource management.

The Human Rights Policy explicitly recognizes access to safe drinking water as a basic human right and commits Clariant to »ensure that the effluent generated does not pollute the receiving waters.« This commitment establishes water pollution prevention as a human rights obligation, elevating it beyond mere environmental compliance.

This commitment extends to Clariant's upstream value chain through specific requirements in the Supplier Code of Ethics, which mandates that suppliers measure, test, and control any wastewater and treat it prior to release into the environment. It also requires suppliers to reduce emissions to air, land, and water and apply environmentally friendly technologies in their production and services. Clariant's Sustainability Policy addresses water pollution and establishes a multifaceted approach to preventing water pollution in the entire value chain. It establishes a comprehensive product stewardship framework that evaluates the full life cycle of products for environmental impacts, including potential water pollution. Through the Portfolio Value Program (PVP), Clariant systematically steers its product portfolio toward sustainable solutions that minimize environmental harm, including water contamination. This commitment extends to eliminating substances of very high concern (SVHCs) from products and phasing out unsustainable products according to defined roadmaps, directly reducing potential water pollutants.

Beyond product composition, the Sustainability Policy commits Clariant to »decrease water intake and wastewater volumes« in its operations, addressing both water consumption and pollution discharge. The policy further emphasizes Clariant's commitment to »provide solutions which help to reduce waste and pollution,« positioning the company to develop products that actively contribute to water pollution prevention.



The policy also promotes circularity principles through »efficient use of resources, such as water,« creating a framework that addresses water pollution prevention through both reduced consumption and improved resource management. By integrating water stewardship across product development, operations, and innovation strategies, Clariant's Sustainability Policy establishes a comprehensive mandate to prevent water pollution.

Clariant's Quality, Environment, Safety, and Health (QESH) policy mandates adequate wastewater treatment systems to ensure discharges remain within permitted limits. The policy requires sites to establish regular monitoring and maintenance of sewerage equipment to prevent pollution, while establishing that environmental impact assessments must analyze how site activities can affect receiving waters during normal operations and emergency situations, with appropriate minimization and mitigation programs implemented based on significance. According to the Environmental Aspects and Impacts Assessment SOP, significance of

environmental impacts is determined according to a structured evaluation using multiple criteria. For water-related impacts, significance is assessed according to: degree of impact (such as potential for irreversible environmental damage), impact to neighboring communities, compliance risks with relevant regulations, potential to create emergency situations, influence on Clariant's sustainability targets, and site-specific local conditions. The assessment also evaluates the adequacy of existing control measures by considering factors like frequency of occurrence, severity of consequences, effectiveness of existing infrastructure, status of improvement projects, and past noncompliance issues. This comprehensive significance assessment framework ensures that water pollution mitigation efforts are prioritized based on potential environmental impact and regulatory risk.

More information on these policies can be found in chapter → »ESRS 2 – General Disclosures.«

E2-2 – Actions Related to Pollution of Water

Key action	Description and year of completion	Scope of action	Overall progress in 2025, CAPEX (M CHF) if applicable, and how we track effectiveness
Incident reporting and management system	Implementation of standard incident reporting tools for water pollution events with mandatory investigation for regulatory and severe incidents determined on the basis of impact on people or environment	Own operations	Effectiveness tracked through global dashboards, incident investigation completion rates, and operational assessment audits
Comprehensive runoff water and accidental spill management	Implementation of internal standards and hazard analysis framework for runoff water that exceeds local regulations, including establishment of retention basins with adequate capacity for stormwater and contaminated excess runoff water in case of spills. Clariant maintains an ICCA-aligned Process Safety Event (PSE) reporting system to prevent and mitigate potential environmental releases. All significant PSEs (≥ 3 points under the new ICCA criteria) are investigated and reported.	Own operations	Effectiveness of implementation of runoff and spill management is verified through internal Operational Assessment audits, measurement of runoff water quality parameters, proper functioning of retention basins, and prevention of contaminated runoff reaching receiving waters. The process safety events and number of significant spills effectively contained are tracked as shown in the q Safety Management table
Sustainability assessment of product portfolio through PVP	Assessment of products' water pollution potential across life cycle phases as part of Portfolio Value Program	Upstream value chain and own operations	Progress tracked through PVP metrics related to water footprint and potential pollutants in products
Wastewater treatment and monitoring	Whenever required, Clariant pretreats wastewater at its own sites in a multistage chemical and/or physical as well as biological treatment before discharging the effluents. In combination with constant monitoring, this approach ensures that wastewater discharged is within permitted limits.	Own operations	Effectiveness tracked through monitoring of deviations from permitted limits reported as regulatory incidents of noncompliance
Wastewater reduction and process optimization	Water circulation of wet scrubber at Daya Bay and installation of specialized filtration systems at Tarragona completed in 2025 reduce annual wastewater discharged at both sites. The effectiveness of the projects is tracked via the wastewater volume reduction.	Own operations	The anticipated yearly wastewater reduction from both projects is around 32 000 m³. Effectiveness of projects tracked through wastewater volume measurements, quality parameters, and project implementation milestones.
Remediation of past / legacy contamination	Clariant responsibly manages groundwater pollution from legacy contamination from own or sold facilities. Variety of groundwater remediation techniques, including pump and treat, as well as bioremediation techniques, are applied to remedy groundwater pollution or actively control the pollution within the site to avoid pollution of the environment. The actions were also done in 2025 and are ongoing at all contaminated sites.	Own operations	Effectiveness of the groundwater remediation projects and environmental risk controls are checked via regular monitoring of the groundwater and receiving waters (if applicable) in affected sites. The monitoring data is reviewed by regional environmental experts and verified by regulators through regular updates given to the local environmental regulators.
Supplier assessed via Ecovadis and Together for Sustainability (TfS)	Use of EcoVadis to assess the sustainability of Clariant's suppliers. Water pollution is included as one criterion on the EcoVadis platform. Based on prioritizations according to risk assessments and criticality, through TfS audits and assessments, Clariant monitors and audits suppliers to check if and how they comply with the ESG standards also covered by Clariant's SCoE.	Upstream value chain	Progress in 2025 regarding the suppliers assessed via EcoVadis can be found in table »Percentage of suppliers assessed via Ecovadis«

An example of an innovative product helping customers reduce pollutants in their wastewater is SÜDFLOCK™ K2, a precipitant in municipal and industrial wastewater treatment plants. The mixture of magnesium, calcium, iron, and aluminum salts ensures efficient and effective precipitation of phosphate ions from wastewater.

FEATURED STORY



Sustainable deicing takes flight

Aircraft deicing is essential for flight safety in cold climates, and Clariant can build on over 40 years of experience.

The new Safewing™ MP I LFD PLUS 88, recently introduced in the Nordic countries, comes with several environmental benefits. It consists of a smart combination of Clariant in-house components that eliminates ecotoxicologically concerning silicone components while enhancing the spraying performance at the same time.

The increase of the glycol concentration – from 80 % to 88 % – compared to the previous formulations reduces production, storage, and transportation requirements. Supported by customary on-site dilution at customer facilities, this decreases the number of shipments required to deliver equivalent deicing capacity during application.

As the new formulation also enables the incorporation of higher proportions of recycled monopropylene glycol, Safewing™ MP I LFD PLUS 88 can assist in working toward the Scope 3 emission reduction goals of Clariant and its Aviation customers.

[Learn more](#)

E2-3 – Targets Related to Pollution of Water

Clariant's most relevant performance indicator regarding the pollution of water is the volume of wastewater discharged from Clariant sites. For assessing wastewater quality, Clariant consolidates some priority pollutants at the Group level, such as loading of heavy metals, nitrogen and phosphorus compounds, soluble salts, and total suspended solids (TSSs), as well as biochemical oxygen demand (BOD) and chemical oxygen demand (COD), which are the indicators of organic content in wastewater.

The voluntary target related to the pollution of water in our own operations is defined in the Sustainability Policy.

Decreasing wastewater volumes: Clariant aims to provide solutions that not only lower wastewater generation but also address pollution reduction, contributing to a cleaner and safer environment. By reducing wastewater discharge, Clariant is directly supporting the Sustainability Policy's focus on lowering pollutants and advancing environmental performance across its operations.

Clariant has set a voluntary, relative target to decrease wastewater generation in cubic meters per ton of produced goods by 25 % by 2030, compared to the 2019 baseline. The target specifically applies to all production sites of Clariant. The target aims to reduce the volume (measured in cubic meters) of wastewater discharged, which includes posttreatment water discharged from production sites per ton of product. This target is part of Clariant's strategy to lower pollutant loads in discharged effluent.

For Clariant's measurable, outcome-oriented sustainability targets, including the wastewater discharge target, the period and milestones are clearly defined. The target applies to the time frame leading up to 2030, aligned with all of Clariant's 2030 sustainability goals. Each business unit has developed a roadmap toward these 2030 goals, which includes defined improvement projects, planned implementation phases, and medium-term investment plans. These plans outline specific intermediate reduction targets for wastewater discharge, to be achieved by 2030. By phasing out SoCs and SVHCs in our products, we also eliminate SVHC pollutants as emissions into water. (Refer to → »E2 Sub-Chapter II – Substances of Very High Concern.«)

The methodologies and significant assumptions used for the target definitions include the following:

Workshops with business units: Project ideas were collected during workshops with operations and Environmental Health & Safety (EHS) managers from different business units. These workshops facilitated the identification of potential improvement projects and estimates for wastewater reduction.

Production growth assumption: A 3 % annual growth in production volume was assumed to project future wastewater generation. This assumption was critical in setting realistic and scalable reduction targets that account for production increases.

Clariant's commitment to reducing wastewater from its operations directly contributes to SDG 12 – Responsible Consumption and Production – by supporting targets related to the sustainable management and efficient use of natural resources.

Baseline reference: The specific wastewater generation for each unit was compared to the baseline situation in 2019. This historical reference was used to set reduction targets and to assess progress over time. For the baseline value, please refer to the → **»Wastewater Discharge«** table.

Reduction targets: Based on the workshops and growth projections, specific metric reduction targets were established. These targets account for both absolute and relative reductions in wastewater discharge in alignment with sustainability goals. Overall, there is a decreasing trend for the specific wastewater discharge per ton of produced good. Slight variations year on year result from production volume variations. Please see the → **»Wastewater Discharge«** table for details.

Stakeholders engaged through workshops played a central role in the target-setting process, providing operational insights and ensuring that the targets were aligned with business capabilities and environmental objectives. Additional stakeholders, such as Sustainability Affairs and ESHA experts, were also actively involved. Their input helped to ensure that the targets were both ambitious and achievable, while also aligned with Clariant's broader sustainability policies and commitments.

Clariant's voluntary wastewater reduction target is not currently based on conclusive scientific evidence. The targets were set based on internal workshops and projections of production growth, as well as the company's historical performance. While aligned with operational goals and sustainability objectives, no specific scientific studies or externally validated frameworks were used in the establishment of these targets. Clariant plans to explore the application of scientific evidence in future revisions of its wastewater reduction targets to enhance their credibility and ensure alignment with best sustainability practices. The goal of target-setting at Clariant is to monitor the effectiveness of the policies and actions related to pollution, including their impacts, risks, and opportunities.

Clariant does not have a measurable outcome-oriented target for the mitigation of the negative impact in the upstream value chain. However, Clariant systematically monitors the effectiveness of its policies and actions on pollution of water in its upstream value chain by tracking the sustainability performance of its suppliers. To do this, the company relies on independent sustainability ratings, such as EcoVadis, which provide detailed assessments on the aspect of water pollution. By maintaining a high level of supplier coverage through EcoVadis, Clariant has ensured transparency across its value chain and measured progress toward its water objectives since 2019.

E2-4 – Metrics Related to Pollution of Water

Clariant employs systematic and standardized measurement methodologies to monitor and report on wastewater management.

Sites are responsible for the management of water-related impacts, while regional, business unit, and global ESHA teams check whether the site management effectively addresses water-related impacts.

The following table presents the annual emissions of pollutants into water that are deemed relevant and exceed the thresholds specified in Annex II of the E-PRTR Regulation. These figures represent only direct discharges into the environment. Wastewater transferred to external treatment facilities outside the operating infrastructure is not included in this data.

POLLUTION OF WATER, AIR, AND SOIL

		2025
Emissions to water by pollutant (t)		
Nickel		0.065
Arsenic		0.011
Cadmium		0.0055

WASTEWATER DISCHARGE

					Targets
	2019	2023	2024	2025	2030
Total volume of wastewater discharge (in m m³) ¹	6.7	5.6	5.5	5.0	n.a.
Volume of wastewater discharge per t of produced goods (in m³/t)	1.66	1.48	1.54	1.42	1.24
Cases of noncompliance with water-discharge limits	n.a	2	5	0	0

¹ This includes the volume of wastewater discharged to all destinations freshwater and external treatment plants from production activities at Clariant production sites.

Methodologies for Collecting Water Pollution-Related Data

- **Volume measurement:** The total volume of wastewater discharged from each production site is recorded by means of calibrated flow meters. These meters provide real-time data on the quantity of wastewater released, allowing for precise tracking and reporting of discharge volumes. When measurement data is unavailable in a few cases, then wastewater volume discharged is estimated by means of well-established methods.
- **Monitoring of priority pollutants:** The concentrations of priority pollutants permitted in the discharged wastewater are defined in accordance with local regulatory standards. Clariant complies with local regulations by conducting regular sampling and analysis of wastewater for the priority pollutants identified.
- **Monitoring methodology:** Samples of wastewater are collected before and after treatment or, at a minimum, prior to discharge from the site at defined intervals, and subjected to laboratory analysis to determine the concentration of priority pollutants. Some characteristics of the wastewater are monitored continuously, such as pH, temperature, and conductivity, prior to the discharge from the site when required according to site-level impact assessments aligned with local regulatory requirements. The monitoring data is tracked regularly to identify anomalies.
- **Regulatory compliance:** All measurement activities are aligned with local regulatory requirements, ensuring that the methodologies used for monitoring and reporting are consistent with legal obligations and industry best practices. Clariant continuously reviews these requirements to ensure effectiveness. If any anomalies are identified in the monitored data, the predetermined controls are applied to ensure compliance with discharge limits.
- **Data management and reporting:** Consolidated Group environmental data is systematically managed within Clariant's environmental reporting systems. This data is used for both internal assessments and external disclosures, ensuring transparency and accountability in the reporting of wastewater management performance.

Processes for the Collection of Water Pollution-Related Data

- **Concentration monitoring:** The concentrations of priority pollutants are determined according to local regulatory requirements and monitored according to the methodology described above.
- **Calculation of pollutant load:** The annual pollutant load discharged from each site is typically calculated by multiplying the concentration of each priority pollutant measured by the corresponding volume of wastewater discharged.
- **Consolidation of data:** The pollutant load data for selected priority pollutants from all production sites is consolidated at the Group level. This aggregation allows for comprehensive reporting and enables Clariant to assess its overall environmental performance related to wastewater management.

The primary sources of information for this data collection process include local regulatory requirements that provide guidelines dictating the monitoring frequency and permissible limits for priority pollutants; site-specific processes that establish protocols for sampling, analysis, and data recording tailored to the operational characteristics of each production site; and internal Environmental Management Systems, which are platforms for data management that facilitate tracking, reporting, and analysis of wastewater discharge and pollutant load across the organization.

E2 Sub-Chapter II – Substances of Very High Concern

At Clariant, human health and environmental safety are of paramount importance. A comprehensive safety and risk assessment for each product lies at the heart of our stewardship approach, serving as the foundation for our commitment to sustainable chemistry. Sustainable chemistry involves the design, manufacture, and application of efficient, effective, and safe chemical products and processes that are environmentally friendly. Clariant actively maintains roadmaps to drive innovation and identify opportunities for sustainability improvements across our product portfolio.

In recent years, the Global Function Product Stewardship has transitioned from a mere legal compliance requirement to a critical enabler of Clariant's business strategy. This evolution has included the systematic gathering, analysis, and assessment of emerging regulatory issues pertinent to the marketing of our product offerings.

Management Approach for Product Stewardship

Clariant's Global Product Stewardship Function ensures health, safety, environmental, and regulatory compliance across all product life cycles, guided by the Sustainability Policy and clear process descriptions. Local and regional teams support business units and customer communications on chemical management.

Product Stewardship is integrated into Clariant's innovation process («Idea to Market») to ensure safety and sustainability by design. Together with Sustainability Affairs and Government Affairs, it addresses upcoming regulatory challenges such as those driven by the EU Green Deal and similar initiatives worldwide.

Each business unit is supported by a senior Product Stewardship expert (BU Business Partner) with in-depth portfolio knowledge, ensuring efficient, compliant, and cost-effective solutions. These experts communicate the product stewardship strategy internally and externally, helping to mitigate legal and reputational risks, enhance customer satisfaction, and maintain compliance across the value chain.

Internally, BU Business Partners collaborate closely with all Product Stewardship functions to oversee product portfolios from development to end of life. Externally, they engage in proactive advocacy within chemical associations at the national (VCI), regional (Cefic, ACC), and global (ICCA) levels, shaping Clariant's position on chemical management.

Evaluation of the management approach includes internal controls, performance dashboards, benchmarking, and participation in external networks and reviews. Product Stewardship also contributes to ESG assessments by agencies such as Sustainalytics and MSCI.

Responsible and safe handling of chemicals is essential for Clariant's portfolio risk and opportunity management process. This commitment includes addressing Substances of Very High Concern (SVHCs), which Clariant has identified as material topic. The proactive impact management process empowers Clariant to serve markets with innovative and sustainable products that not only comply with regulatory requirements but also respond to evolving market trends.

The following management process is in place to reduce SVHCs and monitor their reduction within Clariant's portfolio: Any product with at least one SVHC included in its final composition above classification thresholds is under scrutiny in the Portfolio Value Program (PVP). When new substances are identified as SVHCs or relevant information becomes available, Product Stewardship performs a risk assessment and communicates the outcome to internal stakeholders. If the classification of final products is affected, a new PVP assessment is carried out and the corresponding governance measures are applied.

The PVP is described in more detail in the General Disclosures chapter. Clariant updates and publishes lists of prioritized substances monthly and performs impact assessments in case of changes in chemical regulations. The respective stakeholders are informed, and the list and results of the impact assessments are shared through various communication channels.

Further information on these policies can be found in the → »General Disclosures« chapter.

E2-1 – Policies related to SVHC

Clariant has adopted the comprehensive policies titled »Chemicals Regulatory Compliance Policy« and »Clariant Sustainability Policy« to address regulatory and sustainability matters. Further information on these policies can be found in the → »ESRS 2 – General Disclosures« chapter. Both policies emphasize mitigating the risks associated with SVHCs while leveraging opportunities for safer chemical innovations. The applicability of both of these policies on a global level ensures that all regions are considered equally and that the same objectives are pursued worldwide. Although there are differences among regulations in various countries, regions, and markets on priority substances, the EU REACH SVHCs list, currently the most comprehensive, is used as the reference for Clariant's PVP process.

The Chemicals Regulatory Compliance Policy establishes standards for ensuring product safety regarding human health and environment, maintaining compliance with chemical regulations throughout product life cycles, and making required documentation available for both internal and external communication. In the Sustainability Policy, Clariant defines roadmaps for the handling and substitution or phase-out of SVHCs listed in the Candidate List. The operationalization of the policy, with the respective governance and steps, is partially described in the publicly available PVP guide. (Read more in → »General Disclosures« chapter.)

Emergency Management Strategy

Clariant's approach to managing incidents and emergency situations is embedded within its Quality, Environment, Safety, and Health (QESH) Policy, which outlines a comprehensive Emergency Management strategy. Key measures include:

- **Incident reporting and management:** Incidents or critical situations must be reported through Clariant's standard tools within a specified time frame. These tools enable rapid assessment and response. Employees are trained according to their roles, and backup personnel are identified and trained to ensure operational continuity.
- **Site security risk assessment:** Each Clariant site conducts regular documented security risk assessments to protect against malicious or criminal acts. Security threat levels and contingency measures are established, and there are protocols for maintaining communication with local authorities and neighboring entities.

- **Structured emergency management:** Clariant sites maintain updated Local, Country, and Group Emergency Management (LEM, CEM, GEM) documentation. This includes a communication process for alarming, warning, and informing stakeholders during emergencies. A trained emergency management team is assigned, with designated workspaces and equipment, to ensure preparedness. Regular documented exercises are conducted to test and improve response readiness.

Clariant informs via safety data sheets about the risks and safety measures associated with its products as per regulatory requirements.

Definition of SVHC

As defined by the European Chemical Agency (ECHA): substances that may have serious and often irreversible effects on human health and the environment can be identified as substances of very high concern (SVHCs). If a substance is identified as an SVHC by the ECHA, it will be added to the Candidate List for eventual inclusion in the Authorization List.

E2-2 – Actions Related to Substances of Very High Concern

In alignment with its policy objectives to substitute or phase out substances of very high concern (SVHCs), Clariant has developed detailed roadmaps for achieving the phaseout of each final product containing SVHCs. Where substitution is not feasible, the company maintains the highest standards of risk exposure control across all life cycle phases. The company continues to monitor and report on the progress of SVHC reduction across all product categories via PVP, ensuring compliance with regulatory standards and internal targets. In parallel, the company actively collaborates with stakeholders to drive innovation and the development of safer alternatives.

The implementation of these actions directly supports Clariant's commitment to sustainability, reducing the risks associated with SVHCs while fostering innovation in product development and regulatory compliance.

Key action	Description and year of completion	Scope of action	Overall progress in 2025 and how we track effectiveness
Development of comprehensive roadmaps for non-sustainable products with sales in reporting year	Development of detailed roadmaps identifying non-sustainable products, possible substitutes, and phaseout plans, including customer outreach and responsibilities. Completed in 2025. Implementation of phaseout according to roadmaps is ongoing.	Global, final products	Roadmaps development completed. Effectiveness will be tracked through status and completeness of phaseout roadmaps considering consolidated sales for 2025.
R&D development for SVHC substitution alternatives	Ongoing research and development to identify substitution alternatives for SVHCs in applications where phaseout is not yet possible, focusing on products without commercially viable alternatives that still serve societal needs. Each R&D project follows its own specific timeline according to complexity and requirements.	Global, final products	All roadmaps reviewed in 2025; progress according to corresponding timeline
Customer engagement for transition to non-SVHC alternatives	Continuous engagement to facilitate the transition to non-SVHC alternatives, ensuring transparency and collaboration across the supply chain. Timeline varies depending on phaseout roadmaps and qualification/testing of new R&D products.	Global, final products	Engagement according to corresponding phase-out roadmaps and qualification/testing

BU BUSINESS PARTNER - CONNECTING INTERNAL AND EXTERNAL STAKEHOLDERS

Input for BU Business Partner

- Product expertise
- BU expertise
- Company strategy
- Product stewardship strategy
- R&D news
- Portfolio strategy
- Toxicology

BU Business Partner



The many roles of a BU Business Partner

INTERNAL

- Project coordination of BU products' regulatory marketability
- Communication of portfolio marketability strategy
- Communication of value chain requirements
- Ensuring regulatory customer support
- Communication of retailer standards

EXTERNAL

- Business consulting
- Customer consulting (legal, reputational)
- Networking in associations

Commitment to Chemical Safety

Clariant provides safety data sheets to all parties involved in the handling of Clariant products. The sheets contain the relevant product data, information on the safe handling and storage of products, and measures in the event of product spillages, releases, or fire.

In a Cefic Long-Range Research Initiative (LRI) project, Clariant's Global Toxicology & Ecotoxicology Group has initiated and co-developed the AMBIT tool. This open cheminformatics data management system supports companies by facilitating chemical safety assessments. Its database, which contains chemical structures and a REACH dataset of substances, helps predict the properties of one chemical using the known properties of similar chemicals. The European Chemicals Agency (ECHA) supports this tool by giving access to nonconfidential registration data.

FEATURED STORY



Catalyzing excellence in energy

Clariant's ongoing commitment to innovation was recognized with two awards at the 2025 Gulf Energy Information Excellence Awards. The Group won »Best Catalyst Technology« for its chromium-free HySat™ catalyst platform and shared the »Best Petrochemical Technology« prize with partner Linde for their EDHOX™ technology.

The HySat™ Cr-free catalyst platform represents a major breakthrough, eliminating hazardous hexavalent chromium (Cr VI), a substance of very high concern (SVHC) under REACH regulations. Traditional hydrogenation catalysts rely on chromium compounds that pose significant health and safety risks during handling and disposal. By removing this hazardous component, HySat™ enables manufacturers to enhance workplace safety while meeting increasingly stringent regulatory requirements.

Clariant's second award recognized EDHOX™ technology, developed jointly with Linde. This innovative process uses Clariant's OxyMax™ E, a proprietary heterogeneous catalyst, to convert ethane and oxygen into polymer-grade ethylene and glacial acetic acid in a single step. Compared to conventional methods, EDHOX™ technology delivers both products with significantly reduced environmental impact and cost advantages.

[Learn more](#)

E2-3 – Targets Related to Substances of Very High Concern

Clariant's voluntary target to phase out substances of very high concern (SVHCs) is directly aligned with its Sustainability Policy objectives, specifically under the environmental sustainability commitment to »Continuously upgrade our product portfolio toward greater sustainability.« Our policy explicitly states: »We strive to avoid substances of very high concern (SVHC) in our products. We commit to phase out non-sustainable products from the portfolio with timebound roadmaps.« Furthermore, Clariant is committed to investing in research and development to create safer alternatives that reduce potential negative ecological impacts while maintaining product effectiveness. This approach is reinforced by Clariant's growth target, as outlined in the »Sustainable Innovation« chapter, which aligns with our Sustainability Policy objective to »Invest in research, development, and technology.«

Clariant has established continuous yearly global targets. The baseline year for both targets is 2025, with a baseline value of 100 %. For the current year, the company has defined two absolute short-term targets to be achieved by 2025. The first absolute target states that by 2025, 100 % of non-sustainable sales will have a defined phaseout roadmap, to be completed within a maximum of five years after PVP classification. The second absolute target requires that by 2025, 100 % of transitional sales will be subject to annual review and risk control across all phases of the product life cycle. For more details regarding progress toward the targets, please refer to Sustainability Portfolio Classification in the → »General Disclosures« chapter.

The targets derive from the PVP classification. The PVP is based on the Portfolio Sustainability Assessment (PSA) framework from the World Business Council for Sustainable Development (WBCSD), to ensure that chemical products are managed responsibly throughout their life cycle, with policies and decisions grounded in scientific evidence to safeguard health, safety, and the environment. Clariant follows the most stringent chemical regulation (European REACH) for the global portfolio and has set for itself higher standards than those suggested by the framework. The target was developed by Strategy & Technology and confirmed by the Executive Leadership Team (ELT).

FEATURED STORY



Taking the wrinkles out of plastic film production

Have you ever wondered how plastic bags, food wraps, or protective foils are made? Plastic film products commonly used in packaging, agriculture, and building and construction are manufactured by melting polymers and then casting or blowing them into large sheets and tubes by means of machines called extruders.

This process bears some visual resemblance to making pasta. And the analogy goes even further: If the mixture does not flow smoothly through the extruders, it can stick to the equipment and cause quality issues over time, or the final product can display a rough surface or uneven thickness.

To prevent these issues, the industry relies on polymer processing aids that make plastic flow more smoothly through the extruders. However, conventional processing aids contain perfluoroalkyl substances – or PFASs – known for their persistent nature and potential health impacts.

As regulatory restrictions on PFASs continue to tighten worldwide, Clariant now offers a PFAS-free alternative: The new AddWorks™ PPA product line is a valid alternative to the traditional processing aids and is completely free of PFASs and inorganic, silicone, and polysiloxane materials. This composition makes AddWorks™ PPA suitable for food contact and food packaging applications while also supporting recyclability requirements under the upcoming EU Packaging and Packaging Waste Regulation (PPWR).

[Learn more](#)

E2-5 – Metrics Related to Substances of Very High Concern

As a specialty chemical provider, Clariant recognizes that certain substances of very high concern may constitute essential components in our finished products.

We take a proactive approach by systematically assessing our product portfolio through our Portfolio Value Program and developing detailed roadmaps for the systematic phaseout of products containing SVHCs. For more comprehensive information, please refer to the → »General Disclosures« chapter or further information on the PVP in this chapter.

To ensure safe handling throughout the value chain, Clariant maintains a centralized global database containing comprehensive safety, health, and environmental information for all our chemical substances and products. This database serves as the foundation for our safety data sheets provided to customers worldwide. These documents deliver critical information, including physical and chemical characteristics, toxicity profiles for human health and ecosystems, potential hazards, emergency response protocols, spill management procedures, and proper disposal guidelines.

Quantitative information has not been disclosed, as Clariant is currently reviewing and further developing its internal reporting processes.

Incidents of Non-Compliance

Compliance checks (»sentinels«) within Clariant ensure compliance through systematic and proactive monitoring of business processes (purchasing, production, and sales) against established frameworks, guaranteeing that the company adheres to regulatory requirements, internal policies, and ethical standards.

NUMBER OF INCIDENTS OF NONCOMPLIANCE WITH REGULATIONS AND/OR VOLUNTARY CODES

	Total 2025	2024	2023
Total number of incidents of noncompliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services			
i. incidents of noncompliance with regulations resulting in a fine or penalty			
ii. incidents of noncompliance with regulations resulting in a warning			
iii. incidents of noncompliance with voluntary codes	0	0	0
Total number of incidents of noncompliance with regulations and/or voluntary codes concerning product and service information and labeling			
i. incidents of noncompliance with regulations resulting in a fine or penalty			
ii. incidents of noncompliance with regulations resulting in a warning			
iii. incidents of noncompliance with voluntary codes	0	0	0
Total number of incidents of noncompliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship			
i. incidents of noncompliance with regulations resulting in a fine or penalty			
ii. incidents of noncompliance with regulations resulting in a warning			
iii. incidents of noncompliance with voluntary codes	0	0	0

E3 – Water

Summarized by Clarita^{AI}

- + Clariant reduced water intake intensity from 2.26 m³ per ton of produced goods in 2019 to 1.86 m³/t in 2025, approaching its 20% reduction target set for 2030.
- + The company operates 73 production sites across 40 river basins, with below 40% in areas of high physical water stress and below 20% in water-stressed areas based on internal assessments.
- + Water management initiatives implemented in 2024 – 2025 generated combined annual savings of 297 000 m³, while 79% of high water stress sites had advanced water management practices by 2025.

Water management is vital for the chemical industry, which uses water in products and processes that generate wastewater. Efficient water management is crucial for the chemical industry due to its multifaceted benefits. It enables resource conservation, cost reduction, and environmental compliance while demonstrating a commitment to sustainability. By optimizing water use, companies can improve process efficiency, reduce waste, and mitigate risks associated with water scarcity. Moreover, responsible water management enhances corporate reputation, addressing the growing concerns of stakeholders and consumers. Efficient water management in the chemical industry is not merely an environmental consideration but a strategic business imperative that impacts operational efficiency, regulatory compliance, and long-term sustainability.

The importance of water management varies according to local conditions. Clariant therefore monitors regulatory developments on a regional and national level. Clariant strictly abides by the environmental regulations regarding the permitted amount of water withdrawal, ensuring that its activities have no measurable negative impact on the health of people or the environment.

E3-IRO-1 – Description of IROs

Clariant has implemented a screening process for its assets and activities to identify actual and potential impacts, risks, and opportunities related to water and marine resources. (Please see the IROs table above and the IRO descriptions below.) This assessment identified one negative impact. For more details on the process of identifying the IROs, please refer to the → »General Disclosures« chapter.

Within the double materiality assessment, stakeholder interests were considered through both direct and indirect inputs. Please refer to the General Disclosures chapter for details of the process, including disclosure of the screening and consultations performed. As of today, the assessment does not include any broader engagement of potentially affected communities.

Potential contribution to water scarcity through water demand

Water is used across both Clariant's upstream value chain and its own production processes. Upstream, the cultivation of palm and kernel oil requires significant irrigation volumes that potentially affect local water resources. The bio-based raw material is used for the production of oleochemicals that are an important ingredient of Clariant's Care Chemicals. Additionally, Clariant uses water in its own operations as a product ingredient and for production and cooling purposes. Some of Clariant's production sites, including locations in Mexico and Indonesia, are situated in areas under water risk. Water intake at these sites may put additional stress on local water availability.

MATERIAL IROs RELATED TO WATER

Type	Definition	Topic	Value Chain Location			Time Horizon		
			Upstream	Core	Downstream	Short-term	Medium-term	Long-term
Potential negative impact	Potential contribution to water scarcity through water demand	Water withdrawals; water consumption	■	■		■	■	

Screening of Assets and Activities to Identify Water-Related Impacts

Clariant screens its assets and activities in order to identify actual and potential impacts as part of the DMA process.

Since 2017, Clariant has undertaken an annual Group-wide water risk/stress assessment using the WRI Aqueduct Water Risk Atlas. This tool locates sites in water-stressed areas and calculates a water risk score based on quantity, quality, and regulatory and reputational risks. For sites with substantial yearly water intake (above 10 000 m³), regional assessments further refine the site's risk profile. Through this two-step process, Clariant short-lists high-risk sites and updates the number of risk sites annually if assessments change. These sites then perform detailed assessments to identify risk management options. Furthermore, the ESHA/IGSM water risk assessment guideline and risk assessment workbook provide a framework for the sites to perform and document site-level water risk assessments and identify appropriate management solutions.

E3-1 - Policies

Clariant addresses the material impact within the water withdrawals and consumption topic in its Sustainability Policy, Human Rights Policy, Supplier Code of Ethics, and Quality, Environment, Safety, and Health (QESH) Policy. Information on these policies can be found in the → »General Disclosures« chapter.

Clariant's water management approach combines clear policy directives with systematic implementation processes. Clariant's Sustainability Policy, Human Rights Policy, and Supplier Code of Ethics overarch its commitment to efficient water resource management across its own operations and upstream value chain. By mandating efficient water use in its own operations and explicitly requiring suppliers to »use resources efficiently, including water,« Clariant's overarching policies extend and emphasize Clariant's water protection efforts beyond its operational boundaries, including in the upstream value chain. This proactive approach has enabled us to address potential water impacts at their source, ensuring our upstream value chain contributes to responsible water management and watershed protection. For more details, please see → »E2 Sub-Chapter I - Pollution of Water.«

Building on this policy foundation, Clariant also integrates water-related considerations into product and service design, ensuring that sustainability principles are embedded throughout the entire value chain. Clariant acknowledges that water-related issues are integral to its sustainability efforts. The company's approach to addressing water-related concerns in product and service design is aligned with its Sustainability Policy, particularly through the principle of increasing circularity. This includes optimizing the use of water, raw materials, and energy. Clariant employs the PVP methodology to assess products for sustainability performance, including water-related criteria. The PVP methodology groups products according to market application and chemical functionality, while a cross-functional evaluation

team ensures consistent application and interpretation. The assessment considers both hazard levels and the risk of exposure through future intended use. For more details, please see → »E2 Sub-Chapter I - Pollution of Water.«

The QESH Policy of the Global Function ESHA / IGSM establishes that water management requirements apply to all sites, units, and fully consolidated joint ventures within the Clariant Group. It demonstrates commitment to sustainable water management through mandatory reduction of water intake across all sites and implementation of effective risk management strategies for locations identified as under water risk. The policy combines water consumption monitoring with environmental performance metrics that are validated and consolidated at group level, supporting the Clariant's broader sustainability goals and Purpose Led Strategy. These requirements are operationalized through the Environmental Aspects and Impacts Assessment Standard Operating Procedure (SOP), which provides a structured methodology for sites to identify, evaluate, and prioritize water consumption as a key environmental aspect. This integrated framework enables sites to assess the significance of water-related impacts according to local conditions and sustainability targets, supporting the development of targeted operational controls and improvement initiatives to address water consumption and associated risks across Clariant's operations. For more details, please see → »E2 Sub-Chapter I - Pollution of Water.«

The Global Function ESHA/IGSM has developed the environmental management SOP, which is a mandatory standard applicable to all Clariant operational sites. This SOP includes requirements for efficient water management to be implemented by Clariant operational sites. The environmental management SOP mandates the establishment of Water Balance Inventories that quantitatively track all water flows from entry to discharge at operational sites, with requirements to document specific sources (municipal, groundwater, surface water) and site water uses while investigating any anomalies to identify potential losses or inefficiencies. The SOP establishes a three-tiered water treatment framework (primary, secondary, tertiary) with quality-based reuse applications, requiring sites to evaluate treatment options on the basis of wastewater composition to achieve efficient control and implement appropriate reuse opportunities that match treated water quality with specific operational needs. Furthermore, the ESHA/IGSM water risk assessment guideline and risk assessment tool provide a framework for the sites to perform and document site-level water risks and identify appropriate management solutions, consistent with the QESH Policy. Clariant's implementation of operational SOPs is monitored through risk-based audit programs, with follow-up actions continuously tracked. Global Function ESHA/IGSM conducts risk-based internal operational assessment audits annually at selected operational sites following an audit plan, while audit documentation ensures evidence of compliance and traceability of all records.

E3-2 – Actions

Clariant has set targets focused on reducing water intake, which directly relate to a reduction in water withdrawal and its consumption. The distinction between water withdrawal and water intake primarily involves pass-through cooling water, which is not subject to specific actions due to its return to the environment as uncontaminated water. The distinction between water intake and consumption is that the internal definition of water intake includes the contaminated wastewater that is treated and discharged from the sites, whereas the water consumption KPI is aligned with the ESRS definition that excludes all discharges.

Scope of Key Water-Related Actions

Clariant's water withdrawal reduction efforts are fully aligned with the company's water intake roadmap, ensuring a cohesive and strategic approach to managing water resources. The actions implemented address both water withdrawal and water intake reduction, leveraging the same set of key initiatives outlined in previous reports. The following actions are implemented to achieve our goals in water management in own operations and the upstream value chain. None of the actions require a significant amount of Capex/Opex (>CHF 1 million). The key actions at our own operational sites contribute to the achievement of our 2030 target related to reduced water intake leading to a reduction of both water consumption and water withdrawal.

FEATURED STORY



Make every drop count

Water scarcity is one of the greatest challenges. In agriculture, farmers increasingly struggle with soil water repellency – a phenomenon that prevents water from properly infiltrating and distributing through soil – which is exacerbated by climate change.

Clariant's Synergen™ Soil is an innovative glucamide-based adjuvant blend that optimizes the interaction between water and soil. It improves water penetration on non-wettable soils without causing preferential flow of water through soil. By addressing lateral water movement, it also ensures uniform moisture distribution around the root zone of the crop and reduces evaporation.

Beyond water management, Synergen™ Soil enhances the performance of soil-applied inputs like herbicides or fertilizers. Tests confirm its biocompatibility with beneficial soil micro-organisms, making it a versatile tool for a more effective and sustainable agriculture.

By maximizing water use and input efficiency, Synergen™ Soil empowers farmers to achieve higher yields while preserving vital natural resources.

[Learn more](#)



Key action	Description and year of completion	Scope of action	Overall progress in 2025, CAPEX (M CHF) if applicable, and how we track effectiveness ¹
Supplier assessed via EcoVadis and Together for Sustainability (TfS)	Ongoing use of EcoVadis to assess the sustainability of Clariant's suppliers. Water management is included as one criterion on the EcoVadis platform. Based on prioritizations according to risk assessments and criticality, through TfS audits and assessments, Clariant monitors and audits suppliers to check if and how they comply with the ESG standards also covered by Clariant's SCoE. The expected outcome is improved oversight and continuous improvement of suppliers' water management through more systematic assessments and engagement.	Upstream value chain	Progress in 2025 regarding the suppliers assessed via EcoVadis can be found in table »Percentage of suppliers assessed via EcoVadis.«
Water-related impact assessment through PVP across all life cycle phases	Through PVP, Clariant continuously assesses the overall sustainability profile of products, including the following water-related indicators: water footprint of raw materials production, water consumption in the production phase, and water consumption in the use phase. The expected outcome is an enhanced understanding of water-related indicators across the product portfolio, so that the product water footprint can be reduced.	Upstream value chain and own operations	77 % of sales from Clariant's eligible portfolio in 2025 ² with PVP assessment
Water recycling and reuse systems at sites located in water risk or water stress areas	Implementation of water recycling systems at multiple sites in water-stressed areas, including reverse osmosis system implementation at Baroda, India, and Puebla, Mexico (water recirculation enabling the reuse of treated process wastewater in the manufacturing process). Installation of specialized filtration systems to reduce water consumption and improve water quality at Tarragona, Spain. All Projects completed during 2024-2025 with savings tracked in 2025. The expected outcome is a reduced dependency on freshwater sources in water-stressed regions and improved long-term water availability for local communities.	Own operations	Effectiveness is tracked through annual water intake and withdrawal reduction metrics, as well as recycling rates. Projects at Baroda, Puebla, and Tarragona have contributed through recycling, reverse osmosis, recirculation, filtration, and water reuse initiatives. Altogether, these measures result in total yearly water savings of up to 124 000 m ³ .
Water management initiatives at sites located in non-water stress or risk areas	Combined water management initiatives across sites in non-water stress areas completed during 2024-2025 with savings tracked in 2025, focused on Water circulation, wastewater recycling, and process optimization. The expected outcome is strengthened operational resilience through increased reuse of water and lowering exposure to future water availability constraints.	Own operations	Several projects implemented across sites in various regions resulted in combined anticipated yearly water savings of up to 173 000 m ³ .

¹ It is the first year Clariant discloses information on these specific actions.

² »Eligible sales« are defined as total sales, excluding products that are out of scope for PVP and therefore do not count toward the target (e.g., internal transfers, non-product-allocable sales, pilot production, service sales, non-consolidated joint ventures, and (after risk assessment) raw materials without value-add and by-products/waste sold externally).

Clariant's water-related actions are global in scope, with a particular focus on regions facing critical water scarcity and stress. The company prioritizes areas with heightened water-related risks, implementing tailored water management practices that consider local conditions and regulatory requirements. For this, Clariant engages with the stakeholder most relevant to the respective cause – either local communities, governments, and/or NGOs – to develop shared solutions that enhance water sustainability in regions facing water risks. To optimize water intake at its operational sites, Clariant has defined several focus areas, including cooling tower and demineralized water optimization by means of retentates or concentrates, leakage control through monitoring systems with peak-demand alarms, the upgrade or replacement of sealings of liquid-ring pumps, the integration of conductivity meters to optimize washing processes, and the utilization of steam condensate. These measures are incorporated into the business unit roadmaps to support the achievement of Clariant's 2030 sustainability targets. In addition, Clariant engages actively with suppliers, customers, local communi-

ties, and regulatory bodies to reduce water withdrawal. This collaborative approach not only strengthens operational efficiency but also contributes to regional water sustainability and benefits stakeholders across the value chain.

The alignment of Clariant's water withdrawal reduction actions with the water intake reduction roadmap demonstrates the company's consistent and transparent approach to achieving its long-term water sustainability goals, as highlighted in previous sustainability reports.

These time horizons are part of Clariant's broader commitment to water circularity, ensuring that water withdrawal and discharge reduction actions are consistently implemented and tracked, driving toward the 2030 target.

FEATURED STORY



Where water comes full circle

Clariant's Puebla site in Puebla, Mexico, produces clay-based solutions such as Tonsil™ bleaching earths. It has been in operation for more than 50 years and serves customers in North and South America.

The site is located in an area that suffers from high water stress. A severe drought in 2023 even left parts of the region without access to fresh water. In response to this development, a local project team designed and implemented measures to reduce water consumption and minimize wastewater generation.

These efforts resulted in significant changes to the production practices that optimize the site's water reuse: Of the water from the wastewater treatment plant, 93% is now integrated back into the production process. The substantial improvements in wastewater performance have also had a positive impact on freshwater consumption.

[Learn more](#)

E3-3 - Targets

The water-related targets are based on operational environmental risks and impact assessments as well as the knowledge of the overall water basin status according to the conclusive scientific evidence from the AQUEDUCT water risk atlas as well as Clariant's internal assessments. Clariant has voluntarily established measurable, outcome-oriented, and time-bound targets to monitor progress in the management of water-related sustainability matters.

The relationship between these targets and Clariant's policy objectives is rooted in the company's overarching Sustainability Policy. As part of its commitment to environmental stewardship, Clariant articulates in its Sustainability Policy: »We set clear and ambitious targets to measure our success based on clearly defined environmental objectives. Furthermore, we support efforts to decrease water intake and wastewater volumes.« These targets are developed under the Environmental Management Standard Operating Procedures (SOPs). Clariant's targets for water consumption are also relevant to its withdrawal strategies.

The scope of Clariant's sustainability targets related to water management focuses primarily on its own operations at its production sites, which are critical to the company's overall water intake, consumption, and withdrawal. These sites are where the majority of Clariant's water-related activities occur, thus representing the most significant material aspects of the company's operations in this area. The targets speak to activities directly linked to water management practices at these production facilities. This includes both upstream activities, such as sourcing and processing of raw materials that may impact water usage. Geographically, the scope is defined by all Clariant production sites worldwide. By concentrating on these areas, Clariant aims to achieve meaningful progress toward its water management objectives.

All business units have developed a roadmap toward the 2030 sustainability goals. In this context, they defined improvement projects, planned their implementation, and track their progress. (See the Action table above.)

The defined voluntary target levels are as follows:

Water Intake Reduction

Clariant has set a relative target to decrease water intake in cubic meters per ton of produced goods by 20% by 2030, compared to the 2019 baseline, and an absolute target for 100% of sites in areas of high water stress to implement advanced water management practices by 2030. The baseline was established in 2021, and the result is on track toward the 100% target in 2030.

Methodologies and Assumptions for Target-Setting at Clariant

Clariant's methodologies for setting measurable, outcome-oriented, and time-bound targets for water management include stakeholder workshops, along with a water risk assessment, which was done by means of the World Resources Institute's AQUEDUCT global risk atlas and internal surveys. This assessment provides a detailed, science-based understanding of current and future water-related risks, which informs the definition of Clariant's targets and supports strategic decision-making. This comprehensive risk assessment provides a thorough analysis of water-related risks that inform Clariant's strategic decision-making. The targets are aligned with Clariant's broader sustainability goals, including Swiss and EU policy frameworks, as well as international standards. They are, furthermore, informed by scientific data sources such as AQUEDUCT hydrological models. They also incorporate the local contexts in which Clariant operates. Clariant's commitment to reducing wastewater from its operations directly contributes to SDG 12 – Responsible Consumption and Production – by supporting targets related to the sustainable management and efficient use of natural resources.

Stakeholder Involvement in Target-Setting

Clariant establishes measurable, outcome-oriented, and time-bound sustainability targets through an inclusive process involving various stakeholders. Workshops with business unit operations and EHS managers, together with input from corporate Sustainability Affairs and ESHA experts, ensure that targets align with best practices and the company's sustainability objectives. This collaborative approach strengthens relevance, feasibility, and

stakeholder ownership, promoting accountability in the achievement of Clariant's goals. The company continuously reviews and refines its targets and measurement methodologies to enhance transparency and effectiveness, disclosing any significant methodological changes and their impact on historical data. Ongoing engagement with stakeholders and experts ensures that Clariant's sustainability targets remain evidence-based and aligned with its broader environmental and corporate responsibility commitments.

Progress Toward Water-Related Targets

Identification of water-stressed/risk sites: Clariant's water assessment helps identify sites with high water stress/risk, allowing the company to focus its reduction efforts where they are most needed. This targeted approach forms the basis for Clariant's broader, collaborative efforts in water management. It helps to contribute positively to the broader water management landscape. Through these efforts, Clariant aims to meet its own reduction targets and play an active role in addressing water-related challenges in the communities of operation. The risk assessment further ensures a regular review and monitoring of the target. Overall, an analysis of the trend has resulted in the understanding that there is an expected decreasing trend for the specific water intake per ton of produced good. There have been no significant changes in performance toward achieving the target. Slight variations year on year result from production volume variations. Please see the → **KPI Water table** for details.

Clariant does not have a measurable outcome-oriented target for the mitigation of the negative impact in the upstream value chain. However, Clariant systematically monitors the effectiveness of its policies and actions on water in its upstream value chain by tracking the sustainability performance of its suppliers. To do this, the company relies on independent sustainability ratings, such as EcoVadis, which provide detailed assessments on aspects of water withdrawal and consumption. By maintaining a high level of supplier coverage through EcoVadis, Clariant ensures transparency across its value chain and measures progress towards its water objectives.

E3-4 – Metrics Related to Water Consumption (including Water Withdrawal)

The 2030 KPI »sites with advanced water management« tracks the high-risk sites that have initiated solutions to appropriately manage the risks, as evaluated by Clariant internal environmental experts.

Contextual Data Regarding Water-Related KPIs

Water-related data, such as water intake, water withdrawals, and water recycled and reused, are determined by measurements or estimations according to regulatory requirements or legal obligations. Clariant records the entire volume of water withdrawn and taken in. Since 2021, the company revised its definition of the Water Consumption indicator and renamed it as »Water Intake« to exclude pass-through cooling water (2030 sustainability target KPI). More than 70% of the water intake and withdrawal data reported by Clariant operational sites is based on measurements or invoices obtained from suppliers. The data on total water recycled or reused reported by most of the sites based on meters, and the sites' reporting based on estimations is derived from the sites' water balance, which records the sites' water inflows and outflows.

Sites report the water-related data on a monthly or annual basis; an appointed environmental expert at each site inputs the data into a corporate reporting tool. The data is then reviewed and validated by a global team of environmental experts to ensure its accuracy and completeness.

Since 2017, Clariant has undertaken an annual Group-wide water risk/stress assessment using the WRI Aqueduct Water Risk Atlas. The Aqueduct Water Risk Atlas is a publicly available, global mapping tool created by the World Resources Institute (WRI) that uses peer-reviewed data to assess and visualize a range of water-related risks (physical, regulatory, and reputational) for businesses, investors, and governments. This tool locates sites in water-stressed areas and calculates an overall water risk score based on quantity, quality, and regulatory and reputational risks. The Aqueduct methodology calculates Baseline Water Stress as the ratio of total annual water withdrawals to available renewable supply and assesses Physical Risk Quality primarily on the basis of the percentage of untreated wastewater discharged into the sub-basin's water system. Clariant's operations span over 73 operational sites across 40 river basins worldwide. These facilities are distributed across diverse geographical regions. Based on the Aqueduct Water Risk Atlas methodology, the percentage of Clariant's production sites located in water basins with High or Extremely High Physical Water Stress is below 40%. Based on internal risk assessments, which consider basin quality, local conditions, and a minimum water intake threshold of 10 000 m³/year, the percentage of sites in water-stressed/risk areas is below 20% of the total.

WATER WITHDRAWAL AND INTAKE¹

	2019	2023	2024	Total 2025	Targets 2030
Total volume of water withdrawn (in m m³)¹	n.a.	21.1	21.3	21.3	n.a.
Total water consumption (acc. ESRs) (in m m³)	n.a.	n.a.	n.a.	1.83	n.a.
Total water consumption (acc. ESRs) in areas at water risk, including areas of high water stress (in m m ³) ³	n.a.	n.a.	n.a.	1.13	n.a.
Total water recycled and reused (m m³)	n.a.	0.3	0.4	0.5	n.a.
Water consumption intensity (m³/m CHF sales)	n.a.	n.a.	n.a.	467.4	n.a.
Sites in areas of high water stress/risk with advanced water management (%)	n.a.	77	77	79	100
Volume of water intake per t of produced goods (in m³/t)	2.26	1.95 ²	2	1.86	1.81

¹ Rainwater runoff without usage and steam condensate (from purchased steam) are excluded from water withdrawal and water discharge.

² In 2023, the total volume of water intake from 2019 to 2022 was restated for three sites in Germany to exclude losses from third party cooling towers outside the operational boundaries of Clariant.

³ Areas of high water stress are identified using the WRI Aqueduct Water Risk Atlas. Sites classified as being in areas of »High« or »Extremely High« water stress are included for the purposes of this disclosure.

E4 – Biodiversity and Bio-Based Economy

Summarized by Clarita^{AI}

- + Clariant identified two material biodiversity impacts: land-use change from palm-oil sourcing and bentonite mining at 60 locations. A TNFD-aligned assessment is scheduled for completion in 2026.
- + Sustainably sourced palm-based raw materials increased from 13 % (2021) to 54 % (2025), with a 100 % target by 2030.
- + The company engages 6 822 smallholders through NGO partnerships, with 103.5 hectares restored and 5 987 hectares of forest protected.

Biodiversity encompasses all forms of life on the planet and is key to securing the resilience of ecosystems, which provide a variety of critical resources and services such as clean water, energy, raw materials, recreational areas, and protection from flooding. Therefore, businesses and societies must collaborate with a variety of stakeholders to operate within nature's boundaries. Building a bio-based economy is key to this collaboration. »Bio-based economy« refers to efforts that make the economy sustainable through the use of biological resources, for example, through the replacement of fossil materials with biomass. Clariant's efforts to manage its material biodiversity-related IROs and halt biodiversity loss therefore go hand in hand with efforts to build a bio-based economy.

E4-SBM-3 and IRO-1 – Description of IROs and Process to Identify IROs

In its double materiality analysis (DMA), updated in 2025, Clariant identified two negative impacts in connection with biodiversity as material (see table and descriptions below). Clariant is currently conducting a thorough biodiversity assessment, scheduled to be completed in 2026. This is likely to change the number of material biodiversity-related IROs in the next reporting cycle. Once completed, the assessment will have covered a broader scope of upstream activities, raw materials, and own activities. It includes detailed assessments of biodiversity impacts deriving from select production and bentonite mining sites identified as priority sites regarding water stress; waste; air, water, and soil pollution as well as biodiversity.

Contribution to biodiversity loss through land-use change due to palm oil sourcing: The sourcing of oleochemicals derived from palm and palm kernel oil (which is crucial for the Care Chemicals business unit) can lead to deforestation and land conversion. Palm oil is a highly effective low-cost material, which is used widely as food and as a chemical raw material in production for the personal and home care sector. The commercial success of palm oil has led to a rapid expansion of the cultivation of this crop into ecologically sensitive areas, contributing to habitat loss and ecosystem fragmentation. Clariant has established a sustainable palm sourcing strategy comprising elements such as transparency, verification, Round Table on Sustainable Palm Oil (RSPO) certification, and transformation on the ground. However, the palm value chain is still linked to negative impacts such as deforestation and land use change.

MATERIAL IROs RELATED TO BIODIVERSITY AND THE BIO-BASED ECONOMY

Type	Definition	Topic	Value Chain Location			Time Horizon		
			⧡		⧢	>	»	»»
Actual negative impact	Contribution to biodiversity loss through land-use change due to palm oil sourcing	Direct impact drivers of biodiversity loss (land-use change, fresh water-use change, and sea-use change)	■			■		
Actual negative impact	Contribution to biodiversity loss through land-use change due to bentonite mining	Direct impact drivers of biodiversity loss (land-use change, fresh water-use change, and sea-use change)		■		■		

Contribution to biodiversity loss through land-use change due to bentonite mining: In total, Clariant has bentonite sites in 60 locations to facilitate production of, e.g., adsorbents for various purposes, within the Business Unit Adsorbents & Additives. Bentonite mining can alter natural landscapes by causing deforestation and soil sealing, thereby leading to habitat fragmentation and loss of biodiversity.

The main drivers of biodiversity loss are land-use, fresh water-use, and sea-use change. As Clariant is dependent on natural raw materials in its day-to-day business, the negative impacts relate to the use of natural resources in the extraction process of raw materials, as well as their development once extraction is complete. These effects cover the entire value chain, including own operations and upstream and downstream activities. Clariant assesses and acts locally on the biodiversity-related impacts of its own operations. In Clariant's own operations, land-use change from its own bentonite mining and drilling activities constitutes the primary location of negative impacts on biodiversity. As part of Clariant's most recent double materiality analysis (DMA), interviews were conducted with NGOs, suppliers, customers, and sustainability experts – Clariant's key stakeholders – to understand the impacts of the company's operations. A pre-interview workshop was carried out with Clariant employees. NGOs consulted in the process of the DMA represented the views of affected communities (see the → »General Disclosures« chapter). Analysis of forest-related risks through the sourcing of palm (kernel) oil derivatives is embedded in Clariant's annual strategic business update. This analysis covers availability and quality as well as price developments. In addition, in 2023, the Business Unit Care Chemicals held an iGarage Project (a structured approach for co-creative sustainability innovation projects with cross-functional teams) in the area of material Sustainable Palm Oil Sourcing, aimed at developing more sustainable solutions. In this project, more than 50 customer and industry expert interviews were conducted to better understand the challenges and potential solutions in the context of sustainable palm sourcing, including interviews with NGOs with on-the-ground presence and insights in the reality of affected communities. The learnings of this project were also reflected in the assessment of the materiality of impacts, risks, dependencies, and opportunities related to the palm value chain.

In 2025, Clariant partnered with an external consultancy with expertise in helping its customers to measure and manage its interactions with nature and derive appropriate actions. As of year-end 2025, the company is conducting a more detailed assessment of impacts, risks, and opportunities concerning topics such as land-use change, water-use change, pollution, and impact on species at all levels of the value chain and own operations. The biodiversity assessment conducted in 2025 with external experts follows the Taskforce on Nature-related Financial Disclosures (TNFD) framework's »LEAP« approach:

1. Locate: Localization of environments where Clariant interacts with nature, either in its own operations or in selected upstream value chains. As nature impacts vary significantly by location, this step helps prioritize areas of focus by mapping dependencies and impacts geographically, using tools like the Biodiversity Intactness Index or Aqueduct Water Risk Atlas.

2. Evaluate: Assessing the dependencies (e.g., reliance on water, soil, biodiversity) and impacts (e.g., pollution, land-use change) Clariant has on nature in those priority locations. This includes embedding already existing robust environmental data (particularly from Clariant's manufacturing sites), measuring changes in ecosystem services, and considering external factors and thresholds. The output of the Evaluate phase is the impacts and dependencies, including their materiality assessment.

The Locate and Evaluate phases have been finalized as of year-end 2025.

3. Assess: Translate dependencies and impacts into nature-related risks and opportunities, identifying physical (e.g., low crop yields), transition (e.g., regulatory changes), and systemic (e.g., ecosystem collapse) risks, as well as opportunities: nature-positive actions such as ecosystem restoration, sustainable sourcing, and green infrastructure. The output of the Assess phase will be a biodiversity-related risk and opportunity screening.

4. Prepare: Develop strategies to respond to identified risks and opportunities, setting targets for nature-positive outcomes; integrate nature into governance and business strategy, notably into the Enterprise Risk Management system; disclose material nature-related issues in line with TNFD recommendations

The last two phases of the LEAP approach are still to be developed and are planned to be carried out in 2026. Clariant believes the TNFD's LEAP approach is an effective way to assess the key elements that may guide the company in setting up key actions for Clariant's nature-related dependencies.

The methodology for identifying and assessing impacts on biodiversity and ecosystems relies on a science-based approach. It considers two elements of impacts: their Magnitude and the State of Nature at the location. Metrics are used to size Magnitude and State of Nature, and metric values are then thresholded into »concern scores« from Very Low to Very High. Thresholds are based on regulation, scientific literature, or proprietary methods of the external consultancy. This process is applied to the biodiversity-related topics assessed in 2025 across the value chain and own operations.

For site operations, Magnitude data is based on satellite data, Clariant environmental data, or industry averages; State of Nature data is based on the site coordinates and global databases. For commodities, Magnitude data is based on life cycle assessment models, and State of Nature data is based on country- or region-level layers. The upstream value chain assessment encompasses a diverse range of agricultural products, minerals, and metals, with



the purpose of selecting materials relevant for the three business units. Included in the analysis were key staple crops, including sugarcane, soybeans, maize (corn), and rice. Additionally, the evaluation extended to various oil seeds beyond palm oil, specifically including castor oil and coconut oil.

When it comes to Clariant's own operations, a site-specific biodiversity assessment was conducted, covering all 251 sites and activities of Clariant's own operations, to identify any potential negative impacts on biodiversity-sensitive areas and to develop mitigation measures.

The site-specific biodiversity assessment shows that most Clariant sites are located in industrial parks or areas designated as industrial zones by local municipalities, which usually do not affect vulnerable ecosystems. For the 40 sites that are in close proximity to biodiversity-sensitive areas, Clariant ensures that all local rules and regulations are followed so that these production sites do not have any appreciable adverse effect on the surrounding flora and fauna. As part of the biodiversity assessment's ongoing »assess« and »prepare« stages outlined above, a more detailed breakdown is currently being developed and assessed, specifying for each material site its location, any activities negatively affecting biodiversity sensitive areas, impacts and dependencies identified, the ecological status of the area where it is located, the types of biodiversity-sensitive areas or biomes impacted, and any threatened species affected. This is scheduled to be disclosed in 2026, once this comprehensive data has been fully gathered. Biodiversity-related issues and future trends are also assessed regularly in cross-functional teams, comprising business unit members and Procurement and steered by the Sustainability Affairs team. For example, Clariant holds quarterly Palm Oil Coordination meetings. In these meetings, relevant activities and initiatives are discussed and agreed upon, including progress on supply chain transparency.

E4-1 – Transition Plan and Consideration of Biodiversity and Ecosystems in the Strategy and Business Model

A resource-efficient and competitive bio-based innovation ecosystem can decrease Europe's dependency on, and accelerate the substitution of, fossil raw materials and mineral resources. By replacing fossil resources with waste and sustainably sourced biomass to produce industrial and consumer goods, bio-based industries can help to achieve climate neutrality while increasing the sustainability and circularity of production and consumption systems.

The Chief Strategy & Technology Officer (CSTO) monitors biodiversity-related topics and reports to the CEO and provides strategic advisory oversight on sustainability and innovation, including biodiversity management (see the → »General Disclosures« chapter). Permanent internal biodiversity subject matter experts within Global Function Sustainability Affairs centrally manage the

strategy and engage with the water subject matter expert in Global Function Environment, Safety, and Health Affairs (ESHA) and the respective responsible parties in the Sustainability Transformation teams of the different businesses, Procurement, and Process Development.

Particularly with respect to sustainable palm oil sourcing, Clariant's key bio-based raw material, the bio-economy experts are working closely with Oleochemicals Procurement and the Business Unit Care Chemicals Sustainability Transformation Team in assessing and monitoring the impacts, risks, and opportunities of Clariant's palm oil value chain.

Governance and Management Approach

Policymakers and the broader stakeholder spectrum increasingly support sustainable, bio-based feedstocks, as they are essential for a net-zero, circular economy. Globally, regulations are emerging with the goal of incentivizing bio-based chemicals and materials, while guiding industry and relevant value chains as they make long-impacting choices. Clariant welcomes clear, harmonized and consistent policy frameworks that can stimulate demand and accelerate the shift toward sustainable, bio-based chemicals in key value chains such as packaging, plastics, detergents and surfactants, and cosmetics. Clariant supports industry calls for better recognition of biogenic uptake credits under the Greenhouse Gas (GHG) Protocol or Product Environmental Footprint (PEF) methodologies, as well as concrete incentives such as minimum binding bio-based content targets in product legislations, tax incentives, and public procurement obligations. Accordingly, fostering a sustainable bio-economy is one of Clariant's strategic focus areas (→ read more in »Clariant sustainability strategy«). The Innovation and Sustainability Meeting (ISM) and the Board of Directors' Innovation and Sustainability Committee (ISC) are responsible for this focus area. At least annually, topics related to bio-based economy and biodiversity are discussed, and when required, the Chief Strategy & Technology Officer (CSTO) brings up the topic more often. The CSTO, as a member of the Executive Leadership Team, reports on biodiversity-related progress as well as impacts, risks, and opportunities. Progress toward achieving the targets is assessed annually.

Specific Approach to Bio-based Economy

The business units manage bio-economy-related opportunities for engagements with stakeholders, create business opportunities, and initiate new product designs. Moreover, there are quarterly meetings of the company's cross-business unit Bio-economy Platform, steered by Sustainability Affairs. The focus of the meetings is on discussing bio-economy-related regulatory and policy developments, their implications, key industry initiatives, and associations. In addition, the meeting fosters an exchange on market trends and customer insights to identify key potential markets or segments related to bio-economy.

E4-2 - Policies

Currently, around 98 % of all industrially manufactured goods rely on fossil resources. Industry and government stakeholders broadly recognize that renewable sources as an alternative to virgin fossil carbon will play a key role on the path toward a net-zero, circular economy. Governments worldwide have set targets for environmental and climate protection, e.g., in the Kunming-Montreal Global Biodiversity Framework, the Paris Agreement, and the European Green Deal, which has made the EU climate neutrality target by 2050 a legally binding objective.

In line with these international frameworks, Clariant addresses the material impacts within the biodiversity-related topic of land-use change and, indirectly, the sub-sub-topic of fresh water-use change through its Sustainability Policy and its Global Policy on Sustainable Palm Oil. Information on these policies can be found in the → »General Disclosures« chapter.

With its Sustainability Policy, Clariant encourages supplier communities to work with different native species so that many species have economic value and, thus, the vegetation is conserved. In addition, there are contracts with suppliers that require respect for environmental laws and on-site monitoring as needed. Clariant also complies with the Brazilian Forest Code, which requires landowners to maintain 35 % to 80 % of their land under native vegetation.

Responsible Mining

As a leading provider of specialty products based on bentonite, Clariant defines the entire value chain: from exploration, mining, processing, and refinement to tailored industry- and customer-specific solutions. Clariant operates 26 production sites worldwide. As sustainability is a strategic dimension of Clariant's purpose-led strategy, the company is committed to responsible mining and to re-naturalizing its bentonite mines. This is done in close cooperation with all related stakeholders – authorities, local governing bodies, and individual owners of property and mining and water rights.

Accordingly, Clariant's mines are always operated under the prerequisite that the land will ultimately be returned to at least the same state as before bentonite extraction began, following the mitigation hierarchy of restoration and rehabilitation. Through these efforts, Clariant ensures healthy relationships with local communities and protects ecosystems, all while operating this mining segment as one component of its broader specialty chem-

icals and sustainable solutions portfolio. This is always in accordance with local regulations and legal requirements. However, Clariant does not yet have a formalized company-wide responsible mining policy in place. Clariant's general commitment to responsible practices in its mining activities is captured in its Sustainability Policy.

FEATURED STORY



Advancing responsible soy sourcing

Lucas Meyer Cosmetics by Clariant is elevating its lecithin platform with responsible soy commitments. Lecithin, a natural phospholipid from soy, serves as an effective emulsifier and delivery system in skincare.

Building on 25 years of expertise in this material, the company has set clear and measurable 2030 targets for this product line. It has committed to offering 100 % soy-based derivatives sourced exclusively from soy that has not been genetically modified (non-GMO) and from deforestation-free supply chains. It also ensures that 80 % of its soy lecithin-based ingredients will be obtained from responsibly sourced soy backed with third-party certification.

These commitments enhance traceability and reduce environmental risks while meeting market demand for sustainable ingredients. The company has already adapted production capacities and launched Amisol Trio™ P, Phytensol™ P, Emulmetik™ 100 P, and Siligel™ SF.

By combining sustainability standards with formulation expertise, Lucas Meyer Cosmetics by Clariant empowers customers to create high-performance products with responsible sourcing.

[Learn more](#)

E4-3 – Actions

Clariant's actions related to biodiversity and ecosystems can be grouped into the following categories: memberships; external engagement, advocacy, and partnerships; action on the ground; research for sustainable materials; site- and product-specific actions; other actions in the operating business. The table below provides an overview of all actions.

Memberships

Through its involvement in multistakeholder initiatives such as the Round Table on Sustainable Palm Oil (RSPO) and Action for Sustainable Derivatives (ASD), Clariant engages in continuous exchange and collective action with peers and partners regarding the transformation of the industry.

Action for Sustainable Derivatives (ASD)

Since 2020, Clariant has been a member of Action for Sustainable Derivatives (ASD), a collaborative industry-led platform bringing together companies in the cosmetics, home and personal care, and oleochemicals industries to collectively tackle supply chain issues around palm oil and palm kernel oil derivatives. In particular, the ASD activities aim to transform supply chains by increasing transparency; monitoring environmental, social, and regulatory risks; engaging the sector; and generating on-the-ground impacts. Through supply chain mapping, ASD promotes greater visibility

for oleochemical manufacturers and corporate end users of derivatives. ASD has mapped volumes for all its members, covering 1.5% of global palm production, about 8.5% of global palm kernel oil production, and about 7.2% of the global oils and fats market in 2024. ASD aims to increase the transparency of the global derivatives supply chain and to collectively monitor risks and activities with the members' direct and indirect suppliers. Clariant participates in an annual analysis of its Tier 1-5 suppliers and risk categorization of the sourcing areas (at the country and province level). The results are shown in the below section → »E4-4 and E4-5 – Metrics and Targets.«

Biannually, the company participates in ASD's Sustainable Palm Index (SPI) campaign, covering the most important suppliers based on volumes. The SPI is an evaluation scorecard for suppliers of palm-based derivatives and aims to assess the level of commitments, processes, and achievements in terms of sustainable sourcing practices. It is a self-disclosure questionnaire with independent verification based on desk information. Through this assessment, Clariant achieves an understanding of the level of compliance of its main suppliers. Participants in the assessment covered more than 90% of palm-based volumes sourced by Clariant in 2024. Following the completion of the supplier assessment, Clariant achieved the SPI score »A (compliant, 78.6/100),« which reflects Clariant's own performance rather than that of its suppliers.

Key action	Description and year of completion	Scope of action	Overall progress in 2025, CAPEX (M CHF) if applicable, and how we track effectiveness ¹
Memberships in multistakeholder initiatives	Clariant engages in multiple memberships and collaborations related to biodiversity and ecosystems in order to ensure compliance with legal requirements, protect the environment around sites and sourcing plants in the best possible way, and lead innovation in the industry with respect to environmental protection. This engagement is ongoing and dates back to at least 2011, when Clariant joined RSPO.	Own operations, upstream value chain (suppliers), downstream value chain (industry partners, customers)	Collective standard-setting, monitoring, and engagement with supply chain partners progressed in 2025, which in turn allowed for improved tracking of effectiveness of Clariant's biodiversity-related actions. Example: Yearly transparency investigations and biyearly Sustainable Palm Index exercise with ASD allows Clariant to monitor risks and activities with Clariant's direct and indirect suppliers. For further details, please see below and section E4-4 and E4-5 – Metrics and Targets.
External engagement, advocacy, and partnerships	Clariant advocates for various industry and public policies that advance the defossilization of chemicals and chemical products. Clariant's direct advocacy and collective action via multistakeholder groups take place in trade associations, industry coalitions, and sustainability organizations – at least since 2013, when Clariant became a partner in the Bio-based Industries Consortium (BIC).	Politics, industry partners	New or changed industry or public policies
Action on the ground	Currently, Clariant cooperates with three NGOs in five projects supporting smallholders located mainly in Indonesia and Malaysia, in regions where a significant amount of palm-based raw materials is sourced. Clariant's palm-related key actions are continuously ongoing.	Own operations, upstream value chain (mostly smallholders in Indonesia and Malaysia)	Over 6 822 smallholders supported this far. For further information, please see below and section E4-4 and E4-5 – Metrics and Targets.
Research for sustainable materials	To accelerate the shift toward bio-based raw materials, Clariant conducts own innovation projects and participates in a Horizon Europe-funded research project with partners from academia and industry. More information is provided below and in the chapter on Sustainable Innovation.	Own operations, industry partners, academia	New product and technology offerings through own innovations; research results of joint research projects with partners from industry and academia (details below)
Site- and product-specific actions	Various actions to preserve and restore nature at palm and bentonite production sites (agriculture and mining locations). Clariant's palm- and bentonite mining-related key actions are continuously ongoing; the mining restoration timelines are site-specific.	Own operations (mining), upstream value chain (palm)	RSPO certification; International Sustainability and Carbon Certification (ISCC) Plus certification of chain of custody and traceability of various materials in own production processes; PVP screening; species repopulation and reforestation at former mining sites, among other indicators. See below and section E4-4 and E4-5 – Metrics and Targets
Other actions in operating business	Program to promote conservation and sustainable use of biodiversity in the Amazon region by Brazilian subsidiary company Beraca	Own operations, upstream value chain	Information on outcomes of Beraca-project are provided below.

¹ For actions with at least CHF 1 million capex/opex

The yearly transparency investigation and the Sustainable Palm Index assessment, carried out biyearly for Clariant, are relevant instruments to assess the compliance of Clariant's suppliers and to design action plans to mitigate potential risks in its supply chain. Based on assessment results, Clariant is constantly engaging with them to put improvements in place and, in some cases, reviewing Clariant's sourcing decisions.

Satellite Monitoring Project (with ASD)

In 2025, Clariant continued to participate in the satellite monitoring project managed by Action for Sustainable Derivatives (ASD) to monitor deforestation in Malaysia and Indonesia using the Nusantara Atlas tool. The goal is to achieve a palm derivative supply chain that upholds No Deforestation, No Peat, No Exploitation (NDPE) principles, respects human rights, and supports local livelihoods. The methodology, based on the Carbon Disclosures Project (CDP) and the Consumer Goods Forum Forest Positive Coalition (CGF-FPC) approaches to calculate deforestation- and conversion-free (DCF) volumes, proposes a common framework to ensure deforestation- and conversion-free volumes by:

- tracing back the volumes to their production area
- confirming the production area was not deforested or converted after the chosen cut-off date
- monitoring the production area

The verification method applied by Clariant is satellite monitoring. To be evaluated remotely, the mills must be physically connected to the supply chain. Clariant follows ASD's definition of deforestation and conversion and specifies the cut-off date in line with RSPO (15/11/2018). Within a 10 km buffer around the mills, the project identifies deforestation and conversion of natural ecosystems due to palm oil cultivation from satellite images. In doing so, it differentiates between deforestation and conversion by industrial players and smallholders. Mills are considered non-DCF as soon as deforestation or conversion is detected.

Grievance Process

To drive compliance with the NDPE approach, Clariant set up a professional grievance process together with the NGO Earthworm Foundation in 2023. The governance has been set up with defined roles and responsibilities at Business Unit Care Chemicals, Sustainability Affairs, and Procurement. Grievance rapid response and exposure reviews are being assessed with support from Earthworm.

This grievance management process covers both social and environmental grievances, such as those related to land-use change. A Grievance Committee regularly oversees compiled grievance monitoring results, reviews selected grievance cases, and makes decisions on consequence management. The committee meets three times per year. This grievance management approach focuses on supplier engagement and industry collaborations to jointly conduct mitigation measures. In addition, Clariant has set up a broader human-rights due-diligence process in 2023, including both its operations and its supply chain. → **More details can be found in the »Human Rights« chapter.**

Roundtable on Sustainable Palm Oil (RSPO)

As a member of RSPO, Clariant aims to prevent ecological degradation caused by the clearing of land for palm oil plantations, following the mitigation hierarchy of avoidance and minimization of impact. Clariant's activities in the area of sustainable palm sourcing contribute to the achievement of the objectives of its purpose-led strategy in its focus areas of fostering a sustainable bioeconomy, creating social value, and fighting deforestation and biodiversity loss, as well as supporting local livelihoods. Forest-related issues are thus integrated into Clariant's long-term business objectives, including fighting deforestation and biodiversity loss, as well as supporting local livelihoods.

To maintain awareness of the potential impact of palm oil and its cultivation on biodiversity, Clariant promoted its Global Policy on Sustainable Palm Oil throughout 2025 in day-to-day discussions with oleochemical suppliers, for example, when discussing RSPO and NDPE or when addressing specific grievance cases identified according to the company's established grievance process (see section E4-2 – Policies, above). In many cases, Clariant's suppliers were aware of Clariant's NDPE requirements within the policy. Where required, the company shared the policy with the supplier.

Together for Sustainability (TfS)

Managing the biodiversity-related impacts and corresponding risks in Clariant's supply chain also takes place through Together for Sustainability (TfS), a joint initiative and global network of more than 30 chemical companies, which delivers the global standard for environmental, social, and governance performance of chemical supply chains. Since 2014, Clariant has been a member of TfS. The mission of the initiative is to drive sustainability (environmental, social, governance) performance evaluations and improvements across Clariant's entire supply base. Participation in TfS enables Clariant to strengthen its supplier sustainability activities, including the ones related to forest-related risks.

The TfS framework, built on two programs, TfS Assessments via EcoVadis and TfS Audits, allows TfS member companies to assess the management, governance, environmental, labor and human rights, ethical, and sustainable procurement performance of their suppliers and deliver tangible, measurable improvements to their suppliers' sustainability performance as well as their own. Unique to the TfS concept is that the results of its assessments and audits are shared with all member companies, according to a transparency principle and in compliance with competition laws.

Carbon Disclosures Project (CDP)

In the field of forest and ecosystem protection, Clariant participates in the Carbon Disclosures Project (CDP) Forest assessment, which is aligned with the → **Accountability Framework**. This helps companies meet the expectations of their buyers, investors, and other stakeholders in terms of managing risks and seizing opportunities related to biodiversity. The CDP is a transparent way for companies to show their progress in sustainable practices with seven forest-risk commodities: palm oil, timber products, soy, cattle products, rubber, cocoa, and coffee. The first three are sourced by Clariant. The company purchases small amounts of

timber products (paper and carton for bulk packaging only) and soy-based raw materials. Palm-based raw materials, however, are material to Clariant, accounting for the largest category of sourced renewable raw materials. Therefore, Clariant reports on this commodity in the CDP Forest assessment. In 2025, Clariant received a CDP Forest score of A for the latest reporting cycle, reflecting our ongoing efforts to manage and disclose biodiversity-related risks and opportunities.

Other Memberships

The issue of biodiversity degradation, also beyond the palm oil industry, is increasingly in focus for all value chain players. To find solutions, Clariant actively collaborates in several other industry initiatives at the European or country level, such as Biochem Europe, the Cefic Bioeconomy Issue Team, the VCI Nachwachsende Rohstoffe working group, the US Alternative Fuels & Chemicals Coalition (AFCC), and the Advanced Biofuels Coalition. Within these initiatives, Clariant discusses topics related to the challenges, opportunities, and potential incentives to foster market development of a bio-based economy.

External Engagement, Advocacy, and Partnerships

Clariant actively supports the vision of a net zero, circular, and bio-based economy. The company believes in the pivotal role renewable carbon plays in the transition toward a more sustainable future and is developing a wide range of product and technology solutions to support the transition. The full potential of renewable feedstock needs to be unleashed: Having access to alternative sources of carbon, notably sustainable bio-based resources as well as resources from waste and recycling, and access in the future to CO₂/CO captured from industrial processes is therefore an absolute necessity.

Defossilizing chemicals and products is a long-term challenge requiring scientific, economic, and policy coordination. Clariant therefore advocates for policy provisions and effective carbon management. Policy targets and market pull measures, such as minimum mandatory mandates, fiscal incentives, and public funding, are useful instruments for accelerating the replacement of fossil raw materials while fostering innovation. Policymakers should consider proportionate targets, as well as the cost-competitiveness, accessibility, and sustainability of feedstock. Finally, transparent carbon accounting, including a better recognition of biogenic uptake in cradle-to-gate assessments, and the acceptance of accurate mass balance chain of custody methods are key in view of securing credibility while incentivizing the right purchasing decisions.

To successfully achieve these changes, collaboration and stakeholder engagement remain essential. Clariant continuously engages in trade associations, industry coalitions, and sustainability organizations and is active in several policy areas through direct advocacy and collective action via multistakeholder groups such as the Renewable Carbon Initiative (RCI) and BioChem Europe, an organization promoting the performance, sustainability, and innovativeness of biomass-derived chemicals and their positive contribution to carbon neutrality, clean energy, circular economy, and sustain-

able products. Since 2013, Clariant has been a partner in the Bio-based Industries Consortium (BIC). BIC represents the private sector in a EUR 2 billion public-private partnership with the European Commission: Circular Bio-based Europe Joint Undertaking (CBE JU). The partnership supports research and innovation activities, including first-of-its-kind industrial plants for new and sustainable bio-based solutions under the umbrella of Horizon Europe, the EU's research and innovation program for the 2021-2027 period. BIC engaged in the joint development of the Annual Work Program, contributing to the design of dedicated calls for proposals for 2026 as part of an ongoing structured co-creation process with the European Commission and the CBE JU Programming Office. Clariant, as a founding member of BIC, actively engages in the BIC Programming Working Group.

Action on the Ground

In total, Clariant supports over 6822 smallholders located mainly in Indonesia and Malaysia, in regions where a significant amount of palm-based raw materials is sourced. These collective action projects focus on protecting and restoring landscapes, enhancing workers' and communities' lives, and addressing smallholders' needs for responsible practices. These on-the-ground activities aim to support models for sustainable land management as a strategy to improve livelihood, biodiversity, and community resilience.

SPIRAL

Projects supported directly by Clariant together with its customers include the Small Producer Inclusivity and Resilience Alliance (SPIRAL) project.

Lead NGO: Wild Asia

Duration: 2020-2025 (predecessor Sustainable Palm Oil and Traceability with Sabah Small Producers (SPOTS) ran from 2015-2020 with the same consortium partners)

Description: SPIRAL aims to connect global key players in the palm oil industry to support the inclusion of small farmers in the global supply chain and promote sustainable farming methods. Palm oil produced under SPIRAL is 100% traceable from farm to mill, certified sustainable, and compliant with global policies such as NDPE. The key objectives of the project are:

- Sustainable livelihoods: Ensure a sustainable source for small producers to reduce poverty;
- Biodiversity: Improve local biodiversity and transition away from monoculture;
- Environmental conservation: Reduce GHG emissions via reduced fertilizer use and improved natural carbon sequestration.

To this end, SPIRAL helps farmers in Malaysia become Wild Asia Group Scheme BIO (WAGS BIO) farmers. These farmers farm palm oil without agrochemicals and nonorganic fertilizers and learn and apply a range of farming methods – organic, biodynamic, and regenerative – as a transition to next-level sustainable farming.

Achievements: The annual report for 2024 reported an overall of 3 328 small producers as part of SPIRAL, out of which 2 269 are RSPO-certified. In total 31 340 hectares are certified as Sustainable Land Management (SLM) by the Wild Asia Group Scheme (WAGS), out of which 18 635 hectares are certified under RSPO.

Through SPIRAL, the WAGS BIO project has reached a total of 233 producers in 2024. The total area managed has reached 481.72 hectares, out of which 130.67 hectares are classified as bio, for instance, through the transition to more sustainable farming practices, like regenerative agricultural practices.

The Kaleka Mosaik Initiative Clariant also participates in selected action projects to address social and environmental issues on the ground as part of its engagement with ASD. Clariant participates in such projects either directly with its customers or via the Clariant Foundation's contribution to the ASD Impact Fund in collaboration with BSR (Business for Social Responsibility). In this initiative, members collectively invest in on-the-ground projects that drive sustainable palm production in priority sourcing areas, while fostering improvements in social justice for farmers and communities. This is in line with Clariant's Global Policy on Sustainable Palm Oil, which entails a commitment to support on-the-ground projects. Examples of funding projects are the Mosaik Initiative described below and HERRespect – a project that tackles violence against women by addressing the root causes of violence in the workplace along the upstream palm oil value chain (plantations, mills).

Lead NGO: Kaleka (Indonesian NGO)

Duration: 2022-2026

Description: The aim of the Mosaik Initiative is to improve the welfare of farmers and indigenous people by simultaneously protecting and restoring the landscape while driving sustainable economic growth in two of the largest palm-producing districts in Central Kalimantan, Indonesia: Seruyan and Kotawaringin Barat. This is where, on average, ASD members source 5% of their palm derivatives. The initiative supports sustainable economic growth through the certification of more than 1 400 smallholder farmers, covering up to 4 000 hectares of land. It also supports the replanting of 490 hectares and encourages local communities to protect around 6 500 hectares of natural forests in their villages by incentivizing the implementation of restorative agriculture on 65 hectares of land. The Mosaik Initiative focuses not only on certifying palm oil, but also on making the production of other agricultural commodities more sustainable and inclusive. Generally, the initiative works on improving agricultural and rural production management, prioritizing smallholders, improving market and jurisdictional approaches, and improving research and development. Clariant has joined the ASD-driven Kaleka Mosaik project as of 2022, contributing to the ASD impact fund via the Clariant Foundation.

Achievements: In Kaleka's April 2024 to March 2025 reporting period,

- 489 farmers were engaged in the RSPO certification process, out of which 114 farmers obtained their certification, while 375 farmers are still in the process;
- The project exceeded its 2022 to 2025 forest protection target of 5 000 hectares, achieving 5 987 hectares across three villages;
- 103.5 hectares of land have been planted for restoration by community-led intercropping in five villages.

Landscape Program in Sabah, Malaysia

In addition, in 2025, Clariant invested in three landscape consortium projects in Indonesia and Malaysia led by the Earthworm Foundation. Earthworm has identified several biodiverse regions at risk from agricultural expansion, which coincide with current or potential sourcing areas for some of its member companies. The Landscape Program unites key stakeholders who live and work in these regions, as sustainable land-use planning solutions must come from them. The objective of the landscape projects is to provide the necessary tools and guidance to help stakeholders develop collaborative, participatory local land-use planning processes. This involves both upstream and downstream company players, local governments, civil society, and communities in or near these areas. The goal is to find balanced solutions that support economic development, habitat preservation, and long-lasting ecosystem services. The three selected landscapes are relevant for Clariant's supply chain: Nearly 12% of Clariant's sourced palm volumes could be traced to mills located in these landscapes.

Lead NGO: Earthworm

Duration: 2021-2025

Description: The project aims to revolutionize the palm oil supply chain by ensuring 100% traceability to plantations while actively fulfilling social and environmental commitments. It focuses on fostering meaningful engagement with local communities and stakeholders, implementing human-elephant coexistence activities to protect biodiversity, and empowering smallholders through comprehensive training in sustainable agricultural practices, income diversification, and conservation techniques. Additionally, the project established a child-sensitive grievance mechanism to safeguard the rights and well-being of children in the communities where Clariant operates. This holistic approach seeks to create a more sustainable, ethical, and socially responsible palm oil industry that benefits all stakeholders while preserving the environment.

Achievements as of the third quarter of 2025:

- Out of 92 mills, 45 are 100% traceable to plantation; 38 mills are partially traceable to plantation; and for 9 mills, the traceability progress remains unknown.
- Continuous monitoring inside and outside the concession has shown a reduction in deforestation from 1 189 ha in the third quarter of 2024 to 1 017 ha by the third quarter of 2025, representing a 14% decrease.
- Under mitigation activities in Beluran, 15 939 hectares of elephant range remain protected.

- In the third quarter of 2025, a total of 301 new smallholders were reached and trained in Good Agricultural Practices (GAPs), the Malaysian Sustainable Palm Oil (MSPO) certification standard, and income diversification. Activities included trainings on soil sampling, plot mapping, and cocoa and mushroom cultivation.
- Out of 20000 workers targeted, 8389 workers have been impacted by ongoing labor programs since 2021.
- Through the »children in plantation« program, 362 children have been indirectly reached in the third quarter of 2025.

Landscape Program in Southern Central Forest Spine (SCFS), Malaysia

Lead NGO: Earthworm

Duration: 2021-2025

Description: The project aims to transform the palm oil industry by achieving 100% traceability to plantations and implementing comprehensive No Deforestation, No Peat, No Exploitation (NDPE) action plans. It focuses on engaging stakeholders to protect forest areas and expand Human-Elephant Conflict (HEC) programs to safeguard biodiversity. The initiative prioritizes smallholder farmer engagement, supporting their transition to sustainable practices, while also mapping indigenous customary lands to respect traditional rights. Furthermore, the project emphasizes worker engagement, promoting fair labor practices through awareness programs and capacity-building initiatives. This multi-faceted approach seeks to create a more sustainable, ethical, and socially responsible palm oil supply chain that balances environmental conservation with the well-being of local communities and workers.

Achievements as of the third quarter of 2025:

- Out of 108 targeted mills, 37 mills have 100% traceability to plantations; 66 mills are partially traceable to plantations; and for 5 mills, the traceability progress remains unknown.
- The target of 81 out of 108 mills, covering 75% of project-relevant mills, with action plans addressing NDPE issues was surpassed by the third quarter of 2025 with 85 mills (79%).
- An area of 411 hectares of forest loss was observed, marking a significant decrease of 29% compared to the 577 ha of forest loss in the third quarter of 2024.
- For World Elephant Day, 434 attendees were present, highlighting the collective actions on HEC and raising awareness of the benefits of the coexistence between people and wildlife.
- A total of 8395 workers have been impacted by stakeholder collaborations and trainings since 2021.

Landscape Program in Aceh, Indonesia

Lead NGO: Earthworm

Duration: 2021-2025

Description: The project's aim is to foster sustainable palm oil production while prioritizing forest protection through the identification of High Carbon Stock (HCS) and High Conservation Value (HCV) areas. It focuses on empowering smallholder farmers by promoting the adoption of Good Agricultural Practices (GAPs) and supporting them with alternative livelihood options to reduce dependency on monoculture. The initiative also works toward improving land tenurial status for local communities, ensuring their rights are recognized and protected. To maintain peace and to manage disputes effectively, the project implements a robust conflict resolution process. Additionally, it considers the indirect impact on workers and their families, striving to create a positive ripple effect throughout the entire palm oil supply chain ecosystem. This comprehensive approach seeks to balance environmental conservation, community empowerment, and economic sustainability in the palm oil industry.

Achievements as of the third quarter of 2025:

- Protection and restoration activities were carried out in four districts, collectively planting about 8300 trees.
- Out of 41857 hectares, 36130 hectares of land area have been conserved by 22 villages. HCS / HCV has been identified in all eight companies.
- During GAP training sessions in the third quarter of 2025, 359 smallholders from six villages in Subulussalam participated for the first time, bringing the total number of farmers trained to 2397.
- Out of the total of 30, 12 communities have improved their land tenurial status, and five village conflicts are managed through conflict resolution process.
- Actions such as child labor risk mitigation and Human Rights Due Diligence (HRDD) workshops and policy developments directly impacted 2248 workers.

Research for Sustainable Materials

Clariant expects that regulations will increasingly stipulate the use of bio-based products. Moreover, there is also high customer demand for sustainable bio-based products in Clariant's key markets, such as the personal and home care markets. Consumers are increasingly aware of climate change and related issues and are willing to pay a premium for sustainable products that provide a sustainability benefit along with a performance benefit. Clariant is ready to meet this increasing demand by protecting nature and maintaining high social standards.

FEATURED STORY



Waxing lyrical about supply chain stability

Natural waxes are critical ingredients for coatings and inks. However, many traditional waxes, including carnauba and its blends, e.g., with polyethylene (PE), face challenges related to seasonal availability, weather dependencies, and price volatility. These supply chain vulnerabilities can create significant challenges for manufacturers.

Clariant's Ceridust™ 1310, a specialized rice bran wax (RBW)/polymer compound, offers a sustainable alternative to these traditional wax blends. This innovative product provides the same high-quality surface properties that manufacturers expect, while delivering superior quality consistently. This enables high performance, more predictable production processes, and consistent end-product quality.

Clariant's rice bran waxes originate from rice bran oil production, converting a by-product into a valuable resource. This approach aligns perfectly with circular economy principles.

[Learn more](#)

Clariant recognizes the pivotal role of renewable raw materials, particularly waste and residue streams, in the transition toward a more sustainable future. The company has developed a broad range of products and technologies to accelerate the shift toward bio-based raw materials. These include both

- bio-based and bio-derived products
- products creating a circular economy to enable downstream partners' shift toward a sustainable economy

→ Read more in »Sustainable Innovation.«

Furthermore, Clariant participates in the Horizon Europe-funded project FOREST. The three-year research project aims to develop innovative bio-based polymers and additives as well as recycled carbon fibers that will facilitate the decarbonization of the transport sector. The 13 partners from industry and academia intend to provide new and innovative green composites for sustainable and safe transport applications. Furthermore, the project aims to develop effective circularity solutions applied to multifunctional bio-composite constituents with more than 50% sustainable

materials contained in lightweight products. Clariant is leading, together with Aimplas, the sub-work package for bio-based flame-retardant synthesis and is contributing to other work-streams for the definition of performance criteria for sustainable composites and the characterization and scale-up of sustainable materials development.

Site- and Product-specific Actions

Since 2016, Clariant's most relevant production sites have been certified by the RSPO, following the Mass Balance certification rules. This enables the company to sell sustainable products that have been produced with certified palm-based oleochemicals. Clariant has a portfolio of over 140 palm-derived products that are offered as RSPO Mass Balance-certified, which continue to be promoted in partnership with customers and other stakeholders.

Clariant's plants in Gendorf, Knapsack, and Frankfurt (all in Germany) received the International Sustainability and Carbon Certification (ISCC) Plus certification. The production sites offer a range of products as certified upon customer request. These certifications are recognized schemes for validating the chain of custody and the traceability of sustainable biomass, biofuels, and bioliquids in production processes.

Also, Clariant has for many years partnered with a local land conservancy, the Catawba Lands Conservancy, to preserve land on and around Clariant's current and former production sites near Mt. Holly, North Carolina, using conservation easements. These easements prohibit or significantly limit any kind of development or significant land disturbance to preserve the natural state of the areas.

Portfolio Value Program

Through its Portfolio Value Program (PVP), Clariant assesses the sustainability profile of its product and project portfolio. More information on the PVP can be found in the → »General Disclosures« chapter. Screening criteria include those relating to bio-economy, i.e., whether products or projects are bio-based, enabled bio-based processes, or supported the transformation of bio-based raw materials. From the early stage of an innovation project until commercialization, the use of renewable raw materials is assessed, and whether they are food-competing, genetically modified, or have an impact on biodiversity is also considered.

Responsible Mining

Clariant operates significant bentonite mining operations through its Business Unit Adsorbents & Additives, with strategic locations across Bavaria (Germany), Sardinia (Italy), Turkey, and the United States. At these mining locations, Clariant implements comprehensive environmental conservation measures developed by geologists to minimize drilling impacts. These include carefully removing the topsoil and overburden to preserve it for future land restoration. During mining, Clariant also ensures that the local fauna can move to adjacent areas easily and that surrounding ecosystems are conserved. Since 2015, Clariant maintains a certified sustainable mining management system in Spain, in accor-

dance with the Spanish UNE 22480 and UNE 22470 standards. In recognition of this achievement, Clariant received two awards in 2025 at the VII National Aggregates Congress organized by the Spanish Aggregates Federation (FdA): the Special Mention for Environmental Management from the Fundación Minería y Vida, as well as the First Prize for Sustainable Development in the Environment and Good Environmental Practices category.

When mines are decommissioned, Clariant collaborates with local experts to restore the land for forestry or agriculture. In certain areas (such as southern Bavaria), animals from the Red List of Threatened Species have been repopulated after reclaiming. LIFE TECMINE, an EU-funded mining recultivation initiative, selected Clariant's recultivation project located within the Cabo De Gata-Níjar National Park in Almería, Spain, as a reference for best practices in their 2023 reforestation guide. Further information on the progress of Clariant's post-mining nature restoration actions is provided in section → »E4-4 and E4-5 – Metrics and Targets,« below.

Other Actions in the Operating Business

Since 2021, the Brazilian Personal Care Specialties company Beraca has been fully integrated into Clariant's portfolio, offering a full range of active and natural origin ingredients. Beraca is a leading provider of natural ingredients ethically sourced from the Amazon rainforest and other Brazilian biomes, building collaborative relationships with local communities to develop sustainable cosmetic ingredients. This approach creates meaningful socio-economic benefits while safeguarding environmental preservation. At the heart of Beraca's strategy lies the Sociobiodiversity Enhancement Program, a framework built on four fundamental pillars: balanced human development, appropriate profitability, ethics and transparency, and biodiversity conservation. Some key aspects include:

- the establishment of a fair commercial relationship that values the work and culture of agro-extractivists and farmers
- the provision of technical assistance and training to local communities on sustainable harvesting, processing, and marketing of products like nuts, oils, resins, and extracts
- the opportunity for commercial development and community organization focused on establishing sustainable businesses
- support for communities located in extractive reserves and other protected areas, contributing to biodiversity conservation and the livelihoods of traditional populations

- the facilitation of access to markets and organic fair trade certification for the products derived from the program

The program represents a model of sustainable bio-economy where over 14 000 families have been impacted, with 1.83 million hectares certified for organic production, 1370 tons of waste diverted from landfills, and 220 training sessions in local communities. The biodiversity team closely monitors the communities and assesses associations and cooperatives from a quality, sustainability, and compliance point of view. Contracts with supplier communities contain labor and environmental clauses, and meetings are held with all members to present the Supplier Code of Ethics, which mainly deals with good labor and social practices.

Information on innovation-related actions in the operating business with relevance for biodiversity can be found in the chapter on → »Sustainable Innovation.«

E4-4 and E4-5 – Metrics and Targets

Clariant applies separate metrics for the palm oil- and bentonite mining-related impacts on biodiversity.

Palm Oil Sourcing

With respect to palm oil sourcing, as the 2025 target set in 2021 expired during the reporting year, Clariant developed a new Global Sustainable Palm Oil Policy. Clariant has continuously increased its share of sustainably sourced palm-based raw materials, demonstrating progress in mitigating its contribution to biodiversity loss through land-use change due to palm oil sourcing. The progress and updated targets are outlined in the table below. This indicates Clariant's achieved progress in mitigating its contribution to biodiversity loss through land-use change due to palm oil sourcing. As the 2025 target set in 2021 expired during the reporting year, Clariant has developed a new Global Sustainable Palm Oil Policy. The updated targets are outlined in this policy and can be found in the table below.

As part of its ASD membership and its assessment of biodiversity-related impacts, risks, and opportunities, Clariant conducts a yearly supply chain transparency exercise regarding the risk exposure of its portfolio (see → section »E4-3 – Actions,« above). The results are shown below (results for the year investigated are only available one year later).

SUSTAINABLY SOURCED PALM BASED RAW MATERIALS

	2025	2024	2023	2022	2021 ¹
Share of sustainably sourced palm-based raw materials uptake in total uptake (%) ²	54%	50%	31%	21%	13%
DCF (%)	n.a. ³	64%	58%	21%	n.a.

¹ Base year.

² Considering Clariant's Palm Oil Policy, updated in 2025, Clariant's 2030 target is to have 100% of palm volumes sustainably sourced by 2030, thus figures consider volumes certified by 3rd party (RSPO certified and RSPO independent smallholders credits), on-the-ground projects and sourcing from low-risk mills. The scope of the target is global, and the target setting was based on internal strategic decision, informed by engagement with suppliers, customers, and peer benchmarking to align with our ambition.

³ DCF is evaluated the year after.

ASD SUPPLY CHAIN TRANSPARENCY INVESTIGATION

Year investigated	transparency to refiner-ies %	transparency to mills %	transparency to planta-tions %
2020	92	89	n.a. ¹
2021	86	83	32
2022	88	87	59
2023	97	96	69
2024 ²	96	93	83

¹ not assessed

² Data from 2024 was assessed in 2025.

Clariant also evaluates the performance and effectiveness of actions to manage its negative impact on biodiversity due to palm sourcing through metrics on its raw materials sourced. This includes the share of purchased raw materials

- stemming directly or indirectly from fossil-based raw materials;
- consisting of inorganics and minerals, such as bentonite and clay, inorganic salts and acids, precious and base metals and metal compounds, and gases; and
- consisting of renewable bio-based raw materials, such as vegetable oil fatty acids, fatty alcohols and derivatives, and natural plant-based extracts and oils.

The metrics are provided in chapter → »E5 – Circular Economy.«

Bentonite Mining

Clariant's bentonite sites comply with international, national, regional, and local regulations. The general ambition of Clariant is to return the land to the owner in the same or an even better state after the mining process, compared to its prior state.

To achieve this, 231 trees have been planted in former mining sites as of year-end 2025. About 24 000 square meters of mixed woodland show that Clariant supports sustainable practices. Clariant uses these metrics to evaluate the progress of its nature restoration efforts at former mining sites. However, the company has not translated its general ambition regarding mitigation of land use change due to bentonite mining into a measurable outcome-oriented target. The company complies with local regulations and strict standards for renaturation of mines, since local conditions as well as corresponding impacts and actions vary significantly by location.

Biodiversity Offsets through the Kaleka Mosaik Initiative

Clariant included biodiversity offsets as part of its action plans to address its biodiversity impacts. The → »Kaleka Mosaik Initiative« by the Indonesian NGO Kaleka is a consortium project in Kalimantan, Indonesia, with the objective of improving smallholder livelihoods and protecting and restoring the landscape (see section → »S4-3 – Actions,« above). Since 2022, Clariant has contributed via the → »Clariant Foundation« to the ASD Impact fund, which is an instrument for ASD members to collectively invest in on-the-ground projects. Clariant continued to invest in the Kaleka project in 2025. (See the table below for the amount invested and the results.) Along with the focus on smallholder welfare and fostering RSPO certification, the initiative has a strong element of forest preservation and restoration, which fits with the objective of offsetting biodiversity impacts. This comprehensive approach effectively balances environmental conservation with sustainable production methods, creating a positive impact that simultaneously supports local communities while safeguarding vital ecosystems.

BIODIVERSITY OFFSETS

	2025	2024
Amount invested in project (financial effects of biodiversity offsets, in CHF) ¹	30 000	30 000
Hectares of land restored through active community participation ^{1,2}	103.5	100

¹ Based on data taken from Kaleka project

² For April 2024 to March 2025

E5 – Circular Economy

Summarized by Clarita^{AI}

- + Clariant diverted 14.6 thousand metric tons of hazardous waste from disposal in 2025, with nonrecycled waste decreasing from 82.40 % in 2023 to 73 % in 2025.
- + Bio-based materials increased from 3.0 % to 4.30 % of total materials used (3.77 million metric tons) between 2024 and 2025, while 70 % of packaging spend is allocated to reusable or refurbishable packaging.
- + Clariant collaborates with over 30 value chain partners through its EcoCircle platform on recycling solutions including pyrolysis oil purification, responding to regulatory requirements such as the EU Clean Industrial Deal and Extended Producer Responsibility schemes.

A circular economy reduces resource use by designing out waste and keeping materials in the loop. This is an urgent shift from today's linear model, given planetary limits. The main accelerator in that field comes from regulatory aspects. Regulators increasingly focus on fast-tracking circularity and reducing waste.

The EU's Clean Industrial Deal will keep prioritizing circularity as a new Circular Economic Act is being developed. These measures come on top of existing provisions such as Single-Use Plastic (SUP) bans and restrictions, higher recycling and reuse targets, recycled-content mandates, Ecodesign requirements, landfill

limits, and tighter disclosure. In the US – at the federal and individual state level – initiatives support new Extended Producer Responsibility (EPR) schemes and are incentivizing the scalability of chemical recycling technologies.

This provides opportunities for Clariant's circular offerings, especially since, for chemistry, carbon remains indispensable. The most scalable path is to reuse carbon already in products or the atmosphere. Clariant is responding by sourcing carbon from biomass and recycling streams and by tracking evolving policies in major economies to advance circular offerings.

E5-IRO-1 – Description of IROs

With its materiality assessment, Clariant has implemented a screening process for its assets and activities to identify actual and potential impacts, risks, and opportunities related to resource use and circular economy. Please refer to the IROs table below and the → »General Disclosures« chapter for details on the → process for identifying the IROs. Clariant identified risks of future liabilities related to hazardous waste disposed of in landfills. The objective in the handling of waste is the complete elimination of landfilled hazardous waste through the recycling or reuse of the waste. This requires an end-of-life analysis of each manufactured product and the changes to its composition as early as the innovation stage.

MATERIAL IROs RELATED TO CIRCULAR ECONOMY

Type	Definition	Topic	Value Chain Location			Time Horizon		
			⌆	E	⌇	>	»	»»
Actual negative impact	Use of nonrenewable raw materials	Circular economy – resource inflows, including resource use		■		■		
Opportunity	Market opportunities through products that facilitate recycling	Circular economy – resource outflows related to products and services			■		■	
Actual negative impact	Generation of hazardous waste	Circular economy – waste		■		■		

Use of nonrenewable raw materials: Clariant relies on fossil-based petrochemicals such as base olefins, solvents, and other carbon compounds as essential inputs for chemical production. These substances are foundational to the specialty chemicals sector, where highly functionalized compounds and polymers are required. Due to the lack of viable alternatives, the use of nonrenewable raw materials remains prevalent, limiting circularity and reinforcing dependence on finite resources.

Market opportunities through products that facilitate recycling:

Through its Innovation Arena Circularity, Clariant develops solutions that support recycling processes and promote circular economy principles. These include specialized additives for carpet and plastic recycling, natural antioxidants, and sustainable polymer technologies. By enhancing material recovery and reuse across industries, these products can unlock new market opportunities and strengthen Clariant's competitive positioning.

Generation of hazardous waste: Clariant's operations result in the generation of hazardous waste with varying material compositions and volumes across all business units. Business Unit Care Chemicals primarily produces chemical waste containing organic and inorganic residues as well as solvents. In Business Unit Adsorbents & Additives, hazardous waste mainly consists of distillation residues. Business Unit Catalysts generates waste composed largely of metal salts from washing processes and sludge containing heavy metals.

Clariant's strategic approach to resource use and circular economy

Circularity and reduction of waste are included in Clariant's strategic sustainability priorities. → **Read more in »Clariant sustainability strategy.«** Resource use and waste management are both fundamentally important for circularity. As part of Clariant's focus on a circular economy, the company strives to increase the efficiency of resource use, both in its own operations and in packaging use. → **Read more in »General Disclosures.«**

The topic of circular economy is overseen by the Sustainability Affairs Department, the Board of Directors' Innovation and Sustainability Committee (ISC), and the Innovation and Sustainability Meeting (ISM) with the Chief Strategy & Technology Officer (CSTO), a member of the Executive Leadership Team, who is in the highest position of responsibility.

Memberships

Circular economy is increasingly prioritized across the value chain, with brand owners, original equipment manufacturers (OEMs), customers, and end users all working toward circularity goals. As a proactive leader in this area, Clariant is a signatory of the EU Commission's Circular Plastics Alliance (CPA) and is an active participant in key industry collaborations, including the Polyolefin Circular Economy Platform (PCEP), RCI, and the World Business Council for Sustainable Development (WBCSD), working groups on circular chemicals and climate initiatives. Clariant also contributed to the development of the »Towards Planet Positive Chemicals: A Chemical Transformation Roadmap,« guided and published by the WBCSD and underscoring Clariant's commitment to advancing sustainable chemical solutions. The company also takes an active role in several European Chemical Industry Council (Cefic) working groups, participating in the Chemical Recycling and Sustainable Carbon Issue Teams.

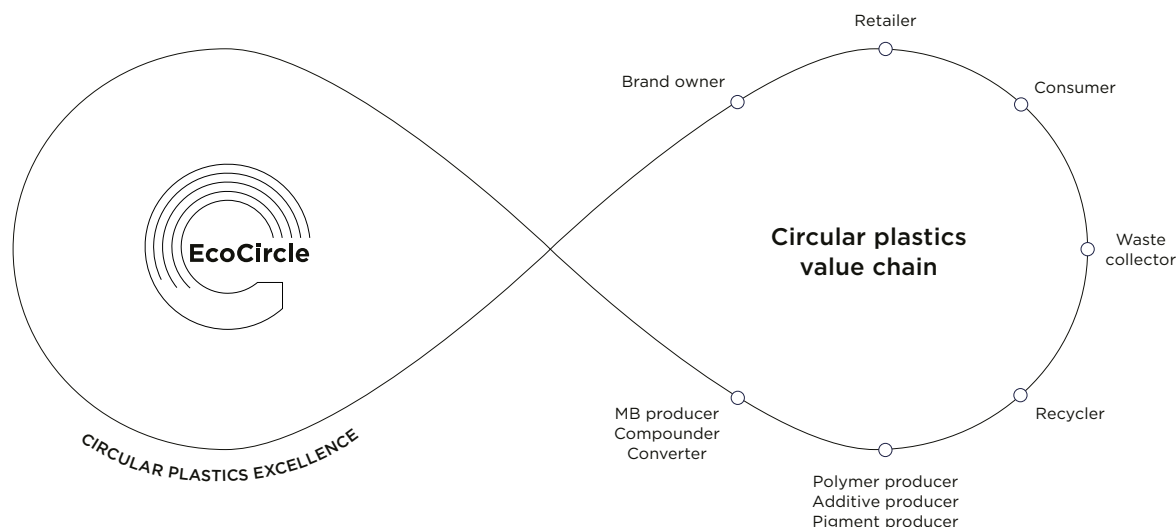
Renewable Carbon Initiative (RCI)

Clariant is a member of the Renewable Carbon Initiative (RCI), a multistakeholder initiative initiated by the nova-Institute, alongside other forward-looking industry players committed to speeding up the transition from fossil carbon to renewable carbon in chemicals and materials. Switching to renewable carbon sources prevents additional fossil carbon from entering the atmosphere and thus addresses a core problem of climate change.

While complete decarbonization may be a feasible option for some sectors, organic chemistry will always depend on carbon since it is integral for the creation of chemicals and materials that are essential in almost all industries.

The most promising solution is to reuse carbon already found in materials, the biosphere, or the atmosphere. That is why Clariant supports the RCI efforts in promoting viable alternative carbon sources, such as biomass, CO₂, and recycling streams. Only an accelerated shift to low-carbon raw materials will help to prevent a further increase in atmospheric CO₂, which, since it is a driving force in climate change, also presents one of the largest inherent threats to biodiversity on earth. In addition, by shifting to nonfossil alternative feedstocks to produce renewable chemicals, the chemical industry contributes to the defossilization of industry sectors further down the value chain. The RCI initiative wants to drive this message, initiating further actions by bringing stakeholders together, providing information, and shaping policy to strive for a climate-neutral circular economy.

ECOCIRCLE - BEYOND A PRODUCT FOCUS, COLLABORATING ALONG THE VALUE CHAIN



E5-1 – Policies Related to Circular Economy

Clariant's Strategy & Technology department provides the guidance and supports the business units in their circular economy efforts.

Clariant's company-wide Sustainability Policy provides a strategic framework for advancing circularity across resource use and waste management. Guided by this policy, Clariant aims to reduce reliance on primary raw materials in its products and optimize the efficient use of resources such as water, raw materials, and energy. The policy includes specific commitments to »continuously reduce waste and pollution« and »increase circularity« by enhancing both inflows and outflows. Furthermore, it addresses the topic of ensuring responsible sourcing. For Clariant, responsible sourcing means committing to upholding high social, environmental, and governance standards when making sourcing decisions. Clariant expects its suppliers and contractors to fully endorse the principles of our Supplier Code of Ethics. Through its membership in the Together for Sustainability (TfS) initiative, Clariant strives to drive sustainability performance in its supply chain and to promote transparency and solidarity. For more detailed operational practices, Clariant has established mandatory internal policies, standards, and guidelines, ensuring that circularity principles are consistently applied. This guidance is made available internally, ensuring that stakeholders involved in policy implementation have access to the necessary guidelines and documentation.

Clariant ensures that the Sustainability Policy is accessible to all relevant stakeholders, particularly those who may be affected by or are responsible for implementing the policy. The policy is publicly available on the Clariant website at the following link: → »Clariant Sustainability Policy.«

Clariant's Quality, Environment, Safety, and Health (QESH) policy is the umbrella for environmental management and mandates site-level compliance with detailed ESHA/IGSM Standard Operation Procedures (SOPs) for waste. It designates waste management as a target area for continuous improvement through environmental performance programs. The Environmental Aspects & Impacts Assessment SOP establishes a site-wide process to identify and evaluate waste-related aspects and impacts, including soil contamination risks and regulatory compliance. The following waste hierarchy was therefore defined:

- prevention,
- reuse/recycling,
- energy recovery via incineration, and disposal.

Prevention through process optimization is explicitly prioritized as the first choice. This operationalizes the policy preference for avoidance/minimization of waste before downstream options. Energy recovery is addressed via controlled incineration for nonrecyclable waste. Environmentally safe disposal, aligned with local regulation, is defined as the last resort.

All Clariant sites are required to implement and follow the Environmental Aspects & Impacts Assessment SOP and the Environmental SOP as mandatory operational standards.

Clariant is committed to the efficient use of resources and the promotion of circular economy practices across the value chain. The following third-party standards and initiatives guide the policy implementation:

ISO 14001: Environmental Management Systems: Clariant aligns its resource use and waste management practices with ISO 14001, ensuring that the company's environmental management systems are robust and continuously improving.



The European Union's Waste Framework Directive: Clariant complies with the EU's Waste Framework Directive in managing waste generated across all operational levels, promoting reduction, reuse, and recycling of waste materials.

By adhering to these third-party standards, Clariant aims to ensure that its policy implementation is consistent with international sustainability and circular economy frameworks, driving progress toward resource efficiency goals and reducing environmental impacts.

E5-2 - Actions

Clariant is committed to cutting waste and pollution while maximizing circularity. Through its Circular Solution and EcoCircle platforms, the company deploys circular offerings and explores partnerships that drive growth and innovation toward its sustainability targets. To boost operational eco-efficiency, Clariant focuses on:

- substituting virgin or fossil resources with waste- and renewable-based resources where suitable
- redesigning processes to reduce water and energy use and implement closed-loop recycling at its sites

Actions related to resource inflow

Clariant ensures that raw materials are sourced sustainably, reducing the environmental impact of resource extraction and promoting responsible use of resources throughout its supply chain.

Reducing fossil dependency

The bulk chemical industry is heavily dependent on fossil fuels, as petrochemicals are used as both raw materials and energy sources for production. While fossil-based chemicals are widely used as feedstock, alternative, renewable feedstock still accounts for a small share of resources used. Therefore, purchasing predominantly fossil-based resources has significant impacts on the release of greenhouse gas emissions and climate change, as well as on wastewater and water pollution. To address the risks, Clariant collaborates with various stakeholders (suppliers and customers)

to identify alternatives. The aim is to avoid fossil feedstock or substitute it with renewable carbon sources: biomass, CO₂, and recycling. The objective is to make chemicals and plastics sustainable, to defossilize value chains, and to foster the transition to a circular economy.

Clariant is not a plastics producer but offers products that are applied in all steps of the value chain within polymer production, conversion, and mechanical and chemical recycling. The company is focusing on solutions that support the recycling, reuse, or reduction of plastics to contribute to the move toward a circular economy. In 2019, the EcoCircle initiative was created to support the transition from a one-way plastics value chain to a circular plastics economy. This ongoing initiative goes beyond a product focus, looking at the entire value chain and identifying the most sustainable and viable solutions for a circular plastics economy, with the vision of providing specialty chemicals and connecting industry partners to close the loop.

As part of the EcoCircle initiative, the impacts of Clariant products on the value chain have been analyzed. The assessment was mainly on environmental and human health impacts, especially during the use phase. Clariant products are used within the different value chain steps and generally not directly placed on the market. The impacts, therefore, focus on the ability to support circular economy in achieving high recycling targets in the industry.

Packaging

Globally, 70 % of Clariant's spend on packaging is for reusable or refurbishable packaging. For plastic packaging (e.g., bags, drums, IBCs, plastic films), 30 % is reusable and 50 % is technically recyclable at scale after use. The remaining materials need to be disposed of, either because the filling material consists of dangerous goods or because the packaging itself is made of materials that do not allow for refurbishing or recycling.

Where applicable, Clariant works together with return systems, which enable our customers to dispose of and/or recycle most of the packaging they receive from Clariant free of charge, and which support packaging suppliers with their reconditioning return systems.

Key action	Description and year of completion	Scope of action	Overall progress in 2025 and how we track effectiveness
Hazardous waste treatment and neutralization	Neutralization of hazardous waste streams at Tangerang, Indonesia.	Own operations	Effectiveness tracked through annual hazardous waste reduction metrics. Tangerang project enables reduction of 120 tonnes of hazardous waste annually.
Circular economy and material recovery initiatives	Implementation of separation and recovery systems to recapture valuable materials such as molybdenum from waste streams at Novara, Italy. Project implemented with anticipated start of savings in 2025 based on product portfolio.	Own operations	Benefits include cost reduction, waste reduction, and establishment of circular value chains. Anticipated yearly hazardous waste reduction of 50 tonnes.
Waste dehydration and processing optimization	Implementation of dewatering and drying technologies to reduce hazardous waste volume at multiple sites, including Jiaying, China (chromium-containing sludge dehydration) and Bonthapally, India (WWTP slurry drying). Projects implemented with start of savings in 2025.	Own operations	Effectiveness tracked through reduced hazardous waste volumes at all sites. Combined anticipated yearly savings of 250 tonnes of hazardous waste from all projects.
Waste alcohol recovery optimization	Optimization of waste alcohol recovery system by fine-tuning the feed sequence to enhance yield at Tarragona, Spain. Project implementation in 2025 with expected operational improvements starting in late 2025.	Own operations	Effectiveness tracked through reduced waste alcohol volume requiring treatment and increased yield. Anticipated annual hazardous waste reduction of approximately 80 tonnes.

Other products are shipped as bulk goods in tank trucks, rail tank cars, or silo trucks. To the extent possible, nonreusable packaging is recycled for material purposes or, especially in the case of hazardous materials, used to generate energy.

To deliver smaller quantities of chemicals, Clariant uses intermediate bulk containers (IBCs) and other containers mostly made from recyclable high-density polyethylene (HDPE). It selects the packaging in use to comply with regulations for product safety as well as to provide a safe and efficient transportation mode. The packaging has no marketing messages, unlike the packaging for consumer products, but solely fulfills the aspect of transportation and storage and displays product information for transparency.

There is a special collection and recycling system for IBCs in the chemical industry offered by different industry players, which is available globally. In many European countries, extended producer responsibility (EPR) systems support recycling.

There are strict UN requirements for transporting chemicals. Currently, they exclude packaging with recycled content in direct contact with the transported chemicals because the quality and quantity of available post-consumer recycled (PCR) materials are limited. Additionally, the quality of PCR materials can have an influence on technical specifications, thus necessitating additional tests and reducing market attractiveness.

Actions Related to Resource Outflow

Areas that can support circular economy include biodegradable solutions for home care and personal care, in particular for product segments where collection and recycling at the end of life is not applicable.

Innovations for Circular Economy

Our Care Chemicals portfolio includes the new TexCare™, a readily biodegradable soil release polymer specifically for detergent capsules, as well as Aristoflex™ Eco T, a biodegradable and nonsynthetic rheology modifier for personal care applications.

The company also develops additive solutions, which enable the reduction and reuse of fossil-based polymers without a loss of quality and improve the mechanical recycling of plastic. Clariant's wide range of innovative stabilizers and compatibilizers supports obtaining higher-value plastics from recycling streams, while other products make materials more durable or improve existing and novel recycling processes.

In addition, Clariant's processing aids continuously support chemical recycling by, for example, enhancing the quality of pyrolysis oil through purification or stabilization with its HDMax™ catalysts and Clarit™ adsorbents.

Clariant actively seeks to keep on using recycled materials in production wherever feasible.

For example, solvents are redistilled for reuse, although the percentage of recycled materials remains low due to stringent purity and safety standards required in the production process. Clariant supports the advancement of chemical recycling technologies to enhance the availability of recycled raw materials for its business units. Additionally, the use of bio-based raw materials contributes to Clariant's efforts toward responsible resource use. For more details, refer to the chapter on → »Biodiversity and Bio-based Economy.«

Collaborations for Advancing Circular Economy

Clariant supports its customers' sustainability ambitions by collaborating with several industry partners across the value chain to solve specific impurity challenges and make closing the loop even for mixed plastics waste an achievable goal. In 2025, Clariant worked with over 30 partners in the value chain and was part of InReP – an Integrated Approach Toward the Recycling of Plastics. This joint project of science and industry was concluded in 2025 and focused on the field of pyrolysis oil purification and upgrading.

Specifically, Clariant is removing contaminants from different feedstocks in chemical and dissolution recycling, for example, from pyrolysis oils. The aim is for these technologies to complement mechanical recycling, allowing for the use of a wider range of waste streams that otherwise would be landfilled or incinerated. A cross-functional and cross-business unit (BU) team works on this project. The team uses Clariant's decades of experience in dealing with different kinds of contaminants and collaborating with technology providers, as well as with oil and gas and chemical and engineering companies.

Actions Related to Waste

Clariant has implemented measures to optimize production processes, enhancing resource efficiency and reducing waste generation and energy consumption. To minimize waste, the company recycles and reuses materials within production cycles, while repurposing and selling nonreusable materials, thus supporting circular economy efforts. At production sites, waste is classified and sorted according to local regulations and available recycling options. Only waste that cannot be recycled or incinerated is disposed of with appropriate treatment methods according to the type of waste or, as a last resort, sent to certified landfills regulated by local authorities. Clariant also maintains records of waste sent to landfills in waste cadasters and prohibits landfilling of liquid waste.

The management of waste and resource use is continuously conducted at the site level, and the KPIs are reported by the sites. The performance against the target KPIs and the effectiveness of measures are tracked by the BU on-site and at the regional level. The results are consolidated globally by the Program Manager Sustainable Operations within the Sustainability Affairs organization. Sustainability Affairs also drives the → EcoCircle, the cross-functional circular plastics platform. It defines the boundaries and positions of Clariant within the value chain of a circular plastics economy.

The contribution of Clariant's products to a circular economy is assessed on the product level through a cradle-to-grave approach with Clariant's Portfolio Value Program (PVP), a strategic tool aimed at steering the portfolio toward more sustainability. → **Please read more about the PVP in the »General Disclosures« chapter.**

Clariant's commitment to the circular economy extends beyond its internal operations, influencing its entire value chain. In preparation for the upcoming Ecodesign for Sustainable Products Regulation (ESPR), Clariant's PVP integrates a circular approach that includes a comprehensive life cycle analysis of products and business models. Product solutions are assessed for their impact on circularity throughout their full life cycle, as well as their effects on the final application.

Aligned with its circular economy initiatives and in compliance with its ESHA internal waste management standard, Clariant emphasizes waste avoidance, recycling, and reuse over disposal. It continuously evaluates recovery options for repurposing materials as raw inputs.

Clariant is committed to minimizing waste generation and enhancing waste management practices across its operations. Clariant's waste management performance has improved continuously over recent years thanks to global programs and ongoing efforts at individual sites. During the development and manufacturing of products, the company makes every effort to generate as little waste as possible.

At the site level, the company minimizes waste generation through comprehensive planning: Through the Yield, Energy, Environment (YEE) initiative, Clariant improves its yield and reduces its waste. It maintains waste cadasters at each production site and monitors the waste-related data in detail to enable proper classification and handling. Clariant sends most of its waste to third-party contractors approved by local regulators for treatment, including incineration, recycling, or final disposal via landfilling. Clariant sites must comply with the requirements of transport and local waste legislation as required by Clariant internal standards. Clariant arranges transportation according to the amounts accrued during the period, the properties of the waste components, and the requirements of the waste-handling contractor.

Most of the nonhazardous waste from Clariant, gypsum, is from the neutralization of acidic wastewater in the Business Unit Adsorbents & Additives (BU AA). Clariant initiated two successful projects to repurpose gypsum, a by-product generated at certain sites

from the Business Unit Adsorbents & Additives. The first project explored the use of gypsum as a soil conditioner for agricultural applications in 2023. This opened new opportunities in the agricultural sector, providing an innovative solution for resource reuse. The second project identified potential uses of gypsum in gypsum board and other building products, creating new circular economy revenue streams in the construction industry. These projects represent tangible outcomes in Clariant's ongoing efforts to reduce waste and find innovative uses for its by-products, transforming waste materials into valuable resources for other sectors.

Clariant's waste management approach includes collaborating with external partners to ensure proper treatment and disposal, as well as exploring opportunities to repurpose waste where possible.

FEATURED STORY



Accelerating the search for sustainable coatings

The search for paint formulations with a reduced environmental impact often involves trial-and-error testing – an approach that consumes significant raw materials, energy, and time while generating substantial chemical waste.

Clariant's Digital Formulation Factory (DFF) replaces resource-intensive physical trials by combining 24/7 automated high-throughput screening and application tests with advanced predictive modeling. This methodology is used to effectively find tailored solutions for Clariant's customers.

The DFF reduces raw material consumption, chemical waste, and energy usage in R&D. It also helps to specifically identify formulations that extend the functional life of a coating.

[Learn more](#)

Future Planned Actions

Looking ahead, Clariant is committed to expanding its efforts in resource management and waste reduction. These future actions are designed to further strengthen the company's circularity goals. They include:

- **Enhancing resource outflow management:** Clariant plans to broaden its initiatives in resource outflows by exploring new opportunities to partner with local waste management companies and developing improved resource recovery processes.
- **Collaboration with local waste management:** Certain sites will continue working with local waste management partners to enhance recycling and waste repurposing practices.
- **Spent catalyst management:** In Business Unit Catalysts (BU CA), Clariant is committed to supporting customers in the responsible handling and disposal of spent catalysts at the end of their life cycle. To facilitate this, the company developed a database of reclaiming companies that was recommended to customers through the sales teams.

The company continues to enhance its efforts in resource inflows and waste management. Key actions and initiatives implemented in prior periods have resulted in measurable progress, and Clariant is focused on further advancing its circular economy objectives. Information on the results of actions to reduce waste in Clariant's operations can be seen in the KPI section further below. These actions help Clariant stay on track to enhance its positive impact, reduce waste, and contribute to circular economy while simultaneously generating new business value from by-products and resource-efficient operations.

Investments

To support the effective implementation of its sustainability action plans, Clariant allocates significant financial resources, including both operational expenditures (Opex) and capital expenditures (Capex). These investments are crucial for advancing the company's waste reduction, circular economy initiatives, and overall environmental performance. Clariant has utilized green bond financing to support projects that align with its environmental objectives, particularly in reducing waste and promoting a circular economy.

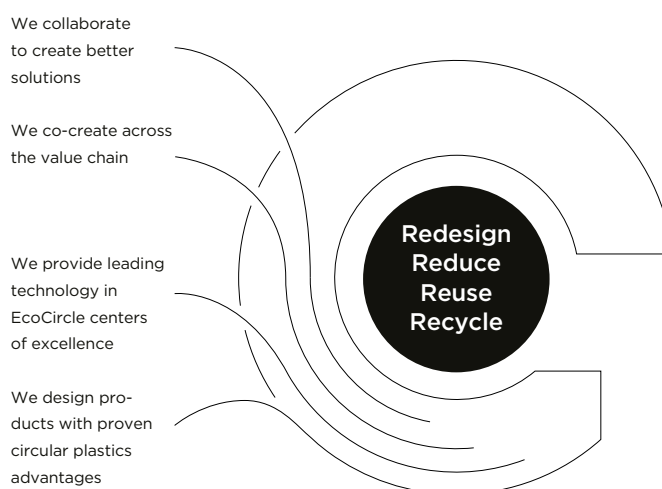
Clariant is currently developing a Capex tracking tool to monitor and report on capital expenditures related to its sustainability initiatives, providing greater transparency and accuracy in its reporting of financial resource allocation toward environmental objectives. In addition to the green bond projects mentioned above, Clariant may also leverage other sustainable finance instruments, such as social bonds or green loans, to finance additional projects that support its sustainability goals. These financial resources will continue to be directed toward projects that contribute to waste reduction, resource efficiency, and circularity, in alignment with Clariant's broader environmental strategy.

The ability to fully implement certain action plans depends on external factors, including the availability of public financial support and market developments. In the case of the green bond projects, no preconditions are currently hindering their implementation, and the necessary financial resources have been secured. However, future projects may rely on favorable regulatory developments or additional external funding to ensure full execution. By allocating both financial and operational resources toward these initiatives, Clariant demonstrates its commitment to advancing its environmental sustainability goals while ensuring responsible and transparent use of its financial instruments.

E5-3 - Targets Related to Resource Use and Circular Economy

Clariant systematically monitors the effectiveness of its policies and actions on circular economy. In the upstream value chain, it does so by tracking the sustainability performance of its suppliers. For this, the company relies on independent sustainability ratings such as EcoVadis, which provide detailed assessments on aspects like waste management, resource inflows, and resource outflows. By maintaining a high level of supplier coverage through EcoVadis, Clariant has ensured transparency across its value chain and measured progress toward its circular economy objectives since 2020. In its own operations, Clariant assesses the waste generation monthly in the Sustainable Operations Cockpit (SOC) and in more detail annually in the key figure collection. The Yield, Energy and Environment (YEE) program supports the operations in achieving reduction of waste. The recyclability of its products is analyzed through the PVP. Further details on the YEE program are provided in the → »E1 - Climate Change« chapter.

ECOCIRCLE - THE APPROACH TO CIRCULAR SOLUTIONS



E5-4 – Resource Inflows

Clariant's resource inflows primarily include raw materials, packaging materials, water, property, plant, and equipment. These resource inflows are integral to Clariant's operations and its upstream value chain.

Energy, water, and raw materials are key material resources in Clariant's operations. Energy is a critical input for all business units, used across production, processing, and distribution activities. The company also relies heavily on the following key raw materials:

- Fossil-based raw materials: e.g., olefins and oxiranes, alcohols, carbon, and solvents
- Bio-based raw materials: e.g., fatty acids, fatty alcohols and derivatives (with plant origins, such as palm and coconut), bioethanol, natural plant-based extracts, and oils
- Inorganic materials: inorganic salts and minerals, such as bentonites, clays, diatomaceous earth, and aluminum oxide; precious metals, base metals, and metal compounds
- Basic chemicals, such as inorganic acids, inorganic bases, and gases

Clariant's operational infrastructure consists of various production sites and facilities. Further details can be found in the Management Report in the chapter → »Foundations of the Business« and in the Financial Report in the chapter → »Notes to the Consolidated Financial Statements.« Rare earth materials are not applicable to Clariant's operations.

Methodology (Resource Inflows)

Clariant uses a robust methodology to calculate and report on the materials used across its operations to produce the primary products. Raw material input data (total weight of materials) is primarily sourced through direct measurements at the site level. In cases where direct measurement is not feasible, estimates are

made based on material flow records and procurement data. The percentage of bio-based materials is calculated by aggregating the weight of purchased bio-based raw materials across all business units. The materials include renewable inputs such as vegetable oil derivatives, wood pulp extracts, starch, and bioethanol downstream products. This aggregated weight is then compared to the total weight of all sourced raw materials to determine the overall percentage of bio-based content.

The material used across its operations to produce the primary products is assumed to remain consistent across different production batches unless significant deviations in supply chain composition occur. The calculations assume that the purchased raw materials listed under bio-based categories fully comply with sustainability standards (e.g., ISCC PLUS for our Terra range, RSPO Principles & Criteria related to palm-based products, and OECD Due Diligence Guidance/ILO core labor standards covering social sustainability aspects in the context of our human rights governance) and are derived from renewable sources, as verified through certification schemes (when applicable) or supplier data. For more information on the certification schemes applicable to Clariant's portfolio, please refer to the → »E4 – Biodiversity and Bio-based Economy« chapter.

This methodology ensures transparency and consistency in how Clariant measures and reports the use of raw materials, contributing to its broader sustainability goals.

The cascading principle, prioritizing the most efficient and sustainable use of biomass, is not applicable to Clariant. The vast majority of the company's products containing bio-based raw materials is designed for single use, and the use of recycled or residual biomass is not applicable. Clariant's utilization of biomass as inflow to the production process is in the context of material use (as a raw material for the manufacturing of chemicals). Energy recovery from the sourced bio-based raw materials is not applicable.

MATERIALS USED BY WEIGHT OR VOLUME

in m t	Total 2025	2024	2023	2022	2021 ¹
Total weight or volume of materials that are used to produce the organization's primary products and services during the reporting period	3.77	3.99	4.25	4.08	4.90
Percentage of biological materials (and biofuels used for non-energy purposes)	4.30	3 ²	n.a.	n.a.	n.a.
Total production	3.50	3.59	3.79	3.81	4.43

¹ Figure restated

² In 2024, 3.0 % of materials used were renewable bio-based raw materials.

E5-5 – Resource Outflows

For resource outflows, the total production output, weighed at the site level, is aggregated across all production sites. The net production volume reflects the output that leaves the site boundary, ensuring consistency in data reporting across Clariant's global operations.

Clariant is a specialty chemical company with a focused portfolio organized into several key business units:

BU Care Chemicals: personal care ingredients (surfactants, emulsifiers), home care products and formulations, industrial application chemicals, crop solutions, chemicals for oil and mining services

BU Catalysts: chemical catalysts for various industrial processes, custom catalyst solutions, petrochemical catalysts, emission control catalysts

BU Adsorbents & Additives: functional minerals (bentonite, clays), adsorbents and purification solutions, foundry additives, flame retardants, polymer additives, wax emulsions, performance additives for various industries

Clariant actively supports the vision of a more circular economy, where the value of products, materials, and resources is maintained in the economy for as long as possible, and the generation of waste is minimized. Some of the key products where circular

design principles are applied are Clariant's range of precious metal-based catalysts, with a significant amount of recycled content, and some of the company's aircraft deicing fluids, based on recycled and bio-based monopropylene glycol.

Clariant's approach to embedding circular economy principles in product and material design is structured through its PVP methodology. It provides a comprehensive framework for assessing the sustainability performance of products, including their alignment with circular economy principles, such as the use of recycled material and the recyclability of the final product, enabling the company to design products and materials along circular economy principles. → **Read more in the PVP section of the »General Disclosures« chapter.**

Clariant prioritizes the longevity of its products to minimize the need for replacements and increase reusability, particularly in packaging. The use of recycled materials is a key criterion in PVP, with efforts to incorporate recycled inputs wherever possible, despite challenges related to purity and safety. End-of-life evaluations ensure products are designed for easy disassembly and recycling, further supporting circular goals.

In line with the PVP methodology, Clariant actively supports customers transitioning to circular business models, offering solutions that optimize product life cycles and enhance recyclability.

WASTE BY TYPE AND DISPOSAL METHOD

in thousand t	2019	2023 ³	2024	Total 2025	Targets 2030
Hazardous waste diverted from disposal	n.a.	4.9	4.5	14.6	n.a.
due to recycling	n.a.	n.a.	n.a.	2.7	n.a.
due to recovery operations (incl. energy recovery)	n.a.	n.a.	n.a.	11.5	n.a.
due to preparation for reuse	n.a.	n.a.	n.a.	0.4	n.a.
Nonhazardous waste diverted from disposal	n.a.	10.3	9.6	8.8	n.a.
due to recycling	n.a.	n.a.	n.a.	5.2	n.a.
due to recovery operations (incl. energy recovery)	n.a.	n.a.	n.a.	2	n.a.
due to preparation for reuse	n.a.	n.a.	n.a.	1.7	n.a.
Hazardous waste directed to disposal	n.a.	23.6	23.9	10.6	n.a.
by incineration	n.a.	n.a.	n.a.	4	n.a.
by landfilling	n.a.	4	6.3	2.2	n.a.
by other disposal operations	n.a.	n.a.	n.a.	4.3	n.a.
Nonhazardous waste directed to disposal	n.a.	47	61.3	54.3	n.a.
by incineration	n.a.	n.a.	n.a.	0.7	n.a.
by landfilling	n.a.	27	35.2	33.4	n.a.
by other disposal operations	n.a.	n.a.	n.a.	20.2	n.a.
Total waste (hazardous and nonhazardous)²		86	99.4	88.4	n.a.
Nonrecycled waste	n.a.	70.9	85.3	64.8	n.a.
Percentage of nonrecycled waste (%)	n.a.	82	86	73	n.a.
Total amount of hazardous waste	n.a.	28.5	28.4	25.3	n.a.
Total amount of radioactive waste	n.a.	n.a.	n.a.	0.007	n.a.
Landfilled nonhazardous waste / t production (kg/t)¹	60	7.2	9.8	9.5	36
Hazardous waste / t production (kg/t)¹	7.8	6.8	6.7	7.2	5.8

¹ Waste generated from Clariant activities. Landfilled nonhazardous waste / t production (kg/t) was reduced by 84 % and the hazardous waste by 7.4% since 2019.

² All figures are rounded, resulting in discrepancies between the total waste generated and the breakdown figures.

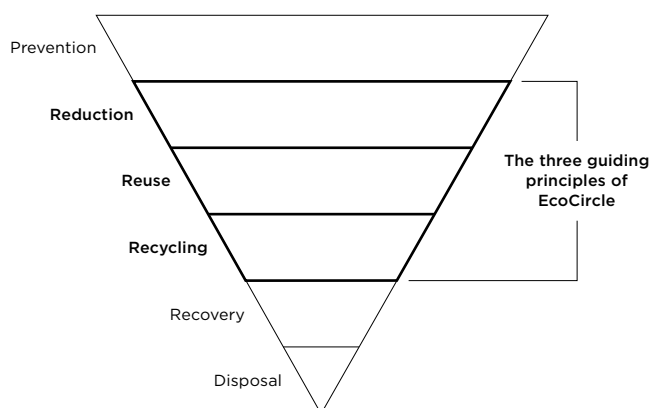
³ Due to wrong overreporting of gypsum waste from one site as nonhazardous waste in 2023, the total nonhazardous waste generated, total waste generated, and nonhazardous waste landfilled have been corrected.

Waste

Indicators for waste management include the weight of hazardous and nonhazardous waste generated and handled by waste handling methods (recycling, incineration, and disposal) and the number of incidents of regulatory noncompliance related to waste management. The total amount of waste generated at production sites does not always depend directly on the production volume, as changes to the product portfolio significantly influence the waste generated. Clariant produces both hazardous and nonhazardous waste.

The key types of hazardous waste in BU CC, BU AA, and BU CA are chemical waste with varying composition of materials. The chemical waste in BU CA is mainly composed of metal salts found in washing water and sludge containing heavy metals. In BU AA, it is mainly composed of distillation residues. And in BU CC, the chemical waste mainly contains organic and inorganic residues and solvents. Most of the nonhazardous waste from Clariant, gypsum, which is calcium sulfate dihydrate, is from the neutralization of acidic wastewater in the Business Unit Adsorbents & Additives.

WASTE HIERARCHY PRINCIPLES



Methodology (Resource Outflows and Waste)

Production output is measured at the site level. Operators at each production site weigh and record the output of production as it leaves the site boundaries. In cases where direct measurement is not feasible, estimates are made based on material flow records. The net production volume – output leaving the site boundary – is aggregated across all production sites for global reporting.

Waste generated at each site is measured by weight and verified through contractor documentation such as invoices. The company operates under a single, global ISO 14001-certified Environmental Management System (EMS), governed by a Group Environmental Standard, ensuring consistent procedures for waste identification, segregation, classification, and handling across all operations.

Waste is classified according to applicable local regulatory requirements. European sites use EWC codes and EU Waste Framework Directive guidance; non-European sites follow national or regional regulations. The choice of treatment method (e.g., recycling, recovery, incineration, landfill) depends on waste type, characteristics, and hazard classification, following the waste hierarchy established in the Waste Framework Directive and Clariant internal standard – prioritizing prevention, preparation for reuse, and recycling wherever feasible.

Waste handling data is verified through contractor invoices, regulatory databases where available, and internal/external EMS audits. Discrepancies or gaps are addressed via ISO 14001 corrective-action procedures.

ES – Sustainable Innovation

Summarized by Clarita^{AI}

- + Clariant achieved an Innovation Rate of 18.8% in 2025 (versus 16.9% in 2024) toward the 2027 target of 20%, with R&D expenditures of CHF 125 million and over 280 active innovation projects.
- + The company structured innovation activities around three Innovation Arenas (Health- and Sustainability-conscious Consumers and Brands, Energy Transition, and Circularity) and five Innovation Platforms focused on catalysts, sustainable actives, adsorbents, polymer solutions, and surfactants.
- + Clariant formalized in 2024 that innovation projects classified as non-sustainable through its Portfolio Value Program cannot advance until sustainability concerns are addressed, with all products assessed against 39 sustainability criteria.

»Sustainable Innovation and Technological Advances« is an entity-specific material topic for Clariant. Innovative chemistry is anchored as one of the four dimensions in Clariant's purpose-led strategy »Greater chemistry – between people and planet.« (See the chapter → »A Purpose-Led Strategy« for further information.) Clariant tackles established megatrends to stay ahead in dynamic markets and drives profitable growth in all its businesses.

In addition, innovation is key to realizing the »leading in sustainability« element in Clariant's purpose. The company's cutting-edge innovations meet the increasing demand for sustainability, as well as performance, and create long-term value for Clariant's stakeholders. Innovation provides the capabilities to position Clariant and its customers at the forefront to realize an economically viable sustainability transformation.

Innovation activities at Clariant focus on products, processes, and services along the company's entire value chain, from suppliers to internal operations, customers, and end users. A culture of innovation is also an important factor in creating a compelling work environment, boosting employee motivation, and helping Clariant attract and retain talent.

✓ ES-IRO-1 – Material IROs

The material impacts and the material opportunity related to sustainable innovation and technological advances (see table and descriptions below) were identified through a materiality assessment process updated in 2025. This process includes scenario analyses and environmental screenings conducted in the context of identifying environment-related dependencies, impacts, risks, and opportunities (see section → »E1-5« in the »Climate Change« chapter). Further details on the methodology and approach used in this assessment can be found in the → »General Disclosures« chapter. [I](#)

✓ MATERIAL IROs RELATED TO SUSTAINABLE INNOVATION

Type	Definition	Topic	Value Chain Location			Time Horizon		
			⌵	CLARIANT	⌶	>	»	»»
Potential positive impact	Sustainability-related innovation fostered within Clariant's supply chain	Sustainable innovation	■					■
Potential positive impact	Integration of sustainability in governance structures, enabling sustainable product innovation	Sustainable innovation			■		■	
Opportunity	Market opportunities through innovation in sustainable consumer products, energy transition, and circularity	Sustainable innovation		■	■		■	

Sustainability-related innovation fostered within Clariant's supply chain:

By actively engaging suppliers as strategic partners, Clariant encourages the co-development of safer, more sustainable materials and processes beyond its own operations. This includes the substitution of hazardous substances with environmentally preferable alternatives, the sourcing of bio-based raw materials, and the integration of circular economy principles into procurement strategies. Through supplier assessments, shared sustainability targets, and collaborative R&D efforts, Clariant enables technological solutions that reduce emissions, enhance resource efficiency, and improve product safety across the value chain, even for indirect suppliers and adjacent sectors. These innovation-driven partnerships can contribute to positive outcomes for workers, communities, and ecosystems, particularly in sourcing regions where environmental and human rights risks are elevated.

Integration of sustainability in governance structures, enabling sustainable product innovation:

Clariant's governance framework firmly integrates sustainability into decision-making, supporting the development of products that advance decarbonization, circularity, and human well-being. Through the Safe and Sustainable by Design (SSbD) approach and the Portfolio Value Program (PVP), which assesses all products against 39 sustainability criteria across eight dimensions, Clariant ensures new innovations are evaluated for environmental and health impacts early on and aligned with key international standards. Innovations such as CO₂-reducing catalysts, PFAS-free additives, microplastic-free polymers, advanced recycling, pharmaceutical PEGs, and AI-powered process optimization help downstream users achieve measurable environmental and social gains across industries.

Market opportunities through innovation in sustainable consumer products, energy transition, and circularity:

Clariant drives innovation across operations and downstream segments through three strategic arenas. For example, it develops advanced cosmetic ingredients, expands its »VitiPure™« excipient range, and creates PFAS/PTFE-free solutions to meet evolving consumer and regulatory demands. Furthermore, Clariant's catalyst and additive expertise enables access to clean energy like hydrogen and sustainable fuels, supports circular systems, and delivers advanced materials for electric vehicles. Public funding and beneficial regulatory conditions may reduce R&D costs and accelerate market entry, positioning Clariant for sustainable growth and long-term competitiveness.

ES-MDR-P – Innovation Strategy and Policies

✓ Clariant's innovation and sustainability strategy is driven by Clariant's purpose »Greater chemistry – between people and planet.« It is reviewed by the Board of Directors based on the recommendation of the Innovation and Sustainability Committee every year through the Strategic Management Process (SMP) of the business units (BUs). Every three to five years, the company strategy undergoes a thorough review and update. As part of that effort, each business unit develops its BU innovation strategy, which consists of growth focus areas, growth aspirations, and roadmaps. It allocates resources and funds to the focus areas after assessing their attractiveness along with their fit with the sustainability strategy. The BU then sets annual innovation targets in accordance with the approved innovation strategies. |

The Global Function Strategy & Technology (S&T) steers the implementation of this strategy, based on its Global Function T&S Policy. Clariant's Innovation Handbook defines the company's innovation processes and tools. Clariant's Sustainability Policy prioritizes investment in research, development, and technology, with sustainability as a core innovation driver. For details on these three innovation-related policies, including stakeholder interests and availabilities, see → »General Disclosures.«

ES-MDR-A – Actions and Resources

✓ Clariant's sustainable innovation-related projects and actions are aligned with the company's strategic goals of reducing environmental impacts, driving sustainable innovation, and improving its overall sustainability performance. They reflect Clariant's comprehensive approach to sustainability, taking into account all aspects of the value chain and making sure that relevant stakeholders are involved in the process. To ensure that Clariant's innovation projects and actions achieve the policy objectives of leveraging the material innovation-related opportunities and positive impacts as well as mitigating the material negative impacts, the company dedicates significant resources to innovation, including dedicated contracted Innovation Centers providing the physical space for collaborative innovation projects (see section ES-MDR-A and ES-MDR-T – Metrics and Targets for further details on resource allocation). This benefits nature, consumers, and clients, among other stakeholders. Clariant plans to continue this resource allocation at similar levels in the coming years. |

FEATURED STORY



Nature meets science in beauty innovation

Many consumers are looking for formulations that are both effective and gentle on their skin. This reflects a growing desire for sustainable and harmonious skincare that works in sync with nature. To meet these evolving demands, Lucas Meyer Cosmetics by Clariant has developed a portfolio of innovative ingredients that beautifully blend nature's gifts with cutting-edge scientific discoveries.

Three recent launches exemplify this approach. Melicica™ is a natural extract of Jelly Bush honey, also known as Australian Manuka honey, that actively modulates gene expression to accelerate skin repair and improve scar appearance across all ages and skin types. GlowCytocin™, derived from Dutch white hyacinth bulbs, becomes the first ingredient to activate oxytocin receptors in the skin, which is clinically proven to enhance luminosity, reduce wrinkles, and improve skin elasticity. Meanwhile, Pickmulse™, a quinoa starch-based emulsifier, enables surfactant-free formulations that preserve skin microbiota balance while offering formulators a cost-effective solution for encapsulating sensitive ingredients.

Each ingredient demonstrates rigorous scientific validation combined with exceptional sustainability credentials. Melicica™ is of 100 % natural origin and COSMOS-approved, sourced from Australian beekeepers who prioritize biodiversity preservation. GlowCytocin™ boasts a 99.6 % natural origin content and is sourced from hyacinth bulbs grown by means of biodiversity-positive flower strip methods. Pickmulse™ is derived from organic quinoa cultivated in Bolivia, where Clariant collaborates with the Pro Inpa Foundation to foster a more resilient local economy.

[Learn more](#)

Innovation Arenas

All actions regarding sustainable innovation at Clariant take place within three key Innovation Arenas. Clariant identified these arenas in 2024. They correspond to the transition scenarios considered to derive material transitional opportunities in chapter → »E1 – Climate Change« and the material innovation-related opportunities described above. The Innovation Arenas underscore Clariant's commitment to advancing sustainable solutions. Each business unit has identified Strategic Growth Initiatives (SGIs) that accel-

erate Clariant's contributions to the Innovation Arenas. The Executive Steering Committee closely monitors the execution milestones and financial progress in each of these arenas. The Innovation Arenas are:

- **Health- and Sustainability-conscious Consumers and Brands:** Gen Z and millennial consumers, along with brand owners, show increased awareness of societal, environmental, and health issues in their purchasing decisions. They demand transparency, authenticity, and increased sustainability, resulting in consumer goods products with strong credible sustainability claims to outgrow market segments with no sustainability value proposition. Baby boomers and soon-to-be retirees (by 2030) are driving health-conscious products to preserve their youthfulness, e.g., with active-containing cosmetics as well as pharmaceutical products requiring excipients. This cohort will have the greatest purchasing power and shows a willingness to pay premiums for effective solutions. Clariant's initiatives within this arena align with evolving consumer demands while advancing sustainability goals.
- **Energy Transition:** The decarbonization of the energy sector requires innovative solutions to realize an economically viable transition by 2050. Key opportunities include decarbonizing hard-to-abate industries such as aviation and steel manufacturing, electrifying with renewable energy, and developing the hydrogen economy. (For further details, see chapter E1 – Climate.)
- **Circularity:** Consumer and industrial markets are shifting toward renewable or post-consumer recycled raw materials, driven by brand commitments, increasing mandates, customer preferences, and the need to reduce Scope 3 emissions.

Innovation Platforms

✓ | Clariant has structured its R&D activities along five Innovation Platforms: Catalysts for Energy Transition, Sustainable Actives, Adsorbents, Polymer Solutions, and Surfactants and Functional Polymers. |

Within these Innovation Platforms, Clariant pursues innovations that address the trends identified in the Innovation Arenas described above. Close collaboration across business units ensures that technology push and market pull go hand in hand.

Each Innovation Platform describes a technological basis that contributes to at least one of the three Innovation Arenas. The Innovation Platforms help Clariant prioritize innovation activities, as their platform fit is an indicator for strategic relevance derived from the potentially high impact on the consumer needs and global challenges described in the Innovation Arenas. The platforms also help reduce redundancies in innovation efforts and foster collaboration across business lines. The platforms are described in the table below.



Name	Description	Corresponding Innovation Arenas	Key Innovation Projects	Key Collaborative Research Projects
Catalysts for Energy Transition	This platform combines the R&D, application development, and scale-up capabilities, infrastructure, skill, and IP required to develop and produce market-leading heterogeneous catalysts and specialized carrier materials used in various industrial applications. This includes a particular focus on developing catalysts for the hydrogen economy, low-carbon steel production (DRI), sustainable aviation fuels (SAFs), and other low-carbon breakthrough technologies. This platform is crucial for supporting the global transition to cleaner energy sources and industrial processes.	• Energy Transition	• Developing adsorbents and catalysts for renewable fuels, such as biodiesel and sustainable aviation fuels • Advancing technologies for the green/blue hydrogen economy, including hydrogen, ammonia, and methanol production	• ODH-E catalyst with TUM and Linde • Carbon2Chem • TransHyDE • H2FLEX • SAFari
Sustainable Activities	This platform combines the R&D, application development, and scale-up capabilities, infrastructure, skill, and IP required to identify biologically active molecules, as well as the capabilities for in vitro and in vivo claim substantiation. The focus is on creating biologically active natural extracts, peptides, and high-value cosmetic ingredients. This platform caters to the growing demand for natural and sustainable products in the personal care and cosmetics industries.	• Health- and Sustainability-conscious Consumers and Brands	• Developing high Renewable Carbon Index (RCI) ingredients for cosmetics • Expanding the VitiPure™ product range for excipients • The development of novel natural antioxidants under the Hostanox™ and AddWorks™ product groups	• Action for Sustainable Derivatives
Adsorbents	This platform combines the R&D, application development, and scale-up capabilities, infrastructure, skill, and IP required to identify and sustainably mine deposits of suitable clays and, through chemical activation, tailor the performance of the adsorbents for enhanced selectivity and throughput. The focus is on oil purification, coatings, and new applications such as controlled-release fertilizers. These products contribute to more efficient and sustainable processes in various industries, including the production of biodiesel and sustainable aviation fuel, chemical recycling, and agriculture.	• Circularity • Energy Transition	• Developing adsorbents and catalysts for renewable fuels, such as biodiesel and sustainable aviation fuels	• SynergyFuels
Polymer Solutions Enabling Sustainable Energy in the Upstream Value Chain	This platform combines the R&D, application development, and scale-up capabilities, infrastructure, skill, and IP required to develop and scale up polymers and small-molecule plastic polymers, including for coating applications on various surfaces. This platform increases sustainability by creating polymer additives and coatings that provide flame retardancy, enhance recyclability and/or biodegradability, provide PFAS substitutes for various coating applications, and help eliminate microplastics.	• Energy Transition • Circularity	• Focusing on flame retardants for e-mobility and electrical and electronics applications • Licoene™ for Recycling Applications, which provides additives to enable carpet recycling	• Schneider Electric
Surfactants and Functional Polymers	This platform combines the R&D, application development, and scale-up capabilities, infrastructure, skill, and IP required to develop and scale up surfactants and functional (soluble) polymers, with a particular focus on substituting fossil-based carbon with renewable carbon. This platform represents a core technology for Clariant, providing the basis for products across various business segments, including mining, personal and home care, and healthcare. This platform demonstrates Clariant's versatility in developing solutions for diverse industries.	• Health- and Sustainability-conscious Consumers and Brands • Energy Transition • Circularity	• Creating PFAS-free solutions	• Malodor counteractants with Aqdot

Enabling Platforms

Actions to support innovation projects at Clariant and to mitigate potential negative impacts related to innovation take place within the following Enabling Platforms:

Digital Technology

Clariant leverages digital innovation to enhance customer offerings and improve internal efficiency in innovation and production processes.

The company implemented a cloud-based Electronic Lab Notebook System, featuring chemical inventory management, study templates, and data analysis tools. High-throughput experimentation (HTE) techniques have been integrated into R&D, enabling more sustainable and economical processes with reduced time-to-market.

Clariant's CLARITY™ platform, powered by Navigance, provides customers with real-time catalyst performance data and advanced analytics. The company also launched ClariCoat, a digital assistant for paints and coatings formulators, which recommends suitable additives based on performance and sustainability criteria. Please refer to the → »Digitalization« and → »Business Unit Catalysts« discussion for more details on CLARITY™.

Process Technology

Clariant's Process Technology platform is crucial for its sustainability transformation and continuous improvement in process safety and reliability. The global »Process Innovation and Sustainability« program supports business units in optimizing production processes for current and future technologies, helping Clariant maintain competitiveness and achieve climate targets. By embedding digital technologies within its Idea-to-Market (I2M) innovation process, Clariant accelerates discovery, prototyping, and testing, enabling faster development of sustainable products that address unmet customer needs.

The company conducts regular assessments of technological risks and opportunities across its production landscape, involving experts from Strategy & Technology (S&T), Operational Excellence, and regional hubs. This approach is leveraged for the implementation of Clariant's sustainability roadmap, and for the mitigation of potential negative innovation-related impacts.

✓I Fostering Innovation Culture

Clariant builds a culture of innovation that reflects its purpose: »Greater chemistry – between people and planet.« To support this, employees receive regular updates on sustainability initiatives and market trends, along with specialized innovation training to build their skills. There were more than 660 R&D employees (in full-time equivalents) at Clariant in 2025. The company encourages teams to work together and share knowledge across different departments:

- Through its quarterly Innovation Star Award program, Clariant celebrates exceptional innovation achievements.
- With Seed Funding sponsorships, Clariant creates a safe environment for employees to experiment, supporting early-stage projects and celebrating failures as learning opportunities.
- Other key initiatives in 2025 included global weekly sustainability policy updates, as well as regional initiatives such as the TechConnect Conference China, connecting hundreds of colleagues for collaboration. These efforts demonstrate Clariant's commitment to nurturing innovation and sustainability across its operations, encouraging employee engagement in driving the company's innovative and sustainable future. |
- In 2025, Clariant launched its first company-wide Innovation & Sustainability Awards to recognize colleagues and teams who turn our strategy and purpose into measurable results. More than 100 applications were submitted, highlighting how business value creation goes hand in hand with environmental and social benefits across the company. The awards were presented at the Global CEO Townhall in May 2025 following a rigorous evaluation by business unit and Strategy & Technology leadership. The Innovation Award recognized the Alkoxylation Innovation Platform, a new and more efficient way of producing high-performance chemical products that uses fewer resources, significantly lowers carbon footprints, and creates new business opportunities. The Sustainability Award honored PolyMax™ 600, a next-generation catalyst that enables the production of phthalate-free polypropylene, improving efficiency while reducing emissions and supporting safer, more sustainable products. Together, the winning initiatives demonstrate how innovation and sustainability are deeply embedded at Clariant and actively contribute to progress toward our 2027 targets.

Embedding Sustainability in the Innovation Process

New products developed only through conventional research and development (R&D) practices may not fully address key sustainability considerations required to leverage the material innovation-related opportunities and positive impacts. To ensure all innovation initiatives align with its commitment to environmental stewardship and social responsibility, Clariant has established a screening protocol, the PVP. (See the → »General Disclosures« chapter for further details.) The PVP systematically vets potential developments at the earliest conceptual stage against a holistic set of sustainability criteria. In this way, Clariant firmly establishes sustainability as a core driver of each new product's value proposition.

✓ By integrating its PVP into the innovation process through the PVP R&D initiative, mandatory for Class 1 and 2 projects (see the »I2M Innovation Process« section below for further details) at the end of the scope phase, Clariant applies the Safe and Sustainable by Design principle. This initiative follows the full PVP screening methodology but focuses on criteria most relevant to innovation, capturing sustainability drivers and concerns in upcoming portfolios.

FEATURED STORY



Stabilizing the future of medical plastics

Syringes, bottles, nonwoven material, and many other medical, hygiene, and pharmaceutical devices are made of polypropylene (PP). Phenolic antioxidants have long been the industry standard to protect PP products during processing and end use. These compounds prevent polymer degradation to extend the product lifespan and to maintain the material integrity.

However, there is increasing regulatory scrutiny due to potential safety concerns. For example, when PP syringes are sterilized, some phenolic antioxidants can break down into reaction products that may migrate from plastics.

Clariant's AddWorks™ LXR 548 addresses these toxicological concerns. This phenol-free stabilizer delivers excellent stability after sterilization treatments, so that fewer chemicals migrate from the plastic into medications or the human body. The stabilizer is particularly suitable for applications with strict regulatory requirements.

[Learn more](#)

In 2024, Clariant formalized that ongoing innovation projects that are classified as non-sustainable via PVP can no longer advance to the next innovation stage until the sustainability concerns that led to the classification are addressed. |

Thus, the PVP assesses all innovations against rigorous sustainability criteria at the concept stage, reinforcing the value proposition of each product and differentiating Clariant from competitors by consistently fulfilling sustainability expectations.

In 2024, Clariant enhanced the PVP process with a new tool, the Dynamic PVP. This tool allows for real-time insights into how changes in sustainability criteria affect the product portfolio. This enables fast simulations of the impact of new sustainability developments, which helps Clariant conduct early risk analysis and prioritize innovation projects. For its Dynamic PVP, Clariant was recognized with the American Chemistry Council (ACC) 2025 Sustainability Leadership Award in the Sustainable Chemistry Innovation & Transparency category.

Filling the Innovation Pipeline

The company uses multiple formats to discover innovation opportunities. Innovation workshops with customers help Clariant discover opportunities in various markets. They take place on an ongoing basis with a wide team of participants from customers in both technology and marketing functions. Participants are set to discover innovation opportunities through a structured discussion covering the innovation and sustainability needs of the entire value chain that customers engage in.

I2M Innovation Process

✓ Clariant's innovation projects in the pipeline are developed through the Idea-to-Market (I2M) innovation process. It is an iterative approach that translates global trends and customer needs into value propositions for profitability and growth. The innovation process comprises four stages: Scout, Scope, Execute, and Commercialize. Innovation projects are categorized into three classes: Class 1 projects, managed by project leaders internally referred to as »Innovation Black Belts,« have high strategic importance, complexity, investment, or double-digit million sales potential. Class 2 and 3 projects are typically led by »Innovation Green Belts,« who balance these projects with other R&D tasks.

The I2M process training guides teams through different stages, incorporating innovative problem-solving techniques, project management skills, and tools for implementing the projects. Every year, new project leaders are trained as Innovation Green Belts (iGBs) to execute innovation projects according to the I2M process. In 2025, three iGB training sessions covering 42 trainees were conducted globally, demonstrating Clariant's commitment to developing innovation capabilities across the organization. The total number of trained Innovation Belts in Clariant stands at over 350.

Stringent IP Management for Innovation

Clariant's Global Intellectual Property (IP) Management plays a crucial role in securing value creation through the protection and enforcement of intellectual property, working closely with business units and the innovation process. Since 2020, Clariant has adopted a focused IP strategy to strengthen its IP activities in key value-generating segments that are future growth drivers or have high existing sales. These portfolio management activities are designed to maintain and gradually increase Clariant's coverage of total sales protected by IP. Besides patents, Clariant employs various IP protection approaches to protect its technology leadership (e.g., the protection of software and natural products).

The company recently updated its IP strategy approach in collaboration with business units to maximize value capture in focus areas. This update aims to enhance business alignment and improve the steering of all IP activities, encompassing the full spectrum from the creation and maintenance of IP portfolios to the licensing, defense, and enforcement of Clariant's IP rights. |

Strengthening Innovation Collaborations with Industry Associations and Universities

Clariant actively contributes to industrial clusters, consortia, and organizations to drive collaboration along the value chain. It always seeks holistic approaches to solving complex and challenging situations.

✓ | Thus, Clariant continuously seeks collaboration with external partners to promote innovation. Its vast network comprises experts in various important fields. |

Collaboration projects run in 2025 include:

ODH-E catalyst with TUM and Linde: A collaboration between Clariant, the Technical University of Munich, and the industrial gas company Linde produced new catalysts for the oxidative dehydrogenation of ethane (ODH-E). This is an innovative catalytic technology with low emissions to produce ethylene (EDHOX™). The novel catalyst is a step change in selectivity and productivity, which reduces CO₂ emissions by up to 100% compared to conventional steam cracking. Preparations for the commercialization of the technology continued throughout 2025. The technology was awarded »Best Petrochemicals Technology« at the Prestigious Gulf Energy Information Excellence Awards 2025.

Power-to-X project Carbon2Chem: Power-to-X initiatives convert green electricity into chemical energy sources to store electricity and use those sources as electricity-based fuels for mobility or as raw materials for the chemical industry. The »Power« in »Power-to-X« stands for electricity from renewable sources, while »X« represents the many purposes it is used for and the many forms it is transformed into. Carbon2Chem is a large national initiative in Germany, funded by the Federal Ministry of Education and Research (BMBF). Together with partners from industry, institutes, and academia, Clariant develops technologies to reduce CO₂ emissions from steel manufacturing and other hard-to-abate CO₂ sources following the Carbon Capture and Utilization (CCU)

approach. The third phase of Carbon2Chem was awarded a EUR 50 million research grant and successfully started in 2025. The third phase shifts emphasis from fundamental research to practical application in industrial settings.

TransHyDE: Clariant is also a partner in TransHyDE, a project funded with EUR 135 million from the German Federal Ministry of Education and Research (BMBF) to develop solutions for hydrogen infrastructure, such as a technology for green ammonia (ammonia produced using energy from renewable sources). This substance is a potential substitute for conventionally produced ammonia and has a significantly lower carbon footprint. Due to the higher density of ammonia, converting hydrogen into ammonia is an economically viable method for hydrogen transportation and release at the point of use. TransHyDE is one of three flagship hydrogen projects aiming to prepare Germany's entry into the hydrogen economy. Clariant is engaged in the sub-project AmmoRef and currently contributes to the development of new and improved catalysts for the cracking of ammonia – for hydrogen release. In 2023, it delivered its first semi-commercial quantities of catalysts for use in demonstration units for mobile and stationary applications. In 2025, Clariant continued its involvement in AmmoRef and supplied catalysts for ammonia-cracking demonstrations of the sister project Campfire.

Malodor counteractants with Aqdot: Clariant is represented on the board of Aqdot, a Cambridge-based (UK) supramolecular chemistry company. Clariant has invested in this collaboration to establish Aqdot's malodor counteractants technology in the cleaning products market.

Action for Sustainable Derivatives: Clariant joined the Action for Sustainable Derivatives (ASD) in 2021. ASD is a collaborative initiative comprising companies in the cosmetics, home and personal care, and oleochemical industries to collectively tackle supply chain issues around palm oil and palm kernel oil derivatives. Please read more in chapter → »E4 – Biodiversity.«

Global Impact Coalition: Clariant is a founding member of the Global Impact Coalition (GIC), and Clariant's Chief Strategy and Technology Officer (CSTO) is chairing the Executive Committee of the GIC. The GIC brings together leading chemical companies to co-create and scale up new technologies and business models to accelerate the transformation to a low-carbon and circular future. Clariant is active in different working groups, for example, contributing with its industry expertise in chemical recycling of plastics (purification and upgrading of pyrolysis oils) to implement actions to debottleneck the availability of this cracker-compatible circular feedstock.

H2FLEX: Clariant and the Technical University of Munich (TUM) are collaborating on the H2FLEX project, which aims to convert residual CO₂ and O₂ streams into energy sources and platform chemicals using green hydrogen through biotechnological and chemical processes. The project involves multiple stages, including oxyhydrogen fermentation, yeast oil production, and thermocata-

lytic conversion, to develop a sustainable and economically viable process for producing hydrocarbons in the kerosene/diesel range. Besides TUM, Clariant Business Unit Catalysts also built up collaborations with ETH Zurich and Tianjin University, China.

SAFari: Clariant participates in a consortium for sustainable aviation fuels based on methanol led by the Fraunhofer Institute for Solar Energy Systems ISE. The goal is to replace fossil kerosene entirely while improving the efficiency of the production process. The project, »Sustainable Aviation Fuels based on Advanced Reaction and Process Intensification« (SAFari), involves collaboration with research institutes and industrial partners throughout the entire value chain.

SynergyFuels: Together with academic and industry leaders, Clariant participates in the SynergyFuels project, which aims to produce renewable fuels for aviation and road transport utilizing synergies of biomass-based and Power-to-X technologies. Clariant contributes catalysts and adsorbents to enable the process along the value chain for sustainable fuels. Read more at → www.epe.ed.tum.de/en/res/research/synergyfuels/.

Designed Collectors for Selective Flotation of Sulfide Minerals: This project seeks to develop resource-efficient but environmentally friendly collectors and processes to extract valuable trace metals from process-rejects of the mining industry. Clariant participates in this project alongside Boliden AB and the Luleå University of Technology. It is funded by the Swedish government. More information can be found at → www.vinnova.se/en/p/designed-collectors-for-selective-flotation-of-sulfide-minerals/.

FUHUA: Clariant and Chinese chemical company Fuhua form a joint venture to develop, manufacture, and commercialize next-generation, phosphorus-based nonhalogenated flame retardants to replace non-sustainable incumbents, in particular in the building and construction industry.

Schneider Electric: Clariant engaged in an upstream innovation partnership with Schneider Electric to integrate Exolit™ flame retardants into electronic components, ensuring high fire-resistance and compliance with GreenScreen® sustainability standards.

University of Naples: Clariant entered a multiyear agreement with the aim of developing new products in the Licocene™ product range through research in catalyst technology and process control, using expertise at the university in polyolefin catalysis, polyolefin structure analysis, and high-throughput experimentation.

Omya: Clariant engaged in the joint R&D development of AddWorks™ IBC 760, a stabilizer solution for extending the life of Silane Modified Polymer (SMP) sealants.

BÖHLER and Arburg: Clariant convened a value chain workshop in Shanghai (April 2025) with equipment partners BÖHLER and Arburg to address processing challenges in halogen-free flame retardants, accelerating industry adoption of sustainable Exolit™ OP solutions and supporting the transition from halogenated to environmentally friendly alternatives.

»Natur auf Zeit«: Clariant Adsorbents' bentonite mining entity in Rossberg, Germany, is a contractual partner in the »Natur auf Zeit« (*Nature on Time*) project for the promotion and conservation of amphibian species in pits and quarries, and thus contributes significantly to the protection of amphibian species that are strictly protected under European law.

In 2025, Clariant collaborated with several partners in Asia to build supply chains for renewable fuels, capitalizing on the region's dominance in palm oil production. For example, Clariant collaborated with Kemurgi (Indonesia) and LIPICO (Singapore) to set up local pretreatment capabilities for Palm Oil Mill Effluent (POME) feedstocks for use in applications such as Sustainable Aviation Fuels (SAF). These collaborations address a critical bottleneck in the SAF value chain: feedstock purity. Clariant products help to purify feedstocks such as POME, a wastewater byproduct, through rigorous pretreatment before this "waste" can be converted into aviation-grade fuel.

ES-MDR-A and ES-MDR-T – Metrics and Targets

Clariant has established measurable, outcome-oriented, and time-bound targets intricately linked to its overarching sustainability policy objectives of driving significant progress in managing its environmental impacts, risks, and opportunities. By 2027, Clariant aims to increase the Innovation Rate (refers to % annual Group sales from sales of new products in the first five years of the commercialization date) to 20%. Clariant made good progress toward this goal by achieving an Innovation Rate of 18.8% in 2025 versus 16.9% in 2024.

Clariant actively engages stakeholders such as NGOs, academia, industry associations, and its own workforce in the target-setting process for its material sustainability matters related to innovation to ensure that the targets are relevant, achievable, and aligned with stakeholder expectations. The involvement of stakeholders enhances the credibility of the targets and fosters a collaborative approach to sustainability. This and the PVP screening ensure that targets are set on the basis of conclusive scientific evidence.

✓ | SUSTAINABLE INNOVATION-RELATED METRICS¹

	Total 2025	2024	2023	2022	2021
Growth through innovation (%)	>4.5	>3	>3.5	>5.5	>3.5
Innovation Rate (%)	18.8	16.9	n.a.	n.a.	n.a.
Research & Development expenditures (CHF m) ²	125	126	160	162	167
Research & Development expenditures as share of sales (%) ²	3.2	3	3.7	3.1	3.2
Clariant Contract Innovation Centers	3 ¹	3	3	3	3
Contract Research & Development Centers and dedicated Technology Centers	10	10	11	10	10
Technical Centers	>35	>35	>35	>45	>45
Patents (year end)	>2 400	>2 600	>3 600	>4 300	>5 100
Trademarks (year end)	>4 800	>5 100	>	>5 900	>7 400
Active innovation projects	>280	>290	>320	>330	>325
Of which Class 1 projects	>35	>45	>50	>60	>65
Scientific collaborations	>45	>40	>45	>65	>80

¹ Contains the contribution to growth of the innovation portfolio from both Top Line Innovation and Life Cycle Innovation. Potential cannibalization of existing sales by Life Cycle Innovation has not been excluded.

² The categories of contract R&D sites were reorganized in 2021 due to changes in Clariant's R&D landscape after, e.g., divestments.

✓ | Innovation and Sustainability Awards

In 2025, Clariant won several awards for outstandingly innovative and sustainable products:

Product Award

- in-cosmetics Global 2025 Awards: Gold for Pickmulse™ (categories Innovation Zone Best Functional Ingredients and Green Ingredients), Bronze for Melicica™ (category Green Ingredients); in-cosmetics Asia 2025 Bronze Award for GlowCytocin™
- First place in BSB Innovation Awards: Functional for Pickmulse™, Natural Actives for Melicica™, Active Raw Materials for GlowCytocin™
- Gulf Energy Information Excellence Awards 2025 for HySat™ catalyst platform for hydrogenation processes and for EDHOX™ Technology used in ethylene and acetic acid production (jointly with Linde)
- 2025 Plastics Industry – Ringier Technology Innovation Award for Licocare™ RBW 560 TP Vita

Innovation and Sustainability Award

- ACC 2025 Sustainable Leadership Award for Dynamic PVP
- Best Impact Award at Strategic Management Society's Annual Conference 2025

Supplier Award

- 2025 Petrobras Best Suppliers Award in the Chemical Products category for exceptional performance in quality, ESHA, delivery performance, and contract management
- ADM's 2024 Supplier Award in sustainability for excellence in environmental, social, and economic performance (awarded in May 2025)
- Unilever Home Care Innovation Award for TexCare™ soil release polymer technology
- Anglo American Outstanding Suppliers Awards in Outstanding Sustainability for Community Actions – Social Projects, and Outstanding Supplier Performance in Strategic Relationship Management
- Grand Winner of the SAP Quality Award in the »Rapid Time to Value« category |

S1 – Own Workforce

Summarized by Clarita^{AI}

- + Clariant employs 10 449 employees (head count) as of December 31, 2025.
- + Clariant recorded a DART rate of 0.13 in 2025, meeting the target of 0.15 and improving from 0.17 in 2024 and 0.21 in 2023, with over 55 000 safety deviations reported globally.
- + 10 356 employees participated in training sessions in 2025, with 2 963 participants in Learning Wednesday sessions, and the employee net promoter score (eNPS) increased to 34, up by up to 9 points from the previous survey.
- + Clariant reported 8 incidents of discrimination and harassment, 0 severe human rights issues, and 78 other complaints filed through the Integrity Line in 2025
- + Female representation at top management reached 21% (30 of 143 employees) in 2025, 2030 targets include increasing the Inclusion Index to 82 %, female leadership to over 30 %, and leaders of non-European origin to over 40 %.

Clariant is committed to promoting a safe, fair, and inclusive work environment. Our workforce forms the backbone of our organization and is crucial to achieving our corporate objectives. Recognizing the importance of employee satisfaction, workplace safety, human rights, and diversity, we focus on approaches that not only meet legal standards but also create lasting value. This chapter and subsequent sub-chapters cover four central areas that reflect

Clariant's commitment to its workforce: (1) Valuing Employees, (2) Health and Safety, (3) Human Rights, and (4) Diversity, Equity, and Inclusion (DE&I). Each of these areas plays a vital role in fostering an environment that supports and protects the full potential of our employees.

S1-SBM-3 and IRO-1 – Description of IROs and Interaction with Strategy and Business Model

The 2025 double materiality assessment identified material own-workforce-related impacts, a material own-workforce-related risk and a material own-workforce-related opportunity that influence Clariant's strategy and business model (see table below). This section provides an overview of these IROs across the four focus areas – Valuing Employees; Health and Safety; Human Rights; and Diversity, Equity & Inclusion (DE&I) – highlighting how each contributes to Clariant's strategic objectives and broader sustainability commitments. Further details on the management approach, actions, and key performance indicators for each of these areas are provided in the respective S1 sub-chapters (for focus area Valuing Employees, see → »S1 Sub-Chapter I – Training and Skills Development«).

MATERIAL IROs RELATED TO OWN WORKFORCE

Type	Definition	Topic	Value Chain Location			Time Horizon		
			⌆	CLARIANT	⌇	>	»	»»
Potential positive impact	Commitment to pay at least a living wage to own employees	Working conditions (Adequate wages)		■				■
Potential positive impact	Representation of employee interests due to employee engagement	Working conditions (Social dialogue)		■			■	
Actual positive impact	Employee benefits supporting work-life balance	Working conditions (Work-life balance)		■		■		
Actual negative impact	Work-related injuries at Clariant sites	Working conditions (Health and safety)		■		■		
Potential positive impact	Potential health benefits from comprehensive healthcare initiatives	Working conditions (Health and safety)		■		■		
Actual negative impact	Gender pay gap	Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value)		■		■		
Risk	Reduction in productivity and innovation due to inadequate training and development offerings	Equal treatment and opportunities for all (Training and skills development)		■				■
Opportunity	Increase in innovation and competitiveness due to a diverse workforce	Equal treatment and opportunities for all (Diversity)		■				■

- While the material own-workforce IROs identified in the 2025 DMA are addressed through existing policies, processes, and actions described in the following sub-chapters, their linkage to the individual material IROs is not yet explicitly presented in this year's report. The disclosed policies, processes, and actions contribute to addressing these IROs but do not cover all applicable ESRS requirements. All own-workforce-related impacts, risks, and opportunities identified through the double materiality assessment occur within Clariant's own operations. All individuals in Clariant's workforce may be materially affected and are therefore included in the scope of this disclosure. This encompasses: Own employees, who have a direct contract with Clariant,
- Supervised workers, who are self-employed or employed by a third party but working under Clariant's supervision (non-employees).
- Other workers working on Clariant's sites, such as value chain workers if they are working on Clariant's sites, are considered other contractors.

The material impact of work-related injuries at Clariant sites affects Clariant's entire own workforce (own employees and supervised workers) and other contractors operating at Clariant sites. All other material impacts affect own employees only.

Clariant's overarching Building the Workforce Policy and Study Assistance Policy ensure consistent development opportunities and fair standards for all employees. The company continuously reassesses workplace-related hazards through its Evaluation of Health Hazards in the Working Area (EHWA) framework, differentiating between operational roles (in production sites, laboratories, or warehouses) and office-based employees. The analysis confirms that employees in production and laboratory environments are exposed to higher occupational health and safety risks. These findings have shaped the definition of Clariant's material impacts, risks, and opportunities, which reflect the company's focus on employee well-being, safety, fair compensation, inclusion, and professional growth. Two of these IROs – *work-related injuries at Clariant sites* and the *gender pay gap* – have an explicit human rights dimension and are addressed accordingly in the subsequent subchapters.

All employees globally have access to the relevant policies and programs governing these IROs.

Description of the IROs

Commitment to pay at least a living wage to own employees: By committing to pay at least a living wage to its entire workforce, Clariant promotes fair compensation and contributes to improved social conditions. This approach supports employees' ability to meet essential needs, fostering financial stability and overall well-being. The company's global remuneration framework ensures consistency across regions, while taking local market conditions and cost-of-living differences into account. Through this commitment, Clariant strengthens social equity and reinforces its reputation as a responsible employer.

Representation of employee interests due to employee engagement: Regular employee engagement initiatives strengthen the representation of employee interests within Clariant. Through tools such as the Our Voice engagement survey, employees across all levels are invited to share their experiences and perspectives on workplace culture, leadership, and organizational practices. The feedback gathered provides valuable insights into employee sentiment and serves as a foundation for social dialogue. By systematically capturing and responding to employee input, Clariant fosters transparency, inclusivity, and continuous improvement in its internal practices.

Employee benefits supporting worklife-balance: Clariant promotes a healthy worklife balance by offering a wide range of locally tailored employee benefits. These include flexible working arrangements, remote work options, access to fitness and well-being programs, and support for childcare and elder care. In many regions, Employee Assistance Programs also provide mental health and financial counseling services. Together, these measures enable employees to better integrate professional and personal responsibilities, enhancing job satisfaction, resilience, and overall quality of life.

Work-related injuries at Clariant sites: Work-related injuries at Clariant sites represent one of the most material negative impacts within the company's operations, as they directly affect employees' health, safety, and right to a secure workplace. This applies particularly in high-risk environments such as production plants, laboratories, and warehouses. Chemical manufacturing involves exposure to heavy machinery, hazardous substances, elevated temperatures and pressures, and electrical hazards, all of which pose significant physical, chemical, and ergonomic safety risks. Even with robust occupational safety systems in place, incidents can lead to severe injuries or long-term health effects. To mitigate these risks, Clariant applies a proactive safety management approach centered on prevention, continuous improvement, and accountability. The company conducts root-cause analyses for incidents and near misses, enforces corrective and preventive measures, and tracks progress through globally harmonized safety KPIs. Ongoing safety training, audits, and behavioral-based safety programs further promote a culture of awareness and care across all sites.

Potential health benefits from comprehensive healthcare initiatives:

In addition to occupational safety, Clariant invests in programs that address employees' broader physical and mental well-being. These include voluntary health checks, fitness offerings, vaccination campaigns, and access to confidential counseling or intervention hotlines. By addressing both occupational and personal health dimensions, Clariant fosters resilient, engaged, and productive employees, reducing absenteeism and supporting long-term employability.

Gender pay gap: The persistence of a gender pay gap within Clariant indicates a negative impact on equal treatment and opportunities for its workforce. Within comparable pay band, male employees continue to earn more than female employees, reflecting structural imbalances in compensation practices. While this disparity may be influenced by differences in roles, seniority, or compensation structures, it highlights ongoing challenges in achieving pay equity across the organization. To address this, the company conducts regular global pay equity analyses to identify potential disparities and ensure compliance with both internal fairness principles and external regulations. Corrective measures – such as salary adjustments, transparent promotion processes, and inclusive talent development – are implemented where needed. This set of measures aligns with Clariant's broader Diversity, Equity & Inclusion (DE&I) strategy and supports long-term progress toward gender balance in leadership and compensation. Reduction in productivity and innovation due to inadequate training and development offerings: Demographic and technological changes, as well as evolving skill requirements, demand continuous workforce development. Inadequate training and development opportunities can exacerbate the shortage of skilled workers, limit innovation, and reduce productivity. This may result in lower revenues if market shares are lost or growth opportunities are missed. Clariant mitigates this risk by investing in structured learning programs, leadership development initiatives, and digital learning platforms that equip all own employees with both technical and interpersonal skills. These efforts strengthen workforce capabilities, support career progression, and maintain Clariant's competitiveness in a dynamic market environment. Increase in innovation and competitiveness due to a diverse workforce: Clariant advances its Diversity, Equity & Inclusion (DE&I) objectives by increasing the representation of women, individuals from diverse national backgrounds, and people with disabilities. A diverse workforce fosters broader perspectives, enhances problem-solving capabilities, and drives innovation. These qualities strengthen Clariant's competitive position, enabling entry into new markets and expansion within existing ones. Diversity is thus recognized not only as a social imperative but also as a key driver of long-term business success.

Mitigation of Risks and Governance and Management Approach

Clariant is committed to maintaining high standards across all workforce-related areas and to mitigating potential risks while leveraging opportunities that support the company's long-term success. The workforce is fundamental to achieving Clariant's strategic objectives, and the company strives to create a safe, fair, and inclusive working environment. This governance and management approach reflects the material impacts, risks, and opportunities identified through the 2025 double materiality assessment and is guided by Clariant's core values and the ESRS standards. It is operationalized through specific policies, programs, and actions across four key focus areas: Valuing Employees; Health and Safety; Human Rights; and Diversity, Equity & Inclusion (DE&I).

Valuing Employees: Within the Valuing Employees area, Clariant addresses fair compensation, engagement, and well-being. The company's commitment to paying at least a living wage to its entire workforce underscores its role as a responsible employer and ensures that employees can meet their essential needs. Regular employee engagement initiatives, such as the global *Our Voice* survey, provide valuable insights into workforce sentiment and support transparent social dialogue across all levels of the organization. In addition, Clariant promotes worklife balance through a broad range of locally adapted employee benefits, flexible working arrangements, and access to mental health and well-being programs. These measures collectively strengthen motivation, satisfaction, and retention across the organization. Read more in chapters → »S1 Sub-Chapter I – Training and Skills Development« and → »S1 Sub-Chapter IV – Diversity, Equity, and Inclusion (DE&I).«

Health and Safety: Clariant's Global Function Environmental Safety and Health Affairs (ESHA), together with Integrated Group System Management (IGSM), is responsible for managing occupational health and safety and for ensuring strict compliance with safety protocols. These structures maintain robust systems for risk identification, prevention, and monitoring particularly in high-risk environments such as production plants, laboratories, and warehouses, where employees may be exposed to machinery, hazardous substances, or demanding working conditions. Continuous safety training, audits, and corrective actions ensure that risks are systematically mitigated. Beyond occupational safety, Clariant promotes employee well-being through comprehensive healthcare and prevention initiatives, including voluntary medical checks, fitness programs, vaccination campaigns, and confidential support hotlines. By integrating both occupational and personal health dimensions, Clariant reduces absenteeism, supports long-term employability, and contributes to a healthier, more resilient workforce. Read more in chapter → »S1 Sub-Chapter II – Health and Safety.«

Human Rights considerations are firmly embedded in Clariant's workforce-related policies and management systems. The company's approach emphasizes the prevention of discrimination, fair and equitable pay, and the protection of the right to a safe workplace. Two of Clariant's material IROs – work-related injuries at Clariant sites and the gender pay gap – are directly linked to human rights. The company ensures continuous monitoring of these topics through structured safety assessments, pay equity analyses, and transparent reporting. In doing so, Clariant aligns with international frameworks such as the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. Read more in chapter → »S1 Sub-Chapter III – Human Rights.«

Diversity, Equity, and Inclusion (DE&I): Clariant's DE&I strategy is overseen by the DE&I Steering Team, chaired by the CEO and senior leadership. Established in 2022, the team sets actionable goals, monitors outcomes, and ensures alignment with Clariant's business priorities. The strategy focuses on increasing the representation of women, individuals from diverse national backgrounds, and people with disabilities. These efforts are supported by infrastructure improvements, policy reviews, and targeted leadership programs for underrepresented groups. Clariant recognizes that diversity enhances innovation and competitiveness, enabling the company to adapt more effectively to market dynamics and seize growth opportunities. Initiatives such as sponsorship programs, inclusive leadership training, and the expanded talent acquisition approach introduced in 2024 strengthen diversity across all levels of the organization. Read more in chapter → »S1 Sub-Chapter IV – Diversity, Equity, and Inclusion (DE&I).«

Accountability and Oversight

Accountability for workforce-related issues lies with the Chief Executive Officer, supported by the DE&I Steering Team and senior leaders across business units. These leaders are responsible for developing and implementing action plans related to employee engagement, health and safety, and diversity. Plans and progress are reviewed biannually to ensure alignment with Clariant's sustainability strategy and business objectives. The Executive Leadership Team regularly reviews key workforce indicators, ensuring that Clariant continues to foster a safe, fair, and inclusive workplace where all employees can thrive.

S1-6 – Characteristics of Employees

A clear understanding of Clariant's workforce composition provides essential context for assessing impacts, risks, and opportunities related to its own employees. Workforce characteristics such as headcount, employment type, regional distribution, gender balance, and age structure form the foundation for managing human-capital priorities across all sub-topics of S1. The data presented below capture Clariant's global workforce (head count) as of 31 December 2025. They include both permanent and temporary employees, full-time and part-time contracts, and reflect the company's diversity across regions, functions, and management levels.

NUMBER OF EMPLOYEES BY CONTRACT TYPE AND GENDER

Number of employees (head count)	2025	2024
Female	2 695	2 781
Male	7 754	8 065
Other ¹	0	0
Total	10 449	10 846
Average number of employees (head count)		
Female	2 733	2 734
Male	7 897	8 024
Other ¹	0	0
Total	10 630	10 757
Number of permanent employees (head count)		
Female	2 553	2 648
Male	7 445	7 778
Other ¹	0	0
Total	9 998	10 426
Number of temporary employees (head count)		
Female	142	133
Male	309	287
Other ¹	0	0
Total	451	420

¹ »Other« includes employees who identify outside the binary gender categories, as well as those who have selected »unreported« or »unknown« in our HR system if they prefer not to disclose their gender. Gender data can be updated by both HR and the employee.

Non-guaranteed hours employees: operate under different contractual arrangements wherein they are employed by a third party/contractor and deliver their services to Clariant. As they are not directly employed by Clariant, such cases are outside our standard employment framework and hence not recorded in our HRIS, e.g. contractors. The HRIS system records the data for the employees who have a direct employment contract with Clariant.

EMPLOYEE TURNOVER

	2025	2024	2023	2022	2021
Number of employees who have left the company ¹	1 287	1 214	1554	1390	1556
Percentage of employee turnover (%) ¹	12	11	14	12	11.3

¹ Headcount

NUMBER OF EMPLOYEES BY CONTRACT AND REGION

	2025			2024		
	EMEA	APAC	Americas	EMEA	APAC	Americas
Number of permanent employees (head count)						
Female	1 307	667	579	1 374	660	614
Male	2 961	2 746	1 738	3 097	2 754	1 927
Other ¹	0	0	0	0	0	0
Total	4 268	3 413	2 317	4 471	3 414	2 541
Number of temporary employees (head count)						
Female	94	8	40	86	13	34
Male	247	11	51	225	20	42
Other ¹	0	0	0	0	0	0
Total	341	19	91	311	33	76

¹ »Other« includes employees who identify outside the binary gender categories, as well as those who have selected »unreported« or »unknown« in our HR system if they prefer not to disclose their gender. Gender data can be updated by both HR and the employee.

S1 Sub-Chapter I – Training and Skills Development

Clariant's people are an invaluable competitive factor in developing, improving, protecting, and delivering innovative and sustainable products and services. Long-term success is only possible with motivated and highly skilled employees who create value for the company, its stakeholders, and society. Clariant's success is intricately tied to the engagement and well-being of every individual who contributes to our shared goals. Hence, engagement is one of the four pillars of Clariant's purpose-led strategy. To mitigate the risk of negative impacts arising from the transition to a greener, climate-neutral economy, Clariant continuously expands sustainability and energy manager roles through re- and upskilling measures on and off the job.

S1-1 – Policies Related to Training and Skills Development

Clariant has established a set of policies that define its approach to employee training and skills development, ensuring alignment with corporate values, human rights, and long-term business strategy. These policies cover all of Clariant's own employees and provide the framework for enabling continuous learning, fostering talent, and safeguarding fair working conditions across all regions. The policies-table in → chapter »ESRS2 – General Disclosures« outlines the key policies

- Code of Ethics
- Building the Workforce
- Global Employment Policy

and explains their relevance to training and skills development.

S1-2 – Processes Related to Training and Skills Development

With respect to training and skills development, Clariant has concluded that there are no material impacts identified to date. In principle, Clariant engages its workforce primarily through the annual global »Our Voice« engagement survey, which provides employees with the opportunity to share feedback on a broad range of workplace topics, including open comments that may also address training and skills development. The survey results and related action plans are subsequently discussed with social partners and management representatives, ensuring that workforce perspectives are considered in decision-making processes. Action plans are periodically reviewed with employees, who are also invited to evaluate their effectiveness. The effectiveness of workforce engagement is primarily assessed through survey response rates, with action planning carried out by the Executive Leadership Team according to the results.

Performance management is run in a yearly cycle. Learning programs are being rolled out once a year and are usually structured in journeys taking six to twelve months. Talent Management activities recur on a yearly basis. During performance management, which is not relevant for all Clariant employees, people managers are encouraged to conduct Career Conversations and have regular Check-Ins with all employees in order to ensure that all Clariant employees get the same development opportunities. Currently, no dedicated survey items on training and skills development are included; feedback on this sub-topic is captured only in open-text responses. Clariant is assessing whether to include specific questions on training and skills development in future survey cycles or to establish an alternative feedback mechanism.

The Chief HR Officer holds operational responsibility for ensuring that workforce engagement takes place and that results inform actions on material impacts.

S1-4 Actions Related to Training and Skills Development

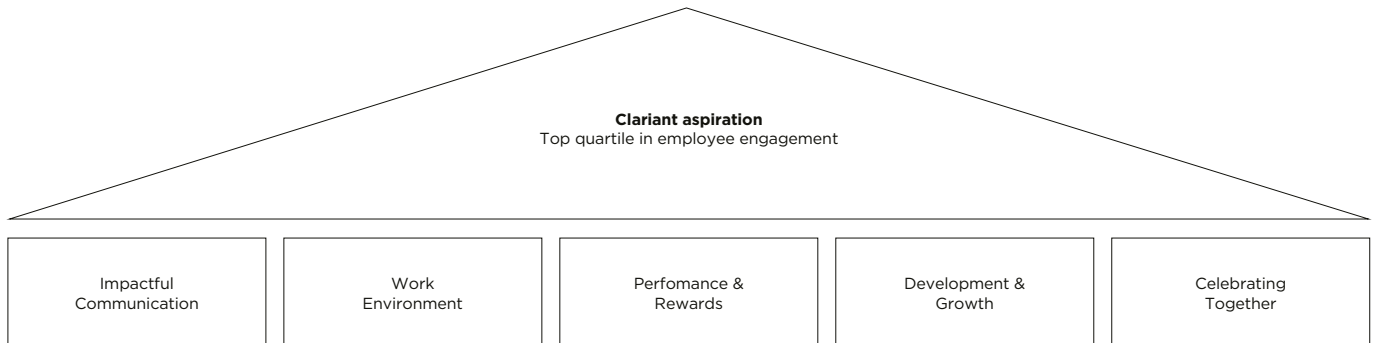
Clariant's transformation has set the stage for a more agile, empowered, and leaner organization – a development that continued in 2025 focusing especially on its culture. Clariant's leadership is convinced that this transformation will enable Clariant employees to grow and fully develop their potential, including skills that will be needed to compete in the future. In line with the commitment to fostering a highly engaged workplace, Clariant has defined key pillars that help the company progress on the engagement roadmap.

Each leader at Clariant drives employee engagement by influencing the key engagement drivers. Each leader owns and drives engagement for their respective team by sharing the strategic roadmap, co-creating goals, clarifying responsibilities, providing necessary enablers, and implementing impactful processes. Leadership efforts are supported by enhanced people processes across the employee experience cycle, which includes talent acquisition, performance enablement, and professional growth, as well as the recognition and rewarding of behaviors and results. The leadership teams continued to work in close partnership with Human Resources to strengthen these engagement drivers in 2025.

Building on this cultural transformation, Clariant further strengthened employee capabilities and learning opportunities in 2025. Skills development is a key enabler of engagement, innovation, and long-term competitiveness. In line with the Building the Workforce Policy and the People Development Model, Clariant systematically identifies capability needs and implements targeted measures to build future-ready competencies across all employee groups.

Inadequate access to training and skills development can reduce workforce productivity and slow innovation, particularly in the context of digitalization, the green transition, and evolving customer needs. This risk is most pronounced for critical roles (e.g., sustainability/energy management, leadership, and key functions such as Finance, IT, and Procurement) and could lead to longer cycle times, quality issues, and lower employee engagement. Clariant mitigates this risk through the actions listed below and tracks effectiveness via Learning Hours per Employee, Employee Net Promoter Score (eNPS), Feedback Scores, Talent Pool Utilization, and Bench Strength.

CLARIANT ASPIRATION





The following table provides an overview of key actions related to skills development in 2025:

Key action	Description and year of completion	Scope of action	Target KPI impacted	Overall progress in 2025 and how we track effectiveness
Continuous enhancement of global e-learning platform	Platform offering 20 000+ learning resources including AI simulations (since 2023)	All employees	Learning Hours per Employee	High engagement; tracked via usage data, learning paths, and platform analytics
Customized learning paths	Personalized development via e-learning, social learning, and on-the-job tasks (since 2023)	All employees	Learning Hours per Employee	Continued development of custom learning journeys (e.g., Project Management for Black Belts, People Manager Essentials); tracking through participation and completion data
Clariant Learning Wednesday	Weekly learning sessions on strategic topics (2024-2025)	All employees	eNPS; Learning Hours per Employee	High participation maintained; monitored via attendance and session feedback
AI-enabled scenario learning	Development of cultural behavior scenarios for self-paced practice (2025)	All employees	eNPS	Embedded in learning flow; effectiveness tracked via scenario completions and survey results
Function-specific learning programs	Competency matrix and development mapping for identified Functions (e.g., Finance, IT, or Procurement)	Specific functions	Learning Hours per Employee	Program rollout in progress; collection of trainings available and development opportunities along 70/20/10
Leadership Development Programs	People Manager Lab, Top Team Effectiveness, DE&I Leadership Training, First Time Manager Program (2024-2025)	Management Levels 1-5	Feedback Score; eNPS	Positive feedback; tracked via follow-up surveys
Accelerated Development	Program for Senior Management Potentials (2024) and Management Potential Program (2025)	Confirmed high potentials	Feedback Score	New program launched in 2025; tracking of talent pool utilization for 2023/24 participants
Talent Management process	Four-phase process to identify key positions and high potentials, rolled out for management potentials as well (in 2024, only senior management potentials and executive potentials)	Management Levels 1-5 and CL 6-7	Talent Pool Utilization; Bench Strength	Full rollout completed; tracked via Talent Pool utilization and Bench Strength
Inclusive hiring & talent attraction	Bias training, DE&I outreach, internal mobility framework (2024-2025)	Global recruitment	Hiring Diversity Ratio	Improvements monitored via recruitment KPIs and demographic data

These actions are implemented under the global Building the Workforce Policy, which defines Clariant's learning framework and aligns offerings with business strategy. The policy ensures equal access to training and development opportunities for all employees worldwide.

FEATURED STORY



Growing expertise from the ground up

Sustainability commitments are only as strong as the people who implement them. For companies sourcing palm oil derivatives, understanding supply chain challenges requires more than desk research – it demands direct engagement with farmers, communities, and conservation efforts on the ground. This is why field visits have become an essential part of professional development for sustainability experts.

Take the example of Sustainability Audit Specialist Rabea Dillmann from Clariant's Business Unit Care Chemicals. She traveled to Malaysia to participate in a field program organized by the NGO Earthworm Foundation to get a better understanding of the issues related to sustainable palm oil production.

As part of her extensive itinerary, she visited a palm oil mill, a dealer's operation, a palm oil plantation, and a local small-holder community. The practical issues she discussed with local stakeholders ranged from supply chain transparency to the security risks that elephant herds pose to farmers. Rabea also informed herself about innovative approaches such as drone technology for elephant monitoring and community-led coexistence programs.

Rabea's visit exemplifies the on-the-job learning that builds deep expertise. This type of learning opportunity aligns perfectly with Clariant's People Development strategy, which embraces the 70/20/10 model: 70% of learning happens through challenging tasks, 20% via social interactions, and 10% from formal learning. Through its »Building the Workforce« policy, Clariant ensures that all employees have access to training and development opportunities tailored to their roles and aspirations.

[Learn more](#)

Clariant measures the effectiveness of its trainings through defined KPIs that directly link actions to outcomes: For mandatory compliance trainings, effectiveness is tracked via reduced compliance cases; for safety trainings, progress is measured through DART rates; for inclusion-related trainings, through the Inclusion Index; and for leadership trainings, through the results of the annual Our Voice survey, which combines quantitative response rates with qualitative employee feedback. The findings are reviewed by the Talent & Culture Team and used to continuously refine the design, delivery, and prioritization of Clariant's global learning portfolio.

Clariant has set a target of completion of mandatory compliance trainings as part of employee performance management. The company offers regular e-learning courses on the Code of Ethics, anti-bribery and anti-corruption, trade compliance, data privacy, and information security, as well as microlearning on gifts and entertainment, speaking up, nonretaliation, the Integrity Line, third-party risks, bribery and corruption, conflict of interest, and theft and misuse of sensitive information.

These insights directly feed into Clariant's broader People Development Portfolio, which encompasses all learning, leadership, and talent initiatives supporting the company's purpose-led growth strategy. Through this portfolio, Clariant ensures that capability building is not only about individual learning but also about developing leadership behaviors, team performance, and cultural transformation.

The People Development Model has existed since 2023 and is instrumental in shaping and embedding Clariant's desired culture. Developed through extensive research and employee insights, the model defines behaviors that reflect Clariant's aspirational culture and values. It establishes a new way of working centered on customer focus, agility, sustainability, innovation, empowerment, and inclusion. The Talent and Culture team is responsible for managing the identified risk in relation to embedding these cultural behaviors across the organization.

These efforts are guided by the Building the Workforce Policy, which ensures equal access to training and development opportunities for all employees worldwide.

» Continuous learning and personal growth are cornerstones of Clariant's philosophy. We succeed as a business when our employees develop their skills and knowledge, fueling innovation across our organization. «

Priya Thaman
Chief Officer Human Resources

Clariant People Development Model

Clariant's culture is the foundation for building capabilities, fostering innovation, and enabling every individual to thrive as they navigate a changing business landscape. The People Development Model establishes the spirit of our work practices at Clariant, which is rooted in customer focus, agility, sustainability, innovation, empowerment, and inclusion.

The model is embedded across Clariant's people management practices, including performance, learning, talent management, recognition, and recruitment. After an extensive rollout to people leaders and HR members in 2023, an e-learning course was introduced, focusing on bringing the People Development Model, including subsequent behaviors, closer to employees. The course has been rolled out in five different languages to ensure accessibility for as many employees as possible.

Clariant offers a wide range of formal and informal programs so that employees can achieve their full potential. People Development links these programs closely to business needs and implements them effectively and efficiently. It ensures that all employees can contribute to Clariant's success and that Clariant's full potential is harnessed. It encompasses the global performance management process, individual development, enablement, and skill building and ensures the identification and accelerated development of high potentials.

To drive the people development transformation, Clariant is using a cutting-edge e-learning platform designed to empower employees with a diverse range of professional development opportunities. The platform offers an extensive library of more than 20 000 online courses, books, book summaries, audiobooks, webinars, AI simulations, and resources, spanning topics from technical skills to leadership development. With its user-friendly interface and adaptive learning features, the platform provides employees the flexibility to enhance their skills at their own pace, fostering a culture of continuous learning and growth within Clariant. Employees are guided to create individualized Learning

Paths aligned with their career aspirations within the platform, and Learning Paths are created on Clariant-wide focus topics. In addition to establishing the global e-learning platform, the core offering entails global training targeted at business and leadership skills. To further enhance accessibility, additional on-site solutions are being rolled out and planned for broader implementation, ensuring that all employees can benefit from the training offer. The core offering closely follows Clariant's purpose-led growth strategy. Hence, in 2025, the development focus lay on driving Clariant's cultural transformation, DE&I, driving high performance in leadership teams, and embedding the purpose-led growth strategy within the entire company through Clariant leaders.

People Development Portfolio

The People Development Portfolio encompasses learning and development offerings designed to support Clariant's strategy and promote common knowledge, language, and values across the organization. In response to the dynamic and evolving landscape of industry trends and technologies, Clariant's People Development Portfolio ensures that employees receive more personalized and adaptive training, fostering continuous skill development and staying ahead in the competitive market.

People Development aims to ensure that all employees can contribute to business success. To this end, Clariant uses its structured performance management process as well as individual development plans. Both are embedded in the People Development Portfolio.

Clariant strives to create a learning and development culture that is personalized and reflective. This empowers individuals to embrace continuous improvement and introspection while taking ownership of their development journey. Proactive and self-driven measures integrate learning seamlessly into daily operations, taking everyone's role into account and fostering adaptability to changing needs. At the same time, each employee is supported by resources, tools, and leadership, and celebrated through recognition.



Clariant's development and training philosophy is based on the »70:20:10 model« by Michael Lombardo and Robert Eichinger, corresponding to a proportional breakdown of effective learning. The Individual Development Plans for employees generally include 10% coursework and formal training, 20% interaction and peer exchange, and 70% challenging assignments to promote learning on the job. Overall, training is grouped into five areas to simplify the learning offering for employees:

- **Functional training:** Functional skills refer to the competencies necessary to complete the daily tasks of one's role and can vary between roles and organizations. Functional skills training aims to ensure that learners complete job tasks correctly, that is, safely, efficiently, timely, etc.
- **Mandatory training:** Mandatory training refers to essential learning programs or courses that employees must complete to comply with legal, regulatory, or other Clariant-wide requirements for all employees. Trainings may be assigned directly via MyLearning as mandatory training or as strongly recommended, as they support employees in acquiring essential knowledge and skills necessary for their roles and responsibilities, promoting safety, efficiency, and adherence to standards within Clariant.
- **Core offering:** The core offering includes cross-functional training and provides a global baseline along the People Development Model, Clariant culture, and strategy. Leadership training belongs to the core offering.
- **Accelerated development offering:** The accelerated development offering includes predefined journeys for specific career levels and identified pools of high potentials.
- **Individual offering:** Individual offerings include learning and development offerings to support individual development needs.

Skills for all learning offerings are grouped into technical and functional skills, safety and sustainability, personal development, leadership, law/compliance, IT skills, and general management skills.

In 2025, Clariant expanded the 2024 »Making Connections« learning campaign to »Greater Connections,« featuring a different strategy-related topic each month. The successful »Clariant Learning Wednesday« sessions have been continued, due to their great success. Led by leaders and experts, these weekly virtual sessions aimed to strengthen Clariant's learning culture by providing employees with easy access to learning resources and opportunities to connect with internal and external subject matter experts. Invitations to the sessions are being sent to all employees, and the goal is to empower employees to take charge of their development while building connections to Clariant, its people, learning initiatives, and their own growth areas. Key pillars have been aligned to Clariant's purpose: People, Customer Focus, Innovation, and Sustainability.

In 2025, Clariant made significant strides in employee development through the innovative implementation of AI-enabled scenario-based learning. This groundbreaking initiative features approximately 100 general scenarios where employees can

develop their skills through AI-powered conversations, creating personalized learning experiences in the flow of work. Most notably, Clariant has developed four specialized scenarios specifically aligned with Clariant's cultural shifts, providing every employee with a safe space to practice and internalize Clariant's desired cultural behaviors. This approach represents a forward-thinking investment in our people, enabling them to learn at their own pace while directly connecting development opportunities to our strategic priorities. The usage of these new technologies enables Clariant to stay competitive with the right skills, even in times of disruption and change.

Leadership Programs

In 2025, the focus in leadership programs continued to be on three general topics closely tied to Clariant's transformation, enabling people managers to individually develop and contribute to Clariant's success.

The »Top Team Effectiveness Program,« which was designed to help leaders build high-performing teams, is closely linked to Clariant's purpose as well as the new values. The goal is to create a high-performing culture, with leadership teams bringing out the best in people and in the company. After the program was conducted with the ELT, as well as business units and functional leadership teams, it was cascaded even further down, with HR Partners supporting in the facilitation of these sessions on a local level in 2025.

The Clariant People Manager Lab, which was designed to support managers in driving Clariant's cultural transformation, was continued this year and conducted in four different cohorts globally. The program has experienced great success and feedback.

Clariant conducts a program for first-time people managers to equip new leaders with basic leadership knowledge. The program is run fully online with self-learning content and facilitated sessions. Clariant Leadership Team members are being invited for Q&A sessions with participants. The program is a completely new way of doing leadership training and is being adapted continuously based on participant feedback.

The DE&I training, which was initiated largely by the empowered Employee Resources Groups, equipped leaders with the knowledge and skills to champion diversity, foster an inclusive environment, and drive equitable practices throughout Clariant. This aligns with our commitment to creating a workplace that thrives on diverse perspectives and values for every individual. In order to develop inclusive practice, an inclusion toolkit was developed, providing practical resources that translate inclusion principles into everyday actions. By equipping teams with concrete strategies, conversation guides, and best practices, these toolkits democratize inclusion efforts across all levels, ensuring consistency while empowering individuals to become active participants in cultural change.

Talent Management

Talent Management enables Clariant to strengthen the leadership pipeline by implementing strategic initiatives that identify, develop, and engage top talent. By aligning individual potential with Clariant objectives, the company strives to build a strong talent pipeline that drives and delivers on Clariant's purpose-led strategy.

The process is conducted in four phases, starting with (i) the identification of key positions across Clariant, followed by (ii) the identification of high potentials who can grow into these key positions, (iii) the identification of successors for key positions, and finally (iv) the performance of activating actions, including development for identified successors and high potentials.

The high-potential employees at Clariant are managed in three pools: (i) executive potentials, (ii) senior management potentials, and (iii) management potentials.

In 2025, the Talent Management process focused on identifying key and leadership positions as well as high potentials across all defined talent pools. A defined share of positions at senior leadership levels has been designated as key positions. Clariant's talent pool composition aligns closely with recognized industry standards, ensuring that executive, senior management, and management potential pools are developed in line with recommended benchmarks.

We enhanced our leadership pipeline through a comprehensive Executive Potential Assessment Process. Following a nomination process, selected candidates underwent multiple evaluation layers, including structured in-depth interviews, global benchmarking, advanced psychometric assessments, and 360-degree feedback. This robust process enables us to identify and develop high-caliber talent aligned with our strategic objectives and future leadership requirements.

A leadership development center enables development for identified senior management and management potentials, with its insights building the foundation for individual development plans.

One short-term challenge is to make talent development individualized for each employee while driving Clariant's strategy.

In the medium to long term, Clariant talent development aims to focus on delivering differentiated input to high-potential employees, creating individualized learning experiences for most employee groups. This will enable every employee to learn according to their needs. Clariant plans to rely on the newest technologies, including AI, in creating development plans and delivering tailored learning experiences. They will be paired with further social and on-the-job learning measures.

Talent Attraction

Clariant's talent attraction is guided by a set of global talent acquisition policies and strategies. These policies clearly define the roles and responsibilities of hiring managers, recruiters, and Human Resources personnel, ensuring a smooth and professional recruitment process. Skilled talent acquisition teams collaborate with business units and global functions to identify and recruit the most qualified candidates, while employer branding initiatives promote Clariant's reputation in the job market and attract potential candidates.

Impactful Communication

Clariant fosters open and transparent communication channels throughout the organization. These channels are designed to foster a sense of community, enable dialogue between leaders and employees, and strengthen alignment within teams. In 2025, the leadership team continued to drive impactful communication as a focus area and strengthened connections across the organization.

- **Fostering a sense of community:** Important information was shared promptly across the organization, and channels such as ClariNet, team meetings, newsletters, and other digital communication were leveraged.
- **Enabling dialogue between leaders and employees:** Quarterly town halls at the corporate, BU, and function level enable two-way exchange between employees and respective leaders on Clariant's strategic topics. In 2025, Clariant continued to focus on enabling dialogues across the organization with the Coffee Connects forums.
- **Promoting continuous learning and communication:** In 2025, Clariant continued the »Learning Wednesday« as part of an action plan to foster more communication and encourage ongoing professional development.

To strengthen the alignment between managers and team members, employees continued to leverage regular one-on-one check-ins.

Work Environment

Clariant's culture aims to foster innovation, customer orientation, agility, sustainability, empowerment, and inclusion. This culture creates an environment where everyone is enabled to thrive as Clariant pursues its strategic goals and pursues a changing business landscape.

- The new operating model at Clariant empowers quick decision-making across the organization. Employees share inputs in projects, policies, and changes, especially those that affect their work.
- DE&I is enabled through a long-term strategic roadmap and interventions that strengthen inclusion. For initiatives in 2025, please refer to the chapter → »Diversity, Equity, and Inclusion.«



- A healthy worklife integration is enabled through flexible work arrangements. Clariant's Global Flexible Remote Working Policy provides guidance on achieving healthy worklife integration. As part of this policy, employees are permitted to work from home for up to two full working days per week, or a maximum of 40% of their working hours, subject to local legal requirements and the agreement of their line managers. Additionally, line managers may set specific weekdays when all team members are required to be present in the office.
- Clariant offers wellness initiatives to support the physical and mental well-being of its employees. The company offers free psychological counseling and stress management training in many countries. Employee assistance programs analyze and evaluate mental strain, educate employees on mental health risks, and ensure the development of relief strategies for affected employees. In 2022, Clariant reviewed health and well-being offerings to identify and adapt related offerings for employees.
- In 2025, Clariant introduced comprehensive family leave policies, reflecting our commitment to supporting employees and fostering workplace inclusion. These policies recognize diverse family structures and caregiving responsibilities with several key provisions:
 - **Expanded parental leave:** Implemented a global minimum standard of 16 weeks for both birthing and primary non-birthing parents, regardless of gender or family formation
 - **Compassionate leave:** Established global standards of three days for bereavement support during the loss of loved ones
 - **Family care leave:** Introduced five days of dedicated leave annually for unexpected family needs such as illness or emergency childcare disruptions
 - **Fertility support:** Provided ten days of specialized leave for employees undergoing fertility treatments
 - **Pregnancy loss support:** Created dedicated leave of two weeks for birthing parents experiencing pregnancy loss
- These enhanced policies demonstrate Clariant's holistic approach to employee well-being and our recognition that supporting employees' family responsibilities contributes to a more engaged, productive workforce.

Performance Management Programs

Clariant's performance management process ensures that strategic business objectives are translated into day-to-day activities. The performance management process aims to create a high-performing culture and ensure a focus on individual development.

Employees have one-on-one meetings, referred to as »performance check-ins,« with their supervisors to identify objectives, areas for improvement, development actions, and opportunities to leverage strengths and celebrate successes. To guarantee consistency of performance ratings, calibration sessions are part of the performance management process.

The performance review includes goal setting, continuous check-ins, feedforward, and a year-end performance review. The goal-setting process starts with the ELT goal setting and alignment and gets cascaded down throughout the company. All employees must commit to various goals: business goals connected to Clariant's strategic pillars, holistic behavioral goals along the Clariant People Development Model, and development goals for the upcoming year.

Continuous check-ins and feedforward take place every six to eight weeks, focusing on goal achievement status, areas for improvement, development actions, and opportunities to leverage strengths and celebrate successes. An employee can take action to ask for feedforward at any point in time from their manager, their peers, and other stakeholders through the »MyFeedforward« tool. The year-end performance review is retrospective, includes a forward-looking development component, and may also cover discussions about potential progression over several years. Managers are enabled to calibrate their results.

The »MyPerformance« tool documents the goals and keeps track of the individual performance progress. The outcome of the individual performance review is the basis for employee development, the yearly short-term incentive, and compensation development.

Awards and Benefits Programs

Clariant has a comprehensive recognition framework with various award programs to show appreciation and recognize employees for their outstanding achievements, performance, and role model behaviors aligned with the company's values and strategy. These recognition programs offer a range of possibilities to demonstrate appreciation across Clariant locations and hierarchical levels. In general, every employee is eligible to receive awards under the different programs.

The awards include monetary awards for exceptional results that positively impact Clariant's business objectives, as well as non-monetary awards such as vouchers and virtual appreciation badges. The non-monetary awards serve as tokens of appreciation for colleagues, recognizing a job well done or behaviors that exemplify Clariant's values. Monetary awards can be granted by respective people managers to employees.

Non-monetary awards like vouchers can be proposed by any employee for any other employee, with approval required from the receiving employee's people manager. There is no limit on the number of vouchers an employee can receive throughout the year, unless restricted by country-specific regulations. Virtual badges can be given multiple times during the year by any employee to any other employee.

Clariant continues to strengthen its culture of recognition through enhanced training and communication initiatives around our recognition programs. Efforts to raise awareness about the various award options available have been taken, including dedicated training sessions for people managers on effectively utilizing monetary awards, as well as company-wide communications

highlighting the value of non-monetary recognition through vouchers and virtual badges. Looking ahead, we remain committed to further promoting these recognition tools as essential components of our employee engagement strategy, reinforcing behaviors that align with Clariant's values and business objectives.

In addition to these ongoing recognition opportunities, Clariant has three annual global award programs: the Value Recognition Award, the Sales Award, and the Innovation & Sustainability Award.

The Value Recognition Award allows employees to nominate colleagues who actively promote Clariant's five values through behaviors defined in the People Development Model.

The Clariant Sales Award recognizes outstanding individual achievements in increasing revenue and providing value to customers. Winners of these awards are celebrated with monetary prizes and/or official award ceremonies.

The Innovation & Sustainability Award was launched in 2024 and celebrated for the first time in 2025. Closely aligned with Clariant's value »Innovate for Sustainability,« this award recognizes outstanding projects with proven impacts on innovation and sustainability footprint.

Clariant offers a comprehensive Global Benefits Policy that encompasses essential areas like retirement planning, life insurance, travel coverage, accident protection, healthcare services, flexible working options, and wellness programs. This global structure is complemented by country-specific policies that align with local regulations and market standards. Both frameworks are routinely updated to stay current with evolving benefit trends worldwide and locally. The policy demonstrates Clariant's commitment to providing competitive benefits that attract and retain top talent while ensuring employee satisfaction and security across all regions.

To support better worklife integration, Clariant provides various employee perks based on local availability and practices. These may include access to gym facilities, fitness program subsidies, adjustable work schedules, remote work options, on-site childcare, and elder care support. Additionally, many regions offer Employee Assistance Programs that provide mental health resources and financial guidance to support overall employee well-being. These benefits reflect Clariant's understanding that employee success depends on professional support and personal well-being. The company regularly reviews and enhances these offerings based on employee feedback and changing workplace needs. Through these comprehensive benefits, Clariant aims to create an inclusive, supportive work environment that enables employees to thrive professionally and personally while maintaining a healthy worklife balance.

Over the course of 2025, Clariant successfully launched a new intranet page outlining all benefits available in each country. This page gives all employees full transparency on Clariant's benefit offering across all locations in order to increase utilization and support employees in their worklife integration.

Local Programs for Stress Management

Clariant's Employee Assistance Program offers free counseling by external specialists for work-related stress, as well as burnout and personal crises. Flexible work arrangements can be made both for work-related stress management and for unrelated extenuating circumstances.

Support for Dealing with Drug Addiction and Programs to Quit Smoking

In the event of drug addiction, Clariant has established a procedure for treatment through medical plans and, if necessary, inpatient treatment. Voluntary programs to help employees quit smoking have been introduced at some sites. Clariant assesses the health habits and specific health problems of all employees and updates local programs based on these findings.

Talent Acquisition Delivery

In 2025, Clariant delivered further optimization on both talent acquisition expenditures and time-to-hire metrics through specialized in-house teams. A large focus was placed on supporting DE&I objectives, establishing bias reduction frameworks, providing training to hiring managers, and increasing outreach to underrepresented groups.

Global alignment of policies and processes has aided transparency and departmental agility, creating a foundation for any potential shift in hiring demands.

In line with fostering employee engagement and providing equitable opportunities for career development, Clariant established a new global framework for internal applications, including a comprehensive change management roadmap.

Looking forward to 2026, talent pools are not expected to loosen, maintaining the challenge of identifying and attracting high-quality talent. Clariant will meet this demand with increased direct outreach, zeroing in on essential and emerging skill sets.

Automation and AI are utilized to support the candidate and manager experience, but not to screen and select candidates, offering the balance of efficiency and the benefits of human interaction.

Flexible Work Policies

In 2025, Clariant continued to provide additional training to employees on how to leverage the company's systems for remote work, including training on team collaboration via Microsoft Teams. As a result, the use of existing tools increased, and global teams were able to intensify collaboration, leading to improved produc-

tivity and efficiency. By implementing these measures, Clariant aims to support its employees in achieving a healthy worklife integration while maintaining its commitment to delivering excellent results for its customers.

Employee Feedback

Clariant is committed to being a great employer and regularly assesses how employees perceive the company. In 2025, the listening forums included the Our Voice engagement survey, which offered an opportunity for all employees at Clariant to share their insights and experiences on working at Clariant. The survey saw strong participation, with 86% of invited employees across all levels sharing their perspectives and reaffirming their support for the process.

The insights from the survey enabled action plans led by business and people leaders across Clariant. The three areas actioned are strengthening leadership impact through internal communication, decision-making, and empowerment, as well as strengthening inclusion. Progress will be measured through the Our Voice survey in January 2026.

In addition to this, Clariant continued to leverage feedback loops to assess the effectiveness of the company's engagement pillars. The insights for initiatives across communication, performance, and development helped Clariant refine and improve its approach over time.

As a result of the previous engagement survey in 2025, Clariant launched the Chemistry of Clariant Days (CCD) initiative across global sites, creating a powerful platform to translate Clariant's purpose-led growth strategy into tangible actions. These dynamic on-site sessions, led by Clariant Leadership Team members, combined strategic updates with interactive exercises that helped employees understand how their individual contributions directly impact our collective success. The CCD program deepened understanding of our purpose »Greater chemistry – between people and planet« while strengthening engagement and cross-functional collaboration. Following successful launches globally, the initiative will continue to be rolled out globally through 2026, tailored to local contexts while maintaining consistent strategic messaging. By transforming abstract concepts into practical applications, Chemistry of Clariant Days has become instrumental in accelerating our strategic priorities and embedding Clariant's cultural transformation throughout the organization.

Minimum Notice Periods Regarding Operational Changes

Clariant adheres to all local statutory and operational obligations related to informing employee representatives and employees about any significant operational changes. Employees receive prompt and regular communication about such changes through channels such as the intranet, emails from the CEO, forums with senior leaders such as Coffee Connects and Leaders Circles, and

meetings with local leaders. All information is provided in the relevant languages. Clariant also holds regular corporate information sessions, including CEO and business unit/functional town hall meetings, to keep employees informed.

These actions reflect Clariant's holistic approach to developing talent, strengthening leadership, and fostering a culture of continuous learning. They include the global rollout of the People Development Model, strategic leadership programs like the Clariant People Manager Lab and Top Team Effectiveness, and initiatives focused on inclusion, innovation, and individual learning journeys. Learning offerings are aligned with Clariant's purpose-led growth strategy and embedded across performance management, career development, and talent management. Effectiveness is monitored through a combination of survey results, feedback mechanisms, and performance indicators linked to engagement and cultural transformation.

S1-5 – Targets Related to Training and Skills Development

In the medium to long term, Clariant has formulated aspirations linked to its policy objectives:

- providing differentiated development input for high-potential employees,
- creating individualized learning experiences for employees,
- fostering a better life at work by empowering employees to perform at their best,
- achieving top-quartile employer status in engagement by 2030, and
- positioning Clariant as an employer of choice to attract and retain talent.

These aspirations are linked to Clariant's overarching policy objectives but do not yet constitute measurable targets in the sense of a European Sustainability Reporting Standard (ESRS) for all of them.

Clariant has set measurable targets for a completion rate of 95% for mandatory safety and compliance trainings and a satisfaction rate of 4.3 out of 5 for Global Development Programs. In addition, the effectiveness of Leadership programs is being measured through the yearly engagement survey, while the dimension Strategy, Leadership & Purpose is expected to increase by 5%. The effectiveness of safety trainings is directly measured through the DART rate. Overall development efforts and their progress and effectiveness are measured through the eNPS results measured in the yearly Our Voice survey.

With respect to talent development, Clariant is working with KPIs related to Talent Pool Utilization and Bench Strength for key positions.

Clariant is working on defining further relevant targets that can be derived from measured KPIs related to training and skills development.

S1-13 – Results and KPIs Related to Training and Skills Development

S1-13 – TRAINING AND SKILLS DEVELOPMENT METRICS

	2025	2024
Percentage of employees who participated in regular performance and career development reviews		
Female	85	84
Male	60	61
Other ¹	n.a.	n.a.
Average number of training hours per person for employees by gender		
Female	11.8	11.6
Male	7.3	6.8
Other ¹	n.a.	n.a.
Average number of training hours per person for employees	8.7	8.0
Percentage of employees who participated in regular performance and career development reviews by employment category		
Worker	35	36
Employee	86	85
Average number of training hours per employee by employee category		
Management Levels 1-5	19.6	21.8
Employees in downstream levels	8.0	9.5
Percentage of nonemployees that participated in regular performance and career development reviews	0	0

¹ »Other« includes employees who identify outside the binary gender categories, as well as those who have selected »unreported« or »unknown« in our HR system if they prefer not to disclose their gender. Gender data can be updated by both HR and the employee.

In 2025, 10,356 employees participated in training sessions documented in Clariant's central learning management system, *MyLearning*. These sessions encompassed a broad mix of fully virtual, blended (virtual combined with face-to-face), and fully in-person formats, along with diverse on-demand content available via the company's newly established e-learning platform. The average number of training hours per participant showed a consistent level of engagement across gender groups. Management-level employees received a distinct portion of the overall training volume, while a substantial majority of the total training time was completed by local managers, professionals, and employees across global operations. The e-learning approach adopted by Clariant allows learners to tailor their experience by focusing on relevant topics and bypassing content they are already familiar with. Clariant's training initiatives contributed to measurable outcomes, including improvements in the Inclusion Index and a reduction in DART rates, reflecting the impact of DE&I and EHS-related training programs. This targeted method significantly increases learning efficiency by reducing the time otherwise spent on redundant information in traditional classroom settings.

Also, in 2025, 134 employees participated in Global People Development programs, all of which were strategically aligned with Clariant's long-term goals. The »Learning Wednesday,« which was established in 2024, continued to demonstrate strong engagement and participation across the organization with the overall amount of 2963 participants.

Training efforts covered various focus areas, including safety and sustainability, legal and compliance, functional skills, IT competencies, personal development, general management, and leadership development. These training sessions extended beyond the Global People Development portfolio and were delivered through diverse formats.

Participant feedback on the programs was consistently positive, highlighting the high quality of the learning content, a strong practical orientation, and valuable peer interaction across functions. Feedback has proven vital for refining and expanding the offering.

In 2025, Clariant invested significantly in building leadership capabilities through targeted development programs. A key initiative was the People Manager Lab – a hybrid training program designed to equip middle management with the tools and concepts needed to support Clariant's transformation. This included fostering a growth mindset and cultivating psychological safety within teams. The program was implemented across three regions, beginning with face-to-face workshops.

Other leadership development offerings included a dedicated program for first-time people managers, helping them establish foundational leadership competencies early in their careers. In addition, Clariant conducted Inclusive Hiring Training for leaders. The program's impact is monitored through progress against DE&I targets and feedback from the Inclusion Index, which reflects the organization's inclusive culture.

Clariant measures the effectiveness of its Talent Management approach through Talent Pool Utilization, which measures movements from confirmed high potentials 25% in 2025, and Bench Strength for key positions, which measures key positions with a nominated successor with short, medium and long term readiness 52% in 2025.

Clariant's dynamic placement process continues to foster career development across all levels. The company maintains a strong promotion culture among senior managers and encourages internal advancement after an average period of role tenure.

When recruiting, Clariant seeks individuals who align with its corporate values and possess the necessary qualifications for their roles. In the reporting year, the company welcomed a substantial number of new employees across all global regions, with Europe, the Middle East & Africa (EMEA) and the Asia-Pacific (APAC) region contributing the largest share of new hires. During the same period, a notable number of employees departed the organization for various reasons. The overall turnover rate declined compared to the previous year, signaling improved employee retention.

Part of Clariant's commitment to providing competitive benefits that attract and retain top talent across all regions is the offer of worklife balance through parental leave policies. A significant number of mothers and fathers utilized parental leave, with a high proportion returning to work within the same year underscoring the company's commitment to family-friendly policies and reintegration support.

The main metric in the Our Voice engagement survey is the employee net promoter score (eNPS), which calculates how many people are likely to advocate for the company. The improvement in eNPS is also one of the KPIs in the Clariant Long-Term Incentive Plan, as described in the Compensation Report. Clariant aims to be in the top quartile of employers by 2030.

Since the last survey in 2024, Clariant has made significant progress on the engagement roadmap with the eNPS increasing to 34 (by up to 9 points) and continuing to progress in the second quartile. In addition to determining eNPS, Clariant also measured overall employee engagement in this survey. This builds on the foundation for tracking progress against robust benchmarks. The findings indicate that, while many employees are actively engaged, there is still work to be done to further enhance workforce commitment.

In 2025, the Inclusion Index continues to demonstrate that employees recognize and value Clariant's DE&I efforts. One of the highest-scoring statements in the survey relates to the perception that the organization values diversity. Lastly, Clariant was able to close its gender gap on engagement, with both female and male employee reporting an identical engagement score.

WORK-LIFE BALANCE INDICATORS

	2025	2024	2023	2022	2021
Number of employees entitled to take family-related leave by gender²					
Male	7754	8065	8043	8574	10422
Female	2695	2781	2610	2748	3151
Other ¹	0	0	0	0	0
Total	10449	10846	10653	11322	13573
Number of employees who took family-related leave by gender					
Male	233	299	289	236	273
Female	179	177	161	142	176
Other	0	0	0	0	0
Total	412	476	450	378	449
Percentage of entitled employees that took family-related leave (%)					
Male	3	3.7	3.6	2.8	2.6
Female	7	6.4	6.2	5.2	5.6
Other ¹	0	0	0	0	0
Total	4	4	4.2	3.3	3.3

¹ »Other« includes employees who identify outside the binary gender categories, as well as those who have selected »unreported« or »unknown« in our HR system if they prefer not to disclose their gender. Gender data can be updated by both HR and the employee.

² 100 % of employees are entitled to family related leave.

All areas of employee experience showed improvement compared to the previous survey. Among the strongest results are those related to occupational health and safety, which significantly exceed relevant benchmarks, and the quality of manageremployee relationships. Multiple survey items related to management are among the company's highest-scoring categories, underlining the

importance of leadership in employee engagement. Notably, the »Our Voice Actions« dimension, which measures employees' perception of action taken based on previous survey feedback, improved significantly. This improvement indicates growing confidence among employees that their feedback leads to meaningful change within the organization.

S1 Sub-Chapter II – Health and Safety

As a global chemical company and a responsible employer, Clariant is strongly committed to promoting and protecting a healthy culture in the workplace. Clariant aims to achieve zero accidents worldwide. Therefore, processes regarding occupational safety are top priorities to protect Clariant's employees, ensure seamless manufacturing operations, and meet legal requirements and regulations at any time.

S1-1 Policies Related to Health and Safety

Clariant has three policies in place to address health and safety-related matters. The Quality, Environment, Safety, and Health (QESH) Policy includes the AvoidingAccidents@Clariant program, which was devised to meet the key safety interests of Clariant's workforce and other relevant stakeholders. The safety of employees and the work environment is also anchored in Clariant's Sustainability Policy. Clariant's Sustainability Policy enshrines health and safety as a core sustainability principle at Clariant. Lastly, the Code of Ethics ensures a basic protection of human rights. The code establishes clear ethical standards and provides specific systems for reporting and addressing human rights violations as well as health and safety concerns throughout the organization. The Code of Ethics establishes health and safety as a fundamental priority, emphasizing compliance with regulations, proactive risk management, and personal responsibility at all levels of the organization.

In setting these policies, Clariant took into account the health and safety concerns of its own employees, supervised workers, contractors, visitors, and regulatory authorities. The health and safety-related aspects of these policies incorporate the UN Guiding Principles on Business and Human Rights regarding the right to safe and healthy working conditions. All three policies are described in detail in the chapter → »ESRS2 General Disclosures.«

S1-2 and S1-3 – Processes Related to Health and Safety

Central to ensuring a healthy and safe work environment for all individuals at Clariant sites, including employees, other contractors, supervised workers, and visitors, is Clariant's AvoidingAccidents@Clariant program, anchored in the QESH Policy. This program requires the systematic identification, assessment, and control of workplace hazards. It establishes a global standard for Occupational Health and Safety (OH&S) Management through the ESHA & IGSM function, aiming to prevent accidents, protect health, and manage risks consistently across operations. The »Safety Deviations« process (see chart below) is a core element of the program. It ensures that the perspectives of Clariant's own workforce influence Clariant's decisions or activities aimed at managing health and safety-related impacts on its own workforce. The following types of engagement directly involve Clariant's own workforce (employees and supervised workers) and, in one case, other contractors and visitors as well:

- Feedback for the Safety Deviation Report (can be given by any employee, supervised worker, other contractor, or visitor)
- Participation in Safety Checks
- Development of Safety Moments, Safety Learnings, and Safety Alerts
- Collaboration in Incident Investigations
- Involvement in Safety Committees
- Close involvement in developing EHWAs (Evaluation of Health Hazards in the Working Area)
- Conducting Safety Weeks

The stages of engagement are:

A – Progressive identification of issues through permanent prevention:

- Safety deviation analysis (can take place any time, as many production facilities are in continuous operation)
- Safety checks (take place throughout the year)
- Involvement in safety committees (convening at intervals ranging from monthly to yearly, depending on the site)
- Close involvement in developing EHWA's
- Conducting safety weeks (at least one event per year at every site)
- Event-based reporting in Intalex (can occur at any moment, as many production facilities operate all day every day of the year)
- Collaborative incidence investigations

B – Publication (event-based and continuously):

- Development and publication of Safety Moments, Safety Learnings, and Safety Alerts
- At Clariant, the responsibility for engaging with the workforce and ensuring that the outcomes of this engagement inform the company's approach lies with site management or, where applicable, with the regional or country operational manager.

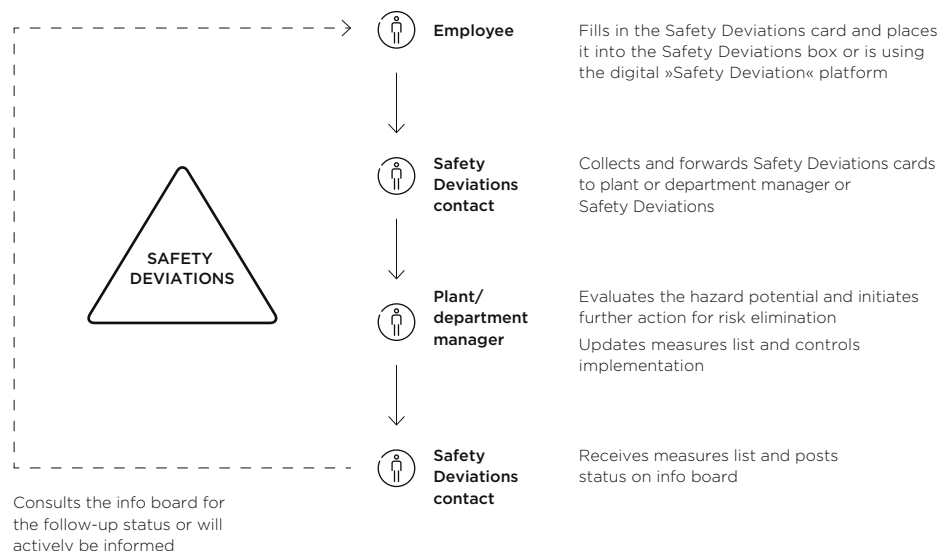
Clariant has fully established the Safety Deviations process as a key tool to strengthen occupational health and safety across operational sites. The program comprises a reporting platform, methodology, and awareness-raising initiative aimed at fostering a

proactive safety culture. All employees at production, laboratory, and warehouse sites are trained and informed about the purpose and usage of the Safety Deviations platform. Simple and convenient access is ensured, for example, via QR codes or through strategic placement of Safety Deviations card submission boxes at frequented locations of Clariant's sites, such as break rooms or entrances. Clariant digitalized the safety deviation platform at most locations in 2024/2025.

Employees are encouraged to actively report unsafe situations and near-miss incidents, regardless of severity, in order to increase the overall volume of observations, improve the quality of the data basis, and sharpen risk perception across the organization. Reports can be submitted through various channels, including digital platforms, Safety Deviation cards, or directly to supervisors. The process is actively supported and monitored by line management, and targets are set for each site to ensure broad participation and effectiveness of the Safety Deviations channels. These are reviewed at least monthly by site management to assess both awareness and usage levels. Every Safety Deviation Report is systematically analyzed, and appropriate measures are derived in a timely manner. The employee who submitted the report is involved in the process and receives feedback on actions taken. To support prioritization and effectiveness of the derived actions, Clariant applies the industrial STOP principle, which privileges actions in this order: Substitution, Technical measures, Organizational measures, and Personnel measures. If employees identify a hazardous situation, they are permitted and encouraged to stop the activity immediately and report it to their supervisor. This approach is part of Clariant's commitment to a safe working environment where responsibility and risk awareness are embedded in daily operations.

AVOIDINGACCIDENTS@CLARIANT

AvoidingAccidents@Clariant is a global program that creates safe working environments, raises awareness of safety, and illustrates Clariant's focus on prevention. Since the start of the program in 2007, the lost-time accident rate (LTAR) has declined from 0.92 to 0.12.



In the event of work-related incidents, Clariant conducts structured investigations using standardized methodologies defined in the internal investigation guide. Corrective actions are identified and implemented to prevent recurrence, as described in section S1-2, above, and remedy is provided as necessary, appropriate, and effective according to local regulation. Lost-Time Accident and Restricted Work case reports are only closed once a complete and reviewed investigation report is available. This decision is made at the Group level by a designated member of the Global Function ESHA & IGSM. Effectiveness is assessed through the rate of workplace safety-related Days Away, Restricted, or Transferred (DART) cases, which includes but goes beyond the Lost-Time Accident (LTA) frequency (see section S1-5 and S1-14 – Metrics and Targets Related to Health and Safety, below). Furthermore, Safety Deviations & Safety Checks are KPIs that are assessed. There is an investigation workflow covering all DART cases. The workflow initiates countermeasures, which are shared with the respective site personnel and the ESHA community. The workflow involves the entire workforce. Also, all Clariant employees are involved in the Safety Deviation process. In addition, Safety Committees, which include representatives from works councils, meet regularly to assess the effectiveness of the policies in place. Safety representation is firmly anchored across the organization. The process is shaped by broad employee participation from all areas including production, procurement, sales, and management reaching nearly full coverage and reflecting strong organizational commitment. At Clariant, committees that do not primarily deal with this topic also address safety issues. In case internal standards need to be modi-

fied or updated, a working group is established. It sends the resulting draft to the different stakeholders in Clariant's business units and regions to solicit feedback. Feedback and requests for revisions are duly considered before the standard is finalized and approved. The relevant information is subsequently published in the Group Management System (GMS) database and on Share-Point.

A 24/7 Integrity Line also supports all employees in voicing any concerns they may have over existing policies. The channel protects individuals within our workforce against retaliation, as everybody can raise concerns and needs regarding OHS issues anonymously. Read more in chapter → **»G1 – Business Conduct.«** Furthermore, Clariant employs various channels, such as listening sessions and engagement survey analyses, to understand the requirements and concerns of underrepresented employee groups, such as employees identifying as nonbinary, women, and employees of non-European origin, also regarding the health and safety-related material impacts. Clariant established Employee Resource Groups (ERGs) to provide formats for employees to further debate and act on some of these requirements and concerns.

Through these engagements with its own workforce, Clariant finds out what action is needed and appropriate in response to material negative impacts. The respective actions are elaborated on in section → **»S1-4 – Actions Related to Health and Safety«** (below).



Key action	Description and year of completion	Scope of action	Target KPI impacted	Overall progress in 2025 and how we track effectiveness
Safety Deviations Program	This ongoing occupational health and safety program enables employees to proactively identify, report, analyze, and address unsafe conditions and near-miss incidents in order to prevent accidents and continuously reduce health and safety risks across all operational sites.	Group-wide; all operational units globally	Number of reported safety deviations; participation rate per site	Process fully established. Usage monitored monthly at site level. Feedback loops and platform usage tracked. With the rollout completed in 2025 as intended since preparations began in 2023/2024, Safety Deviations is now implemented at all relevant operational areas. Within 2025 more than 55 000 Safety Deviation were reported globally.
Training and awareness campaigns	Ongoing mandatory employee training on purpose and use of Safety Deviations tool. Access facilitated via QR codes and integrated into site routines.	All operational employees	Awareness level; training coverage rate	High training coverage achieved again in 2025. Effectiveness tracked through feedback, usage frequency, and qualitative audits. The usage of the Safety Deviation Process was with 107 % far beyond the expected target.
Promotion of reporting culture	Employees are permanently encouraged to report at least five potentially hazardous situations annually. Emphasis on frequency over severity to strengthen risk perception.	Production, warehouse, laboratory employees (excl. nonoperational functions)	Volume of reports; risk observation rate	Strong participation rate in 2025 (see above). Participation targets defined per site. Effectiveness assessed via volume trends and risk pattern recognition.
Systematic evaluation and feedback	Permanently, any Safety Deviation is analyzed and results in appropriate measures. The STOP principle (Substitution, Technical, Organizational, Personnel) is applied. Reporters are informed about outcomes.	All sites	Implementation rate of derived actions; employee feedback received	Actions consistently derived and tracked, as in previous years. Analysis results documented. Feedback mechanisms in place and locally monitored.
Incident investigation and prevention	Work-related incidents are investigated using internal methodology. Closure of cases only permitted with complete investigation reports. Ongoing measure.	Group-wide	Lost-Time Accident and Restricted Work case closure rate	Process strictly followed also in 2025. Central review and approval ensure quality. Effectiveness measured via recurrence rates and audit conformity.

S1-4 Actions Related to Health & Safety

The following table provides an overview of key actions related to health and safety, which were all fully implemented in 2025 as intended. Through these actions, Clariant aims to achieve a zero-accidents culture and be a leader in safety in the chemical industry. The bonuses of management are linked to progress in this area, and safety is integrated into the daily routines of all operations.

In 2025, Clariant has fully implemented the Safety Deviations program across all operational sites, ensuring simple access and comprehensive employee training. Clariant provided all the financial, human, digital, and physical resources necessary for this implementation. The Global Function ESHA & IGSM was responsible for the implementation at the global level, and the local site management was responsible for implementation at the site level. A strong reporting culture is promoted, as all staff in production, laboratories, and warehouses are encouraged to report potentially hazardous situations, and all reports are systematically analyzed and addressed by means of the above-mentioned STOP principle. Investigations follow a standardized Group-level process, and refresher trainings based on root cause patterns were rolled out in 2025 to further strengthen safety awareness. A detailed accident investigation workflow is established within Clariant and supported by all senior management. To prevent accident recurrence, results

are shared globally. The established Safety Deviation process ensures a continuous identification of potential risks and involves the entire workforce. For more information, see section S1-2 and S1-3 – Processes Related to Health and Safety, above.

Occupational Health and Safety Programs and Training

Occupational Safety at Clariant means much more than just wearing the necessary protective equipment. It is a commitment to address safety comprehensively and to ensure that employees come home from work as healthy as when they arrived. To increase awareness among its employees globally, Clariant carries out various training and awareness measures every year.

In 2025, Clariant conducted numerous safety weeks and days at sites around the world as part of the global AvoidingAccidents@Clariant program. These initiatives were implemented across a wide range of locations to raise awareness and promote safe behavior among employees. For the safety weeks executed in 2025, the company provided an information hub with ideas and training modules in addition to the regular training in the different units.

OCCUPATIONAL HEALTH AND SAFETY PROGRAMS AND TRAINING

	2025	2024
Number of safety weeks/days held as part of the global AvoidingAccidents@Clariant program	>160	>150
Number of locations where safety weeks/days were held as part of the AvoidingAccidents@Clariant program	>120	>120

Learning Management System

Clariant has a Learning Management System (LMS) that is used to provide, steer, and monitor various programs, such as e-learning courses, webinars, and workshops, on occupational health and safety. Additionally, there is special training regarding work-related hazards, hazardous activities, and potentially hazardous situations. And each plant, as well as building management, provides special training regarding work-related hazards. This training is customized and depends on the jobs to be performed. As a mandatory onboarding element, all new arrivals to Clariant with an ESHA function must complete relevant ESHA training at a very early stage, in addition to training on relevant HR topics, among others.

Six Life-Saving Rules

The company continued introducing the Six Life-Saving Rules, first presented in 2021. In 2024, it reviewed the training approach and developed an e-learning course, which is mandatory for all Clariant employees every year. Every worker at Clariant must be aware of the Life-Saving Rules. They are part of the Code of Ethics and must be complied with. Witnesses to a breach of these rules should immediately notify the line manager or ESHA.

SIX LIFE-SAVING RULES

1 Use fall protection when working at heights greater than 1.80 meters or 6 feet and outside a guarded area.	2 Wear Personal Protective Equipment (PPE) when required.
3 Always work with a valid work permit whenever required.	4 Do not disable safety-critical equipment without authorization and without having additional precautions in place.
5 Use lock out/tag out procedures to protect you from danger.	6 Don't walk or work under suspended loads.

Handouts on Occupational Health and Safety-Related Topics

Since 2017, »Safety Moments« have become an integral part of Clariant's culture and have produced a wide range of illustrated handouts to strengthen awareness and training on occupational health and safety – reaching employees from operations to administration. They are presented and discussed, for example, at the beginning of meetings and can be accessed via an internal platform.

Process Safety Academy

Clariant has also established a Process Safety Academy to enhance the Process Safety Analyses standard. This one-week training delivers theory and practical knowledge on relevant process safety topics, facilitating a better implementation of the process safety standards at the sites. In 2025, the process safety academy took place in the EMEA region at our Heufeld site.

Global ESHA Academy

In 2025, Clariant introduced a global ESHA academy. This curriculum consists of a one-week face-to-face session including classroom and in-field practical training, as well as off-line preparatory training in the form of e-learning and webinars, for example. The first session took place in EMEA in Munich. Further sessions will be rolled out in the APAC and Americas regions in the upcoming years.

Global ESHA Awards

Clariant recognizes safety achievements through its annual Platinum & Phoenix Safety Award program. Each year, two sites globally are honored for their outstanding contributions to safety culture and worker participation. The Platinum Award acknowledges consistent excellence in safety performance, while the Phoenix Award celebrates sites that have demonstrated remarkable safety improvements.

Tracking Health and Safety

Safety performance and initiative updates were a standing agenda item in every Executive Leadership Team (ELT) meeting in 2025. The ELT reviewed all DART events and the overall company performance and discussed corrective actions. One of the outcomes was the introduction of an alert system to inform the business unit heads about any DART event in their business unit within 24 hours of the event, as well as the coordination of a call from the ESHA representative responsible for providing more insights into the accident within seven days of the event.

Clariant uses the DART rate, which includes the LTA rate, as a bonus-relevant metric. This ensures a focus on a broader scope of safety-related events, not only the most severe lost-time accidents, which helps to establish a zero-accident culture.

Clariant utilizes a global incident management system for OHS reporting and multiple dashboards to visualize OHS performance. All sites are required to report a DART accident, lost-time accidents, restricted work, and medical treatments immediately. For all LTA and RW cases, an investigation report is mandatory. Medical treatment (MT) and near misses having a high severity potential must also be investigated. In 2025, no action was required to provide or enable remedy in relation to work-related injuries or fatalities.

Checks and Audits

As part of Clariant's audit program, internal experts from Global Function ESHA & IGSM regularly conduct structured audits to review workplace and process safety standards. To do this, they evaluate the facilities and determine corrective actions to address the main risks. In addition, in 2025, the company further expanded the number of leading indicators reflecting the robustness of the ESHA system implementation on-site. This includes, for example, work permit checks and the work permit quality, the coverage of Evaluations of Health Hazards in the Working Area (EHWAs) and Process Hazard Analyses (PHAs), the safety deviation reporting rate, the percentage of safety-critical system inspections in time, etc.

To protect employees from work-related hazards, each workplace undergoes a systematic, multistep assessment. This includes workplace ergonomics, lighting, noise, indoor air quality, humidity, and temperature, as well as chemical industry-specific hazards like the handling of hazardous substances, biological hazards, and mechanical and thermal hazards. If a workplace falls below defined minimum requirements, Clariant takes measures to redesign that workplace.

Process Safety Management System

Clariant has a set of standards for an effective process safety management system – Process Hazard Analyses (PHAs), explosion protection, Pre-Start Safety Review (PSSR), incident management, Management of Change (MOC), and asset integrity. The core process safety requirement is the PHA. It allows the company to identify, assess, and control risks in the production processes and auxiliary activities. Clariant provides the standards, tools, and templates globally for all sites to conduct such PHAs, specific assessments, and management of mechanical integrity to maintain fully operational safety-critical elements.

Competent personnel at the sites conduct PHAs regularly. They are reviewed at least every five years and updated as changes occur. If a change is implemented in a facility, change management procedures ensure that this is assessed and controlled to avoid risks.

Clariant has also developed a reporting system that records and systematically assesses substances and energy releases from process units to avoid major incidents. It categorizes them as process safety events (PSEs) according to criteria stipulated by the International Council of Chemical Associations (ICCA).

After a process safety event, Clariant thoroughly investigates to determine its root causes (using fault tree analysis, for example) and establishes corrective and preventive measures to avoid recurrence. The company tracks the measures at the site level and global level with a global reporting tool to ensure effective implementation.

Employee Health Checks

At certain workplaces, Clariant carries out regular comprehensive employee health checks. The objective is to detect potential risk exposure as early as possible. Clariant takes care to obtain special health certificates and to carry out vaccinations that are required for some jobs. Medical professionals anonymously report problems identified during employee personal health checks. Depending on local laws, these reports are addressed to the local ESHA organization or the appropriate area. The reported information is used to review mandatory workplace risk assessments in accordance with the guideline »Protection from Hazards to Health.« Clariant ensures medical confidentiality.

Clariant is committed to fostering a workplace culture that prioritizes the health, safety, and well-being of our employees beyond regulatory compliance. Clariant has implemented several initiatives specifically designed to deliver positive impacts for our workforce:

- Physical health programs: regular health examinations, subsidized fitness memberships, company sports programs
- Nutrition: fresh fruit initiative
- Mental health support: mental health days
- Crisis support: Clariant offers voluntary health services and access to intervention hotlines through external service providers in the event of personal crises
- Safety culture: safety days, first aid courses (also measures applicable at home)



HEALTH AND SAFETY-RELATED TARGET AND PROGRESS

	Total 2025	2024	2023	2022	2021	Target value 2025 ¹
Workplace safety-related days away, restricted, or transferred (DART Rate)	0.13	0.17	0.21	0.37	0.35	0.15

¹ Yearly target. Base year and target year are therefore both 2025.

S1-5 and S1-14 – Metrics and Targets Related to Health and Safety

Clariant has set the global absolute target of achieving zero accidents, which is firmly embedded in the company's Sustainability Policy, QESH Policy, and Code of Ethics. The Sustainability Policy explicitly states: »Our goal is to achieve zero accidents. Protecting the safety, health, and well-being of our employees is our top priority.« Similarly, the QESH Policy emphasizes that »maintaining a healthy and safe work environment is among Clariant's top priorities,« and the Code of Ethics reaffirms that »a healthy and safe work environment is one of Clariant's key priorities and we take this responsibility very seriously.« This implies that Clariant strives to achieve zero accidents at any of its sites so that employees, supervised workers, other contractors, and visitors to its site do not get harmed by incidents or accidents.

To support the zero-accident goal, Clariant has established annual global DART rate milestones, which are revised downward year by year. Progress is monitored regularly, and actions are evaluated as part of the company's occupational health and process safety programs, which include preventive and training measures. The DART rate target for the reporting period 2025 and progress toward this target are shown in the table below. In line with Clariant's expectations, the company continues its trend of declining DART rates in 2025.

Clariant has used the DART rate, which includes LTA and Restricted Work cases, since 2021. This broad indicator allows us to gain more valuable insights into accident occurrence than with the LTA rate alone, and thereby contributes to our efforts to achieve a zero-ac-

cident culture. The milestones are defined at the Group and business unit/global function level for the calendar year. The DART rate represents the number of workplace injuries that result in days away from work, restricted work activity, or job transfer divided by 200 000 hours worked. Clariant's health and safety-related KPIs are validated through ISO 45001 certification at all sites.

Clariant has multiple instruments in place to engage directly with its own workforce or workers' representatives in identifying any lessons or improvements from its health and safety-performance and in setting the respective targets. These include feedback for Safety Deviation reports, collaborative Safety Checks and Incident Investigations, involvement in Safety Committees, and events such as Safety Weeks (see section → »S1-2 and S1-3 – Processes Related to Health and Safety«).

Clariant continues to place a strong emphasis on occupational health and safety across all sites and regions. In 2025, a high number of reported unsafe situations and near misses (>55.000) reflected the strong safety awareness and active engagement of employees. Overall performance improved significantly, with a marked reduction in lost-time accidents and a continued downward trend in the lost-time accident rate (LTAR). The most common injury types included open wounds, sprains, contusions and chemical burns. And although the number of accidents has declined significantly in 2025, we unfortunately had to cope with four serious accidents involving severed limbs or burns. All relevant metrics, including injuries, accidents (internal and contractor-related), regional breakdowns, and DART performance are detailed in the following tables.

WORK-RELATED INJURIES AND LOST-TIME ACCIDENTS¹

	Total 2025	Total 2024	2023	2022	2021
Percentage of people in own workforce who are covered by a health and safety management system based on legal requirements and (or) recognized standards or guidelines (%)²	100	100	100	100	100
Number of fatalities as a result of work-related injuries	0	0	1 ³	0	0
Employees	0	0	0	0	0
Nonemployees	0	0	0	0	0
Other contractors ⁴	0	0	1 ³	0	0
Number of known fatalities as a result of work-related ill health^{5,6}	0	0	0	0	0
Employees	0	0	0	0	0
Nonemployees	0	0	0	0	0
Number of recordable work-related accidents, own workforce (LTA)⁵	15	18	22	29	23
Employees	15	17	19	23	22
Nonemployees	0	1	3	6	1
Rate of recordable work-related accidents per 200 000 hours worked, own workforce (LTAR)²	0.12	0.14	0.18	0.24	0.16
Employees	0.12	0.14	0.15	0.19	0.15
Nonemployees	0.00	0.1 ⁷	0.03	0.05	0.01
Number of cases of recordable work-related ill health⁵	0	1	2	0	0
Employees	0	1	2	0	0
Nonemployees (known cases)	0	0	0	0	0
Number of days lost to work-related injuries⁵	641	812	312	712	974
Employees	641	722	237	n.a ⁸	n.a ⁸
Nonemployees	0	90	75	n.a ⁸	n.a ⁸
Number of days lost to work-related ill health⁵	0	0	0	0	0
Employees	0	0	0	0	0
Nonemployees	0	0	0	0	0
Number of days lost to fatalities from work-related accident⁵	0	0	0	0	0
Employees	0	0	0	0	0
Nonemployees	0	0	0	0	0
Total number of hours worked	24 412 666	24 853 500	24 782 000	24 196 000	28 440 000
Employees	20 757 833	21 270 000	21 926 425	n.a ⁸	n.a ⁸
Nonemployees	3 654 833	3 583 500	2 855 575	n.a ⁸	n.a ⁸

¹ Employees (own employees) and nonemployees (supervised workers) are defined according to the ESRS.

² Since 2021, Clariant uses 200 000 hours worked as the denominator. The rate of recordable work-related accidents per one million hours worked corresponds to these figures multiplied by five: 0.8 in 2021, 1.2 in 2022, 0.9 in 2023, 0.7 in 2024, and 0.6 in 2025.

³ This refers to a fatality from a contractor at a joint venture site in Baroda/India.

⁴ Clariant defines »other contractors« as any other workers working on its sites, such as value chain workers if they are working on Clariant's sites, in line with the ESRS.

⁵ Information about nonemployees is not gathered in the same way as information on employees due to medical data privacy.

⁶ 0 fatalities due to work-related ill health among other workers have been identified or reported to Clariant

⁷ Totals may not add up exactly due to rounding.

⁸ Granularity in employee groups only available after technical system conversion 2023



SAFETY MANAGEMENT

	Total 2025	2024	2023	2022	2021	2020	2019
Number of reports on process safety events	42	43	51	43			
Process safety event rate ¹	0.34	0.35	0.42	0.36	0.46	0.36	0.48
Process Safety Event Severity Rate	0.54	0.72	0.74	0.63	0.63	0.73	
Number of significant spills	8²	10	12	9	6	17	2
Total volume of significant spills (m ³)	11.19²	27.50	86.66	12.88	13.24	78.69	1.30

¹ Process Safety Event rate = Number of Process Safety Events * 200 000 working hours per 100 person / Average number of FTEs* 2 000

² All spills were fully contained on-site, with no releases to the environment. As of 2024, the definition of significant Process Safety Events (PSEs) and spills follows the ICCA criteria, under which all PSEs with a score of ≥ 3 are classified as significant. Consequently, the figures reported in the current year are directly comparable only to 2024, which applied the same criteria, and are not comparable to prior years.

Process Safety

In 2025, Clariant reduced its process-safety event rate from 0.35 in 2024 to 0.34 and cut the number of events from 43 to 42. The company also achieved notable reductions in severity and total spill volume; 81% (34 cases) were classified as low-impact, the lowest severity category.

Clariant defines significant process safety events as those scoring more than three points according to ICCA criteria. In 2025, the company recorded eight significant cases with a total spilled volume of 11.19 m³, representing a substantial improvement compared to ten cases and 27.5 m³ in 2024. This progress resulted in a decreased Process Safety Severity Rate from 0.72 to 0.54, demonstrating a 25% reduction in severity.

Root cause analysis revealed that personal and organizational factors accounted for 57% of process safety events, while technical causes represented 38%, and other causes made up the remaining 5%.

S1 Sub-Chapter III – Human Rights

Clariant is firmly committed to conducting business with unwavering respect for human rights across our global operations and value chain. We recognize our fundamental obligation to uphold and promote internationally recognized human rights standards with a particular focus on the prohibition of child labor, forced labor, and human trafficking in any form. These commitments are embedded in our company culture and operational practices.

S1-1 – Policies Regarding Human Rights

Clariant integrates human rights into its operational fabric through a comprehensive set of systems that ensure consistent application across the organization. An extensive framework of policies and guidelines govern Clariant's human rights approach:

- Clariant's Code of Ethics
- The Human Rights Policy
- The Global Employment Policy

These are described in more detail in the policy overview in chapter ESRS2 – General Disclosures.

In line with these policies, Clariant has established a comprehensive governance framework to guide the implementation and monitoring of its human rights commitments: The Human Rights Advisory Group, a cross-functional body composed of senior representatives from Human Resources, Procurement, Legal and Compliance, Health and Safety, and Sustainability, provides strategic direction and operational oversight. The committee convened quarterly in 2025, ensuring integration of human rights considerations into management systems and business functions. The committee's role includes setting priorities, overseeing risk

management activities, reviewing internal guidelines, and steering continuous improvement initiatives related to human rights. The Head of Sustainability reports quarterly on the progress toward targets to the Ethics and Risks Management Committee.

S1-4 – Integration into Business Practices

To ensure awareness and compliance, Clariant has implemented a mandatory training curriculum featuring e-learning modules relating to ethics as well as human and labor rights principles, including the Code of Ethics, which employees need to complete. The completion of these mandatory e-learning is tied to performance evaluations and, correspondingly, remuneration. This underscores Clariant's commitment to human rights as a core business value that reinforces human rights due diligence conducted across all business units and functions, featuring risk assessments and mitigation plans.

Core to Clariant's human rights implementation is our grievance mechanism, the Integrity Line, which provides an open and anonymous channel enabling both employees and external parties to report actual or potential violations of Clariant's policies, including the Human Rights Policy, without retaliation. All reports submitted via the Integrity Line are initially reviewed by an independent third party. Findings are reported to the Human Rights Committee. The system employs specialized tagging for human rights-related reports, allowing for systematic tracking and management with assigned KPIs for timely resolution. Through this interconnected approach, human rights considerations have become part of Clariant's business operations, creating a culture where respect for human dignity drives decision-making in the organization. For further information, see chapter → »G1 – Business Conduct.«

Continuous Improvement in Human Rights Management

Clariant is committed to continuously enhancing its human rights management approach in response to evolving global standards and expectations. This commitment is operationalized through a dedicated cross-functional team that brings together expertise from Sustainability, Legal and Compliance, Human Resources, Environmental Safety and Health Affairs (ESHA), and Procurement. Regular and systematic reviews are conducted on Clariant's human rights due diligence processes to ensure they remain effective and aligned with emerging regulatory frameworks across multiple jurisdictions. These processes also ensure compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises.

Clariant identifies opportunities for improvement by leveraging market benchmarks and external assessment frameworks such as EcoVadis ratings, and actively participates in industry dialogues and multistakeholder initiatives. The company demonstrates its commitment and progress through strategic partnerships, including its signatory status to the UN Global Compact and the chemical industry's Responsible Care® initiative, as well as its membership in the Together for Sustainability (TfS) initiative and the Roundtable on Sustainable Palm Oil (RSPO). Through these collaborative engagements, Clariant contributes to and also benefits from evolving best practices in human rights protection across global supply chains and business operations.

Operationalizing Human Rights at Clariant

Clariant transforms its human rights commitments into tangible action by systematically embedding these principles into its core operations and decision-making process. Employees are equipped with the knowledge and skills needed to uphold human rights standards in their work, particularly through the abovementioned mandatory trainings. In 2024, the company mobilized a diverse cross-functional team spanning all three business units and multiple global functions to serve as human rights champions. In 2025, these individuals further contributed to the strengthening of Clariant's human rights governance framework and deepened their expertise in human and labor rights.

Working Conditions at Clariant and Approach to Addressing Human Rights Risks

Clariant recognizes its responsibility for the well-being of its staff and has well-established processes in place to ensure fair working conditions and a safe working environment for all its employees. Human Resources is the lead function to identify, assess, and address potential human rights risks in relation to Clariant's own workforce, while ESHA / IGSM is responsible for monitoring and addressing issues related to occupational health and safety.

Annual risk assessments are performed on a regional or site level. The risks are categorized; corrective measures are identified; and progress is monitored. For example, the ESHA global risk platform for health and safety-related topics makes it possible to track the status of corrective measures against an agreed, time-bound corrective action plan, as all cases are assigned to a responsible person.

Based on the human rights due diligence review and update in 2023, Clariant expanded its assessment criteria in 2024 to systematically include a stronger focus on risks to people in its existing risk management processes. In 2024, the company rolled out this approach, identifying and implementing any enhancements to the risk assessment methodology.

Concerning child labor, Clariant's Human Resources function, in line with the company's Employment Policy, ensures that minimum age provisions are adhered to and that local Human Resources departments at Clariant workplaces use mechanisms for age verification. Clariant prides itself on offering interesting and attractive learning and career opportunities to young people via its internship and apprenticeship programs. Where these involve young workers under 18 years of age, Clariant strictly abides by applicable laws and regulations on the protection of such young workers. Clariant's rigorous Environmental Health & Safety procedures ensure that young workers are protected from any health hazards in the context of their employment.

Human Rights Due Diligence

Human rights due diligence is an ongoing process through which Clariant identifies and manages, as appropriate, actual and potential adverse impacts on human rights, including child labor, associated with its business activities and relationships. This process also applies to human rights concerning Clariant's own workforce. Actions taken can include enhanced due diligence, engagement with suppliers and contractual assurances, supplier assessments and on-site checks, awareness-raising and training, and other measures as appropriate considering the specific risk. Clariant seeks to continuously improve its human rights due diligence, including in relation to specific risk areas.

Based on the evaluation of its human rights due diligence approach, Clariant will continue to further strengthen the effectiveness of The Integrity Line from a human rights perspective, particularly by ensuring transparency about the types of issues that can be raised and about how concerns will be investigated. See the → »G1 – Business Conduct« chapter for more information on Clariant's Integrity Line.



S1-17 – Human Rights-related Metrics

The following table provides an overview of human rights issues reported in 2025.

INCIDENTS, COMPLAINTS, AND SEVERE HUMAN RIGHTS IMPACTS

	Total 2025
Number of incidents of discrimination and harassment ^{1,4}	8
Number of severe human rights issues and incidents connected to own workforce ^{1,5}	0
Number of other complaints filed through Integrity Line ^{1,2,3,6}	78

¹ There were no reports to National Contact Points for OECD Multinational Enterprises and no reports of violations of the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises. Consequently, there were no fines, penalties, or compensations, and Clariant played no role in securing remedy for those affected.

² In 2025, the company was not aware of any reported instances of child labor in the company. There were no reports concerning child labor or forced labor made to Clariant's Integrity Line, which is publicly accessible and enables anyone directly or indirectly affected by Clariant's activities to speak up, with the option to raise concerns anonymously. Overall, there are no reasonable grounds to suspect child labor with respect to the reporting requirements of the Regulation on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labor, Article 964 j-k Section 3.

³ Topics are defined in accordance with paragraph 2 of S1, excluding incidents of discrimination and harassment.

⁴ Incidents include all the cases that went through formal process with a severity of 4 or 5 (on a scale from 1-5).

⁵ Child labor, forced labor, human trafficking, and violations of freedom of association fall under severe Human Rights.

⁶ The other complaints can include cases related to Wages & Benefits, Working hours, Health & safety, Water and Sanitation, Land Rights; and cases with a severity lower than 4 for the following categories (if possible): child labor, forced labor, human trafficking, freedom of association /collective bargaining, Harassment/ Discrimination

S1 Sub-Chapter IV – Diversity, Equity, and Inclusion

Clariant employs a global workforce spread across numerous countries and regions. The employees represent a wide range of nationalities, cultures, religions, and professional and educational backgrounds, contributing to a vibrant and inclusive corporate culture. Diverse and inclusive teams have the capacity to boost Clariant's innovative strength and enable the company to better address the needs of its customers. Thus, diversity contributes to the company's problem-solving mindset and customer-centric culture.

At Clariant, we have developed a comprehensive understanding of how certain individuals may face greater risks of harm based on their characteristics, working contexts, or specific activities. This understanding forms the foundation of our inclusive workplace strategy. Our approach recognizes that risk factors can vary significantly across our global operations. Through systematic assessment and continuous learning, we have identified that:

- Employees in certain production environments may face specific physical challenges, and that
- Team members with particular protected characteristics may encounter unique barriers to inclusion

To ensure we maintain best practices, Clariant regularly benchmarks our inclusion and well-being initiatives against respected external organizations. Our ongoing partnerships with the UN Global Compact provide valuable frameworks for ethical business conduct, while collaborations with specialized organizations like Workplace Pride and Inclusive Employers help us measure our progress on inclusion metrics.

These benchmarking activities enable us to:

- Identify gaps in our current approaches
- Implement evidence-based improvements
- Track our progress against global standards
- Share best practices across our operations

By combining our internal risk assessments with external benchmarking, we continue to strengthen our understanding of potential harm factors while advancing our inclusion agenda throughout the organization.

S1-1 – Policies Related to Diversity, Equity, and Inclusion

The belief that trust, integrity, appreciation, and respect make Clariant and its employees stronger, ensuring long-term prospects, has been incorporated in the company's Global Employment Policy and Code of Ethics.

Clariant's membership in the UN Global Compact, the company-wide Group Policy on Human Rights, and global employment standards form the basis for activities in the DE&I area. For details on the mechanisms for monitoring compliance with the relevant international human rights frameworks, see → **»S1 Sub-Chapter III – Human Rights.«** Clariant's Global Family Support Policy and Remote Working Policy are strong pillars that enable parents in general, and particularly women, to combine professional development and private life. Clariant continuously reassesses how it can support parents and caregivers. Clariant reviewed its policies for their inclusivity at the end of 2022, as well as in 2023.

Although Clariant does not have a dedicated DE&I policy, it incorporates DE&I principles into the following policies (see chapter → **»ESRS 2 – General Disclosures«** for more information on these policies):

- Code of Ethics Global
- Global Employment Policy
- Human Rights Policy
- Global Family Support Policy
- Flexible Remote Working Policy

Together these policies form the foundation of Clariant's approach to managing workforce-related human rights matters, covering engagement, prevention, and remedy mechanisms further detailed in the → **»Human Rights«** chapter. Diversity and equal opportunity are explicitly referenced in Clariant's Human Rights Policy, which commits the company to fair treatment, nondiscrimination, and equal pay for equal work. As stipulated in its Human Rights Policy, Clariant does not tolerate discrimination based on race, ethnicity, nationality, religion, gender or gender identity, disability, age, marital status, sexual orientation, or membership in a trade union or political party. In hiring, compensation, and promotion, each employee or applicant has the right to be treated

solely based on personal abilities, skills, performance, and potential. The dedicated processes that ensure discrimination is prevented, mitigated, and acted upon once detected, as well as those that advance diversity and inclusion, are described under “S1-3 – Remediation Processes and Reporting Channels Related to Diversity, Equity, and Inclusion”. And as it is an integral part of the Global Employment Policy, the elimination of discrimination and harassment, as well as the promotion of equal opportunities for all, is integrated into Clariant’s practices.

DE&I Roadmap

In the context of its purpose-led strategy as well as through feedback from employees and customers, Clariant has set up a DE&I roadmap for 2022 to 2030, which concentrates on four select core elements:

Leadership commitment: Clariant leaders continuously commit to a diverse and inclusive workplace. Leaders are accountable for highlighting achievements for advocacy of underrepresented groups and for leading inclusively with cultural intelligence.

Inclusive culture: Everyone at Clariant demonstrates by their behaviors that every single employee is welcome and contributes to a strong Clariant. Emphasis is on a feedforward and speak-up culture.

Employee equality: Equality is essential for all Clariant employees. The company offers equal opportunities and equal pay for equal work for all positions. It gives equal access to career development for all ethnicities and national identities, with particular emphasis on the leadership team.

Cultural intelligence: Building awareness of difference across the global business and seeking to build empathy and appreciation for all promotes a sense of inclusion.

Progress on the roadmap is on track, as the yearly breakdown confirms:

2022

- Launch roadmap
- Align leadership
- Implement first actions against baseline

2023

- Fully integrate DE&I into core people processes
- Connect to employees’ experience

2024

- Review progress
- Broaden focus areas and action plans

2025

- Continuously fine-tune measures to ensure embedding of DE&I in Clariant culture and environment
- Enhance leadership accountability, engagement, and cascade
- Provide a DE&I dialogue toolkit for enablement, including inclusion nudges for key moments
- Develop learning resources on inclusion and the positive impact inclusivity can have on the broader work environment

2026

- Embed self-ID campaign and increase disclosure
- Broaden understanding of the impact of DE&I by engaging with focus groups and listening circles

2027

- Develop a procurement strategy with a DE&I lens, focusing on supplier diversity and engagement
- Share more broadly externally through speaking engagements and thought leadership

Clariant has utilized the results of its double materiality assessment to shape its ongoing strategy and action plans. This process involved a comprehensive review of its infrastructure, yielding significant recommendations for improving its family leave policies.

DIVERSITY, EQUITY, AND INCLUSION ROADMAP OF ACTIONS

2025

- Enhance leadership accountability, engagement & cascade
- provide a DE&I dialogue toolkit to enable, including inclusion nudges for key moments
- Develop resources so that learners will understand what inclusion is and the positive impact inclusivity can have on their broader work environment

2026

- Embed self-id campaign and increase disclosure
- Broaden understanding of impact of DE&I through engaging with focus groups and listening circles

2027

- Develop a procurement strategy with a DE&I lens, focusing on supplier diversity and engagement
- Share more broadly externally through speaking engagements and thought leadership

2028

- Continuously finetune measures to ensure that DE&I is embedded in Clariant’s culture and environment
- DE&I is seen as key business driver and embedded in sustainable development

S1-2 – Processes Related to Diversity, Equity, and Inclusion

Annual Engagement Survey

Once a year, Clariant gathers insights and feedback from all employees to identify the needs and sentiments of its workforce through its annual engagement survey. Every employee is encouraged to participate and provide feedback. The results from this survey are crucial for shaping any further actions taken in relation to DE&I.

The CEO ensures that the survey is supported by aligned action plans and effective implementation. Clariant views the engagement survey as an effective tool for engaging all employees, as evidenced by rising participation rates and improved engagement scores.

Clariant does not currently collect sensitive data in relation to employees' protected characteristics. We use a multifaceted approach to collecting employee perspectives. Pulse surveys and regular Our Voice surveys provide quantitative insights, while town halls and open forums offer platforms for direct dialogue with leadership. We use Employee Resource Groups (ERGs) as vital channels to understand the current experiences of diverse workforce segments, with these voluntary, employee-led groups providing authentic insights into workplace challenges and opportunities. For specific projects such as pay transparency, employee listening sessions and focus groups are organized, which means Clariant gains nuanced understanding of employee experiences across different demographics and regions. As a result, unless an employee voluntarily provides this information, Clariant remains unaware of their specific needs. With regard to DE&I outcomes, employees play an active role in monitoring performance by answering targeted questions about their experience. The DE&I dashboard provides quarterly updates on attrition, representation, and recruitment, highlighting the progress made.

Besides its annual engagement survey, ERGs for women and the LGBTQ+ community, and an additional ERG focused on multigenerational issues, are already being established. Each ERG develops an annual action plan addressing education and events.

Clariant regularly benchmarks its practices against global standards, including the Workplace Pride and Inclusive Employers Standard, generating annual reports that identify gaps. The insights gained from these assessments are instrumental in shaping the DE&I action plan for the following year.

Clariant's commitment to respecting human rights is integrated into all our operations and decision-making processes. Human Rights Due Diligence is an ongoing process through which Clariant identifies, assesses, and addresses actual and potential adverse impacts on human rights caused by its business activities and relationships. We regularly identify and assess risks of adverse impacts across our own operations and supply chain. In doing so, we rely on internal information, such as data gathered by our various functions, supplier assessments, or insights from reports received

via our grievance mechanism, as well as on external expertise, such as international organizations, nongovernmental organizations, experts, and relevant stakeholders, including rightsholders' perspectives. We prioritize human rights risks, taking into account the likelihood and severity of adverse impacts on people, and determine appropriate prevention and mitigation actions in response to our key risk areas. These can include enhanced due diligence, engagement with suppliers and contractual assurances, supplier assessments and on-site checks, awareness raising and training, or other measures as appropriate in light of the specific risk. We acknowledge that many human rights challenges may be outside our direct control or of a systemic nature. In such instances, we seek to use our leverage or collaborate with others, particularly our suppliers and other industry stakeholders, to support solutions. We regularly review the effectiveness of our risk response, identify learnings, and strive to continuously improve our Human Rights Due Diligence. The Human Rights Due Diligence process is described in our internal Group Human Rights Due Diligence Process Instruction and integrated into relevant and complementary SOPs.

S1-3 – Remediation Processes and Reporting Channels Related to Diversity, Equity, and Inclusion

To ensure a workplace free from harassment and discrimination, Clariant has established the Clariant Integrity Line as a reporting tool for individuals seeking assistance or wishing to report concerns. → **Read more on the Integrity Line in G1 »Business Conduct«.** Clariant introduced an Inclusion Index in 2021, which measures employees' approval of a select subset of DE&I-related items from the regular annual engagement survey questionnaire. It measures employee experience and perception of Clariant as a diverse and inclusive workplace and the behaviors that contribute to it. Relevant criteria, as of 2025, refer to the following key areas and questions:

- **Belonging:** I feel my organization values diversity (e.g., age, gender, ethnicity, language, education, qualifications, ideas, and perspectives).
- **Uniqueness:** My voice is heard when I express my perspectives, even if they differ from those of the rest of the team.
- **Psychological safety:** I feel it is safe to speak up without fear of adverse consequences.
- **Fairness:** Employees from all backgrounds have an equal opportunity to succeed in my organization.
- **Authenticity:** The managers at Clariant practice inclusion, helping all employees feel important, capable, and understood.

Results from the most recent employee engagement survey indicate a notable improvement in overall employee experience compared to the previous year. In particular, four out of five core dimensions of the Inclusion Index showed positive development.



S1-4 – Actions Related to Diversity, Equity, and Inclusion

In 2022, Clariant's focus was on setting the ground for the DE&I roadmap and setting up the DE&I Steering Team, allowing for regular metric reviews and creating sponsorship for Employee Resource Groups (ERGs). On a global and regional level, Clariant has started partnerships with relevant external initiatives to support these processes, such as the global organization »Inclusive Employers« and the »Charta der Vielfalt« in Germany.

Inclusive Employers offers consultancy, training, and thought leadership to help make inclusion an everyday reality at the workplace. In 2023, Clariant signed the Workplace Pride charter, which champions LGBTQ+ inclusion. In 2024, Clariant achieved Bronze accreditation status from Inclusive Employers.

In 2025, the focus on DE&I has shifted from broad awareness to concrete accountability, with leaders held responsible for driving measurable progress across their teams and functions. Rather than treating inclusion as a stand-alone initiative, leaders are embedding inclusive behaviors into everyday practices. This shift was facilitated by the development of an inclusion toolkit that enabled leaders and employees to practice inclusion. The toolkit provides practical resources that translate inclusion principles into everyday actions. By equipping teams with concrete strategies,

conversation guides, and best practices, these toolkits democratize inclusion efforts across all levels, ensuring consistency while empowering individuals to become active participants in cultural change

The Executive Leadership Team (ELT) and leadership teams of the business units and global functions have considerably expanded their appreciation of this topic. All our leadership team members went through a diagnostic called Intercultural Development Inventory (IDI) to identify their current state of intercultural awareness and how to address the gaps.

Based on annual gender pay gap analyses conducted since 2022, Clariant established a roadmap in early 2023 to address systematic causes of pay gaps. The roadmap is reviewed and adjusted yearly, while educational materials and opportunities are provided to increase awareness and understanding, particularly among Clariant leaders.

Clariant's Ethics and Compliance team regularly reviews these assessment findings with senior leadership and employee representatives, collaboratively developing strategies to address any identified gaps. These might include enhanced communication campaigns, targeted training sessions, or process improvements based on user feedback. Through this comprehensive assessment framework, Clariant ensures the Integrity Line remains a trusted and accessible resource for all employees across its global operations.

Key action	Description and year of completion	Scope of action	Target KPI impacted	Overall progress in 2025 and how we track effectiveness
Raising Awareness	Education, training, and global activities to raise awareness of DE&I and celebrate differences.	Group-wide; all operational units globally	Inclusion index	The overall measure for this is the engagement score and inclusion index
Women Inclusion Network	Virtual trainings; complemented by coffee breaks with senior leaders and global networking activities; sponsored by the President Catalysts and APAC.	All operational employees	Number of people attending sessions Growth of network	The overall measure for this is the engagement score and inclusion index
Clariant Pride	Employee-led ERG promoting LGBTQ+ inclusion, safe space for community and allies, partner for improving processes/benefits, and platform for awareness and education; sponsored by the CSTO.	All operational employees	Number of people attending sessions Growth of network	The overall measure for this is the engagement score and inclusion index
Pay equity and fairness	Strengthened pay equity through transparency and tools for managers/HR to ensure fair compensation decisions.	HR and people managers		
Diversity in the recruiting process	Recruitment and promotion based on skills and abilities; diverse perspectives seen as key to innovation and growth.	HR and people managers	Number of managers completed training	This is integrated into training offering
Review and external benchmarking	Clariant accelerates its review and external benchmarking exercise on all family-friendly policies. This includes adoption leave.	All operational employees	Inclusion index	We have established an enhanced family support policy which will be phased into business over next 18 months. We will measure impact through inclusion index
Rebalancing pay inequities	Clariant developed a detailed action plan to rebalance any existing pay inequities across the business. It also focuses on pay transparency education.			



Pay Equity and Fairness

At Clariant, equal pay for equal work continues to be a cornerstone of our Diversity, Equity, and Inclusion (DE&I) strategy and remuneration philosophy. In 2025, we advanced our commitment to pay equity through a series of impactful initiatives, reinforcing our dedication to fairness, transparency, and compliance with evolving global standards.

A key milestone this year was the implementation of a specialized Pay Equity Tool, enhancing our ability to monitor, analyze, and address pay disparities across gender, race, and ethnicity. This tool supports data-driven compensation decisions and enables compliance with the EU Pay Transparency Directive.

To further empower our people managers and HR professionals, targeted training sessions focused on equitable pay practices and unconscious bias in compensation processes were delivered over the course of the year. These sessions were complemented by the rollout of a comprehensive Pay Transparency Strategy, setting the foundation for phased implementation in 2026 and 2027.

In 2025, Clariant continued to make measurable progress in closing the gender pay gap. The global ratio of average base salary for female employees rose slightly to 104.3% compared to male employees from 104.1% in 2024. This figure represents an unadjusted average base salary comparison. Similarly, the average female employees within Clariant's pay bands improved narrowing the gap to 1.64% below that of male employees down from 2.14% the previous year. Pay positions indicate where employees are placed within Clariant's salary bands, which are determined based on market data and job level.

Both analyses, average base salary and average pay position by job level, cover permanent and temporary employees in the vast majority of countries and entities in which Clariant operates. Due to the high-inflation environment and resulting frequent salary adjustments, Argentina and Venezuela, as well as selected joint venture entities not falling under Clariant's remuneration policy, are exempt from the analysis. Both analyses furthermore cover full-time and part-time employees. The analysis of average pay position by job level in general excludes employees who are bound by a collective bargaining agreement.

These improvements reflect the positive impact of our ongoing equal pay actions, including a structured global analysis by job level and country. As part of our commitment to fair compensation, Clariant continued to allocate a dedicated Equal Pay Budget during the annual salary review process, enabling targeted adjustments to increase compensation for employees identified through our pay equity analysis.

GENDER PAY GAP

	2025	2024	2023
Gender pay gap (%)	104.3	104.1	103.6
Average payband position	1.64	2.14	1.96

Clariant proudly achieved official certification as a Living Wage employer in 2025, marking a significant milestone in our sustainability journey. This certification, following our comprehensive global assessment and employee validation surveys conducted with the Fair Wage Network, validates our commitment to fair compensation practices. Our efforts were further recognized with the Jury's Special Prize as part of L'Oréal's Green Vibes Award, acknowledging our leadership in social responsibility and sustainable business practices.

This achievement represents more than compliance with compensation standards; it embodies Clariant's core belief that fair pay creates value beyond business metrics. By ensuring all employees receive compensation that supports a decent standard of living, we've strengthened our culture of respect, trust, and inclusion. As we look toward 2030, we are striving to expand our commitment by extending living wage standards throughout our value chain, encompassing contractors, suppliers, and partners. This ambitious goal reflects our conviction that true sustainability begins with people, and that fair compensation practices create positive ripple effects across communities and economies where we operate.

Looking ahead, Clariant remains steadfast in its pursuit of pay equity and living wage compliance, with continuous monitoring, transparent communication, and inclusive practices at the heart of our approach.

Women Inclusion Network

In 2025, the Women Inclusion Network (WIN) hosted virtual training sessions, including Essential Skills for Today's Leaders, Cross-Border Leadership & Communication, and Navigating Parental Leave, alongside coffee breaks with senior leadership and external partners, as well as site-based activities globally. Sponsored by the President Catalysts and APAC, Jens Cuntze, WIN connects and empowers women at Clariant – while welcoming all colleagues who support gender inclusion. The network provides a safe forum for open dialogue, peer support, and targeted development opportunities, including guidance during personal and professional life transitions such as career advancement, pregnancy, parenthood, and caregiving.

Clariant Pride

Clariant Pride is an employee-led group dedicated to building a community of pride, inclusion, and visibility across Clariant. It provides a safe, affirming space where LGBTQ+ employees and allies can connect, share experiences, and feel supported. Through open dialogue, education, and collaboration, the group helps embed inclusive values into daily work and business practices. Sponsored by Richard Haldimann, Chief Strategy & Technology Officer, Clariant Pride drives awareness, allyship, and meaningful change – fostering a culture where everyone can belong, thrive, and contribute their best.



Diversity in the Recruiting Process

Clariant is committed to fostering diversity and inclusion in its workforce. The company recruits and promotes individuals based on their skills and abilities, regardless of their social identity. A diversity of perspectives and ways of thinking is seen as essential to driving innovation and growth.

Clariant uses a variety of strategies to ensure that its recruitment practices support DE&I objectives. The practices include targeted outreach efforts to underrepresented groups, training on unconscious bias, and the use of inclusive language in job postings. Clariant also utilizes data to track progress toward DE&I targets and to identify areas for improvement. By continuously evaluating and improving recruitment practices, Clariant can attract and retain a diverse talent pool that reflects the communities it serves. We are going to measure success by tracking our talent acquisition pipeline.

Strengthening Family Support and WorkLife Integration

Recognizing the critical importance of worklife integration for employee well-being and productivity, Clariant recently conducted a thorough review of all family support policies to ensure they effectively serve our diverse workforce. This comprehensive assessment covered parental leave provisions, flexible working arrangements, childcare assistance, elder care support, and adoption benefits across all regions where we operate. By analyzing utilization patterns, gathering employee feedback through ERGs, and benchmarking against industry best practices, we identified several opportunities to enhance our support framework.

The review focused on mitigating potential impacts of family responsibilities on career progression, financial stability, and mental well-being. As a result, we are implementing more inclusive definitions of »family,« extending leave options for diverse caregiving scenarios, and introducing more flexible work arrange-

ments that accommodate different family structures and needs. These policy enhancements reflect Clariant's commitment to supporting employees through all life stages and family circumstances, ultimately strengthening our ability to attract and retain top talent while fostering a more inclusive and supportive workplace culture.

Embedding DE&I as a Strategic Business Driver

Diversity, Equity, and Inclusion (DE&I) is a significant strategic asset for Clariant, delivering measurable business value across multiple dimensions. Research consistently shows that companies with robust DE&I practices outperform competitors through enhanced innovation, stronger decision-making, and improved market understanding. At Clariant, our DE&I framework is anchored by clear accountability structures: the Chief Human Resources Officer holds executive-level responsibility, while all leaders across the organization are accountable for DE&I implementation. This distributed model embeds DE&I principles into daily operations, with regional champions driving local initiatives and adaptations.

Clariant invests substantially in DE&I-focused development programs, including unconscious bias training, inclusive leadership workshops, and cultural competence building, amounting to thousands of collective training hours each year. Targeted recruitment initiatives, representing a substantial share of our talent acquisition budget, have yielded measurable improvements in workforce diversity across management levels and increased multicultural representation in leadership. These investments generate tangible returns through enhanced innovation capabilities, stronger customer connections, higher employee engagement, and lower turnover. By quantifying both our financial and time investments across organizational levels and linking them to business outcomes Clariant demonstrates that DE&I is not merely a compliance requirement but a fundamental driver of competitive advantage and sustainable growth.

DE&I INDEX 2025¹

I feel my organization values diversity (e.g., age, gender, ethnicity, language, education qualifications, ideas, and perspectives)



My voice is heard when I express my perspectives, even if they differ from the rest of the team



I feel it is safe to speak up without fear of adverse consequences



Employees from all backgrounds have an equal opportunity to succeed at my organization



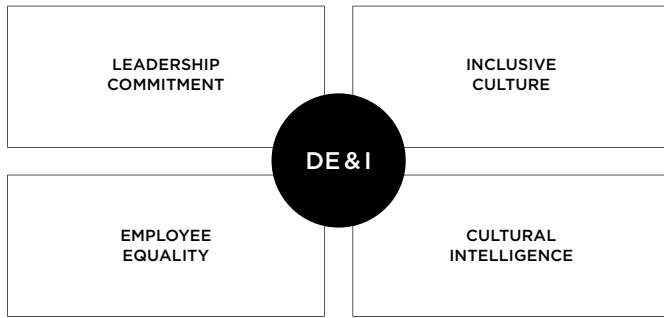
The managers at Clariant practice inclusion, helping all employees feel important, capable and understood



■ Positive Perception ■ Positive Hesitance □ Negative Hesitance □ Negative Perception

¹ The sums do not always add up to 100 as the numbers are rounded

DE & I CORE ELEMENTS



Accessibility and Inclusion Review of Facilities

Clariant has undertaken a review of its key locations to assess the accessibility and inclusiveness of its facilities. This assessment enabled the company to evaluate how well its sites accommodate a variety of needs, including those of parents and employees with disabilities. The decision to upgrade these facilities will be reflected in upcoming CAPEX requests.

Proportion of Senior Management Hired from the Local Community

National origin refers to the nationality associated with the employment contract. This goal relates to the senior and top leadership levels.

S1-5 – Targets Related to Diversity, Equity, and Inclusion

Clariant aspires to have its employees represent the diverse and global world we live and work in. In each country, efforts might be required to increase the outreach and advancement of underrepresented ethnicities and races within Clariant. On its DE&I journey, the company is committed to continuously reviewing and assessing how it can create a more equitable and inclusive workplace that engages a workforce reflective of the world's diversity. We have set an objective to bring in 50% of our talent from underrepresented groups for all vacant positions in the organization.

Clariant aspires to:

- Increase the Inclusion Index from 66 % in 2021 to 82 % in 2030
- Grow the percentage of female leaders from 16 % in 2021 to over 30 % in 2030 and strengthen gender balance for non-frontline employees from 35 % female in 2021 to 45 % by 2030
- Increase the percentage of leaders of national origin outside Europe at the senior management level from 32 % in 2021 to over 40 % in 2030
- All of Clariant's targets are global targets.

According to Clariant's growth plans, Europe will represent less than 40 % of sales by 2025. Increasing the share of nationals from outside Europe serves the purpose of ensuring that Clariant leadership reflects the business footprint to include different regional perspectives and increase the quality of global decision-making.

At Clariant, our Diversity, Equity, and Inclusion (DE&I) strategy undergoes a structured annual review process to ensure continuous improvement and alignment with business objectives. Each year, our cross-functional leadership team conducts a comprehensive assessment of DE&I metrics, program effectiveness, and emerging opportunities, using both quantitative data and qualitative feedback from employee resource groups. This systematic evaluation informs strategic adjustments and resource allocation for the coming year, with progress reports presented to the Executive Leadership Team for oversight and guidance. A significant milestone in our DE&I journey was achieving Bronze accreditation status from Inclusive Employers, a recognized standard that evaluates organizations against six pillars of inclusion: Engage, Equip, Empower, Embed, Evaluate, and Evolve. This framework provides a holistic assessment of our DE&I maturity across leadership commitment, policies and practices, workplace culture, and measurable outcomes. The accreditation process involved rigorous evidence submission and independent evaluation of our initiatives, from inclusive recruitment practices to leadership development programs. Our commitment to this disciplined approach has yielded meaningful achievements in creating employee resource groups, implementing mentoring programs, enhancing inclusive leadership capabilities, and developing recruitment processes that attract diverse talent. These accomplishments demonstrate how our annual review process drives tangible progress in creating a workplace where all employees can thrive and contribute to Clariant's success.



S1-9 – Metrics Related to Diversity, Equity, and Inclusion

Diversity in Management Positions

Clariant's structured global succession planning fosters a diverse range of profiles for leadership roles, with a strong focus on cross-business and cross-functional experiences. These efforts have led to measurable progress in the representation of women across the organization, including in management roles and governing bodies.

The composition of the Executive Leadership Team (ELT) and the Board of Directors reflects the company's ongoing commitment to gender diversity at senior levels. In addition, the company monitors compensation across all employee groups to ensure gender pay equity, with current assessments confirming a favorable ratio of average base salary between women and men.

BREAKDOWN OF EMPLOYEES BY AGE AND BY GENDER DISTRIBUTION AT TOP MANAGEMENT

	2025		2024		2023		2022		2021	
	Head count	Percent	Head count	Percent	Head count	Percent	Head count	Percent	Head count	Percent
Employees at top management level¹	143	n.a.	146	n.a.	146	n.a.	168	n.a.	190	n.a.
Male	113	79	117	80	122	84	144	86	171	90
Female	30	21	29	20	24	16	24	14	19	10
Other ²	0	0	0	0	0	0	0	0	0	0
Employees under 30	1 655	16	1 726	16	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Employees between 30 and 50	6 191	59	6 396	59	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Employees over 50	2 603	25	2 724	25	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

¹ Clariant uses "top management" and "senior management" synonymously, and defines this level as including the CEO, the Executive Steering Committee, and the top four levels (based on grading) below the supervisory and administrative bodies. This definition was also applied in previous reports and allows for comparability over time. Values for 2024, 2023, 2022 and 2021 are both FTE and head count values.

² Other includes employees who identify outside the binary gender categories, as well as those who have selected 'unreported' or 'unknown' in our HR system if they prefer not to disclose their gender. Gender data can be updated by both HR and the employee.

S2 – Workers in the Value Chain

Summarized by Clarita^{AI}

- + Clariant covered 92% of direct spend through sustainability ratings in 2025, with 926 new EcoVadis assessments, 605 new audits, and 259 suppliers identified as having significant negative environmental impacts.
- + Local procurement represented 92.9% of the procurement budget, totaling CHF 1,229 million out of CHF 1,323 million across 1,890 local suppliers.
- + Zero instances of child labor, forced labor, or severe human rights incidents were reported in 2025, with no Integrity Line reports and compliance maintained with Swiss and EU conflict minerals regulations.

S2-SBM-3 and IRO-1 – Description of IROs and Interaction with Strategy and Business Model

In its double materiality assessment updated in 2025, Clariant identified the IROs shown above and described below as material:

While the material IROs identified in the 2025 DMA are addressed through existing policies, processes, and actions described in the following sub-chapters, their linkage to the individual material IROs is not yet explicitly presented in this year's report. The disclosed policies, processes, and actions contribute to addressing these IROs but do not cover all applicable ESRS requirements.

Hazardous working conditions and exposure to dangerous environments in upstream supply chains: Workers in upstream mining and chemical industries are exposed to hazardous working conditions that pose significant risks to health and safety. In mining operations, exposure to harmful substances, inadequate safety protocols, and elevated accident rates – especially in regions with weak regulatory enforcement – heighten worker vulnerability. Similarly, chemical production involves risks related to heavy machinery, hazardous substance handling, and exposure to electrical, thermal, and pressure-related hazards. Complex chemical processes using flammable and reactive materials further increase the likelihood of acute health and safety incidents.

Gender inequality risks in upstream chemical supply chains: In the upstream chemical industry, particularly in low-income and developing regions, limited enforcement of nondiscrimination standards can lead to unequal treatment and restricted opportunities for women. The sector is traditionally male-dominated, and gender equality is often not prioritized in supplier relationships. As a result, women may encounter structural barriers to entry, limited career progression, and underrepresentation in technical and leadership roles, reinforcing gender-based inequalities and impeding the development of inclusive supply chains.

MATERIAL IROs RELATED TO WORKERS IN THE VALUE CHAIN

Type	Definition	Topic	Value Chain Location			Time Horizon		
			⌆	CLARIANT	⌇	>	»	»»
Actual negative impact	Hazardous working conditions and exposure to dangerous environments in upstream supply chains	Working conditions (health and safety)	■			■		
Potential negative impact	Gender inequality risks in upstream chemical supply chains	Equal treatment and opportunities for all (gender equality and equal pay for work of equal value)	■				■	
Potential negative impact	Risk of child and forced labor in upstream supply chains	Other work-related rights (child labor, forced labor)	■			■		
Potential negative impact	Risk of child and forced labor in downstream supply chains	Other work-related rights (child labor, forced labor)			■	■		

Risk of child and forced labor in upstream supply chains:

Clariant's sourcing activities in upstream supply chains carry potential human rights risks, particularly related to child and forced labor. In the palm oil sector, especially in regions like Indonesia, insufficient social safeguards may result in exploitative labor practices, including child labor and coercive working conditions. Similar risks exist in supplier countries like China, India, and Brazil, where weak enforcement of labor standards can lead to violations of children's and workers' rights. Additionally, the extraction of minerals like nickel and zinc in low-income or politically unstable regions, such as parts of Southeast Asia, Sub-Saharan Africa, and South Asia, is often linked to hazardous child labor and forced labor. These practices are prevalent in artisanal and small-scale mining operations, where poor governance and economic vulnerability expose individuals to unsafe and exploitative conditions.

Risk of child and forced labor in downstream supply chains:

Potential negative impact on child rights in the downstream value chain may arise from business relationships with companies operating in low-income, emerging, or politically unstable regions. In such contexts, weak enforcement of labor laws, limited access to education, and economic vulnerability can create conditions in which child labor persists. As a result, Clariant's downstream activities may be indirectly linked to child labor practices, especially where due diligence mechanisms are insufficient to identify and mitigate such risks across lower-tier suppliers and subcontractors.

As shown above, these issues represent material impacts that directly interact with Clariant's overall business model and supply chain strategy, as they affect upstream operations, sourcing decisions, and supplier engagement processes.

»Working conditions in the value chain« and the sub-topics corresponding to sub-sub-topics »health and safety« and »human rights« are material topics for Clariant. Therefore, Clariant takes an active approach to the management of supply chain topics and issues. All workers of tier-1 suppliers who provide raw materials, especially in production, or services like maintenance work could be materially impacted. The types of tier-1 workers affected by material IROs are:

- i. workers working on the undertaking site but who are not part of Clariant's own workforce, i.e., who are not self-employed workers or are not workers provided by third-party undertakings primarily engaged in employment activities (covered through ESRS S1)
- ii. workers in the upstream value chain of Clariant (e.g., those involved in the extraction of metals or minerals or harvesting of commodities, in refining, manufacturing, or other forms of processing)

Aside from managing persistent turbulences (see description of risk management below), Clariant proactively took care in 2025 to prepare its supply chain for the future by anticipating bottlenecks and choosing its suppliers accordingly.

Long-established local and regional supply bases help Clariant mitigate disruption risks. In 2025, this network once again proved itself to be valuable in dealing with geopolitical issues; trade disputes, such as the ongoing tariff conflicts with the US; factory shutdowns; and blocked traffic routes. In addition, Clariant's procurement managers continuously review and adapt supply strategies. Further priorities include increasing transparency through digital applications, for example, by tracking Scope 3 emissions and being able to illustrate how raw material issues affect the production of finished goods to see the sales at risk.

Supply risk evaluation is an integral part of Clariant's supply strategy. Therefore, its supply chain setup includes redundant sourcing, a notification system for crucial events, regular tracking of open orders, constant contact with its suppliers, emergency team meetings to define mitigation measures, cross-functional cooperation, and supply contracts to secure favorable prices.

Clariant aims to cooperate with suppliers that strive to reduce their GHG emissions and provide emergency schemes for extreme weather events. At the same time, Clariant is committed to doing business with respect for human rights and health and safety issues. It recognizes its responsibility to promote respect for human rights, including prohibitions on child labor, throughout the supply chain. The company expects all its suppliers and business partners to comply with internationally recognized human and labor rights standards.

Clariant expects suppliers, business partners, and their contractors to fully endorse the principles of the Supplier Code of Ethics and to join Clariant in reducing negative environmental and social impacts. This goal is achieved by evaluating and continuously improving the sustainability performance and increasing the ESG resilience of our supply chain through our membership in the Together for Sustainability Initiative.

The impacts are both widespread and systemic in specific contexts but can also be related to individual incidents (e.g., oil spill, blast, fire, etc.). The objective is to drive more efficient improvements across supply chains and create a greater impact.

S2-1 – Policies

Clariant aims to build a resilient and responsible supply chain by embedding sustainability and human rights principles into procurement practices. In an increasingly complex and unpredictable global environment, the company actively adapts its sourcing and risk management approaches to secure business continuity while aligning with evolving stakeholder expectations. Systematically integrating sustainability into procurement remains a strategic priority for Clariant, with a focus on balancing customer demands, supply stability, and the shift toward low-carbon and ethically sourced materials.

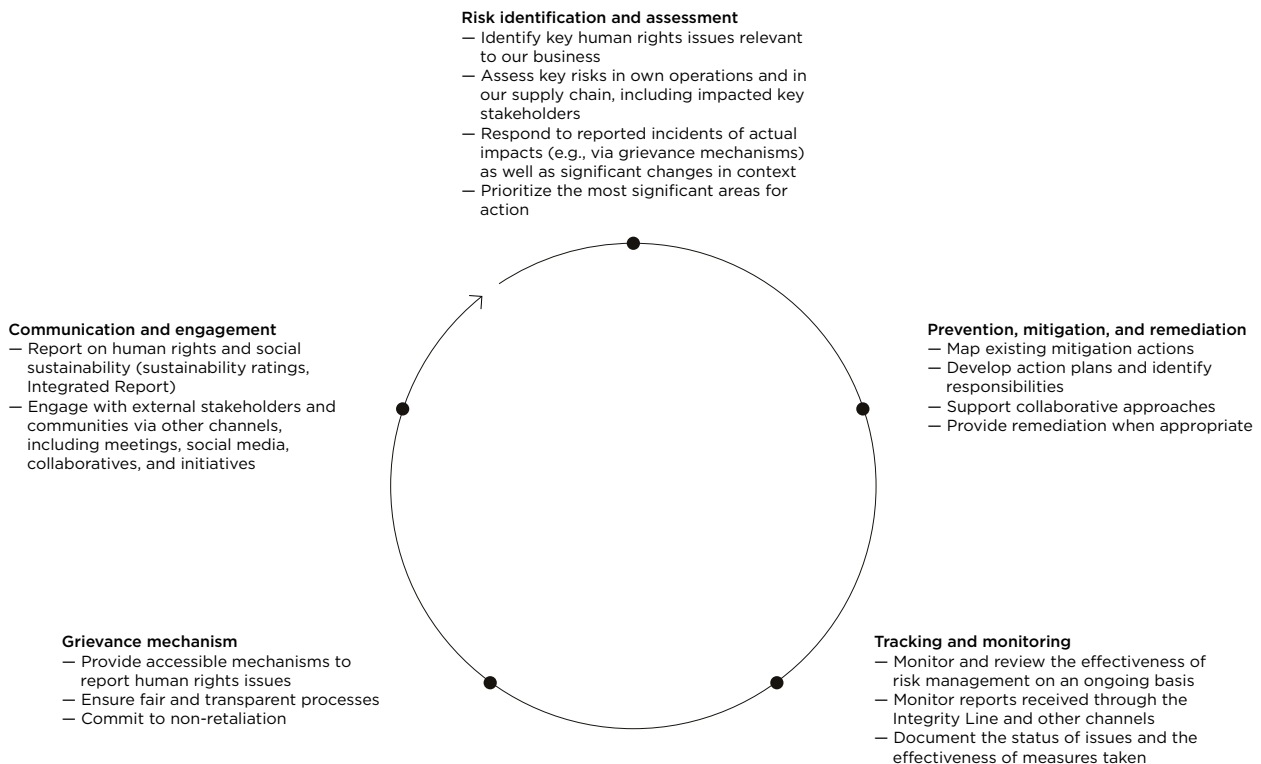
The company's Human Rights Policy and Supplier Code of Ethics (SCoE) define expectations toward suppliers and contractors with regard to labor standards and practices, occupational health and safety, environmental responsibility, and ethical conduct. These policies are embedded in Clariant's due diligence systems and apply globally to both direct and indirect suppliers. Whenever possible, Clariant procures goods and services from local suppliers that meet its procurement standards. Supporting regional economic development through local sourcing is particularly encouraged in key growth regions such as Brazil, China, and India.

The Head of Procurement holds overall responsibility for implementing sustainable procurement and ensuring alignment with the company's human rights commitments. Operational implementation is led by the Supplier Sustainability & Climate Initiatives team and Clariant's Supply Risk Management function. To support oversight and cross-functional coordination, a Human Rights Advisory Group meets quarterly.

Clariant's Human Rights Policy and SCoE explicitly prohibit child and forced labor and require suppliers to uphold safe working conditions in line with ILO conventions and internationally recognized frameworks. Suppliers are expected to cascade these standards throughout their own supply chains. Both documents are publicly available, referenced in supplier contracts, and offered in multiple languages. Monitoring and audit activities, including those conducted under the Together for Sustainability (TfS) initiative, help verify compliance. Breaches may result in the termination of business relationships. The SCoE functions as a binding reference document in supplier onboarding, contracting, general terms and conditions, and grievance mechanisms. It also supports Clariant's broader sustainability goals and reinforces Clariant's zero-tolerance stance on discrimination.

Clariant supports several international initiatives that promote human rights and occupational safety, including the UN Global Compact, the Responsible Care® initiative, and the TfS network.

KEY ELEMENTS OF THE HUMAN RIGHTS DUE DILIGENCE PROCESS



Through the Roundtable on Sustainable Palm Oil (RSPO) and TfS, Clariant directly mitigates potential social and human rights issues:

- Protecting the health, safety, and life of its employees and implementing strict policies on workplace safety
- Working actively on identifying and adjusting unsafe practices
- Promoting human and labor rights and compliance with the law and business ethics
- Continuously developing workplace conditions toward a healthy and safe environment that has enough restrooms, access to food, potable drinking water, adequate lighting, safe temperatures, ventilation, sanitation, and safe and healthy company premises and working environments
- Ensuring workers are protected from chemical, biological, and physical hazards, as well as physically demanding tasks and conditions (including cold or high temperature in the workplace), by assessing exposure in an adequate Job Safety Analysis (JSA)
- Remediating the gaps, if identified; similar protection will be applied in any company-provided living quarters

S2-2 – Processes for Engaging with Value Chain Workers About Impacts

Clariant acknowledges that many human rights challenges may be outside its direct control or of a systemic nature. In such instances, the company seeks to use its leverage or collaborate with others, particularly its direct suppliers, as well as other industry stakeholders, to support solutions. However, there is no direct engagement with value chain workers outside the »Integrity Line« reporting channel described below.

S2-3 – Processes and Channels for Concerns of Value Chain Workers

Clariant's commitment to respecting human rights and their impact on occupational health and safety in the value chain is integrated into its operations and decision-making processes. Management and monitoring systems and processes enable the company to detect potential human rights concerns in the value chain so they can be effectively addressed and mitigated.

Human Rights Due Diligence

Human rights due diligence is an ongoing process through which Clariant identifies and manages actual and potential adverse impacts on human rights, including the impairment of health and safety or the use of child labor, associated with its business activities and relationships in the value chain. The figure → »Key Elements of the Human Rights Due Diligence Process« depicts the process's key elements.

In this process, key functions within Clariant identify, assess, and address potential human rights risks, including health and safety risks, concerning the company's supply chains. When undertaking due diligence, Clariant relies on key information, such as data gathered by the various functions; supplier assessments; insights from reports received via its grievance mechanism; and external expertise, including that of international organizations, nongovernmental organizations, experts, and relevant stakeholders, including rightsholders. Clariant prioritizes identified human rights risks, considering the likelihood and severity of adverse impacts, and determines appropriate prevention and mitigation actions while establishing clear responsibilities and monitoring systems.

Clariant remains committed to continuously enhancing its approach while considering its sustainability objectives, strategy, external expectations, and new human rights due diligence legal requirements across several jurisdictions. In the same vein, Clariant seeks to continuously improve its human rights due diligence.

Procurement is part of the Human Rights Advisory Group, which reports into the Enterprise Risk Management Committee. (For more details, refer to the → »Human Rights« chapter.)

Grievance Mechanism – Integrity Line

To enable all internal and external stakeholders to bring to Clariant's attention any concerns they may have, the company established the Clariant Integrity Line (IL) and closely monitors reports received. This Integrity Line is open to anyone wishing to report an actual or suspected breach of Clariant's Code of Ethics and policies without retaliation.

Since 2023, Clariant has strengthened the effectiveness of the Integrity Line from a human rights perspective, for instance, by ensuring transparency about the types of issues that can be raised and about how concerns will be investigated. See the chapter → »Own Workforce« for more information on Clariant's Integrity Line.

In its Supplier Code of Ethics, Clariant explicitly encourages its suppliers and their workers to make use of the Integrity Line for asking questions or making reports while having the option to remain anonymous. All cases are registered in the IL Case Management Tool. If reported outside IL, the case will be registered by Management or Compliance. The case gets assigned through IL to the Case Manager (CM) of the respective function. A retaliation check has been activated, which allows reporters to inform about potential retaliation.

Supplier Reliability Evaluation

Clariant measures and manages the individual performance and behavior of its most relevant suppliers, outsourcing partners, and service providers. It considers country, business and ESG risks, global category priorities, spending, and purchase volumes. Clariant implemented a Supplier Life Cycle Management tool (SLM tool) for this purpose. The tool is the front-end solution (entry gate) of Clariant's supplier base and allows for transparency

around supplier segmentation, a 360° view of business relationships, and performance measurement. Part of the implementation also considers the monitoring process for action plans and related reporting.

The tool allows for comprehensive insights into Clariant's key supplier base. Based on an overall score, the company triggers actions for suppliers and supports strategic suppliers that outperform their peers in this assessment. The scoring method for the overall score of annual performance is as follows:

- Scores ≥80%: no actions
- Scores of 66-79%: corrective action is optional
- Scores ≤65%: corrective action is mandatory

The Supply Risk Manager stores and monitors the scores and corrective actions for each evaluated supplier.

Supplier ESG Evaluation

Clariant makes sustainability an integral part of supplier selection and management. It actively measures the ESG performance of its suppliers in order to identify improvement opportunities. Clariant selects suppliers for participation in its evaluation depending on the severity and likelihood of potential sustainability impacts.

Assessment and external assurance: Outsourcing the assessment of its suppliers' ESG risk profile and sustainability performance to external providers guarantees process robustness, independence, confidentiality, and conformity with antitrust and competition laws. Therefore, Clariant relies on TfS/EcoVadis assessments by sustainability ratings provider EcoVadis, as well as TfS audits conducted by approved external auditors. These identify risks by leveraging a combination of data inputs, such as supplier self-assessment questionnaires, data collected by audits, and historical performance analysis.

Focus on child and forced labor: The EcoVadis questionnaire also contains a specific section for child and forced labor, where suppliers need to state and provide documented evidence of whether they have public commitments, a grievance mechanism, and processes for age verification in place, and whether they carry out measures such as trainings or engagement with multistakeholder groups to address child labor, forced labor, and/or human trafficking issues.

Additional audit sources: In addition to EcoVadis, Clariant considers TfS audits, Responsible Care® audits, the Sedex Members Ethical Trade Audit (SMETA), the Chemical Road Safety Assessment System (CRSAS), and the Cefic Safety and Quality Assessment for Sustainability (SQAS). For palm oil, which is particularly vulnerable to ESG risks, Clariant works directly with the Earthworm NGO for identification of cases.

Corrective Action Plans (CAPs): If a TfS/EcoVadis assessment yields an unsatisfactory result of <45, Clariant expects the supplier to work on a corrective action plan (CAP) and demonstrate improvements in the next reassessment in accordance with TfS

standards. CAPs outline Clariant's sustainability, health, and safety expectations of suppliers and indicate how suppliers can improve their performance. Depending on the TfS scores, CAPs can be recommended or mandatory. They can also be limited to particularly critical topics such as environmental policy, diversity, anti-discrimination measures, and labor and human rights. In addition, suppliers needing improvements can take human rights courses through the TfS Academy.

Access to scorecards and feedback: Through the TfS initiative, Clariant also has online access to many assessment scorecards and audit reports generated on behalf of other TfS members. In addition to an overall score, they contain individual scores for environmental topics, labor and human rights, ethics, and sustainable procurement. Furthermore, they provide detailed feedback on specific improvement areas and guidance on where and how to address the identified gaps.

Integrity Next Self-Assessment for New Suppliers

Clariant applies a differentiated assessment approach for new suppliers depending on their size, spend, and risk profile. For suppliers that are not suitable for the rigorous and resource-intensive EcoVadis assessment, Clariant uses the Integrity Next self-assessment tool as a cost-effective and scalable alternative to ensure traceability and transparency with regard to human rights and sustainability practices.

New suppliers are generally required to complete the Integrity Next Self-Assessment form, which covers topics such as sustainability, human rights, cybersecurity, and compliance with sanctions regimes. To qualify as a Clariant vendor, suppliers must achieve at least a »satisfactory« or »green« score level in this self-assessment.

The following vendors are exempt from an Integrity Next Self-Assessment:

- one-time vendors
- vendor types such as governmental institutions, banks, NGOs, law firms, patent/certification bodies, educational and research facilities, and insurance brokers
- suppliers registered on the EcoVadis platform and listed on a designated EcoVadis target list (and present on an EcoVadis target list)

This approach ensures risk-adjusted onboarding and helps maintain a minimum sustainability standard for all new suppliers.

Responsible Sourcing Program

Clariant proactively addresses key ESG risks in its upstream value chain by tailoring its responsible sourcing activities to the specific geographic origin and industry nature of raw materials. The chosen response mechanisms depend on the identified risk and may include:

- supplier assessments or audits
- training sessions for internal staff and suppliers



- direct engagement with selected suppliers
- peer and industry collaborations
- sourcing from certified sources
- initiatives to improve visibility and transparency in the supply chain

In line with this approach, Clariant engages directly with various raw material suppliers to understand sourcing provenance and potential exposure to child labor risks. The company is a member of the Action for Sustainable Derivatives (ASD), a global initiative that aims to increase transparency in the derivatives supply chain, monitor ESG risks, handle grievances, and launch collaborative action projects to address social and environmental challenges.

→ Read more in the chapter on biodiversity.

As a high-scoring member of the Roundtable on Sustainable Palm Oil (RSPO), Clariant is also committed to responsible palm oil sourcing. This includes addressing human and labor rights risks across plantations, promoting smallholder inclusion, and ensuring overall social responsibility. Clariant follows a dedicated sustainable palm oil sourcing roadmap that includes:

- comprehensive analysis of environmental and social sustainability factors
- enhanced supplier collaboration for improved traceability
- participation in multistakeholder initiatives for systemic improvement

→ Read more in the chapter on biodiversity.

Embedding Sustainability Considerations in Investment Agreements and Contracts

Clariant integrates sustainability factors into its capital investment decision-making processes. All investment proposals are subject to the internal capital appropriation request process, which requires sustainability considerations to be assessed alongside financial and strategic criteria. Significant investments must be approved by the Executive Steering Committee or its respective subcommittees and are evaluated in accordance with the company's Management Bylaws. This ensures that material investment decisions are aligned with Clariant's sustainability strategy and ESG risk management objectives.

S2-4 – Actions

Clariant's Supplier Sustainability & Climate Initiatives team coordinates targeted actions to identify, prevent, and mitigate material negative impacts on value chain workers. In 2025, key measures focused on strengthening supplier due diligence, rolling out risk monitoring tools, providing targeted trainings, and reinforcing internal governance mechanisms. The table below summarizes the most relevant actions taken in 2024 to advance the protection of human and labor rights, particularly in relation to working conditions, occupational health and safety, and the prevention of child labor.

For all listed actions, Clariant assesses effectiveness through supplier evaluation mechanisms, risk indicators, and compliance tools embedded in its Responsible Sourcing and Human Rights Due Diligence frameworks. These actions complement the wider governance, policy, and grievance structures outlined under S2-1 to S2-3.

No severe human rights incidents were reported in 2025.

Disclosure of severe human rights issues and incidents connected to upstream and downstream value chain

In 2025, Clariant was not aware of any reported instances of child labor among its direct suppliers. There were no reports concerning child labor or forced labor made through the Integrity Line and no reasonable grounds to suspect child labor as defined under the reporting requirements of the Swiss Ordinance on Due Diligence on Child Labor, Article 964j-k Section 3.

Furthermore, Clariant's procurement analysis concerning minerals and metals from conflict-affected and high-risk areas, and regarding child labor, confirmed that the company does not import or process conflict minerals in quantities exceeding the thresholds set out in the Ordinance on Due Diligence and Transparency Regarding Minerals and Metals from Conflict Areas and Child Labor, Article 964j-k Section 2 Article 3, or in the EU Regulation 2017/821 of the European Parliament and of the Council on supply chain due diligence obligations for Union importers of tin, tantalum and tungsten, their ores, and gold originating from conflict-affected and high-risk areas.

The following table outlines key actions Clariant has taken to prevent or mitigate material negative impacts on workers in the value chain.



Key action	Description and year of completion	Scope of action	Target KPI impacted	Overall progress in 2025 and how we track effectiveness
Integration of sustainability in procurement	Sustainability integration into procurement was prioritized and operationalized through internal coordination by the Supplier Sustainability & Climate Initiatives team.	Global procurement; direct and indirect suppliers	Supplier coverage in sustainability programs	Integration established; embedded in responsible sourcing strategy and team structure
N-Tier supplier engagement	Since 2022, Clariant is applying an N-Tier case study with TFS to improve transparency regarding second-tier suppliers via EcoVadis.	Selected second-tier suppliers via strategic partnerships	Number of second-tier supplier assessments via EcoVadis	Ongoing collaboration; visibility increased, tracked through EcoVadis transparency score
Internal procurement training	In 2025, Clariant GFP conducted internal trainings to improve ESG evaluation in purchasing, incl. Scope 3 and TFS.	Procurement teams globally	Number of procurement employees trained; integration of ESG in sourcing	Training delivered in 2025; effectiveness monitored via participation rate and application in decisions
Supplier capacity building	Clariant offered key suppliers access to TFS Academy trainings and internal webinars on assessment, CAPs, and social criteria.	Key suppliers in high-risk/value categories	Supplier training participation; CAP closure rates	Trainings implemented; TFS participation and CAP follow-up monitored
Implementation of due diligence framework	Clariant advanced its human rights due diligence framework by prioritizing high-risk suppliers for reassessment.	High-risk suppliers in direct procurement	Number of reassessed suppliers; risk mitigation actions	Reassessment conducted; effectiveness tracked via consequence management process
IQ Plus rollout for risk monitoring	Clariant introduced EcoVadis IQ Plus to automate supplier risk detection, incl. human rights and child labor risks.	All suppliers globally	Supplier risk profile coverage; % of high-risk suppliers identified	Tool operational; supplier prioritization based on IQ Plus scores; impact monitored via risk clustering
Child labor incident response protocol	Clariant formalized an approach to investigate and resolve incidents of child labor reported via Integrity Line.	Suppliers globally	Number of reported incidents; time to resolution	No reported cases in 2025; process readiness ensured and documented
Conflict minerals and child labor screening	Clariant conducted a compliance analysis per Swiss and EU legislation on conflict minerals and child labor.	All relevant upstream suppliers	Compliance rate with due diligence ordinances	No thresholds exceeded; documented as part of legal compliance process

S2-5 – Targets

In line with customer and consumer interests, Clariant aims to continuously increase the share of suppliers joining its supplier sustainability program and the share of low-carbon and renewable raw materials sourced. In its Procurement Sustainability Roadmap, the company defines the following indicators:

- spend covered by sustainability assessments or audits
- spend with risk suppliers (ESG score below 45)
- number of new sustainability assessments (EcoVadis) generated
- number of new sustainability audits generated
- number of suppliers that have improved from one assessment or audit to the next
- risk score (suppliers <45)

Clariant continuously enhances the breadth and depth of its Procurement Sustainability Roadmap. It sets annual targets for supply chain sustainability and Scope 3 GHG reductions and tracks them monthly in the Procurement Leadership Team (PLT) committee meetings.

Metrics

Clariant monitors a wide range of quantitative and qualitative indicators to assess the sustainability performance and human rights impact of its global value chain. These metrics support the management of material risks and impacts in procurement, supplier engagement, training, and ESG assessments.

Raw Material Spend Data

Clariant operates a global supply chain with numerous production sites across multiple regions. Spend data and material classifications help guide sustainable sourcing strategies and supply chain resilience planning.

Supplier Trainings

To support capacity building and improvement in sustainability performance, Clariant invites suppliers across all key regions to participate in targeted training and webinar programs. These initiatives are often delivered through cross-industry platforms and focus on procurement sustainability, EcoVadis assessments, and decarbonization.

Internal Trainings

Procurement employees and sustainability teams receive regular training on relevant topics such as Scope 3 emissions and responsible sourcing. Clariant promotes knowledge exchange through internal best-practice sessions and self-directed learning formats.

RAW MATERIAL PROCUREMENT¹

	Total 2025 ⁵	2024	2023	2022	2021	2020
Raw materials procured (in m t)³	2.33	2.96	2.81	3.50	3.67	2.92
Percentage of the procurement budget that is used for significant locations of operation and spent on suppliers local to that operation (%)⁴	92.9	92.6	92.2	89.3	87.1	87.6
APAC (in CHF m)	295	317	332	376	501	426
Of which with local suppliers (in CHF m) ¹	289	308	325	367	476	405
Number of local suppliers ²	704	717	693	679	1 422	2 296
EMEA (in CHF m)	674	738	837	1 236	1 309	1 084
Of which with local suppliers (in CHF m) ¹	631	685	777	1 101	1 122	946
Number of local suppliers ²	583	599	707	829	964	1 732
Americas (in CHF m)	354	399	488	646	542	518
Of which with local suppliers (in CHF m) ¹	309	354	427	548	449	425
Number of local suppliers ²	603	653	728	778	1 253	1 992
Grand Total (in CHF m)	1 323	1 455	1 657	2 258	2 352	2 027
Of which with local suppliers (in CHF m) ¹	1 229	1 347	1 529	2 016	2 048	1 777
Number of local suppliers ²	1 890	1 969	2 128	2 286	3 639	6 020
Percentage of the relation between local production and local based suppliers within the regions (APAC, EMEA, Americas)	93	93	92	n.a	n.a	n.a

¹ Raw material spending of Clariant production sites in this region

² Regional suppliers that supplied Clariant (production) sites

³ Continuing operations only

⁴ All locations are considered significant

⁵ Süd-Chemie India and Lucas Meyer Cosmetics are not included

RAW MATERIAL CLASSIFICATION

	Total 2025	2024	2023	2022	2021	2020
Raw material classification (%)^{1, 2}						
Fossil-based raw materials	37.4	32.6	26.1	15.9	17.1	20.2
Inorganics and minerals	57.3	63.5	43.8	26.6	32.8	19.3
Renewable bio-based raw materials	4.3	3.0	5.2	4.1	4.5	6.6

¹ Materials listed are used to produce Clariant's products. Fossil-based, inorganic, and mineral materials are considered nonrenewable. In 2024, Clariant revised the classification of its raw materials. The category »raw materials from crude oil« was expanded to include all »fossil-based raw materials«; the category »natural raw materials« was renamed »inorganics and minerals« and includes bentonites and clays, inorganic compounds, gases, and metals; the category »renewable raw materials« was renamed to »renewable bio-based materials« to specify the alternative feedstock origin.

² LMC is not included but integration project is active

Supplier Performance Monitoring

Clariant tracks supplier performance based on ESG risk assessments and audits. The company evaluates progress over time and takes appropriate measures if suppliers fall short of expectations. This includes implementing Corrective Action Plans (CAPs), offering support for improvement, or in some cases, terminating business relationships.

Assessment Coverage and Scoring

Clariant monitors the share of suppliers and spend covered by sustainability assessments or audits. It differentiates between direct and indirect spend and evaluates performance in categories such as labor and human rights.

Compliance and Risk Management

Clariant monitors supplier compliance with international frameworks such as the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises.

For a full overview of metrics, reference periods, methodologies, and performance data, please see the corresponding tables.

PERCENTAGE OF SUPPLIERS ASSESSED VIA ECOVADIS

	Total 2025 ¹	2024	2023	2022	2021	2020
Supplier Environmental Assessment ¹						
Percentage of direct spend (raw materials) on suppliers covered by shared sustainability ratings (EcoVadis)	92 ^{3,4}	92	91	89	87	84
Number of new sustainability assessments shared (Together for Sustainability)	926 ^{3,4}	1 309	1 269	1 545	1 345	1 148
Number of new sustainability audits shared (Together for Sustainability)	605	596	492	378	284	258
Number of suppliers assessed for environmental impacts ²	4 790	4 947	4 796	4 242	4 876	4 205
Number of suppliers identified as having significant actual and potential negative environmental impacts	259	352	360	400	524	472
Suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment (EcoVadis)	44	31	41	44	13	14
Share of reassessed suppliers that have improved (%) ²	73 ⁴	63	58	64	69	62
Supplier Social Assessment ¹						
Number of suppliers assessed for social impacts ²	4 790	4 947	4 796	4 242	4 876	4 205
Number of suppliers identified as having significant actual and potential negative social impacts	158	220	234	242	357	342
Suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment	34	35	44	47	9	14
Share of reassessed suppliers that have improved (%) ²	73 ⁴	63	58	64	69	62
TOGETHER FOR SUSTAINABILITY / EcoVadis						
Number of reassessed suppliers	11 401	9 219	7 320	5 477	3 858	3 527
Total actively managed supplier assessments	24 091	20 634	16 902	13 472	11 167	10 069

¹ Süd-Chemie India and Lucas Meyer Cosmetics are not included.

² We have ESG assessments via TFS frameworks.

³ This value includes only suppliers with valid EcoVadis assessments (completed within the last three years).

⁴ This number measures suppliers with an initial score below 54 who achieved a higher score in reassessments conducted during the target year. The threshold of 54 represents the average EcoVadis score for TFS suppliers.



G1 – Business Conduct

Summarized by Clarita^{AI}

- + Clariant achieved 99.8% anti-corruption training completion in 2025 with zero convictions and no fines for violations; the Integrity Line processed 172 cases.
- + The company integrated its third-party due diligence tools into its ERP system in 2025, and revised its Compliance Management Program.
- + No significant breaches of anti-corruption procedures were reported, and compliance activities are funded through the general budget.

Strong business conduct is foundational to Clariant's ability to build trust, operate responsibly, and create long-term value across its stakeholder landscape. At the core of Clariant's purpose-led strategy lies a clear commitment to integrity, transparency, and compliance – not only in its internal governance and risk management structures, but also in how it enables informed customer decisions through transparent product communication.

G1-IRO-1 – Description of IROs

As confirmed by Clariant's 2025 double materiality assessment, two distinct business conduct-related impacts were identified as material: the potential negative impact of corruption incidents across the value chain, and the actual positive impact of strengthening customer relationships and brand trust through transparent and sustainability-driven communication about Clariant's products and services:

Potential corruption incidents across the value chain: Corruption risks are present across Clariant's entire value chain. Upstream, sourcing raw materials and intermediates from countries such as Mexico, Brazil, Indonesia, India, and China – where systemic governance challenges exist – may indirectly expose Clariant to unethical practices by suppliers. Within its own operations, commercial activities and cooperation with employees, contractors, and service providers in these high-risk jurisdictions carry the risk of encountering corruption, favoritism, and breaches of labor and compliance standards, potentially undermining the company's ethical standards and human rights commitments. Downstream, the sale of specialty chemicals and catalyst products into markets with elevated corruption risks may lead to indirect exposure to unethical conduct in subsequent stages of the value chain.

Although antitrust compliance and trade sanctions compliance are important areas in Clariant's Compliance Program, they are, for technical reasons, not considered material topics pertaining to material IROs. More information on these topics can be found below.

MATERIAL IROs RELATED TO BUSINESS CONDUCT

Type	Definition	Topic	Value Chain Location			Time Horizon		
			⌆		⌇	>	»	»»
Potential negative impact	Potential corruption incidents across the value chain	Corruption and bribery (incidents)	■	■	■	■		
Actual positive impact	Informed customer decisions through transparent product communication	Corporate culture			■	■		

Informed customer decisions through transparent product communication: Clariant's transparent and responsible approach to product communication delivers measurable benefits for customers, stakeholders, and the environment. By embedding sustainability at the core of its business culture – guided by its commitment to People, Planet, and Performance, as well as alignment with the UN Global Compact and Responsible Care® principles – Clariant empowers partners across the value chain to make choices that reflect the highest ethical and environmental standards. Clariant transparently reports about its initiative via internet portals and provides product-related information permanently available via digital platforms (e.g., ClariHub), and detailed (e)SDS documentation is readily available on internet-based platforms, providing clear, reliable information on product safety and environmental impact (e.g., product carbon footprint). This proactive disclosure not only strengthens stakeholder trust but also fosters safer product use, supports long-term relationships, and advances positive outcomes for human health and the environment. Due to internal assessment of Clariant's products via the Portfolio Value Program (PVP), sustainability claims are not provided on products with adverse risks.

The first impact is addressed through a comprehensive Compliance Program designed to prevent, detect, and respond to potential unethical behavior, including bribery, corruption, and money laundering. These efforts are implemented through clearly defined governance structures, global policies, risk-based training, risk assessment, monitoring, and accessible reporting mechanisms.

The second impact reflects Clariant's proactive approach to product stewardship and customer dialogue. Through tools such as the Portfolio Value Program (PVP), EcoTain®, (e)SDS documentation, and digital platforms like CLARITY™, ClariHub, and Clarita Sales Assistant, Clariant ensures that customers are equipped with relevant, accurate, and sustainability-related product information. This transparency enables downstream partners to make informed decisions, comply with regulatory expectations, and advance shared sustainability goals.

Together, these elements define Clariant's strategic approach to business conduct as a driver of risk mitigation, customer-centricity, and long-term impact. Clariant identified these business conduct-related impacts in the same way it identified all other IROs in its updated materiality assessment of 2025 (see chapter → »ESRS 2 – General Disclosures« for further details), considering all locations, activities, sectors, and transactions, without specific restrictions. The material impact of informed customer decisions through transparent product communication is currently being further developed. As this work is ongoing, this sustainability statement does not yet disclose further information on Clariant's management of this impact as mandated by the ESRS.

Strategy and Governance

The overall responsibility for overseeing ethical business practices – including anti-bribery and antitrust behavior, product transparency, and compliance with legal and regulatory frameworks – lies with the Executive Steering Committee (ESC) and the Board of Directors. Oversight is executed via dedicated governance structures and formal committees.

Through regular updates to the Ethics and Risk Management Committee (ERMC), the Executive Leadership Team (ELT), the Audit Committee, and the Board of Directors (BoD) members are informed about business conduct topics at Clariant as well as about potential gaps and areas for improvement.

G1-1 – Compliance Program

Clariant's Compliance Program lays the foundation for the company's ethics and integrity strategy to foster an ethical mindset and responsible behavior in the workforce. The Compliance Program is the overarching approach to implementing Clariant's standards for responsible business conduct around the following key pillars: leadership engagement; communication and training; legal and compliance risk assessment; standards and controls; and monitoring, auditing, and reporting.

The Compliance Program priorities are defined on an annual basis. Updates on progress and measures are provided quarterly to the ERMC and biannually to the Audit Committee. Clariant continuously evaluates the indicators to improve the effectiveness of its approach.

Three-Lines Risk Management Model

Clariant implements a »Three Lines« approach to governance:

- First line: Business management owns and manages risks directly.
- Second line: The second line functions provide oversight, guidance, and monitoring.
- Third line: Internal Audit delivers independent assurance on control effectiveness.

Risk Categories

Our compliance framework, embedded in the overall Enterprise Risk Management, addresses multiple risk categories, including strategic risk; business conduct risks (anti-bribery, trade sanctions, antitrust, fraud); people conduct risks (conflicts of interest, insider trading); data protection risks; and compliance operations risks.

Zero-Tolerance Approach

Clariant maintains a zero-tolerance approach toward violations of applicable laws, internal policies, and our Code of Ethics. This commitment is fundamental to our business integrity.



Governance Structure and Responsibilities

The Board of Directors holds ultimate oversight responsibility for compliance, while the Audit Committee provides oversight and approves the Compliance Management Policy. The Audit Committee of the Board of Directors approves Clariant's annual Compliance Program update and receives biannual reports on compliance risks, integrity line reports, and material issues. It also ensures compliance with the EU Whistleblower Directive, cybersecurity frameworks, and product-related risk mitigation measures. In fulfilling these responsibilities, the Board of Directors and its Audit Committee set the tone at the top by explicitly promoting a culture of integrity, compliance, and transparency across all levels of the organization. The Executive Steering Committee (ESC) supported by the Executive Leadership Team (ELT) provide operational leadership for compliance integration across the organization. The Ethics and Risk Management Committee (ERMC) delivers holistic oversight on compliance and risk management.

Clariant's Ethics and Risk Management Committee (ERMC) plays a central role in steering compliance-related activities. Chaired by the CEO and composed of the CFO, General Counsel, Chief Human Resources Officer, Chief Strategy and Technology Officer, Head of Compliance (secretary), and the Head of Internal Audit (as standing guest), the ERMC receives regular updates on Clariant's Strategic Compliance Program, including risk assessments and progress reports. The ERMC also reviews emerging risks related to compliance topics.

At the regional level, the regional Ethics and Risk Management Committees (RERMCs) implement and oversee compliance in their respective geographies. They ensure implementation of global initiatives and lessons learned from investigations. Each RERMC is chaired by the respective Business Unit President and includes representatives from HR, Legal, Finance, and Compliance. These bodies jointly prioritize regional compliance topics.

Compliance Function

Clariant's full-time Head of Compliance leads a global team including Regional and Country Compliance Officers, Compliance Specialists, and function-specific leads such as the Head of Information Protection and Data Privacy. The Regional and Country Compliance Officers serve as local points of contact and program executors. The Head of Compliance reports to the General Counsel and has an additional reporting line into the Chief Executive Officer and to the Chairperson of the Audit Committee. The compliance function is responsible for implementing compliance controls, training programs, and advisory services across the company. Its work is closely aligned with other global functions, including Legal, Environmental Safety and Health Affairs (ESHA), Sustainability Affairs, Product Stewardship, Enterprise Risk Management (ERM), and Internal Control over Financial Reporting.

This integrated structure ensures that ethical conduct, legal compliance, and product transparency are embedded into Clariant's corporate culture and operations – supporting both the mitigation of compliance risks and the realization of strategic opportunities related to customer trust and informed decision-making.

In addition to structural responsibilities, the management and supervisory bodies bring deep functional expertise in compliance, ethics, and corporate governance.

Core Elements of the Compliance System

Tone from the Top – Corporate Culture

Leadership at all levels demonstrates visible commitment to ethical conduct and compliance, setting the standard for the entire organization.

Clariant embeds business conduct principles into its corporate culture through leadership, awareness, and transparency. The »tone at the top« is set by the Board of Directors and the Audit Committee, which ensure that ethical conduct is integral to decision-making and risk oversight. The ERMC and regional ERMCS further translate these principles into practice across business units and geographies.

To reinforce integrity, the company provides risk-based training tailored to high-risk functions and regularly updates awareness programs for employees, management, and governance bodies. Policies and resources are available in multiple languages, ensuring global accessibility and understanding. Ethics moments are also shared in leadership meetings. Statements by senior leadership underscore Clariant's cultural commitment to integrity and accountability as drivers of long-term success.

Speak-up Culture

Clariant maintains multiple reporting channels for compliance concerns with strict protection against retaliation for good-faith reporting.

Complementing its policies and culture, Clariant provides internal and external stakeholders with dedicated mechanisms to raise concerns and report misconduct. The Integrity Line serves as the company's global whistleblowing channel. Operated by an independent third party, it is publicly available online 24/7 in multiple languages and allows for anonymous reporting. Reports are handled under the supervision of the Head of Compliance in line with the Investigation Policy.

The Integrity Line complies with the EU Whistleblower Directive, giving reporters the option to choose between local or global case handling. Outcomes are reviewed by governance bodies, and corrective measures are implemented as needed.

Risk-Based Approach

Regular risk assessments guide the allocation of compliance resources, ensuring that oversight and control mechanisms are proportionate to the level of exposure in each business area. Enhanced monitoring and governance are applied in high-risk areas. The compliance risk assessment is fully integrated into Clariant's Enterprise Risk Management (ERM) model, ensuring that compliance-related risks are systematically identified, evaluated, and addressed as part of the broader corporate risk management process.

Policies and Procedures

A comprehensive framework of policies and procedures provides clear guidance on compliance expectations and requirements across Clariant's global operations. The Compliance Management Policy, updated in 2025, defines Clariant's Compliance Program and establishes the framework to meet evolving regulatory expectations. This policy strengthens the company's compliance structure through refined governance mechanisms, specialized compliance roles, and a risk-based approach that not only mitigates potential risks but also reinforces stakeholder trust and supports sustainable business growth.

The following policies are central to managing the identified material impact of potential corruption incidents across the value chain. However, not all minimum disclosure requirements regarding these policies are fulfilled in this chapter.

- Code of Ethics
- Clariant Investigation Policy
- Anti-Bribery, Anti-Corruption, and Anti-Money Laundering (ABAC AML) Policy
- Anti-Fraud Policy

The policies are designed to foster trust with customers, partners, and regulators by promoting transparency, ethical practices, and strict compliance with international standards. In developing these policies, the company carefully considered the expectations of key stakeholders, ensuring that their interests are reflected in Clariant's commitment to responsible business conduct. Beyond mitigating the potential for corruption, the policies and their proactive monitoring also promote the positive impact of supporting informed customer decisions through transparent product communication.

The Code of Ethics defines Clariant's overall prohibition in relation to bribery and the ABAC AML Policy, together with all other compliance policies, safeguards Clariant's commitment to fair competition, transparency, and ethical business conduct across its global operations. Further information on the Code of Ethics and the ABAC AML Policy can be found in chapter →»ESRS 2 – General Disclosures« or on the →»Code of Ethics website«.

While all employees and relevant third parties are required to comply with the ABAC AML Policy and the applicable anti-bribery and anti-corruption laws in the jurisdictions where Clariant operates, particular emphasis is on procurement, sales, and business

development, where exposure to corruption risks is highest. To mitigate these risks, the policy is supported by targeted training programs and compliance measures tailored to high-risk areas. Relevant third parties include agents, distributors, consultants, and other intermediaries acting on behalf of Clariant. The policy is made available via the company intranet and through contractual clauses and onboarding training for external business partners.

Clariant's Investigation Policy ensures that integrity allegations, including those concerning corruption and bribery, are handled with independence and integrity. To avoid conflicts of interest, investigations are assigned to impartial investigators or committees outside of the management chain connected to the matter. This guarantees objective assessments and strengthens confidence in the process. Significant cases are escalated to the ERM and Audit Committee to ensure senior-level oversight and appropriate action. In accordance with the principles of the Investigation Policy, potential concerns regarding bribery and corruption are investigated and addressed. The Investigation Policy establishes a standardized process for managing reports of misconduct. Investigations are conducted by designated global functions – including Compliance, Human Resources, Internal Audit, and ESHA/IGSM – whose staff receive dedicated training. Remediation measures are coordinated by the global and regional Ethics and Risk Management Committees (ERM/ERM), and outcomes are tracked to ensure continuous improvement. All reports are handled with confidentiality, reinforcing Clariant's commitment to transparency, accountability, and zero tolerance for retaliation. The Head of Compliance is the most senior level accountable for implementing the Investigation Policy. The policy is accessible to employees globally via the company intranet. External stakeholders, where relevant, are informed through established compliance channels.

Clariant's Anti-Fraud Policy reinforces the company's commitment to integrity by providing clear guidance on the prevention and detection of fraud across its global operations.

The following policies do not directly address the identified material IRO but pertain to responsible business conduct at Clariant in general:

- Conflict of Interest Policy
- Clariant Integrity Line Policy

Clariant's Conflict of Interest Policy ensures that all possible conflicts of interest are properly disclosed.

The Clariant Integrity Line Policy encourages employees and stakeholders to report ethical concerns. All reports are taken seriously with zero tolerance for retaliation against reporters, and investigations are conducted impartially in accordance with established procedures to protect all parties involved.



INTEGRITY LINE

	Total 2025	2024	2023	2022	2021	2020	2019
Cases submitted via the anonymous Integrity Line	172	116	112	120	82	64	99
of which fully or partially substantiated	48	28	29	22	31	17	8
of which closed during the year	138	94	81	69	56	38	31
Total submissions	172	116	139	140	95	73	116

The data reported in the table above covers all Clariant entities and employees globally, including production sites, laboratories, and offices. All cases submitted via the Integrity Line are consolidated at the Group level to ensure comprehensive governance oversight.

Training and Awareness

Risk-based training programs ensure employees understand compliance requirements relevant to their roles. Training is a central element of Clariant's prevention strategy. Since 2021, a global compliance training curriculum has defined target groups, formats, and frequencies. In 2025, it was expanded to include new trainings on data protection, gifts and entertainment, bribery and corruption, human rights, employee behavior, and antitrust practices. All employees with email access must complete mandatory ABAC training, while employees in high-risk functions receive additional face-to-face or tailored e-learning sessions. Completion of mandatory compliance trainings is formally integrated into Clariant's performance management system, ensuring accountability at all employee levels.

The training program ensures coverage of 100% of identified risk functions. Members of the Executive Leadership Team complete mandatory ABAC e-learning, while both the ELT and the Board of Directors receive targeted awareness sessions on compliance and ethical risks. Training modules also include clear guidance on how to report concerns or potential violations, reinforcing the link between awareness and accessible reporting channels.

Third parties, such as distributors and agents, are also required to complete ABAC training and formally acknowledge their commitment to Clariant's ethical standards. New employees are introduced to the Code of Ethics and anti-bribery standards during onboarding, ensuring awareness from the beginning of their employment.

Special target groups, such as employees with elevated exposure, benefit from additional face-to-face training or targeted e-learning. Antitrust training is delivered globally through webinars and classroom sessions, specifically addressing Procurement, Sales, Marketing, and other relevant functions.

Clariant communicates its ethics and compliance policies proactively to internal and external stakeholders. The Code of Ethics and Supplier Code of Ethics are publicly available on the company website in all languages relevant to Clariant's business operations.

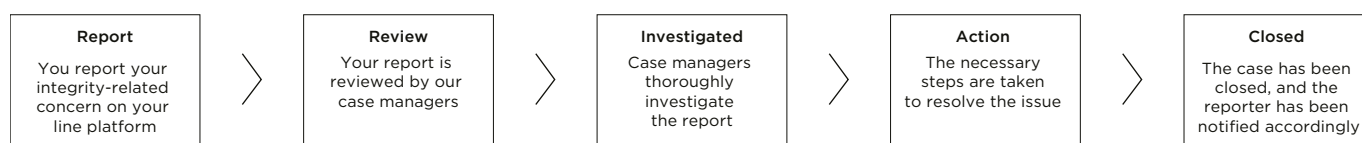
Investigation Program

Standardized protocols ensure the fair and thorough investigation of potential violations, followed by appropriate disciplinary actions where necessary. Clariant operates a comprehensive tracking and monitoring system for all issues raised through the Integrity Line and other reporting channels to ensure effective resolution and continuous improvement. Reported concerns are assigned unique case numbers and entered into a secure case management system that allows for real-time status tracking while strict confidentiality is maintained.

The Compliance team maintains detailed metrics on case types, resolution timeframes, and outcomes, and prepares regular reports for senior leadership to identify recurring patterns or systemic issues that may require broader organizational attention. To ensure the effectiveness of these reporting channels, Clariant actively communicates their availability through various internal tools and initiatives, and takes concrete measures to safeguard against retaliation. In addition, the company assesses its speak-up culture through employee surveys, ensuring that trust and openness remain embedded within the organization's compliance framework.

Through this integrated approach, Clariant ensures that business conduct is not only codified in policies but also embedded in its culture and reinforced by accessible, trusted mechanisms.

INTEGRITY LINE



Third-Party Compliance Management

A risk-based approach governs relationships with suppliers, distributors, and other third parties. Compliance and ethical values apply not only to Clariant's own operations but also to third parties acting on its behalf. The Supplier Code of Ethics establishes binding standards for suppliers and is embedded into Clariant's General Terms and Conditions, which are acknowledged by third parties. This ensures that contractual relationships reflect the company's values of integrity, transparency, and accountability.

On a risk-based approach, distributors and agents must undergo a structured due diligence process aligned with Clariant's Third-Party Due Diligence Guideline. This process includes a predefined risk-based assessment model, under which enhanced due diligence is required for medium- and high-risk business partners.

In addition, all business partners are required to formally confirm that they have an appropriate compliance framework in place and to complete mandatory ABAC training. This ensures that suppliers and intermediaries fully understand their obligations and formally acknowledge their commitment to Clariant's ethical standards.

Clariant integrates these assessments into its broader risk management framework, enabling continuous identification of corruption and bribery risks across the value chain. Effectiveness is monitored by Compliance and Procurement functions through

confirmation checks, training records, and ongoing supplier engagement reviews. By embedding these measures into supplier relationships, Clariant not only prevents misconduct but also fosters long-term, trust-based collaboration and reinforces the company's reputation for responsible business conduct.

Monitoring and Testing

A structured program assesses control effectiveness and identifies improvement opportunities. Clariant monitors and discloses legal proceedings, investigations, and claims. The company maintains transparency on pending or new cases and implements corrective actions where needed. In 2025, Clariant did not identify breaches of anti-corruption and anti-bribery procedures and standards.

Specialized Compliance Programs

Data Protection and Data Privacy Program

Clariant has established a dedicated governance structure for personal data protection, supported by specialized Data Privacy Officers. The company applies the principles of the EU General Data Protection Regulation (GDPR) as its global benchmark and implements additional local policies where required by law. This approach ensures a consistent and high standard of data protection across all jurisdictions in which Clariant operates.

» Our speak up culture empowers our people to do the right thing. By doing business with integrity and transparency, we drive sustainable long-term growth and success. «

Judith Bischof
General Counsel
Member of the ELT



Antitrust Compliance

Clariant maintains a focused compliance program to ensure adherence to competition laws worldwide. The company's Anti-trust Policy and Guidelines are anchored in the Code of Ethics and implemented through a comprehensive compliance program that is regularly updated. The Antitrust Guidelines safeguard Clariant's commitment to fair competition, transparency, and ethical business conduct across its global operations. To prevent anti-competitive behavior, Clariant conducts targeted risk assessments, integrates antitrust controls into its compliance framework, and provides tailored training on a risk-based approach in addition to specific guidance and awareness material.

In 2025, thirteen legal actions relating to the ethylene purchasing conduct (sanctioned by the European Commission in July 2020) were pending against Clariant and three other companies. All claims are disclosed in the financial report.

Reporting and Escalation

Reporting Mechanisms

Clariant offers multiple channels for employees and stakeholders to report concerns, including the Integrity Line and direct access to Compliance Officers. These mechanisms are designed to ensure confidentiality and non-retaliation, as outlined in the company's Speak-up Culture framework.

Escalation Procedures

Clear escalation protocols define how compliance issues are managed according to their severity and potential impact. Issues are escalated through predefined levels of responsibility, ensuring that significant matters receive prompt attention from senior management or governance bodies as appropriate.

Governance Reporting

Compliance-related reports and metrics are regularly submitted to the Audit Committee and other relevant governance bodies. These updates cover key compliance risks, Integrity Line cases, training progress, and the implementation status of the Compliance Program, ensuring transparency and oversight across all organizational levels.

Management of Relationships with Suppliers

Clariant's supplier management approach ensures that compliance and ethical standards extend across the value chain. The Supplier Code of Ethics (for further details, see the policy table in chapter → »ESRS 2 – General Disclosures«), together with the Third-Party Due Diligence Guideline described above, defines expectations for distributors, agents, consultants, and service providers.

Customer Complaints and Product Information

Clariant tracks complaints from customers and stakeholders concerning product information, labeling, marketing, and potentially misleading communication. Measures are in place to ensure transparent product information, including the use of certified labels and sustainability disclosures, and systematic risk assessments are also in place to strengthen consumer protection.

Customer Satisfaction

Beyond incident monitoring, Clariant systematically tracks customer satisfaction as a forward-looking indicator of trust and transparency. An annual customer satisfaction survey captures experiences across multiple touchpoints, including technical service, product quality, customer support, and packaging. The survey also reflects the growing importance of environmental and social impact considerations. Results are used to reinforce strengths and drive targeted improvements where needed.

G1-3 – Prevention and Detection of Corruption and Bribery

Through the following key actions, Clariant managed its material impact of potential corruption incidents across the value chain. The actions aim to strengthen transparency, due-diligence quality, and compliance awareness among third parties across Clariant's global operations. The actions cover agents, distributors, consultants, and service providers and are tracked through defined performance indicators. While the supplier due-diligence process was completed in 2025, the enhanced risk model and training measures are ongoing and reviewed annually. No separate CAPEX or OPEX is allocated; all activities are funded through the general Compliance budget. There are no additional financial resources planned for future years.

The actions listed below implement Clariant's Code of Conduct, Investigation Policy, and ABAC AML Policy objectives regarding anti-bribery and anti-corruption practices, as they are expected to mitigate corruption risks across the value chain, and are part of the ongoing Compliance Program. Each action includes clear accountability, measurable progress indicators, and periodic review cycles.

Key action	Description and year of completion	Scope of action	Overall progress in 2025, CAPEX (M CHF) if applicable, and how we track effectiveness
Supplier due diligence process	Review and update of the due diligence process in 2025, including the integration of the due diligence tool into Clariant's ERP system	Agents, distributors, consultants, service providers	Tool integration completed in 2025; monitoring of risk classification and training completion rates > 95 %
Enhanced risk model	Introduction of mandatory enhanced due diligence for medium- and high-risk partners	Medium- and high-risk third parties	Reassessments conducted annually; risk scores reviewed semi-annually by Compliance
Compliance training for third parties	Mandatory anti-bribery and anti-corruption training under the Third-Party Screening Program	High-risk third parties undergoing our third-party screening process	Training completion mandatory; effectiveness tracked through completion records
Enhancing the Gifts and Entertainment Policy	Enhanced in 2025 to strengthen controls and transparency; training and reporting mechanisms updated to enhance ethical awareness and transparency in decision-making; implemented in 2025 and maintained on an ongoing basis	All employees, with focus on high-risk functions	Effectiveness tracked through disclosures, compliance monitoring, and policy updates; building on 2024 revision
Integrity »Yes«-Check	Global approach launched to support ethical decision-making in daily work, helping employees resolve compliance dilemmas; implemented in 2025 and continuously available	All employees	Effectiveness tracked by usage statistics and case escalations; awareness metrics show increasing utilization vs. 2024 baseline
ABAC and antitrust training	Comprehensive training program (since 2021; expanded further in 2025 to include data privacy, information protection, gifts and entertainment, human rights, antitrust practices) to strengthen risk awareness; ongoing with annual review	All employees, with targeted modules for high-risk functions and third parties	Training completion rates at 100 % coverage of risk functions; progress tracked annually through completion records and curriculum updates
Third-party ABAC training	Mandatory training and formal acknowledgment for distributors and agents to ensure consistent ethical standards across the value chain; training renewed annually	Agents and distributors	Effectiveness tracked via completion records and contractual commitments; 2025 coverage extended to all high-risk partners
ELT and Board awareness sessions	Specialized awareness training for Executive Leadership Team; Board awareness session in 2025 to reinforce top-level accountability; conducted annually	Executive Leadership Team and Board of Directors	Training attendance registered; awareness evaluated through governance reviews

Clariant's compliance framework aims to prevent and detect incidents of bribery, corruption, and related misconduct. Building on the Code of Ethics, the ABAC AML Policy, the Investigations Policy, and supporting tools such as the Gifts and Entertainment Policy (part of ABAC AML Policy described above) and the Integrity »Yes«-Check (see below), the company ensures that employees and business partners act with integrity in all interactions. Clariant implements a comprehensive set of policies, procedures, and training programs to prevent and detect corruption and bribery, supported by regular monitoring and effectiveness evaluations.

All compliance policies, including the ABAC AML Policy, the Investigations Policy, and the Code of Ethics, are available on the company intranet in multiple languages. Target-group-specific training and awareness sessions ensure that employees and relevant third parties understand the policies and their practical implications.

Clariant pursues a comprehensive approach to preventing corruption and bribery. Building on the Code of Ethics, the Investigations Policy, and the ABAC AML Policy, the company has established dedicated instruments such as the Integrity »Yes«-Check tool. The »Yes«-Check provides employees with practical guidance for daily decision-making and reinforces accountability across the workforce. These measures are grounded in Clariant's eight guiding principles, which emphasize respect, ethical compliance, safety, anti-corruption, citizenship, careful handling of information, responsible communication, and sustainable use of resources. All related compliance policies and tools are made available to employees worldwide via the company intranet and are supported by mandatory training and internal communications to ensure awareness and understanding of their application.

COMMUNICATION AND TRAINING ON ANTI-CORRUPTION POLICIES AND PROCEDURES

	Total 2025	2024	2023	2022	2021	2020
Percentage of members of the Board informed about anti-corruption policies (%) ³	100	100	100	100	100	50
Percentage of business partners informed about anti-corruption policies (%) ³	80	80 ¹	80 ¹	80 ¹	70	60
Percentage of employees informed about anti-corruption policies (%) ^{3,4}	100	100	100	99	3	14
Percentage of members of the Board who received anti-corruption training (%) ³	91	91	91	36 ²	100	50
Percentage of relevant employees who received anti-corruption training (%) ^{3,4}	99.8	100	95	98	3	14
Percentage of employees who received compliance training (%) ^{3,4}	99.3	97	98	98	81	14

¹ The figure 80 % is an estimation-based analysis run on our business partners.

² In 2022, the training was held for the Audit Committee.

³ Considering the complexity of the KPI, Clariant omits the KPI's total and split by region, category, and business type.

⁴ This number refers to employees with a Clariant email.

ANTI-CORRUPTION AND ANTI-BRIBERY TRAINING

	At-risk functions	AMSB ¹
	2025	2025
Training coverage		
Total	5 650	16
Total receiving training (%)	99.8	94

¹ AMSB = Administrative, management and supervisory bodies. Board and ESC

All members of the Executive Leadership Team (ELT) complete mandatory anti-bribery and anti-corruption e-learning on a biennial basis. In addition, the Board of Directors receives tailored awareness sessions on compliance and ethical conduct once per year.

G1-4 – Incidents of Corruption or Bribery

Clariant takes a holistic view of compliance-related incidents, recognizing that risks to integrity can arise not only from corruption and bribery but also from competition law infringements, data protection breaches, product information concerns, and customer-related issues. Clariant systematically monitors reported incidents related to compliance and integrity. This includes cases of bribery and corruption, as well as breaches of internal policies and external regulatory requirements. All reported cases are systematically monitored, investigated, and used to strengthen

governance, ensuring that Clariant's business conduct framework remains effective and trusted by stakeholders. All allegations are addressed through a structured process that ensures transparency and accountability, as well as the termination of business relationships with partners where necessary. Outcomes are documented and fed back into preventive measures and governance oversight.

Financial resources

No separate operational or capital expenditures are allocated to anti-bribery and anti-corruption actions. All measures, including training, monitoring, and due diligence, are funded from Clariant's general Compliance budget. The company currently does not utilize sustainable finance instruments such as green or social bonds for these purposes. For the purpose of ESRS reporting, Clariant defines »significant« operational and capital expenditures as those exceeding the materiality threshold used for other ESRS topical standards. Based on this definition, no significant OPEX or CAPEX have been allocated to anti-bribery and anti-corruption measures. This information complements the MDR-A table under G1-3 (Prevention and Detection of Corruption and Bribery), which references Clariant's financial resource allocation to anti-bribery actions.

ANTI-CORRUPTION AND ANTI-BRIBERY INCIDENTS

	2025	2024
Number of convictions for violation of anti-corruption and anti-bribery laws	0	0
Amount of fines for violation of anti-corruption and anti-bribery laws	0	0

Independent Limited Assurance Report



Independent limited assurance report on selected Sustainability Information of Clariant Ltd

To the Board of Directors of Clariant Ltd, MuttENZ

We have undertaken a limited assurance engagement on Clariant Ltd's and its subsidiaries (hereinafter "Clariant") following selected Sustainability Information in Clariant's Management Report for the year 2025 (hereinafter "Sustainability Information"):

- European Sustainability Reporting Standards (ESRS) related KPIs, marked as "assured by KPMG" in the ESRS Index table.
- Global Reporting Initiative (GRI) related KPIs, marked as "assured by KPMG" in the GRI Index table.
- Clariant's internally developed KPIs marked as "assured by KPMG" in the Clariant-KPIs table.
- Non-financial disclosures prepared in accordance with article 964b of the Swiss Code of Obligation, as included in the index table of the Management Report, and the text marked accordingly with "✓ I" in Clariant's Management Report 2025.

Our Limited Assurance Conclusion

Based on the procedures we have performed as described under the "Summary of the work we Performed as the Basis for our Assurance Conclusion" and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Information is not prepared, in all material respects, in accordance with the Criteria described under the "Understanding how Clariant Ltd has Prepared the Sustainability Information".

Our assurance engagement does not extend to information in respect of earlier periods or future looking information included in the Sustainability Information, information included in the Integrated Report, information linked from the Integrated Report or any images, audio files or embedded videos.

Understanding how Clariant has Prepared the Sustainability Information

Clariant prepared the Sustainability Information using the following criteria (hereinafter referred to as the "Sustainability Reporting Criteria"):

- For European Sustainability Reporting Standards related KPIs – ESRS
- For Global Reporting Initiative (GRI) related KPIs – GRI Standards
- For Clariant's internally developed KPIs – criteria as described in Clariant's own KPIs table. As these are internally developed criteria, we specifically assess them against ISAE 3000 methodology, which requires criteria to be objective, measurable, complete, relevant, accurate and replicable.
- For the non-financial disclosures referenced in the index table of the Management Report – article 964b of the Swiss Code of Obligation

Consequently, the Sustainability Information needs to be read and understood together with these standards and criteria.

Inherent Limitations in Preparing the Sustainability Information

Due to the inherent limitations of any internal control structure, it is possible that errors or irregularities may occur in disclosures of the Sustainability Information and not be detected. Our engagement is not designed to detect all internal control weaknesses in the preparation of the Sustainability Information because the engagement was not performed on a continuous basis throughout the period and the audit procedures performed were on a test basis.

Clariant's Responsibilities

The Board of Directors of Clariant is responsible for:

- Selecting or establishing suitable criteria for preparing the Sustainability Information, taking into account applicable law and regulations related to reporting the Sustainability Information;
- The preparation of the Sustainability Information in accordance with the Sustainability Reporting Criteria;
- Designing, implementing, and maintaining internal control over information relevant to the preparation of the Sustainability Information that is free from material misstatement, whether due to fraud or error.



Our Responsibilities

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the Sustainability Information is free from material misstatement, due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our independent conclusion to the Board of Directors of Clariant.

As we are engaged to form an independent conclusion on the Sustainability Information as prepared by the Board of Directors, we are not permitted to be involved in the preparation of the Sustainability Information as doing so may compromise our independence.

Professional Standards Applied

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board (IAASB).

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

Our firm applies International Standard on Quality Management 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.

Our work was carried out by an independent and multidisciplinary team including assurance practitioners and sustainability experts. We remain solely responsible for our assurance conclusion.

Summary of the Work we Performed as the Basis for our Assurance Conclusion

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Sustainability Information is likely to arise. The procedures we performed were based on our professional judgment. Carrying out our limited assurance engagement on the Sustainability Information included, among others:

- Assessment of the design and implementation of systems, processes, and internal controls for determining, processing, and monitoring sustainability performance data, including the consolidation of data;
- Inquiries of employees responsible for the determination and consolidation as well as the implementation of internal control procedures regarding the selected disclosures;
- Inspection of selected internal and external documents to determine whether quantitative and qualitative information is supported by sufficient evidence and presented in an accurate and balanced manner;
- Assessment of the data collection, validation, and reporting processes as well as the reliability of the reported data on a test basis and through testing of selected calculations;
- Analytical assessment of the data and trends of the quantitative disclosures included in the scope of the limited assurance engagement;
- Assessment of the consistency of the disclosures applicable to Clariant with the other disclosures and key figures and of the overall presentation of the disclosures through critical reading of Clariant's Sustainability Information;
- Check that the Management Report contains the information required by article 964b (1) and (2) of the Swiss Code of Obligations to understand the business performance, the business results, the state of the undertaking, and the effects of its activity on material topics of environmental matters, social matters, employee-related matters, respect for human rights, and combating bribery and corruption.



The procedures performed 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 we performed a reasonable assurance engagement.

KPMG AG

Martin Rohrbach
Licensed Audit Expert
Auditor in charge
Zurich, 25 February 2026

Cyrill Kaufmann
Licensed Audit Expert

Corporate Governance Report

Between structure and process

In the Corporate Governance Report, we explain the principles of corporate governance at Clariant. We provide information about Clariant's leadership, the organizational structure, and elections.

Structure

Process



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Principles of Corporate Governance

In defining the management structure, organization, and processes of the Clariant Group, the corporate governance principles aim to provide stakeholder value and transparency to promote sustainable long-term success. The Group is committed to Swiss and international standards of corporate governance by following the respective statutory provisions and the rules issued by the SIX Swiss Exchange and by implementing the principles of the Swiss Code of Best Practices for Corporate Governance. The principles

and regulations on corporate governance are described in the Swiss Code of Obligations, the Directive on Information relating to Corporate Governance by the SIX Swiss Exchange, the Articles of Association of Clariant Ltd, the Bylaws of the Board of Directors, the organizational Group regulations of the Clariant Group, and the Clariant Code of Ethics. The Board of Directors adapts the internal documents regularly. The Articles of Association, the Bylaws of the Board of Directors, and the Clariant Code of Ethics can be viewed at → www.clariant.com/en/Company/Corporate-Governance.

GROUP CHARTER HOUSE COMPRISES ALL MAIN GOVERNANCE ELEMENTS

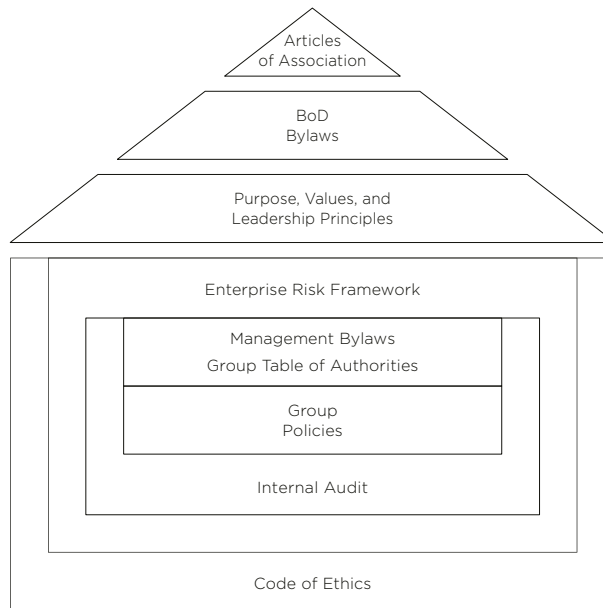
Articles of Association
govern the corporation

Purpose, Values, and Leadership Principles define why we exist, what we believe, and how we guide others

Management Bylaws define authorities and organizational accountabilities

Group Policies establish mandatory boundaries and link risks with related processes and controls

Code of Ethics guides our actions



BoD Bylaws govern the conduct of the Board of Directors

Enterprise Risk Framework establishes the risk appetite and the link to policies and authorizations

Group Table of Authorities documents approval authorization and limits

Internal Audit provides assurance that governance is effective

Group Structure and Shareholders

Group structure

The registered address of Clariant Ltd is Rothausstrasse 61, 4132 Muttenz, Switzerland. Please find the contact form at → www.clariant.com/en/Company.

The company's business operations are conducted through Clariant Group companies. Clariant Ltd, a holding company organized under Swiss law, directly or indirectly owns all Clariant Group companies worldwide. These companies' shares are not publicly traded.

The important subsidiaries of Clariant Ltd are listed in → **Note 34** of the Notes to the Consolidated Financial Statements of the Clariant Group in the Financial Report 2025.

The Group conducts its business through three Business Units: Care Chemicals, Catalysts, and Adsorbents & Additives. (See the → **Foundation of the Business** chapter.)

Significant shareholdings of 3 % or more of total share capital

Based on the notifications received by Clariant and published by SIX Exchange Regulation, as of 31 December 2025, the following shareholders held 3 % or more of the voting rights in Clariant Ltd:

Shareholders	Voting rights
SABIC International Holdings B.V., Sittard, The Netherlands, controlled by the Public Investment Fund of Saudi Arabia (PIF), Riyadh, Kingdom of Saudi Arabia ¹	31.50 %
Blue Beteiligungsgesellschaft mbH, Am Holzmaierfeld, Strasslach-Dingharting, Germany, and Maple Beteiligungsgesellschaft mbH, Icking, Germany and NOWI Beteiligungsgesellschaft mbH, 82064 Strasslach-Dingharting, Deutschland ²	5.16 %
UBS Fund Management (Switzerland) AG ³	5.04 %
BlackRock Inc., New York, United States	3.10 %

¹ SABIC acquired 24.99 % of the shares of Clariant Ltd on 17 September 2018 and increased its participation by 6.51 % to 31.5 % on 9 September 2020. SABIC has not changed its participation of 31.5 % since then.

² According to a disclosure notification published on 5 September 2024, the already existing group consisting of Blue Beteiligungsgesellschaft mbH (100% owned by Konstantin Winterstein, 80333 Munich, Germany) and Maple Beteiligungsgesellschaft mbH (100% owned by Elisabeth Prinzessin zu Sayn-Wittgenstein, 80333 Munich, Germany) was joined by NOWI Beteiligungsgesellschaft mbH, 82064 Strasslach-Dingharting, Deutschland; 100% jointly owned by Konstantin Winterstein and Elisabeth Prinzessin zu Sayn-Wittgenstein.

³ Disclosure was triggered due to the absorption merger ("Absorptionsfusion") between Credit Suisse Funds AG and UBS Fund Management (Switzerland) AG and the aggregation of the relevant interest of both entities as, upon merger, Credit Suisse Funds AG ceased to exist and UBS Fund Management (Switzerland) AG was the surviving entity.

Disclosure notifications during the 2025 financial year reported to the Stock Exchange Disclosure Office pursuant to Article 120 of the Financial Markets Infrastructure Act (FMIA) as well as further information in relation to disclosure notifications can be found on the SIX Swiss Exchange reporting platform:

→ www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/.

As of 31 December 2025, Clariant Ltd itself held 3 063 543 shares in treasury, corresponding to 0.923 % of the share capital.

Cross-Shareholdings

There are no cross-shareholdings.

Capital Structure

Capital

As of 31 December 2025, the fully paid-in nominal share capital of Clariant Ltd totaled CHF 444 798 526.66 and was divided into 331 939 199 registered shares, each with a par value of CHF 1.34. Clariant Ltd shares have been listed on the SIX Swiss Exchange since 1995 (symbol: CLN, ISIN CH0012142631). Clariant Ltd does not issue nonvoting equity securities (Genussscheine or Partizipationsscheine). Based on the closing price of the Clariant share of CHF 7.16 on 31 December 2025, the company's market capitalization at year end amounted to CHF 2 376 684 664.84. Except for the share capital reductions in 2023, 2024, and 2025 as a consequence of the distributions through capital reductions by way of par value reduction (see the below section »Distribution through capital reduction by way of par value reduction«), there was no change in the capital structure of Clariant Ltd in the last three years (2023 to 2025).

Conditional capital

The company's share capital may be increased by no more than CHF 5 107 927.24 by issuing 3 811 886 registered shares, each with a par value of CHF 1.34, corresponding to 1.14837 % of the current share capital.

The details are set out in Article 5 of the Articles of Association. The Articles of Association can be found at → www.clariant.com/en/Company/Corporate-Governance/Articles-of-association.

Distribution through capital reduction by way of par value reduction

In 2025, the Annual General Meeting decided on a distribution by way of par value instead of an ordinary dividend in the amount of CHF 0.42 per share. The total amount of CHF 139 414 463.58 was paid out on 4 June 2025.

A table with additional information on the distribution of capital reserves can be found in → **Note 17** of the Financial Report 2025.

Transferability of shares

The transfer of registered shares requires the approval of the Board of Directors, which may delegate this function. Approval is granted if the acquirer discloses his/her identity and confirms that the shares have been acquired in his/her own name and for his/her own account.

Nominee registrations and voting rights

Each registered share entitles the holder to one vote at the General Meetings. Special rules according to Article 6 of the Articles of Association apply to nominees who fail to disclose the identity of the persons they represent and whose shareholding exceeds 2 %.

Details can be found at → www.clariant.com/en/Company/Corporate-Governance/Articles-of-association.

Options

There are no options or option rights.

Closed Periods

The periods during which information and data is prepared for publication («Closed Periods») are determined and expressly notified to all insiders each year. The Closed Periods cover the following periods:

- Before publication of the half-year and the full-year results;
- Before publication of the quarterly reporting;
- The periods shortly before the disclosure to the markets of inside information related to the Clariant business.

Upon receiving such inside information, the primary insiders (which include members of the Board of Directors, the Executive Management, and employees having access to inside information, e.g., in the Accounting, Finance, Investor Relations, Communications, and Legal Departments) are entered in a register, and the register generates an »Insider Trading Message« to these insiders. It is specifically stated that no transactions in Clariant securities shall be made during Closed Periods, and it is further made clear that the trading prohibition and the obligation of confidentiality will be in effect, irrespective of whether or not the publication of the inside information concerned is likely to have a significant effect on the value of Clariant securities. Noncompliance may not only entail disciplinary measures but also result in criminal charges. There have been no exceptions to the Closed Periods.

Board of Directors

General information

The Board of Directors of Clariant Ltd comprises at least six and no more than twelve members pursuant to Article 19 of the Articles of Association of Clariant Ltd.

The members of the Board of Directors, the chairperson of the Board of Directors, and the members of the Compensation Committee are elected individually for a term of one year by the Annual General Meeting. Only members of the Board of Directors are eligible to serve on the Compensation Committee.

In April 2025, Ben van Beurden was elected chairman and member of the Board of Directors by the General Meeting, as proposed by the Board of Directors, succeeding Günter von Au, who decided to leave Clariant's Board of Directors. Other than that, the composition of the Board of Directors remained unchanged in 2025.

Following the change in chairmanship, the Board of Directors reviewed its overall structure and jointly decided to reduce its size from eleven to eight members for the upcoming term 2026. The decision aims to rightsize the Board, align it with Clariant's streamlined operations, and address investor concerns on independence, tenure, and gender diversity. In support of these efforts, five direc-

tors – Roberto Gualdoni, Geoffery Merszei, Eveline Saupper, Peter Steiner, and Konstantin Winterstein – decided not to stand for reelection at the Annual General Meeting on 1 April 2026. In addition to the remaining current members of the Board, the Board of Directors proposes two new candidates for election. In a professional recruitment process, Regula Wallimann and Albert Manifold have been identified as ideal candidates to complement the competencies in Clariant's Board of Directors.

Regula Wallimann (Swiss national) is a nonexecutive board member and chairwoman of the Audit Committee at publicly listed Straumann Group and Adecco Group as well as private equity-owned Swissport Group. Prior to her roles as nonexecutive board member, she worked at KPMG Switzerland (1993-2017) for 14 years as global lead partner for various large listed and unlisted international and national clients. Regula Wallimann has extensive experience in finance, financial and non-financial reporting, corporate governance, audit, and risk management, having held a number of nonexecutive and senior executive positions across several sectors. She holds a business degree (lic. oec. HSG) from the University of St. Gallen, Switzerland, and a degree as a certified public accountant, both Swiss and US.

Albert Manifold (Irish national) has been chairman of the board of BP p.l.c. since 1 October 2025 and nonexecutive director since 1 September 2025. He also serves as nonexecutive director at publicly listed LyondellBasell Industries as well as privately owned Mercury Engineering. Albert Manifold was chief executive officer of CRH plc from January 2014 until December 2024 and held a number of senior positions during his 28-year career at CRH. He has a strong track record of strategic leadership and operational delivery with a focus on cost efficiency, disciplined capital allocation, and cash flow generation. Albert is a certified public accountant and a chartered accountant. He holds a Master of Business Administration and a Master of Business Studies, both from the Dublin City University.

Regula Wallimann, Albert Manifold, and all other members of the Board of Directors are considered independent in accordance with best-practice standards, in particular the »Swiss Code of Best Practice for Corporate Governance.« For Clariant Ltd, a candidate for the Board of Directors is considered independent if the candidate:

- is not, and has not been for the prior three years, employed as an Executive Steering Committee member in the company or employed by any parent or subsidiary,
- is not, and has not been for the prior three years, an employee or affiliated with the elected external auditor or consultant,
- does not maintain a material direct or indirect business relationship with the company or any parent or subsidiary,
- is not a family member of an individual who is currently employed by the company or by any parent or subsidiary of the company as an executive officer,
- is not affiliated with a not-for-profit entity that receives significant contributions from the company.



No member of the Board of Directors exceeded any of the maximum number of mandates as set forth in Article 31 of the Articles of Association. Details on the mandates of the members of the Board of Directors can be found in the table below:

BOARD OF DIRECTORS - MEMBERSHIP IN OTHER BOARDS

Member	Company / type of organization	Location	Function
Ben van Beurden (since 1 April 2025)	Mercedes-Benz Group AG / public company	DE	Member of the Supervisory Board
	Barrick Mining Corporation (from 6 May 2025 until 26 November 2025) / public company	CA	Independent Lead Director from 11 August 2025 until 26 November 2025
	Kohlberg Kravis Roberts & Co. L.P. / private company	US	Senior Advisor for Climate Fund
Ahmed Mohammed Al Umar	Saudi Methanol Company / private company	SA	Chairman of the Board of Directors, Chairman of Business Committee
	Gulf Petrochemical Industries Co (GPIC) / private company	BH	Member of the Board of Directors, Chairman of the Audit, Finance and Risk Committee (AFRC) (until 27 May 2025), Member of the Nomination and Remuneration Committee (since 27 May 2025)
Roberto Gualdoni	Synthomer plc / public company (until 31 December 2025)	UK	Member of the Board of Directors
	CABB / private company	DE	Chairman of the Advisory Board
	Envalior GmbH / private company	DE	Chairman of the Shareholders' Committee
	National Industrial Gases Company (GAS) / private company (since September 2025)	SA	Member of the Board of Directors
	Arceegee Consulting / private company	DE	Chairman of the Board of Directors
Jens Lohmann	no other mandates		
Thilo Mannhardt	Algar Telecom / private company	BR	Member of the Board of Directors, Chairman of the Audit and Risk Committee
	Logus Capital Financial Advisors / private company	BR	Member of the Advisory Council
Geoffery Merszei	no other mandates		
Eveline Saupper	Georg Fischer AG / public company	CH	Vice Chairwoman of the Board of Directors, Independent Lead Director, Chairwoman of the Compensation Committee
	Forbo Holding AG / public company	CH	Member of the Board of Directors
	Stäubli Holding AG / private company	CH	Member of the Board of Directors
	Mentex Holding AG / private company	CH	Chairwoman of the Board of Directors
	Tourismus Val Surses Savognin Bivio AG / private company (until 24 September 2025)	CH	Vice Chairwoman of the Board of Directors
	UZH [University of Zurich] Foundation / not-for-profit organization	CH	Member of the Foundation Board
	Foundation Piz Mitgel Val Surses / not-for-profit organization	CH	Member of the Foundation Board
	University of St. Gallen / not-for-profit organization	CH	Member of the Advisory Council
	Wienerberger AG / public company	AT	Chairman of the Supervisory Board, Chairman of the Nomination and Remuneration Committee
Claudia Suessmuth Dyckerhoff	Zeal Network SE (until May 2025) / public company	DE	Chairman of the Supervisory Board
	Roche Holding AG / public company	CH	Member of the Board of Directors
	Ramsay Health Care Limited (Sydney) / public company	AUS	Member of the Board of Directors
	Prudential plc / public company	UK and HK	Member of the Board of Directors
	QuEST Global Services Pte. Ltd. / private company	SG	Member of the Board of Directors
	IMA [International Market Assessment] / private company	CN	Member of the Forum Advisory Board
	Evidentli, Inc. (since 11 November 2025) / private company	US	Chairwoman of the Board of Directors
	University of St. Gallen / not-for-profit organization	CH	Member of the Advisory Council
	St. Galler Stiftung für Internationale Studien (SSIS) / not-for-profit organization	CH	Member of the Foundation Board
	Empower Underprivileged Children Schweiz / not-for-profit organization	CH	Chairwoman of the Foundation Board
	Kinderhilfe Kambodscha e.V. / not-for-profit organization	DE	Member of the Foundation Board
Susanne Wamsler	TUM Universitätsstiftung / not-for-profit organization	DE	Member of the Executive Board
	Wirtschaftsuniversität Wien WU Vienna/ not-for-profit organization	AT	Member of the International Board
Konstantin Winterstein	Ringmetall SE / public company	DE	Member of the Board of Directors, Co-CEO
	GFT Holding GmbH / private company	DE	Member of the Advisory Council
Günter von Au (until April 1, 2025)	Stada Arzneimittel AG / private company	DE	Chairman of the Supervisory Board
	Gebr. Röchling KG / private company	DE	Member of the Advisory Committee
	CeramTec GmbH / private company	DE	Chairman of the Supervisory Board
	Tyczka GmbH / private company	DE	Chairman of the Advisory Board

Members of the Board of Directors



Ben van Beurden

- Chairman of the Board of Directors and the Nomination Committee since 1 April 2025, independent nonexecutive member
- Dutch citizen, born 1958
- Master's degree in chemical engineering from Delft University of Technology
- CEO of Shell plc until 2023, UK
- One other board membership in a public company (Mercedes Group AG, Germany; until 26 November 2025: Barrick Mining Corporation, Canada) and one mandate in a private company



Ahmed Mohammed Al Umar

- Vice-Chairman of the Board of Directors since 24 June 2022, independent nonexecutive member (nominated by SABIC International Holdings B.V.)
- Saudi-Arabian citizen, born 1964
- Bachelor's degree in business administration from the King Abdulaziz University, Saudi Arabia
- Executive Master of Business Administration (EMBA) from the King Fahad University of Petroleum and Minerals, Saudi Arabia
- Certified Board Director of the GCC Board Directors Institute (BDI), United Arab Emirates
- Vice President of SABIC Joint Venture Affairs and M&A, 2020-24, Saudi Arabia

- Vice President of Board Affairs and General Secretary of SABIC's Board of Directors since 2023, Saudi Arabia
- Two other board membership a in private chemical companies in the Middle East



Roberto Gualdoni

- Independent nonexecutive Member of the Board of Directors since 24 June 2022 (nominated by SABIC International Holdings B.V.), resignation effective 1 April 2026
- German and Italian citizen, born in 1956
- Master's degree in industrial engineering from the University of Buenos Aires, Argentina
- MBA from INSEAD, France
- CEO of Styrolution Group until 2014, Germany
- One other board mandate in a public company (Synthomer plc, UK) and four mandates in private chemical companies



Jens Lohmann

- Independent nonexecutive Member of the Board of Directors since 9 April 2024 (nominated by SABIC International Holdings B.V.)
- German citizen, born in 1968
- Master's degree in economics and business from the University of Hannover, Germany
- Senior Vice President, Head of Functional Controlling, at Bayer AG, Leverkusen, 2017-21, Germany

- Vice President, Head of Governance & Global Financial Controllershship, at SABIC Corp. since May 2021, Saudi Arabia
- No other mandates in public or private companies
- Executive Vice President of The Dow Chemical Company; President of Dow Europe, the Middle East, and Africa; and Chairman of Dow Europe, until 2013, USA
- No other board memberships



Thilo Mannhardt

- Independent nonexecutive Member of the Board of Directors since 29 June 2020 and Chair of the Innovation and Sustainability Committee since 7 April 2021
- German citizen, born in 1954
- Master's degree and PhD in aeronautical and space engineering from the Technical University of Berlin, Germany
- Postgraduate certificate in business administration from the University of Hagen, Germany
- CEO and Member of the Board of Directors of Ultrapar SA until 2018, Brazil
- Two other board memberships in private companies in Brazil



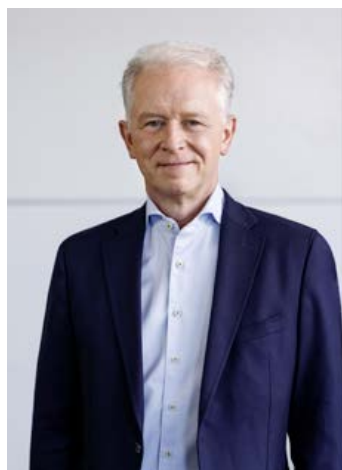
Eveline Saupper

- Independent nonexecutive Member of the Board of Directors since 21 April 2016, resignation effective 1 April 2026
- Swiss citizen, born in 1958
- PhD in law, University of St. Gallen (HSG)
- Certified tax expert
- Licensed attorney-at-law, Zurich
- Partner at Homburger AG until 2014, Switzerland
- Two other board memberships in public companies in Switzerland (Forbo Holding AG; Georg Fischer AG)
- Three other board memberships in private companies



Geoffery Merszei

- Independent nonexecutive Member of the Board of Directors since 16 October 2018 (nominated by SABIC International Holdings B.V.), resignation effective 1 April 2026
- Canadian and Swiss citizen, born in 1951
- Bachelor of Science in Economics, Albion College, Michigan, USA



Peter Steiner

- Independent nonexecutive Member of the Board of Directors and Chair of the Audit Committee since 21 April 2016, resignation effective 1 April 2026
- German citizen, born in 1959
- Master of Business Administration from the University of Mannheim and Cologne, Germany
- Certified public accountant
- Chief Financial Officer at Süba Bau AG, 1991-97, Germany
- Chief Executive Officer at Dyckerhoff AG, 2002-04, Germany

- One other board membership in a public company (Wienerberger AG, Austria; until May 2025: Zeal Network SE, Germany)



**Claudia Suessmuth
Dyckerhoff**

- Independent nonexecutive Member of the Board of Directors since 21 April 2016, Chair of the Compensation Committee since 1 April 2025
- German and Swiss citizen, born in 1967
- PhD in business administration from the University of St. Gallen, Switzerland, and the University of Michigan, USA
- MBA from CEMS/ESADE
- Senior Partner at McKinsey & Company until 2016, Europe, US, Asia, and China
- Senior external advisor to McKinsey & Company since 2016
- Three other board memberships in public companies (Roche Holding AG, Switzerland; Ramsay Health Care Limited, Australia; Prudential plc, Hong Kong)
- Three other board memberships in private companies

- German and American citizen, born in 1961
- Degree in political economy from Princeton University, US
- MBA from INSEAD, France
- Successful entrepreneur in different fields, including retail, real estate, telecommunications, and wealth management
- Two other board memberships in not-for-profit organizations



Konstantin Winterstein

- Independent nonexecutive Member of the Board of Directors since 31 March 2011, resignation effective 1 April 2026
- German citizen, born in 1969
- Degree in production engineering from the technical universities of Darmstadt and Berlin, Germany
- MBA from INSEAD, France; and Singapore
- Co-CEO of Ringmetall SE since 2017, Germany

More information on the experience and competencies of the Board of Directors can be found in the Board of Directors' competence matrix below as well as on Clariant's Website → www.clariant.com/en/Company/Board-of-Directors.

Former members of the Board of Directors who left Clariant in 2025:

Günter von Au

- Chairman of the Board of Directors and the Nomination Committee from 7 April 2021 until 1 April 2025, independent nonexecutive member
- Year of first election: 31 March 2011
- German citizen, born in 1951
- PhD in chemistry from the University of Tübingen, Germany
- CEO of Süd-Chemie AG, 2004-12, Germany
- Four other board memberships in private chemical and pharmaceutical companies headquartered in Germany



Susanne Wamsler

- Independent nonexecutive Member of the Board of Directors since 31 March 2015

In 2025, the competence self-assessment of the members of the Board was facilitated by an external consultant. Results are shown below.

BOARD OF DIRECTORS: COMPETENCE MATRIX

Member	CEO Experience	Finance Expertise	Compliance, Regulatory, Legal	Global Business	Specialty Chemicals	Transformation Expertise	Innovation	Commercial Expertise	Manufacturing & Distribution	Capital Markets	Talent Management & Compensation	BoD Committee ¹
Ben van Beurden (since 1 April 2025)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	NC (Chair), ISC
Ahmed Mohammed Al Umar	✓		✓	✓		✓		✓	✓	✓	✓	NC
Roberto Gualdoni	✓	✓		✓	✓	✓	✓	✓	✓	✓		ISC
Jens Lohmann		✓	✓	✓	✓	✓	✓		✓	✓	✓	CoC
Thilo Mannhardt	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	ISC (Chair)
Geoffery Merszei	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	AC
Eveline Saupper			✓							✓	✓	CoC
Peter Steiner	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	AC (Chair), NC
Claudia Suessmuth Dyckerhoff		✓	✓	✓		✓	✓	✓	✓	✓	✓	AC, CoC (Chair)
Susanne Wamsler			✓	✓	✓	✓	✓			✓	✓	ISC, NC
Konstantin Winterstein	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	AC, CoC

¹ AC: Audit Committee; CoC: Compensation Committee; ISC: Innovation & Sustainability Committee; NC: Nomination Committee

Cross-involvement

There are no cross-involvements.

Internal Organizational Structure

The Board of Directors and its committees

The **Board of Directors** consists of the Chairperson, the Vice-Chairperson, and the other members. No member of the Board of Directors held a senior management position at Clariant Ltd or any current or former Clariant Group company in the last five years or has any significant business relationship with Clariant Ltd or any other Clariant Group company.

The members of the Board of Directors constitute the following committees:

- Nomination Committee
- Compensation Committee¹
- Audit Committee
- Innovation and Sustainability Committee

The Board of Directors appoints the members of the committees, except for the members of the Compensation Committee, who are elected by the Annual General Meeting. The Board of Directors meets at least once a quarter. At the invitation of the Chairperson, the CEO, the CFO, and other members of the Executive Leadership Team and/or other employees and third parties attend the meetings of the Board of Directors for the purpose of reporting or imparting information. Each committee has a written charter outlining its duties and responsibilities. The committees' charters are published on Clariant's website (Board of Directors). The committees report on their activities and results to the Board of Directors after each Committee meeting. They prepare the business of the Board of Directors in their respective areas.

¹ As elected by the Annual General Meeting

The **Nomination Committee** (NC) comprises the Chairperson, the Vice-Chairperson, and other members of the Board of Directors, as elected by the Board of Directors. The Nomination Committee meets as needed. The Nomination Committee draws up principles for the selection of candidates for election and reelection to the Board of Directors, as well as for the position of CEO and for the other members of the Executive Steering Committee, and prepares the corresponding recommendations. For 2025, the female representation of the Board of Directors was 27 %. Due to the decision to rightsize the Board of Directors and the proposed nomination of two new candidates, the female representation will increase to 37.5 % as of 1 April 2026, thereby exceeding the gender requirement of 30 %, subject to the Annual General Meeting's acceptance of the proposal of the Board of Directors. The Executive Steering Committee fulfilled the gender requirements of Article 734f of the Swiss Code of Obligations in 2025. More details can be found above (see the chapter → **Board of Directors, General Information**) and in the Annual General Meeting invitation, published on 7 March 2026.

The NC also reviews the independence of all members of the Board of Directors as well as the membership and structure of its committees, and presents its assessment to the Board of Directors for final determination. More information can be found on Clariant's website at → www.clariant.com/en/Company/Board-of-Directors.

BOARD OF DIRECTORS - COMMITTEE RESPONSIBILITIES AND MEETINGS

Member of the Board of Directors	Nomination Committee	Audit Committee	Compensation Committee	Innovation and Sustainability Committee
Ben van Beurden	C since 1 April 2025			M since 1 April 2025
Ahmed M. Al Umar	M since 24 June 2022			
Roberto Gualdoni				M since 24 June 2022
Jens Lohmann			M since 9 April 2024	
Thilo Mannhardt				C since 7 April 2021
Geoffery Merszei		M since 16 October 2018		
Eveline Saupper			C / M C since 16 October 2018 / M since 1 April 2025	
Peter Steiner	M since 21 April 2016	C since 21 April 2016		
Claudia Suessmuth Dyckerhoff		M since 24 June 2022	M / C M since 16 October 2018 / C since 1 April 2025	
Susanne Wamsler	M since 7 April 2021			M since 7 April 2021
Konstantin Winterstein		M from 2012 until 21 April 2016 and since 20 March 2017	M since 7 April 2021	
Günter von Au	C from 7 April 2021 until 1 April 2025			M from 7 April 2021 until 1 April 2025

C = Chairperson
M = Member

The **Compensation Committee** (CoC) comprises at least three members of the Board of Directors elected by the Annual General Meeting. The majority of the members are to be nonexecutive members of the Board of Directors. The CoC meets at least twice a year. The CoC reviews and proposes to the Board of Directors the compensation and benefits policies and programs, reviews the performance criteria relevant to compensation, and determines individual executive compensation and benefits of the members of the Board of Directors and the Executive Steering Committee, subject to the approvals of the total compensations by the Annual General Meeting. The CoC also adjusts the development of the compensation structures to changing conditions, as necessary. In this context, the long-term incentive program for the Executive Steering Committee and the senior management team is also aligned with current market and business developments, and corresponding adjustments are made, if required. Furthermore, the CoC reviews fringe benefit regulations and dismissal regulations of the CEO, the CFO, and the other members of the Executive Steering Committee and takes note of the planned direct and indirect compensation packages of the heads of global functions reporting to the CEO, always in accordance with the Articles of Association and the Swiss Code of Obligations. More information can be found in the Compensation Report 2025 and at → www.clariant.com/en/Company/Board-of-Directors.

The **Audit Committee** (AC) comprises two to four members of the Board of Directors, all of whom must be independent and nonexecutive members of the Board of Directors. A majority of the members of the AC, including the chair, should have financial and accounting experience. The AC meets at least four times a year. The CFO, and representatives of the external auditor are invited to Audit Committee meetings. The Audit Committee reviews the financial reporting processes on behalf of the Board of Directors. For each quarterly and annual reporting of financial information, an internal team reviews the information for accuracy and completeness of disclosures, reporting to the Audit Committee before publication. The AC reviews and recommends the Group's financial statements for the first three quarters of each year and the annual financial results, as well as the report on non-financial matters pursuant to Article 964c of the Swiss Code of Obligations, to the Board of Directors for approval. Further, the Audit Committee reviews the activities of the external auditors, their collaboration with the internal auditors, and their organizational adequacy. It also reviews the performance, compensation, and independence of the external auditors, as well as the performance of the internal auditors. Furthermore, the AC reviews the company's internal control and risk management systems and reviews compliance with the law and internal regulations – in particular with the Code of Ethics. In collaboration with the Group's external and internal auditors and financial and accounting management, the AC reviews the appropriateness, effectiveness, and the compliance of accounting policies and financial controls with applicable accounting standards. Furthermore, the Head of Internal Audit, along with the Group Treasurer, the Group Compliance Officer, and Clariant's General Counsel report on a regular basis to the Audit Committee. More information can be found at → www.clariant.com/en/Company/Board-of-Directors.

The **Innovation and Sustainability Committee** (ISC) comprises two to four members of the Board of Directors, ideally with professional experience in the domains of technology and innovation management, research and development, and sustainability, including climate risk management. The ISC supports the Board of Directors and the CEO in matters of innovation and sustainability strategy, climate risk management, growth fields, innovation processes, innovation pipeline, enabling technology platforms, relevant intellectual property, and capability-related decisions. Furthermore, the ISC supports the AC in preparing the report on non-financial matters. The ISC meets as often as necessary for the company's business or at the request of any of its members, but in any case at least four times per year. The Chair of the ISC reports regularly to the Board of Directors on the activities and findings of the ISC and provides updates on progress with sustainability KPIs, including Scope 1, 2, and 3 emission reductions and the corresponding roadmaps, as well as progress on occupational health and safety. More information can be found at → www.clariant.com/en/Company/Board-of-Directors.

Definition of working methods and areas of responsibility

In accordance with the law and the Articles of Association, the Board of Directors is the ultimate decision-making authority for Clariant Ltd in all matters except those decisions reserved by law or the Articles of Association for the shareholders. In accordance with and supplementary to Article 716a of the Swiss Code of Obligations and Article 22 of the Articles of Association (→ www.clariant.com/en/Company/Corporate-Governance/Articles-of-association), the Board of Directors has in particular the following nontransferable and inalienable duties:

- Providing the strategic direction of the Group;
- Approving the basic outline of the Group's organization and its corporate governance;
- Supervising the overall business operations;
- Evaluating the performance of the CEO and members of the Executive Steering Committee;
- Appointing and dismissing the CEO and members of the Executive Steering Committee, the Head of Internal Audit, and other key executives;
- Approving the basic accounting system and financial planning and control of the Group;
- Approving the Group's annual budget;
- Reviewing and approving the quarterly financial statements and results release for Clariant Ltd and the Group;
- Approving the Group's consolidated financial statements at the end of the financial year for submission to the Annual General Meeting;
- Approving and reviewing ESG-related reporting;
- Approving major M&A transactions and financial transactions of considerable scope or those involving special risks, particularly capital market transactions and other financing transactions (e.g., large loans), as well as changes in conditions associated therewith;
- Ensuring a management and corporate culture that is appropriate for the company's objectives;

- Ensuring an internal control system and adequate risk and compliance management, particularly with regard to financial, corporate governance and citizenship, personnel, and environmental protection matters;
- Ensuring succession planning and management development;
- Convening the Annual General Meeting and determining the items on the agenda and the proposals to be made to the Annual General Meeting.

Working methods

In 2025, the Board of Directors held seven meetings in person and three meetings by videoconference. The overall attendance rate for the ten meetings was 99.2 %. Details on the individual attendance by each member of the Board can be found in the table below. The company's strategy is reviewed and developed once a year in a two-day meeting (included in the ten meetings as shown in the table below).

Members of the Executive Steering Committee and the General Counsel are invited to attend the meetings of the Board of Directors. Other members of the Executive Leadership Team are also invited to these meetings, depending on the agenda topics. The views of external and internal consultants are heard, if necessary, in the case of projects of considerable scope.

Further, in each board meeting, the Board of Directors receives updates regarding the economy, the environment, and people so that it can review the effectiveness of Clariant's processes and identify and manage its impact in these three areas. The Board also receives monthly reports regarding Clariant's performance and key projects. The Board of Directors also directly engages with stakeholders by providing feedback during Board meetings and follows up with stakeholders if questions arise during the Board meeting.

Management of the Group

The Board of Directors has delegated the executive management of the Clariant Group to the CEO and the other members of the Executive Steering Committee. The Executive Steering Committee is responsible for implementing and monitoring the Group strategy, for the financial and operational management of the Group, and for the efficiency of the Group's structure and organization. The members of the Executive Steering Committee are appointed by the Board of Directors on the recommendation of the Nomination Committee. Subject to the responsibility of the Board of Directors and the Annual General Meeting, the CEO and, under his supervision, the Executive Steering Committee are responsible for:

- Drawing up strategic plans and policies for approval by the Board of Directors;
- Implementing Group strategies and policies as well as strategies and action programs for individual business units and subsidiaries;
- Managing the business units and functions to ensure efficient operations, including regularly assessing the achievement of goals;
- Regularly informing the Board of Directors and its committees of all matters of fundamental significance to the Group and its businesses;
- Ensuring compliance with legal requirements and internal regulations;
- Establishing a management and corporate culture in line with the company's objectives;
- Promoting an active internal and external communications policy;
- Appointing and dismissing senior management, including appropriate succession planning.

BOARD OF DIRECTORS MEETINGS

	BoD		NC		AC		CoC		ISC	
Number of meetings in 2024	10		7		6		12		6	
	(average duration 6.5h)		(average duration 1.5h)		(average duration 3h)		(average duration 2.5h)		(average duration 4h)	
Directors										
Ben van Beurden (since 1 April 2025)	8	100.0%	5	100.0%						
Ahmed M. Al Umar	10	100.0%	7	100.0%						
Roberto Gualdoni	10	100.0%						6	100.0%	
Jens Lohmann	10	100.0%					12	100.0%		
Thilo Mannhardt	10	100.0%							6	100.0%
Geoffery Merszei	10	100.0%			6	100.0%				
Eveline Saupper	10	100.0%					12	100.0%		
Peter Steiner	10	100.0%	7	100.0%	6	100.0%				
Claudia Suessmuth Dyckerhoff	9	90.0%			6	100.0%	12	100.0%		
Susanne Wamsler	10	100.0%	7	100.0%					6	100.0%
Konstantin Winterstein	10	100.0%			6	100.0%	11	91.7%		
Günter von Au (until 1 April 2025)	2	100.0%	2	100.0%					6	100.0%
Average Attendance rate		99.2%		100.0%		100.0%		97.9%		100.0%

The Executive Steering Committee is supported by the Executive Leadership Team, consisting of the members of the Executive Steering Committee, as well as the heads of global functions, appointed by the CEO as permanent members.

The role of the Executive Leadership Team is to support the Executive Steering Committee in its decision-making process by promoting dialogue among its members, enabling information to be exchanged, and creating awareness of the Group's environment. The Group operates and reports in the three Business Units Care Chemicals, Catalysts, and Adsorbents & Additives, each one headed by a business president. (More details can be found in the → **Foundation of the Business** chapter.) They have global responsibility for the activities assigned to them, particularly sales, marketing, product management, and production. The business units also have global responsibility for short- and long-term revenue and earnings generated from the operations and assets assigned to them. This includes fully exploiting existing business potential, identifying new business opportunities, and pursuing the active management of their products and services portfolio. The business units' activities are complemented and supported by global functions (e.g., Procurement, Finance, Information Technology, Legal, Human Resources, Communications, and Strategy & Technology).

Information and control instruments vis-à-vis the Executive Steering Committee

The Board of Directors ensures that it receives sufficient information from the Executive Steering Committee to perform its supervisory duties and make decisions that are reserved for the Board of Directors. The Board of Directors obtains the information required to perform its duties in various ways:

- The CEO and the CFO inform it regularly about current developments, including through the regular submission of written reports, such as key performance indicators for each business;
- The minutes of the meetings of the Executive Steering Committee are made available to the Chairperson of the Board of Directors;
- Informal meetings and teleconferences are held, as required, between the CEO and the members of the Board of Directors;
- The members of the Executive Steering Committee are invited to attend meetings of the Board of Directors to report on the business units under their responsibility;
- The members of the Board of Directors are entitled to request information from members of the Executive Steering Committee or any other Clariant senior manager via the Chairperson.

Internal Audit

The purpose of Internal Audit is to provide independent, objective assurance and consulting services guided by a philosophy of adding value to improve Clariant. The department assists Clariant in accomplishing its objectives by bringing a systematic approach to evaluating and improving the effectiveness and efficiency of the organization's governance, safeguarding its assets, risk

management, and internal controls. Internal Audit carries out its audits in accordance with a plan approved by the Audit Committee. Internal Audit prepares reports on the audits, including actual or suspected deficiencies and irregularities, to the Audit Committee and Management. The Audit Committee regularly reviews the scope, plans, and results of Internal Audit. The Group pursues a risk-oriented approach to auditing and coordinates internal audit activities with the external auditors. The quality of Internal Audit is regularly assessed in accordance with the requirements of The Institute of Internal Auditors (IIA). More information on Clariant's risk management system can be found in the → **Enterprise Risk Management** chapter.

Group Management

The Executive Steering Committee (ESC)

The ESC consists of the CEO, the CFO, and the three business presidents. The ESC regularly holds meetings at the Clariant global headquarters in Pratteln and sometimes at other Clariant sites worldwide. It uses such external meetings to discuss business performance with the management of the local companies in person.

Members of the Executive Steering Committee

In 2025 the ESC comprised the following members:



Conrad Keijzer

- Chief Executive Officer (CEO) and Member of the ESC since 1 January 2021
- Dutch citizen, born in 1968
- MSc in industrial engineering of the Twente University of Technology
- Advanced Management Program at Harvard Business School, USA
- Executive Committee Member at AkzoNobel and CEO of Performance Coatings, 2013-18, the Netherlands
- CEO at Imerys, France, 2019-20
- One other mandate in a public company (Neste Corporation) and three mandates in not-for-profit organizations



Oliver Rittgen

- Chief Financial Officer (CFO) and Member of the ESC since 1 August 2025
- German citizen, born in 1973
- Master's degree in Banking, Audit and Tax from the University of Cologne, Germany (Diplom Kaufmann)
- 25 years in senior roles at Bayer AG, including CFO of Bayer's Crop Science division from February 2024 until July 2025
- No other mandates



Jens Cuntze

- President of the Business Unit Catalysts and the region APAC and Member of the ESC since 1 July 2022
- German citizen, born in 1970
- PhD in chemistry from the Swiss Federal Institute of Technology (ETH Zurich)
- Vice President and Head of Business Segment Petrochemical Catalysts of Clariant, 2013-18, Head of Corporate Planning & Strategy at Clariant, 2018-22, Switzerland
- Two mandates in not-for-profit organizations



Angela Cackovich

- President of the Business Unit Adsorbents & Additives and the region EMEA and Member of the ESC since 1 July 2022
- German citizen, born in 1967
- Master's degree in chemical engineering from the Fachhochschule Fresenius Wiesbaden, Germany
- Master's degree in international finance and management and Master of Business Administration from the University Business School London, UK
- Corporate Vice President and Global Head of Henkel Adhesive Technologies, 2018-19, Germany
- Executive Board member of tesa SE, 2020-22, Germany
- One other mandate in a private company (Lehmann & Voss & Co. KG)



Christian Vang

- President of the Business Unit Care Chemicals and the region Americas and Member of the ESC since 1 July 2022
- Danish citizen, born in 1961
- Bachelor's degree in international business and macroeconomics from the Schiller International University
- Executive General Management Program at INSEAD (CEDEP)
- Various executive degrees from institutions such as London Business School, Harvard, and INSEAD
- Head of BU Industrial Consumer and Specialties at Clariant, 2015-22, Switzerland
- No other mandates

Former ESC members who left Clariant in 2025:

Bill Collins

- Chief Financial Officer (CFO) and Member of the ESC from 1 July 2022 until 31 July 2025
- US citizen, born in 1968
- MBA from Kellogg Graduate School of Management
- Master of science in finance from the University of Illinois
- Certified public accountant from the state of Illinois
- CEO and CFO of ENGIE North America, 2020-22, U.S.
- No other mandates

For 2026, Clariant announced a change in the Executive Steering Committee upon the retirement of Christian Vang in 2026. Marcelo Lu has joined Clariant in January 2026 as President Designate for Care Chemicals & Americas. In his role, he is be a Member of the Executive Steering Committee. Marcelo Lu launched his career at BASF in 2006 and has held various commercial and general management positions in Germany, Hong Kong, Canada, the US and Singapore.

Other activities and functions

None of the members of the ESC undertake other activities or hold consultancy functions or other offices except for the ones disclosed in the table set out below.

EXECUTIVE STEERING COMMITTEE - MEMBERSHIP IN OTHER BOARDS

Member	Company / type of organization	Location	Function
Conrad Keijzer	European Chemical Industry Council (Cefic) / not-for-profit organization	BE	Member of the Board of Directors, Chairman of the Nomination Committee
	American Chemistry Council (ACC) / not-for-profit organization	US	Member of the Board of Directors
	Annual Governors Meeting of the World Economic Forum's Chemicals & Materials Community / not-for-profit organization (since January 2026)	CH	Chair of the Annual Governors Meeting
	NESTE Corporation / listed company	FIN	Member of the Board of Directors, Member of the Personnel and Remuneration Committee
Oliver Rittgen	no other mandates		
Angela Cackovich	Lehmann & Voss & Co. KG / private company	DE	Member of the Advisory Board
Jens Cuntze	Committee of Multinationals, China Petroleum and Chemical Industry Federation (CPCIF.MNC) / not-for-profit organization	CN	Executive Board Member and Vice Chairman
	Advisory Board of the Association of International Chemical Manufacturers Co. LTD / not-for-profit organization	CN	Member of the Advisory Board
Christian Vang	no other mandates		

Management contracts with third parties

There are no management contracts with third parties.

Contractual arrangements for members of the Executive Steering Committee

All members of the ESC hold employment contracts with Clariant International Ltd, Clariant Group's management company. The contractual provisions are governed by Swiss law. Contracts of the members of the ESC are subject to a standard notice period of twelve months.

Remuneration, Shareholdings, and Loans

All information on the remuneration of the Board of Directors and the Executive Steering Committee of Clariant Ltd can be found in the chapter → **Structure and Elements of the Board of Directors Compensation** and the chapter → **Structure and Elements of Executive Steering Committee Compensation**.

Shareholders' Participation Rights

Subject to Article 6 para. 2 of the Articles of Association (→ www.clariant.com/en/Company/Corporate-Governance/Articles-of-association), providing certain limitations on voting by nominees, each registered share entitles the holder to one vote at the Annual General Meeting. Shareholders have the right to receive dividends and such other rights as are granted by the Swiss Code of Obligations. However, only shareholders entered in the Clariant share register may exercise their voting rights.

Voting right restrictions and representation

A registered shareholder may be represented at the Annual General Meeting by another person with the right to vote, or by the independent proxy (unabhängiger Stimmrechtsvertreter). The shares held by any one shareholder may be represented by only one representative. There are no special rules laid down in the Articles of Association for waving any voting rights restrictions. The Articles of Association also do not contain any rules on participation in the Annual General Meeting that differ from the standard terms proposed by law.

Statutory quorums

The quorums laid down in the Articles of Association correspond to those in Article 704 of the Swiss Code of Obligations.

Convocation of the Annual General Meeting

The Articles of Association do not contain any rules that differ from the standard terms proposed by law.

Proposal of agenda items for the 2027 Annual General Meeting

The Articles of Association do not contain any rules that differ from the standard terms proposed by law. Shareholders holding at least 0.5 % of the share capital may request that an item be included on the agenda at least 45 days prior to the 32nd Annual General Meeting on 7 April 2027. Items to be included on the agenda – with regard to the 2026 financial year – must be submitted no later than 15 February 2027. Such requests must be made in writing and specify the item(s) to be included on the agenda and must contain a proposal on which the shareholder requests a vote.

Entries in the share register

There are no statutory rules concerning deadlines for entry in the share register. However, for practical reasons, the share register will be closed to entries several days before a shareholder meeting. With regard to the 2027 Annual General Meeting concerning the financial year 2026, this applies as of 27 March 2027. Shareholders who have been entered into the share register by 26 March 2027 may exercise their right to vote at the Annual General Meeting on 7 April 2027. There are no voting rights restrictions except those mentioned above.

Change of Control and Defense Measures

The limit beyond which the duty to make an offer applies is the same as the statutory minimum, 33 1/3 %. There are no clauses on changes of control in agreements with members of the Board of Directors or the Executive Steering Committee other than with regard to the Clariant Long-Term Incentive Plan (CLIP). Unvested Performance Stock Units will be settled as follows: immediate vesting settled in cash based on 100 % performance.

Information Policy

Notices; dates

Notices are published, in accordance with Article 35 of the Articles of Association (→ www.clariant.com/en/Company/Corporate-Governance/Articles-of-association), in the Swiss Official Gazette of Commerce. Clariant releases its annual financial results in the form of financial statements and publishes further information in the form of an Integrated Report in electronic form. In addition, business figures for the first quarter, half year, nine months, and full year are published in electronic form in April/May, July, October/November, and February/March of the following year, respectively. Current publication dates can be found online in English on Clariant's website (→ www.clariant.com/en/Investors/Financial-Calendar).

All information pertaining to investor updates, as well as presentations at analyst and investor conferences can be obtained online (→ www.clariant.com/en/Investors/Results-Reports-and-Publications) or at the following address:

Clariant International Ltd, Investor Relations, Hardstrasse 61, 4133 Pratteln, Switzerland, investor-relations@clariant.com, Phone +41 61 469 63 73.

The results for the 2026 financial year will be published as follows:

– First Quarter Reporting	8 May 2026
– Second Quarter/First Half Year Reporting	31 July 2026
– Third Quarter/Nine Months Reporting	3 November 2026
– Fourth Quarter/Full Year Reporting	23 February 2027

Annual General Meeting 2027

The Annual General Meeting for the 2026 financial year will take place on 7 April 2027.

Weblinks

Clariant website
→ www.clariant.com

E-mail distribution list (push system)

→ www.clariant.com/en/Investors/Ad-Hoc-Announcements-and-Investor-News/Subscribe-to-Ad-hoc-and-Investor-News

Ad hoc messages (pull system)

→ www.clariant.com/en/Investors/Ad-Hoc-Announcements-and-Investor-News

Financial reports

→ www.clariant.com/en/Investors/Results-Reports-and-Publications

Corporate calendar

See the → Financial Calendar in the Integrated Report or go to
→ www.clariant.com/en/Investors/Financial-Calendar

Auditors

Duration of the mandate and term of office of the lead auditor

KPMG was first elected as auditor for the 2022 financial year at the Annual General Meeting dated 24 June 2022 and confirmed for the 2025 financial year at the Annual General Meeting dated 1 April 2025. The Audit Committee ensures that the position of lead auditor is changed at least every seven years. The current lead auditor took office on 24 June 2022.

Auditing fees

KPMG received a fee of CHF 3.7 million for auditing the 2025 financial statements. For auditing the 2024 financial statements, KPMG received a total fee of CHF 4.0 million.

Additional fees

KPMG received a total fee of CHF 0.8 million for audit-related services and CHF 0.1 million for other services in the 2025 financial year. For 2024, KPMG received CHF 0.5 million for audit-related services and CHF 0.1 million for other services.

Supervisory and control instruments

vis-à-vis the auditors

The Audit Committee of the Board of Directors is responsible for overseeing and evaluating the performance of the external auditors on behalf of the Board of Directors and recommends to the Board of Directors whether KPMG should be proposed to the Annual General Meeting for reelection. Criteria applied for the performance assessment of KPMG include technical and operational competence, independent and objective views, employment of sufficient resources, focus on areas of significant risk to Clariant, ability to provide effective and practical recommendations, and open and effective communication and coordination with the Audit Committee, Internal Audit, and Management. In 2025, the external auditor's representatives joined all six meetings in parts. These meetings were attended by members of the Audit Committee, the partner and senior manager of the audit firm, Clariant's CFO, the Head of Corporate Accounting, the Head of Internal Audit, the General Counsel and the Group Controller. The auditors communicate audit plans and findings to the Audit Committee and issue reports to the Board of Directors in accordance with Article 728b of the Swiss Code of Obligations. The Audit Committee's approval is required for all services provided by KPMG exceeding a fee volume of CHF 25 000. These services may include audit and audit-related services as well as tax and other services. KPMG and the Executive Steering Committee report to the Audit Committee on a regular basis regarding the extent of services provided in connection with this approval.

Enterprise Risk Management (ERM)

Within the framework of the Enterprise Risk Management Policy, risk assessments are prepared by the business units and global functions to assess risks that could impact the achievement of Clariant's overall objectives. These objectives are a result of the overall strategy of the Group set by the Board of Directors and implemented by the Executive Steering Committee in collaboration with each business unit. The Executive Steering Committee is responsible for monitoring the risk assessments for relevance and consistency. The Executive Steering Committee has formed an »Ethics and Risk Management« subcommittee, which is tasked with maintaining an up-to-date understanding of areas where Clariant is, or may be, exposed to risk issues and seeks to ensure that Management is effectively addressing those issues. The Enterprise Risk Management process is performed on an annual basis with a requirement to report significant changes.

Risk registers are maintained by means of financial and reputational impact and probability assessments to score and rank all identified risks. The exercise also addresses the measures in place to manage/mitigate the risk identified. The identified risk and threats are assigned to risk owners. The risk owners are qualified individuals who manage the risk mitigation and monitoring plan.

A summary risk assessment is submitted annually to the Audit Committee and the Board of Directors for review. In the case of new or changed risks, reporting is accelerated.

To support functional responsibilities, certain functions also perform more granular risk assessments. Examples of such functions are Compliance, to identify key compliance risks; Environmental Safety and Health Affairs (ESHA), to identify key sites for their property risk survey program; and Global Function Procurement, to ensure reliable and compliant supply of raw materials. The results of these risk assessments are reported back in the overall Enterprise Risk Management methodology.

Compensation Report

Between strategy and reward

In the Compensation Report, we outline the governance, design, and results of the compensation programs for the Board of Directors and the Executive Steering Committee.

Strategy

Reward

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Message from the Chair of the Compensation Committee

Dear Stakeholders,

On behalf of the Board of Directors, and as the new Chair of the Compensation Committee, I am pleased to present the Compensation Report 2025.

After the Compensation Report 2024 was published, and during the Annual General Meeting in April 2025, we received valuable feedback on the Compensation Report. At that AGM, all compensation-related motions were passed, thanks to the continued support of Clariant's compensation philosophy. The approval rate of the consultative vote on the Compensation Report rose to 86.44 %, compared to 83.28 % the previous year.

Throughout 2025, we continued to engage with stakeholders to gather additional feedback, while answering questions and addressing concerns, and we are thankful for the transparent exchanges.

During our conversations, we received feedback on issues such as the balance between financial and non-financial performance metrics, the level of the individual performance multiplier, and the need to better understand the CEO's performance evaluation.

Changes to the Compensation System

The Clariant compensation system has undergone select changes that took effect in 2025. Most notably, the weighting of the key performance indicators has been adjusted for 2025. For both the short-term incentive (STI) and long-term incentive (LTI) plans, financial KPIs are now weighted at 80 %, while non-financial KPIs are weighted at 20 %, compared to 70 % and 30 %, respectively, in 2024.

In 2025, we also reviewed the incentive plan landscape and decided to redesign select elements. The changes, which take effect in 2026, aim to address stakeholder feedback and developments in market practice, and further align the compensation system with Clariant's strategy and purpose.

The STI plan will place greater emphasis on Group financial performance and broaden the safety measure used. The leverage in the STI will also be reduced as we decrease the impact of the individual performance multiplier. And starting with this 2025 report, we are disclosing the CEO's individual performance rating.



Claudia Süssmuth-Dyckerhoff
Chair Compensation Committee

In the LTI plan, we are more closely aligning with two specific dimensions of our purpose-led strategy. First, we are introducing a new KPI, the Innovation Rate, which supports the »Innovative chemistry« dimension, and Clariant's target Innovation Rate of 20 %. Second, we are adopting a broader measure of employee satisfaction, moving closer to our goal of becoming a top-quartile employer.

The changes in both incentive plans for 2025 and 2026 are described in greater detail in the report.

2025 Performance

In terms of both financial and non-financial performance, 2025 was a successful year for Clariant, despite the challenging market environment. As a result, achievements for the STI were above target. As in previous years, this was balanced by performance in the LTI, which was below target.

Reported EBITDA margin increased from 15.8% in 2024 to 16.4% in 2025, thanks to effective cost management. Free cash flow was also strong, increasing from CHF 211 million in 2024 to CHF 272 million in 2025. In terms of CO₂ reduction, Clariant performed above target, which is reflected in both the STI and the LTI. Safety performance was excellent in two business units but fell short of the target in one.

The two financial KPIs used in the LTI underperformed significantly compared to targets, resulting in zero vesting for both the TSR and ROIC vesting factors. On the other hand, our employees remained highly engaged, resulting in an improvement in the Employee Net Promoter Score above target, supporting our journey to become a top-quartile employer.

Within the performance management process, the members of the ESC were measured against their individual goals and behaviors. Overall, they performed above expectations. This is reflected in the short-term incentive plan through the individual performance multiplier tied to the performance rating. For 2025, the multiplier was 111% for the CEO and an average of 110% for the other members of the ESC.

Further details of KPI achievements in the short-term and long-term incentive plans, as well as individual achievements, are outlined in the respective sections of this report.

Compensation Committee Activities

In 2025, the January and February meetings focused on determining the short- and long-term incentive plan achievements, setting targets and developing plans for the current year, and preparing the Compensation Report and the say-on-pay votes for the AGM. The Compensation Committee also supported the Board of Directors in the hiring of the new CFO, Oliver Rittgen.

After the AGM, we held a series of extraordinary meetings between April and June to prepare for the redesign of the incentive plans. The redesign was approved at the July meeting.

Preparations for 2026 were finalized at the December meeting, where we reviewed target achievements for 2025 and targets for 2026, in addition to reflecting on feedback from meetings with stakeholders.

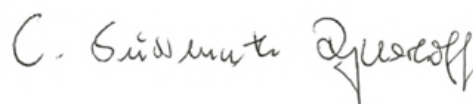
Changes to the Compensation Committee

After the 2025 AGM, I was appointed Chair of the Compensation Committee, replacing Eveline Saupper, who remains a member of the Compensation Committee until the end of the 2025-2026 mandate year. I would like to take the opportunity to thank Eveline for her leadership and insights while chairing the Committee.

The composition of the Compensation Committee will change once again in 2026 as we reduce the number of members of the Board at the 2026 AGM. Because of the reduction, the maximum amount payable to the Board of Directors proposed at the 2026 AGM will also be lower.

In 2026, we will continue our frequent and open exchanges with our stakeholders. We appreciate your ongoing feedback and support.

Sincerely,



Claudia Suessmuth Dyckerhoff
Chair Compensation Committee

Compensation Summary 2025

Board of Directors (BoD)

The members of the Board of Directors (BoD) receive a fixed compensation, partially provided in cash and partially provided via restricted shares with a three-year blocking period.

BOD COMPENSATION STRUCTURE

	Chair	Vice-Chair	Member
Board fee	450 000	180 000	150 000
Committee fees		Based on individual activities	Based on individual activities
Share-based compensation	300 000	120 000	100 000
Social security contributions	Based on individual situation	Based on individual situation	Based on individual situation

For chairing one of the four committees, BoD members receive a cash payment of CHF 50 000 (CHF 80 000 for chairing the Audit Committee). For regular membership in a committee, BoD members receive a cash payment of CHF 30 000 (CHF 40 000 for the Audit Committee). The chairperson of the BoD is not entitled to committee membership fees.

The following shareholding requirements apply to BoD members:

- Chairperson: 30 000 shares
- Vice-Chairperson: 15 000 shares
- Member: 12 000 shares

For the mandate year 2024/2025, total compensation for BoD members was within the approved budget:

Mandate year	Actual	Approved
2025/2026 ¹	CHF 4.0m	CHF 5.0m
2024/2025	CHF 4.0m	CHF 5.0m

¹ Estimation, mandate year not yet ended

For the mandate year 2025/2026, the actual total amount of compensation paid out to the BoD members is estimated to amount to CHF 4.0 million, and therefore, the total amount is estimated to stay within the amount of CHF 5.0 million approved by the Annual General Meeting (AGM) in 2025.

Executive Steering Committee (ESC)

The compensation for the ESC comprises the following elements:

- A fixed salary payable in twelve installments
- A variable cash bonus payable once a year
- A long-term incentive plan settled in shares after a three-year vesting period
- Benefits in line with local practice

ESC COMPENSATION STRUCTURE

	CEO	Paymix	Other ESC members	Paymix
Fixed compensation	1 200 000	30.0 %	500 000 – 630 000	37.0 %
Short-term incentive (STI)	108 % of fixed compensation	32.5 %	80 % of fixed compensation	30.0 %
Long-term incentive (LTI)	125 % of fixed compensation	37.5 %	90 % of fixed compensation	33.0 %
Other benefits ¹	Based on individual situation	Based on individual situation	Based on individual situation	Based on individual situation

¹ Other benefits include pension contributions, social security contributions, benefits related to international assignments, and other benefits.

The following shareholding requirements apply to the ESC:

- CEO: 150 000 shares
- Other ESC members: 80 000 shares

For the 2025 financial year, total compensation for the ESC was within the approved budget:

Performance year	Actual	Approved
2025	CHF 14.7m	CHF 16.0m
2024	CHF 13.5m	CHF 16.0m

The total amount paid to members of the ESC in the 2025 business year was CHF 14.7 million, after CHF 13.5 million in the prior year. The increase in the total amount from 2024 to 2025 is mainly driven by costs related to the international assignments of two ESC members and payments to the former CFO during his notice period.

The ESC comprises:

- Conrad Keijzer, CEO
- Oliver Rittgen, CFO
- Angela Cackovich, Business President Adsorbents & Additives and EMEA
- Jens Cuntze, Business President Catalysts and APAC
- Christian Vang, Business President Care Chemicals and Americas

In August 2025, Oliver Rittgen replaced Bill Collins as CFO. Given the 12-month notice period, Bill Collins' employment agreement will end in April 2026.

Compensation Governance

Clariant's Articles of Association, in combination with the Bylaws of the BoD and the Charter of the Compensation Committee (CoC), include regulations on compensation principles and the governance framework for compensation-related decisions. These documents can be found here:

- Articles of Association and Bylaws of the Board of Directors: → www.clariant.com/en/Company/Corporate-Governance/Articles-of-association
- Charter of the Compensation Committee: → www.clariant.com/en/Company/Corporate-Governance/Committees

The Articles of Association include, among others, the following compensation-related items:

- Stakeholder involvement: Articles 16 and 17
- Setup and responsibilities of the Compensation Committee: Article 24
- Compensation principles for the BoD and the ESC, including rules on the allocation of equity securities to members of the BoD and the ESC, and rules on performance-related payments to the members of the ESC: Articles 26 and 27
- Additional amount payable due to ESC changes: Article 28
- No grant of loans, credits, or securities to members of the BoD or the ESC: Article 29

Compensation Committee

The roles and responsibilities of the Compensation Committee are defined in Article 24 of the Articles of Association and Article 3.2.2 of the Bylaws of the BoD, in combination with the Compensation Committee Charter.

According to Article 24 of the Articles of Association, the Compensation Committee comprises at least three members, who are elected by the AGM. After the 2025 AGM, Claudia Suessmuth Dyckerhoff took over the chair of the Compensation Committee from Eveline Saupper, who remains a member of the Committee.

During the 2025 reporting year, the Compensation Committee comprised four nonexecutive members of the BoD:

- From 1 January 2025 to the AGM: Eveline Saupper (Chair), Jens Lohmann, Claudia Suessmuth Dyckerhoff, and Konstantin Winterstein
- From the AGM to 31 December 2025: Claudia Suessmuth Dyckerhoff (Chair), Jens Lohmann, Eveline Saupper, and Konstantin Winterstein

The Compensation Committee's main responsibilities are to:

- Propose to the BoD the maximum total compensation for the BoD and the ESC to be submitted to the AGM for approval;
- Propose to the BoD the actual compensation to be paid to the BoD and the ESC members (including the performance under the company's short- and long-term incentive plans), subject to the limits approved by the AGM;
- Review and propose to the BoD general compensation policies and programs;
- Propose key terms of the employment contracts and compensation packages for newly appointed ESC members or any updates to employment contracts and compensation packages of existing ESC members;
- Propose the Compensation Report to the BoD.

The Compensation Committee convenes at least twice a year; however, it is regular practice to hold four meetings a year, or more if required. In 2025, due to the work on the new incentive plan designs and the business president transition, the Compensation Committee met 14 times. Each meeting lasted between 60 and 120 minutes.

In those meetings, the following topics, among others, were discussed:

Meeting	Topics
January	- Target setting for the short- and long-term incentive plans for 2025 (continued from December 2024 meeting) - Company and individual performance 2024 and resulting payouts/vesting under short- and long-term incentive plans - Individual goal setting for CEO and other ESC members for 2025
February	- Target setting for the short- and long-term incentive plans for 2025 (continued from January 2025 meeting) - Approval of the Compensation Report - Preparation of compensation-related resolutions for the AGM
April-June	Eight ad-hoc meetings to redesign the incentive plans
July	- Final decision on redesign of incentive plans - Improvements to the Compensation Report, based on proxy advisor and stakeholder feedback - Outlook for performance against targets in current incentive plans
October	Two ad-hoc meetings on the transition of Business President Care Chemicals and Americas
December	- Outlook for performance against targets in current incentive plans - Consideration of potential adjustments to short- and long-term incentive plan KPIs and performance - Target setting for the short- and long-term incentive plans for 2026 - Improvements to the Compensation Report, based on proxy advisor and stakeholder feedback

The Corporate Secretary acts as Secretary to the Compensation Committee. The Chief Human Resources Officer (CHRO) and the Head of Total Rewards regularly attend the meetings to share information, present proposals, and consult on relevant compensation-related topics. The Chairperson of the Compensation Committee may invite the CEO to attend the Compensation Committee meetings, except when his own compensation is discussed or when there are other conflicts of interest.

Where deemed appropriate, external compensation advisors as well as other members of management are asked to provide consulting services and to join the committee meetings.

The following table summarizes the authority levels on compensation-related matters:

	CHRO	NoC	CoC	BoD	AGM
Compensation policy for ESC members	P		R	A	
Short-term and long-term incentive plans	P		R	A	
CEO compensation	P		R	A	
ESC members compensation	P		R	A	
CEO – individual performance goal setting and target achievement	P	R		A	
ESC members – individual performance goal setting and target achievement	P	R		A	
Shareholding requirements – BoD, CEO, and other ESC members	P		R	A	
Maximum aggregate compensation for ESC			P	R	A
Compensation policy for BoD members	P		R	A	
Board of Directors – maximum aggregate compensation			P	R	A
Compensation Report			P	R	V
Compensation-related changes to Articles of Association			P	R	A

P=Proposes, R=Recommends, A=Approves, V=Consultative Vote

Stakeholder Involvement

According to Articles 16 and 17 of the Articles of Association, the AGM approves the maximum aggregate compensation to be paid to the members of the BoD for the period up to the next AGM. For the members of the ESC, the AGM approves the maximum aggregate amount to be paid for the business year following the AGM. Finally, the Compensation Report is submitted to the AGM for a consultative vote.

During 2025, the Chairman of the Board and the Chair of the Compensation Committee engaged with stakeholders and their advisors in several meetings. In addition to addressing elements around compensation, these meetings also covered Clariant's strategy, corporate governance, and ESG topics.

Benchmarking

The compensation structure and levels for the BoD as well as the ESC are reviewed against market practice and developments on a periodic basis (typically every three to four years). The basis for the evaluations is benchmarking information and support from well-known external compensation consultants, as well as input from publicly available information, such as annual reports, compensation reports, and other compensation disclosures.

The Compensation Committee conducted a benchmark on the BoD and ESC compensation in July 2024 with the support of Mercer. The Committee concluded that the compensation levels and structure for both the BoD and the ESC are well aligned with the market. As a result, no changes were made to the compensation structure or levels of the BoD or the ESC. The next compensation benchmark is planned for 2027.

While the peer group may differ for each evaluation, the following principles apply to the selection of the peer group:

- The peer group includes listed and globally operating companies,
- The peer group includes a mix of Swiss and international companies from within and outside of the chemical industry,
- All companies of the peer group have a similar size in terms of market capitalization, revenue, and number of employees.

The complete list of peer companies used in the two benchmarking exercises is disclosed in the sections → **BoD Compensation Benchmarking** and → **ESC Compensation Benchmarking** below.

Clariant also engaged Mercer for additional work during 2025. The services Mercer provided include advisory work on the incentive plan design; a valuation of the CLIP PSUs; benchmark data for the wider Clariant employee population; and consulting on other HR topics.

Performance Management

Performance management for the ESC follows the same approach as for all Clariant employees. The performance management cycle starts in November of each year with discussions on objectives for the following business year, including financial and non-financial KPIs on the Group and business unit (BU) level, projects, and priorities. In December and January, these targets are cascaded down to managers and employees. These meetings also include the target setting for individual goals for each employee. The Board of Directors, supported by the Nomination Committee, sets the individual goals for the CEO and the other members of the ESC for the business year.

As part of the performance management process, progress is measured against defined goals on a continuous basis. The performance ratings are determined based on a combined evaluation of achievement of individual goals related to Clariant's strategic pillars (70 % weight) and behaviors (30 % weight). The final performance evaluation takes place in December and January. The Board of Directors, supported by the Nomination Committee, assesses the performance of the CEO and the other members of the ESC against their individual goals and behaviors and sets a final performance rating for the year.

Since 2023, individual performance has been used as a modifier to the individual short-term incentive (STI) payout. Please refer to → **Structure and Elements of Executive Steering Committee Compensation**.

Structure and Elements of Board of Directors Compensation

Principles

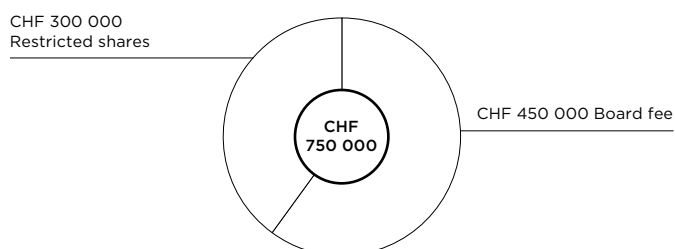
To ensure the independence of the BoD members in their supervisory duties, the members receive only fixed compensation based on their responsibilities and committee memberships. The compensation is paid partially in cash and partially in restricted shares to ensure alignment with stakeholders' interests.

The cash component covers the annual fee and committee membership fees. It is paid in four equal installments in March, June, September, and December of each year.

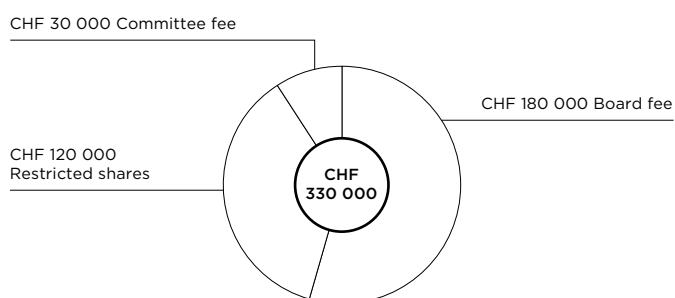
The restricted shares are granted retroactively for the past mandate year on the last trading day four weeks prior to the AGM, based on the average share price of the last ten trading days prior to the grant date. Once granted, the shares are subject to a blocking period of three years, which also remains in place if a BoD member leaves the Board.

The following outlines the structure of the BoD compensation:

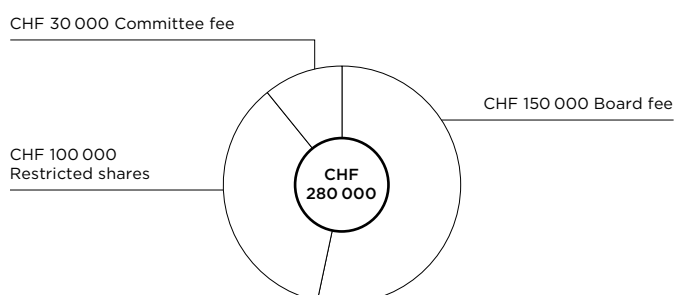
BoD CHAIR



BoD VICE-CHAIR



BoD MEMBER



The assumption for committee fees is a minimum of CHF 30 000.

The Chairperson of the Board is not entitled to receive committee fees when serving as a member of a committee. The following table illustrates the fees applicable to committee membership:

COMMITTEE FEES IN CHF PER MANDATE YEAR

	Chair	Member
Nomination Committee	50 000	30 000
Audit Committee	80 000	40 000
Compensation Committee	50 000	30 000
Innovation and Sustainability Committee	50 000	30 000

The compensation for BoD members is subject to taxation and social security, depending on the individual's situation, with Clariant paying the employer contributions as required. The BoD members are only reimbursed for actual entertainment expenses on business trips.

BoD Share Ownership Requirements

All BoD members are asked to build up a defined minimum shareholding within three years of becoming a member of the Board. The shareholding requirements are:

REQUIRED NUMBER OF SHARES FOR BoD MEMBERS

Chairperson of the Board of Directors	30 000 shares
Vice-Chairperson of the Board of Directors	15 000 shares
Members of the Board of Directors	12 000 shares

All members of the BoD have either reached the share ownership requirements or are expected to reach the requirements in the given timeline.

BoD Compensation Benchmarking

The Compensation Committee conducted a compensation benchmarking exercise in 2024 to review the BoD compensation levels and structure. The following 14 companies comprised the peer group for this benchmark. They were selected among multinational companies listed in Switzerland, excluding financial services and real estate companies, based on criteria such as market cap, revenue, and number of employees.

BoD BENCHMARKING PEER GROUP

BKW AG	Givaudan SA
Barry Callebaut AG	Lonza Group AG
Bucher Industries AG	SFS Group AG
Emmi AG	SIG Group AG
EMS-Chemie Holding AG	Sika AG
Galenica AG	Stadler Rail AG
Georg Fischer AG	Sulzer AG

The benchmark showed that the compensation of the Chairperson, the Vice-Chairperson, and the Members of the Board is positioned around the 75th percentile of the peer group. Based on this result, the Compensation Committee decided to leave BoD compensation levels and structures unchanged. There were also no changes in 2025.

Structure and Elements of Executive Steering Committee Compensation

Compensation Principles

Clariant's compensation philosophy is built around six fundamental principles, as outlined below. They apply to the entire Clariant workforce, including the ESC. These principles were updated in 2023 to strengthen the focus on equal pay.

COMPENSATION PRINCIPLES

Alignment to company strategy and shareholders' interests

Remuneration programs are designed to support the execution of Clariant's Business Strategy, both in terms of financial and non-financial focus. With a mix of fixed and variable components as well as a strong component of long-term oriented remuneration for top management, remuneration programs and levels are aligned to the interests of the company's stakeholders.

Competitiveness

Clariant offers competitive remuneration programs to ensure the attraction and retention of talent. Clariant conducts regular benchmarking studies on remuneration programs and levels against the chemical and general industry. In terms of Total Target Cash, Clariant aims at a pay position between median and third quartile of the market.

Compliance

Clariant's remuneration practices always follow local regulations, practices and agreements with employee representative bodies.

Fairness and Equity

The remuneration programs and practices ensure consistency and a fair treatment of all Clariant employees. While there may be differences on remuneration elements and amounts based on e.g., grade, location and performance, the following should never be a differentiating factor: Age, gender, cultural background, religious and sexual orientation.

Pay for Performance

Clariant's remuneration programs incentivize business results as well as individual performance and contributions. They allow and expect a differentiation of remuneration components for high-performing employees and where applicable, are linked to the Performance Management process.

Transparency

Individual remuneration elements are being made transparent to the respective employees. Targets and achievements for the Key Performance Indicators under the incentive plans are regularly shared with the organization.

2025 Structure and Elements

The total compensation structure for the ESC is highly performance- and success-oriented. A mix of fixed compensation and short- and long-term incentives ensures an alignment of stakeholder and management interests.

The following table outlines details of the different compensation elements:

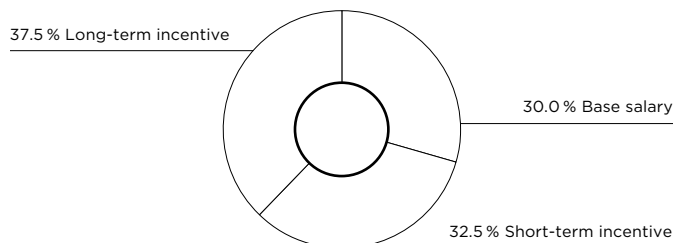
ESC COMPENSATION ELEMENTS

Element	Delivery	Purpose	Criteria	Performance Indicators	Rationale for Choice of KPIs
Base salary	Monthly, in cash	Attract and retain	Position, responsibilities, experience, and market practice		
Short-term incentive	Annually, in cash	Reward for annual performance	Annual company and individual performance	Group KPIs (for CEO and CFO): EBITDA margin, Free Cash Flow, Scope 3 emissions, DART. Business presidents: Group EBITDA margin, Group Free Cash Flow, BU EBITDA margin, BU Cash Flow Clariant, BU Scope 3 emissions, BU DART. Individual performance multiplier based on achievement against goals and behaviors.	Group targets focus the work of the CEO and CFO on overall company performance, while BU targets help the business presidents focus on their area of responsibility. The combination of KPIs is aligned with the company's business and sustainability strategy. The individual performance multiplier incentivizes focus on goals and behaviors.
Long-term incentive	Annually, subject to a three-year vesting period, Performance Share Units, settled in shares	Reward for long-term company performance; alignment with strategy and stakeholder interest	Company performance over a three-year performance period	Relative TSR ROIC CO ₂ reduction eNPS improvement	rTSR aligns well with the experience of stakeholders investing in Clariant, while ROIC supports focus on increasing returns. CO ₂ reduction and eNPS support Clariant's sustainability and people agenda.
Benefits	Contributions to pension and other insurances, international assignment benefits, allowances	Life events support; attract and retain	Local regulations and market practice		

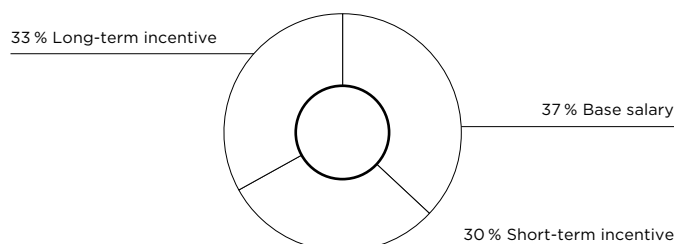
EBITDA: Earnings Before Interest, Taxes, Depreciation, and Amortization, TSR: Total Shareholder Return, eNPS: Employee Net Promoter Score, DART: Days Away from Work, Job Restriction, or Job Transfer

The illustrations below show the compensation mix for the CEO and the other ESC members based on target compensation and excluding benefits:

STRUCTURE AND ELEMENTS CEO



STRUCTURE AND ELEMENTS ESC MEMBERS



The target compensation levels are summarized below:

COMPENSATION STRUCTURE OF THE CLARIANT EXECUTIVE STEERING COMMITTEE IN CHF

	CEO compensation	as % of base salary	CFO & Business Presidents compensation	as % of base salary
Base salary	1 200 000	100	500 000-630 000	100
Short-term incentives ²	1 300 000	108	400 000-504 000	80
Long-term incentives ³	1 500 000	125	450 000-567 000	90
Total annual target	4 000 000	-	1 350 000-1 701 000	-

¹ Excluding other benefits

² Target cash bonus under the Global Bonus Plan (GBP); annual payout capped at 200 % target achievement

³ Annual grant volume; Performance Share Units with three-year vesting and defined performance hurdle; vesting capped at 200% target achievement

Base Salary

The base salary is determined and reviewed on a regular basis, taking into account the size, scope, responsibilities, and complexity of the role. The required experience for the role and individual contributions, as well as market data and market practice in the industry, are also considered.

Benefits

Benefits granted to the members of the ESC include employer contributions to the company's pension plans; employer contributions to health, life, disability, and accident insurances; and customary allowances, such as relocation, car, family, and education allowances. The benefits are granted in alignment with practices in Switzerland.

The ESC members participate in the pension plans of the Clariant Group in Switzerland, notably the Clariant pension fund, with an insured income of up to CHF 200 000 per annum, and the management pension fund, with an insured income of up to an additional CHF 707,200 per annum. The maximum insured income under the pension plans therefore stands at CHF 907,200 per annum.

Clariant's pension plans comply with the legal framework of the Swiss Occupational Pension Scheme Act (BVG), and the maximum contribution will be dynamically aligned in accordance with Article 79c BVG. For ESC members and all other eligible Clariant employees, the insured income in the Clariant pension fund is defined as the base salary plus 50% of the target cash bonus. The same basis

applies to the management pension fund. Equity-linked income components are not subject to pensionable income. Usual policies for death and disability are part of Clariant's pension plans. The total employer contribution is approximately 11% of the insured income in the case of the Clariant pension fund and 18% of the insured income in the case of the Clariant management pension fund.

These contributions cover both the contributions to the formation of retirement capital and the risk components. Under IFRS, the Clariant pension fund is a defined benefit plan. The management pension fund provides the members with retirement capital upon retirement. Pension payments are only accepted in exceptional cases.

Short-Term Incentive

The members of the ESC are eligible to participate in one of Clariant's annual short-term incentive plans, the Global Bonus Plan (GBP). ESC members are not eligible to participate in Clariant's other two bonus plans, the Site Bonus Plan and the Global Sales Incentive Plan.

The plan design is consistently applied to the ESC members as well as other Clariant employees eligible to participate in the GBP. The CEO and the CFO have exactly the same performance targets as other eligible employees in the corporate functions. Likewise, the business presidents have the same targets as the eligible employees in the business units.

SHORT-TERM INCENTIVE PLAN 2025

	Category	CEO and CFO	Business Presidents
Group Results			
EBITDA margin	Financial	40 %	10 %
Free Cash Flow	Financial	40 %	10 %
CO ₂ Emissions (Scope 3)	ESG	10 %	
DART ¹	ESG	10 %	
Business Unit Results			
BU EBITDA Margin	Financial		30 %
BU Cash Flow Clariant	Financial		30 %
BU CO ₂ Emissions (Scope 3)	ESG		10 %
BU DART ¹	ESG		10 %
TOTAL		100 %	100 %

¹ Days Away from Work, Job Restriction, or Job Transfer

For each KPI, a bonus curve is defined with a target (stretched goal), a threshold (minimum performance required for a payout), and a maximum (maximum performance/payout cap). The payout is determined based on a straight line between threshold and target and target and maximum. Prior to the performance year, the Compensation Committee reviews these targets and provides a recommendation to the BoD for approval.

The development of the company's target proposal follows a well-defined process subject to several rounds of discussions between the ESC and business leaders as well as the BoD. This process ensures that defined targets support the company's financial and growth ambitions and are challenging, yet achievable. The exact actual targets are not being disclosed prospectively, as these are considered commercially sensitive. However, the Group and the range of business unit targets, as well as achievement levels, are disclosed retrospectively. (See the chart → **2025 STI Performance Summary** below.)

The annual evaluation of the achievement of targets is conducted by the Compensation Committee following the respective financial year and approved by the BoD. This system ensures that the bonus payments granted to employees are closely aligned with the company's overall results.

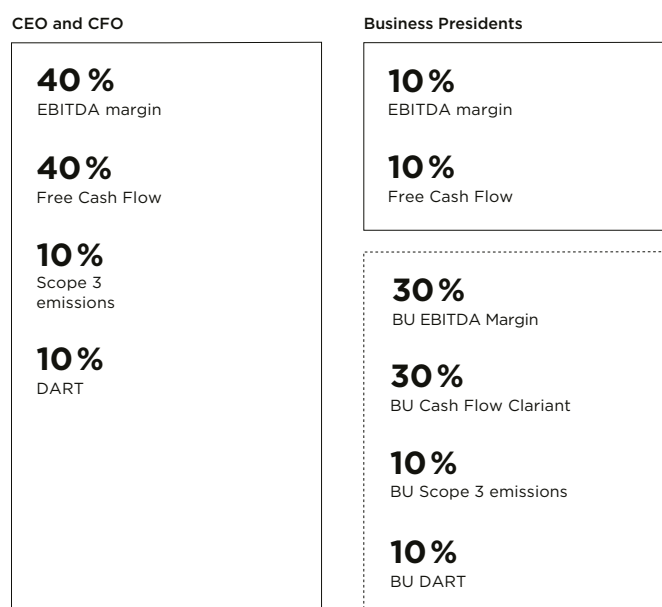
Depending on individual performance assessed by the BoD, the payout under the short-term incentive plan may decrease or increase in a corridor from 50% to 150% of the Group or BU achievement. In this assessment, performance against defined individual goals is weighted at 70%, and behaviors are weighted at 30%. The respective goals for the CEO for 2025 are outlined in the table → **CEO Goals 2025** below. In any case, the payout under the short-term incentive plan is capped at 200% of the individual target bonus.

Financial and non-financial Group and BU KPIs are quantitative in nature. They are directly audited (financial KPIs), or Clariant obtains limited assurance over the actual outcome (Scope 3 and DART). Individual goals have a mix of qualitative and quantitative KPIs.

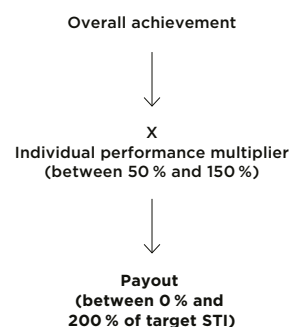
The Compensation Committee may propose that the BoD approve adjustments to the payout factors for each KPI in the event of extraordinary and nonrecurring events during the performance period. The Compensation Committee has adopted a policy on which events may be considered for adjustment, including minimum thresholds at the Group and BU level. The Compensation Committee reviews this policy regularly, taking into account stakeholder feedback, market practice, and business requirements.

For the performance year 2025, no adjustments to the GBP achievements were made. You can find details about the GBP achievements in the section → **GBP Results** below.

KPI STRUCTURE 2025



□ Group □ Business Unit



The GBP contains both malus and clawback provisions. This enables the BoD or the company to not only decide on a reduction or forfeiture of not yet paid entitlements (malus), but also to claim back already paid entitlements (clawback) from the plan participants in defined and justified cases of misconduct. Examples include misconduct leading to a restatement of financial statements or to financial or reputational damage as well as a substantial breach of legal, regulatory, or contractual requirements, or a

substantial breach of internal policies, such as the Clariant Code of Ethics. Under the malus provision, the entitlement may be reduced to zero. Under the clawback provision, the full amounts paid out may be reclaimed by the company.

Long-Term Incentive

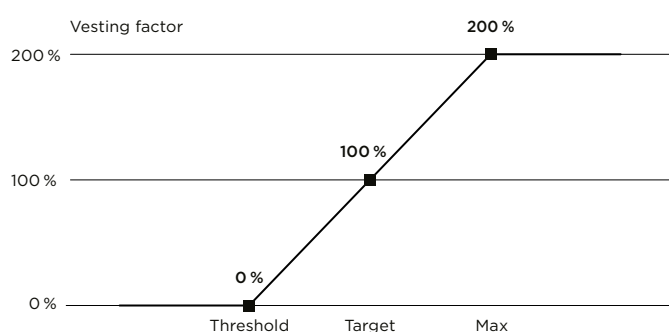
Along with employees in senior management positions, the ESC members are eligible to participate in the Clariant Long-Term Incentive Plan (CLIP). Implemented in 2019, the CLIP was designed to align compensation with long-term stakeholder interests and to have eligible employees drive the company's long-term strategy. In 2022, the CLIP was redesigned to strengthen the alignment with the company's updated strategy and to ensure that the CLIP contributes to an overall attractive and competitive compensation package. In 2025, the CLIP was once again reviewed thoroughly. The changes with effect from 2025 and 2026, respectively, are outlined below.

The CLIP represents an equity-based award in the form of Performance Share Units (PSUs) with a three-year vesting period. The CLIP grant per individual is defined as a fixed percentage of the annual base salary. The vesting is conditional upon achievement of defined performance targets, and a vesting will only occur if at least a threshold performance level as defined by the BoD has been achieved. The KPIs in the CLIP are purely quantitative in nature. For each KPI, the BoD determines a threshold, a target, and a maximum performance level prior to each grant date, and the grant details are communicated to participants accordingly.

CLIP STRUCTURE 2025

Item	Details	Weighting
KPIs	Relative TSR (measured against the MSCI Europe Chemicals Index)	40 %
	ROIC	40 %
	CO ₂ (Scope 1+2) reduction	10 %
	Employee Net Promoter Score (eNPS)	10 %
Vesting Period	3 years	
Delivery	Performance Share Units	
Settlement	Equity	
Grant Value	% of base salary	
# of PSUs	Grant value divided by 30-day average share price	
Clawback / Malus	Malus and clawback	
Vesting Levels	0 % to 200 %. Subject to performance hurdle: Vesting factor for CO ₂ and eNPS is capped at 100 % if TSR or ROIC is below target.	

VESTING CURVE



The vesting curve illustrated above applies equally to each KPI in the CLIP. The 2025 CLIP grant contains an additional performance hurdle: If the vesting factor for either the total shareholder return (TSR) KPI or return on invested capital (ROIC) KPIs is below target, then the vesting factors for the other two KPIs are capped at 100 % (instead of the normal 200 %). This performance hurdle will apply to the vesting that will take place in April 2028.

For the relative TSR, the target is met if the performance of the Clariant share is equal to the performance of the MSCI Europe Chemicals Index. Threshold and maximum are determined by one standard deviation down and up from the target. For the internal targets, exact actual targets are not being disclosed prospectively, as these are considered commercially sensitive.

However, both the targets and the achievements of CLIP grants are disclosed after the performance period has ended. For the CLIP grant in 2023, whose performance period ended in 2025, this information is displayed in the section → **Vesting of Previous Long-Term Incentive Plans** below.

Each PSU is converted to up to two Clariant shares. The vesting factor for each KPI is determined by the BoD at the end of the vesting period upon proposal of the Compensation Committee. As for the GBP, the Compensation Committee may propose that the BoD approve adjustments to the vesting factors for each KPI in the event of extraordinary and nonrecurring events during the vesting period. As for the GBP, no adjustments were made to the vesting factor of the CLIP awards granted in 2023.

Like the GBP, the CLIP also includes both malus and clawback provisions. The conditions under which malus or clawback can be applied are fully aligned between the GBP and the CLIP.

The procedures upon termination of employment during the vesting period are:

- Retirement: Pro-rata vesting at the regular vesting date based on actual performance
- Disability and death: Immediate pro-rata cash-out based on 100 % performance
- Sale of a business and redundancy: Grants in 2019-2022: Immediate pro-rata cash-out based on 80 % performance for the grants. Grants since 2023: Pro-rata vesting at the regular vesting date based on actual performance
- Change of control: Grants in 2019-2022: Immediate pro-rata cash-out based on 80 % performance for the grants. Grants since 2023: Immediate vesting settled in cash based on 100 % performance
- Voluntary termination and termination for cause: Full forfeiture

Participation in the CLIP is tied to share ownership targets that must be achieved within five years of the first participation:

- CEO: 150 000 shares
- Other ESC members: 80 000 shares
- Other participants: Up to 30 000 shares, depending on management level

The ESC members are still building up the share ownership within the allowed time frame. Two members of the ESC have not yet received any vesting under the CLIP, and two members have only received shares from the vesting of CLIP grants made before they were ESC members.

Other Contractual Terms

As per Article 32 of the Articles of Association, employment contracts of the ESC members may have a definite or indefinite term. As of 31 December 2025, all current ESC members had a contract with an indefinite term. The notice period is twelve months followed by a noncompete period of twelve months. The contracts do not allow for any severance packages.

Christian Vang was due to retire in January 2026. In 2025, his employment agreement was extended with effect from February 2026. The new agreement has an indefinite term and a notice period of six months.

ESC Compensation Benchmarking

The Compensation Committee conducted a compensation benchmarking exercise in 2024 to review the compensation levels and compensation structure of the ESC members. The peer group for the ESC compensation levels comprised the following 18 companies. They were initially selected from two groups of companies: firstly, multinational companies that are part of the MSCI Europe Chemicals Index, and secondly, specific companies considered direct peer companies. From this, a further selection was made for companies with a comparable market cap, revenue, and number of employees.

ESC BENCHMARKING PEER GROUP

Arkema SA	Lonza Group AG
Covestro AG	OCI NV
Croda International PLC	Sika AG
EMS-Chemie Holding AG	Solvay SA
Evonik Industries AG	Syensqo SA
Givaudan SA	Symrise AG
Johnson Matthey PLC	Umicore SA
Kemira Oyj	Wacker Chemie AG
LANXESS AG	Yara International ASA

The benchmark showed that the total target cash positioning of the CEO is around the 75th percentile, with total direct compensation between median and the 75th percentile. For the other ESC members, the compensation levels in general are positioned between the median and the 75th percentile. Based on this result, the Compensation Committee decided that no changes would be made to the compensation system or the individual compensation packages of any of the ESC members. In 2025, no ESC members received any salary increases. The salaries for the global Clariant population increased by 3.1% on average in 2025.

Changes to the Compensation System with Effect from 2025

The compensation system for the ESC remained stable during 2025, with selected adjustments as outlined in this section.

Based on the achievements from both the financial and non-financial KPIs of the GBP in 2023 and 2024, the BoD reconsidered the balance of the KPIs in the GBP design for 2025 by emphasizing financial performance. Therefore, in the 2025 GBP design, the weightings of the financial KPIs and non-financial KPIs were adjusted. The weightings for the non-financial KPIs were reduced by 5% each, and this weight was added to the financial KPIs. This reflects an 80:20 split between financial and non-financial KPIs versus the 70:30 split in 2024. This change enables a stronger focus on financial performance while still driving ESG-related KPIs.

The KPIs for the CLIP were similarly adjusted: The weights of the TSR and ROIC KPIs increased from 33% each to 40% each, while the weights of the CO₂ reduction KPI and the eNPS KPI decreased from 17% each to 10% each. At the same time, the performance hurdle described above was introduced.

Changes to the Short-Term Incentive with Effect from 2026

In an ongoing process to reflect on best practice and strategic imperatives, the Compensation Committee undertook a thorough review of the compensation system in 2025. It identified areas where Clariant already meets challenging targets, like Clariant's industry-leading safety performance, as well as business-critical KPIs that were not yet included in the incentive plans but strongly embedded in Clariant's purpose-led strategy, like the Innovation Rate. The following changes were approved by the BoD in 2025 and will apply to the short-term incentive plan for 2026. Like the 2025 GBP, the changes apply equally to the ESC members and all other eligible employees in the respective business units or corporate functions.

Stronger Focus on Group Performance

Greater focus on Group performance aims to emphasize Clariant-wide results and a common purpose. Therefore, for participants from a business unit, including the business presidents, the weight of the Group EBITDA and Group Free Cash Flow will increase from 10% to 20% each. At the same time, the weight of the BU EBITDA and BU Cash Flow Clariant will decrease from 30% to 20% each.

Broader Safety Measure

A broader safety measure aims to further strengthen Clariant's holistic safety culture. In 2026, the safety measure will change from DART to TRIR. DART measures Days Away, Restricted, or Transferred and, thus, only safety incidents where the employee could not perform their normal duties for a period. TRIR, the Total Recordable Incident Rate, also measures incidents where medical treatment was required, even if the employee could return to their normal duties. Thus, TRIR also includes less serious accidents.

Adjusted Performance Multiplier

The range of the individual performance multiplier in the GBP will change to reflect current market practice in the chemical industry and stakeholder feedback. In 2026, the range will decrease from 50–150 % to 80–120 %.

Changes to the Long-Term Incentive with Effect from 2026

The following changes were approved by the BoD in 2025 and will apply to the CLIP grant in 2026. The plan design for already granted CLIP PSUs will not be altered.

New TSR Methodology

In the CLIP grants from 2019 to 2025, the TSR KPI was measured as the Clariant TSR compared to an index, currently the MSCI Europe Chemicals Index. Starting with the 2026 grant, the Clariant TSR will be compared to a peer group of 16 companies (including Clariant), as outlined in the table below.

The use of a custom peer group instead of an index will allow a close comparison with companies that are more similar to Clariant in terms of products, customers, size, and geography. The use of a custom peer group is also aligned with common market practice.

TSR PEER GROUP CLIP 2026

Akema SA	Johnson Matthey PLC
Akzo Nobel NV	Kemira Oyj
BASF SE	LANXESS AG
Brenntag SE	Sika AG
Clariant AG	Solvay SA
Croda International PLC	Syensqo SA
Evonik Industries AG	Umicore SA
IMCD NV	Wacker Chemie AG

These peer companies were selected as follows: The starting point was a pool of potential peers selected from the companies used for the ESC benchmark, the constituents of the MSCI Europe Chemicals Index and the STOXX Europe 600 Chemicals Index, and further selected competitors of Clariant. In addition, the correlation of share price development over different time periods was analyzed in order to guarantee statistical relevance for Clariant. Finally, the free float was taken into consideration to ensure comparability of the shareholder structure.

The vesting factor for the TSR KPI will be determined based on Clariant's rank within the peer group. TSR will be measured as one three-year period instead of the current average of three one-year periods. The starting and ending values will be calculated as 30-day averages instead of the closing price. These changes aim to bring Clariant's TSR methodology into alignment with market practice.

The weight of the TSR vesting factor will be reduced from 40 % to 30 %, with the difference being shifted to the Innovation Rate as described below.

Innovation Rate as a New KPI

To align the long-term incentive plan with Clariant's purpose-led strategy even more closely, and to also reflect the dimension of Innovative chemistry, the Compensation Committee decided to add an additional KPI to the 2026 CLIP, the Innovation Rate. The aim of this change is to incentivize profitable growth through innovative products. The weight of this KPI will be 10 %.

The Innovation Rate measures the revenue from innovation products compared to total revenue. Innovation products deliver a new or better value proposition to the customer and must satisfy Clariant sustainability criteria. Products qualify as innovation products for the first five years after launch. The auditor provides limited assurance on this KPI.

Clariant aims for an Innovation Rate of 20 % by 2027. This will be reflected in the target-setting for 2026. For more information about innovation at Clariant, see the section → **Sustainable Innovation** in the Sustainability Statement.

More Inclusive Engagement Measure

People engagement is another critical dimension of Clariant's strategy. Clariant has already made significant progress toward becoming a top-quartile employer. The Compensation Committee has decided to broaden the employee satisfaction KPI in the CLIP in 2026. In past CLIP grants, Clariant used the Employee Net Promotor Score (eNPS) as a KPI. eNPS measures how likely Clariant employees are to recommend Clariant as an employer. Starting in 2026, the measure used will be the engagement score.

The engagement score is a broader measure of employee satisfaction. It measures positive employee attitudes in three areas: advocating for Clariant, intent to stay with the company, and motivation to help Clariant succeed. Both the eNPS and the engagement score are calculated based on responses to the annual engagement survey, which allows Clariant to continuously improve the employee experience.

Adjusted Performance Hurdle

The performance hurdle introduced in the CLIP 2025 grant will be changed for the CLIP 2026 grant. If the ROIC vesting factor is below 50 %, then the CO₂ vesting factor and the engagement vesting factor will be capped at 100 %. This change aims to strike a balance between the incentivization of financial performance and our sustainability targets.



Board of Directors Compensation and Share Ownership 2025

BoD Compensation

The tables below show the compensation paid to the BoD in the calendar years 2025 and 2024.

 Tables and paragraphs with this symbol indicate that the data has been audited by KPMG.

2025 ANNUAL COMPENSATION TO MEMBERS OF THE BOARD OF DIRECTORS, GROSS IN CHF

Name	Role on Board of Directors	Board fee	Committee fee	Social security contribution	Restricted shares ²	Total 2025
Ben van Beurden ¹	Chair	337 500	0	49 787	0	387 287
Ahmed Mohammed Al Umar	Vice-Chair	180 000	30 000	22 109	120 004	352 113
Roberto Gualdoni	Member	150 000	30 000	0	100 004	280 004
Jens Lohmann	Member	150 000	30 000	19 026	100 004	299 030
Thilo Mannhardt	Member	150 000	50 000	17 606	100 004	317 610
Geoffery Merszei	Member	150 000	40 000	0	100 004	290 004
Eveline Saupper	Member	150 000	35 000	16 618	100 004	301 622
Peter Steiner	Member	150 000	110 000	0	100 004	360 004
Claudia Suessmuth Dyckerhoff	Member	150 000	85 000	22 650	100 004	357 654
Susanne Wamsler	Member	150 000	60 000	19 862	100 004	329 866
Konstantin Winterstein	Member	150 000	70 000	0	100 004	320 004
Günter von Au	Chair until 2025 AGM	112 500	0	23 644	300 000	436 144
Totals 2025		1 980 000	540 000	191 302	1 320 040	4 031 342

¹ Ben van Beurden was elected to the BoD at the 2025 AGM. He will receive his first grant of restricted shares in March 2026.

² Amounts reflect the value of the shares after rounding of the entitlement to full shares.

2024 ANNUAL COMPENSATION TO MEMBERS OF THE BOARD OF DIRECTORS, GROSS IN CHF

Name	Role on Board of Directors	Board fee	Committee fee	Social security contribution	Restricted shares ²	Total 2024
Günter von Au	Chair	450 000	0	45 018	300 003	795 021
Ahmed Mohammed Al Umar	Vice-Chair	180 000	30 000	22 055	120 008	352 063
Roberto Gualdoni	Member	150 000	30 000	0	100 005	280 005
Jens Lohmann ¹	Member	112 500	22 500	10 083	0	145 083
Thilo Mannhardt	Member	150 000	50 000	17 560	100 005	317 565
Geoffery Merszei	Member	150 000	40 000	0	100 005	290 005
Eveline Saupper	Member	150 000	50 000	17 560	100 005	317 565
Peter Steiner	Member	150 000	110 000	0	100 005	360 005
Claudia Suessmuth Dyckerhoff	Member	150 000	70 000	21 612	100 005	341 617
Susanne Wamsler	Member	150 000	60 000	20 954	100 005	330 959
Konstantin Winterstein	Member	150 000	70 000	0	100 005	320 005
Naveena Shastri	Member until 2024 AGM	37 500	7 500	0	100 005	145 005
Totals 2024		1 980 000	540 000	154 842	1 320 056	3 994 898

¹ Jens Lohmann was elected to the BoD at the 2024 AGM. He received his first grant of restricted shares in March 2025.

² Amounts reflect the value of the shares after rounding of the entitlement to full shares.

The compensation disclosed in the tables reflects the respective calendar year (January to December), while the AGM approves the total maximum compensation to the BoD for a mandate year, i.e., for the period between two AGMs (in general April to March). The total compensation amount paid to BoD members for the mandate year 2024/2025 was CHF 4.0 million and, thus, below the amount approved by the AGM of CHF 5.0 million. For the mandate year 2025/2026, a total compensation amount of CHF 4.0 million is expected, which would be within the limits of the approved amount of CHF 5.0 million for this mandate year. The final total compensation amounts for the mandate year 2025/2026 will be provided in the Compensation Report 2026.

 In 2024 and 2025, there were no payments to former BoD members. No payments were made to the related parties of BoD members or former BoD members in 2024 or 2025. In both years, no loans or credits were outstanding and/or granted to BoD members, former BoD members, or their related parties. No compensation for special duties beyond their regular duties was paid to any BoD member in 2024 or 2025.

BoD Share Ownership

The share ownership of the members of the BoD is shown below.

SHARES HELD BY MEMBERS OF THE BOARD OF DIRECTORS

Name	Role on Board of Directors	Number of shares granted in 2025	Number of shares granted in 2024	Number of shares held as of 31 Dec 2025	Number of shares held as of 31 Dec 2024
Ben van Beurden	Chair	0 ¹	0	10 000	
Ahmed Mohammed Al Umar	Vice-Chair	11 184	10 715	29 631	18 447
Roberto Gualdoni	Member	9 320	8 929	32 893	23 573
Jens Lohmann	Member	9 320	0	9 320	
Thilo Mannhardt	Member	9 320	8 929	49 638	40 318
Geoffery Merszei	Member	9 320	8 929	41 942	32 622
Eveline Saupper	Member	9 320	8 929	59 805	50 485
Peter Steiner	Member	9 320	8 929	57 305	47 985
Claudia Suessmuth Dyckerhoff	Member	9 320	8 929	54 905	45 585
Susanne Wamsler	Member	9 320	8 929	986 526 ²	977 206 ²
Konstantin Winterstein	Member	9 320	8 929	6 972 320 ³	6 963 000
Günter von Au	Chair until 2025 AGM	27 959	26 786		136 914
Naveena Shastri	Member until 2024 AGM		8 929		
Total		123 023	117 862	8 304 285	8 336 135

¹ Ben van Beurden was elected to the Board at the 2025 AGM. He will receive his first grant of restricted shares in March 2026.

² Excludes 240 271 shares held by The Honoré T. Wamsler Trust

³ Excludes 3 800 000 shares held by NOWI Beteiligungsgesellschaft (jointly owned by Konstantin Winterstein and Elisabeth Prinzessin zu Sayn-Wittgenstein)

✓ No options were held by the BoD members or their related parties on 31 December 2025 or on 31 December 2024. |

In line with its size reduction, the BoD will also propose a lower maximum total compensation amount for the members of the BoD for the mandate year beginning at the 2026 AGM.

Gender Representation on and Size of the BoD

Female representation on the Board of Directors is 27%. Due to the decision to rightsize the Board of Directors and the proposed nomination of two new candidates, the female representation will increase to 37.5% as of 1 April 2026, thereby exceeding the gender requirement of 30%, subject to the General Meeting's acceptance of the proposal of the Board of Directors.

BoD Mandates

The following table shows the additional mandates that the members of the BoD held in other organizations on 31 December 2025 and 31 December 2024, respectively.

BOARD OF DIRECTORS - MEMBERSHIP IN OTHER BOARDS 2025

Member	Company / type of organization	Location	Function
Ben van Beurden (since 1 April 2025)	Mercedes-Benz Group AG / public company	DE	Member of the Supervisory Board
	Barrick Mining Corporation (from 6 May 2025 until 26 November 2025) / public company	CA	Independent Lead Director from 11 August 2025 until 26 November 2025
	Kohlberg Kravis Roberts & Co. L.P. / private company	US	Senior Advisor for Climate Fund
Ahmed Mohammed Al Umar	Saudi Methanol Company / private company	SA	Chairman of the Board of Directors, Chairman of Business Committee
	Gulf Petrochemical Industries Co (GPIC) / private company	BH	Member of the Board of Directors, Chairman of the Audit, Finance and Risk Committee (AFRC) (until 27 May 2025), Member of the Nomination and Remuneration Committee (since 27 May 2025)
Roberto Gualdoni	Synthomer plc / public company (until 31 December 2025)	UK	Member of the Board of Directors
	CABB / private company	DE	Chairman of the Advisory Board
	Envalior GmbH / private company	DE	Chairman of the Shareholders' Committee
	National Industrial Gases Company (GAS) / private company (since September 2025)	SA	Member of the Board of Directors
	Arceegee Consulting / private company	DE	Chairman of the Board of Directors
Jens Lohmann	no other mandates		
Thilo Mannhardt	Algar Telecom / private company	BR	Member of the Board of Directors, Chairman of the Audit and Risk Committee
	Logus Capital Financial Advisors / private company	BR	Member of the Advisory Council
Geoffery Merszei	no other mandates		
Eveline Saupper	Georg Fischer AG / public company	CH	Vice Chairwoman of the Board of Directors, Independent Lead Director, Chairwoman of the Compensation Committee
	Forbo Holding AG / public company	CH	Member of the Board of Directors
	Stäubli Holding AG / private company	CH	Member of the Board of Directors
	Mentex Holding AG / private company	CH	Chairwoman of the Board of Directors
	Tourismus Val Surses Savognin Bivio AG / private company (until 24 September 2025)	CH	Vice Chairwoman of the Board of Directors
	UZH [University of Zurich] Foundation / not-for-profit organization	CH	Member of the Foundation Board
	Foundation Piz Mitgel Val Surses / not-for-profit organization	CH	Member of the Foundation Board
	University of St. Gallen / not-for-profit organization	CH	Member of the Advisory Council
	Wienerberger AG / public company	AT	Chairman of the Supervisory Board, Chairman of the Nomination and Remuneration Committee
	Zeal Network SE (until May 2025) / public company	DE	Chairman of the Supervisory Board
Claudia Suessmuth Dyckerhoff	Roche Holding AG / public company	CH	Member of the Board of Directors
	Ramsay Health Care Limited (Sydney) / public company	AUS	Member of the Board of Directors
	Prudential plc / public company	UK and HK	Member of the Board of Directors
	QuEST Global Services Pte. Ltd. / private company	SG	Member of the Board of Directors
	IMA [International Market Assessment] / private company	CN	Member of the Forum Advisory Board
	Evidentli, Inc. (since 11 November 2025) / private company	US	Chairwoman of the Board of Directors
	University of St. Gallen / not-for-profit organization	CH	Member of the Advisory Council
	St. Galler Stiftung für Internationale Studien (SSIS) / not-for-profit organization	CH	Member of the Foundation Board
	Empower Underprivileged Children Schweiz / not-for-profit organization	CH	Chairwoman of the Foundation Board
	Kinderhilfe Kambodscha e.V. / not-for-profit organization	DE	Member of the Foundation Board
Susanne Wamsler	TUM Universitätsstiftung / not-for-profit organization	DE	Member of the Executive Board
	Wirtschaftsuniversität Wien WU Vienna/ not-for-profit organization	AT	Member of the International Board
Konstantin Winterstein	Ringmetall SE / public company	DE	Member of the Board of Directors, Co-CEO
	GFT Holding GmbH / private company	DE	Member of the Advisory Council
Günter von Au (until April 1, 2025)	Stada Arzneimittel AG / private company	DE	Chairman of the Supervisory Board
	Gebr. Röchling KG / private company	DE	Member of the Advisory Committee
	CeramTec GmbH / private company	DE	Chairman of the Supervisory Board
	Tyczka GmbH / private company	DE	Chairman of the Advisory Board

BOARD OF DIRECTORS – MEMBERSHIP IN OTHER BOARDS 2024

Member	Company / type of organization	Location	Function
Günter von Au	Stada Arzneimittel AG / private company	DE	Chairman of the Supervisory Board
	Gebr. Röchling KG / private company	DE	Member of the Advisory Committee
	CeramTec GmbH / private company	DE	Chairman of the Supervisory Board
	Tyczka GmbH / private company	DE	Chairman of the Advisory Board
Ahmed Mohammed Al Umar	Saudi Methanol Company / private company	SA	Chairman of the Board of Directors, Chairman of Business Committee
	Gulf Petrochemical Industries Co (GPIC) / private company	BH	Member of the Board of Directors, Chairman of the Audit, Finance, and Risk Committee
	GCC Board Directors Institute (BDI)	UAE	Member of the Governors Board Chairman of the Human Capital Committee
Roberto Gualdoni	Synthomer plc / listed company	UK	Member of the Board
	CABB / private company	DE	Chairman of the Board of Directors
	Envalior GmbH / private company	DE	Chairman of the Shareholders' Committee
	Arceegge Consulting / private company	DE	Chairman of the Board of Directors
Jens Lohmann	no other mandates		
Thilo Mannhardt	Algar Telecom / private company	BR	Member of the Board of Directors, Chairman of the Audit and Risk Committee
	BMI Holding (until March 2024)	BR	Member of the Advisory Council
	Logus Capital Financial Advisors / private company	BR	Member of the Advisory Council
Geoffery Merszei	Zolenza AG in liquidation (liquidated 25 March 2024)	CH	Chairman of the Board of Directors
Eveline Saupper	Georg Fischer AG / public company	CH	Vice-Chairwoman of the Board of Directors, Independent Lead Director, Chairwoman of the Compensation Committee
	Forbo Holding AG / public company	CH	Member of the Board of Directors
	Stäubli Holding AG / private company	CH	Member of the Board of Directors
	Mentex Holding AG / private company	CH	Chairwoman of the Board of Directors
	Tourismus Val Surses Savognin Bivio AG / private company (until 24 September 2025)	CH	Vice-Chairwoman of the Board of Directors
	UZH [University of Zurich] Foundation / not-for-profit organization	CH	Member of the Foundation Board
	Foundation Piz Mitgel Val Surses / not-for-profit organization	CH	Member of the Foundation Board
	University of St. Gallen / not-for-profit organization	CH	Member of the Advisory Council
Peter Steiner	Wienerberger AG / public company	AT	Chairman of the Supervisory Board, Chairman of the Nomination and Remuneration Committee
	Zeal Network SE (until May 2025) / public company	DE	Chairman of the Supervisory Board
Claudia Suessmuth Dyckerhoff	Roche Holding AG / public company	CH	Member of the Board of Directors
	Ramsay Health Care Limited (Sydney) / public company	AUS	Member of the Board of Directors
	Prudential plc / public company	UK and HK	Member of the Board of Directors
	QuEST Global Services Pte. Ltd. / private company	SG	Member of the Board of Directors
	IMA [International Market Assessment] / private company	CN	Member of the Forum Advisory Board
	University of St. Gallen / not-for-profit organization	CH	Member of the Advisory Council
	St. Galler Stiftung für Internationale Studien (SSIS) / not-for-profit organization	CH	Member of the Foundation Board
	Buurtzorg Neighborhood Care Asia Ltd. (until 1 December 2024)	HK	Member of the Advisory Council
	Empower Underprivileged Children Schweiz / not-for-profit organization	CH	Chairwoman of the Foundation Board
	Kinderhilfe Kambodscha e.V. / not-for-profit organization	DE	Member of the Foundation Board
Susanne Wamsler ¹	TUM Universitätsstiftung / not-for-profit organization	DE	Member of the Executive Board
	Wirtschaftsuniversität Wien WU Vienna/ not-for-profit organization	AT	Member of the International Board
Konstantin Winterstein	Ringmetall SE / public company	DE	Member of the Board of Directors, Co-CEO
	GFT Holding GmbH / private company	DE	Member of the Advisory Council

¹ The mandates for Susanne Wamsler in this table have been corrected compared to the 2024 table in the Compensation Report 2024.

Executive Steering Committee Compensation and Share Ownership 2025

Changes to the ESC

In August 2025, Oliver Rittgen replaced Bill Collins as CFO. Given the twelve-month notice period, Bill Collins' employment agreement will end in April 2026. Clariant will pay contractually agreed-upon salary, benefits, and bonus as per the applicable plan rules. The relevant amounts for 2025 are included in the 2025 compensation table. Even with these payments, the total amount of compensation to the ESC for 2025 remains below the approved amount.

In December 2025, Clariant announced that a transition in the role of Business President Care Chemicals and Americas from Christian Vang to Marcelo Lu will take place in 2026. The transition had no impact on compensation in 2025. The relevant compensation details will be included in the 2026 Compensation Report.

ESC Compensation

The two tables below show the compensation earned by the members of the ESC in 2025 and 2024.

As part of his regional leadership role, Jens Cuntze, Business President Catalysts and APAC, relocated to China in 2023. The 2025 and 2024 compensation tables reflect the customary benefits provided to him as an international assignee by the Clariant International Long-Term Assignments Policy. Jens Cuntze does not receive any benefits outside the policy.

2025 ANNUAL COMPENSATION TO MEMBERS OF THE EXECUTIVE STEERING COMMITTEE, GROSS IN CHF

	Highest-paid ESC member (Conrad Keijzer, CEO)	Other ESC members	Totals 2025
Base salary	1 200 000	2 510 000	3 710 000
Short-term incentive (cash bonus)	1 933 620	2 593 003	4 526 623
Long-term incentive (share-based) ¹	1 500 001	2 034 017	3 534 018
Sign-on grant ²	0	355 000	355 000
Other benefits ³	450 316	2 158 873	2 609 189
TOTAL	5 083 937	9 650 893	14 734 830

¹ The allocation of PSUs is based on an 30-day average share price prior to grant on 1 April 2025: CHF 10.43. The conversion from PSUs into shares is done after a three-year vesting period, depending on the achievement factor.

² Oliver Rittgen received a sign-on grant as compensation for part of his lost entitlements with a previous employer. One-third will be paid as a fixed amount in cash in August 2026. The remainder was granted as restricted share units. One-third of the total will vest in August 2027, and the final third will vest in August 2028. The payout and vesting of all tranches are subject to continued employment.

³ »Other benefits« include pension contributions, social security contributions, benefits related to international assignments, and other benefits.

2024 ANNUAL COMPENSATION TO MEMBERS OF THE EXECUTIVE STEERING COMMITTEE, GROSS IN CHF

	Highest-paid ESC member (Conrad Keijzer, CEO)	Other ESC members	Totals 2024
Base salary	1 200 000	2 260 000	3 460 000
Short-term incentive (cash bonus)	2 087 800	2 386 936	4 474 736
Long-term incentive (share-based) ¹	1 500 003	2 034 029	3 534 032
Other benefits ²	439 509	1 539 033	1 978 542
TOTAL	5 227 312	8 219 998	13 447 310

¹ The allocation of PSUs was based on an 30-day average share price prior to grant on 2 April 2024: CHF 11.50. The conversion from PSUs into shares is done after a three-year vesting period, depending on the achievement factor.

² »Other benefits« include pension contributions, social security contributions, benefits related to international assignments, and other benefits.

In 2025, Clariant paid company social security contributions for two former Executive Committee (EC) members, Hans Bohnen and Bernd Högemann, whose employment agreements ended in 2023. The social security contributions relate entirely to the vesting of PSUs that were granted during their term of employment but that vested on a pro-rata basis in 2025, as per the terms of the CLIP. The total amount was CHF 6 709 each, totaling CHF 13 418. In 2024, the corresponding amount was CHF 24 862. In 2025 and 2024, no other compensation was paid or granted to former ESC/EC members. In 2025 and 2024, no compensation was paid to the related parties of ESC/EC members or former

ESC/EC members. In 2025 and 2024, no loans or credits were outstanding or granted to the CEO, other ESC members, former ESC/EC members, or their related parties, as stipulated in the Articles of Association.

The following sections provide additional details about the compensation of the ESC members in 2025.

Total Compensation 2025

The total compensation amount of CHF 14.7 million received by the members of the ESC and the former EC members is below the maximum total compensation amount of CHF 16.0 million for 2025 approved by the 2024 AGM.

The total compensation of CHF 14.7 million in 2025 reflects a CHF 1.2 million increase compared to the total compensation of CHF 13.5 million for 2024.

The increase is mainly driven by the following factors: During the CFO transition in 2025, due to the twelve-month notice period, Clariant paid base salary and benefits to both employees. In accordance with the plan rules, they also earned a cash bonus for 2025, which, in the case of Oliver Rittgen, was pro-rated for the period employed. Oliver Rittgen also received a sign-on bonus to compensate him for part of the entitlements he lost from a previous employer. In addition, »Other benefits« in 2025 included delayed effects of the current and past international assignments of two ESC members, primarily in the form of added costs for foreign withholding tax paid by Clariant in accordance with the long-term assignment policy.

The benefits costs are expected to stay elevated going forward. This is driven by the continued international assignment of Jens Cuntze and the higher cost of benefits in the United States, where Marcelo Lu will be based on a local contract. Therefore, at the AGM 2026, the BoD will propose a maximum amount payable to the members of the ESC for 2027 of CHF 17.0 million, compared to CHF 16.0 million approved for 2026.

Short-Term Incentive 2025

The following table gives additional details about each of the KPIs used in the short-term incentive plan.

GBP RESULTS

GBP KPI	Target setting	Achievement
EBITDA Margin and BU EBITDA Margin	The targets for the EBITDA margin and BU EBITDA margin were set based on the business plan for the year. Threshold and maximum were determined by one standard deviation down and up from the target.	Clariant consistently improved its EBITDA margin before exceptional items during each quarter of 2025, constantly underpinning its profitability guidance. A significant driver was the stringent execution of the performance improvement programs, achieving savings ahead of plan. The reported EBITDA margin used for the calculation of the GBP exceeded the Group target significantly, resulting in a payout of 131 %. All three BUs increased their operational EBITDA margin compared to 2024. Targets for 2025 were set ambitiously, resulting in BU achievements around target.
Free Cash Flow and BU Cash Flow Clariant	BU Cash Flow Clariant is defined as BU EBITDA b.e.i. (absolute) plus/minus the change in Net Working Capital (NWC) minus »other exceptional items« minus Restructuring Cash Out minus investments in PPE (Property, Plant, Equipment) minus investments in intangible assets. Therefore, the numbers presented differ from those presented in other parts of the Integrated Report. The targets Free Cash Flow and BU Cash Flow Clariant were set based on the business plan for the year. Threshold and maximum were determined by one standard deviation down and up from the target.	The Free Cash Flow for 2025 was CHF 272 million, compared to CHF 211 million in 2024. This represents a Free Cash Flow conversion rate of 42 %, a major improvement from 32 % in 2024. Free Cash Flow exceeded the Group target significantly, resulting in an achievement of 144 %. BU Cash Flow Clariant performance varied across the business units. As a result, the payout for the KPI ranged from 32 % to 132 %.
CO ₂ Emissions (Scope 3) and BU CO ₂ Emissions (Scope 3)	The Scope 3.1 KPI is measured as the absolute amount of CO₂ emitted in the year for both the corporate and BU measures. The target was set to reflect performance on track to reach 2030 targets for emission reduction. Threshold performance represents the highest emissions since 2019, whereas maximum performance reflects 30 % below target. The measure used in the GBP excludes one joint venture and packaging which were not considered at the time of target setting. Therefore, the numbers presented differ from those presented in other parts of the Integrated Report.	Compared to 2024, Clariant reduced the bonus-relevant Scope 3.1 emissions by 7 %. Two key contributing factors are that suppliers have switched to low-carbon upstream energy sources and increased process efficiency. Overall, Clariant has reduced its total Scope 3.1 emissions by 31 % since 2019, exceeding its 2030 target of 27.5 %. For the BUs, the achievement for this KPI ranged from 104 % to 150 %. As the sum of the three business units, the 2025 target for the Group was 2 399 ktCO₂e. The Scope 3 emissions in 2025 amounted to 2 282 ktCO₂e, resulting in a target achievement of 116 %.
DART and BU DART	DART is measured as the number of days per 200 000 hours worked. The target reflects performance at the first quartile of the chemical industry. The maximum level reflects best industry practice. The threshold level is derived from the difference between target and maximum performance.	BU Catalysts and BU Care Chemicals surpassed their safety targets, reaching an achievement of 200 % for 2025. They achieved 10 and 13 accident-free months, respectively. BU Adsorbents & Additives did not meet its safety target for 2025, resulting in an achievement of 0 %. Group-wide, there were no employee or contractor fatalities in 2025. Clariant achieved four months with no accidents. As a result, the Group achievement was 125 %.

The chart below shows additional details for the Group and BU KPIs used in the short-term incentive plan for the CEO and the CFO and for the business presidents, respectively. For each KPI, the chart includes the target performance, achieved performance, and the resulting payout percentage before the impact of the individual performance multiplier.

		Weight	Target	Result	Threshold 0 %	Target 100 %	Maximum 200 %
GROUP	EBITDA Margin	40 %	15.6 %	16.4 %			
	Free Cash Flow	40 %	CHF 250m	CHF 272m			
	Scope 3 Emissions	10 %	2 399 kt	2 282 kt			
	DART¹	10 %	0.15	0.13			
	Overall			134 %			
BUSINESS UNITS	BU EBITDA Margin	30 %	16.1 %-20.1 %	16.3 %-20.5 %			
	BU Cash Flow	30 %	CHF 98m-334m	CHF 75m-288m			
	BU Scope 3 Emissions	10 %	208 kt-1 762 kt	177 kt-1 739 kt			
	BU DART¹	10 %	0.15-0.23	0.05-0.39			
	Overall²			97 %-115 %			

2 Includes results from KPIs measured on Group level (weight 20 %).

This results in an overall achievement of 134% for the Group and between 97% and 115% for the business units.

Individual Performance Goals and Achievements 2025

Individual performance also impacts the bonus amount through the individual performance multiplier.

The table below outlines the CEO's individual goals in 2025 for each of the strategic pillars. It also describes key achievements considered in the performance evaluation. For each goal, further KPIs and targets were defined. As these are considered commercially sensitive, they are not included in the table.

CEO GOALS 2025

Strategic Pillars	Goals	Weight	Key Achievements ¹
Customer Focus	Increase customer centricity by increasing NPS and delivering on Strategic Growth Initiatives	20 %	Increased Customer Net Promoter Score above target, from 45 to 50 Robust growth across business units
Innovation & Sustainability	Increase sales from innovative products to achieve Innovation Rate of 17.2 %	20 %	Achieved innovation rate of 18.8 %, significantly above target
People & Culture	Increase scores on Strategy, Leadership & Purpose, Innovation & Infrastructure, and Inclusion based on results from global employee survey	20 %	Survey scores exceeded targets in all three dimensions
	Advance achievements under the set diversity and inclusion targets		2025 targets on diversity and inclusion fully achieved
Strategic Projects	Enhance productivity through process improvements and cost measures	20 %	Productivity gains above target
	Complete integration of Lucas Meyer Cosmetics		Full integration of LMC successfully completed
	Drive further adoption of Generative AI solution Clarita		Clariant recognized as AI leader in the German chemical industry Increased adoption of Clarita across Clariant
Compliance and Safety	LTAR (Lost-Time Injury Rate) below 0.13	20 %	LTAR at 0.12, exceeding target
	Ensure at least 95 % participation rate in compliance and safety trainings for employees		Goal of 95 % participation rate met
Performance against goals		70 %	
Behaviors		30 %	

¹ This table excludes several commercially sensitive achievement metrics

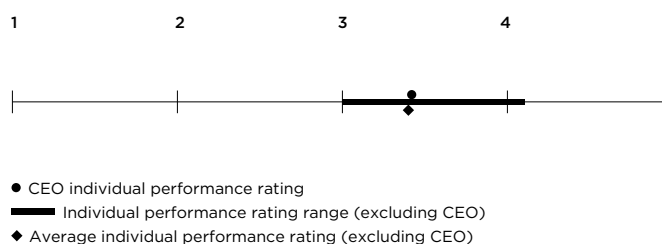
At the end of the year, the Board assessed the performance of the CEO against the defined goals and his behaviors. In its assessment, the Board was advised by the Nomination Committee, in close collaboration with the Compensation Committee. The individual rating, on a scale from 1 to 5, determines the individual performance multiplier that is applied to the STI payout. The individual performance multiplier can range from 50 %, for a rating of 1, to 150 % for a rating of 5.

The other members of the ESC were assessed against goals related to the same strategic pillars, but their individual goals related to their areas of responsibility.

In 2025, The Nomination Committee took a strict assessment approach and considered carefully the impact of the performance rating on the individual compensation amounts. The final 2025 performance rating for the CEO was 3.42, resulting in an individual

performance multiplier of 111%. The average 2025 rating for the other members of the ESC was 3.40, resulting in an individual performance multiplier of 110 %. In 2024, the average rating for the ESC, including the CEO, was 3.03, corresponding to an average individual performance multiplier of 101%.

ESC INDIVIDUAL PERFORMANCE RATINGS



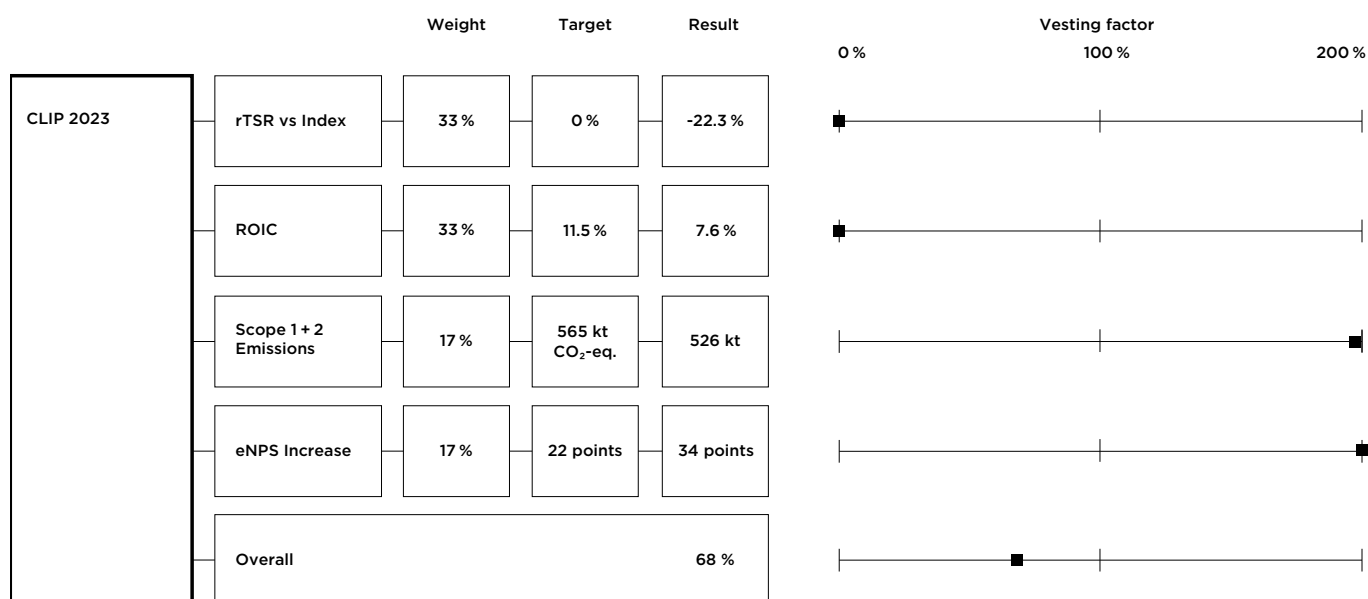


Vesting of Previous Long-Term Incentive Plans

The 2023 CLIP grant will vest in April 2026 based on performance during the calendar years 2023-2025. The table and chart below outline the target setting, target performance, achieved performance, and the resulting vesting factor. The vesting factor for each KPI, as well as the overall vesting factor, could range from 0 % to 200 %.

CLIP KPI	Target setting	Achievement
Relative TSR	Relative Total Shareholder Return (rTSR) was measured against the performance of the MSCI World Chemicals Index. The target is met if the Clariant TSR is equal to the index TSR. Threshold and maximum were determined by one standard deviation down and up from the target.	The performance of the Clariant share compared to the index was below the threshold, resulting in a vesting factor of 0 % for this KPI.
ROIC	The target ROIC was set based on the forecast for the period. The target was set as the average of the annual targeted ROIC over the performance period. Threshold and maximum were determined by one standard deviation down and up from the target.	ROIC for 2023-2025 was below the threshold, resulting in a vesting factor of 0 % for this KPI.
CO ₂ emissions (Scope 1+2)	The Scope 1 & 2 KPI is measured as the absolute amount of CO ₂ emitted in the third year of the performance period. The target was set to reflect performance on track to reach 2030 targets for emission reduction. The maximum performance level reflected 100 % execution of the Scope 1 emissions roadmaps and green electricity from PPAs (Power Purchase Agreements). The minimum performance level reflects a reduction of 12 % compared to the baseline before restatement in 2024. Renewable Energy Certificates (RECs) are excluded for Scope 1 & 2 CLIP target achievement. Therefore the numbers presented differ from those presented in other parts of the Integrated Report.	Aligned with the goals of the SBTi and the goal of a 46.9 % reduction in Scope 1 & 2 emissions by 2030, the targeted Scope 1 & 2 emissions were set at 565 kt at the end of the performance period of the CLIP grant 2023, i.e. 31 December 2025. At 31 December 2025, Scope 1 & 2 emissions were 526 kt, resulting in a vesting factor of 198 % for this KPI. With this result, Clariant's Scope 1 & 2 reduction journey is well ahead of the set targets, with emissions excluding RECs being reduced by 24 % compared to the base year before baseline restatement. Several initiatives contributed to this development. They include significant reduction in coal usage, the extension of natural drying of bentonites, and the achievement of the first climate-neutral site at Bonthapally. This has led not only to an absolute reduction, but also to a reduction of Scope 1 & 2 emissions relative to volumes.
eNPS	The eNPS KPI is measured as an increase in the eNPS over the three-year performance period, as measured by the annual employee engagement survey. The target eNPS level was set to reflect Clariant's plan to become a top-quartile employer by 2030. The maximum performance level reflects performance one year ahead of the plan, and the minimum level reflects performance one year behind plan.	Clariant improved the eNPS over the performance period by 34 points, surpassing the targeted improvement of 22 points. This reflects performance ahead of the ambitious plan on employee engagement. As a result, the vesting factor for this KPI is 200 %. During the performance period, several factors contributed to this outstanding result. They include the Chemistry of Clariant Days, which connect employees globally to the purpose-led growth strategy through interactive sessions, helping employees identify more closely with the company. Additional efforts include more transparent communication with employees and conscious actions to increase diversity, equity, and inclusion.

CLIP 2023 VESTING





As a result of the performance outlined in the table above, the overall vesting factor for the CLIP 2023 was determined to be 68%. Consequently, the value of the performance share units that will be converted into Clariant shares is significantly lower than

their initial grant value. The table below illustrates the difference between value at grant and value at vesting. Based on the closing share price of 31 December 2025, the value of shares to be vested would correspond to one-third of the initially granted value.

VALUE AT VESTING CLIP 2023

	Keijzer	Other ESC members ²
Target LTI at time of grant (CHF)	1 500 000	1 467 000
Grant price (CHF)	14.83	14.83
Number of PSUs granted	101 147	98 922
Overall vesting factor	68 %	68 %
Number of PSUs vested	68 780	67 267
Share price (CHF) ¹	7.16	7.16
Vesting value (CHF)	492 465	481 632
Value vesting as % of value granted	33 %	33 %

¹ Share price as of 31 December 2025; final vesting will be subject to share price on the vesting date (12 April 2026)

² Includes only Angela Cackovich, Jens Cuntze, and Christian Vang, who have been ESC members since the grant in 2023

ESC Share Ownership 2025

The share ownership of the members of the ESC is shown below.

SHARES HELD BY THE MEMBERS OF THE EXECUTIVE STEERING COMMITTEE

Name	Role	Number of PSUs/RSUs granted in 2025 ¹	Number of PSUs/RSUs granted in 2024	Number of unvested PSUs/RSUs as of 31 Dec 2025	Number of unvested PSUs/RSUs as of 31 Dec 2024	Number of shares held as of 31 Dec 2025	Number of shares held as of 31 Dec 2024
Conrad Keijzer	CEO	143 816	130 435	375 398	325 626	119 069	51 357
Oliver Rittgen	CFO from August 2025	27 526		0		0	
Angela Cackovich	Business President	47 460	43 044	123 883	76 423	0	0
Jens Cuntze	Business President	43 145	39 131	112 620	79 529	73 192	65 953
Christian Vang	Business President	50 048	45 392	130 639	97 612	118 610	106 354
Bill Collins	CFO until August 2025	54 363	49 305		100 580		0
Total		366 358	307 307	742 540	679 770	310 871	223 664

¹ Performance Share Units represent contingency rights that will be converted into shares, depending on the performance achievement after the three-year vesting period. Unvested PSUs do not count toward the share ownership requirements.

✓ No options were held by the ESC members or their related parties on 31 December 2025 or on 31 December 2024. |

ESC Mandates

The following tables show the additional external mandates that the members of the ESC held in other organizations as of 31 December 2025 and 31 December 2024, respectively.

EXECUTIVE STEERING COMMITTEE - MEMBERSHIP IN OTHER BOARDS 2025

Member	Company / type of organization	Location	Function
Conrad Keijzer	European Chemical Industry Council (Cefic) / not-for-profit organization	BE	Member of the Board of Directors, Chairman of the Nomination Committee
	American Chemistry Council (ACC) / not-for-profit organization	US	Member of the Board of Directors
	Annual Governors Meeting of the World Economic Forum's Chemicals & Materials Community / not-for-profit organization (since January 2026)	CH	Chair of the Annual Governors Meeting
	NESTE Corporation / listed company	FIN	Member of the Board of Directors, Member of the Personnel and Remuneration Committee
Oliver Rittgen	no other mandates		
Angela Cackovich	Lehmann & Voss & Co. KG / private company	DE	Member of the Advisory Board
Jens Cuntze	Committee of Multinationals, China Petroleum and Chemical Industry Federation (CPCIF.MNC) / not-for-profit organization	CN	Executive Board Member and Vice Chairman
	Advisory Board of the Association of International Chemical Manufacturers Co. LTD / not-for-profit organization	CN	Member of the Advisory Board
Christian Vang	no other mandates		

EXECUTIVE STEERING COMMITTEE - MEMBERSHIP IN OTHER BOARDS 2024

Member	Company / type of organization	Location	Function
Conrad Keijzer	European Chemical Industry Council (Cefic) / not-for-profit organization	BE	Member of the Board of Directors, Member of the Executive Committee, Chairman of the Nomination Committee
	American Chemistry Council (ACC) / not-for-profit organization	US	Member of the Board of Directors
	NESTE Corporation / listed company	FIN	Member of the Board of Directors, Member of the Audit Committee
Bill Collins	no other mandates		
Angela Cackovich	Lehmann & Voss & Co. KG / private company	DE	Member of the Advisory Board
Jens Cuntze	Committee of Multinationals, China Petroleum and Chemical Industry Federation (CPCIF.MNC) / not-for-profit organization	CN	Executive Board Member, Vice-Chairman
	Association of International Chemical Manufacturers Co. LTD / not-for-profit organization	CN	Member of the Advisory Board
Christian Vang	no other mandates		

Gender Representation on the ESC

For 2025, the Executive Steering Committee fulfills the gender requirements of Article 734f of the Swiss Code of Obligations.

Report of the Statutory Auditor



Report of the Statutory Auditor

To the General Meeting of Clariant Ltd, Muttenz

Report on the Audit of the Compensation Report

Opinion

We have audited the Compensation Report of Clariant Ltd (the Company) for the year ended 31 December 2025. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the sections marked accordingly with "☑" on pages 236 to 240 and pages 245 to 246 of the Compensation Report.

In our opinion, the information pursuant to Art. 734a-734f CO in the Compensation Report complies with Swiss law and the Company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Compensation Report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the sections marked accordingly with "☑" in the Compensation Report, the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

Our opinion on the Compensation Report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Compensation Report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the Compensation Report or our knowledge obtained in the audit or otherwise appears to be materially misstated.



If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Compensation Report

The Board of Directors is responsible for the preparation of a Compensation Report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a Compensation Report that is free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for designing the compensation system and defining individual compensation packages.

Auditor's Responsibilities for the Audit of the Compensation Report

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are 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 this Compensation Report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the Compensation Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- Obtain an understanding of internal control relevant to the audit in order 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee 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.



We also provide the Board of Directors or its relevant committee 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, actions taken to eliminate threats or safeguards applied.

KPMG AG

A handwritten signature in blue ink, appearing to read 'M. Rohrbach'.

Martin Rohrbach
Licensed Audit Expert
Auditor in Charge

A handwritten signature in blue ink, appearing to read 'C. Kaufmann'.

Cyrill Kaufmann
Licensed Audit Expert

Basel, 25 February 2026

Financial Report

Between balance and return

In the Financial Report, we feature the IFRS Financial Statements of the Clariant Group, a Five-Year Overview, the Financial Statements of Clariant Ltd, the Reports of the Statutory Auditor, and the Alternative Performance Measures.

Balance

Return

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Consolidated Balance Sheet

Assets

CONSOLIDATED BALANCE SHEET

at 31 December	Notes ¹	31.12.2025 in CHF m	in %	31.12.2024 in CHF m	in %
Assets					
Non-current assets					
Property, plant, and equipment	5	1 357		1 524	
Right-of-use assets	7	173		193	
Intangible assets	6	1 467		1 666	
Investments in associates and joint ventures	8	248		245	
Financial assets and other assets	9	242		250	
Net defined benefit assets	22	39		131	
Deferred tax assets	10	115		127	
Total non-current assets		3 641	62.0	4 136	66.0
Current assets					
Inventories	11	641		649	
Trade receivables	12	614		635	
Other current assets	13	261		332	
Income tax receivables		77		105	
Short-term deposits	14	206		7	
Cash and cash equivalents	15	411		388	
Assets held for sale	26	20		12	
Total current assets		2 230	38.0	2 128	34.0
Total assets		5 871	100.0	6 264	100.0

¹ The notes form an integral part of the consolidated financial statements.

Consolidated Balance Sheet

Equity and Liabilities

CONSOLIDATED BALANCE SHEET

at 31 December	Notes ¹	31.12.2025 in CHF m	in %	31.12.2024 in CHF m	in %
Equity and liabilities					
Equity					
Share capital	17	445		584	
Treasury shares (par value)	17	-4		-6	
Other reserves		-1 323		-1 274	
Retained earnings		2 906		3 031	
Total capital and reserves attributable to Clariant Ltd shareholders		2 024		2 335	
Non-controlling interests		158		173	
Total equity		2 182	37.2	2 508	40.0
Liabilities					
Non-current liabilities					
Financial debts	19	1 530		1 422	
Deferred tax liabilities	10	84		91	
Net defined benefit liabilities	22	426		485	
Lease liabilities	7	132		149	
Other liabilities	24	1		10	
Provisions	23	154		148	
Total non-current liabilities		2 327	39.6	2 305	36.8
Current liabilities					
Trade payables and other liabilities	24	636		746	
Financial debts	19	329		270	
Income tax liabilities		168		192	
Lease liabilities	7	40		43	
Provisions	23	186		200	
Liabilities directly associated with assets held for sale	26	3		-	
Total current liabilities		1 362	23.2	1 451	23.2
Total liabilities		3 689	62.8	3 756	60.0
Total equity and liabilities		5 871	100.0	6 264	100.0

¹ The notes form an integral part of the consolidated financial statements.

Consolidated Income Statement

CONSOLIDATED INCOME STATEMENT

for the years ended 31 December	Notes ¹	2025 in CHF m	in %	2024 in CHF m	in %
Sales	25	3 915	100.0	4 152	100.0
Costs of goods sold		-2 743		-2 893	
Gross profit		1 172	29.9	1 259	30.3
Selling, general, and administrative costs		-736		-748	
Research and development costs		-125		-126	
Income from associates and joint ventures	8	51		55	
Operating income		362	9.2	440	10.6
Finance income	28	18		29	
Finance costs	28	-334		-99	
Income before taxes		46	1.2	370	8.9
Taxes	10	-87		-90	
Net income / loss		-41	-1.0	280	6.7
Attributable to:					
Shareholders of Clariant Ltd		-75		244	
Non-controlling interests		34		36	
Basic earnings/loss per share attributable to the shareholders of Clariant Ltd (CHF/share)	18	-0.23		0.74	
Diluted earnings/loss per share attributable to the shareholders of Clariant Ltd (CHF/share)	18	-0.23		0.74	

¹ The notes form an integral part of the consolidated financial statements.

Consolidated Statement of Comprehensive Income

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the years ended 31 December	Notes ¹	2025 in CHF m	2024 in CHF m
Net income / loss		-41	280
Other comprehensive income			
<i>Items that will not be reclassified subsequently to the income statement</i>			
Actuarial gain / loss on net defined benefit liabilities	22	75	-40
Return on retirement benefit plan assets, excluding amount included in interest expense	22	31	44
Limitation on recognition of net pension assets	22	-164	78
Fair value adjustment on financial assets	9	-6	41
Deferred tax effect to these items	10	-1	-10
<i>Items that are or may be reclassified subsequently to the income statement</i>			
Net investment hedge	21	-	1
Cash flow hedge		2	-
Currency translation differences		-307	109
Share in other comprehensive income of associates and joint ventures	8	7	-6
Reclassification of foreign exchange differences on previously held net investments in foreign entities		230	8
Other comprehensive income / loss for the period, net of tax		-133	225
Total comprehensive income / loss for the period		-174	505
Attributable to:			
Shareholders of Clariant Ltd		-182	462
Non-controlling interests		8	43

¹ The notes form an integral part of the consolidated financial statements.

Consolidated Statement of Changes in Equity

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in CHF m	Other reserves						Retained earnings	Total attributable to equity holders	Non-controlling interests	Total equity
	Total share capital	Treasury shares (par value)	Share premium reserves	Hedging reserves	Cumulative translation reserves	Total other reserves				
Balance 1 January 2024	724	-7	259	-2	-1 642	-1 385	2 686	2 018	162	2 180
Net income						-	244	244	36	280
Other comprehensive income				-	111	111	107	218	7	225
Total comprehensive income for the period	-	-	-	-	111	111	351	462	43	505
Reduction in share capital	-140	1				-		-139		-139
Dividends to non-controlling interests						-		-	-32	-32
Effect of employee services						-	1	1		1
Treasury share transactions		-				-	-7	-7		-7
Balance 31 December 2024	584	-6	259	-2	-1 531	-1 274	3 031	2 335	173	2 508
Balance 1 January 2025	584	-6	259	-2	-1 531	-1 274	3 031	2 335	173	2 508
Net income / loss						-	-75	-75	34	-41
Other comprehensive income / loss				2	-51	-49	-58	-107	-26	-133
Total comprehensive income / loss for the period	-	-	-	2	-51	-49	-133	-182	8	-174
Reduction in share capital	-139	1				-		-138		-138
Dividends to non-controlling interests						-		-	-23	-23
Effect of employee services						-	4	4		4
Treasury share transactions		1				-	4	5		5
Balance 31 December 2025	445	-4	259	-	-1 582	-1 323	2 906	2 024	158	2 182

Consolidated Statement of Cash Flows

CONSOLIDATED STATEMENT OF CASH FLOWS

for the years ended 31 December	Notes ¹	2025 in CHF m	2024 in CHF m
Net income / loss		-41	280
Reversal of non-cash income and expenses	16	629	369
Dividends received from associates and joint ventures	8	47	36
Payments for restructuring		-48	-45
Cash flow before changes in net working capital and provisions		587	640
Changes in net working capital and provisions	16	-96	-128
Cash generated from operating activities		491	512
Income taxes paid		-72	-94
Net cash generated from operating activities		419	418
Cash flows from investing activities:			
Investments in property, plant, and equipment	5	-145	-207
Investments in intangible assets	6	-1	-2
Investments in financial assets, associates, and joint ventures	8, 9	-3	-1
Investments in business combinations	27	-	-729
Changes in current financial assets and short-term deposits		-197	105
Interest received		14	21
Proceeds from the disposal of property, plant, and equipment and intangible assets		37	8
Net cash used by investing activities		-295	-805
Cash flows from financing activities:			
Purchase of treasury shares		-	-14
Distribution to the shareholders of Clariant Ltd	17	-138	-139
Dividends paid to non-controlling interests		-23	-32
Proceeds from financial debts		581	1 331
Repayments of financial debts		-394	-723
Repayments of lease liabilities	7	-45	-88
Interest paid		-54	-48
Interest paid for leases	7	-9	-10
Net cash used in / generated from financing activities		-82	277
Currency translation effect on cash and cash equivalents		-19	10
Net change in cash and cash equivalents		23	-100
Cash and cash equivalents at the beginning of the period	15	388	488
Cash and cash equivalents at the end of the period	15	411	388

¹ The notes form an integral part of the consolidated financial statements.

Notes to the Consolidated Financial Statements

1. Material accounting policies

1.01 – General information

Clariant Ltd (the »Company«) and its consolidated subsidiaries (together the »Group«) are a global leader in the field of specialty chemicals. The Group develops, manufactures, distributes, and sells a broad range of specialty chemicals, which play a key role in its customers' manufacturing and treatment processes or add value to their end products. The Group has manufacturing plants around the world and sells mainly in countries within Europe, the Americas, and Asia.

Clariant Ltd is a limited liability company incorporated and domiciled in Switzerland. The address of its registered office is Rothausstrasse 61, CH-4132 Muttenz, Switzerland. The Company is listed on the SIX Swiss Exchange.

The Board of Directors approved the consolidated financial statements for issue on 25 February 2026. They will be subject to approval by the Annual General Meeting of Shareholders scheduled for 1 April 2026.

1.02 – Basis of preparation

The consolidated financial statements of the Clariant Group have been prepared in accordance with the International Financial Reporting Standards (IFRS) Accounting Standards as issued by the International Accounting Standards Board (IASB), the IFRIC interpretations applicable to companies reporting under IFRS, and the material accounting policies set out below. The consolidated financial statements have been prepared under the historical cost convention, except for items that are required to be accounted for at fair value.

The preparation of financial statements requires the use of certain accounting estimates. It also requires Management to exercise its judgment in applying the Group's accounting policies.

These estimates and judgments affect the reported amounts of assets, and liabilities and the disclosure of contingent amounts at the date of the financial statements, as well as the reported amounts of sales and expenses during the reporting period.

Although these are based on Management's best knowledge of current events and circumstances, actual outcomes may differ from those estimates. The areas involving a higher degree of judgment or complexity, or areas where estimates are significant to the consolidated financial statements, are disclosed under → **note 4**.

1.03 – Standards, interpretations, and amendments effective in 2025

The Group has applied the following amendment to IFRS issued by the IASB for the period commencing 1 January 2025:

- Amendments to IAS 21 – Lack of Exchangeability

The adoption of the amendment did not have any impact on the Group's financial statements.

1.04 – Standards, interpretations, and amendments not yet effective

Certain new and amended accounting standards and interpretations that have been published are not mandatory for the reporting period ended on 31 December 2025 and have not been adopted early by the Group.

IFRS 18, Presentation and Disclosure in Financial Statements, applies for annual periods beginning on or after 1 January 2027 and will replace IAS 1, Presentation of Financial Statements. The new requirements will increase the comparability of the financial performance of similar entities and provide more relevant information and transparency to users. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but its impacts on the presentation and disclosure are expected to be extensive. The standard introduces the following new requirements:

- The income statement will have to be classified into five categories, namely the operating, investing, financing, discontinued operations, and income tax categories. A newly defined operating profit subtotal must be presented. The net result of the Group will not be impacted.
- Management-defined performance measures (MPMs) are disclosed in a separate note to the consolidated financial statements.

- The lines presented in the primary financial statements might change based on the enhanced guidance provided on how information is grouped and the principles on aggregation and disaggregation.
- When presenting the cash flow statement under the indirect method, the operating profit subtotal must be used as the starting point.

The Group is still in process of assessing the impacts of the new standard, particularly with respect to the structure of the consolidated income statement, the cash flow statement, and the additional disclosures required for MPMS.

The following standards and interpretations are not expected to have a material impact on the entity in the current or future reporting periods or on foreseeable future transactions:

- Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments (effective for annual periods beginning on or after 1 January 2026);
- Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity (effective for annual periods beginning on or after 1 January 2026);
- Annual Improvements to IFRS Accounting Standards (effective for annual periods beginning on or after 1 January 2026);
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027).

1.05 – Principles and methods of consolidation

The annual closing date of the individual financial statements is 31 December. In the preparation of the consolidated financial statements, uniform presentation and valuation principles are applied.

Subsidiaries: Subsidiaries are those entities over which the Group has control. This is the case when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group, and they are deconsolidated from the date control ceases. The results of non-controlling interests are separately disclosed in the consolidated income statement, the statement of comprehensive income, the statement of changes in equity, and the balance sheet.

Associates: Associates are entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method.

Joint arrangements: Investments in joint arrangements are classified as either joint operations or joint ventures, depending on the contractual rights and obligations of each investor. Clariant has assessed the nature of its joint arrangements and determined that they are joint ventures. Joint ventures are accounted for by means of the equity method.

All associates and joint ventures generally apply the same accounting principles as the Group.

1.06 – Recognition of revenue from contracts with customers

Revenue is measured based on the consideration the Group expects to receive in exchange for goods or services. Revenue from sales of goods is recognized in the income statement when control has been transferred to the buyer based on the terms of the sales contract, which is at the point in time of shipment to or receipt of the products by the customer, at a fixed or determinable price, and when collectability is reasonably assured. Revenue from services is recognized when the respective services have been rendered. Revenue is reported net of sales taxes, returns, discounts, and rebates. Rebates to customers are provided for in the same period as the related sales and are recorded based on the contract terms.

Where third parties hold Clariant inventories on a consignment basis, revenue is recognized in the period when inventories are withdrawn from consignment and delivered to customers. Clariant periodically enters into prepayment contracts with customers whereby it receives contract liabilities for products to be delivered in a future period. These contract liabilities are recorded as liabilities and presented as part of »Trade payables and other liabilities.« Advance payment liabilities are released, and revenue associated with such advance payment transactions are recognized upon transfer of control of the related products to the customer.

1.07 – Exchange rate differences

The consolidated financial statements are presented in Swiss francs, which is the functional and presentation currency of the parent company.

Transactions and balances: Foreign currency transactions are translated into the functional currency by means of the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the line »Finance costs« in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges and net investment hedges.

Translation differences on debt securities and on other monetary financial assets measured at fair value are included in foreign exchange gains and losses in the line »Finance costs« in the income statement.

Economic environments whose functional currencies have experienced a cumulative inflation rate of more than 100 % over the past three years are considered hyperinflationary economies. The hyperinflationary economies in which Clariant operates are Argentina and Türkiye. Both countries were hyperinflationary for the periods presented. The impacts of applying hyperinflation accounting are recorded in »Financial costs.«

Group companies: Income statements and cash flow statements of foreign entities are translated into the Group's presentation currency at sales-weighted average exchange rates for the year, and their balance sheets are translated at the exchange rates prevailing on 31 December.

All resulting exchange rate differences are recognized in other comprehensive income in the line »Currency translation differences.« Exchange rate differences arising from the translation of the net investment in foreign entities and from borrowings and other currency instruments designated as hedges of such investments are recognized in other comprehensive income in the line »Net investment hedge.« Net investments also include loans for which the settlement is neither planned nor likely to occur in the foreseeable future.

When control, significant influence, or joint control over a foreign continuing operation is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to the income statement as a part of the finance costs.

When the Group holds an interest in a subsidiary that includes translation differences on a foreign operation, while retaining control of the subsidiary, the Group reclassifies a proportionate part of the cumulative amount of the translation difference that was recognized in other comprehensive income to non-controlling interests.

1.08 – Property, plant, and equipment

Property, plant, and equipment, except for the ones pertaining to mining activities, are valued at historical acquisition or production costs and depreciated on a straight-line basis to the income statement by means of the following estimated useful lives in accordance with the Group guidelines:

- Buildings: 15 to 40 years
- Machinery and equipment: 10 to 16 years
- Furniture, vehicles, computer hardware: 3 to 13 years
- Land is not depreciated

Property, plant, and equipment pertaining to mining activities are valued at historical costs and depreciated over their useful lives to the income statement by means of the units of production method.

When the entity has a present legal or constructive obligation to dismantle an item of property, plant, and equipment or restore a site, its initial costs include an estimate of the costs of dismantling and removing the item and restoring the site on which it is located. A corresponding provision is recorded for the amount of the asset component.

Financing costs directly associated with the acquisition, construction, or production of qualifying property, plant, and equipment are capitalized as a part of the costs of these assets.

Investment property is valued at cost less depreciation. As all investment property held by Clariant consists of industrial and administrative sites that have been in use for several decades, there is no active market that would give information on possible market prices. The fair values of the investment properties are therefore determined by way of external appraisals or value-in-use calculations.

1.09 – Leases

At the inception of the lease, a right-of-use asset and a lease liability are recognized in the balance sheet. The asset is initially measured at the amount of the lease liability plus any initial direct costs incurred. The lease liability is initially measured at the present value of the lease payments payable over the lease term, including variable lease payments based on an index at the commencement day and the exercise price of purchase options if it is reasonably certain that the option will be exercised. The lease liability is discounted at the rate implicit in the lease. If that rate cannot readily be determined, the incremental borrowing rate is used. Lease liabilities are subsequently remeasured to reflect possible changes in the lease terms.

Right-of-use assets are depreciated over the duration of the lease contract, including contractually agreed-upon optional extension periods whose exercise is deemed to be reasonably certain. The depreciation is recognized in operating income.

The unwinding of the discounting effect is included in the financial costs. Lease payments are accounted for as a repayment of the lease liability.

Expenses for lease contracts for objects with a value of less than CHF 5000 and lease contracts with a duration of up to twelve months are recognized on a straight-line basis over the lease term in the income statement.

1.10 – Intangible assets

Goodwill is recognized at the acquisition date of a business combination and is the excess of the consideration transferred over the underlying fair value of the net identified assets acquired. Goodwill is not amortized but tested annually for impairment.

Technology, customer relationships, and trade names are capitalized at cost. Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. Costs directly associated with the production of identifiable and unique software and other intangible products controlled by the Group that will probably generate economic benefits beyond one year are recognized as intangible assets. Direct costs include software development costs, personnel costs, and advisory costs directly related to the software or product development and relevant overheads. Costs associated with developing and maintaining common software programs are recognized as an expense when incurred.

Intangible assets acquired in a business combination are initially recognized at fair value.

Finite intangible assets, except for mining rights, are amortized by means of a straight-line method over their remaining useful lives as follows:

- Technology: up to 15 years
- Customer relationships: 6 to 20 years
- Trade names: up to 15 years
- Others: 3 to 15 years

Mining rights are amortized over their useful lives by means of the units of production method.

1.11 – Impairment of assets

Assets that are subject to amortization and depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any).

Goodwill is tested for impairment annually. 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 by means of a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognized immediately in the income statement.

1.12 – Non-current assets and disposal groups held for sale

Non-current assets and disposal groups are classified as held for sale when their carrying amount is to be recovered through a sale transaction and a sale is considered highly probable within twelve months. They are stated at the lower of the carrying amount and fair value less costs of disposal. Assets classified as held for sale are neither depreciated nor amortized.

1.13 – Inventories

Purchased goods are valued at acquisition costs, while self-manufactured products are valued at manufacturing costs, including related production overhead costs. Inventory held at the balance sheet date is primarily valued at standard costs, which approximate actual costs on a weighted-average basis. This value is used for the costs of goods sold in the income statement. Adjustments are made for inventories with a lower net realizable value. Unsuitable inventories are fully written off. These adjustments are deducted directly from the inventory value in the balance sheet. The allowances are reversed when the inventories concerned are either sold or destroyed and, as a consequence, removed from the balance sheet.

1.14 – Trade receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. They are generally due within 40 days and classified as current. Trade receivables are recognized initially at the amount of consideration that is unconditional. The Group holds trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortized cost.

The Group applies the simplified approach to measure expected credit losses, which uses a lifetime expected loss allowance for all trade receivables. The estimated expected loss rates are based on historical credit losses and are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group recognizes loss allowance of trade receivables in »Selling, general, and administrative costs« in the income statement.

1.15 – Cash and cash equivalents, short-term deposits

Cash and cash equivalents comprise cash in hand, deposits, and short-term investment instruments with an initial lifetime of 90 days or less. Bank overdrafts are reported within current financial debt.

Short-term deposits are disclosed separately in the balance sheet if they have an original maturity between 90 and 365 days. They are valued at their nominal value, which is close to their fair market value.

1.16 – Derivative financial instruments and hedging

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at fair value through profit or loss.

Hedged items are assets or liabilities, unrecognized firm commitments, forecast transactions, or net investments in foreign entities. They are reliably measurable and, if not recognized, they are highly probable. The hedges are accounted for either as fair value hedges in the case of exposures in fair value of recognized assets and liabilities or unrecognized firm commitments, as cash flow hedges in the case of exposures in cash flows arising from recognized assets or liabilities or forecast transactions that could affect the income statement, or as hedges of a net investment in a foreign entity. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than twelve months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than twelve months.

Cash flow hedges: The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized within equity. The gain or loss relating to the ineffective portion is recognized immediately in the income statement. As long as the hedged cash flow item is probable, the cumulative gain or loss on the respective hedge remains in equity and does not get recycled.

Amounts accumulated in equity are reclassified in the periods when the hedged item affects the income statement, as follows:

- The gain or loss relating to the effective portion of the interest rate or cross-currency swaps hedging variable-rate or fixed-rate borrowings is recognized in the income statement within finance costs at the same time as the interest expense on the hedged borrowings.
- When a hedging instrument expires, is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, the cumulative gain or loss that was reported in equity is immediately reclassified to the income statement.

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in other comprehensive income and accumulated within equity. The gain or loss relating to the ineffective portion is recognized immediately in the income statement.

Gains and losses accumulated in equity are reclassified to the income statement when the foreign operation is disposed of.

1.17 – Current income tax

The taxable profits or losses of Group companies are calculated in accordance with the rules established by the taxation authorities of the countries in which they operate. They are the basis for determining income tax payments or reimbursements for the reporting period in accordance with the prevailing local income tax rates.

1.18 – Deferred income tax

Deferred income tax is calculated by means of the comprehensive liability method. No deferred income tax is calculated for the temporary differences on investments in Group companies, provided that the investor (parent company) is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred income tax assets are recognized on tax losses incurred if, based on the business plans of the respective subsidiaries, it is deemed probable that the tax losses are recoverable in the foreseeable future. The recoverability of these tax losses is assessed by Management at least yearly.

The Company applies the IFRS Accounting Standard Exception to not recognize or disclose information about deferred tax assets and liabilities related to Pillar Two income taxes in accordance with IAS 12.

1.19 – Employee benefits

Obligations for employee benefits arise from various post-employment schemes, including both defined-benefit and defined-contribution pension plans, post-employment healthcare plans, and other benefits.

Defined-contribution plans: Contributions to defined-contribution plans are recorded in the income statement in the period to which they relate.

Defined-benefit plans: For defined-benefit plans, the amount to be recognized in the liability is determined by means of the projected unit credit method. Independent actuaries perform the actuarial valuations for the defined-benefit plans on a regular basis. For the larger plans, these valuations take place annually. For the smaller ones, valuations are performed at least every three years, with systematic roll forwards in the years in between.

The net defined benefit liabilities recognized in the balance sheet represent the present value of the obligations at the end of the reporting period less the fair value of the plan assets.

The net defined benefit assets recognized in the balance sheet are capitalized only to the extent of their recoverability, that is, when a cash refund or a reduction in the future payments is available. The return on plan assets, except for amounts reflected in net interest income, are reported under other comprehensive income.

Actuarial gains and losses are charged or credited to equity in other comprehensive income in the period in which they arise. Past service costs are recognized immediately in the income statement.

Some Group companies provide post-employment healthcare benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment by means of an accounting method similar to that for the defined-benefit pension plans. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

The charges for defined-benefit plans, defined-contribution plans, and termination benefits are included in personnel expenses and reported in the income statement under the corresponding functions of the related employees.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that do not fall wholly due within twelve months after the end of the period in which the employees render the related service. These include long-term compensated absences, such as long-service or sabbatical leave, and jubilee or other long-service benefits. The accounting policy for other long-term employee benefits is similar to that for post-employment benefits, with the exception that actuarial gains and losses are recognized immediately in the income statement.

Short-term employee benefits are employee benefits (other than termination benefits) that fall due wholly within twelve months after the end of the period in which the employees render the related service.

1.20 – Provisions

Provisions are recognized when Clariant has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Non-current provisions are discounted to reflect the time value of money, when material. Discount rates reflect current market assessments of the time value of money and the risk specific to the provisions in the respective countries.

1.21 – Research and development

Considering the uncertainties inherent in the development of new key products, Clariant does not capitalize the associated development costs, as the criteria for capitalization are not met. Experience has proven that the structure of research and development in the industries that Clariant engages in makes it difficult to demonstrate how single intangible assets (patents) will generate probable future economic benefits.

1.22 – Segment reporting

Segment information is presented in the same manner as in the internal reporting to the chief operating decision-maker. The chief operating decision-maker, responsible for strategic decisions, for the assessment of the segments' performance, and for the allocation of resources to the segments, is the Executive Steering Committee.

Clariant has three business units (BUs), which also represent the reportable segments, in accordance with IFRS 8, Operating Segments:

- Care Chemicals
- Catalysts
- Adsorbents & Additives

The Business Unit **Care Chemicals** consists of the following businesses: Personal & Home Care, Crop Solutions, Industrial Applications, Base Chemicals, Oil Services, and Mining Solutions. The Business Unit has a clear focus on highly attractive, high-margin, and low-cyclicality segments with a large share of the business being consumer-facing in Consumer Care and Industrial Applications.

The Business Unit **Catalysts** includes the following businesses: Propylene, Specialties, Syngas & Fuels, and Ethylene. The Business Unit contributes significantly to value creation in our customers' operations, ensuring that finite raw materials and energy are used efficiently and, in turn, ensuring the quality and yield of processes. This Business Unit experiences a cyclicality in line with the investment cycle of the petrochemical industry.

The Business Unit **Adsorbents & Additives** comprises the following businesses: Purification, Foundry & Specialties, and Cargo & Device Protection in the regions EMEA, APAC, and Americas on the Adsorbents side, as well as Coatings & Adhesives and Polymer

Solutions in Additives. The Business Unit creates value through enhanced sustainability benefits, for example, by enabling material circularity and by reducing customers' dependency on fossil resources to reduce CO₂ emissions.

Income and expenses relating to **Corporate** include the costs of the corporate headquarters and some of the corporate coordination functions in major countries. In addition, Corporate includes certain items of income and expense that are not directly attributable to specific business units.

The Group's business units are segments offering a large variety of products. The segments are managed separately because they manufacture, distribute, and sell distinct products that require differing technologies and marketing strategies. These products are also subject to risks and returns that are different from those of other segments.

Segment sales are sales reported in the Group's income statement directly attributable to a segment, as well as the relevant portion of the Company income that can be allocated on a reasonable basis to a segment, whether from sales to external customers or from transactions with other segments.

Segment operating expenses are expenses resulting from the operating activities of a segment directly attributable to the segment and the relevant portion of an expense that can be allocated on a reasonable basis, including expenses relating to sales to external customers and expenses relating to transactions with other segments. Intersegment transactions are entered into under the normal circumstances and terms and conditions that would also be available to unrelated third parties.

Segment assets consist of property, plant, and equipment, goodwill, intangible assets, inventories, receivables, and investments in associates. They exclude deferred tax assets, financial assets, and operating cash. Segment liabilities comprise trade payables. They exclude items such as tax liabilities, provisions, pension liabilities, and corporate borrowings. Usually no allocation of Corporate items is made to the segments. Interest income, interest expense, and taxes are not allocated to segments.

The Executive Steering Committee assesses the performance of the operating segments on the basis of income statement parameters like third-party sales, EBITDA, operating result, and cash flow. The return on the capital invested in each segment is measured by the Return on Net Assets (RONA).

1.23 – Share capital and other reserves

All issued shares are ordinary shares and, as such, are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Other reserves comprise the following items:

- **Share premium:** The share premium comprises the excess price paid over the par value of the share at the time of issuance of the share capital.
- **Cumulative translation reserves:** The translation reserves comprise the foreign exchange differences arising from the translation of the financial statements of the foreign subsidiaries stated in a currency other than the Group's functional currency. In addition, the cumulative translation reserves comprise the foreign exchange differences arising on the translation of financial liabilities denominated in a currency other than the functional currency of the parent company, Clariant Ltd, that are at the same time designated as a hedge of a net investment in a foreign entity.

Treasury shares are deducted from equity at their par value. Differences between the par value and the amount paid for acquiring treasury shares, including any directly attributable incremental costs, or received for disposing of treasury shares are recorded in retained earnings.

1.24 – Financial debt

Financial debt is recognized initially at fair value, net of transaction costs incurred. Financial debt is subsequently stated at amortized cost. Except for derivatives, there are no financial liabilities valued at fair value through profit or loss.

1.25 – Financial assets

Financial assets are valued at amortized cost if the intention is to hold them in order to collect the contractual cash flow, and this cash flow is only for the principal and interest.

Financial assets are valued at fair value through other comprehensive income when they are held with the intention of getting the contractual cash flow, but also with the intention of eventually selling the asset.

Equity investments are measured at fair value through other comprehensive income on the basis of the Group's irrevocable election at initial recognition. The fair value valuation is based on multiples of projected earnings and discounted cash flows.

All other financial assets are valued at fair value through profit or loss.

Loss allowances are recognized for expected credit losses. Changes in the measurement of the loss allowance are recognized in the income statement.

Purchases and sales of financial assets are recognized on the settlement date, which is the date on which the Group receives or delivers the assets.

1.26 – Business combinations

The Group applies the acquisition method to account for business combinations and recognizes any non-controlling interests in the acquiree at fair value (full goodwill method). Identified assets, liabilities, and contingent liabilities are, with limited exceptions, measured initially at fair value at the acquisition date. If the initial accounting for a business combination is incomplete at the end of a reporting period, provisional amounts are recognized. During the measurement period, which does not exceed twelve months after the acquisition date, the amounts are retrospectively adjusted to reflect new information obtained about facts and circumstances that existed at the acquisition date.

Acquisition-related costs are expensed as incurred.

2. Enterprise risk management identification, assessment, and management

Within the framework of the Enterprise Risk Management (ERM), risk assessments are prepared by business units, global functions and global business services to assess threats that will impact the achievement of the objectives set for Clariant overall. These objectives are a result of the overall strategy of the Group as set by the Board of Directors and implemented by the Executive Steering Committee. The Executive Steering Committee is responsible for monitoring risk assessments for relevance and consistency. The Executive Steering Committee has formed an »Ethics and Risk Management« subcommittee, which maintains an up-to-date understanding of areas where Clariant is, or may be, exposed to risk issues, and seeks to ensure that Management is effectively addressing those issues.

Risks are continuously managed throughout the year. The formal ERM assessment and documentation is performed as part of the annual ERM cycle. These objectives and risks are subject to scrutiny by the Executive Steering Committee during meetings with each business unit, global functions and services. Also reviewed and discussed are proposed measures to reduce or contain risks. In that context, responsibilities are assigned. All stakeholders are required to report significant changes to existing identified risks and new threats as they arise.

Risk registers are maintained using financial and reputational impact and probability assessments to score and rank all identified risks. Risks are assessed on a consistent Group-wide scale and aggregated into an enterprise risk map, highlighting Clariant's principal risks across macro & market forces, portfolio & growth, people & technology, and ESG, legal & compliance. The assessment also addresses the measures in place to manage the risk identified.

When risks have been identified and quantified, qualified individuals are required to deliver effective risk management. Depending on the nature of the risk identified, specific skill sets may be required for the management of those particular risks.

A summary risk assessment is submitted annually to the Executive Steering Committee, the Audit Committee, and the Board of Directors for review. In the case of new or changed risks, reporting is accelerated. The principal risks are reviewed with a focus on residual risk exposure after mitigation measures.

To support functional responsibility, certain functions have access to risk assessments to assist them in their roles. Examples of such functions are Environmental Safety, and Health Affairs (ESHA), to identify key sites for their property risk survey program, and Global Function Procurement, to ensure reliable and compliant supply of raw materials.

Examples of identified risks included in the risk register:

Regulatory and compliance exposure

Clariant is subject to many rules and regulations, as well as compliance standards. These include chemical industry, country, government, and customer requirements as well as the European Union's (EU) Regulations on Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH) and similar regulations in other countries. Continuously evolving regulatory requirements increase the risk of non-compliance, fines, or operational restrictions.

The Global Function Product Stewardship is responsible for ensuring that all relevant legal requirements are met. Certain specific matters are delegated to other functions.

Environmental, health, and safety

This includes manufacturing plants and equipment important for the production of Clariant products for sale to customers. Operating complex sites and handling hazardous materials carry inherent risks related to safety incidents, environmental impacts, and potential effects on employees and surrounding communities.

Also addressed are country and culture issues that could create threats to business objectives. The aim is to maintain high-quality and safe production facilities. The business units are responsible for the management of the associated risks.

Technology and cybersecurity

Successful performance of the Group depends on properly working information systems. Cyberattacks may result in the loss of business and data, knowledge, facilities, or money, leading to interruptions in manufacturing and product deliveries. Increasing reliance on digital systems heightens exposure to cyber threats and critical infrastructure disruptions. Clariant is responding to the increased cyber risk with a reinforced information security state-of-the-art software, and frequent awareness campaigns.

Examples of emerging risks included in the risk register:

Supply chain, energy, and procurement constraints

The Group requires energy from various sources for use in production facilities with strong reliance on oil, natural gas, and electricity. Costs for natural gas and energy in general constitute a relevant proportion of the production and raw material costs. Supply chain disruptions, trade barriers, and volatility in energy markets may not be able to pass on increasing energy costs to its customers in time or at all. In addition, shortages or the unavailability of certain types of energy could interrupt the production processes, thereby materially and adversely impacting the Group's ability to conduct its business and to produce its products. Clariant is closely monitoring the situation to secure supply, mitigate price increases, and strictly manage margins.

Geopolitical and macroeconomic developments

The achievement of corporate targets depends on global economic and political developments, which are continuously monitored in all markets. Economic uncertainty has increased, and the growth of the global economy could be lower than expected due to geopolitical tensions and/or global recession. If conditions in the global economy or the key markets in which the Group operates deteriorate, the Group may experience an adverse impact. Clariant will respond by developing different multi-scenarios for all businesses, including performance programs.

3. Financial risk management

3.1 – Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk, and price risk), credit risk, liquidity risk, counterparty risk, (re-)financing risk, funding risk, and settlement risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to reduce potential adverse effects on the Group's financial performance at reasonable hedging costs. The Group uses derivative financial instruments, non-derivative financial instruments, and operating strategies to hedge certain risks.

Financial risk management is carried out by the central treasury department (Global Treasury) under policies approved by the Executive Steering Committee and the Board of Directors. Global Treasury identifies, evaluates, and hedges financial risks in close cooperation with the Group's operating units and functions. Written principles for the management of overall foreign exchange risk and credit risk for the use of derivative financial instruments and non-derivative financial instruments, as well as written principles for the investment of excess liquidity (counterparty risk), are in place.

3.1.1 – Market risk

3.1.1.1 – Foreign exchange risk

- **Exposure to foreign exchange risk:** The Group operates internationally and is exposed to foreign exchange risks arising from various currency exposures, primarily with respect to the euro, the US dollar, and, to some extent, the currencies of emerging countries. Foreign exchange risks arise from future commercial transactions, recognized assets and liabilities, and net investments in foreign operations when they are denominated in a currency that is not the respective subsidiary's functional currency.
- **Foreign exchange risk management:** To manage the foreign exchange risk arising from future commercial transactions and recognized assets and liabilities, entities in the Group are allowed to use FX forward contracts, FX options, and FX swaps according to the Group's foreign exchange risk policy. Global Treasury is responsible, in close coordination with the Group's operating units, for managing the net position in each foreign currency and for putting in place the appropriate hedging actions. The Group's foreign exchange risk management policy is to selectively hedge net transaction exposures in major foreign currencies. Currency exposures arising from the net assets of the Group's foreign operations are managed primarily through borrowings denominated in the relevant foreign currency.
- **Foreign exchange risk sensitivity:** The estimated percentage change of the following foreign exchange rates against the Swiss franc is based on the historical foreign exchange rate volatility for a term of 360 days, assuming all other variables held constant:

AT 31 DECEMBER 2025

in CHF m	Strengthened/ weakened by	Increase / decrease in pretax profit	Increase / decrease in equity
EUR / CHF exchange rate	6 %	+/- 26	+/- 22
USD / CHF exchange rate	8 %	-/+ 8	+/- 59

AT 31 DECEMBER 2024

in CHF m	Strengthened/ weakened by	Increase / decrease in pretax profit	Increase / decrease in equity
EUR / CHF exchange rate	6 %	+/- 25	+/- 9
USD / CHF exchange rate	7 %	+/- 8	+/- 58

The change in pretax profit is mainly a result of foreign exchange gains/losses on the translation of the euro-denominated financing, cash and cash equivalents, and intragroup financing, while the change in equity arises mainly from foreign exchange gains/losses of the exposure of the foreign currency participations.

3.1.1.2 – Interest rate risk

- **Exposure to interest rate risk:** Financial debt issued at variable rates and cash and cash equivalents expose the Group to cash flow interest rate risk; the net exposure as of 31 December 2025 was not significant. Financial debt issued at fixed rates does not expose the Group to fair value interest rate risk because it is recorded at amortized costs.
- **Interest rate risk management:** It is the Group's policy to manage the costs of interest using fixed- and variable-rate debt and interest-related derivatives. Global Treasury monitors the net debt fix-to-float mix on an ongoing basis.
- **Interest rate risk sensitivity:** To calculate the impact of a potential interest rate shift on the income statement, the net debt exposure is taken into consideration for cash and debt maturing within the next twelve months. The variable certificates of indebtedness maturing after twelve months are also taken into consideration (interest rate comparison between the end of 2025 and end of 2024):

in CHF m	Higher / lower by	31.12.2025	31.12.2024
CHF interest rate	1 %	+/- 0.50	+/- 0.15
USD interest rate	1 %	+/- 0.13	+/- 0.05
EUR interest rate	1 %	-/+ 1.25	-/+ 3.27

The Group's borrowings are exposed to interest rate changes as follows:

- **Bonds:** The interest rates of all bonds are fixed.
- **Certificates of indebtedness:** The existing certificates of indebtedness have both floating and fixed coupons.
- **Other liabilities to financial institutions:** These mostly consist of bank loans, mainly with floating rates.

3.1.2 – Credit risks

- **Exposures to credit risk:** Credit risk arises from cash and cash equivalents, from entering into derivative financial instruments, and from deposits with banks and financial institutions, as well as from credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions with suppliers. Customer credit risk exposure is triggered by customer default risk and country risk. As of 31 December 2025, the Group had a diversified portfolio with more than 15 000 active credit accounts (2024: more than 17 000), with no significant concentration either due to the size of customers or due to country risk. Of the trade receivables, 47% (2024: 52%) are distributed among 262 (2024: 274) corporate groups with moderate customer default risk.
- **Credit risk management:** Clariant has a Group credit risk policy in place to ensure that sales are made to customers only after an appropriate credit assessment. Procedures are standardized within a corporate customer credit risk policy and supported by the IT system with respective credit management tools. Credit lines are partially backed by credit risk insurance.

AGEING BALANCE OF TRADE RECEIVABLES

	31.12.2025	31.12.2024
Not due yet	92 %	91 %
Total overdue	8 %	9 %
- less than 30 days	5 %	7 %
- more than 30 days	3 %	2 %

NET TRADE RECEIVABLES PER GROUP INTERNAL RISK CATEGORY

	31.12.2025	31.12.2024
A – low credit risk	21 %	22 %
B – low to medium credit risk	34 %	31 %
C – medium to above-average risk	28 %	29 %
D – high credit risk	15 %	15 %
N – customers awaiting rating	2 %	3 %

Financial instruments contain an element of risk that the counterparty may be unable either to issue securities or to fulfill the settlement terms of a contract. Clariant therefore, whenever possible, only cooperates with counterparties or issuers that are at least rated »BBB-« when it comes to entering into fixed-term deposits with such counterparties. The cumulative exposure to these counterparties is constantly monitored by Global Treasury. There is no expectation of a material loss due to counterparty risk.

The Group maintains a large euro cash pooling structure with a leading European bank, over which most European subsidiaries execute their cash transactions denominated in euro, a US dollar cash pooling structure with a leading US bank, a Swiss franc cash pooling structure with a leading Swiss bank, and a British pound cash pooling structure with a leading European bank. As a result of the cash pools, the Group, at certain times, has substantial current financial assets and, at other times, substantial current financial liabilities with the corresponding banks. The following bank ratings have been assigned by the most important rating agencies:

- European bank for euro cash pooling: »A« (2024: »A«)
- European bank for British pound cash pooling: »A+« (2024: »A+«)
- US bank for the US dollar cash pooling: »A+« (2024: »A+«)
- Swiss bank for Swiss franc cash pooling: »A-« (2024: »A«)

Clariant does not believe this poses any particular counterparty risk.

At the balance sheet date, 79% (2024: 79%) of the total cash and cash equivalents and short-term deposits were held with five banks (2024: five banks), each with a position between CHF 53 million and CHF 185 million (2024: between CHF 43 million and CHF 98 million). All of these banks are rated »A-« (2024: »A«) and better.

The table below shows the percentage of total cash and cash equivalents and short-term deposits held at each of the three major counterparties at the balance sheet date:

Counterparty	Rating	31.12.2025
Bank 1	AAA	30 %
Bank 2	A+	15 %
Bank 3	A	14 %

Counterparty	Rating	31.12.2024
Bank 1	A+	25 %
Bank 2	A	17 %
Bank 3	AA+	13 %

3.1.3 – Liquidity risk

- **Liquidity risk management:** Cash flow forecasting is performed in the subsidiaries of the Group and in aggregate by Global Treasury. Global Treasury monitors the forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet its operational needs while maintaining sufficient headroom on its undrawn borrowing facilities. At all times, the Group aims to meet the requirements set by the covenants of any of its borrowing facilities. Global Management therefore takes into consideration the Group's debt financing plans and financing options.

Cash that is not needed in the operating activities of the Group is invested mostly in short-term money market deposits or to a smaller extent in marketable securities if an interest income higher than the one on a regular bank deposit can be achieved. At 31 December 2025, the Group held fixed-term deposits and money market funds of CHF 292 million (2024: CHF 88 million), of which CHF 206 million have an initial tenor of more than 90 days (2024: CHF 7 million).

The following table analyzes the maturity profile of the Group's financial liabilities. The amounts disclosed are the contractual undiscounted cash flows and therefore do not reconcile with the financial liabilities presented in the consolidated balance sheets.

AT 31 DECEMBER 2025

in CHF m	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Borrowings	329	380	688	462
Interest on borrowings	43	40	75	29
Lease liabilities	40	33	59	40
Trade payables and other liabilities	636	1	-	-
Derivative financial instruments	-	-	-	-

AT 31 DECEMBER 2024

in CHF m	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Borrowings	248	261	938	223
Interest on borrowings	46	41	79	15
Lease liabilities	43	34	68	47
Trade payables and other liabilities	746	10	-	-
Derivative financial instruments	22	-	-	-

The Group covers its liabilities out of generated operating cash flow, liquidity reserves in the form of cash and cash equivalents, including short-term deposits (31 December 2025: CHF 617 million vs. 31 December 2024: CHF 395 million), out of uncommitted open cash pool limits and bank credit lines (31 December 2025: CHF 113 million vs. 31 December 2024: CHF 111 million), and out of additional uncommitted net working capital facilities and the issuance of capital market instruments.

On 6 March 2023, Clariant Ltd placed a revolving credit facility (RCF) with a KPI-linked RCF agreement of CHF 450 million. The agreement is structured as a five-year multicurrency revolving credit facility with two one-year extension options, split in two tiers, taken by seven and four banks for each. The RCF is structured as a »backstop« facility for rating purposes to maintain Clariant's liquidity headroom. It contains customary covenants such as negative pledge, cross default, ownership change, and restriction on disposals, mergers, and subsidiary debt. The Group is required to maintain one financial covenant (debt leverage) that is tested at the end of each financial half year. Four KPIs are defined for the RCF: GHG (Greenhouse Gas) Emissions – Scope 1 and 2; GHG Emissions – Scope 3; Water Intake; and Gender Diver-

sity. The new KPI-linked RCF demonstrates Clariant's commitment to support sustainable growth and to embed the strategy and ambitions in its financing. The maturity was extended by another year until 6 March 2029 by way of an extension option.

During 2025 and 2024, the facility was not used.

3.2 – Hedge accounting purposes

The Group designates certain derivatives as either:

- Hedges of a particular risk associated with the cash flows of recognized assets and liabilities and highly probable forecast transactions (cash flow hedges)
- Hedges of a net investment in a foreign operation (net investment hedges)

At the inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

The fair values of derivative financial instruments designated in hedge relationships and movements in the hedging reserve in shareholders' equity are disclosed in → note 21.

3.3 – Capital risk management

The Group's objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide returns for the shareholders and benefits for other stakeholders and to maintain a capital structure suitable to optimize the cost of capital. This includes aspects of the credit rating.

In order to maintain or adjust the capital structure, the Group may adjust the amount of payouts to the shareholders, return capital to the shareholders, issue new shares, or sell assets to reduce debt. The Group monitors capital on the basis of invested capital as part of the »return on invested capital« concept. Invested capital is calculated as the sum of total equity as reported in the consolidated balance sheet plus current and non-current financial liabilities as reported in the consolidated balance sheet, including lease liabilities, plus estimated cash needed for operating purposes, less cash and cash equivalents and near-cash assets not needed for operating purposes.

Invested capital for the Group was as follows on 31 December 2025 and 2024, respectively:

in CHF m	2025	2024
Total equity	2 182	2 508
Total financial liabilities excl. trade payables and other liabilities	2 031	1 884
Less cash and cash equivalents and short-term deposits	-617	-395
Less assets held for sale, net of liabilities associated with assets held for sale	-17	-12
Cash needed for operating purposes	78	83
Invested capital	3 657	4 068

At the end of 2025, Clariant considers the invested capital to be adequate.

4. Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances prevailing when these are made.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

4.1 – Estimated impairment of non-current assets

The Group tests annually whether goodwill has suffered any impairment. The recoverable amounts of all cash-generating units or groups of cash-generating units have been determined based on value-in-use calculations, which require Management to apply assumptions, see → note 6.

Assets that are subject to amortization and depreciation are tested for impairment if an asset impairment indicator has been identified during the period. The recoverable amount is assessed through the application of value-in-use calculations or through the fair value less costs of disposal. These calculations require the use of estimates, in particular in relation to the expected growth of sales, the discount rates, and the development of associated costs.

4.2 – Environmental liabilities

The Group is exposed to environmental regulations in numerous jurisdictions. Significant judgment is required in the determination of the worldwide provision for environmental remediation. The Group constantly monitors its sites to ensure compliance with legislative requirements and to assess the liability arising from the

need to adapt to changing legal demands. The Group recognizes liabilities for environmental remediation on the basis of the latest assessment of the environmental situation of the individual sites and the most recent requirements of the respective legislation.

Where the final remediation results in expenses that differ from the amounts previously recorded, such differences impact the income statement in the period in which such remediation is made.

4.3 – Income tax and other taxes

The Group is subject to income tax and other taxes in numerous jurisdictions. Significant judgment is required in the determination of the worldwide provision for income tax and other taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain at the time a liability must be recorded.

The Group recognizes liabilities for tax audit issues on the basis of estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences impact the income tax and deferred tax provisions in the period in which such determination is made (see → note 10).

Some subsidiaries generate tax losses. These can be used to offset taxable gains of subsequent periods. The Group constantly monitors the development of such tax loss situations. On the basis of business plans for the subsidiaries concerned, the recoverability of such tax losses is determined. In the event that a tax loss is deemed to be recoverable, a deferred tax asset for such a tax loss is recorded.

4.4 – Estimates for the accounting for employee benefits

The accounting for employee benefits requires that certain assumptions be made in order to determine the amount to be recorded for defined benefit obligations and pension plan assets, in particular for defined benefit plans. These are mainly actuarial assumptions such as expected future salary increases, long-term increase in healthcare costs, average life expectancy, and discount rates. Substantial changes in the assumed development of any of these variables may significantly change the Group's net defined benefit liabilities and assets (see → note 22).

4.5 – Provisions and contingencies

Clariant is regularly confronted with situations where possible obligations arising from past events will only be confirmed by the occurrence or non-occurrence of future events not wholly within the control of the Group or where the amount of the obligation cannot be reliably estimated. Clariant reviews such situations at each balance sheet date and makes judgments based on all information available to determine if an outflow of resources can be reliably estimated or not. If this is not possible, a contingency is reported for each material case.

5. Property, plant, and equipment

in CHF m	Land	Buildings	Machinery and equipment	Furniture, vehicles, computer hardware	Assets under construction	Total 2025
Cost						
At 1 January	256	960	2 071	257	252	3 796
Additions	-	18	48	8	71	145
Reclassified to held for sale (see note 26)	-49	-99	-	-	-	-148
Disposals	-	-6	-32	-9	-	-47
Reclassifications	3	50	125	9	-187	-
Exchange rate differences	-9	-58	-114	-12	-18	-211
At 31 December	201	865	2 098	253	118	3 535
Accumulated depreciation and impairment						
At 1 January	-66	-494	-1 519	-193	-	-2 272
Reclassified to held for sale (see note 26)	31	98	-	-	-	129
Disposals	-	5	29	8	-	42
Depreciation	-	-40	-111	-17	-	-168
Impairment	-	-2	-16	-	-	-18
Exchange rate differences	-	25	75	9	-	109
At 31 December	-35	-408	-1 542	-193	-	-2 178
Net book value	166	457	556	60	118	1 357

The property pertaining to »Industrial Park Fechenheim«, Germany, has been classified as held for sale at the end of 2025.

Impairments recognized relate to announced site closures and asset network optimization measures, primarily in Europe.

Exchange rate differences mainly arise from the changes in the US dollar, Chinese renminbi, and Indian rupee exchange rates against the Swiss franc. All these currencies significantly devalued against the Swiss franc in 2025.

Additions in 2025 mainly relate to investments in Germany, China, and the United States.

As of 31 December 2025, commitments for the purchase of property, plant, and equipment concerned various projects mainly in Germany, China, and the United States and totaled CHF 26 million (2024: CHF 48 million).

in CHF m	Land	Buildings	Machinery and equipment	Furniture, vehicles, computer hardware	Assets under construction	Total 2024
Cost						
At 1 January	253	945	2 115	264	206	3 783
Additions	1	16	37	10	143	207
Change in the scope of consolidation	-	3	12	1	2	18
Business combination adjustment (see note 27)	-	2	3	1	-	6
Reclassified to held for sale (see note 26)	-4	-49	-165	-	-	-218
Disposals	-1	-12	-57	-32	-	-102
Reclassifications	1	33	66	6	-106	-
Exchange rate differences	6	22	60	7	7	102
At 31 December	256	960	2 071	257	252	3 796
Accumulated depreciation and impairment						
At 1 January	-69	-505	-1 569	-201	-	-2 344
Change in the scope of consolidation	-	-2	-8	-1	-	-11
Reclassified to held for sale (see note 26)	-	46	161	-	-	207
Disposals	-	8	54	31	-	93
Depreciation	-	-36	-112	-17	-	-165
Impairment	4	3	-3	-	-	4
Exchange rate differences	-1	-8	-42	-5	-	-56
At 31 December	-66	-494	-1 519	-193	-	-2 272
Net book value	190	466	552	64	252	1 524

Investment properties (Clariant as a lessor in operating leases)

As a result of the continuous efforts to increase efficiency and to optimize the structure of its facilities, sometimes production or administrative sites are vacated. In order to minimize expenses, Clariant seeks to find tenants for these facilities. As a consequence, such facilities, which generate income exclusively from rental contracts, are considered investment properties.

At the end of 2025, investment properties were almost entirely located in Germany and Switzerland. The decrease relates to the reclassification of the property related to »Industrial Park Fechenheim«, Germany, to assets held for sale. The key financial data of the Group's investment properties is as follows:

in CHF m	31.12.2025	31.12.2024
Investment properties		
Cost	138	291
Accumulated depreciation	-49	-180
Net book value	89	111
Estimated fair value of investment	131	223
	2025	2024
Depreciation	-2	-1
Income ¹	10	9
Expected lease income		
Minimum p.a. in the next 5 years	4-7	4-7
For periods after 5 years until contract expiry	133	138

¹ Recorded in »Selling, general, and administrative costs« in segment »Corporate«

6. Intangible assets

in CHF m	Goodwill	Technology	Customer relationships	Trade names	Other	Total 2025
Cost						
At 1 January	1 307	224	377	95	383	2 386
Additions	-	-	-	-	1	1
Disposals	-	-	-	-	-2	-2
Exchange rate differences	-123	-6	-23	-1	-24	-177
At 31 December	1 184	218	354	94	358	2 208
Accumulated amortization and impairment						
At 1 January	-1	-187	-240	-84	-208	-720
Disposals	-	-	-	-	2	2
Amortization	-	-8	-13	-1	-16	-38
Impairment	-	-	-	-	-1	-1
Exchange rate differences	-	2	8	-	6	16
At 31 December	-1	-193	-245	-85	-217	-741
Net book value	1 183	25	109	9	141	1 467

in CHF m	Goodwill	Technology	Customer relationships	Trade names	Other	Total 2024
Cost						
At 1 January	815	193	247	86	255	1 596
Additions	-	-	-	-	2	2
Acquired in business combinations (see note 27)	462	30	126	9	134	761
Disposals	-	-	-1	-	-10	-11
Exchange rate differences	30	1	5	-	2	38
At 31 December	1 307	224	377	95	383	2 386
Accumulated amortization and impairment						
At 1 January	-1	-179	-224	-81	-200	-685
Disposals	-	-	1	-	10	11
Amortization	-	-7	-12	-2	-15	-36
Impairment	-	-	-1	-1	-1	-3
Exchange rate differences	-	-1	-4	-	-2	-7
At 31 December	-1	-187	-240	-84	-208	-720
Net book value	1 306	37	137	11	175	1 666

Intangible assets acquired in a business combination in 2024 relate to the acquisition of Lucas Meyer Cosmetics. See also → note 27.

Impairment test for goodwill. Clariant has allocated the goodwill for impairment testing to a cash-generating unit (CGU) or group of CGUs.

in CHF m	31.12.2025	31.12.2024
Care Chemicals	509	581
Catalysts	538	581
Adsorbents	136	144
Total	1 183	1 306

The recoverable amount for all CGUs or groups of CGUs is determined according to their value-in-use. The value-in-use calculations use cash flow projections based on the updated strategic plans up to 2027 as approved by the Executive Steering Committee and presented to the Board of Directors, and forecast for the period 2028-30. For the terminal value, a market growth of 2.25% is assumed. The main assumptions used for cash flow projections are EBITDA in percent of sales and sales growth. The assumptions regarding these two variables are based on Management's past experience and future expectations of business performance. The pretax discount rates used are based on the Group's weighted-average cost of capital. The applied pretax discount rate was 10.83% for all CGUs or groups of CGUs (2024: 11.55%).

For all CGUs and groups of CGUs, it was assumed that they achieve sales growth in line with or higher than market growth, according to the specific strategic plans for the respective CGU or group of CGUs. It was also assumed that the EBITDA in percent of sales will improve over present performance as a result of the continuous growth and improvement measures implemented. The conclusion was that the net present value of the expected cash flows exceeds the carrying amount of the net assets allocated on a value-in-use basis of all CGUs or groups of CGUs.

The estimated recoverable amount of the CGU Catalysts exceeds its carrying amount, including goodwill, by CHF 466 million. The recoverable amount would be equal to the carrying amount if the assumed average annual sales growth rate during the planning period were reduced by 3.2% or, alternatively, if the operating margin were reduced by 4.3% of sales.

7. Leases

in CHF m	Leasehold land	Buildings	Machinery and equipment	Furniture, vehicles, computer hardware	Total 2025	Total 2024
Right-of-use assets – cost						
At 1 January	37	197	68	64	366	411
Additions	–	6	6	8	20	50
Acquired in business combinations (see note 27)	–	–	–	–	–	7
Disposals	–	–2	–4	–7	–13	–75
Remeasurement	5	19	4	1	29	–29
Exchange rate differences	–3	–11	–4	–4	–22	2
At 31 December	39	209	70	62	380	366
Right-of-use assets – accumulated depreciation and impairment						
At 1 January	–12	–93	–32	–36	–173	–240
Disposals	–	2	3	7	12	74
Depreciation	–3	–21	–11	–11	–46	–46
Impairment	–	–10	–	–	–10	37
Exchange rate differences	1	5	2	2	10	2
At 31 December	–14	–117	–38	–38	–207	–173
Right-of-use assets – net book value	25	92	32	24	173	193

Impairments recognized relate to announced site closures and asset network optimization measures, primarily in Switzerland.

in CHF m	Leasehold land	Buildings	Machinery and equipment	Furniture, vehicles, computer hardware	Total 2025	Total 2024
Lease liability						
At 1 January	10	113	40	29	192	251
Additions	-	3	6	8	17	48
Acquired in business combinations (see note 27)	-	-	-	-	-	7
Payments	-3	-25	-14	-12	-54	-98
Interest	-	5	3	1	9	10
Remeasurement	3	13	3	1	20	-31
Exchange rate differences	-1	-6	-3	-2	-12	5
At 31 December	9	103	35	25	172	192
Of which						
- Current portion	2	19	10	9	40	43
- Non-current portion	7	84	25	16	132	149
At 31 December	9	103	35	25	172	192

The following table presents additional information excluded in the measurement of lease liabilities:

in CHF m	2025	2024
Additional expense not included in the measurement of lease liabilities		
Expense relating to short-term leases	-5	-7
Expense relating to leases of low-value assets	-2	-2
Additional information		
Total cash outflow for leases for the year	61	107
Potential future cash outflows from extension options	88	65
Commitments for leases not commenced at year-end	1	1

8. Investments in associates and joint ventures

The key financial data of the Group's principal associates is as follows:

in CHF m	2025	2024
At 1 January	245	236
Change in the scope of consolidation	-	-11
Additions	1	1
Share in profit	51	55
Share in other comprehensive income	7	-6
Dividends received	-47	-36
Exchange rate differences	-9	6
At 31 December	248	245
Thereof joint ventures	36	39

INVESTMENTS IN ASSOCIATES

	Infraserv GmbH & Co. Höchst KG		Infraserv GmbH & Co. Gendorf KG		Infraserv GmbH & Co. Knapsack KG		Others	
	Germany		Germany		Germany			
in CHF m	2025	2024	2025	2024	2025	2024	2025	2024
Summarized financial information								
Interest held %	33 %	33 %	50 %	50 %	21 %	21 %	-	-
Sales	1 119	1 131	261	269	235	234	37	44
Total comprehensive income	113	82	30	36	14	12	12	9
Net income	101	102	27	37	14	12	12	9
Other comprehensive income	12	-20	3	-1	-	-	-	-
Non-current assets	996	1 004	168	170	130	120	8	6
Current assets	271	274	90	96	74	79	23	28
Non-current liabilities	-679	-723	-77	-72	-49	-49	-	-1
Current liabilities	-229	-231	-51	-56	-74	-74	-8	-12
Net assets	359	324	130	138	81	76	23	21
Reconciliation of book value								
Book value at the beginning of the period	108	96	69	64	16	15	13	23
Change in the scope of consolidation	-	-	-	-	-	-	-	-11
Additions	-	-	-	-	-	-	1	1
Share in profit	35	32	13	17	3	3	1	2
Share in other comprehensive income	3	-4	2	-	-	-	-	-
Dividends received	-26	-17	-17	-13	-2	-2	-2	-4
Exchange rate differences	-1	1	-2	1	-	-	-2	2
Book value at the end of the period	119	108	65	69	17	16	11	13
Clariant's share in the book values at the end of the period	119	108	65	69	17	16	11	13

The shareholdings in associates summarized under »Others« concern mainly companies specializing in selling Clariant products.

On 31 December 2025, accumulated unrecognized losses amounted to CHF 1 million (2024: CHF 4 million).

The key financial data of the Group's joint venture is as follows:

INVESTMENT IN JOINT VENTURE

	Global Amines group	
in CHF m	2025	2024
Summarized financial information		
Interest held %	50 %	50 %
Sales	376	347
Total comprehensive income	3	-3
Net income / loss	-2	2
Other comprehensive income	5	-5
Non-current assets	120	141
Current assets	153	150
Non-current liabilities	-21	-33
Current liabilities	-135	-134
Net assets	117	124
Reconciliation of book value		
Book value at the beginning of the period	39	38
Share in profit	-1	1
Share in other comprehensive income	2	-2
Exchange rate differences	-4	2
Book value at the end of the period	36	39
Group's share in net assets at the end of the period	59	62
Accumulated impairment	-23	-23
Clariant's share in the book values at the end of the period	36	39

Global Amines group is a joint venture of Clariant and Wilmar International Limited, a leading Asian agribusiness group headquartered in Singapore, and serves as a global platform for the production and sale of fatty amines and selected amine derivatives. It also has worldwide sales, distribution, and production facilities. The joint venture has existed since 26 October 2012 and is operated as part of the Business Unit Care Chemicals.

9. Financial assets and other assets

in CHF m	31.12.2025	31.12.2024
Financial assets	236	242
Other assets	6	8
Total	242	250

Financial assets

in CHF m	2025	2024
At 1 January	242	199
Additions	2	-
Fair value adjustment	-6	41
Exchange rate differences	-2	2
At 31 December	236	242

Financial assets include loans and a number of small-scale participations in companies, mostly in Germany and in Switzerland, engaged in activities closely related to those of Clariant.

Participations amounted to CHF 234 million in 2025 (2024: CHF 242 million). The change in participation values was mainly driven by the fair value estimation performed in 2025 and resulted in a decrease of CHF 6 million, which was recognized in other comprehensive income.

The key unobservable inputs used in the fair value estimation of the most material participation, which constitutes 85.8% of these shareholdings, are as follows: terminal growth rate of 1.5%, sales growth rate of 1.5%, long-term pretax operating margin of 18.4%, and weighted-average cost of capital of 7.5%. The sensitivity analysis shows that if the terminal growth rate had been higher/lower by 0.5 percentage points with all other variables held constant, the fair value would have been CHF 16 million higher/CHF 14 million lower. If the sales growth rate had been higher/lower by 1 percentage point with all other variables held constant, the fair value would have been CHF 13 million higher/lower. If the long-term pretax operating margin had been higher/lower by 1 percentage point with all other variables held constant, the fair value would have been CHF 11 million higher/lower. If the weighted-average cost of capital had been higher/lower by 0.5 percentage points with all other variables held constant, the fair value would have been CHF 13 million lower/CHF 15 million higher.

See → **note 35** for an event subsequent to the balance sheet date relating to the participation in Stahl.

Other assets

Other assets include biological assets in the amount of CHF 6 million (2024: CHF 8 million).

10. Taxes

in CHF m	2025	2024
Current income taxes	-78	-98
Deferred income taxes	-9	8
Total taxes	-87	-90

The main elements contributing to the difference between the Group's overall expected tax expense/rate and the effective tax expense/rate are:

	2025		2024	
	in CHF m	in %	in CHF m	in %
Income before taxes	46		370	
Expected tax expense/rate¹	-16	33.7	-86	23.2
Effect of taxes on items not tax-deductible	-73	158.7	-40	10.8
Effect of utilization and changes in recognition of tax losses and tax credits	3	-6.5	27	-7.3
Effect of tax losses and tax credits of current year not recognized	-57	124.0	-2	0.6
Effect of adjustments to taxes recognized in prior periods	9	-19.6	-1	0.3
Effect of tax-exempt income	55	-119.6	15	-4.1
Effect of other items	-8	17.4	-3	0.8
Effective tax expense/rate	-87	188.1	-90	24.3

¹ Calculated based on the income before tax of each subsidiary (weighted average)

The tax expense from operations decreased to CHF 87 million, compared to CHF 90 million in the prior year.

The average expected tax rate corresponds to the weighted average of the tax rates in the jurisdictions in which the Group operates. This rate changes from year to year due to changes in the mix of the Group's taxable income and changes in local tax rates.

The Group's effective tax rate increased to 188.1%. The main drivers were extraordinary non-deductible expenses from the reclassification of accumulated currency translation adjustments from equity to the income statement related to the divestment of the Group's operation in Venezuela, losses incurred from business restructurings, and the closure of operations, for which no corresponding tax benefit was recognized. Excluding the impact from the reclassification of accumulated translation adjustment of CHF 230 million, the Group's effective tax rate would have been 31.3%.

The Pillar II income tax for 2025 is not material, and, according to the current assessment, is not expected to have a material impact on the Group's tax rate in 2026.

The movement of the net deferred income tax balance is as follows:

in CHF m	PPE, RoU assets, and intangible assets	Net defined benefit liabilities / assets	Tax losses and tax credits	Other liabilities and provisions	Total	Thereof offset within the same jurisdiction	Total
Deferred tax assets at 1 January 2024	64	57	43	114	278	-149	129
Deferred tax liabilities at 1 January 2024	-144	-	-	-30	-174	149	-25
Net deferred tax balance at 1 January 2024	-80	57	43	84	104		104
Charged/credited to income statement	-8	-3	9	10	8		
Charged/credited to other comprehensive income	-	-12	-	2	-10		
Effect of business combination	-62	-	-	-1	-63		
Reclassifications	-	-10	-	10	-		
Exchange rate differences	-4	1	-3	3	-3		
Net deferred tax balance at 31 December 2024	-154	33	49	108	36		36
Deferred tax assets at 31 December 2024	55	51	49	143	298	-171	127
Deferred tax liabilities at 31 December 2024	-209	-18	-	-35	-262	171	-91
Net deferred tax balance at 1 January 2025	-154	33	49	108	36		36
Charged/credited to income statement	19	6	-17	-17	-9		
Charged/credited to other comprehensive income	-	-1	-	-	-1		
Exchange rate differences	17	-2	-2	-8	5		
Net deferred tax balance at 31 December 2025	-118	36	30	83	31		31
Deferred tax assets at 31 December 2025	63	42	30	102	237	-122	115
Deferred tax liabilities at 31 December 2025	-181	-6	-	-19	-206	122	-84

Deferred income tax liabilities have not been established for withholding tax and other taxes that would be payable on the unremitted earnings of certain foreign subsidiaries, as such amounts are currently regarded as permanently reinvested. These unremitted earnings totaled CHF 1563 million at the end of 2025 (2024: CHF 1850 million).

Of the deferred tax assets capitalized on tax losses, CHF 20 million pertains to a portion of tax losses of a German subsidiary, CHF 10 million to tax losses of a Canadian subsidiary, and CHF 8 million to a portion of tax losses of a French subsidiary.

The tax losses on which no deferred tax assets are recognized are reviewed for recoverability at each balance sheet date. The largest part of these tax losses arose in Switzerland (with a tax rate of 14%), in Romania (with a tax rate of 16%), in Argentina (with a tax

rate of 35%), and in the US (with a tax rate of 25%). Germany (with a tax rate of 28%) and France (with a tax rate of 25%) also have additional tax losses beyond those for which deferred tax assets have been recognized.

Tax losses on which no deferred tax assets were recognized are as follows:

in CHF m	31.12.2025	31.12.2024
Expiry by:		
2025	-	30
2026	1	6
2027	5	13
2028	13	9
2029	8	-
after 2029 (2024: after 2028)	1 438	641
Total	1 465	699

Temporary differences on which no deferred tax was recognized amount to CHF 896 million in 2025 (2024: CHF 675 million).

11. Inventories

in CHF m	31.12.2025	31.12.2024
Raw material, consumables, work in progress	295	316
Finished products	346	333
Total	641	649

in CHF m	2025	2024
Movements in write-downs of inventories		
At 1 January	-45	-50
Additions	-15	-18
Reversals	25	25
Exchange rate differences	3	-2
At 31 December	-32	-45

As of 31 December 2025 and 2024, no inventories were pledged as collateral for liabilities.

The cost for raw materials and consumables recognized as an expense and included in »Costs of goods sold« amounted to CHF 1481 million (2024: CHF 1600 million).

12. Trade receivables

in CHF m	31.12.2025	31.12.2024
Gross accounts receivable – trade	613	640
Gross accounts receivable – related parties	14	11
Less: provision for doubtful accounts receivable	-13	-16
Total trade receivables – net	614	635

The following summarizes the movement in the provision for doubtful accounts receivable:

in CHF m	2025	2024
At 1 January	-16	-10
Charged to the income statement	-8	-13
Amounts used	3	3
Acquired in business combination	-	-1
Unused amounts reversed	7	6
Exchange rate differences	1	-1
At 31 December	-13	-16

There is no concentration of credit risk with respect to trade receivables, as the Group has a large number of internationally dispersed customers. The maximum credit risk on trade receivables is equal to their carrying amount.

Collaterals are only required in rare cases (less than CHF 1 million in 2025 and 2024).

The loss allowance for trade receivables was determined as follows:

in CHF m	Current	30–60 days overdue	61–90 days overdue	More than 90 days overdue	Total
31 December 2025					
Expected loss rate (in %)	1.46	11.90	15.35	16.58	
Gross accounts receivable	600	5	2	20	627
Loss allowance	9	1	-	3	13

in CHF m	Current	30–60 days overdue	61–90 days overdue	More than 90 days overdue	Total
31 December 2024					
Expected loss rate (in %)	1.52	11.50	20.54	26.81	
Gross accounts receivable	624	4	2	21	651
Loss allowance	9	1	-	6	16

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

in CHF m	31.12.2025	31.12.2024
EUR	209	202
USD	205	232
CNY	58	60
BRL	37	39
JPY	14	14
INR	35	33
Other	56	55
Total trade receivables – net	614	635

As of 31 December 2025, trade receivables include an amount of CHF 43 million (2024: CHF 70 million) that was past due, but not impaired. These related to a number of customers for whom there is no recent history of default.

13. Other current assets

in CHF m	31.12.2025	31.12.2024
Other receivables	151	214
Current financial assets	71	76
Prepaid expenses and accrued income	39	42
Total	261	332

Other receivables include, among others, staff loans, deposits, advances, VAT, and sales tax receivables. Other receivables are recognized at amortized cost.

Current financial assets are mainly made up of notes receivable and short-term loans and recognized at amortized cost. Additionally, derivative financial instruments with a positive value are reported as financial assets. The book value of current financial assets equals their fair value.

Other receivables and current financial assets are also subject to the impairment requirements of IFRS 9. The identified impairment loss for other receivables was immaterial in 2025 and 2024.

The maximum exposure to credit risk of other current assets at the reporting date is equal to their carrying amount.

14. Short-term deposits

Short-term deposits are denominated in the following currencies:

in CHF m	31.12.2025	31.12.2024
CHF	200	-
INR	6	7
Total	206	7

15. Cash and cash equivalents

in CHF m	31.12.2025	31.12.2024
Cash at bank and on hand	325	307
Short-term investments	86	81
Total	411	388

Cash and cash equivalents are denominated in the following currencies:

in CHF m	31.12.2025	31.12.2024
EUR	141	131
USD	94	99
CHF	75	60
INR	32	31
JPY	18	15
BRL	10	6
CNY	5	12
Other	36	34
Total	411	388

Short-term investments were held during the year predominantly in the following currencies and with the following conditions:

	Average annual interest rate		Average maturity in days	
Short-term investments in:	2025	2024	2025	2024
CHF	0.2 %	1.5 %	68	53
EUR	2.2 %	3.6 %	28	30
USD	4.0 %	2.0 %	9	12

Short-term investments outstanding as of 31 December 2025 and 2024 were held mainly in Swiss francs and in euro.

The maximum exposure to credit risk on cash and cash equivalents is equal to their book value.

16. Cash flow: Additional information

for the years ended 31 December	Notes	2025 in CHF m	2024 in CHF m
Net income / loss		-41	280
Depreciation of property, plant, and equipment and right-of-use assets	5, 7	214	211
Impairment		29	-30
Amortization of intangible assets	6	38	36
Impairment of working capital		13	19
Income from associates and joint ventures	8	-51	-55
Tax expense	10	87	90
Net financial income and costs	28	66	56
Gain from disposals not qualifying as discontinued operations		-2	-
Currency translation adjustments reclassified from equity to the income statement	28	230	-
Other non-cash items		5	42
Total non-cash income and expenses		629	369
Changes in net working capital and provisions			
Changes in inventories		-53	-9
Changes in trade receivables		-25	-47
Changes in trade payables		-50	3
Changes in other current assets and liabilities		-3	-58
Changes in provisions (excluding payments for restructuring)		35	-17
Total changes in net working capital and provisions		-96	-128

17. Changes in share capital, treasury shares, and non-controlling interests

	Number of shares 2025	Par value 2025 in CHF m	Number of shares 2024	Par value 2024 in CHF m
Registered shares, each with a par value of CHF 1.34 (2024: CHF 1.76)				
Share capital at 1 January	331 939 199	584	331 939 199	724
Nominal value reduction		-139		-140
Share capital at 31 December	331 939 199	445	331 939 199	584
Treasury shares	-3 063 543	-4	-3 653 588	-6
Outstanding share capital at 31 December	328 875 656	441	328 285 611	578

	2025	2024
Treasury shares (number of shares)		
Holdings at 1 January	3 653 588	3 090 705
Shares purchased at market value	-	699 004
Shares purchased on exercise of put options	-	300 000
Shares transferred to employees and Board of Directors	-590 045	-436 121
Holdings at 31 December	3 063 543	3 653 588
Treasury shares held at 31 December by Clariant Ltd in % of share capital	0.92 %	1.10 %

All shares are duly authorized and fully paid in.

Dividends are paid out as and when declared equally on all shares, excluding treasury shares. The information concerning payments per share to the shareholders is disclosed in the notes to the financial statements of Clariant Ltd.

In accordance with Article 5 of the Company's Articles of Association, no limitations exist with regard to the registration of shares that are acquired in one's own name and on one's own account. Special rules exist for nominees.

In accordance with Article 13 of the Company's Articles of Association, each share has the right to one vote.

Distribution from share capital to shareholders

On 1 April 2025, the Annual General Meeting of Clariant Ltd approved a distribution through capital reduction by way of a par value reduction from CHF 1.76 to CHF 1.34 per registered share. The payout reduced the share capital by CHF 139 million.

Significant shareholders of 3 % or more of total share capital

Based on the notifications received by Clariant and published by SIX Exchange Regulation, the following shareholders held more than 3% of the voting rights in Clariant Ltd:

Shareholders	Voting rights 31.12.2025	Voting rights 31.12.2024
SABIC International Holdings B.V., Sittard, The Netherlands, controlled by Saudi Arabian Oil Company, Saudi Aramco, P.O. Box 5000, Dhahran 31311, Kingdom of Saudi Arabia	31.50 %	31.50 %
Blue Beteiligungsgesellschaft mbH, Am Holzmaierfeld, 82064 Strasslach-Dingharting, Germany, and Maple Beteiligungsgesellschaft mbH, Am Holzmaierfeld, 82057 Icking, Germany, and NOWI Beteiligungsgesellschaft mbH, 82064 Strasslach-Dingharting, Germany ¹	5.16 %	5.16 %
UBS Fund Management (Switzerland) AG, Basel, Switzerland ²	5.04 %	5.01 %
BlackRock Inc., New York, United States	3.10 %	3.80 %

¹ According to a disclosure notification published on 5 September 2024, the already existing group consisting of Blue Beteiligungsgesellschaft mbH (100 % owned by Konstantin Winterstein, 80333 Munich, Germany) and Maple Beteiligungsgesellschaft mbH (100 % owned by Elisabeth Prinzessin zu Sayn-Wittgenstein, 80333 Munich, Germany) was joined by NOWI Beteiligungsgesellschaft mbH, 82064 Strasslach-Dingharting, Deutschland; 100% jointly owned by Konstantin Winterstein and Elisabeth Prinzessin zu Sayn-Wittgenstein.

² Disclosure was triggered due to the absorption merger ("Absorptionsfusion") between Credit Suisse Funds AG and UBS Fund Management (Switzerland) AG and the aggregation of the relevant interest of both entities as, upon merger, Credit Suisse Funds AG ceased to exist and UBS Fund Management (Switzerland) AG was the surviving entity.

Disclosure notifications during the 2025 financial year reported to the Stock Exchange Disclosure Office pursuant to Art. 120 of the Financial Markets Infrastructure Act (FMIA) as well as further information in relation to disclosure notifications can be found on the SIX Swiss Exchange reporting platform: → www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/

Non-controlling interests

Non-controlling interests reported are primarily made up of those of the four following companies, representing more than 90% (2024: more than 90%) of the minority shares reported. The following table summarizes the financial information, before intra-group eliminations:

for the year ended 31 December 2025 in CHF m	Süd-Chemie India Ltd (SCIL)	Clariant IGL Specialty Chemicals	Clariant Huajin Catalysts (Panjin) Ltd	Clariant Catalysts (Japan) K.K.
Summarized financial information				
Non-controlling interest held %	50 %	49 %	40 %	39 %
Held by	Private shareholders in India	India-based IGL group	Northern Huajin Chemical Industry Group Co. Ltd	Nissan Chemicals Industries Ltd
Sales	200	124	20	145
At 31 December				
Non-current assets	70	65	12	15
Current assets	107	39	34	68
Non-current liabilities	-1	-3	-1	-1
Current liabilities	-24	-16	-5	-56
Net assets	152	85	40	26

for the year ended 31 December 2024 in CHF m	Süd-Chemie India Ltd (SCIL)	Clariant IGL Specialty Chemicals	Clariant Huajin Catalysts (Panjin) Ltd	Clariant Catalysts (Japan) K.K.
Summarized financial information				
Non-controlling interest held %	50 %	49 %	40 %	39 %
Sales	201	135	38	127
At 31 December				
Non-current assets	80	80	14	17
Current assets	119	39	43	53
Non-current liabilities	-1	-6	-2	-2
Current liabilities	-25	-22	-11	-43
Net assets	173	91	44	25

18. Earnings per share (EPS)

Earnings per share are calculated by dividing the Group net income / loss by the average number of outstanding shares (issued shares less treasury shares).

	2025	2024
Net income / loss attributable to shareholders of Clariant Ltd, undiluted and diluted (in CHF m)	-75	244
Weighted-average number of shares outstanding		
Outstanding shares at 1 January	328 285 611	328 848 494
Effect of transactions with treasury shares during the year	454 918	-126 505
Weighted-average number of shares outstanding at 31 December	328 740 529	328 721 989
Adjustment for granted Clariant shares	1 891 825	1 609 429
Weighted-average diluted number of shares outstanding	330 632 354	330 331 418
Basic earnings / loss per share attributable to shareholders of Clariant Ltd (CHF/share)	-0.23	0.74
Diluted earnings / loss per share attributable to shareholders of Clariant Ltd (CHF/share)	-0.23	0.74

The dilution effect is triggered by the effect of Clariant shares that have been granted as part of the share-based payment plan but have not yet vested. To calculate this dilutive potential, it is assumed that they vested on 1 January of the respective period. The effect of the services still to be rendered during the vesting period is taken into consideration.

Diluted earnings per share are calculated by adjusting the weighted-average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

On 28 November 2025, Clariant issued two bonds for a total amount of CHF 300 million. While one tranche for an amount of CHF 200 million has a tenor of five years, expiring on 28 November 2030, with a fixed interest rate of 1.65%, the other tranche, for an amount of CHF 100 million, has a tenor of 8.5 years, expiring on 29 May 2034, with a fixed interest rate of 2.20%.

Certificates of indebtedness

On 27 June 2025, Clariant executed an early repayment of a certificate of indebtedness of EUR 70 million, originally scheduled to mature on 27 December 2027.

On 25 September 2025, two certificates of indebtedness for a total amount of EUR 156 million reached their maturity and were repaid.

On 29 December 2025, Clariant executed an early partial repayment of a certificate of indebtedness of EUR 140 million, originally scheduled to mature on 27 June 2029.

Collateral

In 2025 and 2024, no assets were pledged as collateral.

19. Financial debts

Non-current financial debts

in CHF m	31.12.2025	31.12.2024
Straight bonds	1 240	875
Certificates of indebtedness	285	499
Other liabilities to financial institutions and derivatives	5	48
Total non-current financial debts	1 530	1 422

Bonds

On 4 April 2025, Clariant issued two bonds for a total amount of CHF 265 million. While one tranche for an amount of CHF 125 million has a tenor of three years, expiring on 4 April 2028, with a fixed interest rate of 1.55%, the other tranche, for an amount of CHF 140 million, has a tenor of eight years, expiring on 4 April 2033, with a fixed interest rate of 2.10%.



in CHF m	Interest rate in %	Term	Notional amount	31.12.2025	31.12.2024
Straight bond	1.125	2019-26	CHF 200 m	200	200
Straight bond (green bond)	2.717	2022-27	CHF 175 m	175	175
Straight bond	2.750	2023-28	CHF 150 m	150	150
Straight bond	2.375	2024-27	CHF 200 m	200	200
Straight bond	2.750	2024-31	CHF 150 m	150	150
Straight bond	1.650	2025-30	CHF 200 m	200	-
Straight bond	1.550	2025-28	CHF 125 m	125	-
Straight bond	2.100	2025-33	CHF 140 m	140	-
Straight bond	2.200	2025-34	CHF 100 m	100	-
Total straight bonds				1 440	875
Certificate of indebtedness	6 m EURIBOR +0.95	2018-25	EUR 54 m	-	50
Certificate of indebtedness	6 m EURIBOR +1.25	2024-27	EUR 70 m	-	65
Certificate of indebtedness	6 m EURIBOR +1.50	2024-29	EUR 150 m	140	272
Total certificate of indebtedness - floating interest rates				140	387
Certificate of indebtedness	1.548	2018-25	EUR 102 m	-	97
Certificate of indebtedness	2.010	2016-26	EUR 15 m	14	14
Certificate of indebtedness	2.087	2018-28	EUR 17 m	16	16
Certificate of indebtedness	4.336	2024-29	EUR 63 m	58	59
Certificate of indebtedness	4.472	2024-31	EUR 78 m	71	73
Total certificate of indebtedness - fixed interest rates				159	259
Total straight bonds and certificates of indebtedness				1 739	1 521
Less: current straight bonds and certificates of indebtedness				-214	-147
Other liabilities to financial institutions and derivatives				5	48
Total non-current financial debts				1 530	1 422
Breakdown of non-current financial debts by maturity					
			2026	-	261
			2027	380	441
			2028	291	166
			2029	198	-
			after 2029 (2024: after 2028)	661	554
Total				1 530	1 422
Breakdown of non-current financial debts by currency					
			CHF	1 240	875
			EUR	285	499
			Others	5	48
Total				1 530	1 422

Current financial debts

in CHF m	31.12.2025	31.12.2024
Other liabilities to financial institutions and derivatives	115	123
Non-current financial debts due within one year		
- Straight bonds	200	-
- Certificate of indebtedness	14	147
Total current financial debts	329	270
Breakdown by maturity:		
Up to three months after the balance sheet date	115	100
Three to six months after the balance sheet date	214	3
Six to twelve months after the balance sheet date	-	167
Total current financial debts	329	270

20. Reconciliation of net debt

in CHF m	01.01.2025	Net cash flow	Proceeds	Payments	Exchange rate differences	Other non-cash movements	31.12.2025
Cash and cash equivalents	388	42	-	-	-19	-	411
Short-term deposits	7	201	-	-	-2	-	206
Financial instruments with positive fair values	-	-	-	-	-	1	1
Total cash and liquid investments	395	243	-	-	-21	1	618
Non-current financial debt	-1 422	-	-564	196	7	253	-1 530
Current financial debt	-270	-	-17	198	13	-253	-329
Lease liabilities	-192	-	-	54	12	-46	-172
Borrowings and other financial liabilities	-1 884	-	-581	448	32	-46	-2 031
Net debt	-1 489	243	-581	448	11	-45	-1 413

in CHF m	01.01.2024	Effects of business combination	Net cash flow	Proceeds	Payments	Exchange rate differences	Other non-cash movements	31.12.2024
Cash and cash equivalents	488	29	-139	-	-	10	-	388
Short-term deposits	105	-	-98	-	-	-	-	7
Financial instruments with positive fair values	1	-	-	-1	-	-	-	-
Total cash and liquid investments	594	29	-237	-1	-	10	-	395
Non-current financial debt	-765	-	-	-845	-	8	180	-1 422
Current financial debt	-333	-	-	-486	723	6	-180	-270
Lease liabilities	-251	-7	-	-	98	-4	-28	-192
Borrowings and other financial liabilities	-1 349	-7	-	-1 331	821	10	-28	-1 884
Net debt	-755	22	-237	-1 332	821	20	-28	-1 489

21. Financial instruments

The classification of the financial instrument carrying amounts and fair values in the balance sheet are classified as follows:

FINANCIAL INSTRUMENTS BY ASSET CLASS

At 31 December 2025 in CHF m	Financial instruments mandatorily at fair value through profit or loss	Financial instruments at fair value through OCI	Fair value – hedging instruments	Financial assets at amortized cost	Financial liabilities at amortized cost	Carrying amount	Fair value
Trade receivables	-	-	-	614	-	614	614
Short-term deposits	-	-	-	206	-	206	206
Cash and cash equivalents	-	-	-	411	-	411	411
Non-current financial assets	2	234	-	-	-	236	236
Other current assets (excl. derivatives)	-	-	-	96	-	96	96
Derivative financial instruments	-	-	1	-	-	1	1
Total financial assets	2	234	1	1 327	-	1 564	1 564
Trade payables and other liabilities	-	-	-	-	636	636	636
Non-current other liabilities	-	-	-	-	1	1	1
Straight bonds	-	-	-	-	1 440	1 440	1 462
Other debt	-	-	-	-	419	419	419
Lease liabilities	-	-	-	-	172	172	172
Total financial liabilities	-	-	-	-	2 668	2 668	2 690

At 31 December 2024 in CHF m	Financial instruments mandatorily at fair value through profit or loss	Financial instruments at fair value through OCI	Fair value – hedging instruments	Financial assets at amortized cost	Financial liabilities at amortized cost	Carrying amount	Fair value
Trade receivables	-	-	-	635	-	635	635
Short-term deposits	-	-	-	7	-	7	7
Cash and cash equivalents	-	-	-	388	-	388	388
Non-current financial assets	-	242	-	-	-	242	242
Other current assets (excl. derivatives)	-	-	-	100	-	100	100
Total financial assets	-	242	-	1 130	-	1 372	1 372
Trade payables and other liabilities	-	-	-	-	746	746	746
Non-current other liabilities	-	-	-	-	10	10	10
Straight bonds	-	-	-	-	875	875	914
Other debt	-	-	-	-	795	795	796
Lease liabilities	-	-	-	-	192	192	192
Derivative financial instruments	-	-	22	-	-	22	22
Total financial liabilities	-	-	22	-	2 618	2 640	2 680

Financial instruments valued at fair value are valued according to the fair value hierarchies defined below:

- **Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities
- **Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- **Level 3:** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

The financial instruments held were valued by means of the following valuation methods:

Forward exchange rate contracts are valued on the basis of the discounted cash flow model, by means of observable inputs such as forward points and spot rates.

Exchange rate options are valued on the basis of a Black-Scholes model, by means of major observable inputs such as volatility and exercise prices.

Equity investments valued at fair value through OCI are classified usually at Level 3. Their valuation is based on multiples of projected earnings and discounted cash flows.

The financial instruments measured at fair value through profit or loss were all classified as Level 2. There were no transfers between the levels in 2025 and 2024.

Derivative financial instruments

The contract or underlying principal amounts and the respective fair value of derivative financial instruments by type are shown in the following table. The contract or underlying principal amounts indicate the volume of business outstanding at the balance sheet date and do not represent the amount at risk. The fair value of these derivative financial instruments is recorded in other current assets in the balance sheet in the case of a positive value or in current financial debts in the case of a negative value, if the instruments expire within the next twelve months. If the remaining life-time exceeds twelve months, the value is recorded in non-current financial assets in case it is positive and in non-current financial debts in case it is negative.

DERIVATIVE FINANCIAL INSTRUMENTS

in CHF m	Contract or underlying principal amount		Positive fair values		Negative fair values	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Interest rate-related instruments						
Cross-currency swaps	-	97	-	-	-	-21
Currency-related instruments						
Forward foreign exchange rate contracts	68	20	1	-	-	-1
Total derivative financial instruments	68	117	1	-	-	-22

DERIVATIVE FINANCIAL INSTRUMENTS BY MATURITY

in CHF m	31.12.2025	31.12.2024
Breakdown by maturity:		
Up to one month after the balance sheet date	36	19
More than one and up to three months after the balance sheet date	32	1
More than three and up to twelve months after the balance sheet date	-	97
More than one and up to five years after the balance sheet date	-	-
Total derivative financial instruments	68	117

DERIVATIVE FINANCIAL INSTRUMENTS BY CURRENCY

in CHF m	31.12.2025	31.12.2024
USD	68	19
EUR	-	97
Others	-	1
Total derivative financial instruments	68	117

FINANCIAL INSTRUMENTS EFFECTIVE FOR HEDGE-ACCOUNTING PURPOSES

in CHF m	31.12.2025	31.12.2024
Cross-Currency Swaps	-	-21
Notional amount (EUR)	-	103
Maturity date	-	25.09.2025
Hedge ratio	-	1:1
Change in fair value since 1 January	-	2
Change in fair value of hedged item	-	-2
Hedges of net investments in foreign entities:		
Notional amount of net investment in foreign entities	-	211
Notional amount of certificates of indebtedness denominated in foreign currencies	-	-211
Certificates of indebtedness in EUR m	-	-225
Hedge ratio	-	1:1
Foreign exchange result from hedge recognized in other comprehensive income	-	1

The hedge effectiveness is assessed at the beginning of the hedging relationship by way of recurring prospective effectiveness tests. Thus, it is ensured that there exists an economic relationship between the underlying transaction and the hedging instrument.

The Group enters into interest rate and cross-currency swaps that have identical critical terms as the hedged item, such as the reference rate, reset dates, payment dates, maturities, and notional amount. The Group does not hedge 100 % of its loans; therefore, the hedged item is identified as a proportion of the outstanding loans up to the notional amount of the swaps. As all critical terms matched during the year, the economic relationship was 100 % effective.

Hedge ineffectiveness for interest rate or cross-currency swaps is assessed according to the following principles: The focus is on the credit or debit value adjustment on the interest rate or cross-currency swaps that is not matched by the loan, as well as on differences in critical terms between the interest rate or cross-currency swaps and loans.

There was no ineffectiveness during 2025 and 2024 in relation to the interest rate or cross-currency swaps. Clariant has chosen the cost-of-hedging approach for the cash flow hedging relationship. The cross-currency basis spread is not part of the hedging relationship.

22. Post-employment benefits

Apart from the legally required social security schemes, the Group has numerous independent retirement benefit plans. As a principle, assets are held externally. For certain Group companies, however, no independent assets exist for the retirement benefit and other non-current employee benefit obligations. In these cases, the related liability is included in the balance sheet as part of the non-current liabilities.

Defined-benefit post-employment plans. Defined-benefit pensions and termination plans cover the majority of the Group's employees. Future obligations and the corresponding assets of those plans considered as defined-benefit plans under IAS 19 are reappraised annually and reassessed at least every three years by independent actuaries. Assets are valued at fair value.

Pension assets for funded defined-benefit pension plans are managed according to local rules and legislation in each country. The actual asset allocation is determined by current and expected economic and market conditions and in consideration of specific asset class risks in the risk profile. For this purpose, asset liability matching studies are conducted by third-party experts on a regular basis to ensure that investment strategies for pension assets are in line with the structure of the plan members of the pension plan concerned.

In all countries with funded defined-benefit plans, the body governing the investment policy is constituted in accordance with local legal requirements. To the extent legally permitted, Clariant exercises influence to ensure that the investment policy is set in a way to best serve the needs of the retirement benefit plan and its members.

The largest defined-benefit plans are operated in Switzerland, the United Kingdom, the United States, and Germany. These plans make up 95.1% of the total defined-benefit obligation.

The most important German plan is unfunded and covers the supplementary pension liabilities for plan members whose salaries exceed the level of the German mandatory social security coverage. Contributions are made primarily by the employer and vary depending on the salary level of the plan members. Benefits are paid out as annual pensions amounting to 20 % of total contributions. Lump-sum payments to employees are possible to the extent of the voluntary contributions. For employees having joined or joining in 2011 and later, there exists a funded retirement benefit plan. Contributions are primarily paid into the plan by the employer and vary depending on the income of the individual plan member. Employees contribute to the plan up to 2 % of pensionable earnings on a voluntary basis, to which the employer contributes an equal amount on top of the regular contributions. Pensions paid by this plan are principally based on the return on plan assets (contributions paid in plus interest), apart from minimal interest. In addition, there exists a smaller, similarly structured funded defined-benefit plan for former employees of the Süd-Chemie group, acquired in 2011. All other pension liabilities regarding German staff members are covered by a funded multi-employer plan, which is accounted for as a defined-contribution plan.

The defined-benefit obligation in the United Kingdom is a funded plan covering the defined benefit liabilities of UK employees who joined the Company before 31 December 2001 and was closed to further accruals in April 2016. All staff members are now covered by a defined-contribution plan. The defined-benefit pension plan is fully funded according to legal requirements.

In the United States, Clariant operates a funded defined-benefit pension plan covering the pension liabilities of employees who joined the Company before 31 December 2000. Contributions are paid by the employer exclusively. Benefits are paid out as lifetime pensions determined on the basis of a final/career average

calculation. Staff members who joined on 1 January 2001 or later are covered by a defined-contribution plan. For members of Management whose annual salaries exceed the amount of CHF 275 000, an additional pension scheme is in place in the form of an unfunded defined-benefit obligation, which covers the part exceeding this amount. US employees transferred to Clariant with the Hoechst Specialty Chemicals business remain insured with Hoechst for their pension claims incurred prior to 30 June 1997.

In Switzerland, Clariant operates a funded defined-benefit pension plan that covers the pension liabilities of all employees of the Swiss Clariant companies up to a salary level of CHF 200 000. Both the employer and the employees contribute to the plan, the employer paying two-thirds of the total contributions. The employer may have to provide additional contributions when the pension plan's statutory funding ratio falls below a certain level. The pension plan provides lifetime pensions determined on the basis of cumulative savings of the individual plan member and converted into an annual pension at a fixed conversion rate. Lump-sum payments are possible at up to 100 percent of the total individual cumulative savings. The Swiss retirement benefit plan is marked by a shrinking operating basis and, as a result, an increasing share of retired members. For members of Management whose annual salaries exceed the amount of CHF 220 000, an additional pension scheme is in place in the form of a funded defined-benefit obligation. Any shortfalls in funded provisions for pension commitments to members of the Executive Leadership Team are accounted for as an unfunded defined-benefit obligation.

Mortality tables

The following mortality tables were used to determine the defined pension obligation of the most important pension plans:

- Switzerland: BVG 2020 generation table
- Germany: Richttafeln 2018G by Prof. Dr. Klaus Heubeck
- UK: SAPS S4 series with best estimate multipliers, CMI Model 2024
- USA: Pri 2012 mortality table with projection scale, MP-2021

Changes in the present value of defined benefit obligations:

in CHF m	Pension plans (funded and unfunded)		Post-employment medical benefits (unfunded)	
	2025	2024	2025	2024
At 1 January	1 700	1 685	30	32
Current service cost	16	18	-	-
Past service cost, including curtailments	2	6	-	-
Gain/loss on settlements	-3	-2	-	-
Interest costs on obligation	43	49	1	2
Contributions to plan by employees	5	6	-	-
Benefits paid out to personnel in reporting period	-122	-115	-4	-3
Remeasurements:				
Actuarial gain/loss arising from changes in demographic assumptions	2	-1	-	-
Actuarial gain/loss arising from changes in financial assumptions	-85	32	-	-
Actuarial gain/loss due to experience adjustments	8	11	-	-2
Effect of settlements	-	-26	-	-
Exchange rate differences	-40	37	-2	1
At 31 December	1 526	1 700	25	30

Changes in the fair value of plan assets:

in CHF m	2025	2024
At 1 January	1 508	1 493
Interest income on plan assets	31	35
Contributions to plan by employees	5	6
Contributions to plan by employer	12	15
Benefits paid out to personnel in reporting period	-94	-88
Remeasurements:		
Return on plan assets, excluding amount included in interest expense	31	44
Effect of settlements	-	-30
Exchange rate differences	-33	33
At 31 December	1 460	1 508

As of 31 December 2025 and 2024, the pension plan assets did not include any directly held registered shares or bonds issued by Clariant Ltd.

The amounts recognized in the balance sheets are as follows:

in CHF m	Defined benefit pension plans		Post-employment medical benefits		Total	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Present value of funded obligations	-1 127	-1 248	-	-	-1 127	-1 248
Fair value of plan assets	1 460	1 508	-	-	1 460	1 508
Overfunding/Deficit	333	260	-	-	333	260
Present value of unfunded obligations	-399	-452	-25	-30	-424	-482
Limitation on the recognition of net assets ¹	-296	-132	-	-	-296	-132
Net liabilities, total	-362	-324	-25	-30	-387	-354
Recognized in:						
Net defined benefit liabilities	-401	-455	-25	-30	-426	-485
Net defined benefit assets	39	131	-	-	39	131
Disaggregated by country:						
United States	-6	-8	-21	-26	-27	-34
Germany	-375	-422	-	-	-375	-422
Other countries	-20	-25	-4	-4	-24	-29
Net defined benefit liabilities	-401	-455	-25	-30	-426	-485
Switzerland	-	85	-	-	-	85
United States	11	15	-	-	11	15
United Kingdom	24	27	-	-	24	27
Other countries	4	4	-	-	4	4
Net defined benefit assets	39	131	-	-	39	131

¹ The limitation on the recognition of net assets mostly pertains to the Swiss pension plan.

The amounts recognized in the income statement and in other comprehensive income are as follows:

in CHF m	Defined benefit pension plans		Post-employment medical benefits		Total	
	2025	2024	2025	2024	2025	2024
Current service cost	-16	-18	-	-	-16	-18
Net interest cost	-12	-14	-1	-2	-13	-16
Past service cost, including curtailments	-2	-6	-	-	-2	-6
Gain/loss on settlements	3	2	-	-	3	2
Components of defined benefit expense reported in the income statement	-27	-36	-1	-2	-28	-38
Actuarial gain/loss arising from changes in demographic assumptions	-2	1	-	-	-2	1
Actuarial gain/loss arising from changes in financial assumptions	85	-32	-	-	85	-32
Actuarial gain/loss due to experience adjustments	-8	-11	-	2	-8	-9
Return on plan assets, excluding amount included in net interest expense	31	44	-	-	31	44
Limitation on the recognition of net assets	-164	78	-	-	-164	78
Components of defined benefit income / expense reported in other comprehensive income	-58	80	-	2	-58	82
Total defined benefit income / expense	-85	44	-1	-	-86	44

The fair value of the plan assets is split into the major asset categories as follows:

in CHF m	31.12.2025	31.12.2024
Equities	286	309
<i>thereof based on quoted market prices</i>	284	307
Bonds	564	506
<i>thereof based on quoted market prices</i>	561	503
Cash	77	77
<i>thereof based on quoted market prices</i>	77	77
Property	223	253
<i>thereof based on quoted market prices</i>	135	167
Alternative investments	310	363
<i>thereof based on quoted market prices</i>	58	79
Total fair value of plan assets	1 460	1 508

The principal actuarial assumptions at the balance sheet date are as follows:

		2025 in %						2024 in %				
		Group					Group					
		Weighted average	Switzer- land	United Kingdom	United States	Germany	Weighted average	Switzer- land	United Kingdom	United States	Germany	
Discount rate		3.2	1.3	5.5	5.1	4.4	2.7	0.9	5.4	5.3	3.4	
Future salary increases		2.1	1.5	-	3.5	2.5	1.8	1.5	-	3.5	2.5	
Long-term increase in healthcare costs		7.1	-	-	8.3	-	6.8	-	-	7.9	-	
Current average life expectancy for a 65-year-old male	in years	20	23	21	21	21	21	23	20	21	21	
Current average life expectancy for a 65-year-old female	in years	22	25	23	23	24	23	25	23	23	24	

A one-percentage-point change in healthcare cost trend rates would have the following effects on the obligation for post-employment medical benefits:

in CHF m	One percentage point increase		One percentage point decrease	
	2025	2024	2025	2024
Effect on the aggregate of the service cost and interest cost	-	-	-	-
Effect on the defined benefit obligation	2	2	-1	-2

Changes in relevant actuarial assumptions would have the following impact on the defined benefit obligation:

in CHF m	25-basis point increase		25-basis point decrease	
	2025	2024	2025	2024
Effect on the defined benefit obligation	-39	-46	41	48

If life expectancy would increase by one year, the defined-benefit obligation would increase by CHF 73 million (2024: CHF 86 million).

Defined-contribution post-employment plans. In 2025, CHF 23 million was charged to the income statement as contributions to defined-contribution plans (2024: CHF 16 million).

In Germany, approximately 3 000 Clariant employees are insured in a defined-benefit plan that is a multi-employer plan and, as such, is accounted for as a defined-contribution plan. The reason for this accounting practice is that the plan exposes the participating Clariant companies to actuarial risks associated with the current and former employees of other companies that are members of the same pension plan. There is no consistent or reliable basis for allocating the obligation, plan assets, and cost to individual companies participating in the plan.

Based on the statutory actuarial calculation of 2025, the pension fund's obligations are fully funded. Also, for 2026, it is anticipated that the pension plan liabilities will be covered by the respective assets.

In the event that the multi-employer plan faces a situation where the pension plan liabilities exceed the assets, this can be remedied either by increasing the employer's contributions to the pension plan or by reducing the benefits paid out to the entitled parties. If the benefits are reduced, this must be compensated for by the employer according to German legislation. If the pension plan is unwound, the remaining funds will be distributed among the plan members. In case there are no plan members left, the remaining funds would be transferred to social institutions. If Clariant withdraws from the pension fund, all rights and obligations of the

employer against the pension plan will remain in force as long as the pension plan continues to render pension services to the Group's plan members. Based on the number of plan members (active and passive), Clariant's share in the pension plan amounts to approximately 6%.

Clariant's contribution to this pension plan amounted to CHF 10 million in 2025 (CHF 11 million in 2024) and is expected to be CHF 10 million in 2026.

The multi-employer plan originates in the pension plan scheme of the German companies of the former Hoechst Group, to which a part of the activities of Clariant pertained until 1997. Several of the companies that were formerly part of the Hoechst Group continue to participate in this multi-employer plan.

in CHF m	Pension plans		Post-employment medical benefits	
	2025	2024	2025	2024
Clariant Group regular and supplemental contributions (employer's contributions):				
Actual contributions in 2024		15		-
Actual contributions in 2025 (2024: estimated)	12	14	-	-
Estimated contributions in 2026	10	13	-	-
Estimated contributions in 2027	10	13	-	-
Estimated contributions in 2028	11	13	-	-
Estimated contributions in 2029	11	14	-	-
Estimated contributions in 2030	11		-	
Payments to beneficiaries:				
Actual payments in 2024		-115		-3
Actual payments in 2025 (2024: estimated)	-122	-119	-4	-3
Estimated payments in 2026	-114	-106	-3	-3
Estimated payments in 2027	-103	-105	-3	-3
Estimated payments in 2028	-103	-104	-3	-3
Estimated payments in 2029	-103	-109	-2	-3
Estimated payments in 2030	-104		-2	
Allocation of defined benefit obligation to plan members:				
Active members	298	351	6	7
Deferred members	136	166	1	1
Retired members	1 092	1 183	18	22
Total funded and unfunded obligations at 31 December	1 526	1 700	25	30
Weighted-average duration of the defined benefit obligation at the end of the reporting period (in years):				
At 31 December	10.7	11.2	7.3	7.5

23. Provisions

in CHF m	Environmental provisions	Personnel provisions	Restructuring provisions	Other provisions	Total provisions 2025	Total provisions 2024
At 1 January	106	128	46	68	348	394
Additions	9	123	66	37	235	169
Effect of business combinations (see note 27)	-	-	-	-	-	3
Reclassified to held for sale (see note 26)	-3	-	-	-	-3	-
Amounts used	-7	-121	-48	-15	-191	-177
Unused amounts reversed	-5	-6	-5	-19	-35	-48
Reclassification	-16	-	-	16	-	-
Changes due to the passage of time and changes in discount rates	1	1	-	-	2	3
Exchange rate differences	-3	-8	-1	-4	-16	4
At 31 December	82	117	58	83	340	348
Of which						
- Current portion	17	103	40	26	186	200
- Non-current portion	65	14	18	57	154	148
Total provisions	82	117	58	83	340	348
Expected outflow of resources						
Within 1 year	17	103	40	26	186	200
Between 1 and 3 years	23	9	17	25	74	59
Between 3 and 5 years	14	1	1	11	27	29
Over 5 years	28	4	-	21	53	60
Total provisions	82	117	58	83	340	348

Environmental provisions. It is difficult to estimate the future action required by Clariant, as well as the associated costs, to correct the environmental effects of prior disposals or releases of chemical substances by Clariant or other parties pursuant to environmental laws and regulations.

The material components of the environmental provisions consist of the costs to clean and refurbish contaminated sites and to treat and contain contamination at sites where the environmental exposure is less severe. The Group's future remediation expenses are affected by a number of uncertainties, which include, but are not limited to, the method and extent of remediation and the percentage of material attributable to Clariant at the remediation sites relative to that attributable to other parties.

The environmental provisions reported in the balance sheet concern a number of different obligations, mainly in Germany, Brazil, the United States, and Switzerland.

Provisions are made for remedial work when there is an obligation to remedy environmental damage, as well as for containment work when required by environmental regulations. At each balance sheet date, Clariant critically reviews all provisions and makes adjustments when required.

Personnel provisions. Personnel provisions include holiday entitlements, compensated absences such as sabbatical leave, jubilee, annual leave or other long-service benefits, profit sharing, and bonuses. Such provisions are established in proportion to the services rendered by the employee concerned and based on the target achievement.

Restructuring provisions. The term restructuring refers to the activities that result in staff redundancies and the shutdown of production lines or entire sites. When the Group has approved a formal plan and has either started to implement the plan or announced its main features to the parties concerned and to the public, a restructuring provision is created.

Other provisions. Other provisions include provisions for obligations relating to tax (other than income tax), legal cases, and other items.

24. Trade payables and other liabilities

in CHF m	31.12.2025	31.12.2024
Trade payables	345	417
Contract liabilities	70	85
Payables to related parties	26	21
Accruals	109	111
Other liabilities	87	122
Total trade payables and other liabilities	637	756
Thereof non-current liabilities	-1	-10
Total current trade payables and other liabilities	636	746

The amount recognized for trade payables is equal to their fair value.

Contract liabilities are short-term and will be recognized as revenue in the next reporting period.

25. Segment information

Clariant has three business units (reportable segments): Care Chemicals, Catalysts, Adsorbents & Additives. For a description of the business units, see → note 1.22.

SEGMENTS

in CHF m	Care Chemicals		Catalysts		Adsorbents & Additives		Corporate		Total Group	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Segment sales	2 115	2 247	816	883	991	1 031	-	-	3 922	4 161
Sales to other segments	-3	-5	-	-	-4	-4	-	-	-7	-9
Total sales	2 112	2 242	816	883	987	1 027	-	-	3 915	4 152
Operating expenses	-1 836	-1 950	-719	-736	-916	-934	-82	-92	-3 553	-3 712
Thereof:										
Income from associates and joint ventures	13	21	-	-	24	22	14	12	51	55
Gain from disposals not qualifying as discontinued operations	2	-	-	-	-	-	-	-	2	-
Restructuring, impairment, and transaction-related costs	-29	-14	-6	59	-34	-8	-16	-13	-85	24
Operating income	276	292	97	147	71	93	-82	-92	362	440
Net financial expenses and taxes									-403	-160
Net income / loss									-41	280
Segment assets	2 051	2 259	1 305	1 399	1 001	1 077			4 357	4 735
Segment liabilities	-202	-232	-131	-154	-80	-109			-413	-495
Net operating assets	1 849	2 027	1 174	1 245	921	968	-	-	3 944	4 240
Segment assets reported as assets held for sale	-	-	-	9	-	-			-	9
Corporate assets reported as assets held for sale							20	3	20	3
Assets held for sale	-	-	-	9	-	-	20	3	20	12
Corporate liabilities reported as assets held for sale	-	-	-	-	-	-	-3	-	-3	-
Liabilities directly associated with assets held for sale	-	-	-	-	-	-	-3	-	-3	-
Corporate assets without cash							876	1 122	876	1 122
Corporate liabilities without financial liabilities							-1 242	-1 377	-1 242	-1 377
Net debt (see note 20)							-1 413	-1 489	-1 413	-1 489
Total net assets	1 849	2 027	1 174	1 254	921	968	-1 762	-1 741	2 182	2 508
Thereof:										
Investments in PPE and intangibles for the period	65	86	42	48	36	66	3	9	146	209
Investments in associates and joint ventures at the end of the period	108	116	1	1	92	85	47	43	248	245
Reconciliation of key figures										
Operating income	276	292	97	147	71	93	-82	-92	362	440
Add: depreciation of PPE	58	59	54	53	47	44	9	9	168	165
Add: impairment	6	9	-	-39	23	1	-	-1	29	-30
Add: depreciation of RoU assets	18	17	8	8	12	12	8	9	46	46
Add: amortization of intangible assets	28	26	5	5	5	5	-	-	38	36
EBITDA¹	386	403	164	174	158	155	-65	-75	643	657
Add: restructuring, impairment, and transaction-related costs	29	14	6	-59	34	8	16	13	85	-24
Less: impairment	-6	-9	-	39	-23	-1	-	1	-29	30
Less: gain from disposals not qualifying as discontinued operations	-2	-	-	-	-	-	-	-	-2	-
EBITDA before exceptional items	407	408	170	154	169	162	-49	-61	697	663
Operating income	276	292	97	147	71	93	-82	-92	362	440
Add: restructuring, impairment, and transaction-related costs	29	14	6	-59	34	8	16	13	85	-24
Less: gain from disposals not qualifying as discontinued operations	-2	-	-	-	-	-	-	-	-2	-
Operating income before exceptional items	303	306	103	88	105	101	-66	-79	445	416

¹ EBITDA is earnings before interest, tax, depreciation, and amortization.

RECONCILIATION OF SEGMENT ASSETS WITH TOTAL ASSETS

in CHF m	31.12.2025	31.12.2024
Segment assets	4 357	4 735
Segment assets reported as assets held for sale	-	9
Corporate assets reported as assets held for sale	20	3
Corporate assets without cash	876	1 122
Cash and cash equivalents	411	388
Short-term deposits	206	7
Financial instruments with positive fair values	1	-
Total assets	5 871	6 264

GEOGRAPHICAL INFORMATION

in CHF m	Sales ¹		Non-current assets ²	
	2025	2024	31.12.2025	31.12.2024
EMEA	1 631	1 693	1 875	2 006
<i>of which France</i>	146	147	256	300
<i>of which Germany</i>	394	439	971	1 007
<i>of which Switzerland</i>	34	27	366	390
<i>of which MEA</i>	378	366	151	177
North America	718	709	839	1 002
<i>of which Canada</i>	47	51	248	291
<i>of which USA</i>	671	658	591	711
Latin America	431	530	142	148
<i>of which Brazil</i>	227	253	73	78
Asia-Pacific	1 135	1 220	631	722
<i>of which Greater China</i>	403	496	316	349
<i>of which India</i>	276	263	169	201
Total	3 915	4 152	3 487	3 878

¹ Allocated by region of third-party sale's destination

² Non-current assets, excluding deferred tax assets and net defined benefit assets

All of the Group's segments generate their revenues to the largest extent from the sale of products. These come in such a great variety that a meaningful grouping of products or services is not possible.

Revenue from services recognized in 2025 amounted to CHF 40 million (2024: CHF 47 million) and incurred in Business Unit Care Chemicals.

26. Assets held for sale

The property pertaining to »Industrial Park Fechenheim«, Germany, of CHF 19 million along with its associated liability of CHF 3 million is classified as held for sale and is expected to be sold in 2026.

The bioethanol plant in Podari, Romania, classified as assets held for sale at year end 2024 with a carrying value of CHF 9 million, was divested during the reporting period.

27. Acquisitions

Lucas Meyer Cosmetics business

On 2 April 2024, Clariant completed the acquisition of 100% of the shares of Lucas Meyer Cosmetics, a leading provider of high-value ingredients for the cosmetics and personal care industry. Lucas Meyer Cosmetics contributed sales of CHF 67 million and a net profit of CHF 5 million to the Group for the period from 2 April 2024 to 31 December 2024. Consolidated sales and net income for 2024 would have been CHF 91 million and CHF 15 million, respectively, if the acquisition had occurred on 1 January 2024.

28. Finance income and costs

FINANCE INCOME

in CHF m	2025	2024
Interest income	11	24
<i>thereof interest on loans, receivables, and deposits</i>	11	24
Other financial income	7	5
<i>thereof income of discounting of non-current provisions</i>	1	-
Total finance income	18	29

FINANCE COSTS

in CHF m	2025	2024
Interest expense	-77	-79
<i>thereof expense of discounting of non-current provisions</i>	-3	-3
<i>thereof net interest component of pension provisions</i>	-13	-16
<i>thereof interest on lease liabilities</i>	-9	-10
Other financial expenses	-7	-6
Total finance costs before currency result	-84	-85
Currency result, net	-14	2
Monetary loss from hyperinflation accounting	-6	-16
Currency translation adjustments reclassified from equity to the income statement	-230	-
Total finance costs	-334	-99

Other financial income includes dividend income from equity investments and miscellaneous financial income.

Other financial expenses include bank charges and miscellaneous financial expenses.

Interest expense, other than the effect of discounting non-current provisions, the interest component of pension provisions, and the interest on lease liabilities, pertains to financial debts measured at amortized cost.

Accumulated currency translation adjustments reclassified from equity to the income statement relate to the divestment of the Group's operations in Venezuela in 2025.

Interest costs capitalized on qualifying assets for 2025 were CHF 1 million (2024: CHF 1 million).

In 2025 and 2024, no foreign exchange gains or losses relating to the ineffective part of hedges on net investments were recognized in the income statement.

29. Employee participation plans

The Clariant Long-Term Incentive Plan (CLIP) was introduced in 2019 and redesigned in 2022 to ensure alignment with the Company's updated strategy and to contribute to an overall attractive and competitive compensation package. The plan is available to employees in senior management positions, including members of the Executive Steering Committee. The CLIP consists of equity-based awards in the form of Performance Share Units (PSUs) with a three-year vesting period and a performance period covering three financial years. Each year after the introduction, a grant took place in April. Vesting is conditional upon achievement of defined performance targets. Depending on the level of achievement, the vesting level can range from 0% to 200%, and upon vesting, PSUs are settled through the delivery of Clariant shares. Each PSU is converted to up to two Clariant shares.

Clariant has also made grants under Special Management Grant plan to a small number of senior leaders. The vesting periods and the performance conditions in each case are adapted to the specific situation and needs of the business.

The expense recorded in the income statement and in equity spreads the costs of each grant over the measurement period and the vesting period. Assumptions are made concerning the forfeiture rate, which is adjusted during the vesting period so that at the end of the vesting period, there is only a charge for the vested number of shares.

In 2025, CHF 9 million was charged to the income statement (2024: CHF 7 million).

As of 31 December 2025, the total carrying value of liabilities arising from equity-settled share-based payments, entirely recognized in equity, is CHF 17 million (2024: CHF 15 million).

UNITS FOR MEMBERS OF MANAGEMENT AND THE EXECUTIVE STEERING COMMITTEE

Granted	Vesting in	Fair value at grant date	Number 31.12.2025	Number 31.12.2024
2022	2025	16.07	-	3 500
2022	2025	17.63	-	14 862
2022	2025	17.79	-	45 350
2022	2025	14.02	-	564 388
2023	2025	15.22	-	1 356
2023	2026	14.39	2 032	2 032
2023	2026	12.84	14 450	22 287
2023	2026	15.26	14 337	14 337
2023	2026	12.99	776 393	824 203
2024	2025	11.94	-	12 027
2024	2026	11.94	15 404	15 404
2024	2027	11.94	4 009	4 009
2024	2027	10.76	1 040 366	1 125 182
2025	2027	8.91	18 467	-
2025	2027	9.03	12 672	-
2025	2028	7.18	27 526	-
2025	2028	7.17	1 215 856	-
Total			3 141 512	2 648 937

	Weighted- average fair value	Units 2025	Weighted- average fair value	Units 2024
Outstanding at 1 January	12.29	2 648 937	12.63	2 441 122
Granted		1 297 830		1 177 675
Exercised / distributed		-467 022		-318 259
Cancelled / forfeited		-338 233		-651 601
Outstanding at 31 December	9.19	3 141 512	12.29	2 648 937
Fair value at grant date of units outstanding in CHF m		29		33

The fair value of shares granted during 2025 is CHF 12 million (2024: CHF 13 million), calculated according to the market value of the shares at the grant date, adjusted for expected future dividends.

No options were granted in 2025 or 2024.

30. Personnel expenses

in CHF m	2025	2024
Wages and salaries	-713	-688
Social welfare costs	-141	-147
Shares granted	-9	-7
Pension costs – defined-contribution plans	-23	-16
Pension costs – defined-benefit plans	-15	-22
Total personnel expenses	-901	-880

31. Related-party transactions

Clariant maintains business relationships with related parties. One group consists of the associates and joint ventures, of which the most important ones are described in → **note 8**. The most important business with these companies is the purchase of services by Clariant (e.g., energy and rental of land and buildings) in Germany and the rendering of services to the Global Amines group.

The second group of related parties is key management, comprising the Board of Directors and the Executive Steering Committee. The information required by the Swiss Code of Obligations against Excessive Compensation in Stock Exchange-Listed Companies regarding the emoluments for the members of the Board of Directors and the Executive Steering Committee is disclosed in the Compensation Report.

More information on the relationship with the Board of Directors is given in the → **Corporate Governance Report** (unaudited).

The third group of related parties is the pension plans of major subsidiaries. Clariant provides services to its pension plans in Switzerland, the United Kingdom, and the United States. These services comprise mainly administrative and trustee services. The total costs in 2025 of these services is less than CHF 1 million (2024: less than CHF 1 million). The number of full-time employees corresponding to these is approximately one (2024: approximately one).

The fourth group of related parties is all companies pertaining to the SABIC group, which is a 31.5% shareholder of Clariant (see → **note 17**), and its major shareholder, the Saudi Aramco group. The most important business done with these companies is the sale and purchase of chemical products.

TRANSACTIONS WITH RELATED PARTIES

in CHF m	2025	2024
Income from the sale of goods to related parties	55	67
<i>thereof to joint ventures</i>	18	22
<i>thereof to associates</i>	8	8
<i>thereof to Saudi Aramco group</i>	29	37
Income from the rendering of services to related parties	30	32
<i>thereof to joint ventures</i>	29	31
<i>thereof to associates</i>	1	1
Expenses from the purchase of goods from related parties	-34	-36
<i>thereof from joint ventures</i>	-19	-17
<i>thereof from associates</i>	-15	-18
<i>thereof from Saudi Aramco group</i>	-	-1
Expenses from services rendered by related parties	-134	-133
<i>thereof by joint ventures</i>	-12	-13
<i>thereof by associates</i>	-122	-120
Purchase of property, plant, and equipment from related parties	-4	-4
<i>thereof from associates</i>	-4	-4
Expenses from lease contracts with related parties	-6	-6
<i>thereof with joint ventures</i>	-1	-1
<i>thereof with associates</i>	-5	-5

PAYABLES AND RECEIVABLES WITH RELATED PARTIES

in CHF m	31.12.2025	31.12.2024
Receivables from related parties	14	11
<i>thereof from joint ventures</i>	8	7
<i>thereof from associates</i>	2	4
<i>thereof from Saudi Aramco group</i>	4	-
Payables to related parties	26	21
<i>thereof to joint ventures</i>	5	4
<i>thereof to associates</i>	17	17
<i>thereof to Saudi Aramco group</i>	4	-
Loans to related parties	6	12
<i>thereof to joint ventures</i>	6	11
<i>thereof to associates</i>	-	1
Loans from related parties	-	1
<i>thereof from associates</i>	-	1

TRANSACTIONS WITH KEY MANAGEMENT

in CHF m	2025	2024
Salaries and other short-term benefits	11	10
Post-employment benefits	3	2
Share-based payments	5	5
Total	19	17

There are no outstanding loans by the Group to any members of the Board of Directors or Executive Steering Committee.

32. Commitments and contingencies

Guarantees

No guarantees on behalf of third parties were issued in 2025 and 2024.

Purchase commitments

In the regular course of business, Clariant enters into relationships with suppliers whereby the Group commits itself to purchase certain minimum quantities of materials in order to benefit from better pricing conditions. These commitments are not in excess of current market prices and reflect normal business operations.

Clariant is engaged in contracts to buy a minimum quantity of ethylene for the next three years and other materials in the next eight years. This implies a total purchase commitment of about CHF 80 million (2024: CHF 90 million).

Contingencies

Clariant operates in countries where political, economic, social, legal, and regulatory developments can have an impact on the operational activities. The effects of such risks on the Group's results, which arise during the normal course of business, are not foreseeable and are therefore not included in the accompanying financial statements.

In the ordinary course of business, Clariant is involved in lawsuits, claims, investigations, and proceedings, including product liability, intellectual property, commercial, environmental and health, and safety matters. Although the outcome of any legal proceedings cannot be predicted with certainty, Management is of the opinion that, apart from those cases where a provision has been recognized and from the cases listed below, there are no such matters pending that would likely have any material adverse effect in relation to its business, financial position, or results of operations.

A Clariant subsidiary in the United States has been named, along with many other defendants, in lawsuits involving per- and poly-fluoroalkyl substances (PFASs). Clariant is monitoring the development of these cases, which relate to a line of business divested in 2013, and is defending all litigation matters related to PFASs. To date, Clariant has been dismissed from three bellwether cases involving water providers and one bellwether case involving personal injury, which have approached trial. No trials are currently scheduled. At this time, Clariant cannot assess if these litigation matters will have a material impact on Clariant's financial results.

In October 2023, Shell brought a claim for damages before the court of Amsterdam against four companies, including Clariant, in relation to infringement of competition law during the period from December 2011 to March 2017 on the ethylene purchasing market, which was sanctioned by the European Commission in July 2020. Another claim against the same companies was brought by a claim vehicle »Stichting Ethylene Claims« before the court of Amsterdam in 2024, seeking declaratory judgment of liability of the defendants for the same anticompetitive conduct. In 2025, further claims were brought against the same companies and in relation to the same matter. BASF, Dow, BP, Braskem, MOL and Exxon Mobil brought claims before the courts of Munich and Dortmund. Total Energies, OMV, LyondellBasell, and Borealis (unquantified) brought claims before the court of Amsterdam. In January 2026, the claim vehicle »Stichting Ethylene Claims« brought another claim for declaratory judgment before the court of Amsterdam. Clariant firmly rejects the allegations and will defend its position in all proceedings. To date, the total amount of quantified alleged damages against the four companies is around CHF 8.9 billion (EUR 9.5 billion). At this time, Clariant cannot assess if these legal proceedings will have a material impact on Clariant's financial results, nor the timing for their completion.

33. Exchange rates of principal currencies

The closing rates used to translate the consolidated balance sheets are:

	31.12.2025	31.12.2024
1 USD	0.79	0.91
1 EUR	0.93	0.94
1 BRL	0.14	0.15
1 CNY	0.11	0.12
100 INR	0.88	1.06
100 JPY	0.51	0.58

The sales-weighted average exchange rates used to translate the consolidated income statements and consolidated statements of cash flows are:

	2025	2024
1 USD	0.83	0.88
1 EUR	0.94	0.95
1 BRL	0.15	0.16
1 CNY	0.11	0.12
100 INR	0.95	1.05
100 JPY	0.55	0.58



34. Significant subsidiaries

Country	Company name	Currency	Share capital (in thousands)	Participation in % ¹	Holding/ Finance/ Service	Sales	Production	Research
Argentina	Clariant (Argentina) S.A., Buenos Aires	ARS	49 223 108	100.0		•	•	
Australia	Clariant (Australia) Pty Ltd., Notting Hill	AUD	1 902	100.0		•	•	
	Southern Cross Botanicals Pty Ltd., Knockrow	AUD	1	100.0		•	•	
	Lucas Meyer Cosmetics Australia Pty Ltd., Knockrow	AUD	6 750	100.0	•			
Brazil	Clariant Brasil Ltda., São Paulo	BRL	855 000	100.0		•	•	•
	Companhia Brasileira de Bentonita Ltda., Vitoria da Conquista	BRL	17 470	100.0			•	
Canada	Clariant (Canada) Inc., Québec	CAD	4 070	100.0		•	•	•
Chile	Clariant (Chile) Ltda., Maipú	CLP	15	100.0		•	•	
China	Clariant Catalysts (Nanjing) Ltd., Nanjing	CNY	321 822	100.0				
	Clariant Chemicals (China) Ltd., Shanghai	CNY	210 014	100.0	•			
	Clariant Chemicals (Huizhou) Ltd., Huizhou	CNY	872 147	100.0			•	
	Clariant Huajin Catalysts (Panjin) Ltd., Panjin	CNY	69 511	60.0		•	•	
	Clariant Catalysts (Shanghai) Ltd., Shanghai	CNY	160 000	100.0			•	
	Clariant Redhill Bentonite (Liaoning) Ltd., Jianping	CNY	124 365	100.0			•	
	Clariant Specialty Chemicals (Zhenjiang) Co., Ltd., Zhenjiang	CNY	166 431	100.0			•	
	Clariant Bentonite (Jiangsu) Co., Ltd., Zhenjiang	CNY	79 058	100.0			•	
	Clariant Chemicals Technology (Shanghai) Ltd., Shanghai	CNY	170 286	100.0		•		•
	Clariant Specialty Chemicals (Jiaxing) Co., Ltd., Jiaxing	CNY	213 552	100.0			•	
	Clariant (China) Ltd., Hong Kong	HKD	414 788	100.0	•			
	Clariant China Holding Limited, Hong Kong	HKD	67 251	100.0	•			
Colombia	Clariant (Colombia) S.A., Cota (Cundinamarca)	COP	2 265	100.0		•	•	
France	Institut Européen de Biologie Cellulaire, Toulouse	EUR	192	100.0				•
	Lucas Meyer Cosmetics, Massy	EUR	690	100.0	•	•		•
	Clariant Production (France), Cergy	EUR	6 273	100.0		•	•	•
	Clariant Services (France), Cergy	EUR	81 200	100.0	•			
Germany	Clariant Vierte Chemie GmbH, Frankfurt am Main	EUR	30	100.0	•			
	Clariant Produkte (Deutschland) GmbH, Frankfurt a.M.	EUR	9 348	100.0	•	•	•	•
	Clariant Plastics & Coatings (Deutschland) GmbH, Frankfurt a.M.	EUR	149	100.0	•	•	•	•
	Clariant SE, Frankfurt a.M.	EUR	916	100.0		•		
	Clariant Verwaltungsgesellschaft mbH, Frankfurt a.M.	EUR	2 560	100.0	•			
Great Britain	Clariant Oil Services UK Ltd., Leeds	GBP	400	100.0	•	•	•	
	Clariant Production UK Ltd., Leeds	GBP	500	100.0	•	•		
	Clariant Services UK Ltd., Leeds	GBP	500	100.0	•			
Greece	Clariant (Hellas) Single Member S.A., Lykovrisi	EUR	1 920	100.0		•		
	Sud-Chemie Hellas Monoprosopi E.P.E., Adamantas	EUR	548	100.0		•		
India	Clariant India Private Limited, Navi Mumbai	INR	10 829	100.0	•	•	•	•
	Süd-Chemie India Pvt. Ltd., Ernakulam	INR	9 623	50.0		•	•	
	Clariant IGL Specialty Chemicals Private Limited, Kashipur	INR	220	51.0		•	•	
Indonesia	PT. Clariant Indonesia, Tangerang	IDR	267 577	100.0		•	•	
	PT. Clariant Kujang Catalysts, Cikampek	USD	3 447	77.0		•	•	
	PT. Clariant Specialties Indonesia, Tangerang Banten	IDR	4 803	100.0		•		
	PT. Clariant Adsorbents Indonesia, Sukabumi	IDR	12 375	100.0		•	•	
Israel	Lucas Meyer Cosmetics Israel Ltd., Yavne	USD	1	100.0		•	•	•
Italy	Clariant Prodotti (Italia) S.p.A., Milano	EUR	1 000	100.0		•	•	•
	Società Sarda di Bentonite S.r.l., Santa Giusta	EUR	2 050	100.0			•	
Japan	Clariant (Japan) K.K., Tokyo	JPY	450	100.0	•	•	•	
	Clariant Catalysts (Japan) K.K., Tokyo	JPY	544	61.4		•	•	
Korea	Clariant (Korea) Ltd., Pohang-Si	KRW	4 361	100.0		•	•	
Malaysia	Clariant Oil Services (Malaysia) Sdn Bhd, Petaling Jaya	MYR	411	48.9		•		
	Clariant Specialty Chemical (M) Sdn Bhd, Kuala Lumpur	MYR	1 800	100.0	•			

¹ The participation in % reflects the capital and voting rights in %.

Country	Company name	Currency	Share capital (in thousands)	Participation in % ¹	Holding/ Finance/ Service	Sales	Pro-duction	Re-search
Mexico	Clariant (Mexico) S.A. de C.V., Mexico City	MXN	22 219	100.0		•	•	
	Minera Sumex S.A. de C.V., Puebla	MXN	50	100.0			•	
Morocco	Clariant (Maroc) S.A., Casablanca	MAD	4 000	100.0		•		
Norway	Clariant Oil Services Scandinavia AS, Bergen	NOK	4 725	100.0		•	•	
Pakistan	Clariant Pakistan (private) limited, Karachi	PKR	100 000	100.0		•		
Peru	Clariant (Perú) S.A., Lima	PEN	20 454	100.0		•	•	
	Minera Doña Herminia S.A., Callao	PEN	8 000	100.0			•	
Poland	Clariant Poland Sp. z o.o., Łódź	PLN	3 000	100.0		•	•	
	Clariant Services (Poland) Sp. z o.o., Łódź	PLN	10 000	100.0	•			
Qatar	Clariant Qatar W.L.L., Mesaieed	QAR	30 000	65.0		•	•	
Romania	Clariant Products Ro S.r.l., Bucharest	RON	7 500	100.0			•	
Singapore	Clariant (Singapore) Pte. Ltd., Singapore	SGD	21 500	100.0	•	•		
	Clariant South East Asia Pte. Ltd., Singapore	SGD	1 560	100.0	•	•		
South Africa	Clariant Sasol Catalysts Ltd., Gauteng	ZAR	1 417	80.0		•	•	
	Clariant Southern Africa (Pty) Ltd., Gauteng	ZAR	6	100.0		•	•	
Spain	Clariant Ibérica Producción S.A., Sant Joan Despi	EUR	6 023	100.0		•	•	
Sweden	Clariant Production Sweden AB, Mölndal	EUR	500	100.0		•	•	
Switzerland	Clariant Consulting AG, MuttENZ	CHF	200	100.0	•			
	Clariant Chemical Consulting AG, MuttENZ	CHF	100	100.0	•			
	Clariant International AG, MuttENZ	EUR	101 648	100.0	•	•		•
	Clariant Oil Services AG, MuttENZ	CHF	300	100.0	•			
	Clariant Reinsurance AG, MuttENZ	CHF	3 000	100.0				
	Clariant Produkte (Schweiz) AG, MuttENZ	CHF	5 000	100.0				
	Clariant Additives (Switzerland) AG, MuttENZ	CHF	5 000	100.0		•	•	
Taiwan	Clariant Specialty Chemicals (Taiwan) Co., Ltd., Taipei	TWD	36 000	100.0		•		
Thailand	Clariant (Thailand) Ltd., Bangkok	THB	250 000	100.0	•	•		
Türkiye	Clariant (Türkiye) Boya Kimyevi Maddeler ve Madencilik Sanayi ve Ticaret A.S., Atasehir	TRY	30 000	100.0		•	•	
UAE	Clariant Gulf FZ-LLC, Dubai	AED	1 000	100.0		•	•	
USA	Clariant Corporation, Charlotte	USD	749 500	100.0		•	•	•

¹ The participation in % reflects the capital and voting rights in %.

35. Events subsequent to the balance sheet date

On 4 February 2026, Wendel SE, the majority and controlling owner of Stahl Group, announced an agreement with Henkel for the sale of Stahl Group. Considering Clariant's stake of 14.78%, the portion of the Stahl Group in scope of the transaction represents a carrying value of approximately CHF 180 million as at 31 December

2025, reported in »Financial assets.« Based on the currently disclosed transaction terms and expected closing date, a cash proceeds of approximately CHF 230 million pretax is expected for Clariant, without impact on Clariant's net result as this investment was designated as equity investment at fair value through other comprehensive income. The financial impacts of this transaction will be recognized in the consolidated financial statements in the period when the transaction is completed.

Report of the Statutory Auditor



Statutory Auditor's Report

To the General Meeting of Clariant Ltd, Muttenz

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Clariant Ltd and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2025, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (pages 252 to 300) give a true and fair view of the consolidated balance sheet of the Group as at 31 December 2025, and of its consolidated financial income statement, its consolidated statements of comprehensive income, its consolidated statement of changes in equity and its consolidated statement of cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities, as well as those of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters



CONTINGENT LIABILITY DISCLOSURE FOR ETHYLENE PURCHASE MARKET RELATED CLAIMS

TIMING OF REVENUE RECOGNITION

RECOVERABILITY OF GOODWILL (CATALYSTS)

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 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 we do not provide a separate opinion on these matters.



CONTINGENT LIABILITY DISCLOSURE FOR ETHYLENE PURCHASE MARKET RELATED CLAIMS

Key Audit Matter

As at 31 December 2025, Clariant and three other companies are facing multiple claims from customers for damages against them in relation to infringement of competition law on the ethylene purchasing market totaling around CHF 8.9 billion. Clariant and the other companies were sanctioned by the European Commission in July 2020 for anticompetitive conduct during the period from December 2011 to March 2017.

A contingent liability is disclosed when a possible obligation depending on whether some uncertain future event occurs exists or a present obligation exists, but the payment is not probable, or the amount cannot be measured reliably.

As of 31 December 2025, Clariant has disclosed a contingent liability in this regard as there is significant uncertainty around the outcome of future events and the probability and measurement of a potential obligation. Due to significant judgement involved, the potential monetary impact as well as the inherent complexity of the nature of the legal dispute, we consider the contingent liabilities disclosure for litigation and claims to be a key audit matter.

Our response

Our audit procedures included, amongst others, the following:

- We obtained an understanding of the nature of the claims and conducted inquiries with management and management experts (legal). Furthermore, we participated in the meetings in which the cases were discussed by management, external legal counsel and management expert.
- We evaluated management's assessment of the claim and assessed if their judgement is reasonable and consistent with available evidence, including:
 - Their determination of whether the claim represents a provision or a contingent liability under IAS 37.
 - Their rationale for concluding that no provision has been recognized.
 - Their assessment of the likelihood of an outflow of economic resources.
- We obtained and reviewed legal letters from external legal counsel.
- We evaluate calculations provided by both the claimant's and the defendant's experts and have engaged an internal expert to assist in evaluating the reasonableness of the expert calculations.
- Additionally, we have considered subsequent events and whether the disclosures of the application of judgment in estimating provisions and contingent liabilities adequately reflected the uncertainties associated with the matter.

For further information on CONTINGENT LIABILITY DISCLOSURE FOR ETHYLENE PURCHASE MARKET RELATED CLAIMS refer to the following:

- Note 4: Critical accounting estimates and judgments
- Note 32: Commitments and contingencies



TIMING OF REVENUE RECOGNITION

Key Audit Matter

The Group's revenue for the financial year 2025 amounted to CHF 3,915 million (2024: CHF 4,152 million) and was mainly related to the sale of specialty chemicals.

Revenue is recognized when a performance obligation is satisfied by transferring control over a promised good or service. Due to the Group's business model, over time revenues are currently not material.

Revenue is a key performance indicator and therefore an internal and external stakeholders' focus. Consequently, there might be pressure to achieve forecasted results.

Particular attention is required to ensure revenue is recognized in the correct accounting period. Thus, we identified timing of revenue recognition before the balance sheet date as a key audit matter.

Our response

Our audit procedures included, amongst others, the following:

- We obtained an understanding of the overall process over revenue recognition and tested key internal controls over the timing of revenue recognition. Due to the high reliance of revenue recognition on IT, we evaluated the integrity of the general IT control environment;
- We used audit technology to identify sales at risk of being recognized in the incorrect accounting period around year-end, and to corroborate management's assessment. We traced samples of sales to related underlying documents;
- We recalculated the estimated deferral days, which are the basis of the revenue accrual;
- We selected credit notes and sales reversals recorded after the balance sheet date and traced these selected items to supporting documents.

We also considered whether disclosures over revenue recognition in the consolidated financial statements are appropriate.

For further information on TIMING OF REVENUE RECOGNITION refer to the following:

- Note 1: Material accounting policies



RECOVERABILITY OF GOODWILL (CATALYSTS)

Key Audit Matter

Intangible assets in the consolidated financial statements of the Group include goodwill in the amount of CHF 1,183 million (2024: CHF 1,306 million). Goodwill accounts for 20.1% (2024: 20.9%) of total assets and thus has a material impact on the company's net assets.

With a book value of CHF 538 million (2024: CHF 581 million), the Catalysts goodwill makes up for 45.5% (2024: 44.5%) of total goodwill. Alongside the cyclical business and longer-term contracts, which increase estimation uncertainty when estimating future business performance, we assess the carrying value of the Catalyst goodwill as a key audit matter.

There is a risk of non-recoverability of the Group's significant goodwill balance, particularly relating to the Catalysts business unit. The ongoing worldwide economic uncertainties resulted in weaker demand in certain markets and increased pressure on the prices and margins. Due to the inherent uncertainty involved in forecasting and discounting future cash flows, which are the basis of the assessment of recoverability, this is one of the key judgmental areas that our audit is concentrated on.

Our response

Our audit procedures included, amongst others, evaluating the methodical and mathematical accuracy of the model used for the impairment test, the appropriateness of the assumptions, and the methodology used by management to prepare its cash flow forecasts. We involved our own valuation specialists to support our procedures.

For the Catalysts cash generating unit (CGU), we also performed the following audit procedures:

- We assessed the reasonableness of the plans and forecasts by back-testing historical forecasts to actual results;
- We compared business plan data against the latest Board approved plans and management approved forecasts;
- We challenged the robustness of the key assumptions used to determine the recoverable amount, including the identification of the CGUs, the forecasted cash flows, the long-term growth rate and the discount rate based on our understanding of the commercial prospects of the related assets, and by comparing them with publicly available data;
- We conducted sensitivity analysis, taking into account the historical forecasting accuracy;
- We recalculated the difference between the carrying amount and the recoverable amount to assess the headroom.

We also considered the appropriateness of disclosures in relation to impairment sensitivities in the consolidated financial statements.

For further information on RECOVERABILITY OF GOODWILL (CATALYSTS) refer to the following:

- Note 1: Material accounting policies
- Note 6: Intangible assets



Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of the company, the compensation report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISA and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are 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.

As part of an audit in accordance with Swiss law, ISA and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- 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 a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee 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.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the Board of Directors or its relevant committee, 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 auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG AG

A handwritten signature in blue ink, appearing to read 'M. Rohrbach'.

Martin Rohrbach
Licensed Audit Expert
Auditor in Charge

A handwritten signature in blue ink, appearing to read 'C. Kaufmann'.

Cyrill Kaufmann
Licensed Audit Expert

Basel, 25 February 2026

Review of Trends

FIVE-YEAR GROUP OVERVIEW 2021-2025

		2025	2024	2023 ¹	2022 ¹	2021 ¹
Sales	in CHF m	3 915	4 152	4 377	5 198	4 372
Change relative to preceding year						
in Swiss francs	%	-5.7	-5.1	-15.8	18.9	13.3
in local currency	%	0	3	-6	24	15
Operating income before exceptional items	in CHF m	445	416	405	617	493
Change relative to preceding year	%	7	3	-34	25	39
as a % of sales		11.4	10.0	9.3	11.9	11.3
Operating income	in CHF m	362	440	282	72	440
Change relative to preceding year	%	-18	56	292	-84	39
as a % of sales		9.2	10.6	6.4	1.4	10.1
EBITDA	in CHF m	643	657	607	810	708
Change relative to preceding year	%	-2	8	-25	14	19
as a % of sales		16.4	15.8	13.9	15.6	16.2
EBITDA before exceptional items	in CHF m	697	663	641	893	760
Change relative to preceding year	%	5	3	-28	18	22
as a % of sales		17.8	16.0	14.6	17.2	17.4
Net income / loss²	in CHF m	-41	280	179	116	373
Change relative to preceding year	%	-115	56	54	-69	-55
as a % of sales		-1.0	6.7	4.1	2.4	8.5
Investment in property, plant, and equipment	in CHF m	145	207	205	209	362
Change relative to preceding year	%	-30	1	-2	-42	26
as a % of sales		4	5	5	4	8
Personnel costs²	in CHF m	901	880	891	986	1 066
Change relative to preceding year	%	2	-1	-10	-8	-16
as a % of sales		23	21	20	19	24
Employees at year end	number	10 281	10 465	10 481	11 148	13 374
Change relative to preceding year	%	-2	0	-6	-17	1

¹ Continuing operations

² Including discontinued operations

Balance Sheet of Clariant Ltd

BALANCE SHEET OF CLARIANT LTD

at 31 December	Notes	31.12.2025 in CHF m	in %	31.12.2024 in CHF m	in %
Assets					
Current assets					
Cash and cash equivalents	3	-		177	
Other short-term receivables					
• from third parties		3		3	
• from Group companies	4	578		43	
Accrued income and prepaid expenses		5		5	
Total current assets		586	14.6	228	5.8
Non-current assets					
Loans to Group companies		1 981		2 315	
Shareholdings in Group companies	5	1 433		1 374	
Intangible assets		1		1	
Total non-current assets		3 415	85.4	3 690	94.2
Total assets		4 001	100.0	3 918	100.0

Balance Sheet of Clariant Ltd

BALANCE SHEET OF CLARIANT LTD

at 31 December	Notes	31.12.2025 in CHF m	in %	31.12.2024 in CHF m	in %
Liabilities and Equity					
Liabilities					
Current liabilities					
Other liabilities					
• to third parties		1		-	
• to Group companies		9		9	
Interest-bearing liabilities					
• to third parties	6	216		197	
• to Group companies	6	-		14	
Provisions		61		61	
Accrued expenses		24		19	
Total current liabilities		311	7.8	300	7.7
Non-current liabilities					
Interest-bearing liabilities					
• to third parties	6	1 537		1 403	
Total non-current liabilities		1 537	38.4	1 403	35.8
Total liabilities		1 848	46.2	1 703	43.5
Equity					
Share capital	7, 10	445		584	
Legal capital reserve					
• Reserves from capital contribution (other)	8, 10	1 304		1 304	
• Reserves from retained earnings	8, 10	-1 264		-1 264	
Legal retained earnings	10	224		224	
Voluntary retained earnings	10	1 421		1 249	
Total reserves		1 685		1 513	
Treasury shares	9, 10	-46		-54	
Profit for the financial year		69		172	
Total equity		2 153	53.8	2 215	56.5
Total equity and liabilities		4 001	100.0	3 918	100.0

Income Statement of Clariant Ltd

INCOME STATEMENT OF CLARIANT LTD

for the years ended 31 December	Notes	2025 in CHF m	2024 in CHF m
Dividend income from Group companies		92	97
Interest income from Group companies		99	96
Other financial income		4	75
Reversal of impairment on shareholdings and other income related to Group companies	5	17	15
Total income		212	283
Financial expenses		-98	-50
Administrative expenses		-38	-37
Impairment of shareholdings and other expenses related to Group companies	5	-5	-20
Other expenses		-	-2
Taxes		-2	-2
Total expenses		-143	-111
Profit for the financial year		69	172

Notes to the Financial Statements of Clariant Ltd

1. Basis of preparation

The statutory financial statements of Clariant Ltd, domiciled in Muttens, have been prepared according to the provisions of the Swiss Law on Accounting and Financial Reporting (32nd title of the Swiss Code of Obligations).

2. Significant accounting policies

Income recognition. Interest income is recognized on a time proportion basis, taking into account the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the company. Dividends are recognized when the right to receive the payment is established.

Exchange rate differences. Balance sheet items denominated in foreign currencies are converted at year-end exchange rates. Realized exchange gains and losses as well as unrealized exchange losses are recorded in the income statement as either »Other financial income« or »Financial expense,« depending on whether the net foreign exchange effect is positive or negative. Unrecognized exchange gains are deferred, unless they arise on current assets or liabilities, where exchange rate differences are treated as realized valuation differences.

Cash and cash equivalents. During 2025, cash and cash equivalents were centralized in a subsidiary that operates the newly introduced in-house bank, enabling Group entities to draw liquidity through the cash pool.

Shareholdings. Shareholdings are initially recognized at cost. Shareholdings are reviewed on a yearly basis, and in case of an impairment, adjusted to their recoverable amount.

Interest-bearing liabilities. Interest-bearing liabilities are recognized at nominal value. Premiums are accrued and amortized over the maturity period by means of the effective interest rate (EIR) method.

Derivative financial instruments. Derivative financial instruments are initially recognized at acquisition cost. Subsequently, they are recorded at the lower of acquisition cost or market value.

3. Other information

The Board of Directors approved the stand-alone financial statements of Clariant Ltd for issue on 25 February 2026. They will be subject to approval by the Annual General Meeting of Shareholders scheduled for 1 April 2026.

Full-time equivalents. Clariant Ltd has no employees.

Hidden reserves. No hidden reserves were released in 2025 and 2024.

Cash and cash equivalents. During 2025, cash and cash equivalents were centralized in a subsidiary that operates the newly introduced in-house bank, enabling Group entities to draw liquidity through the cash pool.

4. Other short-term receivables from Group companies

The other short-term receivables from Group companies include intragroup arrangements under which Clariant AG grants credits that are available on demand, loans to Group companies due within one year, and receivables from services provided to Group companies.

5. Shareholdings in Group companies

In 2025, an impairment of CHF 5 million on Shareholdings in certain Group companies (2024: CHF 7 million) was recognized within »Impairment of shareholdings and other expenses related to Group companies.« In addition, previously recognized impairments of CHF 8 million were reversed in 2025 (2024: CHF 0

million) within »Reversal of impairment on shareholdings and other income related to Group companies.« The reversal of the impairment follows the recovery of the value held in the respective Group companies.

The following table shows the shareholdings directly held by Clariant Ltd.

Country	Company name		Capital interest (%)	Voting rights (%)	Capital interest (%)	Voting rights (%)
			2025	2025	2024	2024
Brazil	Clariant Brasil Ltda.	São Paulo	46.32 %	46.32 %	46.32 %	46.32 %
Chile	Clariant (Chile) Ltda.	Maipú	6.03 %	6.03 %	-	-
China	Clariant (China) Ltd.	Hong Kong	100.00 %	100.00 %	100.00 %	100.00 %
Colombia	Clariant (Colombia) S.A.	Cota (Cundinamarca)	5.13 %	5.13 %	5.13 %	5.13 %
Ecuador	Clariant (Ecuador) S.A.	Quito	0.03 %	0.03 %	0.03 %	0.03 %
Germany	Clariant Verwaltungsgesellschaft mbH	Frankfurt a.M.	100.00 %	100.00 %	100.00 %	100.00 %
Great Britain	Clariant Services UK Ltd	Leeds	100.00 %	100.00 %	100.00 %	100.00 %
Japan	Clariant (Japan) K.K.	Tokyo	70.48 %	70.48 %	70.48 %	70.48 %
	Clariant Catalysts (Japan) K.K.	Tokyo	61.45 %	61.45 %	61.45 %	61.45 %
Korea	Clariant (Korea) Ltd.	Pohang-Si	17.50 %	17.50 %	17.50 %	17.50 %
Morocco	Clariant (Maroc) S.A.	Casablanca	0.05 %	0.05 %	0.05 %	0.05 %
Mexico	Clariant (Mexico) S.A. de C.V.	Mexico City	99.99 %	99.99 %	99.99 %	99.99 %
Norway	Clariant Oil Services Scandinavia AS	Bergen	100.00 %	100.00 %	100.00 %	100.00 %
Peru	Clariant (Perú) S.A.	Lima	0.23 %	0.23 %	0.23 %	0.23 %
	Clariant (Singapore) Pte. Ltd.	Singapore	100.00 %	100.00 %	-	-
South Africa	Clariant South East Asia Pte. Ltd.	Singapore	100.00 %	100.00 %	100.00 %	100.00 %
	Clariant Southern Africa (Pty) Ltd.	Gauteng	100.00 %	100.00 %	100.00 %	100.00 %
Spain	Clariant Ibérica Produccion S.A.	Sant Joan Despi	100.00 %	100.00 %	100.00 %	100.00 %
Sweden	Clariant Production Sweden AB	Mölnådal	100.00 %	100.00 %	100.00 %	100.00 %
Switzerland	Clariant Reinsurance AG	Muttenz	100.00 %	100.00 %	100.00 %	100.00 %
	Clariant International AG	Muttenz	100.00 %	100.00 %	100.00 %	100.00 %
	Clariant Oil Services AG	Muttenz	80.00 %	80.00 %	80.00 %	80.00 %
	Clariant Chemical Consulting AG	Muttenz	100.00 %	100.00 %	100.00 %	100.00 %
	Clariant Prime AG	Muttenz	100.00 %	100.00 %	100.00 %	100.00 %
	Clariant Pro AG	Muttenz	100.00 %	100.00 %	100.00 %	100.00 %
Thailand	Clariant (Thailand) Ltd.	Bangkok	100.00 %	100.00 %	100.00 %	100.00 %
Türkiye	Clariant (Türkiye) Boya Kimyevi Maddeler ve Madencilik Sanayi ve Ticaret A.Ş.	Ataşehir	100.00 %	100.00 %	100.00 %	100.00 %
UAE	Clariant (Gulf) FZE-LLC	Dubai	100.00 %	100.00 %	100.00 %	100.00 %
USA	Clariant Corporation	Charlotte	100.00 %	100.00 %	100.00 %	100.00 %

For further details on shareholdings indirectly held by Clariant Ltd, see the → »Significant subsidiaries« note of the Group consolidated financial statements.

6. Interest-bearing liabilities

CURRENT INTEREST-BEARING LIABILITIES

in CHF m

	31.12.2025	31.12.2024
Interest-bearing liabilities to third parties	-	21
Interest-bearing liabilities to Group companies	-	14
Non-current interest-bearing liabilities due within one year		
- Straight bonds	200	-
- Certificate of indebtedness	16	176
Total interest-bearing liabilities	216	211

Bonds

On 4 April 2025, Clariant issued two bonds for a total amount of CHF 265 million. While one tranche for an amount of CHF 125 million has a tenor of three years, expiring on 4 April 2028, with a fixed interest rate of 1.55 %, the other tranche, for an amount of CHF 140 million, has a tenor of eight years, expiring on 4 April 2033, with a fixed interest rate of 2.10 %.

On 28 November 2025, Clariant issued two bonds for a total amount of CHF 300 million. While one tranche for an amount of CHF 200 million has a tenor of five years, expiring on 28 November 2030, with a fixed interest rate of 1.65 %, the other tranche, for an amount of CHF 100 million, has a tenor of 8.5 years, expiring on 29 May 2034, with a fixed interest rate of 2.20 %.

Certificates of indebtedness

On 27 June 2025, Clariant executed an early repayment of a certificate of indebtedness of EUR 70 million, originally scheduled to mature on 27 December 2027.

On 25 September 2025, two certificates of indebtedness for a total amount of EUR 156 million reached their maturity and were repaid.

On 29 December 2025, Clariant executed an early partial repayment of a certificate of indebtedness of EUR 140 million, originally scheduled to mature on 27 June 2029.

NON-CURRENT INTEREST-BEARING LIABILITIES

in CHF m	Interest rate in %	Term	Notional amount	Amount 31.12.2025	Amount 31.12.2024
Straight bond	1.125	2019-26	CHF 200 m	200	200
Straight bond (green bond)	2.717	2022-27	CHF 175 m	175	175
Straight bond	2.750	2023-28	CHF 150 m	150	150
Straight bond	2.375	2024-27	CHF 200 m	200	200
Straight bond	2.750	2024-31	CHF 150 m	150	150
Straight bond	1.650	2025-30	CHF 200 m	200	-
Straight bond	1.550	2025-28	CHF 125 m	125	-
Straight bond	2.100	2025-33	CHF 140 m	140	-
Straight bond	2.200	2025-34	CHF 100 m	100	-
Total straight bonds				1 440	875
Certificate of indebtedness	6 m EURIBOR +0.95	2018-25	EUR 54 m	-	60
Certificate of indebtedness	6 m EURIBOR +1.25	2024-27	EUR 70 m	-	69
Certificate of indebtedness	6 m EURIBOR +1.50	2024-29	EUR 150 m	144	286
Total certificate of indebtedness – floating interest rates				144	415
Certificate of indebtedness	1.548	2018-25	EUR 102 m	-	116
Certificate of indebtedness	2.010	2016-26	EUR 15 m	16	16
Certificate of indebtedness	2.087	2018-28	EUR 17 m	19	19
Certificate of indebtedness	4.336	2024-29	EUR 63 m	60	62
Certificate of indebtedness	4.472	2024-31	EUR 78 m	74	76
Total certificate of indebtedness – fixed interest rates				169	289
Total straight bonds and certificates of indebtedness				1 753	1 579
Less: current straight bonds and certificates of indebtedness				-216	-176
Total non-current interest-bearing liabilities				1 537	1 403
Breakdown by maturity					
one to five years				873	1 177
more than five years				664	226
Total non-current interest-bearing liabilities				1 537	1 403

Collateral

In 2025 and 2024, no assets were pledged as collateral.

Revolving credit facility

On 6 March 2023, Clariant Ltd placed a revolving credit facility (RCF) with a KPI-linked RCF agreement of CHF 450 million. The agreement is structured as a five-year multicurrency revolving credit facility with two one-year extension options, split in two tiers, taken by seven and four banks for each. The RCF is structured as a »backstop« facility for rating purposes to maintain Clariant's liquidity headroom. It contains customary covenants such as negative pledge, cross default, ownership change, and

restriction on disposals, mergers, and subsidiary debt. The Group is required to maintain one financial covenant (debt leverage) that is tested at the end of each financial half year. Four KPIs are defined for the RCF: GHG (Greenhouse Gas) Emissions – Scope 1 and 2; GHG Emissions – Scope 3; Water Intake; and Gender Diversity. The new KPI-linked RCF demonstrates Clariant's commitment to support sustainable growth and to embed the strategy and ambitions in its financing. The maturity was extended by another year until 6 March 2029 by way of an extension option.

During 2025 and 2024, the facility was not used.

7. Share capital

Share capital issued	31.12.2025	31.12.2024
Number of registered shares, each with a par value of CHF 1.34 (2024: CHF 1.76)	331 939 199	331 939 199
In CHF m	445	584
Conditional share capital		
Number of registered shares, each with a par value of CHF 1.34 (2024: CHF 1.76)	3 811 886	3 811 886
In CHF m	5	7

8. Reserves from capital contributions

As of 2011, if certain conditions are met, qualifying capital contributions made to Clariant Ltd by its shareholders since 1997 can be distributed without being subject to Swiss withholding tax. Qualifying capital contribution reserves of approximately CHF 1.7 billion are confirmed by the Swiss Federal Tax Administration (SFTA).

The SFTA is of the opinion that capital contribution reserves that were formerly offset by losses of CHF 1.26 billion will not qualify as capital contribution reserves anymore (even if compensated with newly generated retained earnings). The Swiss Administrative Court confirmed the SFTA's view in a particular case (decision of 4 June 2015, A-6072/2013), while the Swiss Supreme Court (as the highest Swiss court level) has up to now not dealt with this question. Clariant Ltd does not unconditionally share the above-mentioned opinion. This is why potential capital contribution reserves are also documented as capital contribution reserves in the balance sheet.

9. Treasury shares

	Average transaction price in CHF	2025	Average transaction price in CHF	2024
Number of shares held at 1 January		3 653 588		3 090 705
Shares purchased	-	-	13.66	699 004
Shares purchased on exercise of put options	-	-	13.23	300 000
Allocation to employees and Board of Directors		-590 045		-436 121
Number of shares held at 31 December		3 063 543		3 653 588

The profit or loss from the sale of own shares or from the transfer to employees and the Board of Directors is recorded in the income statement as »Other financial income« or »Financial expenses.«

10. Reconciliation of equity

in CHF m	Share capital	Legal capital reserve	Legal retained earnings	Voluntary retained earnings	Treasury shares	Profit	Total
		from capital contribution (other) ¹	from retained earnings ²				
Balance 31 December 2024	584	1 304	-1 264	224	1 249	-54	2 215
Reduction of nominal value	-139				1		-138
Reclassification of profit carryforward to voluntary retained earnings				172		-172	-
Changes in treasury shares					7		7
Profit for the financial year						69	69
Balance 31 December 2025	445	1 304	-1 264	224	1 421	69	2 153

¹ In 2012, the Swiss Federal Tax Administration confirmed qualifying capital contribution reserves of approximately CHF 1.7 billion (as of 31 December 2025 due to distributions still amounting to approximately CHF 40 million). For further information, see also note 8.

² This amount corresponds to capital contribution reserves formerly offset with losses. For further information, see also note 8.

11. Contingent liabilities

in CHF m	31.12.2025	31.12.2024
Outstanding liabilities as guarantees in favor of Group companies	253	352

Clariant Ltd belongs to the Swiss value-added tax (VAT) group of Clariant and thus carries joint liability to the Swiss federal tax authority for value-added tax of the Swiss entities of that group.

A Clariant subsidiary in the United States has been named, along with many other defendants, in lawsuits involving per- and polyfluoroalkyl substances (PFASs). Clariant is monitoring the development of these cases, which relate to a line of business divested in 2013, and is defending all litigation matters related to PFASs. To date, Clariant has been dismissed from three bellwether cases involving water providers and one bellwether case involving personal injury, which have approached trial. No trials are currently scheduled. At this time, Clariant cannot assess if these litigation matters will have a material impact on Clariant's financial results.

In October 2023, Shell brought a claim for damages before the court of Amsterdam against four companies, including Clariant, in relation to infringement of competition law during the period from December 2011 to March 2017 on the ethylene purchasing market,

which was sanctioned by the European Commission in July 2020. Another claim against the same companies was brought by a claim vehicle »Stichting Ethylene Claims« before the court of Amsterdam in 2024, seeking declaratory judgment of liability of the defendants for the same anticompetitive conduct. In 2025, further claims were brought against the same companies and in relation to the same matter. BASF, Dow, BP, Braskem, MOL and Exxon Mobil brought claims before the courts of Munich and Dortmund. Total Energies, OMV, LyondellBasell, and Borealis (unquantified) brought claims before the court of Amsterdam. In January 2026, the claim vehicle »Stichting Ethylene Claims« brought another claim for declaratory judgment before the court of Amsterdam. Clariant firmly rejects the allegations and will defend its position in all proceedings. To date, the total amount of quantified alleged damages against the four companies is around CHF 8.9 billion (EUR 9.5 billion). At this time, Clariant cannot assess if these legal proceedings will have a material impact on Clariant's financial results, nor the timing for their completion.

12. Shares for members of the Board of Directors and the Executive Steering Committee

	Number of shares granted	Value of shares granted in CHF	Number of shares granted	Value of shares granted in CHF
	for 2025	for 2025	for 2024	for 2024
Board of Directors	123 023	1 320 040	117 862	1 320 056
Executive Steering Committee	366 358	3 534 018	307 307	3 534 032

No options were granted to members of the Board of Directors or Executive Steering Committee for the years 2025 and 2024, nor did any members hold any options in those years.

13. Significant shareholdings of 3 % or more of total share capital

Based on the notifications received by Clariant and published by SIX Exchange Regulation, the following shareholders held more than 3% of voting rights in Clariant Ltd:

Shareholders	Voting rights 31.12.2025	Voting rights 31.12.2024
SABIC International Holdings B.V., Sittard, The Netherlands, controlled by Saudi Arabian Oil Company, Saudi Aramco, P.O. Box 5000, Dhahran 31311, Kingdom of Saudi Arabia	31.50 %	31.50 %
Blue Beteiligungsgesellschaft mbH, Am Holzmaierfeld, 82064 Strasslach-Dingharting, Germany, and Maple Beteiligungsgesellschaft mbH, Am Holzmaierfeld, 82057 Icking, Germany, and NOWI Beteiligungsgesellschaft mbH, 82064 Strasslach-Dingharting, Germany ¹	5.16 %	5.16 %
UBS Fund Management (Switzerland) AG, Basel, Switzerland ²	5.04 %	5.01 %
BlackRock Inc., New York, United States	3.10 %	3.80 %

¹ According to a disclosure notification published on 5 September 2024, the already existing group consisting of Blue Beteiligungsgesellschaft mbH (100 % owned by Konstantin Winterstein, 80333 Munich, Germany) and Maple Beteiligungsgesellschaft mbH (100 % owned by Elisabeth Prinzessin zu Sayn-Wittgenstein, 80333 Munich, Germany) was joined by NOWI Beteiligungsgesellschaft mbH, 82064 Strasslach-Dingharting, Deutschland; 100% jointly owned by Konstantin Winterstein and Elisabeth Prinzessin zu Sayn-Wittgenstein.

² Disclosure was triggered due to the absorption merger ("Absorptionsfusion") between Credit Suisse Funds AG and UBS Fund Management (Switzerland) AG and the aggregation of the relevant interest of both entities as, upon merger, Credit Suisse Funds AG ceased to exist and UBS Fund Management (Switzerland) AG was the surviving entity.

Disclosure notifications during the 2025 financial year reported to the Stock Exchange Disclosure Office pursuant to Art. 120 of the Financial Markets Infrastructure Act (FMIA) as well as further information in relation to disclosure notifications can be found on the SIX Swiss Exchange reporting platform: → www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/

14. Events subsequent to the balance sheet date

There were no major events subsequent to the balance sheet date.

Appropriation of Results

The Board of Directors proposes to appropriate the profit of 2025 of Clariant Ltd in the amount of CHF 69 million as follows:

Available earnings		in CHF m
Carried forward from previous year		-
Profit of the year 2025		69
Total available earnings		69
Appropriation		
Results carried forward		69
Total available earnings after allocation		69

Proposed distribution through capital reduction by way of a par value reduction

The Board of Directors proposes (in place of an ordinary dividend) a distribution through capital reduction by way of a par value reduction of CHF 0.42 per registered share, as a result of a reduction of the par value from CHF 1.34 to CHF 0.92 per registered share.

The proposed payout would reduce the share capital by CHF 139 million. The proposed payout of the par value reduction of CHF 0.42 is subject to approval by the ordinary General Meeting of Shareholders and subject to the fulfillment of the necessary requirements and the entry of the share capital reduction in the Commercial Register of the Canton of Baselland.

If approved by the Annual General Meeting, the payment will be made as soon as practicable, following the expiry of the one-month period pursuant to Article 653k of the Swiss Code of Obligations and the subsequent registration of the share capital reduction in the Commercial Register.

Report of the Statutory Auditor



Statutory Auditor's Report

To the General Meeting of Clariant Ltd , MuttENZ

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Clariant Ltd (the Company), which comprise the balance sheet as at 31 December 2025, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 309 to 318) comply with Swiss law and the Company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters



CONTINGENT LIABILITY DISCLOSURE FOR ETHYLENE PURCHASE MARKET RELATED CLAIMS

VALUATION OF SHAREHOLDINGS IN AND LOANS TO GROUP COMPANIES

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



CONTINGENT LIABILITY DISCLOSURE FOR ETHYLENE PURCHASE MARKET RELATED CLAIMS

Key Audit Matter

As at 31 December 2025, Clariant and three other companies are facing multiple claims from customers for damages against them in relation to infringement of competition law on the ethylene purchasing market totaling around CHF 8.9 billion. Clariant and the other companies were sanctioned by the European Commission in July 2020 for anticompetitive conduct during the period from December 2011 to March 2017.

A contingent liability is disclosed when a possible obligation depending on whether some uncertain future event occurs exists or a present obligation exists, but the payment is not probable, or the amount cannot be measured reliably.

As of 31 December 2025, Clariant has disclosed a contingent liability in this regard as there is significant uncertainty around the outcome of future events and the probability and measurement of a potential obligation. Due to significant judgement involved, the potential monetary impact as well as the inherent complexity of the nature of the legal dispute, we consider the contingent liabilities disclosure for litigation and claims to be a key audit matter.

Our response

Our audit procedures included, amongst others, the following:

- We obtained an understanding of the nature of the claims and conducted inquiries with management and management experts (legal). Furthermore, we participated in the meetings in which the cases were discussed by management, external legal counsel and management expert.
- We evaluated management's assessment of the claim and assessed if their judgement is reasonable and consistent with available evidence, including:
 - Their determination of whether the claim represents a provision or a contingent liability under Swiss CO.
 - Their rationale for concluding that no provision has been recognized.
 - Their assessment of the likelihood of an outflow of economic resources.
- We obtained and reviewed legal letters from external legal counsel.
- We evaluate calculations provided by both the claimant's and the defendant's experts and have engaged an internal expert to assist in evaluating the reasonableness of the expert calculations.
- Additionally, we have considered subsequent events and whether the disclosures of the application of judgment in estimating provisions and contingent liabilities adequately reflected the uncertainties associated with the matter.

For further information on CONTINGENT LIABILITY DISCLOSURE FOR ETHYLENE PURCHASE MARKET RELATED CLAIMS refer to the following:

- Note 11: Contingent liabilities



VALUATION OF SHAREHOLDINGS IN AND LOANS TO GROUP COMPANIES

Key Audit Matter

The Company holds shareholdings in and loans to group companies that represent 85.3% (2024: 94.2%) of the total assets of its financial statements.

Participations and group company loans are valued at a maximum of the acquisition costs less necessary value adjustments, taking into account the general principle of individual valuation. Participations and group company loans are subject to annual impairment trigger testing.

Accordingly, management performs regular impairment assessments to determine the value of the shareholdings in and loans to group companies. The shareholdings and loans outstanding were considered significant due to their materiality in the context of the financial statements as a whole.

Our response

Our audit procedures included the following:

- We inspected the underlying agreements and other forms of documentation to verify the cost of the investments and agree to the general ledger.
- We assessed whether additional costs pertaining to these investments should be capitalized or expensed through our critical review of the supporting documentation available and inquiries performed.
- We assessed the impairment testing result by calculating an independent recoverable amount to compare with management's conclusion whether an impairment is needed. For impairments recognized, we verified and recalculated the amount needed and traced it to the accounting records.
- We further perform procedures over the dividend income by vouching to supporting documentation and other forms of evidence.

In addition, we validated the appropriateness and completeness of the related disclosures in the stand-alone financial statements.

For further information on VALUATION OF SHAREHOLDINGS IN AND LOANS TO GROUP COMPANIES refer to the following:

- Note 2: Significant accounting policies
- Note 5: Shareholdings in group companies



Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of the Company, the compensation report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are 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 financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- Obtain an understanding of internal control relevant to the audit in order 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.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- 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 a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee 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.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposal of the Board of Directors (page 319) complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

KPMG AG

A handwritten signature in blue ink, appearing to read 'M. Rohrbach'.

Martin Rohrbach
Licensed Audit Expert
Auditor in Charge

A handwritten signature in blue ink, appearing to read 'C. Kaufmann'.

Cyrill Kaufmann
Licensed Audit Expert

Basel, 25 February 2026

Forward-Looking Statements

Forward-looking statements contained herein are qualified in their entirety, as there are certain factors that could cause results to differ materially from those anticipated. Investors are cautioned that all forward-looking statements involve risks and uncertainty. In addition to the factors discussed above, among the factors that could cause actual results to differ materially are the following: the timing and strength of new product offerings; pricing strategies of

competitors; the company's ability to continue to receive adequate products from its vendors on acceptable terms, or at all, and to continue to obtain sufficient financing to meet its liquidity needs; and changes in the political, social, and regulatory framework in which the company operates or in economic or technological trends or conditions, including currency fluctuations, inflation, and consumer confidence, on a global, regional, or national basis.

Alternative Performance Measures (unaudited)

The following financial measurements are supplementary financial indicators. They should be considered in addition to, not as a substitute for, operating income, net income, operating cash flow, and other measures of financial performance and liquidity reported in accordance with International Financial Reporting Standards (IFRS).

EBITDA

- Earnings Before Interest, Taxes, Depreciation, and Amortization is calculated as operating income plus depreciation of PPE, impairment, depreciation of right-of-use assets, and amortization of intangible assets, and can be reconciled from the Consolidated Financial Statements as follows:

EBITDA			
in CHF m		2025	2024
Operating income		362	440
+ Depreciation of PPE		168	165
+ Impairment		29	-30
+ Depreciation of right-of-use assets		46	46
+ Amortization of intangible assets		38	36
EBITDA		643	657

EBITDA before exceptional items

- is calculated as EBITDA plus expenses for restructuring, impairment, transaction-related, and other exceptional items, less impairment and gain on disposals.

EBITDA BEFORE EXCEPTIONAL ITEMS			
in CHF m		2025	2024
EBITDA		643	657
+ Restructuring, impairment, transaction-related, and other exceptional items ^{1, 2}		85	-24
- Impairment (reported under restructuring, impairment, transaction-related, and other exceptional items)		-29	30
- Gain from the disposal of activities not qualifying as discontinued operations ²		-2	-
EBITDA before exceptional items		697	663

Operating income before exceptional items

- is calculated as operating income plus restructuring, impairment, transaction-related, and other exceptional items and gain on disposals.

OPERATING INCOME BEFORE EXCEPTIONAL ITEMS

in CHF m	2025	2024
Operating income	362	440
+ Restructuring, impairment, transaction-related, and other exceptional items ^{1,2}	85	-24
- Gain from the disposal of activities not qualifying as discontinued operations ³	-2	-
Operating income before exceptional items	445	416

¹ Restructuring, impairment, transaction-related, and other exceptional items for 2025: CHF 85 million expense (2024: CHF 24 million income), of which: Cost of goods sold: CHF 49 million expense (2024: CHF 32 million income); Selling, general, and administrative costs: CHF 32 million expense (2024: CHF 10 million expense); Research and development costs: CHF 4 million expense (2024: CHF 2 million income)

² Other exceptional items refer to material incidental costs or income resulting from an event outside the normal course of business.

³ Gain from the disposal of activities not qualifying as discontinued operations reported under »Selling, general, and administrative costs«

Return on invested capital

- is calculated by dividing Net Operating Profit Less Adjusted Taxes (NOPLAT) after exceptional items by the average net capital employed. NOPLAT is calculated by adjusting the reported operating result by the expected tax rate. Net capital employed also considers assumed operating cash and reported lease liabilities.

RETURN ON INVESTED CAPITAL

in CHF m	31.12.2025	31.12.2024
Operating income	362	440
- Adjusted by the expected tax rate (26 %)	-94	-114
Net operating profit less adjusted taxes	268	326
Total equity	2 182	2 508
- Cash, cash equivalents, and short-term deposits	-617	-395
- Assets held for sale	-20	-12
+ Current and non-current financial debts	1 859	1 692
+ Current and non-current lease liabilities	172	192
+ Liabilities directly associated with assets held for sale	3	-
+ Operating cash (2 % of sales)	78	83
Net invested capital	3 657	4 068
Average net invested capital	3 863	3 546
Return on invested capital	6.9 %	9.2 %

Net debt

- is the sum of current and non-current financial debt less cash and cash equivalents, short-term deposits, and financial derivatives with positive fair values.

NET DEBT

in CHF m	31.12.2025	31.12.2024
Non-current financial debt	1 530	1 422
+ Lease liabilities	172	192
+ Current financial debt	329	270
- Cash and cash equivalents	-411	-388
- Short-term deposits	-206	-7
- Financial instruments with positive fair values	-1	-
Net debt	1 413	1 489

Annex

PAGE IN THIS SECTION

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Indices

Introduction

Clariant reports in alignment with internationally recognized frameworks to create transparency and comparability. For 18 years, Clariant's reporting has been based on the Global Reporting Initiative (GRI). Since 2013, Clariant has committed to the United Nations Global Compacts (UNGC) and reports annually on its contribution to the 10 principles. Clariant's Management Report also complies with the non-financial reporting requirements of Art. 964b of the Swiss Code of Obligations. Additionally, the company publishes information on climate risks in line with the

Task Force on Climate-related Financial Disclosures (TCFD). Clariant is not legally required to report under the Corporate Sustainability Reporting Directive (CSRD) for the 2025 financial year, nevertheless it has voluntarily prepared its sustainability statement in alignment with the European Sustainability Reporting Standards (ESRS) guided by its Double Materiality Assessment and the applicable disclosure requirements. Certain disclosure requirements are being progressively implemented as part of Clariant's ongoing alignment with ESRS.

Disclosures in accordance with Art. 964b Swiss Code of Obligations

The information and metrics marked with the (✓) were assured by KPMG. Clariant reports in compliance with the requirements of Swiss Code of Obligation Art. 964b.

Art. 964b content requirement	Section
General information required to understand our business	→ Foundation of the Business
	→ Organizational structure
	→ Executive Steering Committee and Executive Leadership Team
Description of the business model	→ Long-term value for all stakeholders
Materiality Assessment	→ ESRS 2 – General Disclosures
Sustainability Management	→ ESRS 2 – General Disclosures
Environmental matters	→ E1 – Climate Change
	→ E2 – Pollution
	→ E3 – Water
	→ E4 – Biodiversity and Bio-Based Economy
	→ E5 – Circular Economy
Social issues	→ ES – Sustainable Innovation
Employee-related issues	→ S1 – Own Workforce
Respect for human rights	→ S1 Sub-Chapter III – Human Rights
Combating corruption	→ G1 – Business Conduct

Global Reporting Initiative Content Index

GRI Content Index

The Global Reporting Initiative (GRI) supports Clariant's Integrated Report 2025, by providing comprehensive guidance on sustainable value creation, with selected topic specific GRI disclosures incorporated into report.

Statement of use: Clariant has reported with reference to the GRI standards for the period of 1 January to 31 December 2025.

Disclosures	Location	Omission	External Assurance
204-1 Proportion of spending on local suppliers	→ ESRS S2 – Workers in the Value Chain – Metrics		→ KPMG CH
205-2 Communication and training about anti-corruption policies and procedures	→ ESRS G1-3 – Prevention and Detection of Corruption and Bribery		→ KPMG CH
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	→ ESRS G1 – Business Conduct- Antitrust Compliance		→ KPMG CH
301-1 Materials used by weight or volume	→ ESRS E5-4 – Resource inflows		→ KPMG CH
308-1 New suppliers that were screened using environmental criteria	→ ESRS S2 – Workers in the Value Chain – Metrics		→ KPMG CH
308-2 Negative environmental impacts in the supply chain and actions taken	→ ESRS S2 – Workers in the Value Chain Metrics		→ KPMG CH
414-2 Negative social impacts in the supply chain and actions taken	→ ESRS S2 – Workers in the Value Chain – Metrics		→ KPMG CH
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	→ ESRS E2-5 – Metrics Related to Substances of Very High Concern		→ KPMG CH
417-2 Incidents of non-compliance concerning product and service information and labeling	→ ESRS E2-5 – Metrics Related to Substances of Very High Concern		→ KPMG CH
417-3 Incidents of non-compliance concerning marketing communications	→ ESRS E2-5 – Metrics Related to Substances of Very High Concern		→ KPMG CH

Clariant-KPIs

Overview of KPI tables and graphics disclosed in Clariant's Sustainability Statement, which are additional to ESRS and GRI Standards, based on internally developed and TCFD criteria.

KPI-Table	Section	External Assurance
Sustainability portfolio classification (PVP)	→ ESRS 2 – General Disclosures	→ KPMG CH
List of sites with highest risk exposure, based on assessment with MunichRe software and IPCC data	→ ESRS E1 – Climate Change	→ KPMG CH
Resources allocated to sustainable innovation	→ ES – Sustainable Innovation	→ KPMG CH
Pay Equity and Fairness	→ S1 Sub-Chapter IV – Diversity, Equity, and Inclusion	
Occupational Health and Safety programs and training	→ S1 Sub-Chapter II – Health and Safety	
DART	→ S1 Sub-Chapter II – Health and Safety	
Safety management	→ S1 Sub-Chapter II – Health and Safety	→ KPMG CH
Volume of water intake per t of produced goods (in m ³ /t)	→ E3-4 – Metrics Related to Water Consumption (including Water Withdrawals)	→ KPMG CH
% of Sites in areas of high water stress/risk with advanced water management systems	→ E3-4 – Metrics Related to Water Consumption (including Water Withdrawals)	→ KPMG CH

United Nations Global Compact Index

UNGC Index

Clariant has been a member of the United Nations Global Compact (UNGC) since 2013 and reports on its contribution to the ten principles of the Global Compact in this Communication on Progress (COP).

Topic	Principles	References to chapters and sections of Clariant's Integrated Reporting 2025
Human Rights	1: Businesses should support and respect the protection of internationally proclaimed human rights; and	→ S1 Sub-Chapter III – Human Rights → S2 – Workers in the Value Chain → E4 – Biodiversity and Bio-Based Economy
	2: make sure that they are not complicit in human rights abuses.	→ S1 Sub-Chapter III – Human Rights
Labor	3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	→ S1 Sub-Chapter III – Human Rights
	4: the elimination of all forms of forced and compulsory labor;	→ S1 Sub-Chapter III – Human Rights
	5: the effective abolition of child labor; and	→ S1 Sub-Chapter III – Human Rights
	6: the elimination of discrimination in respect of employment and occupation.	→ S1 Sub-Chapter IV – Diversity, Equity, and Inclusion → S1 Sub-Chapter III – Human Rights
Environment	7: Businesses should support a precautionary approach to environmental challenges;	→ E1 – Climate Change → ESRS 2 – General Disclosures
	8: undertake initiatives to promote greater environmental responsibility; and	→ E1 – Climate Change → E2 – Pollution → E3 – Water → E4 – Biodiversity and Bio-Based Economy → E5 – Circular Economy
	9: encourage the development and diffusion of environmentally friendly technologies.	→ E4 – Biodiversity and Bio-Based Economy → E5 – Circular Economy → E2 Sub-Chapter II – Substances of Very High Concern
Anti-Corruption	10: Businesses should work against corruption in all its forms, including extortion and bribery.	→ G1 – Business Conduct

ESRS Disclosure Requirement Index

ESRS Content Index

Clariant is not legally required to report under the Corporate Sustainability Reporting Directive (CSRD) for the 2025 financial year, nevertheless it has voluntarily prepared its sustainability statement in alignment with the European Sustainability Reporting Standards (ESRS) for its 2025 sustainability statement. This index shows where to find the ESRS Disclosure Requirements (DRs) material for Clariant. Please note that some DRs were omitted

from the 2025 report, as their implementation is still in progress. KPMG has provided assurance for the selected disclosures indicated in the external assurance column, which also indicates disclosures not included in the external assurance. The scope excludes phase-in provisions, respectively voluntary data points.

Disclosures	Location	Omission	External Assurance
General disclosures			
ESRS 2: General Disclosures			
BP-1 – General basis for preparation of sustainability statements	→ ESRS 2-BP-1 General Basis of Sustainability Statement → ESRS 2- BP-2 – Background Information		→ KPMG CH
BP-2 – Disclosures in relation to specific circumstances	→ ESRS 2-BP-1 General Basis of Sustainability Statement → ESRS 2- BP-2 – Background Information		→ KPMG CH
GOV-1 – The role of the administrative, management and supervisory bodies	→ ESRS 2-GOV-1, GOV-2 and GOV-3 Role of the Administrative, Management and Supervisory Bodies		→ KPMG CH
GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	→ ESRS 2-GOV-1, GOV-2 and GOV-3 Role of the Administrative, Management and Supervisory Bodies		→ KPMG CH
GOV-3 – Integration of sustainability-related performance in incentive schemes	→ ESRS 2-GOV-1, GOV-2 and GOV-3 Role of the Administrative, Management and Supervisory Bodies		→ KPMG CH
GOV-4 – Statement on due diligence	→ ESRS 2-GOV- 4-Statement on Due Diligence		→ KPMG CH
GOV-5 – Risk management and internal controls over sustainability reporting strategy	→ ESRS 2- GOV-5 Risk Management and Internal Controls over Sustainability Reporting		→ KPMG CH
SBM-1 – Strategy, business model and value chain	→ ESRS 2- SBM-1- Strategy, Business Model and Value Chain		→ KPMG CH
SBM-2 – Interests and views of stakeholders	→ ESRS 2-SBM-2- Interests and views of stakeholders		→ KPMG CH
SBM-3 – Material impacts, risks and opportunities (IROs) and their interaction with strategy and business model	→ ESRS 2-SBM-3 Material Impacts, Risks and Opportunities (IROs) and their interaction with Strategy and Business Model	ESRS 2 SBM-3 § 48 (d),(f)	→ KPMG CH
ESRS 2-IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	→ ESRS 2- IRO-1- Description of the Processes to Identify material IROs		→ KPMG CH
ESRS 2-IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement	→ ESRS 2- IRO-1- Description of the Processes to Identify material IROs → ESRS Disclosure Requirement Index		→ KPMG CH
Climate Change			
E-1: Climate Change			
E1-GOV-3- Integration of sustainability-related performance in incentive schemes	→ E1 – Climate Change		→ KPMG CH
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	→ E1-SBM-3 and IRO-1 – Impacts, Risks and Opportunities and their Identification		→ KPMG CH (excluding SBM-3 § 19)
ESRS 2 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities	→E1-SBM-3 and IRO-1 – Impacts, Risks and Opportunities and their Identification		→ KPMG CH (excluding information related to Scope 3 GHG emissions)
E1-1 – Transition plan for climate change mitigation	→ E1-1 and E1-4 Transition Plan and GHG Reduction Targets → E1-1 and E1-3 -Financial Resources Allocated for Climate Actions	E1-1 § 16 (c),(e), § 16 (e) AR4 for Scope 1,2,3 and § 16 (b) with respect to Scope 3 GHG emissions)	→ KPMG CH
E1-2 – Policies related to climate change mitigation and adaptation	→ E1-2 Strategic Approaches and Policies → Policies relevant to Clariant's material IROs		→ KPMG CH
E1-3 – Actions and resources in relation to climate change policies	→ E1-3 Actions → E1-1 and E1-3 -Financial Resources Allocated for Climate Actions	E1-3-§ 29 (c) (i)-(iii), AR22	→ KPMG CH (Excluding financial savings included in the E1-3 actions table, E1-3 § 29 (b))

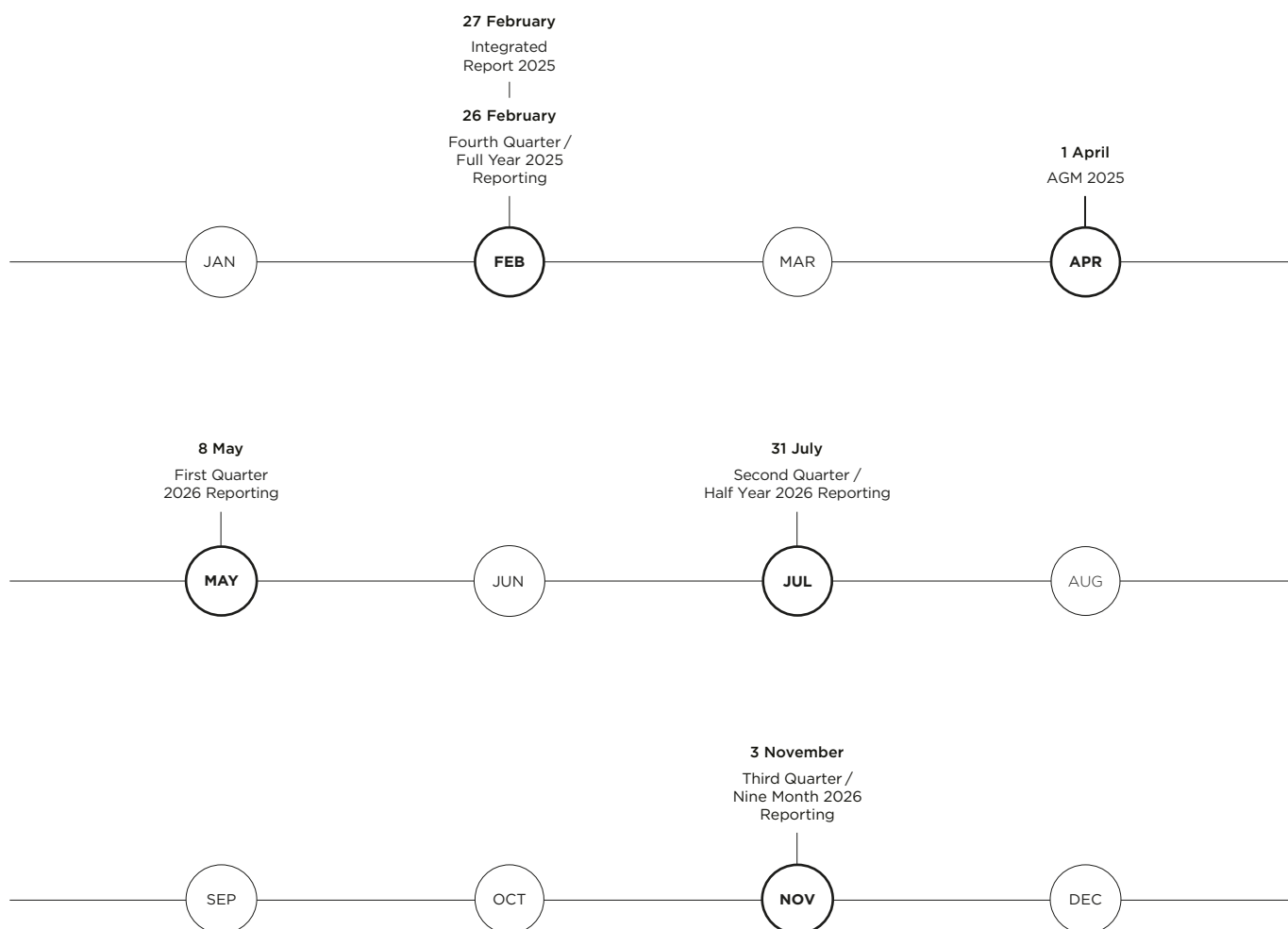
Disclosures	Location	Omission	External Assurance
E1-4 – Targets related to climate change mitigation and adaptation	→ E1-1 and E1-4 Transition Plan and GHG Reduction Targets → E1-4, E1-5 and E1-6 – Metrics and Targets	E1-4 § 34 (e),(f) with respect to information on value chain operations	→ KPMG CH
E1-5 – Energy consumption and mix	→ E1-4, E1-5 and E1-6 – Metrics and Targets → Energy Consumption table		→ KPMG CH
E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	→ E1-4, E1-5 and E1-6 – Metrics and Targets → Gross Scopes 1, 2, and 3 (total GHG emissions tables) → Further Breakdown of Scope 1&2 GHG emissions		→ KPMG CH (Excluding AR45 (e), AR46 (j))
E1-7 – GHG removals and GHG mitigation projects financed through carbon credits	→ E1-7 – Carbon Credits		
E1-8 – Internal Carbon Pricing	→ E1-8 – Internal Carbon Pricing		→ KPMG CH (excluding information on »Avoided emissions«)
E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	→ Material physical and transition risks and potential climate-related opportunities and the related anticipated financial effects	All omitted except E1-9 § 66 (c)	→ KPMG CH (limited to E1-9 § 66 (c))
Pollution			
E2: Pollution ESRS 2 IRO-1 – Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	→ E2- SBM-3 and IRO Description of IROs and Interaction with strategy and Business Model → Material IROs Related to Pollution Table		→ KPMG CH
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	→ E2- SBM-3 and IRO Description of IROs and Interaction with strategy and Business Model		
E2-1 – Policies related to pollution	→ E2-1 – Policies related to Pollution of Water → E2-1 – Policies related to SVHC → Policies relevant to Clariant's material IROs	Policies related to Pollution of Air	→ KPMG CH
E2-2 – Actions and resources related to pollution	→ E2-2 – Actions Related to Pollution of Water → E2-2 – Actions and resources related to Substances of Very High Concern	Actions and resources related to Pollution of Air	
E2-3 – Targets related to pollution	→ E2-3 – Targets related to pollution of water → E2-3 – Targets related to Substances of Very High Concern	Targets related to Pollution of Air	→ KPMG CH
E2-4 – Pollution of air, water and soil	→ E2-4 – Metrics Related to Pollution of Water	Metrics Related to Pollution of air	
E2-5 – Substances of concern and substances of very high concern	→ E2- Metrics Related to Substances of Very High Concern		
Water			
E3: Water ESRS 2 IRO-1 – Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	→ E3-IRO-1- Description of IROs		
E3-1 – Policies related to water and marine resources	→ E3-1 – Policies → Policies relevant to Clariant's material IROs		→ KPMG CH
E3-2 – Actions and resources related to water and marine resources	→ E3-2 – Actions		→ KPMG CH
E3-3 – Targets related to water and marine resources	→ E3-3 – Targets		→ KPMG CH
E3-4 – Water consumption	→ E3-4 – Metrics Related to Water Consumption (including Water Withdrawals)		→ KPMG CH
Biodiversity and Bio-Based Economy			
E4: Biodiversity and Bio-Based Economy ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	→ E4-SBM-3 and IRO-1 Description of IROs and Process to Identify IROs		→ KPMG CH (excluding SBM-3 § 16 (a) (i)-(iii), (c) and information on 40 sites located in close proximity to biodiversity sensitive areas)

Disclosures	Location	Omission	External Assurance
ESRS 2- IRO-1 – Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies, and opportunities	→ E4-SBM-3 and IRO-1 Description of IROs and Process to Identify IROs		→ KPMG CH (excluding IRO-1 § 17 (a-d), (e) and (i))
E4-1 – Transition Plan and Consideration of Biodiversity and Ecosystems in Strategy and Business Model	→ E4-1 – Transition Plan and Consideration of Biodiversity and Ecosystems in Strategy and Business Model		
E4-2 – Policies related to biodiversity and ecosystems	→ E4-2 – Policies → Policies relevant to Clariant's material IROs		
E4-3 – Actions and resources related to biodiversity and ecosystems	→ E4-3 – Actions		
E4-4 – Targets related to biodiversity and ecosystems	→ E4-4 and E4-5 Metric and Targets		
E4-5 – Impact metrics related to biodiversity and ecosystems change	→ E4-4 and E4-5 Metric and Targets		
Circular Economy			
E5: Circular Economy			
ESRS 2 IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	→ E5-IRO-1 – Description of IROs		→ KPMG CH
E5-1 – Policies related to resource use and circular economy	→ E5-1 – Policies related to Circular Economy → Policies relevant to Clariant's material IROs		
E5-2 – Actions and resources related to resource use and circular economy	→ E5-2 – Actions		
E5-3 – Targets related to resource use and circular economy	→ E5-3 – Targets related to resource use and circular economy		
E5-4 – Resource inflows	→ E5-4 – Resource inflows		→ KPMG CH (limited to E5-4 § 31 (a))
E5-5 – Resource outflows	→ E5-5 – Resource outflows	E5-5 § 36	→ KPMG CH (limited to E5-5 § 37 (a-d), § 38, § 39, § 40)
Own Workforce			
S1: Own Workforce			
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	→ S1-SBM-3 and IRO-1 Description of IROs and Interaction with Strategy		→ KPMG CH (excluding information on material IROs related to the sub-sub-topics (1) Adequate wages, (2) Social dialogue, (3) Work-life balance, and (4) Gender equality and equal pay for work of equal value)
ESRS 2 IRO 1 – Material impacts, risks and opportunities and their interaction with strategy and business model	→ S1-SBM-3 and IRO-1 Description of IROs and Interaction with Strategy		→ KPMG CH
S1-1 – Policies related to own workforce	→ S1-1 Policies Related to Training and Skills Development → S1-1 Policies Related to Health and Safety → S1-1 Policies Regarding Human Rights → S1-1 Policies Related to Diversity, Equity, and Inclusion → Policies relevant to Clariant's material IROs		→ KPMG CH (excluding ESRS 2 § 65(e) for Diversity and information on material IROs related to the sub-sub-topics (1) Adequate wages, (2) Social dialogue, (3) Work-life balance, and (4) Gender equality and equal pay for work of equal value)
S1-2 – Processes for engaging with own workers and workers' representatives about impacts	→ S1-2 Processes Related to Training and Skills Development → S1-2 and S1-3 – Processes Related to Health and Safety → S1-2 Processes Related to Diversity, Equity and Inclusion		→ KPMG CH (excluding information on material IROs related to the sub-sub-topics (1) Adequate wages, (2) Social dialogue, (3) Work-life balance, (4) Gender equality and equal pay for work of equal value, (5) Diversity, and (6) Training and skills development)
S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns	→ S1-2 and S1-3 – Processes Related to Health and Safety → S1-3 – Remediation Processes and Reporting Channels Related to Diversity, Equity and Inclusion		→ KPMG CH (excluding information on material IROs related to the sub-sub-topics (1) Adequate wages, (2) Social dialogue, (3) Work-life balance, (4) Gender equality and equal pay for work of equal value, (5) Diversity, and (6) Training and skills development)

Disclosures	Location	Omission	External Assurance
S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	→ S1-4 Actions Related to Training and Skills Development → S1-4 Actions Related to Health and Safety → S1-4 Actions Related to Diversity, Equity and Inclusion		→ KPMG CH (excluding information on material IROs related to the sub-sub-topics (1) Adequate wages, (2) Social dialogue, (3) Work-life balance, (4) Gender equality and equal pay for work of equal value, (5) Diversity, and (6) Training and skills development; ESRS 2 § 68 (e)).
S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	→ S1-5 Targets related to Training and Skills Development → S1-5 and S1-14- Metrics and Targets Related to Health and Safety → S1-5 Targets Related to Diversity, Equity and Inclusion		
S1-6 – Characteristics of the undertaking's employees	→ S1-6 – Characteristics of Employees	S1-6 § 50 (a) total number of employees by country, for countries in which the undertaking has 50 or more employees, representing at least 10% of its total number of employees	→ KPMG CH
S1-9 – Diversity metrics	→ S1-9 – Metrics Related to Diversity, Equity and Inclusion		→ KPMG CH
S1-13 – Training and skills development metrics	→ S1-13- Results and KPIs Related to Training and Skills Development		
S1-14 – Health and safety metrics	→ S1-5 and S1-14- Metrics and Targets Related to Health and safety metrics		→ KPMG CH
S1-15 – Work life balance metrics	→ Work-life Balance Indicators		
S1-17 – Incidents, complaints and severe human rights impacts	→ S1-17 – Human Rights Related Metrics		→ KPMG CH
Workers in the value chain			
S2: Workers in the Value Chain			
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	→ S2-SBM -3 and IRO – Description of IROs and Interaction with strategy and Business Model		
ESRS 2 IRO 1 – Description of the process to identify and assess material impacts, risks and opportunities	→ S2-SBM -3 and IRO – Description of IROs and Interaction with strategy and Business Model		
S2-1 – Policies related to Value Chain Workers	→ S2-1 – Policies → Policies relevant to Clariant's material IROs		
S2-2 – Processes for Engaging with Value Chain Workers About Impacts	→ S2-2 – Processes for engaging with value chain workers about impacts		
S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns	→ S2-3 – Processes and channels for Concerns of Value Chain Workers → S2-4 – Taking action with respect to material impacts on Value Chain Workers		
S2-4 – Taking action with respect to material impacts on Value Chain Workers	→ S2-4 – Actions		
S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risk and opportunities	→ S2-5 – Targets		
Business Conduct			
G1: Business Conduct			
ESRS 2 GOV-1 – The role of the administrative, supervisory and management bodies	→ GOV-1 Strategy and Governance → GOV-1 – Compliance Program		→ KPMG CH
G1: Business Conduct			
ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	→ G1- IRO-1 – Description of IROs		→ KPMG CH (excluding information on the material IRO related to the sub-topic Corporate Culture)
G1-1 – Business conduct policies and corporate culture	→ G1-1- Compliance Program → Policies relevant to Clariant's material IROs	G1-1 § 10 (h)	
G1-3 – Prevention and detection of corruption and bribery	→ G1-3 – Prevention and Detection of corruption and Bribery		→ KPMG CH
G1-4 – Incidents of corruption or bribery	→ G1-4 – Incidents of Corruption or Bribery	G1-4 § 24 (b)	→ KPMG CH



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Note about forward-looking statements

This report contains forward-looking statements based on current assumptions and projections made by Management. Such statements are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and performance of Clariant International Ltd to differ from those expressed in, implied, or projected by the forward-looking information and statements. The information published in this report is provided by Clariant International Ltd and corresponds to the status as of the date of publication of this report.

Approved by the Board of Directors on 25 February 2026